



Council officially opened the \$450,000 upgrade to the forecourt area at Shelly Beach on 29 September, which now complements the surf club built in 2011 and has been very well received by the community.

Wyong Shire Council

Business Paper

ORDINARY COUNCIL MEETING

14 October 2015

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MEETING NOTICE

**The Ordinary Council Meeting
of Wyong Shire Council
will be held in the Council Chamber,
Wyong Civic Centre, Hely Street, Wyong on
Wednesday 14 October 2015 at 5.00pm,
for the transaction of the business listed below:**

OPENING PRAYER

ACKNOWLEDGEMENT OF COUNTRY

RECEIPT OF APOLOGIES

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At the conclusion of the meeting and at the discretion of the Mayor, Council may meet with staff in an informal, non-decision making mode for a period of no more than 30 minutes.

Rob Noble
ACTING CHIEF EXECUTIVE OFFICER

1.1 Disclosures of Interest

TRIM REFERENCE: F2015/00040-02 - D12095599

MANAGER: Lesley Crawley, Manager Corporate Governance

AUTHOR: Jacquie Elvidge; Councillor Services Officer

The provisions of Chapter 14 of the *Local Government Act, 1993* regulate the way in which Councillors and nominated staff of Council conduct themselves to ensure that there is no conflict between their private interests and their public trust.

The Act prescribes that where a member of Council (or a Committee of Council) has a direct or indirect financial (pecuniary) interest in a matter to be considered at a meeting of the Council (or Committee), that interest must be disclosed as soon as practicable after the start of the meeting and the reasons for declaring such interest.

As members are aware, the provisions of the Local Government Act restrict any member who has declared a pecuniary interest in any matter from participating in the discussions, voting on that matter, and require that member to vacate the Chamber.

Council's Code of Conduct provides that if members have a non-pecuniary conflict of interest, the nature of the conflict must be disclosed. The Code also provides for a number of ways in which a member may manage non pecuniary conflicts of interest.

RECOMMENDATION

That Councillors now disclose any conflicts of interest in matters under consideration by Council at this meeting.

1.2 Proposed Inspections and Briefings

TRIM REFERENCE: F2015/00040-02 - D12095719
MANAGER: Lesley Crawley, Manager Corporate Governance
AUTHOR: Jacquie Elvidge; Councillor Services Officer

SUMMARY

Briefings proposed for this meeting and future meetings to be held in the Wilfred Barrett and Tim Farrell Committee Rooms:

Date	Briefing	Directorate
14 October 2015	Rustrum Site, Toukley	Development and Building
14 October 2015	Magenta Shared Pathway	Community and Recreation Services
14 October 2015	Ward Boundary Adjustment	CEO Unit
14 October 2015	Year of the Volunteer 2016	Community and Recreation Services
14 October 2015	Azzuro Blu Wharf	Property and Economic Development
14 October 2015	CONFIDENTIAL - Wyong Grove Public School site	Property and Economic Development

RECOMMENDATION

That Council receive the report on Proposed Inspections and Briefings.

ATTACHMENTS

- 1 Councillor proposed inspections and briefings - 14 October 2015 D12105788



Proposed Briefings List to Date



Briefing Title:	Directorate:	Proposed Month:	Proposed Date:
Rustrum Site, Toukley	Development and Building		14/10/2015
Magenta Shared Pathway	Community and Recreation Services		14/10/2015
Ward Boundary Adjustment	CEO Unit		14/10/2015
Year of the Volunteer 2016	Community and Recreation Services		14/10/2015
Azzuro Blu Wharf	Property and Economic Development		14/10/2015
CONFIDENTIAL - Wyong Grove Public School site	Property and Economic Development		14/10/2015
Lakeside Plaza, The Entrance Planning Proposal	Development and Building		28/10/2015
CONFIDENTIAL - Central Coast Airport CBA	Property and Economic Development		28/10/2015
Skate Park	Community and Recreation Services		28/10/2015
Ourimbah Masterplan	Property and Economic Development		28/10/2015
Core Systems Transition Status Report	CEO Unit		28/10/2015
Strategic Planning Calendar & Process	CEO Unit		28/10/2015
Lake Munmorah Kiosk	Community and Recreation Services		28/10/2015
2016/17 Environmental Strategy	Development and Building		28/10/2015
INSPECTION - Rural Land Use Review & Strategy	Development and Building		04/11/2015
Tourism Update	Community and Recreation Services		25/11/2015
Central Coast Regional Plan	Development and Building		25/11/2015
Rural Land Use Review & Strategy	Development and Building		25/11/2015
Development Infrastructure - Porters Creek Stormwater Diversion Project	Development and Building	November	
Specifications for the Domestic Waste Collection Service.	Property and Economic Development	November	

1.3 Address By Invited Speakers

TRIM REFERENCE: F2015/00040-02 - D12095737
MANAGER: Lesley Crawley, Manager Corporate Governance
AUTHOR: Jacquie Elvidge; Councillor Services Officer

SUMMARY

There have been no requests to address the Ordinary Meeting at the time of printing the Business Paper.

RECOMMENDATION

That Council receive the report on Invited Speakers.

ATTACHMENTS

Nil.

1.4 Confirmation of Minutes of Previous Meeting

TRIM REFERENCE: F2015/00040-02 - D12095742

MANAGER: Lesley Crawley, Manager Corporate Governance

AUTHOR: Jacquie Elvidge; Councillor Services Officer

SUMMARY

Confirmation of minutes of the previous Ordinary Meeting of Council held on Wednesday 23 September 2015.

RECOMMENDATION

That Council confirm the minutes of the previous Ordinary Meeting of Council held on Wednesday 23 September 2015.

ATTACHMENTS

- 1 MINUTES - Ordinary Meeting Meeting - 23 September 2015 D12091620

WYONG SHIRE COUNCIL

**MINUTES OF THE
ORDINARY COUNCIL MEETING OF COUNCIL**

HELD IN THE COUNCIL CHAMBER
WYONG CIVIC CENTRE, HELY STREET, WYONG
ON 23 SEPTEMBER 2015
COMMENCING AT 5.00PM

PRESENT

Councillors D J Eaton OAM (Chairperson), G P Best, R L Graham, K G Greenwald, L A Matthews, L S Taylor, A Troy, D P Vincent and L D Webster.

IN ATTENDANCE

Acting Chief Executive Officer, Director Development and Building, Director Infrastructure and Operations, Director Property and Economic Development, Acting Director Community and Recreation Services, General Counsel, Communications Coordinator, Financial Controller, IT Infrastructure Administrator, IT and Operations Manager, Team Leader Governance and Councillor Services and two administration staff.

The Mayor, Councillor Eaton OAM, declared the meeting open at 5.00pm and advised in accordance with the Code of Meeting Practice that the meeting is being recorded.

John Hardwick delivered the opening prayer and Councillor Matthews read an acknowledgment of country statement.

APOLOGIES

There were no apologies.

At the commencement of the ordinary meeting report numbers 1.1, 1.6, 8.1, 8.2 and 4.5 were dealt with first then the remaining reports in order. However for the sake of clarity the reports are recorded in their correct agenda sequence.

1.1 Disclosures of Interest

5.3 Regional Roll-out of Council Skate Park Facilities

Councillor Vincent declared a non-pecuniary insignificant interest in the matter for the reason that he is an employee of Delta Electricity who lease the Koala Park Colongra, Colongra Sports Budgewoi and the Extreme Sports Park San Remo to Wyong Council for a peppercorn rate and participated in consideration of this matter.

Councillor Vincent stated:

"I choose to remain in the chamber and participate in discussion and voting as the conflict has not influenced me in carrying out my public duty."

4.3 CPA/262608 - Design and Supply of Corporate and Operational Uniform

Councillor Best declared a non-pecuniary significant conflict of interest in the matter for the reason that he is General Manager at Central Coast Group Training who has staff employed with the tenderer. This item was resolved by the exception method.

4.4 CPA/264704 - Supply & installation of Electrical Kiosk - Art House

Ms Julie Vaughan declared a non-pecuniary insignificant interest in the matter for the reason that she has been appointed as the Council representative to the Art House Board. This item was resolved by the exception method.

Councillor Eaton declared a non-pecuniary insignificant interest in the matter for the reason that he is a Council delegate to the Art House Board. This item was resolved by the exception method.

4.5 Tenders for Theatre & Studio fit out at Art House

Ms Julie Vaughan declared a non-pecuniary insignificant interest in the matter for the reason that she has been appointed as the Council representative to the Art House Board and participated in consideration of this matter.

Councillor Eaton declared a non-pecuniary insignificant interest in the matter for the reason that he is a Council delegate to the Art House Board and participated in consideration of this matter.

Councillor Eaton stated:

"I choose to remain in the chamber and participate in discussion and voting as the conflict has not influenced me in carrying out my public duty because I am a Council delegate."

RESOLVED unanimously on the motion of Councillor WEBSTER and seconded by Councillor GREENWALD:

973/15 That Council receive the report on Disclosure of Interest and note advice of disclosures.

PROCEDURAL MOTION

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

974/15 That Council allow meeting practice to be varied.

975/15 That Council use the exception method to deal with the balance of the Agenda.

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

976/15 That with the exception of report numbers 1.6, 4.5, 5.2, 5.3, 5.4, 6.1, 6.2, 6.4, 8.1 and 8.2 Council adopt the recommendations contained in the remaining reports.

1.2 Proposed Inspections and Briefings

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

977/15 That Council receive the report on Proposed Inspections and Briefings.

1.3 Address By Invited Speakers

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

978/15 That Council receive the amended report on Invited Speakers.

979/15 That Council agree meeting practice be varied to allow reports from Directors and/or the General Manager to be dealt with following an Invited Speaker's address.

1.4 Confirmation of Minutes of Previous Meeting

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

980/15 That Council confirm the minutes of the Ordinary and Extraordinary Meetings of Council held on Wednesday 9 September 2015.

Business Arising

There was no business arising.

1.5 Notice of Intention to Deal with Matters in Confidential Session

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

981/15 That Council consider the following matters in Confidential Session, pursuant to Sections 10A (2)(g) of the Local Government Act 1993:

9.1 Answer to Question on Notice - Q28/15 - Gateway To Toukley,

982/15 That Council note its reason for considering Report No 9.1 – Answer to Question on Notice - Q28/15 - Gateway To Toukley, as it contains advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

983/15 That Council request the Acting Chief Executive Officer to report on these matters in open session of Council.

1.6 Mayoral Minute - The Entrance Surf Club Lease

Mr Glenn Clarke, President, The Entrance Surf Life Saving Club, addressed the meeting at 5.07pm, answered questions and retired at 5.18pm.

RESOLVED unanimously on the motion of Councillor EATON:

984/15 That Council request The Entrance Surf club enter into suitable arrangements with Council for the clearance of the outstanding rates and charges.

985/15 That Council request for additional purpose to be added to the Reserve under Section 121A of the Crown Lands Act 1989.

986/15 That Council amend the lease to include a sub-lease permitting a café/restaurant to be included in the footprint of The Entrance Surf Club.

987/15 That Council share the rental derived from the commercial operation with The Entrance Surf Club.

988/15 That Council require The Entrance Surf Club to spend their share of the rental on Surf Life Saving activities and/or equipment, and provide annual financial statements to show how these funds have been distributed.

2.1 RZ/2/2013 - Revision of Planning Proposal for East Wadalba Urban Land Release Area (Precincts 2A and 2B in the North Wyong Shire Structure Plan)

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

- 989/15 That Council note the landowner group's request to revise the WELOG project boundary to only include Precinct 2A and 2B of the North Wyong Shire Structure Plan and as such rescind resolutions 1097/13 to 1104/13 which also applied to land within Precinct 3B,
- 990/15 That Council prepare a Planning Proposal to amend Wyong Local Environmental Plan 2013 for land within Precincts 2A and 2B as shown in the North Wyong Shire Structure Plan and submit this to the Department of Planning and Environment.
- 991/15 That Council seek a revised gateway determination from the Department of Planning and Environment with 18 months to finalise the planning proposal to be requested.
- 992/15 That Council require, subject to the gateway determination, the applicant/landowner consortium submit a Wyong LEP 2013 Amendment Request in accordance with Council's Planning Proposal Procedure to recover the costs involved in further progressing the proposal.
- 993/15 That Council undertake community and government agency consultation, in accordance with the requirements attached to the gateway determination.
- 994/15 That Council authorise the General Manager (or delegate) to sign any infrastructure and servicing agreement to support the rezoning. This agreement shall:
- a Address the cost, timing, staging and responsibilities for funding and provision of infrastructure to service the development.
 - b Ensure that Council is not responsible for the cost of any public infrastructure required to support the development such as hard infrastructure (including, roads water and sewer and drainage) and soft infrastructure (which includes open space, community facilities and environmental corridors).
- 995/15 That Council reach an "in principle" agreement on Item 6 between the Applicant (on behalf of the Wadalba Landowners Lobby Group), Council and State Government prior to the public exhibition of the Planning Proposal.
- 996/15 That Council advise the applicant that the Planning Proposal will not proceed beyond public exhibition until agreement is reached on the provision of Council and State Government infrastructure to service new development (This agreement shall be based on the "principle of no additional cost to government").
- 997/15 That Council prepare appropriate Wyong Development Control Plan provisions to guide the development of Precincts 2A and 2B – East Wadalba and exhibit these concurrently with the planning proposal.

998/15 That Council advise the landowners within precincts 2A, 2B, and 3B of the resolution and next steps for the proposal.

FOR: CRS GB BEST, DE EATON, B G GRAHAM, KG GREENWALD, LM MATTHEWS, LT TAYLOR, AT TROY, DV VINCENT AND LW WEBSTER

AGAINST: NIL

2.2 Planning Proposal - 31 Palmdale Road Palmdale - Results of Agency and Community Consultation

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

999/15 That Council request the Acting Chief Executive Officer to exercise the Written Authorisation to Exercise Delegation for RZ/15/2014 being the rezoning of 31 Palmdale Road Palmdale, and proceed with the steps for drafting and making of the amendment to Wyong Local Environmental Plan 2013.

FOR: CRS GB BEST, DE EATON, B G GRAHAM, KG GREENWALD, LM MATTHEWS, LT TAYLOR, AT TROY, DV VINCENT AND LW WEBSTER

AGAINST: NIL

3.1 Classification of Land, Lots 133, 136 and 138 DP 1194748 at Drovers Way, Wadalba

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

1000/15 That Council classify Lots 133 and 136 DP 1194748 at Drovers Way, Wadalba as Operational Land.

1001/15 That Council note that:

- a** Nothing in the above resolution authorises the sale of the subject land (section 377(1)(h) of the Local Government Act 1993 provides that any sale of land can only be by resolution of Council).
- b** Section 31(3) of the Local Government Act 1993 provides that Council must not resolve that land be classified as operational land if the resolution is inconsistent with the terms of any trust applying to the land.

4.1 CPA/256334 - Operation and Management of Councils Four Holiday parks Located within Wyong Shire Council

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

1002/15 That Council accept the tender from Discovery Holiday Parks Pty Ltd, for a period of three (3) years for Contract CPA/256334 –Operation and Management of Councils four Holiday Parks located within Wyong Shire Council. The estimated annual expenditure against this contract is \$2,257,220 (excl GST); however the actual expended amount will vary with fluctuations in the Monthly Operational Profit and changes to the nominated retainer, due to variations in the CPI (All Groups Sydney).

1003/15 That Council determine the Tender Evaluation Report Attachments A & B remain confidential in accordance with Section 10 A (2) (d) of the Local Government Act 1993 as the reports contain commercial information of a confidential nature, except for the name of the successful tenderer(s), which may be disclosed after Council has resolved to accept that tender/those tenders.

4.2 CPA/257590 - Hire Trucks - Heavy Plant Equipment - 2015-2017

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

1004/15 That Council accept all conforming tenderers received in the attached Tender Evaluation Report, for a period of up to 2 years for Contract CPA/257590 – Hire Trucks – Heavy Plant Equipment – 2015-2017. The estimated annual expenditure against this contract is estimated at \$4,526,000.00 (excl GST), however actual expenditure may vary significantly with fluctuations in demand.

1005/15 That Council determine the Tender Evaluation Report in Attachment A remains confidential in accordance with Section 10 A (2) (d) of the Local Government Act 1993 as the report contains commercial information of a confidential nature, except for the name of the successful tenderers, which may be disclosed after Council has resolved to accept those tenders.

1006/15 That Council approve the contingency sum as detailed in the Tender Evaluation Report in Attachment A.

4.3 CPA/262608 - Design and Supply of Corporate and Operational Uniform

Councillor Best declared a non-pecuniary significant conflict of interest in the matter for the reason that he is General Manager at Central Coast Group Training who has staff employed with the tenderer. This item was resolved by the exception method.

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

1007/15 That Council accept the tender from Goodgear Pty Ltd, for a period of four years for Contract CPA/262608 – Design and Supply of Corporate and Operational Uniform. The estimated annual expenditure against this contract is \$306423.55) (excl GST), however actual expenditure may vary significantly with fluctuations in demand.

- 1008/15 ***That Council determine the Tender Evaluation Report in Attachment A remains confidential in accordance with Section 10 A (2) (d) of the Local Government Act 1993 as the report contains commercial information of a confidential nature, except for the name of the successful tenderer, which may be disclosed after Council has resolved to accept that tender.***

4.4 CPA/264704 - Supply & installation of Electrical Kiosk - Art House

Ms Julie Vaughan declared a non-pecuniary insignificant interest in the matter for the reason that she has been appointed as the Council representative to the Art House Board. This item was resolved by the exception method.

Councillor Eaton declared a non-pecuniary insignificant interest in the matter for the reason that he is a Council delegate to the Art House Board. This item was resolved by the exception method.

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

- 1009/15 ***That Council accept the tender from Bedrule Pty Ltd, for the lump sum amount of \$223,298.79 (excl GST) for Contract CPA/264704 – Supply & installation of electrical kiosk.***
- 1010/15 ***That Council determine the Tender Evaluation Report in Attachment A, remains confidential in accordance with Section 10 A (2) (d) of the Local Government Act 1993 as the report contains commercial information of a confidential nature, except for the name of the successful tenderer, which may be disclosed after Council has resolved to accept that tender.***
- 1011/15 ***That Council approve the contingency sum as detailed in the Tender Evaluation Report in Attachment A.***

4.5 Tenders for Theatre & Studio fit out at Art House

Ms Julie Vaughan declared a non-pecuniary insignificant interest in the matter for the reason that she has been appointed as the Council representative to the Art House Board and participated in consideration of this matter.

Councillor Eaton declared a non-pecuniary insignificant interest in the matter for the reason that he is a Council delegate to the Art House Board and participated in consideration of this matter.

Councillor Eaton stated:

“I choose to remain in the chamber and participate in discussion and voting as the conflict has not influenced me in carrying out my public duty because I am a Council delegate.”

RESOLVED unanimously on the motion of Councillor TAYLOR and seconded by Councillor TROY:

- 1012/15 ***That Council accept the tender from Jands Venue Engineering Pty Ltd (Jands), for the lump sum amount of \$1,274,374.00 (excl GST) for Contract CPA/241428A Art House fit out.***

1013/15 That Council **determine** the Tender Evaluation Report in Attachment A, remains confidential in accordance with Section 10 A (2) (d) of the Local Government Act 1993 as the report contains commercial information of a confidential nature, except for the name of the successful tenderer, which may be disclosed after Council has resolved to accept that tender.

1014/15 That Council **approve** the contingency sum as detailed in the Tender Evaluation Report in Attachment A.

5.1 Policy - Rate reduction for pensioners

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

1015/15 That Council **note** that a review of the Rates Reduction for Pensioners Policy has been undertaken.

1016/15 That Council **adopt** the Rates Reduction for Pensioners Policy attached to this report.

5.2 Tourism Framework and Plan 2015-2017

Councillor Troy left the meeting at 7.28pm and returned to the meeting at 7.30pm during consideration of this item.

RESOLVED unanimously on the motion of Councillor WEBSTER and seconded by Councillor MATTHEWS:

1017/15 That Council **adopt** the Tourism Framework and Plan 2015-2017.

5.3 Regional Roll-out of Council Skate Park Facilities

Councillor Vincent declared a non-pecuniary insignificant interest in the matter for the reason that he is an employee of Delta Electricity who lease the Koala Park Colongra, Colongra Sports Budgewoi and the Extreme Sports Park San Remo to Wyong Council for a peppercorn rate and participated in consideration of this matter.

Councillor Vincent stated:

"I choose to remain in the chamber and participate in discussion and voting as the conflict has not influenced me in carrying out my public duty."

Councillor Vincent left the meeting at 7.47pm and returned to the meeting at 7.48pm during consideration of this item.

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TROY:

1018/15 That Council **receive** this report on a preferred site and budget to construct a new skate park in the North of Wyong Shire.

1019/15 That Council **consider** allocating funds for investigation, planning and design budget of \$120,000.00 in the 2016/17 CAPEX budget.

- 1020/15 That Council consider, in conjunction with Recommendation 2, to fund Option 1 in this report in the 2017/18 CAPEX budget to the value of \$1,000,000.00.
- 1021/15 That Council request the Acting Chief Executive Officer report back to Council on the findings from the investigation, planning and design works.
- 1022/15 That, further to Council's 2014 Strategic Planning Workshop that identified the need for a regional play facility in our Shire's north, Council seek to co-locate such a facility with the proposed \$1million Munmorah skate park.
- 1023/15 That Council request the Acting Chief Executive Officer report on providing such a facility, the costs, budgetary options, suitability of co-locating and including any physical site constraints/area.
- 1024/15 That Council request the Acting Chief Executive Officer report on options for the vacated former skate park site and to accommodate community use of the netball courts. ie: seating access, pathways and spectator facilities.

5.4 Casual Vacancy in Civic Office - Wyong Shire Council

Councillor Greenwald left the meeting at 7.49pm and returned to the meeting at 7.51pm during consideration of this item.

RESOLVED unanimously on the motion of Councillor EATON and seconded by Councillor WEBSTER:

- 1025/15 That the Council apply to the Minister for Local Government for the issue of an order under s. 294(2)(a) of the Local Government Act 1993 that the casual vacancy in the civic office last held by Cr Nayna not be filled by a by-election.
- 1026/15 That the Council request the Acting Chief Executive Officer make that application to the Minister.
- 1027/15 That the Council resolve that, in the event the Minister does not issue as order under s. 294(2)(a) of the Local Government Act 1993, that:
- a. the by-election be administered by the NSW Electoral Commissioner; and
 - b. The Council enter in to an electoral arrangement with the NSW Electoral Commissioner.
- 1028/15 That the Council determine that, for the purpose of s. 11(3) of the Local Government Act 1993, the confidential attachment 1 to this business paper remain confidential as that document includes personal matters concerning a person who is no longer a councillor and other persons who are not councillors, being matters of the kind set out in s. 10A(2)(a) of the Local Government Act 1993.

6.1 Investment Report for August 2015

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TROY:

That Council receive the Investment Report for August 2015.

6.2 Draft Minutes of the Tuggerah Lakes Estuary, Coastal and Floodplain Management Committee - 3 September 2015

RESOLVED on the motion of Councillor TAYLOR and seconded by Councillor TROY:

1029/15 That Council receive the Minutes of the Tuggerah Lakes Estuary, Coastal and Floodplain Management Committee meeting held on 3 September 2015.

1030/15 That Council undertake as a matter of urgency, a study to determine the effects of creating a navigable but narrower channel, given that the announced State Government program does not include the channel study.

FOR: CRS GB BEST, DE EATON, LT TAYLOR, AT TROY AND LW WEBSTER

AGAINST: CRS B G GRAHAM, KG GREENWALD, LM MATTHEWS AND DV VINCENT

6.3 Draft Minutes of the Employment and Economic Development Committee Meeting - 2 September 2015

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

1031/15 That Council receive the report on Draft Minutes of the Employment and Economic Development Committee Meeting - 2 September 2015.

6.4 Results of Water Quality Testing for Beaches and Lake Swimming Locations

RESOLVED unanimously on the motion of Councillor TAYLOR and seconded by Councillor TROY:

1032/15 That Council receive the report on Results of Water Quality Testing for Beaches and Lake Swimming Locations.

6.5 Activities of the Development and Rezoning and Building Certification Compliance and Health Units

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

1033/15 That Council receive the report on Activities of the Development and Rezoning and Building Certification Compliance and Health Units for the month of August 2015 and related job creation.

6.6 Wyong Water - Works in Progress

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

1034/15 That Council receive the report on Wyong Water - Works in Progress.

6.7 Support of Youth Services in Wyong

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

1035/15 That Council receive and note the report on the Support of Youth Services in Wyong.

6.8 Outstanding Questions on Notice and Notices of Motion

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TAYLOR:

1036/15 That Council receive the report on Outstanding Questions on Notice and Notices of Motion.

8.1 Notice of Motion - Shark Summit

Councillor Vincent left the meeting at 5.34pm and returned to the meeting at 5.36pm during consideration of this item.

Councillor Matthews left the meeting at 6.02pm and returned to the meeting at 6.03pm during consideration of this item.

Councillor Best left the meeting at 6.15pm and returned to the meeting at 6.16pm during consideration of this item.

Mr Guy Graham, Marine Expert, addressed the meeting at 5.32pm, answered questions and retired at 5.53pm.

It was MOVED on the motion of Councillor BEST and seconded by Councillor TROY:

- 1 That Council note the increased number of shark attacks in and around our coastal waters due to the rise in shark numbers.*
- 2 That Council take proactive and pre-emptive steps to mitigate further local attacks.*
- 3 That Council recognise that not only do the current shark attacks highlight the need for better public safety they have the potential to affect summer time tourism and its associated employment.*
- 4 That having regard to the far reaching potential of these events Council convene in partnership with Surf Life Saving and Professional Life Guards a Shark Summit that includes all key stakeholder groups, rescue organisations, applicable agencies, tourism representatives and specialist marine experts.*
- 5 That Council request the Acting Chief Executive Officer to report on the feasibility of auditing our ocean coast line with a view to identifying suitable sites to create shark proof ocean bathing areas/enclosures, however this does not include traditional netting.*
- 6 That staff investigate the effectiveness and practicality of making available to bathers, technology such as the shark shield devices on a short term hire basis.*

An AMENDMENT was moved by Councillor GREENWALD and seconded by Councillor VINCENT:

That Council direct the CEO write to the State Government to request that it convene a Shark Summit that includes all Coastal Shires and Councils, stakeholders, organisations and interested parties, including tourism to discuss methods to assist Coast areas with their noted rise in shark related incidents in recent times.

FOR: CRS GB BEST, DE EATON, B G GRAHAM, LT TAYLOR, AT TROY AND LW WEBSTER

AGAINST: CRS KG GREENWALD, LM MATTHEWS AND DV VINCENT

The AMENDMENT was put to the vote and declared LOST.

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TROY:

1037/15 That Council note the increased number of shark attacks in and around our coastal waters due to the rise in shark numbers.

1038/15 That Council take proactive and pre-emptive steps to mitigate further local attacks.

1039/15 That Council recognise that not only do the current shark attacks highlight the need for better public safety they have the potential to affect summer time tourism and its associated employment.

1040/15 That, having regard to the far reaching potential of these events, Council convene in partnership with Surf Life Saving and Professional Life Guards a Shark Summit that includes all key stakeholder groups, rescue organisations, applicable agencies, tourism representatives and specialist marine experts.

1041/15 That Council request the Acting Chief Executive Officer to report on the feasibility of auditing our ocean coast line with a view to identifying suitable sites to create shark proof ocean bathing areas/enclosures, however this does not include traditional netting.

1042/15 That staff investigate the effectiveness and practicality of making available to bathers, technology such as the shark shield devices on a short term hire basis.

FOR: CRS GB BEST, DE EATON, B G GRAHAM, KG GREENWALD, LM MATTHEWS, LT TAYLOR, AT TROY, DV VINCENT AND LW WEBSTER

AGAINST: NIL

8.2 Notice of Motion - \$10million Rate Relief

Councillor Taylor left the meeting at 6.26pm and returned to the meeting at 6.27pm during consideration of this item.

Mr Stuart Durie, Secretary of the Lake Munmorah Progress Association, addressed the meeting at 6.26pm, answered questions and retired at 6.36pm.

RESOLVED unanimously on the motion of Councillor BEST and seconded by Councillor TROY:

1043/15 That Council congratulate all staff for their excellent team efforts in addressing the \$30million deficit.

1044/15 That Council recognise that these efforts have now resulted in a \$10.6million surplus, this reflects a \$41million total turn around in just 5 years.

1045/15 That Council note the key initiatives deployed to achieve this extraordinary turn around are:

- **“Right-sizing” the organisation – aligning inputs to priority outputs**
- **Service Delivery Review removing \$8m from the cost base**
- **Using our own resource, not consultants**
- **Benchmarking and testing alternate service delivery models**
- **Better budgeting – focusing on community priorities**
- **Better discipline in meeting budgets**
- **More effective measurement. Closer monitoring of spend**
- **Better procurement practices and outcomes.**

1046/15 That, as a consequence of this excellent financial management, Council note that it does not intend to apply a special rate variation when it makes rates for the 2016/17 rating year and revert to a maximum increase of 3% (the assumed standard rate pegging), thereby saving our rate payers \$10.7 million dollars.

1047/15 That Council now continues to work through the identified infrastructure backlog using the current unallocated surplus of \$10.6million and future year surpluses.

1048/15 That the Mayor, through the Council column, publically thank our community for their support, patience and understanding throughout this difficult period of restructure.

FOR: CRS GB BEST, DE EATON, B G GRAHAM, KG GREENWALD, LM MATTHEWS, LT TAYLOR, AT TROY, DV VINCENT AND LW WEBSTER

AGAINST: NIL

QUESTIONS ON NOTICE

**Q39/15 Review of Councillor Committee Positions
Councillor Lisa Matthews**

“Can the Acting Chief Executive Officer please advise if and when Council will review its committee positions, in particular those committees that former Councillor Nayna sat on?”

**Q40/15 Nomination for Popularly Elected Mayor and Councillor
Councillor Ken Greenwald**

“If a person nominates for position of Mayor, can that person also nominate for the position of a Councillor?”

**Q41/15 Election of Popularly Elected Mayor
Councillor Ken Greenwald**

“If a person who nominates for both Mayor and Councillor is successful for both, what happens to the Councillor position?”

**Q42/15 Kanwal Traffic Calming Devices
Councillor Greg Best**

“Mr Mayor,

As the local area Councillor, my question is on behalf of the good folk of Walker Avenue/ Braithwaite, Kanwal. I am hearing of outrageous driving behaviour that is endangering public safety, I appreciate it's a policing matter, however could you have staff look into the possibility of installing some traffic calming devices in this area, particularly leading from the high pedestrian area, Kanwal shops?”

**Q43/15 Gosford City Council Road Condition Measurements
Councillor Lloyd Taylor**

“Can the Acting Chief Executive Officer please advise whether Gosford City Council measures the condition of their roads via a PCI or similar index and if so please provide the results of the index for the last three years?”

THE MEETING closed at 8.39pm.

2.1 Wyong DCP 2013 - Minor Amendments Package

TRIM REFERENCE: F2013/02015 - D12073847

MANAGER: Tanya O'Brien, Manager

AUTHOR: Rodney Mergan; Senior Planner

SUMMARY

This report details proposed minor amendments to Wyong Development Control Plan (DCP) 2013. This report recommends that Council endorse the proposed amendments to Wyong DCP 2013 and place the draft amendments on public exhibition for a period of 28 days.

RECOMMENDATION

- 1 That Council request that a draft amendment to Wyong Development Control Plan (DCP) 2013 as set out in Attachment 1 be publically exhibited for a period of 28 days.**
- 2 That Council note that a further report outlining submissions received during the exhibition period will be provided.**
- 3 That, should no submissions be received during the exhibition period, Council adopt the proposed amendments to Wyong DCP 2013 and appropriate public notice be given.**
- 4 That Council forward a copy of Wyong DCP 2013 containing the amended Chapters to the Secretary of the NSW Department of Planning and Environment within 28 days of the DCP becoming effective.**

BACKGROUND

Council at its meeting of 26 November 2014 resolved to undertake a group of minor DCP changes to ensure that changes made to Wyong LEP 2013 under Major Amendment 1 were reflected in Wyong DCP 2013. At this time several other minor issues in DCP 2013 were identified and included as part of this proposed DCP amendment.

Since the time Council resolved to exhibit Wyong DCP 2013 amendments to align with Major Amendment 1, a further group of potential minor amendments to Wyong DCP 2013 have been identified and it is considered appropriate that these issues now be addressed.

THE PROPOSAL

The proposed amendments will not vary development control provisions and only seeks to correct minor typographical errors and provide clarification where required. The scope of the changes proposed to the DCP are identified in Attachment 1 and in summary include:

- Removal of references to certain provisions applying to residential flat buildings in Chapter 2.4 – Multiple Dwelling Residential Development, where these provisions only apply to townhouse and villa style proposals and not larger development proposals.
- Clarification within Chapter 1.2 – Notification of Development Proposals that letters will not need to be sent to adjoining landowners as part of a public exhibition process, if land is in common ownership with the lot subject of the development application. This will potentially reduce exhibition times for development particularly in new housing estates.
- Clarification within Chapter 3.3 – Floodplain Management that an engineering report is not required for filling in low hazard flood areas.

CONSULTATION

The proposed minor amendments to the Wyong DCP 2013 have been compiled through consultation with relevant staff. In accordance with the requirements of the Environmental Planning and Assessment Regulation 2000 the DCP will be placed on public exhibition for a minimum of 28 days.

Subject to their being no relevant objections it is recommended that the DCP be adopted following public exhibition. If there is significant public interest, submissions will be considered in a further report to Council.

CONCLUSION

Council has previously endorsed a group of minor changes to DCP 2013 as part of Wyong LEP 2013 Major Amendment 1. Since this time, through further use of DCP 2013 an additional group of minor changes across several DCP chapters have been identified. The changes proposed are part of an ongoing process of ensuring that Council's DCP is of the highest quality possible. The required changes to DCP 2013 are considered to be of a minor nature.

It is recommended that the group of minor amendments identified in Attachment 1 be placed on public exhibition to be subsequently adopted by Council subject to their being no relevant objections raised during the exhibition period.

ATTACHMENTS

- 1 Attachment 1 - DCP 2013 - minor amendments 2015 D12075943

Attachment 1 – DCP 2013 – Amendment Summary

Note – red text denotes additions and strikethrough denotes omissions

DCP 2013	Chapter Name & Status	Issue	Proposed Action		
Ch 1.2	Notification of Development Proposals	Typo – renumbering required to clarify clause numbers and remove duplication of iii	<p>2.4 Applications Requiring Notification</p> <p>iii two storey dwelling houses in urban release areas or located on land subject to the large lot provisions of Chapter 2.1 Housing and Ancillary Structures, that comply with the prescriptive requirements of Chapter 2.1 and meet the relevant prescriptive requirements for privacy under State Environmental Planning Policy (Exempt and Complying Development Codes) 2008</p> <p>iii iv subdivision applications arising from approved development;</p> <p>iv v applications for development in business, industrial or special use zones where the site does not adjoin land zoned Residential or one of Council’s Environmental zones and which contain a dwelling house;</p>		
Ch 1.2	Notification of development proposals	Variation required to justify not sending letters out for englobo DA’s or those where the landowner owns all of the surrounding lots.	<p>2.2a Land Owners to be Notified – General Coverage</p> <p>Written notice of an application received will be sent to the owners of land adjoining the land which is the subject of the application (except where land is held in common ownership with the subject land). This includes:</p>		
Ch 2.1	Dwellings and Ancillary Structures	Carports need to be included under ancillary structures as well as outbuildings – error to be corrected - a carport is not an outbuilding if attached to a dwelling and therefore this needs to be reflected in the setback provisions. Note: carport exemptions are specified under the BCA.	<p>3.1 Setbacks – Residential Lots</p> <table border="1"> <tr> <td>(c) (iv) carports that comply with the BCA exemption provisions</td> <td> <ul style="list-style-type: none"> for any part of the building with a height of up to 3.3m— 0 (zero) and for any part of the building with a height of more than 3.3m—one-quarter of the height of the building above 3.3m </td> </tr> </table>	(c) (iv) carports that comply with the BCA exemption provisions	<ul style="list-style-type: none"> for any part of the building with a height of up to 3.3m— 0 (zero) and for any part of the building with a height of more than 3.3m—one-quarter of the height of the building above 3.3m
(c) (iv) carports that comply with the BCA exemption provisions	<ul style="list-style-type: none"> for any part of the building with a height of up to 3.3m— 0 (zero) and for any part of the building with a height of more than 3.3m—one-quarter of the height of the building above 3.3m 				
Ch 2.1	Dwellings and Ancillary Structures	Typo – amend numeric provision to correlate with other relevant provisions within the clause	<p>3.1 Setbacks – Residential Lots</p> <p>f (iii) lots with an area greater than 300m²</p> <ul style="list-style-type: none"> for any part of the building with a height of up to 3.3m — 0.5m and for any part of the building with a height 		

DCP 2013	Chapter Name & Status	Issue	Proposed Action
			of more than 3.3m — 0.5m plus one-quarter of the height of the building above 4.5m-3.3m .
Ch 2.4	Multiple Dwelling Res.	Typo – relates to outdated definition of RFB	4.2.1 a General Requirements For all forms of residential flat development, the
Ch 2.4	Multiple Dwelling Res.	Typo – heading relates to outdated definition of RFB	4.2.2 - Residential Flat Development up to and including Two Storeys in Height
Ch 2.4	Multiple Dwelling Res.	Typo – relates to outdated definition of RFB	4.4.3 a Visitor Parking Visitor parking shall be provided for all residential flat development at a rate of
Ch 2.4	Multiple Dwelling Res.	Typo – relates to outdated definition of RFB	4.4.4 a Bicycle Facilities For residential flat development where
Ch 2.4	Multiple Dwelling Res.	Typo – relates to outdated definition of RFB	5.1 a Floor Space Ratios The maximum floor space ratio for residential flat development is provided in Table 4 below.
Ch 2.4	Multiple Dwelling Res.	Typo – clarity, ensuring that the provision relates to both residential flat and multi dwelling housing development	7.2 a Civil Works To preserve and enhance the existing high quality landscape of street frontages, the construction of kerb and guttering, associated street drainage, pavement construction and foot paving across the street frontages is a standard requirement for all residential flat and multi dwelling housing development
Ch 2.6	Signage	Delete superfluous wording	3.0 Signage types not permitted in Wyong Shire Local Government Area While Council will deal with any proposal for signage on its merit, there are certain forms of signage that are considered inappropriate that will not be issued with consent and are not to be erected .
Ch 2.6	Signage	Reference to SEPP Infrastructure appears to have been omitted by mistake.	1.3 Relationship to other Legislation In addition, signage is also considered under <ul style="list-style-type: none"> State Environmental Planning Policy (Infrastructure) 2007 (SEPP Infrastructure);
Ch 2.7	Caravan Parks	Delete wording - Inaccurate carry over from DCP 2005/LEP 1991. Manufactured Home Estates are permissible on RE2 land and other land where caravan parks are permissible.	2.4 Application of SEPP 36 – Manufactured Home Estates A Manufactured Home Estate (MHE) is a purpose designed estate for the placement of manufactured homes on individual sites which are intended to be used for long term residence, and which is able to be subdivided by lease, or for separate ownership and occupation under the Community Land Act, 1989 (a “Community Title” estate). Whilst caravan parks (which allow the placement of a manufactured home on a leased site) are a defined land use which is permissible on lands zoned RE1, RE2 and SP3 under the WLEP 2013, it should be noted that Manufactured Home Estates (MHEs) as defined under the LG Act and SEPP 36 are not a permissible

DCP 2013	Chapter Name & Status	Issue	Proposed Action			
			land use in Wyong Shire, having regard to the identified “excluded land” within Schedule 2 of the SEPP. The SEPP therefore has no effect within the Wyong LGA.			
Ch 2.11	Parking and Access	Remove reference to defunct definitions. Resolved by retaining reference to GFA only.	<p>3.2 Calculation of Carparking Spaces – Retail Premises</p> <table border="1"> <tr> <td>Shops in Neighbourhood Centres up to 3,000m² Gross Floor Area</td> </tr> <tr> <td>Shops in Village Centres between 3,000m² and 8,000m² Gross Floor Area</td> </tr> <tr> <td>Shops in District and Regional Centres over 8,000m² Gross Floor Area, as defined in Chapter 5.1 Retail Centres</td> </tr> </table> <p>* Neighbourhood, Village, District and Regional are as defined in the Retail Centres chapter of this DCP</p>	Shops in Neighbourhood Centres up to 3,000m ² Gross Floor Area	Shops in Village Centres between 3,000m ² and 8,000m ² Gross Floor Area	Shops in District and Regional Centres over 8,000m ² Gross Floor Area, as defined in Chapter 5.1 Retail Centres
Shops in Neighbourhood Centres up to 3,000m ² Gross Floor Area						
Shops in Village Centres between 3,000m ² and 8,000m ² Gross Floor Area						
Shops in District and Regional Centres over 8,000m ² Gross Floor Area, as defined in Chapter 5.1 Retail Centres						
Ch 2.11	Parking and Access	Remove reference to defunct centre definitions.	<p>3.2 Calculation of Carparking Spaces – Residential Accommodation</p> <p>1 space per 1 bedroom dwelling</p> <p>1.2 spaces per 2 bedroom dwelling</p> <p>1.5 spaces per 3 (or more) bedroom dwelling</p> <p><i>Note: The above requirements may be reduced to 1 space per dwelling if development is in the Regional Major Centre or a District Town Centre, subject to submission of a Transport Management Plan and approval by Council.</i></p>			
Ch 2.12	Industrial Development	Clarification – There are site specific chapters and controls for development in areas where both industrial and commercial development are permissible that provide different setback requirements to Chapter 2.12 e.g. – 6.14: Tuggerah Business Park, 6.15: Craigie Avenue and North Wyong.	<p>2.3 Setbacks</p> <p>Minimum setbacks from boundaries shall be as follows:</p> <p>a Front: 15 metres if on a State Road; 10 metres on any other road except where otherwise specified in Part 6: Location Specific Development Provisions. A minimum five (5) metre wide landscaped area must be provided within the above setback, except for vehicle access.</p>			

DCP 2013	Chapter Name & Status	Issue	Proposed Action
Ch 3.3	Floodplain Management	Remove Typo – duplication of wording	3.2 Performance based assessment Council will consider development proposals that do not meet the prescriptive requirements of this DCP only if a report if a report
Ch 3.3	Floodplain Management	Remove wording which is inconsistent with the provisions in the prescriptive criteria matrix within the chapter. The matrix provides appropriate provisions.	4.3 a Requiements for Filling of Flood Prone Land Filling for any purpose (including the raising of a building platform in flood-prone areas) is not permitted in areas identified as Flood Planning Precinct 3 or Flood Planning Precinct 4, unless a Floodplain Risk Management Plan for the catchment has been adopted which allows filling to occur. # Precinct 2, filling will not be permitted unless a report from a suitably qualified engineer has been submitted and approved by Council that certifies that the development will not increase flood affectation elsewhere.
Pt 4	Subdivision	Clarification – adjust header to reflect that controls apply to all subdivision.	Whole part (excluding Appendix) Part 4 Subdivision Section 6 Industrial and Business Zone Subdivision
Pt 4	Subdivision	Clarification – additional wording	4.1 Lot Size - Requirements b The appropriate minimum lot size within other residential zones is generally considered to be 450m ² , however, will range according to the site characteristics, such as location, slope, drainage, vegetation, required setbacks, and the form of development proposed.
Pt 4	Subdivision	Addition – Clarification. To ensure DCP states that “integrated” proposals must be completed prior to the release of the subdivision certificate.	4.1.3 Dual Occupancy <i>Note: Notwithstanding minimum lot size requirements, Clause 4.1B of WLEP 2013 permits the lodgement of an application for construction and subdivision of Dual Occupancies on land zoned R2 – Low Density Residential. A subdivision certificate will not be issued until all works required under the relevant development consent are completed, unless outstanding works are bonded appropriately.</i>
Pt 4	Subdivision	Additions – Clarification. 1.Remove reference to semi-detached dwelling. The wording causes confusion and would result in the same development outcome. 2. To provide clarification that “integrated” proposals must be completed prior to the release of the subdivision	4.1.5.1 Small Lot Housing in the R2 Low Density Residential Zone In accordance with WLEP 2013 Clause 4.1B - Exceptions to minimum lot sizes for certain residential development, in the R2 Low Density Residential Zone, development consent may be granted to a single development application for development that is subdivision of land into 5 or more lots and the erection of a semi-detached dwelling or a dwelling house on each lot resulting from the subdivision. <i>Note: A subdivision certificate will not be issued until all works required under the relevant</i>

DCP 2013	Chapter Name & Status	Issue	Proposed Action											
		certificate.	<i>development consent are completed, unless outstanding works are bonded appropriately.</i>											
Pt 4	Subdivision	Remove Typo – replace with reference to DCP.	4.1.5.2 Small Lot Housing in the R1 or R3 Residential Zones	In the R1 and R3 zones, Small Lot Housing proposals are to be assessed as multi dwelling housing under Chapter 2.4 of WLEP DCP 2013.										
Pt 4	Subdivision	Remove Typos – wrong or no kerb type shown within current provision	APPENDIX B	<table border="1"> <thead> <tr> <th></th> <th>Kerbing</th> </tr> </thead> <tbody> <tr> <td>Access Laneway (Development one side only)</td> <td>Rolled</td> </tr> <tr> <td>Access Street (Development both sides)</td> <td>Vertical Rolled</td> </tr> <tr> <td>Local Street (Development on both sides)</td> <td>Vertical Rolled</td> </tr> <tr> <td>Minor bus routes</td> <td>Vertical</td> </tr> </tbody> </table>		Kerbing	Access Laneway (Development one side only)	Rolled	Access Street (Development both sides)	Vertical Rolled	Local Street (Development on both sides)	Vertical Rolled	Minor bus routes	Vertical
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Access Laneway (Development one side only)	Rolled													
Access Street (Development both sides)	Vertical Rolled													
Local Street (Development on both sides)	Vertical Rolled													
Minor bus routes	Vertical													
Ch 5.1	Retail Centres	Delete wording which is inconsistent with the LEP definition.	3.0 Bulky Goods Retailing – Additional Floor Space Bulky goods are large items and can include merchandise such as whitegoods, furniture, electrical equipment, lighting and hardware.											
Ch 5.1	Retail Centres	Points b & c will be covered under point a.	3.2 Location Requirements a Evidence to the satisfaction of Council that the development will not lead to the deterioration of any centre designated for retail activity; b To ensure there is no decrease in retail employment by the development; c The development will result in an increase in the total range of retail goods and services presently available to the community;											
Ch 5.1	Retail Centres	Delete reference to Net Community Benefit Test as this is relevant to Planning Proposals only not development applications.	3.2 e Location An increase in bulky goods floorspace requires a net community benefit test (identified in the Wyong Retail Centres Strategy 2013) to demonstrate that additional floorspace will not impact on existing centres or identified bulky goods precincts.											
Ch 5.1	Retail Centres	To be deleted - Not relevant to development applications.	5.1 Net Community Benefit Test A framework for the consideration and assessment of											

DCP 2013	Chapter Name & Status	Issue	Proposed Action
		(Renumbering of this document will be required due to change)	<p>planning proposals which involve expansion of and/or creation of new centres has been designed. This framework is based on the Retail Centres Strategy net community benefit test which requires proponents to demonstrate that alternatives within existing centres and in edge of centre locations were not suitable or available for the proposal.</p> <p>A net community benefit test considers the sum of all the benefits of a development proposal against the sum of the costs of that development. Changes in population, market conditions and industry trends can mean that sometimes planning controls have not kept pace.</p> <p>Objective</p> <p>To ensure that any new retail floorspace proposed within a planning proposal does not have a negative impact on the existing retail network.</p> <p>Requirements</p> <p>An increase in retail floorspace requires a net community benefit test (identified in the Wyong Retail Centres Strategy 2013) to demonstrate that additional floorspace will not detrimentally affect existing centres identified within the Wyong retail network.</p>
Ch 6.17	Warnervale East / Wadalba North West	Housekeeping <i>Note: Previously identified as part of LEP Major Amendment 1</i>	Amend Figures 3 & 4 to match the zone boundaries in Wyong LEP 2013 for land adjoining the Wadalba Wildlife Corridor.
Ch 6.20	Mardi – Woodbury Park Estate	Housekeeping <i>Note: Previously identified as part of LEP Major Amendment 1</i>	Development of this site completed. Delete Chapter

2.2 DA/705/2015 - Proposed Light Industrial Building comprising 10 units, Associated Parking, Landscaping and Signage

TRIM REFERENCE: DA/705/2015 - D12089203

MANAGER: Tanya O'Brien, Manager

AUTHOR: Salli Pendergast; Senior Development Planner

SUMMARY

A development application has been received for the construction of light industrial building including ten (10) units, associated parking, landscaping and signage at No. 2 London Drive, North Wyong. The application has been assessed having regard to the matters for consideration detailed in Section 79C of the *Environmental Planning and Assessment Act 1979* and other statutory requirements.

As the applicant is an elected Councillor, this application is beyond the delegation of staff and is referred to the Council for determination. This report recommends that Council grant conditional consent to the development.

Applicant	Greg Best
Owner	Central Coast Group Training Limited
Application No	DA/705/2015
Description of Land	2 London Drive, North Wyong, Lot 38, DP 1100416
Proposed Development	Light industrial building including 10 units, associated parking, landscaping and signage
Site Area	3051m ²
Zoning	B6 Enterprise Corridor
Existing Use	Vacant site
Value of Works	\$1,923,496

RECOMMENDATION

- 1 ***That Council grant consent to DA/705/2015 at 2 London Drive, North Wyong for construction of a light industrial building including 10 units, associated parking, landscaping and signage subject to the conditions provided in Attachment 3.***

PRECIS

- The development application seeks approval for construction of a light industrial building including ten units, 20 parking spaces, landscaping and business identification signage.
- The proposal includes variation to Wyong DCP Chapter 2.12 – (Industrial Development) in relation to the width of the landscaped front setback and acoustic information.

2.2 DA/705/2015 - Proposed Light Industrial Building comprising 10 units, Associated Parking, Landscaping and Signage (contd)

- The proposal includes variation to Wyong DCP Chapter 2.11 (Parking and Access) in relation to parking provision due to the provision of small car spaces to achieve compliance with the number of spaces required.

INTRODUCTION

The Site

The site is located on the southern side of London Drive and is situated within the developing North Wyong Enterprise Corridor and Industrial Precinct. The site is currently vacant, generally level and is cleared of any trees. The northern boundary of the site adjoins London Drive and the eastern boundary adjoins Devon Lane which is a narrow service lane. The site is positioned approximately 78 metres distance from the Pacific Highway intersection.

There are dwellings located to the east of the site (backing onto Devon Lane and fronting the Pacific Highway) some 50 metres away. These residential dwellings are within the B6 Enterprise Corridor Zone. Additionally, there are R2 Low Density Residential zoned dwellings located east of and backing onto the highway some 120m from the site.

Adjoining the site to the west is an approved warehouse development and a recently constructed service station, takeaway food premises and industrial units is located opposite the site in London Drive.



Above: Aerial view of the site

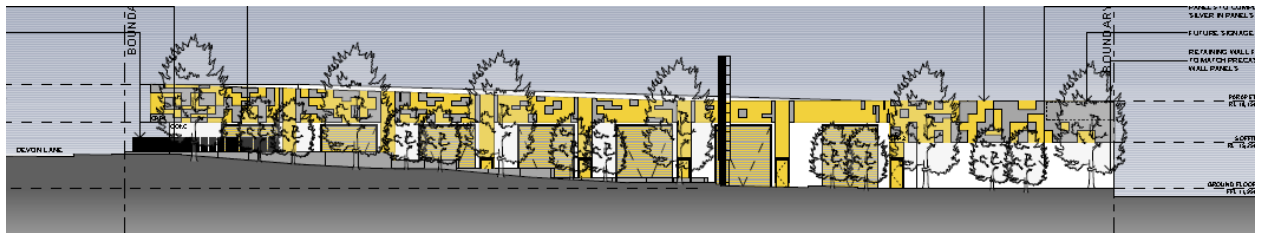
The Proposed Development

The development application seeks approval for construction of a light industrial building comprising 10 small light industrial units, associated parking, landscaping and signage. The units will incorporate a potential mezzanine area and internal amenities. There is a shared loading and service area located at the eastern end of the site.

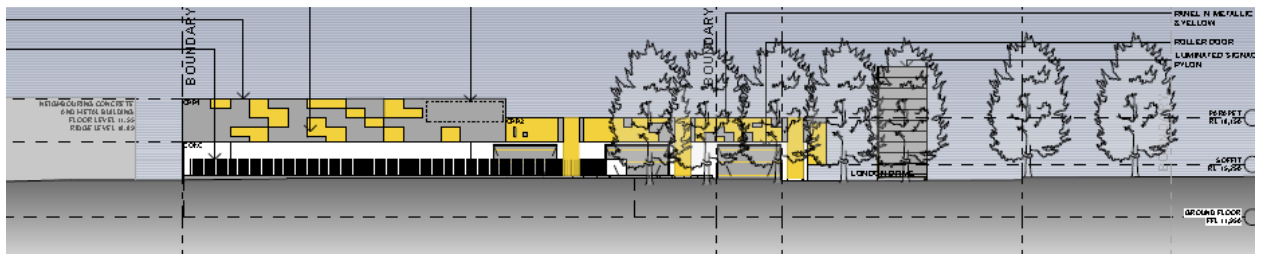
The premises are to be used to compliment Central Coast Group Training's current business activities in offering opportunities to 'start up' small businesses with the assistance of an experienced business facilitator.

The industrial units range in size from 95m² to 385.5m². There are a total of fourteen (14) parking spaces plus six (6) small car parking spaces proposed to be located within the front setback of the development.

The application also includes a proposed illuminated pylon sign (9m high x 3m wide) along the London Drive frontage and wall signs for the future business occupants including a wall sign on the northern elevation and a wall sign on the eastern elevation.



Above: Northern building elevation to London Drive.



Above: Eastern building elevation to Devon Lane.

VARIATIONS TO POLICIES – SUMMARY

The application while generally compliant, proposes variations to WDCP 2013 Chapter 2.11 Parking and Access and Chapter 2.12 Industrial Development, as described below:

DCP	Chapter 2.12 - Industrial Development
Clause	2.3a - Setbacks
Standard	5m wide landscaped front setback
Departure basis	2m proposed but 5m required (60% variation).

DCP	Chapter 2.11 - Parking and Access
Clause	3.3 - Dimensions of Parking Spaces
Standard	Parking space dimensions
Departure basis	Provision of 4 small car spaces (22% variation)

DCP	Chapter 2.12 - Industrial Development
Clause	Clause 2.19 - Noise generation
Standard	Acoustic report required
Departure basis	Not provided but conditions recommended.

The proposed variations are supported and are discussed in further detail later in the report.

HISTORY

Rezoning application RZ/1/2011 known as Amendment No. 3 to Wyong LEP 2013 rezoned approximately 86 hectares of land at North Wyong to B6–Enterprise Corridor. The amendment included the rezoning of the site from IN1 General Industrial to B6 Enterprise Corridor Zone.

INTERNAL CONSULTATION

The application was referred to Council's Development Engineer who made no objection subject to appropriate conditions.

The issues raised in the referral process are discussed in the report and where relevant reflected in the conditions of consent.

ANY SUBMISSION MADE IN ACCORDANCE WITH THIS ACT OR REGULATIONS

Any submission from the public.

The application was not required to be notified in accordance with Clause 2.4 (a) (iv) of DCP 2013 Chapter 1.2 - Notification of Development Proposals which reads:

Notification of the following applications is required under this Chapter:

- a *Applications for development under Part 4 of the EP&A Act 1979 **except for:***
 - i applications for development in business, industrial or special use zones where the site **does not** adjoin land zoned Residential or one of Council's Environmental zones and which contain a dwelling house;

The land adjoining the site including the land located between Devon Lane and along the Pacific Highway is zoned B6. The site therefore does not adjoin and residentially or environmentally zoned land.

Any submission from public authorities.

There are no referrals to, or submissions from, any public authorities associated with the proposed development.

ECOLOGICALLY SUSTAINABLE PRINCIPLES

The proposal has been assessed having regard to ecologically sustainable development principles and is considered to be consistent with the principles. The proposed development is considered to incorporate satisfactory stormwater, drainage and erosion control and the retention of vegetation where possible and is unlikely to have any significant adverse impacts on the environment and will not decrease environmental quality for future generations. The proposal does not result in the disturbance of any endangered flora or fauna habitats and is unlikely to significantly affect fluvial environments.

Climate Change

The potential impacts of climate change on the proposed development have been considered by Council as part of its assessment of the application. This assessment has included consideration of such matters as potential rise in sea level; potential for more intense and/or frequent extreme weather conditions including storm events, bushfires, drought, flood and coastal erosion; as well as how the proposed development may cope / combat / withstand these potential impacts.

ASSESSMENT

Having regard for the matters for consideration detailed in Section 79C of the *Environmental Planning and Assessment Act 1979* and other statutory requirements, Council's policies and Clause 149 Certificate details, the assessment has identified the following key issues, which are discussed for Council's information.

THE PROVISIONS OF RELEVANT INSTRUMENTS/PLANS/ POLICIES

a) Wyong Local Environmental Plan 2013

Permissibility

The subject site is zoned B6 Enterprise Corridor under WLEP 2013 and within the B6 zone light industries are permissible development with consent. The application also seeks consent for 'signage' including business identification signs which are permissible with consent. It is also noted that 'business premises' are also permissible development within the B6 zone.



Above: zoning extract of site and surrounds, subject site shown edged blue.

The following definitions under WLEP 2013 are relevant to the proposal:

light industry means a building or place used to carry out an industrial activity that does not interfere with the amenity of the neighbourhood by reason of noise, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil, or otherwise, and includes any of the following:

- (a) high technology industry,
- (b) home industry.

Note. Light industries are a type of industry—see the definition of that term in this Dictionary.

industrial activity means the manufacturing, production, assembling, altering, formulating, repairing, renovating, ornamenting, finishing, cleaning, washing, dismantling, transforming, processing, recycling, adapting or servicing of, or the research and development of, any goods, substances, food, products or articles for commercial purposes, and includes any storage or transportation associated with any such activity.

signage means any sign, notice, device, representation or advertisement that advertises or promotes any goods, services or events and any structure or vessel that is principally designed for, or that is used for, the display of signage, and includes any of the following:

- (a) an advertising structure,
 - (b) a building identification sign,
 - (c) a business identification sign,
- but does not include a traffic sign or traffic control facilities.

business identification sign means a sign:

- (a) that indicates:
 - (i) the name of the person or business, and
 - (ii) the nature of the business carried on by the person at the premises or place at which the sign is displayed, and
- (b) that may include the address of the premises or place and a logo or other symbol that identifies the business,

but that does not contain any advertising relating to a person who does not carry on business at the premises or place.

Note. Business identification signs are a type of **signage**—see the definition of that term in this Dictionary.

In accordance with Clause 2.3 of WLEP 2013, the proposal is consistent with the B6 zone objectives which read as follows:

- To promote businesses along main roads and to encourage a mix of compatible uses.
- To provide a range of employment uses (including business, office, retail and light industrial uses).
- To maintain the economic strength of centres by limiting retailing activity.
- To provide for residential uses, but only as part of a mixed use development.
- To provide primarily for businesses along key corridors.

The proposal offers opportunities for a range of future 'start up' light industrial activities on the site which will create employment opportunities. This use is considered to be compatible with surrounding activities within the zone and one which will contribute to the local economy.

Height

There is no maximum height control applying to buildings on the site under Clause 4.3 of WLEP.

Floor Space Ratio

There is no maximum Floor Space Ratio (FSR) control applying to the development on the site under Clause 4.4 of WLEP.

Acid Sulphate Soils

Clause 7.1 of WLEP requires special assessment to be given to certain development on land being subject to actual or potential acid sulphate soils. The site is identified as Class 5 on the Acid Sulphate Soils (ASS) Planning Map and no works are proposed within *500 metres of adjacent Class 1, 2, 3 or 4 land that is below 5 metres Australian Height Datum and by which the watertable is likely to be lowered below 1 metre Australian Height Datum on adjacent Class 1, 2, 3 or 4 land.* An acid sulphate soils management plan is therefore not required to be prepared for the proposal.

Land within North Wyong Industrial Estate in zone B6

Clause 7.17 (Land within North Wyong Industrial Estate in Zone B6) of WLEP applies to all land in the estate. The clause restricts the total floor space permitted for the purpose of a stand-alone office premises or bulky goods premises on land to which the clause applies. The application does not seek consent for either of these two purposes.

Essential Services

Adequate arrangements have been made at the subdivision stage for the appropriate servicing of the site. These services include water supply, electricity supply, sewage management and disposal, stormwater drainage or on site conservation and suitable road access.

In accordance with Clause 7.9 of WLEP, the proposed development can be serviced by Council's water supply reticulation system and sewer. The proposed development is located over the sewer main traversing the site. Therefore, the development will need to comply with Council's "Policy for Building Over or Adjacent to Sewer Mains". Some parts of the development (particularly around Units 1 and 2) will need to be constructed as a cantilevered structure to provide the required 1 metre clearance from the face of sewer. This Zone of Influence requirement has been imposed within the S306 letter. The proposed development is located outside the Zone of Influence of the water main servicing the area. The development will require a Section 307 Certificate under the Water Management Act 2000.

b) Relevant SEPPs*State Environmental Planning Policy 55 – Remediation of Land*

Under the provisions of State Environmental Planning Policy (SEPP) 55 – Remediation of Land, contamination and remediation are to be considered in determining a development application. Clause 7(1) of State Environmental Planning Policy requires that Council must not consent to the carrying out of any development on land unless it has considered whether the land is contaminated, and if contaminated, that the land is suitable in its contaminated state (or will be suitable, after remediation) for the development proposed to be carried out. The vacant land in its current state is appropriate for the intended industrial use.

State Environmental Planning Policy 64 - Advertising and Signage

The provisions of State Environmental Planning Policy 64 - Advertising and Signage apply to the proposal. The proposed development seeks approval for new signage associated with the development. The signage proposed under the application includes two wall signs and a freestanding sign associated with the intended use of the site.

Under Clause 6 of the SEPP, the signage would be considered as 'business identification signs' and as such, Part 3 of the SEPP does not apply to the development. Whilst the proposal is for 'signage' as defined by the SEPP, it does not constitute an 'advertisement'. Business identification signs are defined under Clause 4 of the SEPP as:

'business identification sign' means a sign:

- (a) that indicates:
 - (i) the name of the person, and*
 - (ii) the business carried on by the person,
at the premises or place at which the sign is displayed, and**
- (b) that may include the address of the premises or place and a logo or other symbol that identifies the business,
but that does not include any advertising relating to a person who does not carry on business at the premises or place.*

In accordance with Clause 8 of the SEPP, the proposed identification signs are considered consistent with the objectives of the policy and satisfy the assessment criteria outlined under Schedule 1 of the instrument (see attachment 2).

The signage is not located within an environmentally sensitive area but a newly establishing business industrial area. The proposed signage although illuminated does not dominate or visually clutter the streetscape and is considered reasonable and compatible with the existing and future visual character of the area. A condition will be recommended regarding the illumination of the sign being switched off outside of operating hours, given the proximity of the surrounding residential dwelling houses to the site.

c) Relevant DCPs

Wyong Development Control Plan 2013 (DCP)

DCP Chapter 2.11 – Parking and Access

The DCP requires parking for the development to be on the basis of the table below.

Land use	Requirement
Industrial	1 space per 100m ² GFA Service Requirements: 1 space per 800m ² GFA up to 8,000m ² GFA then 1 space per 1,000m ² GFA thereafter
Office Premises	1 space per 40m ² GFA

The development proposes 14 parking spaces plus 6 small car spaces which totals 20 spaces. The calculation is based using the industrial rate only (as there is no office floor space proposed). Based on the above requirements, the development without the mezzanines requires a minimum of 14 parking spaces to be provided and with the mezzanines requires parking provision of 17.3 spaces. The DCP requires rounding up to the nearest whole number which equates to 18 spaces.

An accessible parking space is required but has not been proposed. Additionally, the proposed vehicular access design will need to be widened to accommodate a medium rigid truck for servicing and waste management purposes. These matters are proposed to be addressed using appropriate consent conditions as described below:

- Combine two of the proposed small car parking spaces to allow for the provision of an accessible parking space (marked on plans as space 4 and space 5).
- Widening of the driveway to allow 2 medium rigid vehicles to concurrently enter and leave the site (using the small car space directly to the west of the entry, marked on plans as space 11).

These changes will impact on the number of parking spaces within the development, but achieves a reasonable level of compliance as discussed further below.

A service/loading area and bicycle parking has also been provided for the development to comply with the DCP.

Although the development complies numerically with the number of parking spaces required under the DCP (18 spaces), Clause 3.3 of the DCP requires all dimensions of parking spaces and aisles to comply with AS 2890.1 and 2890.2 as a minimum. The clause also requires the 'Classification of Off Street Car Parking Facilities' to be applicable for the type of development proposed. This classification under the Australian Standard requires the dimensions of the spaces for the development to achieve minimum dimensions (in this case 2.4m by 5.4m). In respect of the small car spaces, the proposal would not strictly achieve compliance with the clause.

The proposal is required to provide 18 car parking spaces. Considering the proposed conditions the development will provide 18 parking spaces, noting that 4 of these spaces have reduced dimensions as small car spaces (22% of total spaces).

The objective of requirement under Clause 3.3 of the DCP reads:

To provide for parking spaces and aisles in a development that are adequate and have appropriate dimensions for safe and efficient operation of the car park

In this instance, despite the provision of 4 small car spaces, the proposal is considered to achieve compliance with the above objective of the Clause. It is noted that the Australian Standard provides the following reference to the provision of small car spaces (Cl.2.4.1(a)(iii)) *Spaces for smaller cars In certain circumstances it may be appropriate to provide a space smaller than specified above for small cars. It shall be designated as a space for small cars. The minimum dimension in Australia – 2.3 m wide x 5.0 m long.* The proposed development is considered appropriate in that it provides for 4 small car spaces in addition to 14 standard spaces.

The parking provided is considered satisfactory for the proposed nature of the use and its location, provided these spaces are appropriately identified and line marked. Smaller cars are becoming increasingly more prevalent on the roads. It is likely that the nature of the uses will not necessitate the use of larger vehicles and the provision of these spaces supports the use of smaller sized cars for environmental efficiencies.

The development is noted to be compliant with the required aisle widths and can provide for a disabled car space. The variation is considered to be acceptable in this instance and on the basis of the arguments provided and subject to the recommended conditions.

DCP Chapter 2.12 – Industrial Development

DCP Chapter 2.12 applies to the development of the site and contains those relevant controls not specifically included for consideration under DCP Chapter 6.11. The proposed development complies with the DCP controls for FSR, site coverage, setbacks, loading arrangements, signage, waste management and other matters (see the attached compliance table at attachment 1). A side setback requirement under the DCP has been applied to Devon Lane adjoining the site due to its operation as a service lane rather than a road, this is considered appropriate.

The design and appearance of the development is satisfactory and consistent with the relevant DCP requirements. The design does not include any long blank wall to the street frontages and the building facades provide sufficient visual interest and variation. A shared loading and maneuvering area for service vehicles has been proposed at the eastern end of the development. Internal facilities have been provided within the development, however, an accessible parking space has not been provided. Provision of the accessible parking space will be included under the recommended conditions.

The proposal seeks variation to the required minimum landscaped setback under the DCP. A minimum 5 metre landscape front setback (excepting access) is required for the development under Clause 2.3a. The landscaped setback proposed is 2 metres (60% variation). A landscape plan and landscape design statement has been provided with the application which shows high quality landscaping along the site frontage which will provide shade to the car park areas, assist in screening the built form, and will provide visual amenity and character to the overall industrial precinct. In this regard, the applicant's landscaping statement makes note of the following:

Shade amenity trees have been located at 10m centres adjacent to the car park areas, which will assist in reducing the 'heat island affect' generally associated with large expanses of hard paved surfaces. An understorey of mass planted low shrubs, grasses, & groundcovers will ensure visual surveillance into the site. All species have been selected to compliment the colour palette of the proposed building and are hardy water-wise low maintenance species.

The variation is supported on the grounds that the landscaping proposed is considered satisfactory for the development and achieves the objectives for the control which are:

- *To require areas around buildings for environmental improvement and protection*
- *To control the visual impact of buildings and other structures*

The proposal is consistent with the objectives that apply to the site under the DCP Chapter. The vehicle parking and circulation and streetscape presentation of the development is considered satisfactory. The visual amenity of the site is maintained through suitably modulated design and satisfactory landscaping provided on the site.

It is noted that the adjoining site to the west has been granted development consent for the construction of a warehouse for storage and distribution of food products under DA/412/2014. This application involved a variation of 2 metres to the landscaped setback under Chapter 2.12, however, involved a larger scale development to that which is proposed under this application.

The proposed use is not expected to generate significant noise or unreasonably interfere with the amenity of the neighborhood, particularly the nearby residential activities to the east of the site. Under Clause 2.19, any application for industrial development located within 50 metres of a residential property boundary requires the submission of an acoustic report. The application seeks variation to this requirement and this is considered reasonable, given that the land use is seeking consent for the purpose of 'light industrial' rather than 'industrial' which by its definition is *does not interfere with the amenity of the neighbourhood by reason of noise, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil, or otherwise.*

It is noted that general 'industries' are not permissible in this zone.

Given also that the design of the development is orientated primarily away *from*, and lower *than*, that the existing residential activities along Devon Lane. The nature of the land use is not likely to generate any unreasonable noise impacts to the nearby residential activities. Additionally, it is noted that the design and layout of the development does not cater for heavy vehicles and these will not be associated with the site. To further address the potential for impacts, appropriate conditions will be recommended to ensure residential amenity is maintained (including standard operating hours).

The development is considered satisfactory in relation to residential amenity and the variation to the landscaping provision is supported.

DCP Chapter 2.6 - Signage

The proposal includes a 9m high x 3m wide illuminated entry pylon sign along London Drive. The proposal also includes wall signage on the eastern and northern elevations. Clause 2.2.1 of the DCP Chapter refers to the standards applicable under the Advertising and Signage Exempt Development Code. The proposed signs are not included as a sign type under the SEPP (Exempt and Complying Development Codes) 2008. The signage is not a type identified under Clause 3 as not being permitted. The proposed signage relates to use of the land on which it is located. The proposal is considered consistent with the objectives of the DCP chapter under Clause 1.1 as business identification signage for the future occupants of the building.

DCP Chapter 3.1 Site Waste Management

In accordance with DCP Chapter 3.1, the applicant submitted a Waste Management Plan for the development outlining the waste disposal, re-use and recycling (on and off site) for the construction and operational stages of the development.

DCP Chapter 6.11 – North Wyong – Enterprise Corridor and Industrial Precinct

DCP Chapter 6.11 applies to the site and relevant requirements are outlined under the attached compliance table. In accordance with the DCP, the building facades have clearly defined entrances and the masonry construction is suitably treated to enhance the visual amenity of the built form. Adequate landscaping has been provided along the street frontage and the building presents in a positive manner to the street.

In respect of residential amenity under Clause 3.3, the proposal use is not expected to generate significant noise or unreasonably interfere with the amenity of the neighborhood, particularly the nearby residential activities to the east of the site. It is noted that residential properties located on the same side of the highway as the site are zoned B6 (the same as the site), and the closest residentially zoned land is located on the opposite side of the highway which is approximately 110 metres distance away from the site.

The orientation of the development is primarily away from this residentially zoned land with no openings directly facing the residential area. There is a level difference of approximately 5m between dwellings fronting the Pacific Highway and the site which will provide some further separation. The design and layout of the development does not cater for heavy vehicles and these will not be associated with the site. The development is considered satisfactory in relation to building design and appearance, landscaping, and the arrangements for parking and access.

d) Relevant Regulations

There are no matters under the regulations relevant to the proposal that require specific discussion.

THE LIKELY IMPACTS OF THE DEVELOPMENT

a) Built Environment

Roads Access and Traffic

The development will necessitate the completion of road infrastructure in accordance with the relevant provisions of Council's Civil Works Design Guidelines. Conditions have been recommended requiring the provision of a new industrial driveway crossing and layback (to be widened further in a westerly direction) in the frontage road reserve in order to accommodate access by medium rigid vehicles.

The proposed off-street car parking dimensions, vehicle manoeuvrability and internal driveway grades will need to comply with AS/NZS 2890.1 (2004) - "Off-street car parking". The proposed loading areas, vehicle manoeuvrability and internal driveway grades will need to comply with AS 2890.2 (2002) – "Off-street commercial vehicle facilities". On safety grounds, a crash barrier located entirely within the property is required due to the extensive level difference between the frontage road reserve and subject property. Conditions have been recommended to address each of these matters.

Stormwater

The site falls towards London Drive. No on-site detention and drainage is required for this proposal. Stormwater runoff from all hard surface areas generating runoff is to be directed to an existing pit located at the north-western corner of the site. Rainwater tank storage has been proposed along the eastern building façade. An overland flow path needs to be provided from existing pit to ensure that any flows are directed to the street drainage system.

Earthworks

An existing earth embankment fronts both Devon Lane and London Drive. Cut of up to 2.73m is proposed into this embankment which will need to be designed to ensure the integrity of Devon Lane and London Drive. Suitable conditions have been recommended in relation to this aspect of the proposal.

Other aspects

A thorough assessment of the other aspects of the proposed development on the built environment has been undertaken in terms of DCP compliance. There are no matters relating to site design and internal design, external impacts or construction activities that require further consideration or discussion. The proposal will not adversely impact on the character and amenity of the locality and streetscape. The scale, form, character and density of the development is acceptable within the locality. As a result, the proposed development is considered to be satisfactory in terms of impacts on the built environment.

b) Natural Environment

The site is generally level with very limited vegetation. There will be no significant impact upon the natural environment as a result of the proposal.

2.2 DA/705/2015 - Proposed Light Industrial Building comprising 10 units, Associated Parking, Landscaping and Signage (contd)

All other relevant issues regarding the likely impacts of the development have been discussed throughout this report. In general, it is considered that the property is suitable for the proposed development subject to conditions.

THE SUITABILITY OF THE SITE FOR THE DEVELOPMENT

The site is located within a newly establishing industrial business park on a generally level site with limited vegetation. The surrounding roads are capable of accommodating the additional traffic movements and the site is considered a suitable context for the scale and type of development proposed. There are no significant constraints to development of the site as proposed that would render the site unsuitable for development.

THE PUBLIC INTEREST (s79C(1)(e)):

Any Federal, State and Local Government interests and community interests.

There are no matters associated with the proposal that would be considered contrary to the local or community interest. The proposal will create additional employment and business opportunities for the Central Coast Region. The proposed development is permissible with consent and generally complies with the relevant policies and controls.

OTHER MATTERS FOR CONSIDERATION

Section 94 Contributions /Section 94A Contributions

All Section 94 contributions were paid at the original subdivision stage on a net developable area basis. No further Section 94 contributions are applicable to this application.

Water and Sewer Contributions

The site is located within the Wyong Development Servicing Plan. Water and sewer contributions are not required for this development, as the original lot holds an existing industrial subdivision credit. A Section 306 under the Water Management Act 2000 (refer to WMA/938/2015) will be issued concurrently with any consent to be issued for the development.

CONCLUSION

The application seeks approval for the construction of a light industrial building including 10 units, associated parking, landscaping and signage. There are minor variations proposed to the landscaped setback control that applies to the site frontage, to the requirement for an acoustic assessment and to the parking requirements, however these variations are considered reasonable within the context of the site. The variations to the DCP are considered acceptable in the circumstances and have been suitably addressed under the recommended conditions.

**2.2 DA/705/2015 - Proposed Light Industrial Building comprising 10 units,
Associated Parking, Landscaping and Signage (contd)**

The proposal will represent a positive opportunity to provide additional services and employment opportunities within the local area. Aside from the proposed variations, the development is considered to be consistent with the objectives of the controls and generally consistent with relevant SEPP's, Council's LEP and DCP requirements. It is generally considered the proposed development is suitable for the site and will represent a positive opportunity to support start up light industrial businesses within the area and contribute to strengthening the local economy.

The proposal is recommended for approval subject to recommended conditions.

ATTACHMENTS

- | | | |
|----------|-----------------------------|-----------|
| 1 | Compliance Table | D12089675 |
| 2 | SEPP 64 Schedule | D12089678 |
| 3 | Draft Conditions of Consent | D12103746 |

Development Statistics - Compliance Table

Application No DA/705/2015
 Description of Land 2 London Drive, Wyong
 Proposed Development Proposed construction of 10 light industrial units.

	Proposed	Required	Compliance
Site Area	3051m ²	-	-
FSR	0.47:1	0.8:1 (maximum)	Yes
Bonus FSR	0.56:1 (incl. mezzanine)	1.5:1	Yes
Gross Floor Area	1730.5m ²	2440m ²	Yes
-Ground level	1376.5m ²		
-Future mezzanine	354m ²		
Site Coverage	45% (1376.5m ²)	50% (maximum)	Yes
Building Setbacks			
- Front (London Dr)	11.9m	10m min (other road)	Yes
- East side (Devon Lane)	3.11m	Nil	Yes
- West side	Nil	Nil	Yes
- South Rear	Nil	Nil	Yes
Landscaped front setback	2m minimum	5m minimum (except access)	No
Landscaping	Landscape design statement, plan and specification Shade trees provided at 10 metre spacing.	Landscape Assessment and Design Report Native shade trees 1/10m frontage except access	Yes
Parking			
Industrial (including Mezzanine)	14 plus 6 small car	17.3 (1 /100m ²)	No
Accessible parking	None provided	1	No
Service requirements	Loading/Service area provided on site	Min 2 (1/800m ²)	Yes
Bicycle Parking	10	1 per 10 spaces	Yes
Manoeuvring	Wholly on site	Satisfactory on site	Yes
Height	7.4m (max)	12m	Yes
Bonus height	-	20m	-
Signage	Illuminated signage 9 metres	DCP 6.11 - cl2.7	N/A
Building facade	Variety of materials Clear defined entry Interesting visual appearance to street.	Variety of materials Clear defined entry Office at the front to street Screen waste and plant Interesting visual appearance to street.	Yes

SEPP 64 Schedule 1 Assessment Criteria		
Requirement	Proposed	Compliance
Character of the area	The proposal is compatible with the business and industrial locality in which it is located. The sign will use high quality materials from a professional design company.	Yes
Special Areas	The proposal does not detract from the amenity or visual quality of any environmentally sensitive areas, heritage areas, natural or other conservation areas, open space areas, waterways, rural landscapes or residential areas.	Yes
Views and vistas	The proposal does not obscure or compromise important views, dominate the skyline and reduce the quality of vistas.	Yes
Streetscape, setting and landscape	The scale, proportion and form of the proposal is appropriate for the streetscape, setting or landscape. The proposal will incorporate identification signage on the building and at the main entry point for the site. Although the proposed sign does protrude above the existing approved building form, the sign height is considered characteristic of the area and its business zoning.	Yes
Siting and Building	The proposal is considered compatible with the scale, proportion and other characteristics of the completed development on the subject site.	Yes
Associated devices & logos with advertisements and advertising structures	There are no required safety devices, platforms, lighting devices or logos associated with the design of the sign structure and its longer term use (ie. after installation).	N/A
Illumination	The signs are proposed to be illuminated. However conditions have been recommended to restrict the illumination to operating hours only to minimise the potential for any adverse impact on the surrounding residential dwellings.	Yes
Safety	The proposal would not reduce the vehicle, cyclist or pedestrian safety for any public road. The sign does not reduce the safety for pedestrians, including children, by obscuring any sightlines from public areas.	Yes

Date: 6 October 2015
Responsible Officer: Salli Pendergast
Location: 2 London Drive, WYONG NSW 2259
 Lot 38 DP 1100416
Owner: Central Coast Group Training Ltd
Applicant: Mr G P Best
Date Of Application: 10 July 2015
Application No: DA/705/2015
Proposed Development: Light Industrial building including 10 units, parking and signage
Land Area: 3051.00

PROPOSED CONDITIONS

Approved Plans

- The development is to be undertaken in accordance with the approved development plans and specifications listed below and supporting documentation except as modified by any conditions of consent and any amendments in red made to the approved plans:

Title	Drawing No.	Rev	Date	Drawn By
Cover Page	A-001	A-05	1/06/2015	CKDS Architecture
Notes/Legend	A-002	A-05	1/06/2015	CKDS Architecture
Site Plan / Analysis	A-004	A-05	1/06/2015	CKDS Architecture
Ground Floor	A-101	A-05	1/06/2015	CKDS Architecture
Elevations	A-201	A-05	1/06/2015	CKDS Architecture
Elevations	A-202	A-05	1/06/2015	CKDS Architecture
Sections	A-301	A-05	1/06/2015	CKDS Architecture
Landscape Plan	L/DA/101	A	8/07/2015	Spade
Colour Landscape Plan	L/DA/102	A	8/07/2015	Spade
Landscape Details & Notes	L/DA/501	A	8/07/2015	Spade

Certificates – Application and Approval

- A Construction Certificate is to be issued by the Principal Certifying Authority prior to commencement of any construction works. The application for this Certificate is to satisfy all of the requirements of the Environmental Planning and Assessment Regulation 2000.
- Prior to the occupation or use of the building/structure, an application for an Occupation Certificate for the development must be submitted to and approved by the Principal Certifying Authority.

- 4 Where conditions of this consent require approval from Council under the Roads Act 1993, Local Government Act 1993 or Water Management Act 2000, a completed Subdivision Construction Certificate application form must be lodged with Council and be accompanied by detailed design drawings and supporting information. Upon submission to Council, fees and charges will be calculated in accordance with Council's Management Plan. The fees and charges must be paid prior to Council commencing the design assessment.

Prior to Release of Construction Certificate:

The following conditions must be satisfied prior to the release of the Construction Certificate. Conditions may require the submission of additional information with the Construction Certificate Application. Applicants should also familiarise themselves with conditions in subsequent sections and provide plans in accordance with any design requirements contained therein.

Roadworks - Design Requirements

- 5 Where conditions of this consent require approval from Council as the Roads Authority, a Subdivision Construction Certificate application must be lodged with Council and be accompanied by detailed design drawings and supporting information. Upon submission to Council, fees and charges will be calculated in accordance with Council's Management Plan. The fees and charges must be paid prior to Council commencing the design assessment.
- 6 The submission to Council of Civil Works design drawings and specifications detailing the following design requirements:
- Industrial vehicle access crossing(s). The proposed crossing shall be widened further towards the west in order to allow 2 x medium rigid vehicles (MRV's) to concurrently enter and exit the site.
 - Adjustment of services as required.

Required design drawings are to be prepared in accordance with Council's *Civil Works Design Guidelines* and must be approved by Council as the Roads Authority prior to the issue of a Construction Certificate.

- 7 Prior to the commencement of detailed design works within any public road, contact should be made with the National Community Service "Dial before you Dig" on 1100 regarding the location of underground services in order to prevent injury, personal liability and even death. Enquiries should provide the property details and the nearest cross street/road.

Stormwater Drainage - Design Requirements

- 8 The submission to the Accredited Certifier of a detailed stormwater management plan featuring:
- Stormwater disposal to the street.
 - Drainage pit at the boundary line.
 - Any overland flows from the site shall be directed to the street and not the adjoining property.

The plans must be prepared in accordance with *AS/NZS3500.3:2004* and Council's *Civil Works Design Guidelines*, and be approved by the Accredited Certifier prior to issue of the Construction Certificate. The plans may be generally based (with required amendments) upon the submitted concept stormwater drainage plans by Halcrow & Associates (refer Drawing No. 14.08.030, dated 18/5/2015), which are to be advanced as necessary for Construction Certificate issue purposes.

- 9 Any new stormwater drainage works external to the site and discharging into a public system or public land requires approval from Council under Section 68 of the Local Government Act 1993. Detailed design drawings prepared in accordance with Council's *Civil Works Design Guidelines* must be approved by Council prior to the issue of a Construction Certificate. All other stormwater management works must be approved by the Accredited Certifier.

Structural Design Requirements

- 10 Any excavation below the adjoining land level requires the retaining of that land and the preservation and protection of any improvements or buildings upon that land including public roads and utilities from damage. If necessary, the improvements or buildings are to be supported in a manner designed by a suitably qualified Registered Structural Engineer. Any design proposals prepared in order to comply with this condition are to include geotechnical investigations and are to be submitted for the approval of the Accredited Certifier and in the case where excavation impacts upon public infrastructure, Council, prior to issue of the Construction Certificate.
- 11 Prior to the issue of a Construction Certificate, suitable detailed design drawings for all retaining wall structures on the site are to be provided for the approval of the Accredited Certifier. Such design drawings are to be prepared by a suitably qualified Registered Structural Engineer in accordance with the requirements of *AS 4678-2002 - Earth Retaining Structures*. All retaining walls must be contained wholly within the property and designed so as to accommodate possible surcharge loading from vehicles or structural improvements within the adjoining property.

- 12 Prior to the issue of any Construction Certificate, suitable detailed structural engineering design drawings for fencing/crash barriers shall be provided for the approval of the Accredited Certifier. The fencing/crash barriers shall be located along the entire length of Devon Lane and the majority of the London Drive frontages. The fencing/crash barriers must be located entirely within the subject property. This requirement has been imposed due to the significant level difference between the frontage verges and areas along the eastern and north eastern boundaries.

Vehicle Access and Parking - Design Requirements

- 13 The submission to the Accredited Certifier of a detailed car parking design. The design shall include:
- Pavement marking, appropriate signage and physical controls detailed for the carpark, access driveway and circulation roads.
 - Pavement design able to withstand anticipated vehicle loading.
 - Amendment to parking spaces to achieve geometric compliance with the parking for people with disabilities (using the area shown on Drawing No. A-101 Rev. A-05 as spaces 4 and 5).
 - Widening of the access driveway further towards the west with the potential loss of the adjacent parking space to the west of the driveway in order to allow 2 x MRV's to concurrently manoeuvre through the site.
 - The remaining area adjacent to the driveway following these amendments is to be incorporated into the landscaping area and shown to be landscaped appropriately.
 - Revised site plans overlaid with the design vehicle template clearly demonstrating that garbage trucks can adequately manoeuvre through the site.

The design drawings shall be prepared in accordance with the requirements of AS/NZS 2890 – Parts 1, 2 and 6, and be approved by the Accredited Certifier prior to the issue of a Construction Certificate.

Water and Sewer Services - Design Requirements

- 14 All water and sewer works or works impacting on water and sewer assets must be designed and constructed to the requirements of Council as the Water Supply Authority. The requirements are detailed in the Section 306 Notice of Requirements letter attached to this consent. **Note:** The Section 306 Notice contains requirements associated with the development that must be completed prior to the issue of the Construction Certificate.

Prior to Commencement of Works:

The following conditions must be satisfied prior to the commencement of site works, including any works relating to demolition, excavation or vegetation removal.

Erosion and Sediment Control Requirements

- 15 Prior to the commencement of construction an initial Erosion and Sediment Control Plan (ESCP) prepared in accordance with the latest edition of the Landcom Publication '*Soils and Constructions- Volume 1*' (The Blue Book) shall be provided to the Principal Certifying Authority. This plan shall be modified and updated during construction to reflect any changes due to the on-ground/site conditions. A copy of any modifications or updates to the ESCP shall be provided to the PCA and provided to Council upon request.

Erosion and sediment controls shall be monitored, maintained and adapted in accordance with the most recent ESCP until the site is fully stabilised and landscaped. Failure to comply with this condition may result in fines under the provision of the Protection of the Environment Operations Act

Protection of Adjoining Property Requirements

- 16 Prior to works associated with the development commencing, the owner of the adjoining property affected by the proposed excavation and/or structural protective works, must be given written notice of the intention to commence works. The required notice must be accompanied by details of the proposed work at least seven (7) days prior to the commencement of proposed excavation and/or structural protective works.
- 17 Prior to works associated with the development commencing, the applicant must supply the Principal Certifying Authority with a dilapidation report for the adjoining properties, which documents and photographs the condition of buildings and other improvements. The report must be submitted to and approved by the Principal Certifying Authority prior to the commencement of any works. **Note:** The report is to be made available by the Principal Certifying Authority in any private dispute between neighbours regarding damage arising from construction works upon the development site.

Roads - Preconstruction Requirements

- 18 Prior to commencing any works upon public roads the developer and their contractor will be required to:
- Obtain a copy of the Council approved Civil Works plans and pavement design (if applicable).
 - Obtain a copy of Council's *Civil Works Design Guidelines*. This is Council's Specification for Civil Works and is available on Council's web site.
 - Arrange a meeting on-site with Council's Principal Development Construction Engineer on (02) 4350 5555.

- 19 Prior to works associated with development commencing, a dilapidation report must be prepared and submitted to Council as the Roads Authority. The required dilapidation report must document and provide photographs that clearly depict any existing damage to the road, kerb, gutter, footpath, driveways, water supply, sewer works, street trees, street signs or any other Council assets in the vicinity of the development. **Note:** The report will be used by Council to determine the extent of damage arising from site and construction works.

During Construction Works:

The following conditions must be satisfied during construction works.

Erosion and Sediment Control Requirements

- 20 Erosion and sediment controls shall be provided on site prior to commencement of construction activities in accordance with Council's Policy E1 – Erosion and Sediment Control for Building Sites. Erosion and sediment controls are to be maintained, monitored and adapted throughout construction to prevent sediment moving off-site. Failure to comply with this condition may result in fines under the provision of the *Protection of the Environment Operations Act 1997*.

Site Requirements

- 21 Prior to works associated with the development commencing, the Principal Contractor (or Owner/Builder) is to erect a suitable sign in a prominent position on the development site (not attached to any tree) identifying the name, address and telephone number of the Principal Certifying Authority (PCA) for the work, the name, address and telephone number (including a number for outside of business hours) of the Principal Contractor for the work (or Owner/Builder) and stating that unauthorised entry to the site is prohibited. The required sign is to be maintained for the duration of works associated with the development. Appropriate signs can be collected from Council's Customer Service Centre, where Council is the nominated Principal Certifying Authority with respect to the development.
- 22 During the construction phase of the development, all building materials, plant and equipment must be placed on the site of the development in order to ensure that pedestrian and vehicular access within adjoining public roads, footpaths and reserve areas, is not restricted and to prevent damage to public infrastructure.
- 23 Construction or demolition works involved with the development may only be carried out between the hours of 7.00 am and 5.00 pm Monday to Saturday with no construction or demolition works associated with the development permitted to be carried out at any time on a Sunday or a public holiday.

Services/Utility Requirements

- 24 The developer is solely responsible for any costs relating to alterations and extensions of existing roads, drainage, water and sewer infrastructure and other utilities for the proposed development.
- 25 Other public authorities may have separate requirements and should be consulted prior to commencement of works in the following respects:
- Australia Post for the positioning and dimensions of mail boxes in new commercial and residential developments;
 - AGL Sydney Limited for any change or alteration to gas line infrastructure;
 - Ausgrid for any change or alteration to electricity infrastructure or encroachment within transmission line easements;
 - Telstra, Optus or other telecommunication carriers for access to their telecommunications infrastructure.

Site Access Requirements

- 26 All construction access and deliveries are to be via London Drive. No construction access or deliveries are to be permitted from Devon Lane.

Prior to Release of Occupation Certificate:

The following conditions must be satisfied prior to the release of an Occupation / Subdivision Certificate.

Building Code of Australia – Compliance Requirements

- 27 Prior to the issue of an Occupation Certificate, the building shall be completed in accordance with the relevant provisions and requirements of the Building Code of Australia.

Dilapidation Rectification Requirements

- 28 Prior to the issue of an Occupation Certificate, any damage not shown in the Dilapidation Report submitted to and approved by the Principal Certifying Authority prior to site works commencing, will be assumed to have been caused as a result of the site works undertaken with respect to the development and must be rectified at the applicant's expense.

Other Authorities – Compliance Requirements

- 29 Prior to the issue of an Occupation Certificate, the developer must comply with the requirements (including financial costs) of any relevant utility provider (for electricity, water, sewer, drainage, gas, telecommunications, roads, etc) in relation to any connections, works, repairs, relocation, replacements and/or adjustments to public infrastructure or services affected by the development.

Roads – Compliance Requirements

- 30 The provision of any additional civil works required to ensure satisfactory transitions to existing work as a result of work conditioned for the development works are to be approved by Council as the Roads Authority prior to issue of the Occupation Certificate.
- 31 All works within the public road must be completed in accordance with the approved Civil Works design drawings and Council's *Civil Works Construction Specification* and be approved by Council as the Roads Authority prior to the issue of any Occupation Certificate.

Stormwater – Compliance Requirements

- 32 The construction of the stormwater management system in accordance with the approved Stormwater Management Plan and AS/NZS 3500.3-2004. Certification of the construction by a suitably qualified consultant shall be provided to the Principal Certifying Authority prior to issue of the Occupation Certificate.
- 33 The construction of any new stormwater drainage works external to the site and discharging into a public system or public land in accordance with the approved Stormwater Management Plan and Council's *Civil Works Construction Specification*. All works must be approved by Council under Section 68 of the Local Government Act 1993 prior to issue of the Occupation Certificate. All other stormwater management works must be approved by the Principal Certifying Authority.

Easement for Support

- 34 Prior to the issue of any Occupation Certificate, an Easement for Support shall be created on the title for the land containing the structures proposed to retain and support the road reserves of Devon Lane & London Drive.

The terms of the easement are to include:

- The burdened lot is responsible for maintaining the retaining structures;
- The parties responsible for the benefited property have the ability to enter, to maintain and inspect the easement as required;
- The parties responsible for the benefited property are able to claim any costs associated with the undertaking of necessary maintenance works from the burdened lot.

Wyong Shire Council shall be nominated as the party to release, vary or modify the easement.

Water and Sewer Services/Infrastructure – Compliance Requirements

- 35 Prior to the issue of any Occupation Certificate, all water and sewer works for the development must be approved by Council as the Water and Sewer Authority.
- 36 The obtaining of a satisfactory final plumbing & drainage inspection advice or Section 307 Certificate of Compliance under the *Water Management Act 2000* for water and sewer requirements for the development from Wyong Shire Council as the Water Supply Authority, prior to issue of the Occupation Certificate. All works for the development must be approved by Council prior to the issue of a Certificate of Compliance.

Ongoing Operation:

The following conditions must be satisfied during use / occupation of the development.

Stormwater – Ongoing Maintenance Requirements

- 37 All stormwater treatment devices (including drainage systems, sumps and traps) must be regularly maintained in order to remain effective.

Waste Management – Compliance Requirements

- 38 All waste generated on the premises shall be stored in a manner so that it does not pollute the environment. All waste generated on the premises shall be transported to a facility which is licensed to receive that material.
- 39 A cold water hose cock shall be located inside or within close proximity to the waste storage area to facilitate cleaning.

Vehicle Access and Parking – Ongoing Requirements

- 40 The proposed “small car” parking bays are to be signposted as being undersize.

Advertising Sign Requirements

- 41 Advertising signs must not contain any flashing light, animated or reflective or moving parts, no iridescent or fluorescent colours or materials shall be used on the external surface of the sign. The colours and illumination to be used for the sign shall not result in any adverse impact on the amenity of the surrounding area.

Residential Amenity

- 42 The use of the units within the development shall comply with the relevant NSW industrial noise policies and provisions of the Protection of the Environment Operations Act 1997.

3.1 Proposed Grant of Easement for Right of Access at 466 The Entrance Road, Bateau Bay

TRIM REFERENCE: F2014/00261 - D11961365

MANAGER: Peter Stokes, Manager Property Management

AUTHOR: Julie Tattersall; Property Officer

SUMMARY

Approval is sought to grant a Right of Carriageway to the owner of Lot 16 DP 22151 at 468 The Entrance Road, Bateau Bay (Lot 16) over Council land Lot 1 DP 614688 at 466 The Entrance Road, Bateau Bay (Lot 1).

RECOMMENDATION

- 1 That Council grant a Right of Carriageway over Lot 1 DP 614688, 466 The Entrance Road, Bateau Bay to provide access to Lot 16 DP 22151 at 468 The Entrance Road, Bateau Bay for an amount of compensation agreed at \$2,000.**
- 2 The Council authorise the Common Seal of Wyong Shire Council to be affixed to related documents as required.**
- 3 That Council authorise the General Manager to execute all documents relating to the grant of easement between Wyong Shire Council and the owner of Lot 16 DP 22151.**

BACKGROUND

The Owner of Lot 16 (the Owner), was granted Development Consent on 29 October 2014 (DA/630/2013/A) to conduct a home business of a dental practice on Lot 16. The Development Consent is subject to a condition that the Applicant (the Owner) is required to obtain of Right of Access over Lot 1 owned by Council.

A Right of Carriageway is already registered over Lot 1 in favour of the Bowling Alley on adjacent land and the new Right of Carriageway will be contained partially within the existing Right of Way. An additional easement is required, however, as the point of access to Lot 16 as required by the Development Consent, deviates from the existing easement.

The Owner has advised that physical access to Lot 16 has been obtained over Lot 1, in the area of the proposed easement, for many years.

The Right of Access is located to the west of Lot 1, parallel to The Entrance Road. Lot 1 is zoned SP2 Infrastructure and comprises the Sewer Treatment Plant and buffer land. Lot 1 has an area of approximately 11.5 hectares and is classified as Operational land. Part of Lot 1, approximately 3.74 hectares, is presently leased for use as a golf driving range. The creation of the Right of Carriageway will not affect the use of the land as a golf driving range as the Right of Carriageway largely overlaps the existing easement.

3.1 Proposed Grant of Easement for Right of Access at 466 The Entrance Road, Bateau Bay (contd)

Consent to grant the Right of Carriageway has been obtained from the owners of the Bowling Alley and the Golf Driving Range.

Compensation for the grant of the easement has been assessed at \$2,000. The area affected by the proposed easement is already encumbered by a Right of Way in favour of the Bowling Alley site and there is no loss in value to Council's land. \$2000 represents generous blot on title value. The Owner will be required to pay all costs pertaining to the registration of the easement.

THE PROPOSAL

The Owner of Lot 16 has requested that Council grant a Right of Carriageway over Lot 1 for the benefit of the Lot 16 and has agreed to pay \$2,000 compensation for the grant of the easement and to pay Council's costs. The Owner will also be responsible for constructing and maintaining the Right of Carriageway.

The Right of Access over Lot 1 will satisfy the conditions of the Development Consent approved by Council.

OPTIONS

If Council does not grant the Right of Access, the Owner will not be able to satisfy the conditions of the Development Consent and, accordingly, will not be able to conduct a home business of a dental practice on his land.

Budget Impact

There is no cost to Council to grant the easement. The Owner has agreed to pay compensation to Council and all other costs associated with the grant of rights including registration fees at Land and Property Information.

CONSULTATION

The Owner has approached Council in order to obtain the easement and has agreed to pay compensation as assessed. Consent to grant the Right of Carriageway has been obtained from the owners of the Bowling Alley and the Golf Driving Range.

The Manager, Water and Sewer, has no plans for the current or future use of the land and has no objection to the proposal.

GOVERNANCE AND POLICY IMPLICATIONS

There is no impediment to the grant of an easement over Operational land.

MATERIAL RISKS AND ISSUES

Nil impact.

3.1 Proposed Grant of Easement for Right of Access at 466 The Entrance Road, Bateau Bay (contd)



CONCLUSION

It is proposed that Council grant an easement for Right of Access over Council land Lot 1 DP 614688 at Bateau Bay to enable the Owner to satisfy Development Consent conditions to enable him to conduct a home business from the Owner's land, Lot 16 DP 22151.

ATTACHMENTS

Nil.

4.1 CPA/224527 - Design, Documentation and Construction of Charmhaven and Toukley STW Waste Receiving Stations

TRIM REFERENCE: CPA/224527 - D12092079

MANAGER: Gary Kinney, Project Director

AUTHOR: Ben Fullagar; Project Manager

SUMMARY

Evaluation and selection of tenders for Contract CPA/224527 - Design, Documentation and Construction of Charmhaven and Toukley STW Waste Receiving Stations.

"Councillors are reminded that the name of the successful tenderer will be released after resolution of this item. This means that the contents of Attachment A cannot be disclosed during discussion in the open session of the Council meeting."

RECOMMENDATION

- 1 That Council accept the tender from the company nominated as Tenderer No 2 in the attached Tender Evaluation Report, for the lump sum amount of \$498,000 (excl GST) for Contract CPA/224527 – Design, Documentation and Construction of Charmhaven and Toukley STW Waste Receiving Stations.**
- 2 That Council approve the contingency sum as detailed in the Tender Evaluation Report in Attachment A.**

BACKGROUND

Council intends to upgrade the waste receiving facilities at Charmhaven and Toukley Sewage Treatment Works (STW) to improve handling, treatment, monitoring and billing practices. Both treatment works receive and process liquid waste including septic pump out, chemical closet waste and landfill leachate collected by private contractors in Wyong Shire. The sites currently do not have provisions to screen the waste prior to entering the treatment process, monitor the quantity of waste delivered or the ability to accurately bill the users for this service.

This contract involves the design, documentation and construction of waste receiving facilities at Charmhaven and Toukley STW. The new facilities are to include a liquid waste screening unit, new pavement and hardstand areas, a drying bed at Toukley, drainage and connecting pipework, site area lighting and all associated power supply and control equipment.

CONTRACT PLAN

The Contract Plan for this tender process was approved by the acting Director Infrastructure and Operations before the Request for Tender was issued. The approved Contract Plan is in TRIM D04085983. The contract works require specialist designers and contractors and are not able to be completed by Council staff.

INVITATION TO TENDER

The tender was advertised in the Sydney Morning Herald and eTender on 21 July 2015 and the Central Coast Express on the 22 July 2015.

The invitation documents called for lump sum tenders, based on a detailed specification.

A compulsory pre-tender meeting was held on site on the 4 August 2015 to allow tenderers to become familiar with site conditions.

Tenders closed at 2.00pm on 27 August 2015.

TENDER SUBMISSIONS

The following tenders were received and are listed in alphabetical order:

- Delany Civil P/L
- Gongues Constructions P/L
- Kerroc Constructions P/L
- McNamee Constructions P/L
- Process Engineering Technologies

No late submissions were received.

TENDER EVALUATION

All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.

The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Report – Attachment A.

All submissions were assessed in accordance with the approved evaluation criteria being:

Threshold Criteria:

- Compliance with Request for Tender documents, including lodgement by Closing Time.
- Tenderer has a safety, environmental and quality control system or plan.
- Compliance with specification.
- Contractor to achieve minimum satisfactory score for each of the weighted criteria (excepting local content).

Weighted Criteria:

- Local Content.
- The tendered price and structure; as well as any other potential costs to Council that may be identified.
- Proposed methodology/program which demonstrates capacity to provide the Services as required under the Contract
- Experience and proven performance in the specific field
- Design adequacy

FINANCIAL IMPLICATIONS

The confidential attachment outlines the additional funds required to fully fund the project within this year's capital works program under project numbers 15991 and 15992.

RELEVANT LEGISLATION

The tender has been conducted in accordance with the *Local Government Act 1993*, the *Local Government (General) Regulation 2005* and Council's Procurement Policy.

Information provided by tenderers which is commercial-in-confidence has been protected and will not be disclosed in accordance with section 10A(2)(d) of the *Local Government Act 1993*. A consistent standard for all tenderers has been used in assessing any request for confidentiality by a tenderer.

CRITICAL DATES / TIME FRAMES

It is planned to award the contract immediately after the expiration of the rescission period following the Council resolution considering this report, with completion expected by the end of April 2016.

RISK

This contract has been assessed as a low risk contract. The key risks and mitigations measures have been addressed in the Contract Plan and detailed Risk Assessment which is on the TRIM file.

REGULATORY APPROVALS

The following regulatory approvals have been obtained for this Contract:

- Part 5 assessment under the *Environmental Planning and Assessment Act 1979* in Trim (D04274002 (Charmhaven) and D04227963 (Toukley)).

PROCESS REVIEW

The Tender evaluation and this Report and recommendations have been endorsed in TRIM by the Acting Commercial Manager, Contracts and Project Management.

OPTIONS / ALTERNATIVES

Council has the option of not proceeding with this contract by resolving not to accept an offer from any of the Tendering parties. This option is not recommended.

PUBLIC CONSULTATION

No public consultation specific to this contract was necessary and none has occurred. Consultation will occur with the private tanker operators to advise of construction timing and changes to operational arrangements.

ATTACHMENTS

- 1 Confidential Attachment - CPA/224527 - Design Documentation and Construction Charmhaven and Toukley STW Waste Receiving Stations - D12104380

4.2 CPA/261063 - Upgrade of Sewage Pump Station WS11

TRIM REFERENCE: CPA/261063 - D12076682

MANAGER: Stuart Hull, Manager

AUTHOR: John Tennant; Engineer

SUMMARY

Evaluation and selection of tenders for Contract CPA/261063 – Upgrade of Sewage Pump Station WS11

“Councillors are reminded that the name of the successful tenderer will be released after resolution of this item. This means that the contents of Attachment ‘A’ cannot be disclosed during discussion in the open session of the Council meeting.”

RECOMMENDATION

- 1 That Council accept the tender from the company nominated as Tenderer No. 2 in the attached Tender Evaluation Report, for the lump sum amount of \$2,762,000.00 (excl GST) for Contract CPA/261063 – Upgrade of Sewage Pump Station WS11.**
- 2 That Council determine the Tender Evaluation Report in Attachment A, remains confidential in accordance with Section 10 A (2) (d) of the Local Government Act 1993 as the report contains commercial information of a confidential nature, except for the name of the successful tenderer, which may be disclosed after Council has resolved to accept that tender.**
- 3 That Council approve the contingency sum as detailed in the Tender Evaluation Report in Attachment A.**

BACKGROUND

Sewage Pumping Station (SPS) WS 11 is located in Apex Park, Wyong and serves the suburbs of Wyong, Watanobbi, Wadalba, Wyongah and Tacoma. SPS WS11 is one of six pumping stations that transport sewage to Wyong South Wastewater Treatment Plant. In addition to its own gravity flow catchment, SPS WS 11 accepts flow from 26 subsidiary pumping stations.

The original pumping station was constructed in the mid 1960's and upgraded to its current capacity in the late 1980's. The station is now approaching its design capacity and currently suffers from a number of operational problems that include:

- a. Inadequate storage volume and pumping capacity;
- b. Aging and corroded machinery and structures;
- c. The risk of discharge to residential properties under wet weather flows;
- d. Offensive odours.

The works to be undertaken under this contract include:

1. Construction of a new 6.7metre diameter x 6.7metre deep wet well with 4 submersible pumps and associated electrical and control gear;
2. The conversion of the existing wet/dry well to a collection manhole and the conversion of the existing dry well to an offline emergency storage;
3. Construction of an odour control soil biofilter bed;
4. Associated roadworks and other site works.

Tenders for the works were previously invited under Contract No. CPA/249912, however, at its meeting of 13 May 2015, Council:

“RESOLVED on the motion of Councillor EATON and seconded by Councillor BEST:

499/15 That Council reject all tenders and direct the General Manager to invite fresh tenders based on the same or similar details.”

Fresh tenders have been invited under Contract No. 261063 and it is in respect to those fresh tenders that this report relates.

CONTRACT PLAN

The Contract Plan for this tender process was approved by the Director Infrastructure and Operations before the Request for Tender was issued. The approved Contract Plan is in TRIM D12047791.

INVITATION TO TENDER

The tender was advertised in the Sydney Morning Herald on 26 May 2015, The Central Coast Express on 27 May 2015 and on Council's eTender site on 26 May 2015. The advertised closing date for tenders was 26 June 2015.

The invitation documents called for lump sum tenders, based on a detailed specification.

A compulsory pre-tender meeting was held at the site of the works on 9 June 2015 to allow tenderers to become familiar with site conditions.

Tenders closed at Council's Chambers at 2.00pm on 26 June 2015.

TENDER SUBMISSIONS

The following tenders were received and are listed in alphabetical order:

- Eire Constructions Pty Ltd
- Gongues Constructions Pty Ltd
- Kerroc Constructions Pty Ltd
- Leed Engineering and Constructions Pty Ltd
- McNamee constructions Pty Ltd

No late submissions were received.

TENDER EVALUATION

All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.

The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Attachment 'A' –Tender Evaluation Report CPA/261063.

All submissions were assessed in accordance with the approved evaluation criteria being:

Threshold Criteria:

- Conformity to the Request for Tender documentation including lodgement by closing time;
- Evidence of satisfactory completion of a similar Sewage Pumping Station upgrade project with bypass system within the last five years.
- Evidence of corporate systems to manage safety, environment and quality;

Weighted Criteria:

- The tendered price and structure; as well as any other potential costs to Council that may be identified;
- Local Content;
- Quality of methodology proposed to complete the works including management of existing pumping station operation during periods of sewage bypass, construction of the new wet well and impacts on the local community;
- Proven experience and performance of key personnel and sub-contractors in the delivery of similar projects including referee checks;
- Quality of the tenderer's corporate systems to manage safety, environment and quality risks.

FINANCIAL IMPLICATIONS

There are sufficient funds allocated for this contract within the current year's capital works program under Project No. 15806.

RELEVANT LEGISLATION

The tender has been conducted in accordance with the *Local Government Act 1993*, the *Local Government (General) Regulation 2005* and Council's Procurement Policy.

Information provided by tenderers which is commercial-in-confidence has been protected and will not be disclosed in accordance with Section 10A (2) (d) of the *Local Government Act 1993*. A consistent standard for all tenderers has been used in assessing any request for confidentiality by a tenderer.

CRITICAL DATES / TIME FRAMES

It is anticipated that the contract will be awarded on 19 October 2015 and that the works will be available to be put into service by November 2016.

RISK

This contract has been assessed as a high risk contract. The key risks and mitigations measures have been addressed in the Contract Plan and detailed Risk Assessment which is on the TRIM file.

REGULATORY APPROVALS

The following regulatory approvals have been obtained for this Contract:

- Part 5 assessment under the Environmental Planning and Assessment Act 1979

PROCESS REVIEW

The tender evaluation and this report and recommendations have been endorsed in TRIM by the Acting Commercial Manager, Contracts and Project Management.

OPTIONS / ALTERNATIVES

Council has the option of not proceeding with this contract by resolving not to accept an offer from any of the Tendering parties. This option is not recommended.

PUBLIC CONSULTATION

Public consultation specific to this contract was necessary and has occurred with neighboring residents who will be affected by short term construction activities.

ATTACHMENTS

- | | | |
|---|--|-----------|
| 1 | CPA/261063 - Confidential Attachment A - T144 - Tender Evaluation Report - | D12099076 |
|---|--|-----------|

5.1 Community Subsidy Program and Sport and Cultural Sponsorship Program

TRIM REFERENCE: F2008/02110 - D12043332

MANAGER: Julie Vaughan, Manager

AUTHOR: Kay Matthews; Grants Support Officer

SUMMARY

This report provides consideration of applications and recommendations for Community Subsidy Program and Sport and Cultural Sponsorship Program funding for the period ending 28 August 2015.

The Community Subsidy Program provides in-kind assistance to support community efforts to maintain the quality of life of the Wyong Shire Community.

The Sport and Cultural Sponsorship Program assists Wyong Shire residents to participate in sporting and cultural events of Regional, State and/or National significance.

RECOMMENDATION

- 1 ***That Council allocate \$1,055.00 from the 2015-16 Community Subsidy Program as follows:***

<i>Applicant</i>	<i>Project Name Summary</i>	<i>Staff Funding Recommended</i>
<i>Autism Central Coast Inc</i>	<i>Venue hire of The Entrance Community Centre and Printing</i>	<i>\$1,055.00</i>
<i>Total</i>		<i>\$1,055.00</i>

- 2 ***That Council allocate \$6,000.00 from the 2015-16 Sport and Cultural Sponsorship Program as follows:***

<i>Applicant</i>	<i>Project Name Summary</i>	<i>Staff Funding Recommended</i>
<i>Mark Atmore</i>	<i>Duathlon World Championships, Adelaide, representing NSW</i>	<i>\$500.00</i>
<i>Fletcher Cunningham</i>	<i>Junior Olympic Hopes Regatta, Poland, representing Australia</i>	<i>\$1,000.00</i>
<i>James Dezius</i>	<i>Australian Country Open Men's Water Polo, Hawaii, representing Australia</i>	<i>\$1,000.00</i>
<i>Rosie Stimson</i>	<i>Born 99 NSW Waratah Women's Water Polo, Brisbane, representing NSW</i>	<i>\$500.00</i>
<i>Hannah Batten</i>	<i>2015 Junior National Oztag Championships, Coffs Harbour, representing NSW</i>	<i>\$500.00</i>

5.1 Community Subsidy Program and Sport and Cultural Sponsorship Program (contd)

<i>Michael Taylor</i>	<i>National U13 Hockey Championships, Darwin, representing NSW</i>	<i>\$500.00</i>
<i>Kallan Strong</i>	<i>Australian National Tenpin Bowling Championships, Melbourne, representing NSW</i>	<i>\$500.00</i>
<i>Stephen Jack</i>	<i>Ironman Triathlon World Championship, Hawaii, representing Australia</i>	<i>\$1000</i>
<i>Holly Gibbons</i>	<i>TAG World Cup, Sunshine Coast, representing Australia</i>	<i>\$500.00</i>
<i>Total</i>		<i>\$6,000.00</i>

- 3** *That Council decline applications for the reasons indicated in the table below, the applicants be advised and where relevant, directed to alternate funding programs:*

<i>Applicant</i>	<i>Project Name Summary</i>	<i>Staff Recommendation</i>
<i>Ellie Stimson</i>	<i>East Coast Water Polo Challenge, Brisbane, representing NSW</i>	<i>Application not received 30 days in advance</i>

BACKGROUND

Council currently provides \$30,000.00 annually for the Community Subsidy Program, which supports community efforts to maintain the quality of life of the Wyong Shire Community. Council does this through the provision of assistance to events, activities and programs that express community and cultural values, protect our natural environment, improve the urban environment and create jobs. The available balance for this program as at 28 August 2015 is \$26,481.09. Funds not expended by 30 June 2016 will be returned to general revenue.

Council currently provides \$20,000.00 annually for the Sport and Cultural Sponsorship Program, which assists Wyong Shire residents to participate in sporting and cultural events of Regional, State and/or National significance. The Sport and Cultural Sponsorship Program aims to recognise individuals and groups who achieve excellence in their field and represent the Central Coast. The available balance for this program as at 28 August 2015 is \$16,500.00. Funds not expended by 30 June 2016 will be returned to general revenue.

Funding is provided every two months for these two programs.

This report provides details on the applications and recommendations for funding.

ATTACHMENTS

Nil.

5.2 2014-15 Annual Financial Statements

TRIM REFERENCE: F2014/00992 - D12062427

MANAGER: Stephen Naven, Chief Financial Officer

AUTHOR: Kim Fitcher, Financial Controller

SUMMARY

Council is required to prepare, submit to audit, adopt and present to the community (and Office of Local Government) a set of financial statements in accordance with relevant legislation.

The process by which this occurs is dictated by the legislation and the next steps are detailed below. Council is required to formally resolve the necessary actions.

RECOMMENDATION

- 1 That Council adopt the draft Wyong Shire Council Financial Statements for 2014-15 as presented.**
- 2 That Council refer the draft Wyong Shire Council Financial Statements for 2014-15 (as presented) to external audit.**
- 3 That Council authorise the Mayor, Deputy Mayor, Acting Chief Executive Officer and Responsible Accounting Officer to execute all documents related to the draft 2014-15 Financial Statements as required by legislation.**
- 4 That Council fix 28 October 2015 as the date for the presentation of the audited 2014-15 Financial Statements and external audit reports in accordance with section 419(1) of the Local Government Act 1993.**

BACKGROUND

In accordance with Section 413(1) of the Local Government Act 1993 (LGA) Council must prepare financial reports for each year, and must refer them for audit as soon as practicable after the end of that year.

THE PROPOSAL

It is proposed that Council consider and accept the recommendations of the Audit and Risk Committee to formally adopt the draft accounts for final audit opinion.

The Audit and Risk Committee met on 30 September 2015 to review the 2014-15 Financial Statements. The Audit and Risk Committee recommended that Council make the above resolutions in respect of the draft Financial Statements that include the General Purpose Financial Statements, Special Purpose Financial Statements, Special Schedules and Wyong Water Financial Statements.

Completion of Audit

The 2014-15 Financial Statements are presented to Council in draft form at this stage and are required to be audited in accordance with Sections 416 and 417 of the Local Government Act 1993.

Once the Financial Statements have been referred to audit and the formal audit reports received, the Audited Statements will subsequently be presented to the Council at its meeting on 28 October 2015, in accordance with Section 419 of the LGA 1993.

General Purpose Financial Reports

Section 413(2) (c) of the Local Government Act (LGA) requires Council to prepare a statement in the approved form as to its opinion on those financial statements.

Council's Acting Chief Executive Officer and Responsible Accounting Officer certify that the 2014-15 General Purpose Financial Reports have been prepared in accordance with the LGA 1993, the Local Government (General) Regulation 2005, Australian Accounting Standards and professional pronouncements and the Local Government Code of Accounting Practice and Financial Reporting.

Special Purpose Financial Reports

The Local Government Code of Accounting Practice and Financial Reporting requires Council to make a statement as to its opinion on Council's Special Purpose Financial Reports.

Council's Acting Chief Executive Officer and Responsible Accounting Officer certify that the 2014-15 Special Purpose Financial Reports 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 and the NSW Office of Water.

Wyong Water Financial Statements

In addition to the General Purpose and the Special Purpose Reports a separate set of financial statements as required by the Public Finance and Audit Act 1983 has been prepared for Wyong Water. The Public Finance and Audit Act requires Council to make a statement as to their opinion on the financial statements.

Council's Acting Chief Executive Officer and Responsible Accounting Officer certify that the financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, applicable Australian Accounting Standards, the requirements of the Water Management Act 2000 and other mandatory professional reporting requirements.

Statements in the approved form are included as an attachment for execution.

CONCLUSION

The accounts represent Council's formal financial performance and position for 2014-15, including a consolidated surplus of \$10.2 million (before adding capital grants and contributions revenue).

Presentation of final full year financial statements is a statutory requirement.

Council must adopt the draft accounts before the External Auditor will provide their formal opinion for inclusion in Council's Annual Report.

ATTACHMENTS

- | | | |
|---|--|-----------|
| 1 | Statements by Councillors and Management 2014-15 (unsigned):
General Purpose Financial Statements, Special Purpose Financial
Statements and Wyong Water Financial Statements | D12105298 |
| 2 | Wyong Shire Council Financial Statements 2014-15 | D12105284 |
| 3 | Wyong Water Financial Statements 2014-15 | D12105287 |

Wyong Shire Council

General purpose financial statements
for the financial year ended 30 June 2015

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 14 October 2015.

Doug Eaton
MAYOR

Lynne Webster
COUNCILLOR

Rob Noble
ACTING CHIEF EXECUTIVE OFFICER

Stephen Naven
RESPONSIBLE ACCOUNTING OFFICER

Wyong Shire Council

Special purpose financial statements

for the financial year ended 30 June 2015

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing 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 Guidelines - "Best Practice Management of Water and Sewerage".

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

- Present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- Accord with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 14 October 2015.

Doug Eaton
MAYOR

Lynne Webster
COUNCILLOR

Rob Noble
ACTING CHIEF EXECUTIVE OFFICER

Stephen Naven
RESPONSIBLE ACCOUNTING OFFICER

Wyong Water

Financial statements

for the financial year ended 30 June 2015

Statement by Councillors

made pursuant to Section 41c(1b) and (1c) of the Public Finance and Audit Act 1983

The attached financial statements have been prepared in accordance with:

- The Public Finance and Audit Act 1983 and The Public Finance and Audit Regulation 2015.
- The Australian Accounting Standards (which include Australian Accounting Interpretations).
- The Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these financial statements exhibit the true and fair financial position and financial performance of Wyong Water.

We are not aware of any matter that would render any particulars included in the financial statements to be misleading or inaccurate.

Signed in accordance with a resolution of Council made on 14 October 2015.

Doug Eaton
MAYOR

Lynne Webster
COUNCILLOR

Rob Noble
ACTING CHIEF EXECUTIVE OFFICER

Stephen Naven
RESPONSIBLE ACCOUNTING OFFICER



FINANCIAL REPORTS 2013/14

WYONG SHIRE COUNCIL

Edith Ring Rest is a significant landmark on the Coast to Lake Walk



Wyong
Shire
Council
CENTRAL COAST

WYONG SHIRE COUNCIL



General Purpose Financial Statements

Wyong Shire Council

General Purpose Financial Statements
for the financial year ended 30 June 2014

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Overview

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

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

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

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

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

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

(iv) These financial statements were authorised for issue by the Council on 8 October 2014. Council has the power to amend and reissue these financial statements.

Wyong Shire Council

Financial Statements

for the financial year ended 30 June 2014

General Manager's Report

It is with great pleasure that I present the 2014 financial statements for Wyong Shire Council.

Financial Performance

The 2014 financial year has seen our operations again in the black and our history of multi-million dollar operational deficits are well and truly behind us. The modest surplus of \$5 million in 2014, our second surplus in a row after ten years of deficits, signifies our commitment to fiscal responsibility, reducing costs and working smarter. Compared to 2010, our costs have fallen by approximately 13% in real terms. This is a fantastic feat given a large portion of our cost base is subject to annual cost increases. It is credit to the hard work and dedication of Councillors and Staff that we have been able to achieve this result.

Other challenges to our operations that make this result more pleasing is the pricing determination set by the Independent Pricing and Regulatory Tribunal (IPaRT) which see our Water and Sewer operations remain in deficit and offset by the surplus from General fund operations. During 2014 we invested in the replacement of over 12,000 water meters. This project not only ensures our meters remain within standards, it also allows us to more accurately measure, charge and predict water usage and maintain charging equity between our customers. This and other business reviews will improve the financial performance of the water and sewer operations and we believe we will continue to deliver consolidated operational surpluses through continued financial prudence and improved yields from our assets and operating units.

The past two years of operating surpluses is entrenching a culture for continual operational improvement which will allow us to deliver on the key projects and other job creating initiatives that the community need and deserve.

Financial Position/Assets

Council is responsible for managing \$3 billion in infrastructure and other assets that belong to the community. It was the clear request of our community that we focus on getting back to basics by addressing asset maintenance and the asset backlog. In 2014 we spent \$76.5 million on capital expenditure, of which \$10 million was specifically allocated to address the asset backlog. To assist funding the increased investment in community assets an extra \$2 million in rates receipts was collected via the Special Rate Variation (SRV).

In 2014 we spent \$58.5 million on roads including \$33.9 million on upgrades and renewals, delivering our target of 13.8km. The two biggest upgrades were Minnesota Road and Warnervale Road, costing almost \$5 million combined in 2013/14 alone, these works have made a huge impact for the residents who live in these areas. The \$1 million Tumbi Creek Bridge is now operational and is a vital link in our shared pathway network now spanning over 100km of our Shire.

We have also continued to invest in our water and sewer infrastructure with further improvements in water quality at Mardi Water Treatment Plant, installation of a new inlet screen at Gwandalan Sewage Treatment Plant and continued relining and rehabilitation of our sewerage network. Over the next few years we will continue to invest in renewing aging sewage pumping stations and improving water quality.

Our 2014/15 strategic plan outlines one of the State's largest capital works programs of \$100m to help create jobs in our local area, bring our \$3 billion of assets to a satisfactory condition and to invest in our infrastructure to deliver essential services for the forecasted population increase within our Shire. This will be funded from operational revenue, prudent fiscal management and the sale of surplus assets to invest in strategic assets for the community with a key focus on job creation.

Wyong Shire Council

Financial Statements

for the financial year ended 30 June 2014

General Manager's Report (continued)

It is a huge challenge for an essential service organisation to deliver a wide range of best value services with a 2014/15 budget of \$340 million to everyone in our community but I do believe Wyong Shire Council has the ideas, plans and people to deliver the services and infrastructure that our current and future residents need and deserve. Our operating results over the past two years after years of operational deficits are evidence of this ability.

I want to thank the Mayor, Councillors, 1200 Staff and many community volunteers for their efforts over the last year to achieve this result and look forward to working with them into the future to make Wyong Shire a better place to live and work.

Michael Whittaker
General Manager



Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their Council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2014.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by Senior staff as "presenting fairly" the Council's financial results for the year, and are required to be adopted by Council - ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five primary financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair values of Council's Infrastructure, Property, Plant and Equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its Assets, Liabilities and Net Wealth.

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's Net Wealth.

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the financial statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by external accountants (that generally specialise in Local Government).

In NSW, the Auditor provides two audit reports:

1. An opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. Their observations on the conduct of the Audit including commentary on the Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between 7 days and 5 weeks after the date of the Audit Report.

Submissions from the public can be made to Council up to 7 days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Wyong Shire Council

General Purpose Financial Statements
for the financial year ended 30 June 2014

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 8 October 2014.

Doug Eaton
MAYOR

Lynne Webster
DEPUTY MAYOR

Michael Whittaker
GENERAL MANAGER

Stephen Naven
RESPONSIBLE ACCOUNTING OFFICER

Wyong Shire Council

Income Statement

for the financial year ended 30 June 2014

Budget 2014	\$ '000	Notes	Actual 2014	Actual 2013
Income from Continuing Operations				
Revenue:				
142,171		3a	142,129	135,676
60,569		3b	56,743	57,503
8,677		3c	7,479	9,272
4,124		3d	5,483	4,084
14,431		3e,f	15,616 ²	25,953
14,644		3e,f	15,765	15,114
Other Income:				
490		5	-	-
-		19	-	-
<u>245,106</u>			<u>243,215</u>	<u>247,602</u>
Expenses from Continuing Operations				
79,473		4a	74,076	75,224
16,071		4b	15,084	16,742
43,382		4c	41,598	44,674
55,078		4d	55,511	52,651
-		4d	-	26
38,802		4e	34,727	34,010
-		5	981	1,855
<u>232,806</u>			<u>221,977</u>	<u>225,182</u>
<u>12,300</u>			<u>21,238</u>	<u>22,420</u>
Discontinued Operations				
-		24	-	-
<u>12,300</u>			<u>21,238</u>	<u>22,420</u>
12,300			21,238	22,420
-			-	-
<u>(2,344)</u>			<u>5,473</u>	<u>7,306</u>

¹ Original Budget as approved by Council - refer Note 16

² Financial Assistance Grants for 13/14 are lower, reflecting a timing difference due to a change in how the grant is paid - refer Note 3 (e)

Financial Statements 2014

Wyong Shire Council

Statement of Comprehensive Income
for the financial year ended 30 June 2014

\$ '000	Notes	Actual 2014	Actual 2013
Net Operating Result for the year (as per Income statement)		21,238	22,420
Other Comprehensive Income:			
Amounts which will not be reclassified subsequently to the Operating Result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	34,359	145,569
Adjustment to correct prior period errors		-	69,791
Impairment (loss) reversal relating to I,PP&E	20b (ii)	(1,324)	-
Total Items which will not be reclassified subsequently to the Operating Result		33,035	215,360
Amounts which will be reclassified subsequently to the Operating Result when specific conditions are met			
Nil			
Total Other Comprehensive Income for the year		33,035	215,360
Total Comprehensive Income for the Year		54,273	237,780
Total Comprehensive Income attributable to Council		54,273	237,780
Total Comprehensive Income attributable to Non-controlling Interests		-	-

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

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Wyong Shire Council

Statement of Financial Position
as at 30 June 2014

\$ '000	Notes	Actual 2014	Actual 2013
ASSETS			
Current Assets			
Cash & Cash Equivalents	6a	19,357	28,667
Investments	6b	102,913	116,000
Receivables	7	31,738	31,569
Inventories	8	1,442	1,947
Other	8	720	537
Non-current assets classified as "held for sale"	22	-	-
Total Current Assets		156,170	178,720
Non-Current Assets			
Investments	6b	25,000	16,573
Receivables	7	480	512
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	2,576,048	2,523,472
Investments accounted for using the equity method	19	250	250
Investment Property	14	-	-
Intangible Assets	25	340	711
Total Non-Current Assets		2,602,118	2,541,518
TOTAL ASSETS		2,758,288	2,720,238
LIABILITIES			
Current Liabilities			
Payables	10	34,103	36,931
Borrowings	10	11,368	10,755
Provisions	10	23,424	27,530
Total Current Liabilities		68,895	75,216
Non-Current Liabilities			
Payables	10	12,290	14,210
Borrowings	10	172,672	181,132
Provisions	10	54,532	54,054
Total Non-Current Liabilities		239,494	249,396
TOTAL LIABILITIES		308,389	324,612
Net Assets		2,449,899	2,395,626
EQUITY			
Retained Earnings	20	1,364,702	1,343,464
Revaluation Reserves	20	1,085,197	1,052,162
Council Equity Interest		2,449,899	2,395,626
Non-controlling Interests		-	-
Total Equity		2,449,899	2,395,626

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

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Wyong Shire Council

Statement of Changes in Equity
for the financial year ended 30 June 2014

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
2014						
Opening Balance (as per Last Year's Audited Accounts)		1,343,464	1,052,162	2,395,626	-	2,395,626
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/13)		1,343,464	1,052,162	2,395,626	-	2,395,626
c. Net Operating Result for the Year		21,238	-	21,238	-	21,238
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	34,359	34,359	-	34,359
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	(1,324)	(1,324)	-	(1,324)
Other Comprehensive Income		-	33,035	33,035	-	33,035
Total Comprehensive Income (c&d)		21,238	33,035	54,273	-	54,273
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		1,364,702	1,085,197	2,449,899	-	2,449,899

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
2013						
Opening Balance (as per Last Year's Audited Accounts)		1,251,253	906,593	2,157,846	-	2,157,846
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/12)		1,251,253	906,593	2,157,846	-	2,157,846
c. Net Operating Result for the Year		22,420	-	22,420	-	22,420
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	145,569	145,569	-	145,569
- Other Movements	20a	69,791	-	69,791	-	69,791
Other Comprehensive Income		69,791	145,569	215,360	-	215,360
Total Comprehensive Income (c&d)		92,211	145,569	237,780	-	237,780
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		1,343,464	1,052,162	2,395,626	-	2,395,626

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

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Wyong Shire Council

Statement of Cash Flows

for the financial year ended 30 June 2014

Budget 2014	\$ '000	Notes	Actual 2014	Actual 2013
Cash Flows from Operating Activities				
Receipts:				
141,814	Rates & Annual Charges		142,570	135,469
60,233	User Charges & Fees		57,699	58,551
9,028	Investment & Interest Revenue Received		7,307	8,436
29,010	Grants & Contributions		23,862	38,242
-	Bonds, Deposits & Retention amounts received		474	622
3,953	Other		11,811	13,043
Payments:				
(79,056)	Employee Benefits & On-Costs		(75,378)	(75,447)
(50,719)	Materials & Contracts		(52,160)	(45,009)
(13,566)	Borrowing Costs		(14,834)	(10,727)
-	Bonds, Deposits & Retention amounts refunded		(435)	(581)
(39,464)	Other		(36,728)	(46,000)
61,233	Net Cash provided (or used in) Operating Activities	11b	64,188	76,599
Cash Flows from Investing Activities				
Receipts:				
16,006	Sale of Investment Securities		94,827	136,931
1,937	Sale of Infrastructure, Property, Plant & Equipment		1,695	2,689
Payments:				
-	Purchase of Investment Securities		(90,364)	(145,856)
(83,827)	Purchase of Infrastructure, Property, Plant & Equipment		(71,809)	(68,011)
-	Contributions Paid to Joint Ventures & Associates		-	(125)
(65,884)	Net Cash provided (or used in) Investing Activities		(65,651)	(74,372)
Cash Flows from Financing Activities				
Receipts:				
-	Proceeds from Borrowings & Advances		3,000	7,130
Payments:				
(11,691)	Repayment of Borrowings & Advances		(10,847)	(12,818)
(11,691)	Net Cash Flow provided (used in) Financing Activities		(7,847)	(5,688)
(16,342)	Net Increase/(Decrease) in Cash & Cash Equivalents		(9,310)	(3,461)
28,667	plus: Cash & Cash Equivalents - beginning of year	11a	28,667	32,128
12,325	Cash & Cash Equivalents - end of the year	11a	19,357	28,667
Additional Information:				
	plus: Investments on hand - end of year	6b	127,913	132,573
	Total Cash, Cash Equivalents & Investments		147,270	161,240

Please refer to Note 11 for additional cash flow information

Wyong Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the Local Government Act (1993) and Regulation, and the Local Government Code of Accounting Practice and Financial Reporting. Council is a not for-profit entity for the purpose of preparing the financial statements.

New and amended standards adopted by Council

During the current year, the following relevant standards became mandatory for Council and have been adopted:

- AASB 13 Fair Value Measurement
- AASB 119 Employee Benefits

AASB 13 Fair Value Measurement has not affected the assets or liabilities which are to be measured at fair value; however it provides detailed guidance on how to measure fair value in accordance with the accounting standards.

It introduces the concept of highest and best use for non-financial assets and has caused the Council to review their valuation methodology.

The level of disclosures regarding fair value has increased significantly and has been included in the financial statements at Note 27.

AASB 119 Employee Benefits has changed the basis for determining the income or expense related to defined benefit plans and introduces revised definitions for short-term employee benefits.

Whilst Council has reviewed the annual leave liability to determine the level of annual leave which is expected to be paid more than 12 months after the end of the reporting period, there has been no effect on the amounts disclosed as leave liabilities since Council's existing valuation policy was to discount annual leave payable more than 12 months after the end of the reporting period to present values.

Early adoption of standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2013.

Historical cost convention

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

Critical 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 entity and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

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

Critical judgements in applying the entity's accounting policies

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

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(b) Revenue recognition

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

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

Rates, annual charges, grants and contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

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

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

Revenue is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at reporting date, the unused grant or contribution is disclosed in Note 3(g). The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

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

User charges and fees

User charges and fees (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

Sale of plant, property, infrastructure and equipment

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

Interest

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

Rent

Rental income is accounted for in accordance with the terms of the lease.

Other income

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

(c) Principles of consolidation***The Consolidated Fund***

In accordance with the provisions of Section 409(1) of the Local Government Act 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund. The consolidated fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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

- General purpose operations
- Wyong Shire Council Water Supply Authority, established under the Water Management Act 2000
- Committees established under the Local Government Act 1993 S355
- Central Coast Water Corporation

The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those monies. Trust monies and property subject to Council's control have been included in these reports.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these reports. A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

Associates

Associates are all entities over which the Council has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Joint ventures

Jointly controlled assets

The proportionate interests in the assets, liabilities and expenses of a joint venture activity have been incorporated in the financial statements under the appropriate headings. Details of the activity are set out in Note 19.

Joint venture entities

The interest in a joint venture partnership is accounted for using the equity method after initially

being recognised at cost. Under the equity method, the share of the profits or losses of the partnership is recognised in profit or loss, and the share of post-acquisition movements in reserves is recognised in other comprehensive income. Details relating to the partnership are set out in note 19.

Profits or losses on transactions establishing the joint venture partnership and transactions with the joint venture are eliminated to the extent of the Council's ownership interest until such time as they are realised by the joint venture partnership on consumption or sale. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets, or an impairment loss.

Central Coast Water Corporation

The project by Gosford and Wyong Councils to implement the Central Coast Water Corporation (CCWC) and Joint Services Business was aimed at achieving a co-ordinated regional management approach to water and sewerage services and decision-making, and reducing costs through the development of common administrative systems and pooled resources.

The project is currently suspended.

(d) Leases

Leases of property, plant and equipment where Council, as lessee, has substantially all the risks and rewards of ownership, are classified as finance leases. Wyong Shire Council currently has no finance lease obligations.

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

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

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(e) Acquisition of assets

The purchase method of accounting is used to account for all acquisitions of assets. Cost is measured as the fair value of the assets given, plus costs directly attributable to the acquisition.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(f) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

(g) Cash and cash equivalents

For Statement of cashflow presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other

short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(h) Receivables

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.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the income statement within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(i) Inventories**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. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost includes the transfer from equity of any gains/losses on qualifying cash flow hedges relating to purchases of raw material. Costs are assigned to individual items of inventory on 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.

Land held for resale/capitalisation of borrowing costs

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

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

(j) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property

that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the Income statement.

(k) Investments and other financial assets**Classification**

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in other receivables (note 8) and receivables (note 7) in the statement of financial position.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Recognition and de-recognition

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

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

Subsequent measurement

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

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when Council's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security (note Council's obligations under Section 625 of the Local Government Act and Section 212 of the Local Government (General) Regulation 2005). The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

classified as available-for-sale are recognised in equity.

Details on how the fair value of financial instruments is determined are disclosed in note 1(l).

Impairment

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

(i) Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

Investment Policy

Council has an approved investment policy complying with Section 625 of the Local Government Act and Section 212 of the Local Government (General) Regulation 2005. Investments are placed and managed in accordance with that policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order. Council maintains an investment policy that complies with the Act and ensures that it or its representatives exercise care, diligence and

skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. As at the reporting date, Council does not hold any investments that are not prescribed.

(l) Fair value estimation

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

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

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

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

Initial Recognition

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

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

financial statements at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

Asset Revaluations (including indexation)

Council's assets have been progressively revalued to fair value in accordance with a staged implementation advised by the Office of Local Government. At reporting date the following classes of IPPE were stated at their fair value:

- Operational land (External Valuation)
- Buildings – Specialised/Non Specialised (External Valuation)
- Water/Sewerage Networks (Internal Valuation)
- Plant and equipment (as approximated by depreciated historical cost)
- Road assets – roads, bridges and footpaths (External Valuation)
- Drainage assets – (External Valuation)
- Bulk earthworks – (as approximated by depreciated historical cost)
- Community land – (Internal Valuation)
- Land Improvements (as approximated by depreciated historical cost)
- Other structures (as approximated by depreciated historical cost)
- Other assets (as approximated by depreciated historical cost)

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water – Rates Reference Manual. For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date. If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount. Full revaluations are undertaken for all assets on a 5 year cycle.

Increases in the carrying amounts arising on revaluation are credited to the asset 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 in 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

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

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

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

Buildings	8 to 100 years
Vehicles	3 to 10 years
Heavy Plant	6 to 28 years
Other plant and equipment	4 to 35 years
Office Equipment	2 to 10 years
Office Furniture	1 to 20 years
Computer Equipment	2 to 10 years
Playground Equipment	20 years
Benches, seats etc	25 years
Dams	5 to 150 years
Water Mains	50 to 100 years
Water & Sewerage Treatment Plants - Civil	15 to 100 years
Water & Sewerage Treatment Plants - Other	15 to 100 years
Sewerage Pipelines and Mains	25 to 100 years
Drainage Assets	30 to 120 years
Concrete Bridges	80 to 100 years
Road Surface:	
* Asphalt surface	25 to 33 years
* Spray Seal surface	12 to 32 years
* Slurry Seal surface	12 years
* Open Graded AC	12 years
* Concrete surface	50 years
* Gravel	5 years
* Earth	30 years
* Other	2 to 33 years
Road Structure:	
* Gravel Base and Sub Base	63 to 80 years
* Other	10 to 80 years
Kerb, Gutter and Paths	20 to 100 years

Items of IPPE, except for land and construction of buildings, are capitalised in accordance with thresholds set in Council's *Manual on Infrastructure Capitalisation*.

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Land, other than land under roads, is classified as either operational or community in accordance with Part 2 of Chapter 6 of the Local Government Act (1993). This classification is made in Note 9(a).

(n) Investment property

In the period ended 30 June 2014, Council had no investment properties.

(o) Payables

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

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

of the liability for at least 12 months after the reporting date.

(q) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(r) Provisions

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

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

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

(s) Employee benefits**Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and

accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long term employee benefit obligations

The liability for long service leave and annual leave which 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.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Retirement benefit obligations

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

Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the statement of financial position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels,

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans ie. as an expense it becomes payable (see below).

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.

Sufficient information is not available to account for the Scheme as a defined benefit plan in accordance with AASB119, because the assets to the Scheme are pooled together for all Councils.

As such no liability for the deficiency has been recognised in Council's accounts. Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The amount of employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense at Note 4(a) for the year ending 30 June 2014 was \$2,634,256. The Scheme's most recent full actuarial review was performed by Richard Boyfield of Mercer Consulting (Australia) Pty Ltd and covers the period ended 30 June 2014.

However the position is monitored annually and the Actuary has estimated that as at 30 June 2014 a deficit still exists. Effective from 1 July 2009, employers are required to contribute additional contributions to assist in extinguishing this deficit. The share of this deficit that is broadly attributed to Wyong Shire Council is estimated to be in the order of \$4,218,188 as at 30 June 2014.

Defined Contribution Plans

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

(t) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(u) Land under roads

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051. Any land under roads that was recognised before 1 July 2008 was derecognised at 1 July 2008 against the opening balance of retained earnings.

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

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

(v) Self insurance

Council has decided to self-insure for workers' compensation risks. A provision for self-insurance has been made to recognise outstanding claims the amount of which is detailed in Note 10. Council also maintains cash and investments to meet expected future claims and these are detailed in Note 6(c).

(w) Intangible assets

IT development and software

Council has acquired, under a managed service arrangement, a licence to access information technology services. In conjunction with this contract, Council has incurred a number of costs including system build costs, software and hardware licences, as well as direct costs of materials and labour. Council's contribution to these costs have been capitalised as an intangible asset and amortised on a straight line basis over the period of the contract.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(x) Crown Reserves

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

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

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

(y) Rural Fire Service assets

Under section 119 of the Rural Fire Services Act 1997, "all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the Council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed". Until such time as discussions on this matter have concluded and the legislation changed, Council will recognise rural fire service assets including land, buildings, plant and vehicles.

(z) 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 which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(aa) New accounting standards and interpretations issued not yet effective

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2014.

Council has not adopted any of these standards early.

Council's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 Financial Instruments, AASB 2009 11 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and transitional disclosures and AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments (effective from 1 January 2017)

AASB 9 Financial Instruments addresses the classification, measurement and de-recognition of financial assets and financial liabilities. When adopted, the standard will affect in particular Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities. The de-recognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

Council has not yet fully assessed the impact on the reporting financial position and performance on adoption of AASB 9.

(ii) AASB 2013-3 Amendments to AASB 136 Recoverable Amount Disclosures for Non-Financial Assets (effective for Council's 30 June 2015 Financial Statements)

There are no changes to reported financial position or performance from AASB 2013-3, however additional disclosures may be required.

(iii) AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective for 1 January 2014 for not-for-profit entities)

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns. There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are

accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules. As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128. Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a "partial disposal" concept. Council is still assessing the impact of these amendments.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(ab) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported within these financial statements and/or the notes.

(ac) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Financial Statements 2014

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 2(a). Council Functions / Activities - Financial Information

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).														
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants Included in Income from Continuing Operations			Total Assets held (Current & Non-current)		
	Original Budget 2014	Actual 2014	Actual 2013	Original Budget 2014	Actual 2014	Actual 2013	Original Budget 2014	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013
Governance	6	2	1	1,586	1,577	393	(1,581)	(1,576)	(391)	0	0	-	-	-	(0)
Community and Education	6,318	7,115	6,179	16,612	17,058	14,992	(10,294)	(9,942)	(8,812)	2,100	1,186	53,703	50,230	53,703	50,230
Community and Recreation	1,302	845	1,185	19,663	17,457	16,534	(18,362)	(16,613)	(15,349)	313	679	76,968	79,501	76,968	79,501
Economic & Property Development	3,431	2,958	2,232	11,705	10,884	10,166	(8,274)	(7,926)	(7,935)	371	309	418,454	381,014	418,454	381,014
Council Enterprises	10,175	10,591	10,318	9,542	9,224	9,686	633	1,367	632	2	3	53,705	30,891	53,705	30,891
Regulatory	4,452	4,671	4,968	11,069	10,095	11,986	(6,617)	(5,424)	(7,017)	46	293	537	583	537	583
Environment and Land Use	3,471	3,287	7,055	12,742	8,827	13,969	(9,271)	(5,540)	(6,915)	1,425	5,151	16,876	10,100	16,876	10,100
Waste Management	42,281	39,647	40,929	35,949	26,962	28,029	6,332	12,685	12,900	1,342	1,751	13,055	7,368	13,055	7,368
Roads	5,372	7,069	6,215	32,916	35,238	31,137	(27,545)	(28,169)	(24,923)	3,004	1,546	380,676	367,403	380,676	367,403
Stormwater	7,776	7,413	7,012	5,118	4,802	5,183	2,658	2,611	1,829	-	-	249,378	242,121	249,378	242,121
Sewerage Services	31,247	31,652	31,337	29,773	35,822	35,416	1,475	(4,169)	(4,079)	677	666	746,792	732,571	746,792	732,571
Water Supply	40,921	41,100	38,570	46,661	44,505	46,391	(5,740)	(3,404)	(7,821)	1,774	1,372	641,912	641,412	641,912	641,412
Administration	929	1,220	588	(354)	(354)	596	1,283	1,574	(8)	28	27	105,976	176,565	105,976	176,565
Corporate Income and Expense	6,807	6,004	8,341	(176)	(120)	704	6,985	6,124	7,637	146	1,765	6	229	6	229
Total Functions & Activities	164,488	163,574	164,930	232,806	221,977	225,182	(68,318)	(58,403)	(60,253)	11,228	14,748	2,758,038	2,719,988	2,758,038	2,719,988
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General Purpose Income ¹	80,618	79,641	82,672	-	-	-	80,618	79,641	82,672	7,719	13,069	250	-	250	-
Operating Result from Continuing Operations	245,106	243,215	247,602	232,806	221,977	225,182	12,300	21,238	22,420	18,947	27,817	2,758,288	2,720,238	2,758,288	2,720,238

1. Includes: Rates & Annual Charges (incl. Ex-Gratia), United General Purpose Grants & Unrestricted Interest & Investment Income.

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 2(b). Council Functions / Activities - Component Descriptions

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

GOVERNANCE

Governance costs include elections, member's fees and expenses, meeting of council and policy making committees, area representation, and public disclosure. This expenditure helps provide the framework to facilitate sound decision making.

COMMUNITY AND EDUCATION

Community and Education provides information, places and spaces for people to participate learn and contribute to their local neighbourhood to improve their quality of life.

We do this by connecting residents through the delivery of programs and services including library services, community and cultural development, community education, learning partnerships and customer contact.

COMMUNITY AND RECREATION

To support community recreation Council works to plan, promote and operate sporting and recreation facilities and services to encourage an active and healthy lifestyle. It also maintains natural areas and open spaces such as beaches, lake foreshores and parks for community use and environmental protection.

We do this by connecting residents through the delivery of programs and services.

ECONOMIC AND PROPERTY DEVELOPMENT

Responsibilities for this activity include strengthening the economic base of the Shire by promoting economic development as well as the creation of employment opportunities. It identifies and develops sustainable income strategies for Council. In addition, it provides property related services for the organisation and is responsible for Council's property portfolio which varies over time, but at present includes a variety of landholdings and houses.

COUNCIL ENTERPRISES

Council Enterprises includes the operation of care and education services and the operation of holiday parks.

With large numbers of children in the Shire, these long day care centres provide quality education and care for 0-6 year olds.

Our holiday park facilities are a significant contributor to the local tourism industry and provide a funding stream for works on Crown Reserves in close proximity to the parks.

REGULATORY

This activity works to ensure compliance with statutory requirements in a professional manner across a wide range of regulatory responsibilities including public health and safety, development assessment, building certification, compliance and regulation auditing, land use compliance, ranger services, animal care facility and noxious weeds.

ENVIRONMENT AND LAND USE

The Environment and Land Use activity enhances the natural and built environment on both private and public land. This is done through strategic planning and policies, as well as controls over land use to maintain a high quality of life. Through this activity Council seeks to promote and plan for the sustainable use of natural resources on the Central Coast. Other responsibilities include the implementation of the Estuary Management Plan, sustainability within Council and natural resource management.

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 2(b). Council Functions / Activities - Component Descriptions

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

WASTE MANAGEMENT

This activity includes domestic and commercial waste. It involves processing and disposal operations as well as landfill remediation. Waste management is about providing a safe, reliable and environmentally responsible waste collection and disposal services. It also aims to help reduce the Shire's environmental footprint.

ROADS

This activity includes roads (excluding RMS roads), bridges and traffic management in the Shire along with associated infrastructure to help ensure ease of travel and environmental responsibility, including footpaths and shared pathways and off-street car parks.

It aims to provide and maintain quality roads infrastructure to support a growing population in a cost effective and sustainable manner.

STORMWATER

Stormwater provides safe and reliable collection, transmission, treatment and discharge facilities for stormwater in a cost-effective and sustainable manner.

SEWERAGE SERVICES

Sewerage Services provides safe and reliable storage collection, treatment and disposal facilities for sewerage in a cost-effective and sustainable manner.

WATER SUPPLY

Water Supply provides safe and reliable water services including the collection, storage, transportation, treatment, and distribution of water to standards appropriate to its use in a cost-effective and sustainable manner.

ADMINISTRATION

Administration provides corporate-wide internal services. Administration is accountable for the governance and statutory compliance of the organisation's finance, human resources and corporate information. Administration also includes asset management, effective high level contract and project management to ensure fiscal responsibility and providing plant, fleet and depot services including emergency service responses.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2014	Actual 2013
(a) Rates & Annual Charges			
Ordinary Rates			
Residential		54,749	51,112
Farmland		318	304
Mining		878	823
Business		8,498	7,942
Total Ordinary Rates		64,443	60,181
Special Rates			
Stormwater		1,720	1,706
Town Improvement		1,072	1,013
Total Special Rates		2,792	2,719
Annual Charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		28,555	26,985
Water Supply Services		10,029	10,278
Sewerage Services		27,435	27,404
Drainage		6,426	5,763
Waste Management Services (non-domestic)		2,173	2,080
Liquid Trade Waste		228	222
Section 611 Charges		48	44
Total Annual Charges		74,894	72,776
TOTAL RATES & ANNUAL CHARGES		142,129	135,676

Council has used 2011 year valuations provided by the NSW Valuer General in calculating its rates.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(b) User Charges & Fees			
Specific User Charges (per s.502 - Specific "actual use" charges)			
Domestic Waste Additional Services		6	6
Water Supply Services		26,940	25,394
Sewerage Services		467	760
Waste Management Services (non-domestic)		44	36
Liquid Trade Waste		611	546
Total User Charges		28,068	26,742
Other User Charges & Fees			
(i) Fees & Charges - Statutory & Regulatory Functions (per s.608)			
Development Applications		1,394	1,161
Building Certification		446	409
Regulatory/ Statutory Fees		81	56
Building Inspection		490	386
Inspection Services		135	103
Regulatory/Statutory Certificates		191	153
Registration Fees		39	37
Rezoning Fees		148	209
Section 149 Certificates (EPA Act)		423	344
Section 355 Committees		424	398
Section 603 Certificates		396	305
Shop Inspection Fees		303	300
Other		103	69
Total Fees & Charges - Statutory/Regulatory		4,573	3,930
(ii) Fees & Charges - Other (incl. General User Charges (per s.608))			
Child Care		3,770	3,934
Community Centres		728	589
Companion Animals		253	201
Engineering Design Fees		486	243
Holiday Parks		9,179	8,921
On Site Sewer Management (OSSM) Fees		178	185
RMS (formerly RTA) Charges (State Roads not controlled by Council)		1,959	2,349
Tipping Fees		6,974	9,731
Other		575	678
Total Fees & Charges - Other		24,102	26,831
TOTAL USER CHARGES & FEES		56,743	57,503

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(c) Interest & Investment Revenue (incl. losses)			
Interest & Dividends			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		868	931
- Interest earned on Investments (interest & coupon payment income)		6,722	7,568
- Interest & Dividend Income (Other)		22	19
Fair Value Adjustments			
- Fair Valuation movements in Investments (at FV or Held for Trading)		(197)	679
Amortisation of Premiums & Discounts			
- Interest Free (& Interest Reduced) Loans provided		(10)	3
Other		74	72
TOTAL INTEREST & INVESTMENT REVENUE		7,479	9,272
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges (General Fund)		868	931
General Council Cash & Investments		2,710	4,192
Restricted Investments/Funds - External:			
Development Contributions			
- Section 64		707	835
- Section 93F - General		42	20
- Section 93F: Drainage		16	2
- Section 93F: Water		18	1
- Section 93F: Sewer		6	1
- Section 94 - General		648	725
- Section 94 - Drainage		301	360
- Section 94A		19	11
Water Fund Operations		630	289
Sewerage Fund Operations		1,514	1,905
Total Interest & Investment Revenue Recognised		7,479	9,272
(d) Other Revenues			
Fines - Parking		280	420
Fines - Other		166	214
Legal Fees Recovery - Other		171	31
Cemetery Income		203	175
Commissions & Agency Fees		10	10
Diesel Rebate		67	81
External Works		245	353
Insurance Claim Recoveries		80	111
Landfill Gas Royalty Payment		437	249
Property Rents		1,971	1,612
Restoration from Utility Providers		806	76
Sale of Scrap Metal		116	90
Sales - General		106	99
Sewerage Connections		198	92
Water Connections		263	198
Other		364	273
TOTAL OTHER REVENUE		5,483	4,084

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	2014 Operating	2013 Operating	2014 Capital	2013 Capital
(e) Grants				
General Purpose (Untied)				
Financial Assistance - General Component	5,465	9,814	-	-
Financial Assistance - Local Roads Component	1,009	2,033	-	-
Pensioners' Rates Subsidies - General Component	1,245	1,222	-	-
Total General Purpose	7,719	13,069	-	-

¹ The Financial Assistance Grant for 13/14 reflects a one off reduction due to the fact that this grant is no longer being paid in advance by up to 50% as has occurred in previous years - it does not represent a loss of income but is instead a timing difference.

Specific Purpose

Pensioners' Rates Subsidies:

- Water	703	719	-	-
- Sewerage	672	666	-	-
- Domestic Waste Management	747	745	-	-
Water Supplies	-	-	950	600
Aged and Disabled	34	81	-	-
Bushfire & Emergency Services	787	918	491	320
Child Care	379	400	-	-
Employment & Training Programs	100	91	-	-
Environmental Protection	833	5,462	80	26
Fire Protection	-	132	-	-
Health Services	41	42	-	-
Library	356	351	46	29
Local Infrastructure Renewal Scheme (LIRS)	305	118	-	-
Recreational Facilities	-	-	308	856
Roads and Bridges	68	52	1,499	30
Storm Damage	40	171	32	-
Street Lighting	235	235	-	-
Transport	13	11	-	-
Transport (Roads to Recovery)	-	-	1,150	875
Youth Services	54	-	1,000	1,705
Other	305	113	-	-
Total Specific Purpose	5,672	10,307	5,556	4,441
Total Grants	13,391	23,376	5,556	4,441

Grant Revenue is attributable to:

- Commonwealth Funding	-	3,890	2,230	2,575
- State Funding	13,343	19,439	3,326	1,866
- Other Funding	48	47	-	-
	13,391	23,376	5,556	4,441

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	2014 Operating	2013 Operating	2014 Capital	2013 Capital
(f) Contributions				
Developer Contributions:				
(s93 & s94 - EP&A Act, s64 of the LGA):				
S 93F - Contributions using Planning Agreements	-	-	298	1,213
S 94A - Fixed Development Consent Levies	-	-	534	295
S 64 - Water Supply Contributions	-	-	1,330	799
S 64 - Sewerage Service Contributions	-	-	1,247	632
S 94 - Stormwater Contributions	-	-	763	784
S 94 - Roadworks	-	-	968	809
S 94 - Open Space	-	-	1,459	1,770
S 94 - Community Facilities	-	-	1,276	1,324
Other Developer Contributions	-	-	40	43
Total Developer Contributions	17	-	7,915	7,669
Other Contributions:				
Bushfire Services	-	-	-	33
Dedications (other than by S94)	-	-	2,048	2,679
Kerb & Gutter	-	-	97	86
Paving	-	-	-	102
Roads	-	-	-	3
RMS Contributions (Regional Roads, Block Grant)	794	881	-	-
Town Planning	150	261	-	-
Vehicle Contributions by Employees	1,001	1,037	-	-
Other Environmental Protection	60	147	-	45
Other	220	251	149	56
Total Other Contributions	2,225	2,577	2,294	3,004
Total Contributions	2,225	2,577	10,209	10,673
TOTAL GRANTS & CONTRIBUTIONS	15,616	25,953	15,765	15,114

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	Actual 2014	Actual 2013
(g) Restrictions relating to Grants and Contributions		
Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:		
Unexpended at the Close of the Previous Reporting Period	42,614	46,058
add: Grants & contributions recognised in the current period but not yet spent:	15,374	6,762
less: Grants & contributions recognised in a previous reporting period now spent:	(12,614)	(10,206)
Net Increase (Decrease) in Restricted Assets during the Period	2,760	(3,444)
Unexpended and held as Restricted Assets	<u>45,374</u>	<u>42,614</u>
Comprising:		
- Specific Purpose Unexpended Grants	3,727	4,770
- Developer Contributions	40,814	37,148
- Other Contributions	832	696
	<u>45,374</u>	<u>42,614</u>

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2014	Actual 2013
(a) Employee Benefits & On-Costs			
Salaries and Wages		56,596	57,745
Travelling		19	22
Employee Leave Entitlements (ELE)		12,870	13,261
Superannuation		7,669	7,482
Workers' Compensation Insurance		968	558
Fringe Benefit Tax (FBT)		163	171
Payroll Tax		1,010	1,201
Training Costs (other than Salaries & Wages)		868	762
Other		1,387	1,098
Total Employee Costs		81,550	82,300
less: Capitalised Costs		(7,474)	(7,076)
TOTAL EMPLOYEE COSTS EXPENSED		74,076	75,224
Number of "Equivalent Full Time" Employees at year end		927	972
(b) Borrowing Costs			
(i) Interest Bearing Liability Costs			
Interest on Overdraft		-	6
Interest on Loans		13,270	13,946
Other Debts		237	186
Total Interest Bearing Liability Costs Expensed		13,507	14,138
(ii) Other Borrowing Costs			
Discount adjustments relating to movements in Provisions (other than ELE)			
- Remediation Liabilities	26	1,576	2,590
- Financial Instruments		1	14
Total Other Borrowing Costs		1,577	2,604
TOTAL BORROWING COSTS EXPENSED		15,084	16,742

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(c) Materials & Contracts			
Raw Materials & Consumables		10,229	9,765
Contractor & Consultancy Costs		15,417	19,739
- Contractor & Consultancy Costs Garbage Collection		10,556	10,156
- Contractor & Consultancy Costs Capping		1,844	1,837
- Contractor & Consultancy Costs Green Waste Processing		1,854	1,710
Auditors Remuneration ⁽¹⁾		189	182
Legal Expenses:			
- Legal Expenses: Planning & Development		4	2
- Legal Expenses: Debt Recovery		225	10
- Legal Expenses: Other		599	300
Operating Leases:			
- Operating Lease Rentals: Minimum Lease Payments ⁽²⁾		681	973
TOTAL MATERIALS & CONTRACTS		41,598	44,674
1. Auditor Remuneration			
During the year, the following fees were incurred for services provided by the Council's Auditor (& the Auditors of other Consolidated Entities):			
(i) Audit and Other Assurance Services			
- Audit & review of financial statements: Council's Auditor		189	182
Remuneration for audit and other assurance services		189	182
Total Auditor Remuneration		189	182
2. Operating Lease Payments are attributable to:			
Buildings		65	122
Computers		568	776
Other		48	75
		681	973

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2014	Actual 2013	Actual 2014	Actual 2013
(d) Depreciation, Amortisation & Impairment					
Plant and Equipment		-	-	4,547	1,736
Office Equipment		-	-	709	442
Furniture & Fittings		-	-	207	184
Land Improvements (depreciable)		-	-	1,544	2,144
Buildings - Non Specialised		-	-	73	85
Buildings - Specialised		1,324	26	3,285	4,436
Other Structures		-	-	817	1,178
Infrastructure:					
- Roads		-	-	12,402	11,520
- Bridges		-	-	187	-
- Footpaths		-	-	407	-
- Stormwater Drainage		-	-	2,619	2,504
- Water Supply Network		-	-	13,618	13,831
- Sewerage Network		-	-	12,508	12,087
- Swimming Pools		-	-	30	-
- Other Open Space/Recreational Assets		-	-	1,116	-
Other Assets					
- Heritage Collections		-	-	1	1
- Library Books		-	-	489	488
- Other		-	-	1	-
Tip Asset	9 & 26	-	-	565	1,112
Intangible Assets	25	-	-	386	903
Total Depreciation & Impairment Costs		1,324	26	55,511	52,651
less: Impairments (to)/from ARR [Equity]	9a	(1,324)	-	-	-
TOTAL DEPRECIATION & IMPAIRMENT COSTS EXPENSED		-	26	55,511	52,651

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(e) Other Expenses			
Other Expenses for the year include the following:			
Advertising		651	812
Bad & Doubtful Debts		85	337
Bank Charges		456	442
Commissions		1,996	2,117
Computer Software Charges		1,639	1,475
Contributions/Levies to Other Levels of Government			
- Caravan Park Levy		404	396
- Department of Planning Levy		167	170
- NSW Fire Brigade Levy		1,192	1,167
- NSW Rural Fire Service Levy		581	540
- State Emergency Services		199	181
- Waste Minimisation Levy		9,067	9,227
- Other Contributions/Levies		107	258
Councillor Expenses - Mayoral Fee		58	57
Councillor Expenses - Councillors' Fees		233	226
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		62	81
Donations, Contributions & Assistance to other organisations (Section 356)			
- Central Coast Business Mentors Services Inc		28	112
- Central Coast Mariners FC Pty Ltd		-	75
- Central Coast Tourism Inc		150	150
- Community Groups Tipping Fees		148	229
- The Entrance Town Centre		1,528	1,413
- Toukley Town Centre		152	147
- Wyong Town Centre		73	66
- Other Contributions and Donations		894	897
Election Expenses		-	574
Electricity & Heating		6,389	6,675
Gas Charges		164	146
Insurance		1,710	1,797
Licences		227	309
Planning NSW DA Fees		222	143
Postage		370	341
Printing & Stationery		450	400
Street Lighting		3,308	3,225
Subscriptions & Publications		387	238
Telephone & Communications		705	662
Tip Rehabilitation Provision Adjustment		(1,115)	(2,905)
Valuation Fees		9	35
Valuer General Fees		348	335
Vehicle Registrations		341	326
Other		1,342	1,134
TOTAL OTHER EXPENSES		34,727	34,010

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 5. Gains or Losses from the Disposal of Assets

\$ '000	Notes	Actual 2014	Actual 2013
Property (excl. Investment Property)			
Proceeds from Disposal - Property		58	703
less: Carrying Amount of Property Assets Sold / Written Off		(139)	(668)
Net Gain/(Loss) on Disposal		(81)	35
Plant & Equipment			
Proceeds from Disposal - Plant & Equipment		1,637	1,986
less: Carrying Amount of P&E Assets Sold / Written Off		(2,285)	(1,886)
Net Gain/(Loss) on Disposal		(648)	100
Infrastructure			
Proceeds from Disposal - Infrastructure		-	-
less: Carrying Amount of Infrastructure Assets Sold / Written Off		(252)	(1,990)
Net Gain/(Loss) on Disposal		(252)	(1,990)
Financial Assets*			
Proceeds from Disposal / Redemptions / Maturities - Financial Assets		94,827	136,931
less: Carrying Amount of Financial Assets Sold / Redeemed / Matured		(94,827)	(136,931)
Net Gain/(Loss) on Disposal		-	-
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		(981)	(1,855)

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 6a. - Cash Assets and Note 6b. - Investments

\$ '000	Notes	2014	2014	2013	2013
		Actual Current	Actual Non Current	Actual Current	Actual Non Current
Cash & Cash Equivalents (Note 6a)					
Cash on Hand and at Bank		1,876	-	6,248	-
Cash-Equivalent Assets ¹					
- Deposits at Call		17,481	-	22,419	-
Total Cash & Cash Equivalents		19,357	-	28,667	-
Investments (Note 6b)					
- Managed Funds		-	-	-	4,703
- Long Term Deposits		102,913	15,000	116,000	1,870
- Bank Bonds		-	10,000	-	10,000
Total Investments		102,913	25,000	116,000	16,573
TOTAL CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS		122,270	25,000	144,667	16,573

¹ Those Investments where time to maturity (from date of purchase) is < 3 mths.

**Cash, Cash Equivalents & Investments were
classified at year end in accordance with
AASB 139 as follows:**

Cash & Cash Equivalents					
a. "At Fair Value through the Profit & Loss"		19,357	-	28,667	-
Investments					
a. "At Fair Value through the Profit & Loss"					
- "Designated at Fair Value on Initial Recognition"	6(b-i)	-	-	-	4,703
b. "Held to Maturity"	6(b-ii)	102,913	25,000	116,000	11,870
Investments		102,913	25,000	116,000	16,573

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of investments held.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 6b. Investments (continued)

\$ '000	2014	2014	2013	2013
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Note 6(b-i)				
Reconciliation of Investments classified as "At Fair Value through the Profit & Loss"				
Balance at the Beginning of the Year	-	4,703	-	5,955
Revaluations (through the Income Statement)	(197)	-	-	679
Additions	321	-	-	-
Disposals (sales & redemptions)	(4,827)	-	-	(1,931)
Transfers between Current/Non Current	4,703	(4,703)	-	-
Balance at End of Year	-	-	-	4,703
Comprising:				
- Managed Funds	-	-	-	4,703
Total	-	-	-	4,703
Note 6(b-ii)				
Reconciliation of Investments classified as "Held to Maturity"				
Balance at the Beginning of the Year	116,000	11,870	103,014	14,000
Additions	75,043	15,000	137,986	7,870
Disposals (sales & redemptions)	(90,000)	-	(135,000)	-
Transfers between Current/Non Current	1,870	(1,870)	10,000	(10,000)
Balance at End of Year	102,913	25,000	116,000	11,870
Comprising:				
- Long Term Deposits	71,043	15,000	116,000	1,870
- Bank Bonds	-	10,000	-	10,000
- Other Long Term Financial Assets	31,870	-	-	-
Total	102,913	25,000	116,000	11,870
Note 6(b-iii)				
Reconciliation of Investments classified as "Loans & Receivables"				
Nil				
Note 6(b-iv)				
Reconciliation of Investments classified as "Available for Sale"				
Nil				

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 6c. Restricted Cash, Cash Equivalents & Investments - Details

\$ '000	2014	2014	2013	2013
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Total Cash, Cash Equivalents and Investments	122,270	25,000	144,667	16,573
attributable to:				
External Restrictions (refer below)	91,181	25,000	90,859	16,573
Internal Restrictions (refer below)	28,688	-	41,773	-
Unrestricted	2,400	-	12,036	-
	122,270	25,000	144,667	16,573

2014 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
-----------------	--------------------	------------------------------	--------------------------------	--------------------

Details of Restrictions

External Restrictions - Included in Liabilities

Specific Purpose Unexpended Loans-General (A)	21	976	-	998
Specific Purpose Unexpended Loans-Water (A)	3,037	-	(3,037)	-
RMS (formerly RTA) Advances (B)	190	-	(110)	80
External Restrictions - Included in Liabilities	3,248	976	(3,147)	1,078

External Restrictions - Other

Developer Contributions - General (D)	1,518	6,436	(3,106)	4,847
Developer Contributions - Water Fund (D)	9,780	203	-	9,983
Developer Contributions - Sewer Fund (D)	13,587	-	(587)	13,000
Developer Contributions - Drainage (D)	10,660	-	(3,352)	7,308
Developer Contributions - VPA -General	906	1,504	-	2,410
Developer Contributions - S94a	504	556	-	1,060
Developer Contributions - VPA - Water	140	1,701	-	1,842
Developer Contributions - VPA - Sewer	49	315	-	364
Specific Purpose Unexpended Grants (E)	4,134	-	(1,943)	2,192
Specific Purpose Unexpended Grants-Water Fund (E)	639	896	-	1,535
Water Supplies (F)	6,305	-	(5,932)	373
Prepaid Contributions - Water Supplies (F)	-	1,008	-	1,008
Sewerage Services (F)	22,097	3,390	-	25,487
Domestic Waste Management (F)	22,560	6,033	-	28,593
Stormwater Management (F)	3,620	1,534	-	5,154
RMS Contributions to Works - General (G)	566	138	-	703
RMS Contributions to Works - Water (D)	129	0	-	129
Holiday parks	5,837	2,174	-	8,011
Cemeteries	280	92	-	372
Employees Leave Entitlement - Water	419	-	(78)	342
Employees Leave Entitlement - Sewer	444	-	(70)	375
Public Liability Insurance - Water	6	9	-	15
External Restrictions - Other	104,184	25,988	(15,067)	115,104
Total External Restrictions	107,432	26,964	(18,214)	116,181

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 6c. Restricted Cash, Cash Equivalents & Investments - Details (continued)

2014 \$ '000		Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
Internal Restrictions					
	Self Insurance Claims - General (C)	5,837	-	(5,837)	-
	Self Insurance Claims - Water (C)	271	-	(271)	-
	Self Insurance Claims - Sewer (C)	294	-	(294)	-
	Employees Leave Entitlement - General	3,784	-	(142)	3,643
	Contributions - Bonus Provisions	4,503	23	-	4,526
	Prepaid Contributions - General	-	1,361	-	1,361
	Tip Replacement/Rehabilitation	21,744	-	(7,688)	14,056
	Land Development	3,998	-	(374)	3,624
	Expenditure Carried Forward	441	10	-	451
	Public Liability Insurance - General	256	18	-	274
	Section 355/Advances/Deposits	645	44	-	689
	Lifeguard Contract	-	64	-	64
	Total Internal Restrictions	41,773	1,521	(14,605)	28,688
	TOTAL RESTRICTIONS	149,204	28,485	(32,819)	144,870

- A Loan moneys which must be applied for the purposes for which the loans were raised.
- B Advances by Roads and Maritime Services for (RMS) works on the State's classified roads.
- C Self Insurance liability resulting from reported claims or incurred claims not yet reported.
- D Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).
- E Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)
- F Water, Sewerage, Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.
- G External contributions not yet expended for the provision of specific services and amenities

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 7. Receivables

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
Purpose					
Rates & Annual Charges		3,057	12	3,497	13
Domestic Waste Mgt Annual Charges		1,621	9	1,755	9
Drainage Annual Charges		302	-	324	-
Sewerage Annual Charges		1,615	10	1,867	13
Water Annual Charges		522	3	609	4
Interest & Extra Charges		779	-	775	-
User Charges & Fees		13,721	-	13,975	-
Accrued Revenues					
- Interest on Investments		2,553	-	2,188	-
- Other Income Accruals		640	-	1,847	-
Government Grants & Subsidies		3,195	-	755	-
Net GST Receivable		1,707	-	1,966	-
Liquid Trade Waste		260	-	257	-
Toukley Golf Club Limited		-	420	-	447
Wyong Community Recreation Assoc.		-	794	-	794
Other Debtors		2,374	26	2,307	26
Total		32,346	1,274	32,122	1,306
less: Provision for Impairment					
User Charges & Fees		(300)	-	(245)	-
WYCRA Loan (Wyong Community Recreation Association)		-	(794)	-	(794)
Other Debtors		(308)	-	(308)	-
Total Provision for Impairment - Receivables		(608)	(794)	(553)	(794)
TOTAL NET RECEIVABLES		31,738	480	31,569	512
Externally Restricted Receivables					
Water Supply					
- Specific Purpose Grants		1,027	-	-	-
- Rates & Availability Charges		823	3	640	4
- Other		13,412	420	14,590	447
Sewerage Services					
- Rates & Availability Charges		1,615	10	1,862	13
- Other		1,661	-	1,931	-
Domestic Waste Management		1,621	9	1,755	9
Total External Restrictions		20,159	442	20,778	473
Internally Restricted Receivables - Nil					
Unrestricted Receivables		11,579	38	10,791	39
TOTAL NET RECEIVABLES		31,738	480	31,569	512

Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates & charges at 9.00% (2013 10.00%).
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 8. Inventories & Other Assets

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
Inventories					
Real Estate for resale (refer below)		-	-	469	-
Stores & Materials		926	-	975	-
Water Treatment Supplies		503	-	490	-
Other		13	-	13	-
Total Inventories		1,442	-	1,947	-
Other Assets					
Prepayments		720	-	537	-
Total Other Assets		720	-	537	-
TOTAL INVENTORIES / OTHER ASSETS		2,162	-	2,484	-
Externally Restricted Assets					
Water					
Water Treatment Supplies		503	-	490	-
Total Water		503	-	490	-
Sewerage					
Nil					
Domestic Waste Management					
Nil					
Other					
Nil					
Total Externally Restricted Assets		503	-	490	-
Total Internally Restricted Assets		-	-	-	-
Total Unrestricted Assets		1,659	-	1,994	-
TOTAL INVENTORIES & OTHER ASSETS		2,162	-	2,484	-

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 8. Inventories & Other Assets (continued)

\$ '000	2014		2013	
	Current	Non Current	Current	Non Current
Other Disclosures				
(a) Details for Real Estate Development				
Industrial/Commercial	-	-	461	-
Other Properties	-	-	8	-
Total Real Estate for Resale	-	-	469	-
(Valued at the lower of cost and net realisable value)				
Represented by:				
Acquisition Costs	-	-	469	-
Total Costs	-	-	469	-
Total Real Estate for Resale	-	-	469	-
Movements:				
Real Estate assets at beginning of the year	469	-	469	-
- Transfers in from (out to) Note 9	(469)	-	-	-
Total Real Estate for Resale	-	-	469	-

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

The following Inventories & Other Assets, even though classified as current are not expected to be recovered in the next 12 months;

	2014	2013
Real Estate for Resale	-	469
	-	469

(c) Inventory Write Downs

There were no amounts recognised as an expense relating to the write down of Inventory balances held during the year.

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of other assets held.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 9a. Infrastructure, Property, Plant & Equipment

\$ '000	as at 30/6/2013				Asset Movements during the Reporting Period										as at 30/6/2014					
	At Cost	At Fair Value	Accumulated Dep'n	Impairment	Carrying Value	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Impairment (recognised in Equity)	WIP Transfers	Adjustments & Transfers	Other Movements	Tns from/to Real Estate Assets (Note 8)	Revaluation Gains to Equity (ARR)	At Cost	At Fair Value	Accumulated Dep'n	Impairment	Carrying Value	
Capital Work in Progress	40,717	-	19,125	-	40,717	76,511	(2,259)	(4,547)	-	(62,648)	-	(2,699)	-	-	51,881	-	20,384	-	51,881	
Plant & Equipment	-	42,525	6,364	-	23,400	-	(14)	(709)	-	4,254	(32)	1	-	-	-	41,200	3,412	-	20,816	
Office Equipment	-	7,724	2,668	-	1,360	-	(12)	(207)	-	1,950	32	(1)	-	-	-	6,000	1,548	-	2,588	
Furniture & Fittings	-	3,644	-	-	1,176	-	(49)	-	-	303	(747)	-	-	-	-	2,839	-	-	1,291	
Land:																				
- Operational Land	-	310,172	-	-	310,172	470	-	-	-	122	729	-	-	-	-	311,913	-	-	311,913	
- Community Land	-	125,410	-	-	125,410	87	-	-	-	(747)	-	-	-	-	-	124,750	-	-	124,750	
- Land under Roads (post 30/6/08)	-	471	-	-	471	24	-	-	-	-	-	-	-	-	-	511	-	-	511	
Land Improvements - non depreciable	-	-	-	-	-	-	(0)	-	-	-	-	-	-	-	-	-	-	-	-	
Land Improvements - depreciable	-	32,981	14,538	-	18,443	-	-	(1,544)	-	3,072	(404)	(3)	-	-	-	32,894	13,330	-	19,564	
Buildings - Non-Specialised	-	4,505	3,955	-	550	-	-	(73)	-	-	-	(2)	-	-	-	4,506	4,031	-	475	
Buildings - Specialised	-	168,191	18,521	-	149,670	-	-	(3,285)	(1,324)	3,935	(1,049)	4	-	-	-	172,108	21,758	1,350	149,000	
Other Structures	-	20,618	6,909	-	13,709	-	(90)	(817)	-	1,793	(1,049)	-	-	-	-	20,159	6,612	-	13,547	
Infrastructure:																				
- Roads	-	572,354	260,129	-	312,225	259	-	(12,402)	-	27,739	(8)	(551)	-	-	-	601,614	274,352	-	327,262	
- Bridges	-	12,864	6,370	-	6,514	-	-	(187)	-	26	-	282	-	-	-	13,192	6,597	-	6,635	
- Footpaths	-	37,146	5,756	-	31,390	8	-	(407)	-	1,045	-	269	-	-	-	38,489	6,164	-	32,305	
- Bulk Earthworks (non-depreciable)	-	2,815	-	-	2,815	-	-	-	-	404	-	-	-	-	-	3,219	-	-	3,219	
- Stormwater Drainage	-	302,714	71,183	-	231,531	1,232	-	(2,619)	-	6,547	-	5	-	-	-	310,951	73,797	-	237,154	
- Water Supply Network	-	905,685	353,931	-	551,754	314	(252)	(13,618)	-	4,318	-	(11)	-	-	-	934,711	376,572	-	558,139	
- Sewerage Network	-	962,232	305,967	-	656,265	675	-	(12,508)	-	6,642	-	(1)	-	-	-	966,537	327,202	-	669,334	
- Swimming Pools	-	5,891	3,564	-	2,327	-	-	(30)	-	-	(7)	-	-	-	-	5,943	3,653	-	2,290	
- Other Open Space/Recreational Assets	-	56,836	15,337	-	41,498	-	-	(1,116)	-	-	1,486	-	-	-	-	57,384	15,516	-	41,868	
Other Assets:																				
- Heritage Collections	-	245	75	-	170	-	-	(1)	-	-	-	-	-	-	-	205	36	-	169	
- Library Books	-	9,301	8,166	-	1,115	-	-	(489)	-	497	-	(1)	-	-	-	4,188	3,066	-	1,122	
- Other	-	38	-	-	38	-	-	(1)	-	-	-	-	-	-	-	38	-	-	37	
Reinstatement, Rehabilitation & Restoration Assets (refer Note 2b):																				
- Tip Assets	-	4,765	4,023	-	742	-	-	(565)	-	-	-	-	-	-	-	4,765	4,588	-	177	
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIP.	40,717	3,569,357	1,106,602	-	2,523,472	79,560	(2,676)	(55,125)	(1,324)	-	(2,709)	469	-	34,359	51,881	3,688,036	1,162,579	1,350	2,576,048	

Additions to Buildings & Infrastructure Assets are made up of Asset Renewals (\$47,546) and New Assets (\$81,156). Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of other Infrastructure, Property, Plant & Equipment.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 9b. Externally Restricted Infrastructure, Property, Plant & Equipment

\$ '000	Actual 2014				Actual 2013			
	At Cost	At Fair Value	A/Dep & Impair'm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impair'm't	Carrying Value
Water Supply								
WIP	14,720	-	-	14,720	9,786	-	-	9,786
Plant & Equipment	-	411	270	141	-	408	230	178
Office Equipment	-	290	204	86	-	362	244	118
Furniture & Fittings	-	117	104	13	-	117	94	23
Land								
- Operational Land	-	34,631	-	34,631	-	34,578	-	34,578
- Community Land	-	1,113	-	1,113	-	1,168	-	1,168
Buildings	-	6,405	724	5,681	-	6,405	554	5,851
Other Structures	-	1,176	81	1,095	-	1,148	46	1,102
Infrastructure - Water Supply	-	934,711	376,572	558,139	-	905,695	353,931	551,764
Infrastructure - Stormwater	-	310,951	73,797	237,154	-	302,715	71,184	231,531
Total Water Supply	14,720	1,289,805	451,752	852,773	9,786	1,252,596	426,283	836,099
Sewerage Services								
WIP	4,719	-	-	4,719	5,525	-	-	5,525
Plant & Equipment	-	819	482	337	-	794	356	438
Office Equipment	-	222	150	72	-	366	270	96
Furniture & Fittings	-	32	27	5	-	45	38	7
Land								
- Operational Land	-	23,021	-	23,021	-	23,021	-	23,021
Buildings	-	7,556	1,149	6,407	-	7,556	1,014	6,542
Other Structures	-	350	32	318	-	350	21	329
Infrastructure	-	996,537	327,202	669,335	-	962,232	305,967	656,265
Total Sewerage Services	4,719	1,028,537	329,042	704,214	5,525	994,364	307,666	692,223
TOTAL RESTRICTED I,PP&E	19,439	2,318,342	780,794	1,556,987	15,311	2,246,960	733,949	1,528,322

Note 9c. Infrastructure, Property, Plant & Equipment - Current Year Impairments

\$ '000	Notes	Actual 2014	Actual 2013
(i) Impairment Losses recognised in the Income Statement:			
Impairment of public toilet block to be demolished		-	(26)
Total Impairment Losses		-	(26)
IMPAIRMENT of ASSETS - GAINS/(LOSSES) in P/L	4(d)	-	(26)
(ii) Impairment Losses recognised direct to Equity (ARR):			
Impairment - Wyong Memorial Hall		(1,324)	-
Total Impairment Losses		(1,324)	-
IMPAIRMENT of ASSETS - DIRECT to EQUITY (ARR)	20 (ii)	(1,324)	-

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		7,939	-	14,377	-
Payments Received In Advance		3,966	12,290	3,432	14,210
Accrued Expenses:					
- Borrowings		1,323	-	1,396	-
- Salaries & Wages		2,481	-	1,513	-
- Other Expenditure Accruals		13,584	-	11,708	-
Security Bonds, Deposits & Retentions		773	-	734	-
Developer Bonds		930	-	1,054	-
Other		3,107	-	2,717	-
Total Payables		34,103	12,290	36,931	14,210
Borrowings					
Loans - Secured ¹		11,368	172,672	10,755	181,132
Total Borrowings		11,368	172,672	10,755	181,132
Provisions					
Employee Benefits;					
Annual Leave		6,180	-	6,418	-
Sick Leave		4,374	-	5,551	-
Long Service Leave		9,095	861	10,367	334
Other Leave		262	-	275	-
Sub Total - Aggregate Employee Benefits		19,911	861	22,611	334
Self Insurance - Workers Compensation		719	3,459	1,357	3,884
Self Insurance - Public Liability		220	-	182	-
Self Insurance - Other		69	-	80	-
Asset Remediation/Restoration (Future Works) ²⁶		2,315	50,207	3,066	49,834
Payroll Tax		190	5	234	2
Total Provisions		23,424	54,532	27,530	54,054
Total Payables, Borrowings & Provisions		68,895	239,494	75,216	249,396

Refer to the next page for Liabilities relating to Restrioted Assets.

¹. Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 15.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 10a. Payables, Borrowings & Provisions (continued)

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
(i) Liabilities relating to Restricted Assets					
Externally Restricted Assets					
Water		22,081	162,431	16,909	172,200
Sewer		5,268	23,055	6,619	23,158
Domestic Waste Management		1,737	-	1,946	-
Self Insurance Water Fund		29	64	65	176
Self Insurance Sewer Fund		1	9	59	162
Other Insurance Water Fund		15	-	6	-
Developer Contributions in advance General		2,395	9,397	2,402	9,397
Developer Contributions in advance Water		485	1,941	158	3,932
Developer Contributions in advance Sewer		156	881	205	881
Liabilities relating to externally restricted assets		32,167	197,778	28,369	209,906
Internally Restricted Assets					
Self Insurance General Fund		689	3,386	1,232	3,546
Other Insurance General Fund		274	-	256	-
Liabilities relating to internally restricted assets		963	3,386	1,488	3,546
Total Liabilities relating to restricted assets		33,130	201,164	29,856	213,452
Total Liabilities relating to Unrestricted Assets		35,765	38,330	45,360	35,945
TOTAL PAYABLES, BORROWINGS & PROVISIONS		68,895	239,494	75,216	249,396

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 10a. Payables, Borrowings & Provisions (continued)

\$ '000	Actual 2014	Actual 2013
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(ii) Current Liabilities not anticipated to be settled within the next 12 months

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

Provisions - Employees Benefits	10,294	13,380
	10,294	13,380

Note 10b. Description of and movements in Provisions

Class of Provision	2013		2014			Closing Balance as at 30/6/14
	Opening Balance as at 1/7/13	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	6,418	5,026	(5,264)	-	-	6,180
Sick Leave	5,551	2,799	(3,976)	-	-	4,374
Long Service Leave	10,701	2,181	(2,926)	-	-	9,956
Other Leave	275	818	(831)	-	-	262
Self Insurance	5,503	1,145	(2,181)	-	-	4,467
Asset Remediation	52,900	(1)	(838)	323	138	52,522
Other	236	1,010	(1,051)	-	-	195
TOTAL	81,584	12,977	(17,066)	323	138	77,956

- a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- b. Self Insurance Provisions represent both (i) Claims Incurred but Not reported and (ii) Claims Reported & Estimated as per the actuarial assessment.
- c. Asset Remediation, Reinstatement & Restoration Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore & remediate assets &/or activities as a result of past operations.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2014	Actual 2013
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	6a	19,357	28,667
Less Bank Overdraft	10	-	-
BALANCE as per the STATEMENT of CASH FLOWS		19,357	28,667
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		21,238	22,420
Adjust for non cash items:			
Depreciation & Amortisation		55,511	52,651
Net Losses/(Gains) on Disposal of Assets		981	1,855
Non Cash Capital Grants and Contributions		(5,079)	(3,483)
Impairment Losses Recognition - I, PP&E		-	26
Losses/(Gains) recognised on Fair Value Re-measurements through the P&L:			
- Investments classified as "At Fair Value" or "Held for Trading"		197	(679)
- Other		(10)	3
Amortisation of Premiums, Discounts & Prior Period Fair Valuations			
- Interest on all fair value adjusted Interest Free Advances made by Council		10	(3)
Unwinding of Discount Rates on Reinstatement Provisions		323	6,051
+/- Movement in Operating Assets and Liabilities & Other Cash Items:			
Decrease/(Increase) in Receivables		(5,942)	(3,038)
Increase/(Decrease) in Provision for Doubtful Debts		55	336
Decrease/(Increase) in Inventories		36	107
Decrease/(Increase) in Other Assets		(183)	70
Increase/(Decrease) in Payables		(6,438)	4,090
Increase/(Decrease) in accrued Interest Payable		(73)	(36)
Increase/(Decrease) in other accrued Expenses Payable		8,594	3,385
Increase/(Decrease) in Other Liabilities		(1,081)	1,660
Increase/(Decrease) in Employee Leave Entitlements		(2,173)	(238)
Increase/(Decrease) in Other Provisions		(1,778)	(8,578)
NET CASH PROVIDED FROM/(USED IN)		64,188	76,599
OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS		64,188	76,599

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 11. Statement of Cash Flows - Additional Information (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(c) Non-Cash Investing & Financing Activities			
S94 Contributions "in kind"		3,031	804
Other Dedications		2,048	2,679
Total Non-Cash Investing & Financing Activities		5,079	3,483
(d) Financing Arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdraft Facilities ⁽¹⁾		500	500
Credit Cards / Purchase Cards		750	750
Master Lease Facilities		2,000	2,000
Standby Credit Facilities		5,043	8,272
Total Financing Arrangements		8,293	11,522
Amounts utilised as at Balance Date:			
- Credit Cards / Purchase Cards		80	96
- Lease Facilities		570	490
- Standby Credit Facilities		5,043	8,272
Total Financing Arrangements Utilised		5,693	8,858

1. The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.
Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 15.

(ii) Secured Loan Liabilities

Loans are secured by a mortgage over future years Rate Revenue only.

(e) Bank Guarantees

Bank Guarantee \$5,043k provided to WorkCover NSW for self insurance purposes

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2014	Actual 2013
(a) Capital Commitments (exclusive of GST)			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Property, Plant & Equipment			
Buildings		596	908
Plant & Equipment		16	653
Total Commitments		612	1,561
These expenditures are payable as follows:			
Within the next year		612	1,561
Total Payable		612	1,561
Sources for Funding of Capital Commitments:			
Unrestricted General Funds		108	1,561
Future Grants & Contributions		1	-
Internally Restricted Reserves		503	-
Total Sources of Funding		612	1,561

Details of Capital Commitments

Construction of an administration building and an office extension at Buttonderry Waste Management Facility comprises the majority of the capital commitments at \$500k. The remaining building commitments include the design of an Arts Centre and general upgrades across various buildings. Plant & Equipment commitments are for various workshop tools.

(b) Operating Lease Commitments (Non Cancellable)**a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:**

Within the next year	403	437
Later than one year and not later than 5 years	474	556
Later than 5 years	1,149	1,123
Total Non Cancellable Operating Lease Commitments	2,026	2,116

b. Non Cancellable Operating Leases include the following assets:

Computer Equipment - PC's, monitors & laptops: Lease terms were all originally for 60 months. The most recent leases have 57 months remaining.

Printers: Lease terms were originally for 60 months. The most recent lease has 56 months remaining.

Northlakes Childcare Centre Premises: Expiry date of the lease is 31/12/2051.

Office Rental at 29 Hely St: This is a monthly lease. The lessor can end the monthly tenancy by giving, at any time, 3 months written notice.

Conditions relating to Operating Leases:

- All Operating Lease Agreements are secured only against the Leased Asset.
- No Lease Agreements impose any financial restrictions on Council regarding future debt etc.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 13a(i). Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts 2014	Indicator 2014	Prior Periods 2013
Local Government Industry Indicators - Consolidated			
1. Operating Performance Ratio			
Total continuing operating revenue ⁽¹⁾			
<u>(excl. Capital Grants & Contributions) - Operating Expenses</u>	6,651	2.92%	3.66%
Total continuing operating revenue ⁽¹⁾	227,647		
(excl. Capital Grants & Contributions)			
2. Own Source Operating Revenue Ratio			
Total continuing operating revenue ⁽¹⁾			
<u>(less ALL Grants & Contributions)</u>	212,031	87.11%	83.37%
Total continuing operating revenue ⁽¹⁾	243,412		
3. Unrestricted Current Ratio			
Current Assets less all External Restrictions ⁽²⁾	44,327	1.56 : 1	1.98
Current Liabilities less Specific Purpose Liabilities ^(3, 4)	28,381		
4. Debt Service Cover Ratio			
Operating Result ⁽¹⁾ before capital excluding interest and depreciation / impairment / amortisation (EBITDA)	77,246	3.17	2.89
Principal Repayments (from the Statement of Cash Flows) + Borrowing Interest Costs (from the Income Statement)	24,355		
5. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage			
<u>Rates, Annual and Extra Charges Outstanding</u>	7,930	5.22%	6.10%
Rates, Annual and Extra Charges Collectible	151,863		
6. Cash Expense Cover Ratio			
Current Year's Cash and Cash Equivalents including All Term Deposits	137,270	8.65	9.23
Payments from cash flow of operating and financing activities	15,865		

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and net share of interests in joint ventures.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any Real Estate & Land for resale not expected to be sold in the next 12 months

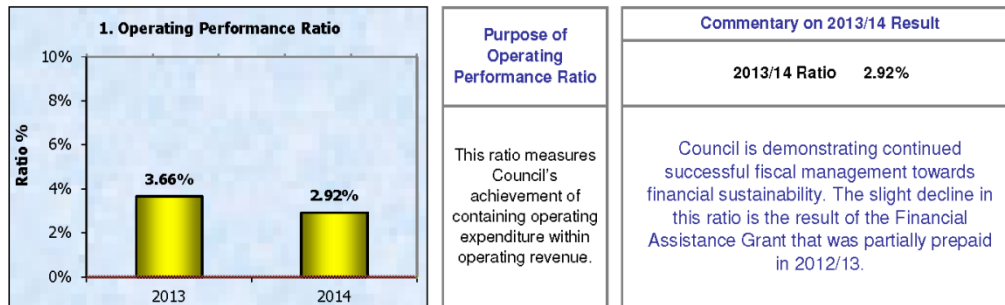
⁽³⁾ Refer to Note 10(a).

⁽⁴⁾ Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

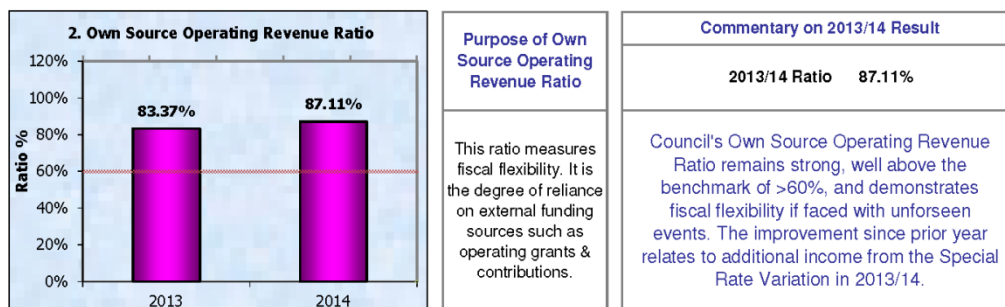
Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

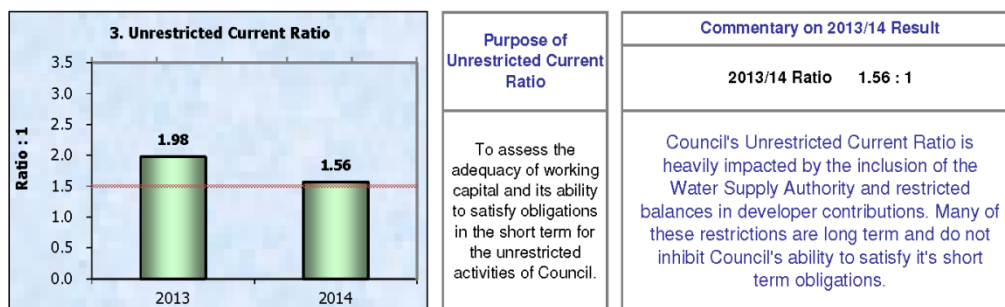
Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



Source for Benchmark: Code of Accounting Practice and Financial Reporting



Source for Benchmark: Code of Accounting Practice and Financial Reporting

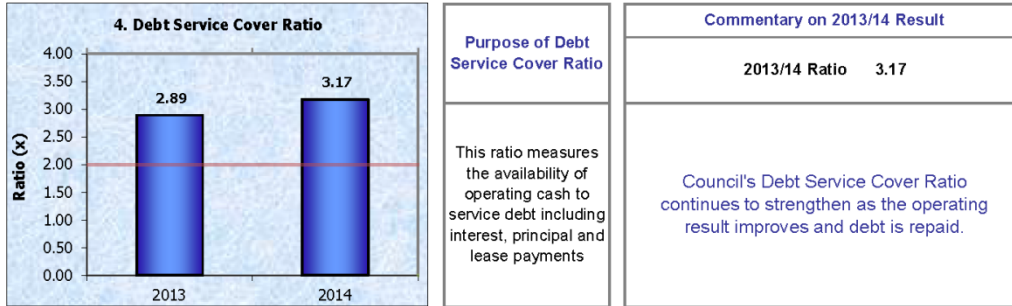


Source for Benchmark: Code of Accounting Practice and Financial Reporting

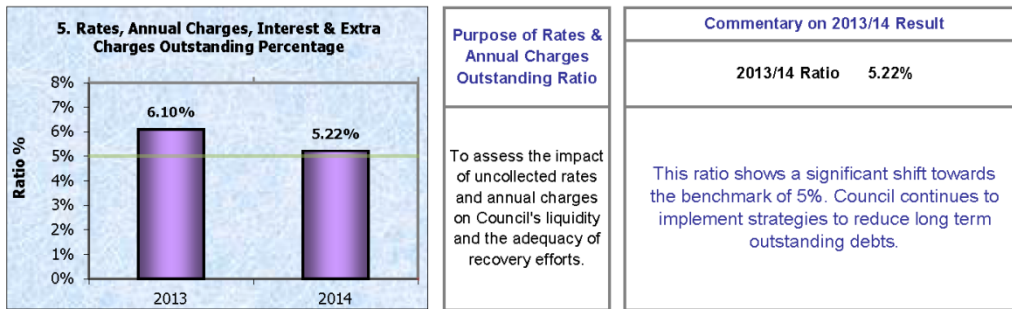
Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

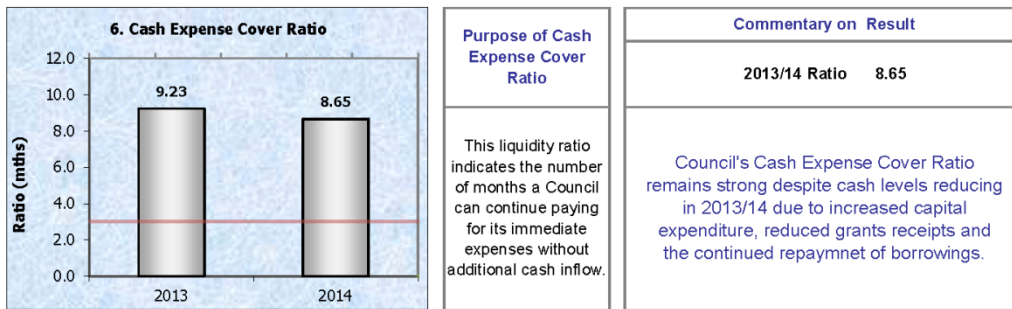
Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



Source for Benchmark: NSW Treasury Corporation



Source for Benchmark: Office of Local Govt - Comparative Information (10/11)



Source for Benchmark: Code of Accounting Practice and Financial Reporting

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 13b. Statement of Performance Measurement - Indicators (by Fund)

\$ '000	Water 2014	Sewer 2014	General ⁵ 2014
Local Government Industry Indicators - by Fund			
1. Operating Performance Ratio			
Total continuing operating revenue ⁽¹⁾			
<u>(excl. Capital Grants & Contributions) - Operating Expenses</u>	-11.78%	-12.93%	10.63%
Total continuing operating revenue ⁽¹⁾			
(excl. Capital Grants & Contributions)			
2. Own Source Operating Revenue Ratio			
<u>Total continuing operating revenue⁽¹⁾</u>	90.21%	92.64%	85.33%
(less ALL Grants & Contributions)			
Total continuing operating revenue ⁽¹⁾			
3. Unrestricted Current Ratio			
<u>Current Assets less all External Restrictions⁽²⁾</u>	0.80 : 1	6.91 : 1	1.53 : 1
Current Liabilities less Specific Purpose Liabilities ^(3,4)			
4. Debt Service Cover Ratio			
<u>Operating Result⁽¹⁾ before capital excluding interest and depreciation / impairment / amortisation (EBITDA)</u>	1.06	3.95	45.92
Principal Repayments (from the Statement of Cash Flows) + Borrowing Interest Costs (from the Income Statement)			
5. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage			
<u>Rates, Annual and Extra Charges Outstanding</u>	5.59%	5.85%	4.98%
Rates, Annual and Extra Charges Collectible			
6. Cash Expense Cover Ratio			
<u>Current Year's Cash and Cash Equivalents including All Term Deposits</u>	5.46	15.60	8.46
Payments from cash flow of operating and financing activities			
	x12		

Notes

(1) - (4) Refer to Notes at Note 13a(i) above.

(5) General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 14. Investment Properties

\$ '000

Council has not classified any Land or Buildings as "Investment Properties"

Note 15. Financial Risk Management

Risk Management

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

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

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

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2014	2013	2014	2013
Financial Assets				
Cash and Cash Equivalents	19,357	28,667	19,357	28,667
Investments				
- "Designated At Fair Value on Initial Recognition"	-	4,703	-	4,703
- "Held to Maturity"	127,913	127,870	127,913	127,870
Receivables	32,218	32,081	32,218	32,081
Total Financial Assets	179,488	193,321	179,488	193,321
Financial Liabilities				
Payables	46,393	51,141	46,393	51,141
Loans / Advances	184,040	191,887	185,960	194,804
Total Financial Liabilities	230,433	243,028	232,353	245,945

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) "**at fair value through profit & loss**" or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of financial assets & liabilities

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 15. Financial Risk Management (continued)

\$ '000

**(a) Cash & Cash Equivalents, Financial assets 'at fair value through the profit & loss'
"Available-for-sale" financial assets and "Held-to-maturity" Investments**

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

Council's Finance area manages the Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and it's staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

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

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

Council also seeks advice from independent advisers before placing any funds in Cash Equivalents & Investments.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
2014				
Possible impact of a 10% movement in Market Values	-	-	-	-
Possible impact of a 1% movement in Interest Rates	1,473	1,473	(1,473)	(1,473)
2013				
Possible impact of a 10% movement in Market Values	470	470	(470)	(470)
Possible impact of a 1% movement in Interest Rates	1,565	1,565	(1,565)	(1,565)

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 15. Financial Risk Management (continued)

\$ '000

(b) Receivables

Council's major receivables comprise **(i)** Rates & Annual charges and **(ii)** User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

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

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

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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

A profile of Council's receivables credit risk at balance date follows:

	2014 Rates & Annual Charges	2014 Other Receivables	2013 Rates & Annual Charges	2013 Other Receivables
(i) Ageing of Receivables - %				
Current (not yet overdue)	0%	82%	0%	85%
Overdue	100%	18%	100%	15%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
(ii) Ageing of Receivables - value				
Current (not yet overdue)	-	20,636		20,901
Past due by up to 30 days	3,173	2,413	3,553	1,381
Past due between 31 and 60 days	1,456	638	1,630	223
Past due between 61 and 90 days	976	70	1,092	230
Past due by more than 90 days	2,325	1,933	2,591	1,827
	<u>7,930</u>	<u>25,690</u>	<u>8,866</u>	<u>24,562</u>
(iii) Movement in Provision for Impairment of Receivables			2014	2013
Balance at the beginning of the year			1,347	1,011
+ new provisions recognised during the year			55	336
Balance at the end of the year			<u>1,402</u>	<u>1,347</u>

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Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 15. Financial Risk Management (continued)

\$ '000

(c) Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

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

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

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the maturity table below:

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2014									
Trade/Other Payables	773	33,330	12,290	-	-	-	-	46,393	46,393
Loans & Advances	-	23,079	23,559	23,256	22,873	22,639	149,627	265,033	184,040
Total Financial Liabilities	773	56,409	35,849	23,256	22,873	22,639	149,627	311,426	230,433
2013									
Trade/Other Payables	734	36,197	14,210	-	-	-	-	51,141	51,141
Loans & Advances	-	24,288	23,627	23,159	22,595	22,555	169,040	285,264	191,887
Total Financial Liabilities	734	60,485	37,837	23,159	22,595	22,555	169,040	336,405	243,028

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

The following interest rates were applicable to Council's Borrowings at balance date:

	2014		2013	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Commercial Banks	183,331	7.0%	190,688	7.0%
NSW Government Agencies	709	4.4%	1,199	5.2%
	<u>184,040</u>		<u>191,887</u>	

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 13/14 was adopted by the Council on 10 April 2013.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of material variations between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Note that for Variations* of Budget to Actual :

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2014 Budget	2014 Actual	2014 ----- Variance* -----		
REVENUES					
Rates & Annual Charges	142,171	142,129	(42)	(0%)	U
User Charges & Fees	60,569	56,743	(3,826)	(6%)	U
Interest & Investment Revenue	8,677	7,479	(1,198)	(14%)	U
This variance is due to lower than anticipated interest rates of \$1.0m as well as fair value adjustments on maturity of managed funds of \$0.2m. Investment returns have reduced from 5.2% in 2012/13 to 4.2% in 2013/14.					
Other Revenues	4,124	5,483	1,359	33%	F
This variance is due to road reinstatements for the National Broadband Network (NBN) as well as higher than expected royalty payments (as a result of positive spot rates) for gas extraction at Buttoderry Waste Management Facility.					
Operating Grants & Contributions	14,431	15,616	1,185	8%	F
Capital Grants & Contributions	14,644	15,765	1,121	8%	F
Net Gains from Disposal of Assets	490	-	(490)	(100%)	U
The net gains and losses on disposal of assets have been combined as a net loss in operating expenses.					

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 16. Material Budget Variations (continued)

\$ '000	2014 Budget	2014 Actual	2014 ----- Variance* -----		
EXPENSES					
Employee Benefits & On-Costs	79,473	74,076	5,397	7%	F
Borrowing Costs	16,071	15,084	987	6%	F
Materials & Contracts	43,382	41,598	1,784	4%	F
Depreciation & Amortisation	55,078	55,511	(433)	(1%)	U
Other Expenses	38,802	34,727	4,075	11%	F
This variation is primarily driven by lower than anticipated EPA Waste Levy payments of \$3.4m due to a significant drop in tonnages received at Buttonderry Waste Management Facility, as well as adjustments to the contaminated lands provision (refer Note 26).					
Net Losses from Disposal of Assets	-	981	(981)	100%	U
This variance is principally due to net loss on sale of commercial and passenger vehicles, trucks, and retirement of water meters.					
Budget Variations relating to Council's Cash Flow Statement include:					
Cash Flows from Operating Activities	61,233	64,188	2,955	5%	F
Cash Flows from Investing Activities	(65,884)	(65,651)	233	(0%)	F
Cash Flows from Financing Activities	(11,691)	(7,847)	3,844	(33%)	F
This variance is a result of new loans being drawn for infrastructure works whereby the interest payments are subsidised through the Local Infrastructure Renewal Scheme (LIRS).					

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions

\$ '000

The Council recovers contributions, raises levies and enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions and levies and the value of all remaining funds which are "restricted" in their future use.

SUMMARY OF CONTRIBUTIONS & LEVIES

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	10,659	221	542	301	(2,465)	(1,950)	7,308	18,454	(34,590)	(8,828)	5,590
Roads	296	436	532	150	(958)	554	1,010	45,924	(44,624)	2,310	(4,029)
Parking	8	-	-	6	-	(2)	12	-	(3,138)	(3,126)	341
Open Space	187	467	1,019	156	(1,303)	431	957	67,715	(51,652)	17,020	(11,971)
Community Facilities	1,002	558	696	335	(904)	1,026	2,713	47,805	(61,531)	(11,014)	10,157
Other	26	32	3	1	152	(59)	155	5,312	(1,830)	3,638	(88)
S94 Contributions - under a Plan	12,178	1,714	2,792	949	(5,478)	0	12,155	185,210	(197,365)	(0)	0
S94A Levies - under a Plan	504	534	-	19	3	-	1,060				-
Total S94 Revenue Under Plans	12,682	2,248	2,792	968	(5,475)	0	13,215				0
S93F Planning Agreements	1,096	298	-	82	3,139	-	4,615				
S64 Contributions	23,370	2,338	239	704	(3,667)	-	22,984				
Total Contributions	37,148	4,884	3,031	1,754	(6,003)	0	40,814	185,210	(197,365)	(0)	0

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Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NUMBER 1 - WYONG

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	968	-	-	33	-	-	1,001	713	(5,442)	(3,729)	841
Roads	71	19	-	47	-	1	138	2,949	(4,976)	(1,889)	832
Parking	6	-	-	5	-	(2)	9	-	(3,060)	(3,051)	258
Open Space	-	95	-	43	3	17	158	2,585	-	2,742	1,975
Community Facilities	70	156	-	39	93	-	358	3,508	(3,657)	209	1,757
Other	0	-	-	2	-	1	3	7	-	10	45
s94 Total	1,115	270	-	168	96	17	1,666	9,761	(17,135)	(5,708)	5,708
s64 - Water	2,031	85	-	73	(51)	-	2,138				-
s64 - Sewer	3,526	279	-	61	(384)	-	3,482				-
s64 Total	5,558	364	-	133	(435)	-	5,620				-
Total	6,673	634	-	301	(339)	17	7,286	9,761	(17,135)	(5,708)	5,708

CONTRIBUTION PLAN NUMBER 2 - SOUTHERN LAKES

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	907	91	-	19	73	-	1,090	268	(906)	452	-
Roads	17	1	-	14	-	-	32	159	(1,395)	(1,203)	788
Open Space	39	41	-	22	-	-	102	1,998	(2,534)	(434)	1,094
Community Facilities	32	34	-	18	10	93	187	1,669	(2,834)	(978)	797
Other	1	5	-	-	2	-	8	246	(764)	(511)	(6)
s94 Total	986	172	-	73	85	93	1,419	4,340	(8,432)	(2,674)	2,674
s64 - Water	1,242	196	-	63	-	-	1,500				-
s64 - Sewer	2,213	169	-	42	-	-	2,424				-
s64 Total	3,455	365	-	105	-	-	3,925				-
Total	4,451	537	-	177	85	93	5,343	4,340	(8,432)	(2,674)	2,674

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Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NUMBER 3 - THE ENTRANCE

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	3	-	-	0	-	(1)	2	-	(110)	(108)	2
Roads	(0)	245	-	39	93	-	377	4,299	(6,591)	(1,915)	1,778
Parking	2	-	-	1	-	-	3	-	(78)	(76)	77
Open Space	4	117	-	15	(110)	-	25	1,035	-	1,060	747
Community Facilities	61	179	-	15	(233)	(4)	18	1,590	(1,229)	379	(1,945)
s94 Total	70	541	-	70	(250)	(5)	426	6,924	(8,008)	(659)	659
s93F - General	-	-	-	6	343	-	349	-	-	-	-
s93F - Water	-	-	-	7	395	-	402	-	-	-	-
s93F Total	-	-	-	13	738	-	751	-	-	-	-
s64 - Water	757	134	-	54	(392)	-	553	-	-	-	-
s64 - Sewer	899	81	-	16	(98)	-	898	-	-	-	2
s64 Total	1,656	215	-	70	(490)	-	1,451	-	-	-	2
Total	1,727	756	-	152	(2)	(5)	2,627	6,924	(8,008)	(659)	661

CONTRIBUTION PLAN NUMBER 5 - OURIMBAH

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	5	-	-	4	-	-	9	55	-	64	221
Open Space	(1)	-	-	3	-	-	2	34	(166)	(130)	83
Community Facilities	45	-	-	32	83	-	160	28	(2,011)	(1,823)	1,630
Other	0	-	-	0	-	-	0	4	(50)	(46)	-
s94 Total	49	-	-	39	83	-	171	121	(2,227)	(1,935)	1,935
s64 - Water	543	106	-	17	-	-	666	-	-	-	-
s64 - Sewer	530	171	-	15	-	(389)	327	-	-	-	389
s64 Total	1,073	277	-	32	-	(389)	993	-	-	-	389
Total	1,122	277	-	71	83	(389)	1,164	121	(2,227)	(1,935)	2,324

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Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NUMBER 6 - TOUKLEY

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	(0)	-	-	0	-	-	(0)	1,638	-	1,638	4
Roads	-	-	-	-	-	-	-	-	(135)	(135)	14
Parking	0	-	-	0	-	-	0	-	-	0	6
Open Space	24	22	4	10	17	(1)	76	6,062	(4,400)	1,738	456
Community Facilities	35	23	5	24	69	-	156	6,293	(11,163)	(4,714)	1,068
Other	-	-	-	-	-	-	-	-	(76)	(76)	-
s94 Total	59	45	9	34	86	(1)	233	13,993	(15,774)	(1,548)	1,548
s64 - Water	431	21	2	17	(3)	-	468	-	-	-	-
s64 - Sewer	498	14	1	8	(909)	390	2	-	-	-	(389)
s64 Total	930	35	3	25	(912)	390	470	-	-	-	(389)
Total	989	80	12	59	(826)	389	703	13,993	(15,774)	(1,548)	1,159

CONTRIBUTION PLAN NUMBER 7 - GOROKAN

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	18	-	-	13	(137)	134	27,933	-	(1,259)	(1,231)	(24)
Open Space	33	32	-	12	83	-	160	2,279	(591)	1,848	499
Community Facilities	20	28	-	2	-	-	49	1,903	(3,400)	(1,448)	50
Other	-	4	-	-	(6)	7	5	309	-	314	(7)
s94 Total	71	64	-	27	(60)	141	242	4,490	(5,250)	(518)	518
s93F - Water	-	21	-	1	-	-	22	-	-	-	-
s93F - Sewer	-	15	-	-	-	-	15	-	-	-	-
s93F Total	-	36	-	1	-	-	37	-	-	-	-
s64 - Water	2	109	-	37	-	-	148	-	-	-	(2,323)
s64 - Sewer	1,175	77	-	23	-	(1)	1,274	-	-	-	-
s64 Total	1,178	186	-	60	-	(1)	1,422	-	-	-	(2,323)
Total	1,248	286	-	87	(60)	140	1,701	4,490	(5,250)	(518)	(1,805)

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Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NUMBER 7a - WADALBA, WOONGARRAH & HAMLIN TERRACE

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	8,718	130	542	248	(2,538)	(1,949)	5,151	9,244	(17,004)	(2,610)	4,742
Roads	(2)	167	532	11	(948)	463	223	13,950	(3,665)	10,508	(8,106)
Open Space	(0)	46	1,006	18	(1,484)	414	(0)	11,625	(9,156)	2,469	(16,569)
Community Facilities	618	38	684	144	(116)		1,367	6,913	(5,710)	2,570	6,005
Other	10	6	2	0	(6)	(7)	6	1,111	(136)	979	13
s94 Total	9,344	387	2,766	421	(5,092)	(1,079)	6,747	42,843	(35,674)	13,916	(13,916)
s93F - General	373	103	-	29	1,134	-	1,639				-
s93F - Drainage	78	41	-	16	761	-	896				-
s93F - Water	63	62	-	10	388	-	523				-
s93F - Sewer	49	55	-	6	239	-	349				-
s93F Total	583	261	-	61	2,522	-	3,407				-
s64 - Water	2,283	384	118	72	(1,052)	-	1,805				2,323
s64 - Sewer	2,946	289	67	68	(316)	-	3,054				766
s64 Total	5,230	673	185	140	(1,368)	-	4,859				3,089
Total	15,136	1,321	2,951	621	(3,938)	(1,079)	15,013	42,843	(35,674)	13,916	(10,827)

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Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NUMBER 8 - SAN REMO

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	63	-	-	1	-	-	64	137	-	202	1
Roads	48	4	-	11	-	(13)	49	312	(510)	(149)	(124)
Open Space	83	2	-	20	83	1	188	854	(1,655)	(612)	484
Community Facilities	52	0	-	1	-	(34)	19	714	-	734	(596)
Other	0	0	-	0	11	-	11	110	(50)	72	(11)
s94 Total	246	6	-	34	94	(46)	333	2,128	(2,215)	246	(246)
s64 - Water	997	63	43	41	(43)	-	1,101				(1)
s64 - Sewer	97	44	8	26	(8)	-	167				1
s64 Total	1,094	107	51	67	(51)	-	1,268				-
Total	1,340	113	51	101	43	(46)	1,601	2,128	(2,215)	246	(246)

CONTRIBUTION PLAN NUMBER 9 - BUDGEWOI

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	2	-	-	1	-	1	4	894	(1,869)	(971)	81
Open Space	5	18	-	3	-	(1)	24	961	(48)	937	116
Community Facilities	33	15	-	32	83	-	163	803	(2,500)	(1,534)	1,512
Other	(0)	2	-	0	8	-	10	124	(265)	(131)	(10)
s94 Total	40	35	-	36	91	0	202	2,781	(4,682)	(1,699)	1,699
s64 - Water	486	12	-	10	-	(1)	507				-
s64 - Sewer	1	10	-	1	(411)	401	2				(1,166)
s64 Total	487	22	-	11	(411)	400	509				(1,166)
Total	527	57	-	47	(320)	400	710	2,781	(4,682)	(1,699)	533

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Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NUMBER 13 - SHIRE WIDE

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Open Space	-	47	9	1	(9)	21	69	9,305	(9,694)	(320)	(861)
Community Facilities	3	45	7	2	(1,024)	971	5	7,058	(5,520)	1,543	(1,282)
Other	12	9	1	(1)	152	(60)	113	1,355	(436)	1,031	(111)
s94 Total	15	101	17	2	(881)	932	186	17,719	(15,650)	2,255	(2,255)
s93F - General	7	1	-	-	-	-	8	-	-	-	-
s93F Total	7	1	-	-	-	-	8	-	-	-	-
Total	22	102	17	2	(881)	932	194	17,719	(15,650)	2,255	(2,255)

CONTRIBUTION PLAN NUMBER 15 - NORTHERN DISTRICTS

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	137	-	-	10	1	1	149	13,057	(18,332)	(5,126)	478
Open Space	(0)	47	-	11	114	(20)	151	14,865	(14,543)	474	4
Community Facilities	33	40	-	26	131	-	230	12,574	(11,497)	1,307	1,161
Other	3	6	-	-	(9)	-	0	1,751	(50)	1,702	-
s94 Total	173	93	-	47	237	(19)	531	42,249	(44,422)	(1,643)	1,643
s93F - General	526	-	-	7	(121)	-	412	-	-	-	-
s93F Total	526	-	-	7	(121)	-	412	-	-	-	-
s64 - Water	1,007	58	-	31	-	-	1,096	-	-	-	(2)
s64 - Sewer	1,703	36	-	32	-	(400)	1,371	-	-	-	401
s64 Total	2,710	94	-	63	-	(400)	2,467	-	-	-	399
Total	3,409	187	-	117	116	(419)	3,410	42,249	(44,422)	(1,643)	2,042

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Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NUMBER 16 WTC - WARNERVALE TOWN CENTRE

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	-	-	-	-	-	-	-	6,455	(11,127)	(4,673)	-
Roads	-	-	-	1	33	(33)	1	10,250	(5,892)	4,358	33
Open Space	-	-	-	-	-	-	-	16,112	(8,865)	7,247	-
Community Facilities	-	-	-	-	-	-	-	4,752	(12,011)	(7,259)	-
Other	-	-	-	-	-	-	-	294	-	294	-
s94 Total	-	-	-	1	33	(33)	1	37,862	(37,896)	(33)	33
Total	-	-	-	1	33	(33)	1	37,862	(37,896)	(33)	33

S94A LEVIES - UNDER A PLAN

CONTRIBUTION PLAN NUMBER

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Other	504	534	-	19	3	-	1,060	-	-	-	-
Total	504	534	-	19	3	-	1,060	-	-	-	-

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Financial Statements 2014

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 18. Contingencies & Other Assets/Liabilities Not Recognised

LIABILITIES NOT RECOGNISED**1. Defined Benefit Superannuation**

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Local Government Superannuation Scheme – Pool B (the Scheme) is a defined benefit plan that has been deemed to be a "multi-employer fund" for purposes of AASB 119. Sufficient information under AASB 119 is not available to account for the Scheme as a defined benefit plan, because the assets to the Scheme are pooled together for all employers.

The Scheme's most recent full actuarial review was performed by Richard Boyfield of Mercer Consulting (Australia) Pty Ltd and covers the period ended 30 June 2014. This review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Scheme's Defined Benefit member category with member Councils required to make significantly higher contributions in future years.

The Scheme is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its Defined Benefits Scheme obligations. The annual amount of additional contributions attributed to Wyong Shire Council is estimated to be \$1,054,547 until 30 June 2018 (or \$4,218,188).

Further contributions made to the Scheme to rectify the net deficit position will be recognised as an expense when they become payable. The amount of the employer contributions made to the Scheme and recognised as an expense for the year ending 30 June 2014 was \$2,634,256.

The defined benefit element of the Scheme is now closed to new members.

2. Bank Guarantee

Council provides a bank guarantee to the value of \$5,043,000 to secure its self-insurance license for

Workers Compensation. The guarantee is provided to WorkCover NSW.

3. Developer Contributions

Council has significant obligations to provide Section 94 infrastructure across the Local Government Area, and levies fees accordingly.

It is possible that funds contributed may be less than the cost of this infrastructure requiring Council to borrow or use general revenue to fund the difference.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent Councils intention to spend funds in the manner and timing set out in those Plans (Refer Note 17).

4. Closed Landfill Sites

Council is required by law to remediate its closed landfill sites. The projected costs of this remediation are provided for within the financial statements at Note 26. However once the remediation works have been carried out there is a period of validation to ensure that the remediation has been successful. This monitoring and maintenance will vary between each site and cannot be reliably estimated at this time however may approximate to \$1.9m until 2030. This estimate is based on the Closed Landfill budget of \$118k for 2014-15 multiplied by the remaining 16 years.

5. Central Coast Water Corporation

The Central Coast Water Corporation (CCWC) was created under legislation by the NSW Government and came into existence in February 2011.

Under the legislation Gosford and Wyong Councils are equal (50%) shareholders in the CCWC and shares cannot be sold or transferred. The CCWC is governed by an independent Board of Directors according to a set of principal objectives outlined in the CCWC legislation.

There is a possibility that following the transfer of staff and functions, shared services and assets, that some financial or legal liabilities may remain with Council. At the time of preparing the financial statements the timing and likelihood of this impact being realised cannot be determined.

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 18. Contingencies & Other Assets/Liabilities Not Recognised

6. United Services Union

There are two separate proceedings involving the United Services Union. One before the Industrial Relations Commission and the other before the Industrial Court of NSW. Both involve the same employee. Information involving estimates on contingent liabilities usually required by AASB137 Provisions, Contingent Liabilities and Contingent Assets is not disclosed on the grounds that it may prejudice the outcome of the litigation.

7. Strathavon Resort

There is a Class 4 proceeding before the Land and Environment Court in which Council seeks declaratory and injunctive orders in respect to a certain structure on the premises at 31 Boyce Avenue, Wyong. Information involving estimates on contingent liabilities usually required by AASB137 Provisions, Contingent Liabilities and Contingent Assets is not disclosed on the grounds that it may prejudice the outcome of the litigation.

8. Warnervale Airport

Council is party to three proceedings before the Land and Environment Court of NSW concerning the use of Councils Airport at Warnervale and the Reserve Trust for Pioneer Dairy. The four parties involved are Wyong Shire Council, Central Coast Aero Club, Australia Skydive Pty Ltd and the Reserve Trust for the Pioneer Dairy. Information involving estimates on contingent liabilities usually required by AASB137 Provisions, Contingent Liabilities and Contingent Assets is not disclosed on the grounds that it may prejudice the outcome of the litigation.

ASSETS NOT RECOGNISED

1. Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to and including 30 June 2008.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

The Council's objectives can and in some cases are best met through the use of separate entities and operations.

These operations and entities range from 100% ownership and control through to lower levels of ownership and control via co-operative arrangements with other Councils, Bodies and other Outside Organisations.

The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards, depending on the level of Councils (i) interest and (ii) control and the type (form) of entity/operation, as follows:

Associated Entities & Joint Venture Entities**Note 19(a) (i)&(ii)**

Arrangements in the form of a Separate Entity that deploys the resources of the operation itself. Under Associated Entities, Council significantly influences the operations (but does not control them, whilst for JV Entities, Council Jointly Controls the Operations with other parties.

Joint Venture Operations**Note 19(b)**

Arrangements that do not comprise an actual individual entity which can deploy the resources of the individual participants. Under JV Operations, Council Jointly Controls the operations with the Other Parties involved.

Accounting Recognition:

(i) Subsidiaries disclosed under Note 19(a), and Joint Venture Operations disclosed at Note 19(c), are accounted for on a Line by Line Consolidation basis within the Income Statement and Statement of Financial Position.

(ii) Associated Entities and Joint Venture Entities as per Notes 19(b)(i) & (ii) are accounted for using the Equity Accounting Method - and are disclosed as a 1 line entry in both the Income Statement and Statement of Financial Position.

	Council's Share of Net Income		Council's Share of Net Assets	
	Actual 2014	Actual 2013	Actual 2014	Actual 2013
Associated Entities	-	-	-	-
Joint Venture Entities	-	-	250	250
Total	-	-	250	250

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

(a) Associated Entities & Joint Venture Entities

(i) ASSOCIATED ENTITIES

Council has no interest in any Associated Entities.

(ii) JOINT VENTURE ENTITIES

(a) Carrying Amounts

Name of Entity	Principal Activity	2014	2013
Central Coast Water Corporation	Strategic decisions about the Central Coast water supply	250	250
Total Carrying Amounts - Joint Venture Entities		250	250

(b) Relevant Interests

Name of Entity	Interest in Outputs		Interest in Ownership		Proportion of Voting Power	
	2014	2013	2014	2013	2014	2013
Central Coast Water Corporation	50%	50%	50%	50%	50%	50%

(c) Movement in Carrying Amounts

	Central Coast Water Corporation	
	2014	2013
Opening Balance	250	125
New Capital Contributions	-	125
Council's Equity Share in the Joint Venture Entity	250	250

(d) Share of Joint Ventures Assets & Liabilities

	Assets		Liabilities		Net Assets
	Current	Non Current	Current	Non Current	
2014					
Central Coast Water Corporation	-	250	-	-	250
Totals	-	250	-	-	250
2013					
Central Coast Water Corporation	-	250	-	-	250
Totals	-	250	-	-	250

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

(b) Joint Venture Operations

(a) The Council is involved in the following Joint Venture Operations (JVO)

Name of Operation	Principal Activity	Councils Interests in Outputs of JVO's
Joint Water Supply Authority	Water Supply Headworks	48.87%

(b) Council Assets employed in the Joint Venture Operations

Council's own assets employed in the Operations

Current Assets:

	2014	2013
Property, Plant & Equipment	315,412	311,246
Total Assets - Council Owned	315,412	311,246
Total Net Assets Employed - Council & Jointly Owned	315,412	311,246

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2014	Actual 2013
(a) Retained Earnings			
Movements in Retained Earnings were as follows:			
Balance at beginning of Year (from previous years audited accounts)		1,343,464	1,251,253
a. Other Comprehensive Income (excl. direct to Reserves transactions)		-	69,791
b. Net Operating Result for the Year		21,238	22,420
Balance at End of the Reporting Period		<u>1,364,702</u>	<u>1,343,464</u>
(b) Reserves			
(i) Reserves are represented by:			
- Infrastructure, Property, Plant & Equipment Revaluation Reserve		1,085,197	1,052,162
Total		<u>1,085,197</u>	<u>1,052,162</u>
(ii) Reconciliation of movements in Reserves:			
Infrastructure, Property, Plant & Equipment Revaluation Reserve			
- Opening Balance		1,052,162	906,593
- Revaluations for the year	9(a)	34,359	145,569
- (Impairment of revalued assets) / Impairment reversals	9(a),(c)	(1,324)	-
- Balance at End of Year		<u>1,085,197</u>	<u>1,052,162</u>
TOTAL VALUE OF RESERVES		<u>1,085,197</u>	<u>1,052,162</u>
(iii) Nature & Purpose of Reserves			
Infrastructure, Property, Plant & Equipment Revaluation Reserve			
- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.			
(c) Correction of Error/s relating to a Previous Reporting Period			
Correction of errors as disclosed in last year's financial statements:			
Adjustment for prior year depreciation on recognition of residual values for plant and equipment			1,758
Correction of prior period land depreciation			45
Adjustment for prior year depreciation on recognition of residual values for buildings			67,988
			<u>69,791</u>
(d) Voluntary Changes in Accounting Policies			
Council made no voluntary changes in any accounting policies during the year.			

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 21. Financial Result & Financial Position by Fund

Income Statement by Fund \$ '000	Actual 2014	Actual 2014	Actual 2014
	Water	Sewer	General¹
Continuing Operations			
Income from Continuing Operations			
Rates & Annual Charges	16,470	27,521	98,238
User Charges & Fees	27,582	1,447	28,336
Interest & Investment Revenue	1,380	1,812	4,287
Other Revenues	338	299	4,846
Grants & Contributions provided for Operating Purposes	1,036	677	13,995
Grants & Contributions provided for Capital Purposes	3,935	1,795	10,035
Other Income			
Net Gains from Disposal of Assets	-	-	-
Share of interests in Joint Ventures & Associates using the Equity Method	-	-	-
Total Income from Continuing Operations	50,741	33,551	159,737
Expenses from Continuing Operations			
Employee Benefits & on-costs	6,697	7,240	60,139
Borrowing Costs	13,184	1,679	221
Materials & Contracts	3,908	3,744	17,959
Depreciation & Amortisation	16,593	12,848	26,070
Impairment	-	-	-
Other Expenses	11,979	10,398	29,151
Net Losses from the Disposal of Assets	291	-	690
Total Expenses from Continuing Operations	52,652	35,909	134,230
Operating Result from Continuing Operations	(1,911)	(2,358)	25,507
Discontinued Operations			
Net Profit/(Loss) from Discontinued Operations	-	-	-
Net Operating Result for the Year	(1,911)	(2,358)	25,507
Net Operating Result attributable to each Council Fund	(1,911)	(2,358)	25,507
Net Operating Result attributable to Non-controlling Interests	-	-	-
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	(5,846)	(4,153)	15,472

¹ General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal charges & recoveries made between the Funds.

Wyong Shire Council

Notes to the Financial Statements

as at 30 June 2014

Note 21. Financial Result & Financial Position by Fund (continued)

Statement of Financial Position by Fund \$ '000	Actual 2014	Actual 2014	Actual 2014
ASSETS	Water	Sewer	General¹
Current Assets			
Cash & Cash Equivalents	2,299	12,970	4,088
Investments	3,236	18,256	81,421
Receivables	15,262	3,276	13,613
Inventories	503	-	939
Other	-	-	720
Non-current assets classified as 'held for sale'	-	-	-
Total Current Assets	21,300	34,502	100,781
Non-Current Assets			
Investments	17,000	8,000	-
Receivables	423	10	19,257
Inventories	-	-	-
Infrastructure, Property, Plant & Equipment	852,774	704,215	1,019,059
Investments Accounted for using the equity method	-	-	250
Investment Property	-	-	-
Intangible Assets	56	33	251
Total Non-Current Assets	870,253	712,258	1,038,817
TOTAL ASSETS	891,553	746,760	1,139,598
LIABILITIES			
Current Liabilities			
Payables	11,018	2,477	20,608
Borrowings	9,801	1,017	963
Provisions	1,791	1,930	19,703
Total Current Liabilities	22,610	5,424	41,274
Non-Current Liabilities			
Payables	1,941	882	9,467
Borrowings	162,377	23,009	6,496
Provisions	118	55	54,359
Total Non-Current Liabilities	164,436	23,946	70,322
TOTAL LIABILITIES	187,046	29,370	111,596
Net Assets	704,507	717,390	1,028,002
EQUITY			
Retained Earnings	352,913	247,834	763,955
Revaluation Reserves	351,594	469,556	264,047
Total Equity	704,507	717,390	1,028,002

¹ General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal receivables & payables between the Funds.

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 22. "Held for Sale" Non Current Assets & Disposal Groups

\$ '000

Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

Note 23. Events occurring after the Reporting Date

Events that occur between the end of the reporting period (ending 30 June 2014) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 08/10/14.

Events that occur after the Reporting Period represent one of two types:

(i) Events that provide evidence of conditions that existed at the Reporting Period

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2014.

(ii) Events that provide evidence of conditions that arose after the Reporting Period

These financial statements (& figures therein) do not incorporate any "non-adjusting events" that have occurred after 30 June 2014 and which are only indicative of conditions that arose after 30 June 2014.

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

Note 24. Discontinued Operations

Council has not classified any of its Operations as "Discontinued".

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 25. Intangible Assets

\$ '000	Actual 2014	Actual 2013
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Intangible Assets represent identifiable non-monetary assets without physical substance.

Intangible Assets are as follows;

Opening Values:

Gross Book Value (1/7)	9,011	9,011
Accumulated Amortisation (1/7)	(8,300)	(7,397)
Accumulated Impairment (1/7)	-	-
Net Book Value - Opening Balance	711	1,614

Movements for the year

- Purchases	15	-
- Amortisation charges	(386)	(903)

Closing Values:

Gross Book Value (30/6)	9,026	9,011
Accumulated Amortisation (30/6)	(8,686)	(8,300)
Accumulated Impairment (30/6)	-	-

TOTAL INTANGIBLE ASSETS - NET BOOK VALUE¹

340	711
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¹ The Net Book Value of Intangible Assets represent:

- Software	340	711
	340	711

Wyong Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

\$ '000

Council is required by law to restore the present tip sites at Bateau Bay, Mardi, Gwandalan, Tumbi, Shelly Beach, Warnervale, Toukley, Halekulani and Buttonderry Waste Management Facility at Jilliby at the end of their useful lives. Council also has an obligation to remediate its two bulk fuel delivery sites. The projected cost of all rehabilitation is \$52.5 million based on engineering estimates and has been discounted to its present value at risk free cost of borrowing to Council.

Asset/Operation	Estimated year of restoration	NPV of Provision	
		2014	2013
Contaminated lands	Various	52,522	52,900
Balance at End of the Reporting Period	10(a)	52,522	52,900

Under AASB 116 - Property, Plant & Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 - Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Reconciliation of movement in Provision for year:	2014	2013
Balance at beginning of year	52,900	53,961
Amounts capitalised to new or existing assets:		
Effect of a change in discount rates used in PV calculations	(1,253)	3,461
Effect of a change in other calculation estimates used	138	(6,366)
Amortisation of discount (expensed to borrowing costs)	1,576	2,590
Expenditure incurred attributable to Provisions	(839)	(746)
Total - Reinstatement, rehabilitation and restoration provision	52,522	52,900

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

\$ '000

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

- Infrastructure, Property, Plant and Equipment

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

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

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

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

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

(1) The following table presents all assets and liabilities that have been measured & recognised at fair values:

2014	Date of latest Valuation	Fair Value Measurement Hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring Fair Value Measurements					
Infrastructure, Property, Plant & Equipment					
Plant & Equipment	30/6/13	-	-	20,816	20,816
Office Equipment	30/6/13	-	-	2,588	2,588
Furniture & Fittings	30/6/13	-	-	1,291	1,291
Operational Land	30/6/13	-	-	311,913	311,913
Community Land	30/6/11	-	-	124,750	124,750
Land under Roads (post 30/06/2008)	30/6/14	-	-	511	511
Land Improvements - non depreciable	30/6/11	-	-	-	-
Land Improvements - depreciable	30/6/11	-	-	19,564	19,564
Buildings - non specialised	30/6/13	-	-	475	475
Buildings - specialised	30/6/13	-	-	149,000	149,000
Other Structures	30/6/11	-	-	13,547	13,547
Roads	30/6/10	-	-	327,262	327,262
Bridges	30/6/10	-	-	6,635	6,635
Footpaths	30/6/10	-	-	32,305	32,305
Bulk Earthworks (non depreciable)	30/6/10	-	-	3,219	3,219
Stormwater Drainage	30/6/10	-	-	237,154	237,154
Water Supply Network	30/6/12	-	-	558,139	558,139
Sewerage Network	30/6/12	-	-	669,334	669,334
Swimming Pools	30/6/11	-	-	2,290	2,290
Other Open Space/Recreational Assets	30/6/11	-	-	41,868	41,868
Heritage Collections	30/6/11	-	-	169	169
Library Books	30/6/11	-	-	1,122	1,122
Other Assets	30/6/11	-	-	37	37
Tip Assets	30/6/11	-	-	177	177
Total Infrastructure, Property, Plant & Equipment		-	-	2,524,166	2,524,166

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Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

(2) Transfers between Level 1 & Level 2 Fair Value Hierarchies

During the year, there were no transfers between Level 1 and Level 2 Fair Value hierarchies for recurring fair value measurements.

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values

Where Council is unable to derive Fair Valuations using quoted market prices of identical assets (i.e. 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 & Equipment

Plant & Equipment, Office Equipment and Furniture & Fittings

Plant & Equipment, Office Equipment and Furniture & Fittings assets are recognised and valued at cost. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the items. Therefore these assets are disclosed at fair value in the notes.

These asset categories include:

- Plant & Fleet
 - Major Plant Items – tractors, excavators, street sweepers, tippers, rollers, forklifts, back hoes, beach cleaners
 - Minor Plant Items – generators, mowers, weed harvester, trailers, chainsaws, wood chippers, power hand tools
 - Fleet Vehicles – trucks, commercial vehicles and passenger vehicles
- Office Equipment – computer hardware, communications equipment, digital cameras, photocopiers
- Furniture & Fittings – work stations, storage cabinets, CCTV, air conditioning units

The unobservable level 3 inputs used include:

- Pattern of consumption
- Useful life
- Residual value

Council reviews the value of these assets based on the gross replacement cost of similar assets.

There has been no change to the valuation process during the reporting period.

Operational Land

This asset class is comprised of all Council's land classified as Operational Land under the Local Government Act 1993. The last valuation was undertaken at 30 June 2013 by APV Valuers & Asset Management.

The valuation of the freehold land has been carried out on a market value basis - assessed on the basis of the estimated amount which the interest in each property being valued might reasonably be expected to realise on the date of valuation in an exchange between a willing vendor and a willing purchaser in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Where a depth in market was identified, the fair value was assessed as a best estimate of the price reasonably obtainable in the market at the date of valuation. This is based on available market evidence of sales of similar or reference assets.

The gross current value has been assessed on the basis of replacement with a new asset having similar service potential and includes allowances for preliminaries and professional fees.

This asset class is categorised as level 3 as some of the inputs used in the valuation of these assets require significant professional judgement and are unobservable. There has been no change in the valuation process during the reporting period.

Community Land

Community land assets are comprised of Council owned land classified as Community Land under the Local Government Act 1993 and land under the care and management of Council on behalf of the Crown.

Council values Community Land based on the unimproved land values provided by the Valuer General or an average unit rate based on the land values for similar properties (land use, land size, shape and location) where the Valuer General has not provided a land value based on the highest and best use for the land.

As we have and are using unimproved land values provided by the Valuer General this is not considered to be an observable input based on market evidence and therefore contains Level 3 unobservable inputs.

There has been no change in the valuation process during the reporting period.

Land under Roads

Land under roads consists of land under roadways and road reserves including land under footpaths, nature strips and median strips as per AASB 1051. Council has elected not to recognise as an asset land under roads acquired before 1 July 2008.

Land under roads acquired since 1 July 2008 has been recognised in accordance with AASB 116 Property, Plant and Equipment. Where Council has acquired land under roads it is recognised at cost where the cost represents fair value. Where the land under roads is dedicated or acquired at nominal value the land is recognised at its fair value.

Values were determined using the Englobo methodology as outlined in the Local Government Code of Accounting Practice and Financial Reporting Guidelines Update No 22 - June 2014. This asset class is classified as level 3 as significant inputs used in the Englobo methodology are unobservable. There has been no change in the valuation process during the reporting period.

Land Improvements

This asset class is comprised of landscaping, cycle ways, estuary protection works and paved public areas. Land improvements are valued using the technical knowledge and experience of Council staff (engineers and asset management) and contractor information. Other significant inputs considered in the valuation of these assets are asset components, residual values, pattern of consumption, dimensions, condition ratings and remaining useful life. Asset conditions are based on field inspections using the ratings set out in Special Schedule 7.

This asset class is classified as level 3 as significant inputs used in the valuation are unobservable. There has been no change in the valuation process during the reporting period.

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Buildings – Non Specialised and Specialised

Council engaged APV Valuers & Asset Management to value all buildings. The valuation methodology applied is dependent on whether a market exists to substantiate the value of the asset.

Where a depth in market was identified, the fair value was assessed as a best estimate of the price reasonably obtainable in the market at the date of valuation. This is based on available market evidence of sales of similar or reference assets. The net value of the building and site services is the difference between the market value of the asset (as a whole) less the market value of the land component.

Where there is no depth of market the fair value has been determined on depreciated current replacement (DCRC) basis. This is calculated by determining the gross current replacement cost and determining the amount of accumulated depreciation to reflect the level of service potential remaining in the asset.

The valuation of buildings, structural improvements and site services includes those items that form part of the building services installation (e.g. heating, cooling and climate control equipment, lifts, escalators, fire alarms, sprinklers and firefighting equipment, and general lighting etc). The buildings and site improvements were physically inspected and measured. The building valuations incorporate a gross current value, net current value and residual value for each asset.

This asset class is categorised as level 3 as some of the inputs used in the valuation of these assets require significant professional judgement and are unobservable. There has been no change in the valuation process during the reporting period.

Other Structures

This asset class is comprised of shade shelters, retaining walls, playground equipment, fencing, fountains, sea walls and holiday park structures which did not meet the definition of a building.

The cost approach has been utilised to value other structures. Valuations are undertaken by Council staff based on the technical knowledge and experience of engineers and asset management staff. Unobservable level 3 inputs used include residual value, useful life, asset condition and pattern of consumption.

There has been no change in the valuation process during the reporting period.

Roads

This asset class is comprised of the Road Carriageway, Car Parks, Kerb & Gutter, Street Furniture, Signage and Traffic Facilities. The road carriageway is defined as the trafficable portion of a road, between but not including the kerb and gutter.

Council's roads are componentised into the pavement, surface and base and further separated into segments for inspection and valuation. The last valuation was completed by GHD a professional services organisation. The cost approach was adopted to value Council roads. The replacement cost (based on unit rates), useful lives and conditions were determined by extracting technical information contained in Council's pavement management system (SMEC). Replacement cost is assessed using the Modern Engineering Equivalent Replacement Asset (MEERA).

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components, residual value and type of road. A pavement condition index (PCI) is used in SMEC and determined by field inspections. This PCI is converted into road technical ratings 1 (Excellent) to 5 (Very Poor).

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. There has been no change in the valuation process during the reporting period.

Bridges

This asset class is comprised of all pedestrian and vehicle access bridges. The bridges were inspected and valued using the cost approach by GHD a professional services organisation. The significant inputs used in valuing bridges useful life, residual value, pattern of consumption, asset condition and gross replacement cost.

This asset class is categorised a Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

There has been no change in the valuation process during the reporting period.

Footpaths

This asset class is comprised of pedestrian walkways and cycle ways. Footpaths are valued using the cost approach by GHD a professional services organisation. Replacement costs (unit rates) and useful lives were determined using technical knowledge. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components, asset condition and residual value.

Footpaths were segmented to match the adjacent road segment and no further componentisation was undertaken. Footpaths are assessed by physical inspection. Condition information is updated as changes in the network are observed through regular inspections.

This asset class is categorised a Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

There has been no change in the valuation process during the reporting period.

Bulk Earthworks (non-depreciable)

This asset class contains the formation costs for roads, buildings and sporting facilities and are recognised and valued at cost. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the items.

Bulk earthworks are non-depreciable as it is not expected that the bulk earthworks will need to be renewed during the normal operational use of the assets.

There has been no change in the valuation process during the reporting period.

Stormwater Drainage

The Stormwater Drainage asset class consists of Council's pits, pipes, open channels, culverts, wetlands, headwalls and gross pollutant traps. GHD a professional services organisation completed the valuation of these assets using the replacement cost approach. Replacement cost is assessed using the Modern Engineering Equivalent Replacement Asset (MEERA).

Replacement costs (unit rates) and useful lives for stormwater drainage assets were determined through a combination of historic data and technical knowledge, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on asset location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, pattern of consumption and residual value. The asset condition of 1 (Excellent) to 5 (Very Poor) was determined by assumptions based on age and CCTV investigation undertaken across a representative selection of Council's

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

drainage network. Additionally due to the limitations in the historical records of very long lived assets there is some uncertainty on the specifications and dimensions of some assets.

This asset class is categorised a Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

There has been no change in the valuation process during the reporting period.

Water Supply Network

This asset class is comprised of water treatment plants, water pump stations, reservoirs, water mains, tunnels, dams, weirs and water meters.

The gross replacement cost approach has been utilised to value the water supply network. This approach estimates the gross replacement cost based on Modern Engineering Equivalent Replacement Asset (MEERA) techniques and equipment that would yield an asset to serve the same function as the existing asset, rather than replicate the existing asset. Valuations are undertaken by Council staff based on the technical knowledge and experience of engineers and asset management staff taking into consideration NSW Reference Rates issued by the Department of Primary Industries Office of Water and the valuations performed by Evans and Peck and NSW Public Works in 2011 for the Joint Water Assets. Assets have been componentised as per AASB 116. Unobservable level 3 inputs used include materials used in the construction of the asset, residual value, useful life, asset condition, unit rates and pattern of consumption. As some of the assets are very long lived assets there is some uncertainty on the specifications and dimensions of some assets however the Water & Sewer Planning section undertook data validation processes to reduce this risk.

There has been no change in the valuation process during the reporting period.

Sewerage Network

This asset class is comprised of sewer treatment plants, sewer pump stations, sewer vacuum systems and sewer mains.

The gross replacement cost approach has been utilised to value the sewerage network. This approach estimates the gross replacement cost based on Modern Engineering Equivalent Replacement Asset (MEERA) techniques and equipment that would yield an asset to serve the same function as the existing asset, rather than replicate the existing asset. Valuations are undertaken by Council staff based on the technical knowledge and experience of engineers and asset management staff taking into consideration NSW Reference Rates issued by the Department of Primary Industries Office of Water. Assets have been componentised as per AASB 116. Unobservable level 3 inputs used include materials used in the construction of the asset, residual value, useful life, asset condition, unit rates and pattern of consumption. As some of the assets are very long lived assets there is some uncertainty on the specifications and dimensions of some assets however the Water & Sewer Planning section undertook data validation processes to reduce this risk.

There has been no change in the valuation process during the reporting period.

Swimming Pools

Assets within this class are comprised of ocean baths, swimming pools and associated structures.

The gross replacement cost approach has been utilised to value this asset class. This approach estimates the gross replacement cost based on Modern Engineering Equivalent Replacement Asset (MEERA). Valuations are undertaken by Council staff based on the technical knowledge and experience of engineers and asset

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

management staff. Significant unobservable inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components, asset condition and residual value.

This asset class is categorised a Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

There has been no change in the valuation process during the reporting period.

Other Open Space/Recreational Assets

This asset class is comprised of life guard towers, tennis courts, athletics tracks, picnic shelters, playground equipment, skate parks, fencing and sporting facilities.

The gross replacement cost approach has been utilised to value this asset class. This approach estimates the gross replacement cost based on Modern Engineering Equivalent Replacement Asset (MEERA). Valuations are undertaken by Council staff based on the technical knowledge and experience of engineers and asset management staff. Significant unobservable inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, components, asset condition and residual value. Asset conditions are determined by field inspections using ratings of 1 (Excellent) to 5 (Very Poor).

This asset class is categorised a Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

There has been no change in the valuation process during the reporting period.

Heritage Collections

This asset class is comprised of artwork and sculptures which are recognised and valued at cost.

Significant unobservable inputs considered in the valuation of these assets are useful life, pattern of consumption, asset condition and residual value. This asset class is categorised a Level 3 as the inputs used in the valuation of these assets require significant professional judgement.

There has been no change in the valuation process during the reporting period.

Library Books

Assets included in this asset category consist of library books, journals, magazines, CDs and DVDs which are recognised and valued at cost. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the items. There are no major variances between the fair value and carrying amount of these assets. Therefore these assets are disclosed at fair value in the notes.

Whilst these assets are recognised at cost with supporting supplier invoices (observable input) the remaining significant inputs (useful life, pattern of consumption, asset condition and residual values) are unobservable and therefore categorised as level 3.

There has been no change in the valuation process during the reporting period.

Other Assets

Other assets includes the Mayoral chains which are recognised and valued at cost. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the item.

The replacement cost approach has been utilised to value other assets. Significant unobservable inputs considered in the valuation of these assets are useful life, pattern of consumption, asset condition and residual value and therefore categorised as level 3.

Wyong Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

There has been no change in the valuation process during the reporting period.

Tip Asset

This asset class includes the tip cells at the Buttonderry Waste Facility which is recognised and valued at cost. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the item.

Significant unobservable inputs considered in the valuation of these assets are useful life, pattern of consumption, asset condition and residual value and therefore categorised as level 3.

There has been no change in the valuation process during the reporting period.

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3)

a. The following tables present the changes in Level 3 Fair Value Asset Classes.

	Plant & Equipment	Office Equipment	Furniture & Fittings	Operational Land	Total
Adoption of AASB 13	23,400	1,360	1,176	310,172	336,108
Transfers from/(to) another asset class	(32)	-	32	729	729
Purchases (GBV)	4,254	1,950	303	1,061	7,568
Disposals (WDV)	(2,259)	(14)	(12)	(49)	(2,334)
Depreciation & Impairment	(4,547)	(709)	(207)	-	(5,463)
Other Movements	-	1	(1)	-	-
Closing Balance - 30/6/14	20,816	2,588	1,291	311,913	336,608

	Community Land	Land under Roads	Land Improvements	Buildings - Non Specialised	Total
Adoption of AASB 13	125,410	471	18,443	550	144,874
Transfers from/(to) another asset class	(747)	-	(404)	-	(1,151)
Purchases (GBV)	87	24	3,072	-	3,183
Depreciation & Impairment	-	-	(1,544)	(73)	(1,617)
Revaluation Increments to Equity (ARR)	-	16	-	-	16
Other Movements	-	-	(3)	(2)	(5)
Closing Balance - 30/6/14	124,750	511	19,564	475	145,300

	Buildings - Specialised	Other Structures	Roads	Bridges	Total
Adoption of AASB 13	149,670	13,709	312,225	6,514	482,118
Transfers from/(to) another asset class	-	(1,049)	(559)	282	(1,326)
Purchases (GBV)	3,935	1,793	27,998	26	33,752
Disposals (WDV)	-	(90)	-	-	(90)
Depreciation & Impairment	(4,609)	(817)	(12,402)	(187)	(18,015)
Other Movements	4	-	-	-	4
Closing Balance - 30/6/14	149,000	13,547	327,262	6,635	496,444

	Footpaths	Bulk Earthworks	Stormwater Drainage	Water Supply Network	Total
Adoption of AASB 13	31,390	2,815	231,531	551,764	817,500
Transfers from/(to) another asset class	269	-	-	-	269
Purchases (GBV)	1,053	404	7,779	4,632	13,868
Disposals (WDV)	-	-	-	(252)	(252)
Depreciation & Impairment	(407)	-	(2,619)	(13,618)	(16,644)
Revaluation Increments to Equity (ARR)	-	-	459	15,624	16,083
Other Movements	-	-	5	(11)	(7)
Closing Balance - 30/6/14	32,305	3,219	237,154	558,139	830,817

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3) (continued)**a. The following tables present the changes in Level 3 Fair Value Asset Classes.** (continued)

	Sewerage Network	Swimming Pools	Other Open Space / Recreational Assets	Heritage Collections	Total
Adoption of AASB 13	656,265	2,327	41,498	170	700,260
Transfers from/(to) another asset class	-	(7)	1,486	-	1,479
Purchases (GBV)	7,317	-	-	-	7,317
Depreciation & Impairment	(12,508)	(30)	(1,116)	(1)	(13,655)
Revaluation Increments to Equity (ARR)	18,261	-	-	-	18,261
Other Movements	(1)	-	-	-	(1)
Closing Balance - 30/6/14	669,334	2,290	41,868	169	713,661

	Library Books	Other Assets	Tip Assets	Total
Adoption of AASB 13	1,115	38	742	1,895
Purchases (GBV)	497	-	-	497
Depreciation & Impairment	(489)	(1)	(565)	(1,055)
Other Movements	(1)	-	-	(1)
Closing Balance - 30/6/14	1,122	37	177	1,336

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

(4). Fair value measurements using significant unobservable inputs (Level 3)

b. Significant unobservable valuation inputs used (for Level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various Level 3 Asset Class fair values.

I,PP&E

Class	Fair Value (30/6/14) \$'000	Valuation Techniques	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Plant & Equipment	20,816	Cost Approach	Replacement Cost	Cost varies from asset to asset	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset
			Useful Life	Useful life: 1 – 42 years	
			Residual Value	Residual Value: 0% - 70%	
Office Equipment	2,588	Cost Approach	Replacement Cost	Cost varies from asset to asset	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset
			Useful Life	Useful life: 2 – 10 years	
			Residual Value	Residual Value: 0%	

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Class	Fair Value (30/6/14) \$'000	Valuation Techniques	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Furniture & Fittings	1,291	Cost Approach	Replacement Cost Useful Life Residual Value	Cost varies from asset to asset Useful life: 1 – 10 years Residual Value: 0%	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset
Operational Land	311,913	Market Value and Cost Approach	Rate per square metre	Unit Rates: \$1 - \$1,054 per sqm	Significant changes in the rate per square metre would result in a significant change to the fair value of the asset
Community Land	124,750	Cost Approach	Unimproved Capital Value by Valuer General Rate per square metre	Unit Rates: \$1 - \$2,532 per sqm	Significant changes in the rate per square metre would result in a significant change to the fair value of the asset
Land under Roads (post 30/06/2008)	511	Cost Approach / Englobo Valuation basis	Total Area: 807,656,352 sqm Total Land Value: \$19,968,970,951 Total Area LUR: 206,497 sqm	Unit Rates: \$2.47 per sqm	Significant changes in the rate per square metre would result in a significant change to the fair value of the asset

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Class	Fair Value (30/6/14) \$'000	Valuation Techniques	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Land Improvements - depreciable	19,564	Cost Approach	Replacement Cost Useful Life Residual Value	Cost varies from asset to asset Useful life: 4 – 100 years Residual Value: 0%	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset
Buildings - non specialised	475	Market Value	Market Value Useful Life Residual Value	Cost varies from asset to asset Useful Life: 8 – 100 yrs Residual Value: 0%	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Class	Fair Value (30/6/14) \$'000	Valuation Techniques	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Buildings - specialised	149,000	Cost Approach	Replacement Cost Asset Condition rating Useful Life Residual Value	Cost varies from asset to asset Assessed as 1 – 5: Excellent to Very poor Useful Life: 8 – 100 yrs Residual Value: 0% - 70%	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset
Other Structures	13,547	Cost Approach	Replacement Cost Useful Life Residual Value	Cost varies from asset to asset Useful life: 5 – 100 years Residual Value: 0%	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Class	Fair Value (30/6/14) \$'000	Valuation Techniques	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Roads	327,262	Cost Approach	Replacement Cost	Unit Rates Surface: \$10 - \$41 Pavement: \$21 - \$66 Formation: \$278 (Unit rates vary from asset to asset)	Movement in cost of the asset will result in the same movement in fair value
			Asset Condition rating	Asset Condition - Surface - Pavement - Formation Assessed as 1 – 5: Excellent to Very poor	Asset condition rating and pattern of consumption impact the remaining useful life of the asset
			Useful Life	Useful Life - Surface: 22-32 yrs - Pavement: 63 yrs - Formation: 100 yrs	
			Residual Value	Residual Value: 0%	Changes in the residual value impacts the depreciation and fair value of the asset
Bridges	6,635	Cost Approach	Replacement Cost	Unit Rates – vary from asset to asset	Movement in cost of the asset will result in the same movement in fair value
			Asset Condition rating	Assessed as 1 – 5: Excellent to Very poor	Asset condition rating and pattern of consumption impact the remaining useful life of the asset
			Useful Life	Useful Life: 80 yrs	

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Class	Fair Value (30/6/14) \$'000	Valuation Techniques	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Footpaths	32,305	Cost Approach	Replacement Cost Asset Condition rating Useful Life	Unit Rates: \$55 - \$273 Assessed as 1 – 5: Excellent to Very poor Useful Life: 22 – 60 yrs	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset
Bulk Earthworks (non depreciable)	3,219	Cost Approach	Replacement Cost	Unit Rates – vary from asset to asset	Movement in cost of the asset will result in the same movement in fair value
Stormwater Drainage	237,154	Cost Approach	Replacement Cost Asset Condition rating Useful Life	Unit Rates – vary from asset to asset Assessed as 1 – 5: Excellent to Very poor Useful Life: 30 – 120 yrs	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Class	Fair Value (30/6/14) \$'000	Valuation Techniques	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Water Supply Network	558,139	Cost Approach	Replacement Cost	Unit Rates are based on the NSW Reference Rates Manual issued by the NSW Office of Water	Movement in cost of the asset will result in the same movement in fair value
			Asset Condition rating	Assessed as 1 – 5: Excellent to Very poor	Asset condition rating and pattern of consumption impact the remaining useful life of the asset
			Useful Life	Useful Life: 15 – 100 yrs	
			Residual Value	Residual Value: 0%	Changes in the residual value impacts the depreciation and fair value of the asset
Sewerage Network	669,334	Cost Approach	Replacement Cost	Unit Rates are based on the NSW Reference Rates Manual issued by the NSW Office of Water	Movement in cost of the asset will result in the same movement in fair value
			Asset Condition rating	Assessed as 1 – 5: Excellent to Very poor	Asset condition rating and pattern of consumption impact the remaining useful life of the asset
			Useful Life	Useful Life: 15 – 100 yrs	
			Residual Value	Residual Value: 0% - 38%	Changes in the residual value impacts the depreciation and fair value of the asset

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Class	Fair Value (30/6/14) \$'000	Valuation Techniques	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Swimming Pools	2,290	Cost Approach	Replacement Cost Useful Life Residual Value	Cost varies from asset to asset Useful life: 10 – 100 years Residual Value: 0%	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset
Other Open Space/Recreational Assets	41,868	Cost Approach	Replacement Cost Useful Life Residual Value	Cost varies from asset to asset Useful life: 5 – 100 years Residual Value: 0%	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset

Wyong Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Class	Fair Value (30/6/14) \$'000	Valuation Techniques	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Heritage Collections	169	Cost Approach	Replacement Cost	Cost varies from asset to asset	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset
			Useful Life	Useful life: 10 – 100 years	
			Residual Value	Residual Value: 0%	
Library Books	1,122	Cost Approach	Replacement Cost	Cost varies from asset to asset	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset
			Useful Life	Useful life: 5 – 10 years	
			Residual Value	Residual Value: 0%	

Wyong Shire Council

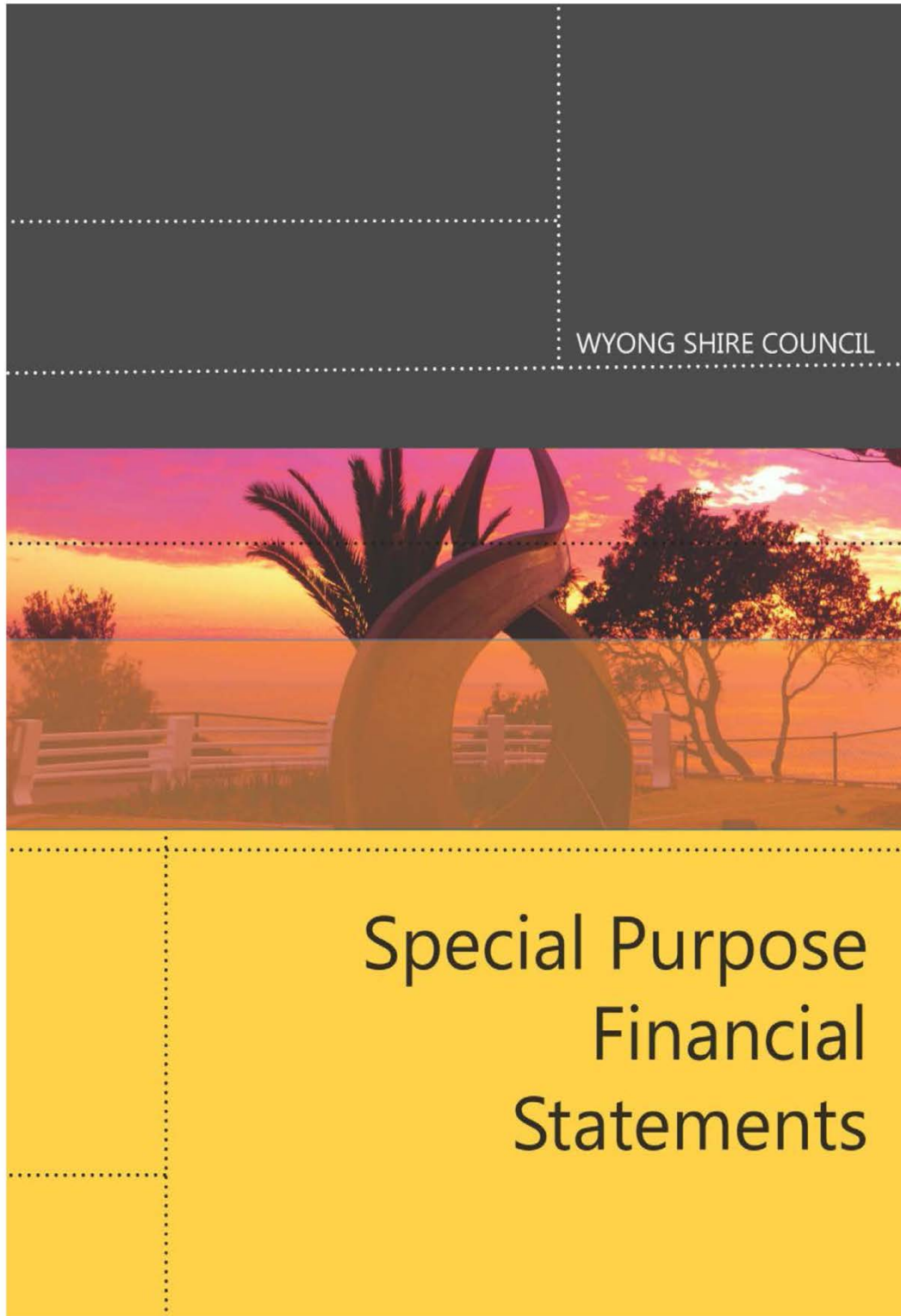
Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

Class	Fair Value (30/6/14) \$'000	Valuation Techniques	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Other Assets	37	Cost Approach	Replacement Cost Useful Life Residual Value	Cost varies from asset to asset Useful life: 50 years Residual Value: 0%	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset
Tip Assets	177	Cost Approach	Replacement Cost Useful Life Residual Value	Cost varies from asset to asset Useful life: 4 years (current active cell) Residual Value: 0%	Movement in cost of the asset will result in the same movement in fair value Asset condition rating and pattern of consumption impact the remaining useful life of the asset Changes in the residual value impacts the depreciation and fair value of the asset

(5). Highest and best use

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



Wyong Shire Council

Special Purpose Financial Statements
for the financial year ended 30 June 2014

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Background

(i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.

(ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

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

(iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

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

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

Wyong Shire Council

Special Purpose Financial Statements
for the financial year ended 30 June 2014

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

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

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality".
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

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

- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 8 October 2014.

Doug Eaton
MAYOR

Lynne Webster
DEPUTY MAYOR

Michael Whittaker
GENERAL MANAGER

Stephen Naven
RESPONSIBLE ACCOUNTING OFFICER

SPFS 2014

Wyong Shire Council

Income Statement of Council's Water Supply Business Activity
for the financial year ended 30 June 2014

\$ '000	Actual 2014	Actual 2013
Income from continuing operations		
Access charges	16,470	16,066
User charges	27,525	25,818
Fees	57	53
Interest	1,380	1,149
Grants and contributions provided for non capital purposes	1,036	1,019
Profit from the sale of assets	-	-
Other income	338	209
Total income from continuing operations	46,806	44,314
Expenses from continuing operations		
Employee benefits and on-costs	6,697	6,822
Borrowing costs	13,184	11,894
Materials and contracts	3,908	3,750
Depreciation and impairment	16,593	16,632
Water purchase charges	95	17
Loss on sale of assets	291	1,432
Calculated taxation equivalents	367	380
Debt guarantee fee (if applicable)	-	-
Other expenses	11,884	12,265
Total expenses from continuing operations	53,019	53,192
Surplus (deficit) from Continuing Operations before capital amounts	(6,213)	(8,878)
Grants and contributions provided for capital purposes	3,935	3,121
Surplus (deficit) from Continuing Operations after capital amounts	(2,278)	(5,757)
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	(2,278)	(5,757)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-
SURPLUS (DEFICIT) AFTER TAX	(2,278)	(5,757)
plus Opening Retained Profits	354,824	360,201
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	367	380
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	-
less:		
- Tax Equivalent Dividend paid	-	-
- Surplus dividend paid	-	-
Closing Retained Profits	352,913	354,824
Return on Capital %	0.8%	0.4%
Subsidy from Council	24,582	28,505
Calculation of dividend payable:		
Surplus (deficit) after tax	(2,278)	(5,757)
less: Capital grants and contributions (excluding developer contributions)	(1,717)	(1,771)
Surplus for dividend calculation purposes	-	-
Potential Dividend calculated from surplus	-	-

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SPFS 2014

Wyong Shire Council

Income Statement of Council's Sewerage Business Activity
for the financial year ended 30 June 2014

\$ '000	Actual 2014	Actual 2013
Income from continuing operations		
Access charges	27,521	27,465
User charges	466	796
Liquid Trade Waste charges	841	774
Fees	140	102
Interest	1,812	2,244
Grants and contributions provided for non capital purposes	677	666
Profit from the sale of assets	-	-
Other income	299	130
Total income from continuing operations	31,756	32,177
Expenses from continuing operations		
Employee benefits and on-costs	7,240	7,217
Borrowing costs	1,679	1,897
Materials and contracts	3,744	3,954
Depreciation and impairment	12,848	12,485
Loss on sale of assets	-	571
Calculated taxation equivalents	252	255
Debt guarantee fee (if applicable)	-	-
Other expenses	10,398	9,403
Total expenses from continuing operations	36,161	35,782
Surplus (deficit) from Continuing Operations before capital amounts	(4,405)	(3,605)
Grants and contributions provided for capital purposes	1,795	1,514
Surplus (deficit) from Continuing Operations after capital amounts	(2,610)	(2,091)
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	(2,610)	(2,091)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-
SURPLUS (DEFICIT) AFTER TAX	(2,610)	(2,091)
plus Opening Retained Profits	250,194	252,029
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	252	255
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	-
less:		
- Tax Equivalent Dividend paid	-	-
- Surplus dividend paid	-	-
Closing Retained Profits	247,836	250,194
Return on Capital %	-0.4%	-0.2%
Subsidy from Council	28,782	27,805
Calculation of dividend payable:		
Surplus (deficit) after tax	(2,610)	(2,091)
less: Capital grants and contributions (excluding developer contributions)	(479)	(885)
Surplus for dividend calculation purposes	-	-
Potential Dividend calculated from surplus	-	-

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SPFS 2014

Wyong Shire Council

Income Statement of Council's Other Business Activities
for the financial year ended 30 June 2014

	Waste Management		Care and Education	
	Category 1		Category 1	
	Actual 2014	Actual 2013	Actual 2014	Actual 2013
\$ '000				
Income from continuing operations				
Access charges	31,192	29,479	-	-
User charges	12,081	14,728	3,794	3,976
Fees	-	-	-	-
Interest	146	161	-	-
Grants and contributions provided for non capital purposes	1,342	793	431	457
Profit from the sale of assets	-	-	-	-
Other income	553	341	3	6
Total income from continuing operations	45,314	45,502	4,228	4,439
Expenses from continuing operations				
Employee benefits and on-costs	1,878	1,716	3,529	3,486
Borrowing costs	1,576	2,590	-	-
Materials and contracts	20,643	20,958	1,189	1,185
Depreciation and impairment	854	1,360	106	131
Loss on sale of assets	-	-	1	1
Calculated taxation equivalents	122	104	194	205
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	7,368	6,376	131	104
Total expenses from continuing operations	32,441	33,104	5,150	5,112
Surplus (deficit) from Continuing Operations before capital amounts	12,873	12,398	(922)	(673)
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from Continuing Operations after capital amounts	12,873	12,398	(922)	(673)
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	12,873	12,398	(922)	(673)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(3,862)	(3,719)	-	-
SURPLUS (DEFICIT) AFTER TAX	9,011	8,679	(922)	(673)
plus Opening Retained Profits	41,902	29,400	(7,808)	(7,340)
plus/less: Prior Period Adjustments	-	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	122	104	194	205
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	3,862	3,719	-	-
add:				
- Subsidy Paid/Contribution To Operations	-	-	-	-
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	-	-	-	-
Closing Retained Profits	54,897	41,902	(8,536)	(7,808)
Return on Capital %	68.0%	96.1%	-17.4%	-12.6%
Subsidy from Council	-	-	1,118	875

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Wyong Shire Council

Income Statement of Council's Other Business Activities
for the financial year ended 30 June 2014

\$ '000	Holiday Parks	
	Category 1	
	Actual 2014	Actual 2013
Income from continuing operations		
Access charges	-	-
User charges	9,179	8,921
Fees	-	-
Interest	-	-
Grants and contributions provided for non capital purposes	-	3
Profit from the sale of assets	-	-
Other income	-	-
Total income from continuing operations	9,179	8,924
Expenses from continuing operations		
Employee benefits and on-costs	200	217
Borrowing costs	44	66
Materials and contracts	3,795	3,458
Depreciation and impairment	718	1,154
Loss on sale of assets	-	3
Calculated taxation equivalents	442	228
Debt guarantee fee (if applicable)	-	-
Other expenses	3,153	3,444
Total expenses from continuing operations	8,352	8,570
Surplus (deficit) from Continuing Operations before capital amounts	827	354
Grants and contributions provided for capital purposes	40	-
Surplus (deficit) from Continuing Operations after capital amounts	867	354
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	867	354
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(248)	(106)
SURPLUS (DEFICIT) AFTER TAX	619	248
plus Opening Retained Profits	12,144	11,562
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	442	228
- Debt guarantee fees	-	-
- Corporate taxation equivalent	248	106
add:		
- Subsidy Paid/Contribution To Operations	-	-
less:		
- TER dividend paid	-	-
- Dividend paid	-	-
Closing Retained Profits	13,453	12,144
Return on Capital %	3.1%	1.5%
Subsidy from Council	182	658

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SPFS 2014

Wyong Shire Council

Statement of Financial Position - Council's Water Supply Business Activity
as at 30 June 2014

\$ '000	Actual 2014	Actual 2013
ASSETS		
Current Assets		
Cash and cash equivalents	2,299	12,360
Investments	3,236	15,774
Receivables	15,262	15,230
Inventories	503	490
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	21,300	43,854
Non-Current Assets		
Investments	17,000	3,253
Receivables	423	451
Inventories	-	-
Infrastructure, property, plant and equipment	852,774	836,099
Investments accounted for using equity method	-	-
Investment property	-	-
Intangible Assets	56	122
Other	-	-
Total non-Current Assets	870,253	839,925
TOTAL ASSETS	891,553	883,779
LIABILITIES		
Current Liabilities		
Bank Overdraft	-	-
Payables	11,018	5,518
Interest bearing liabilities	9,801	9,359
Provisions	1,791	2,262
Total Current Liabilities	22,610	17,139
Non-Current Liabilities		
Payables	1,941	3,932
Interest bearing liabilities	162,377	172,177
Provisions	118	198
Total Non-Current Liabilities	164,436	176,307
TOTAL LIABILITIES	187,046	193,446
NET ASSETS	704,507	690,333
EQUITY		
Retained earnings	352,913	354,824
Revaluation reserves	351,594	335,509
Council equity interest	704,507	690,333
Non-controlling equity interest	-	-
TOTAL EQUITY	704,507	690,333

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SPFS 2014

Wyong Shire Council

Statement of Financial Position - Council's Sewerage Business Activity
as at 30 June 2014

\$ '000	Actual 2014	Actual 2013
ASSETS		
Current Assets		
Cash and cash equivalents	12,970	14,394
Investments	18,256	18,290
Receivables	3,276	3,792
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	34,502	36,476
Non-Current Assets		
Investments	8,000	3,788
Receivables	10	13
Inventories	-	-
Infrastructure, property, plant and equipment	704,215	692,223
Investments accounted for using equity method	-	-
Investment property	-	-
Intangible Assets	33	74
Other	-	-
Total non-Current Assets	712,258	696,098
TOTAL ASSETS	746,760	732,574
LIABILITIES		
Current Liabilities		
Bank Overdraft	-	-
Payables	2,477	2,658
Interest bearing liabilities	1,017	954
Provisions	1,930	2,389
Total Current Liabilities	5,424	6,001
Non-Current Liabilities		
Payables	882	881
Interest bearing liabilities	23,009	24,026
Provisions	55	175
Total Non-Current Liabilities	23,946	25,082
TOTAL LIABILITIES	29,370	31,083
NET ASSETS	717,390	701,491
EQUITY		
Retained earnings	247,834	250,194
Revaluation reserves	469,556	451,297
Council equity interest	717,390	701,491
Non-controlling equity interest	-	-
TOTAL EQUITY	717,390	701,491

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Wyong Shire Council

Statement of Financial Position - Council's Other Business Activities
as at 30 June 2014

\$ '000	Waste Management		Care and Education	
	Category 1		Category 1	
	Actual 2014	Actual 2013	Actual 2014	Actual 2013
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	-	-
Investments	96,904	88,430	-	-
Receivables	2,302	2,596	68	71
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	99,206	91,026	68	71
Non-Current Assets				
Investments	-	-	-	-
Receivables	9	9	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	21,238	15,590	5,301	5,362
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
Total Non-Current Assets	21,247	15,599	5,301	5,362
TOTAL ASSETS	120,453	106,625	5,369	5,433
LIABILITIES				
Current Liabilities				
Bank Overdraft	-	-	-	-
Payables	5,086	4,206	280	278
Interest bearing liabilities	-	-	8,873	7,865
Provisions	3,407	3,456	938	1,264
Total Current Liabilities	8,493	7,662	10,091	9,407
Non-Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	49,911	49,909	224	244
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	49,911	49,909	224	244
TOTAL LIABILITIES	58,404	57,571	10,315	9,651
NET ASSETS	62,049	49,054	(4,946)	(4,218)
EQUITY				
Retained earnings	54,897	41,902	(8,536)	(7,808)
Revaluation reserves	7,152	7,152	3,590	3,590
Council equity interest	62,049	49,054	(4,946)	(4,218)
Non-controlling equity interest	-	-	-	-
TOTAL EQUITY	62,049	49,054	(4,946)	(4,218)

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SPFS 2014

Wyong Shire Council

Statement of Financial Position - Council's Other Business Activities
as at 30 June 2014

	Holiday Parks	
	Category 1	
\$ '000	Actual 2014	Actual 2013
ASSETS		
Current Assets		
Cash and cash equivalents	-	-
Investments	8,011	5,837
Receivables	221	237
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	8,232	6,074
Non-Current Assets		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	28,457	28,583
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total Non-Current Assets	28,457	28,583
TOTAL ASSETS	36,689	34,657
LIABILITIES		
Current Liabilities		
Bank Overdraft	-	-
Payables	900	986
Interest bearing liabilities	5,104	4,291
Provisions	48	53
Total Current Liabilities	6,052	5,330
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	11	10
Other Liabilities	-	-
Total Non-Current Liabilities	11	10
TOTAL LIABILITIES	6,063	5,340
NET ASSETS	30,626	29,317
EQUITY		
Retained earnings	13,453	12,144
Revaluation reserves	17,173	17,173
Council equity interest	30,626	29,317
Non-controlling equity interest	-	-
TOTAL EQUITY	30,626	29,317

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Wyong Shire Council

Special Purpose Financial Statements
for the financial year ended 30 June 2014

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	12
2	Water Supply Business Best Practice Management disclosure requirements	15
3	Sewerage Business Best Practice Management disclosure requirements	17

Wyong Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2014

Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Office of Local Government.

For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements, unless otherwise stated, have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB) &
- Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with:

- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government".

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

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

Declared Business Activities

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

Category 1

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

a. Water Supplies

Water catchment, treatment and supply; stormwater drainage

b. Sewerage Services

Sewerage collection, treatment and disposal

c. Waste Management

Collection and disposal of household and commercial waste

d. Care and Education

Provision of six child care centres

e. Holiday Parks

Provision of four holiday parks

Category 2

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

None

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of some figures disclosed in Note 2 (Water Supply Best Practice Management Disclosures A513) and Note 3 (Sewerage Best Practice Management Disclosures

Wyong Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014

Note 1. Significant Accounting Policies

A514). As required by the NSW Office of Water (Department of Primary Industries) the amounts shown in Notes 2 and Note 3 are disclosed in whole dollars.

(i) Taxation Equivalent Charges

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

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

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

Notional Rate Applied %**Corporate Income Tax Rate – 30%**

Land Tax – The first **\$412,000** of combined land values attracts **0%**. From \$412,001 to \$2,519,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$2,519,000, a premium marginal rate of **2.0%** applies.

Payroll Tax – **5.45%** on the value of taxable salaries and wages in excess of \$750,000.

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from Water Supply and Sewerage Business activities.

The payment of taxation equivalent charges, referred in the Best Practice Management of Water Supply and Sewerage Guides to as a "Dividend for Taxation equivalent", may be applied for any purpose allowed under the Local Government Act 1993.

Achievement of substantial compliance against the guidelines for Best Practice Management of Water Supply and Sewerage is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income Tax

An income tax equivalent has been applied on the profits of each reported Business Activity.

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

Accordingly, the return on capital invested is set at a pre-tax level (gain/loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

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

Since this taxation equivalent is notional - that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The rate applied of 30% is the equivalent company tax rate prevalent as at reporting date. No adjustments have been made for variations that have occurred during the year.

Local Government Rates & Charges

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

Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face "true" commercial

Wyong Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014

Note 1. Significant Accounting Policies

borrowing costs in line with private sector competitors.

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

(ii) Subsidies

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

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

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

The overall effect of subsidies is contained within the Income Statement of each reported Business Activity.

(iii) Return on Investments (Rate of Return)

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

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

The Rate of Return on Capital is calculated as follows:

Operating Result before Capital Income + Interest Expense

Written Down Value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.7% at 30 June 2014.

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

(iv) Dividends

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

Local Government Water Supply and Sewerage Businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

The dividend, calculated and approved in accordance with the Best Practice Management Guidelines, must not exceed either:

- (i) 50% of this surplus in any one year, or
- (ii) the number of water supply or sewerage assessments at 30 June 2014 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the NSW Office of Water prior to making the dividend and only after it has approved the payment.

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Wyong Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 2. Water Supply Business
Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i) Calculated Tax Equivalents	367,000
(ii) No of assessments multiplied by \$3/assessment	187,509
(iii) Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	187,509
(iv) Amounts actually paid for Tax Equivalents	-

2. Dividend from Surplus

(i) 50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	-												
(ii) No. of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	1,687,581												
(iii) Cumulative surplus before Dividends for the 3 years to 30 June 2014, less the cumulative dividends paid for the 2 years to 30 June 2013 & 30 June 2012	(25,978,382)												
<table border="1"> <tr> <td>2014 Surplus</td> <td>(3,994,960)</td> <td>2013 Surplus</td> <td>(7,527,616)</td> <td>2012 Surplus</td> <td>(14,455,806)</td> </tr> <tr> <td>2013 Dividend</td> <td>-</td> <td>2012 Dividend</td> <td>-</td> <td></td> <td></td> </tr> </table>		2014 Surplus	(3,994,960)	2013 Surplus	(7,527,616)	2012 Surplus	(14,455,806)	2013 Dividend	-	2012 Dividend	-		
2014 Surplus	(3,994,960)	2013 Surplus	(7,527,616)	2012 Surplus	(14,455,806)								
2013 Dividend	-	2012 Dividend	-										
(iv) Maximum dividend from surplus [least of (i), (ii) and (iii) above]	n/a												
(v) Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-												

3. Required outcomes for 6 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i) Completion of Strategic Business Plan (including Financial Plan)	YES
(ii) Full Cost Recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
- Complying charges [Item 2(b) in Table 1]	YES
- DSP with Commercial Developer Charges [Item 2(e) in Table 1]	YES
- If Dual Water Supplies, Complying Charges [Item 2(g) in Table 1]	YES
(iii) Sound Water Conservation and Demand Management implemented	YES
(iv) Sound Drought Management implemented	YES
(v) Complete Performance Reporting Form (by 15 September each year)	YES
(vi) a. Integrated Water Cycle Management Evaluation	YES
b. Complete and implement Integrated Water Cycle Management Strategy	YES

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Wyong Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 2. Water Supply Business
Best Practice Management disclosure requirements (continued)Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) **2014****National Water Initiative (NWI) Financial Performance Indicators**

NWI F1	Total Revenue (Water) Total Income (w13) - Grants for the Acquisition of Assets (w11a) - Interest Income (w9) - Aboriginal Communities W&S Program Income (w10a)	\$'000	48,411
NWI F4	Revenue from Residential Usage Charges (Water) Income from Residential Usage Charges (w6b) x 100 divided by the sum of [Income from Residential Usage Charges (w6a) + Income from Residential Access Charges (w6b)]	%	62.56%
NWI F9	Written Down Replacement Cost of Fixed Assets (Water) Written down current cost of system assets (w47)	\$'000	852,534
NWI F11	Operating Cost (OMA) (Water) Management Expenses (w1) + Operational & Maintenance Expenses (w2)	\$'000	19,592
NWI F14	Capital Expenditure (Water) Acquisition of fixed assets (w16)	\$'000	19,827
NWI F17	Economic Real Rate of Return (Water) [Total Income (w13) - Interest Income (w9) - Grants for acquisition of assets (w11a) - Operating Costs (NWI F11) - Current Cost Depreciation (w3)] x 100 divided by [Written Down Current Cost of System Assets (w47) + Plant & Equipment (w33b)]	%	1.43%
NWI F26	Capital Works Grants (Water) Grants for the Acquisition of Assets (w11a)	\$'000	950

- Notes:
- References to w (eg. w12) refer to item numbers within Special Schedules No. 3 & 4 of Council's Annual Financial Statements.
 - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

SPFS 2014

Wyong Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 3. Sewerage Business
Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i) Calculated Tax Equivalents	252,000
(ii) No of assessments multiplied by \$3/assessment	182,772
(iii) Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	182,772
(iv) Amounts actually paid for Tax Equivalents	-

2. Dividend from Surplus

(i) 50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	-
(ii) No. of assessments x (\$30 less tax equivalent charges per assessment)	1,644,948
(iii) Cumulative surplus before dividends for the 3 years to 30 June 2014, less the cumulative dividends paid for the 2 years to 30 June 2013 & 30 June 2012	(8,873,192)

2014 Surplus	(3,089,421)	2013 Surplus	(2,976,005)	2012 Surplus	(2,807,766)
		2013 Dividend	-	2012 Dividend	-

(iv) Maximum dividend from surplus [least of (i), (ii) and (iii) above]	n/a
(v) Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-

3. Required outcomes for 4 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i) Completion of Strategic Business Plan (including Financial Plan)	YES
(ii) Pricing with full cost-recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
Complying charges	
(a) Residential [Item 2(c) in Table 1]	YES
(b) Non Residential [Item 2(c) in Table 1]	YES
(c) Trade Waste [Item 2(d) in Table 1]	YES
DSP with Commercial Developer Charges [Item 2(e) in Table 1]	YES
Liquid Trade Waste Approvals & Policy [Item 2(f) in Table 1]	YES
(iii) Complete Performance Reporting Form (by 15 September each year)	YES
(iv) a. Integrated Water Cycle Management Evaluation	YES
b. Complete and implement Integrated Water Cycle Management Strategy	YES

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Wyong Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 3. Sewerage Business
Best Practice Management disclosure requirements (continued)Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) **2014****National Water Initiative (NWI) Financial Performance Indicators**

NWI F2	Total Revenue (Sewerage) Total Income (s14) - Grants for Acquisition of Assets (s12a) - Interest Income (s10) - Aboriginal Communities W&S Program Income (w10a)	\$'000	31,739
NWI F10	Written Down Replacement Cost of Fixed Assets (Sewerage) Written down current cost of system assets (s48)	\$'000	703,801
NWI F12	Operating Cost (Sewerage) Management Expenses (s1) + Operational & Maintenance Expenses (s2)	\$'000	21,382
NWI F15	Capital Expenditure (Sewerage) Acquisition of Fixed Assets (s17)	\$'000	6,532
NWI F18	Economic Real Rate of Return (Sewerage) [Total Income (s14) - Interest Income (s10) - Grants for acquisition of Assets (s12a) - Operating cost (NWI F12) - Current cost depreciation (s3)] x 100 divided by [Written down current cost (ie. WDCC) of System Assets (s48) + Plant & Equipment (s34b)]	%	-0.35%
NWI F27	Capital Works Grants (Sewerage) Grants for the Acquisition of Assets (12a)	\$'000	-

**National Water Initiative (NWI) Financial Performance Indicators
Water & Sewer (combined)**

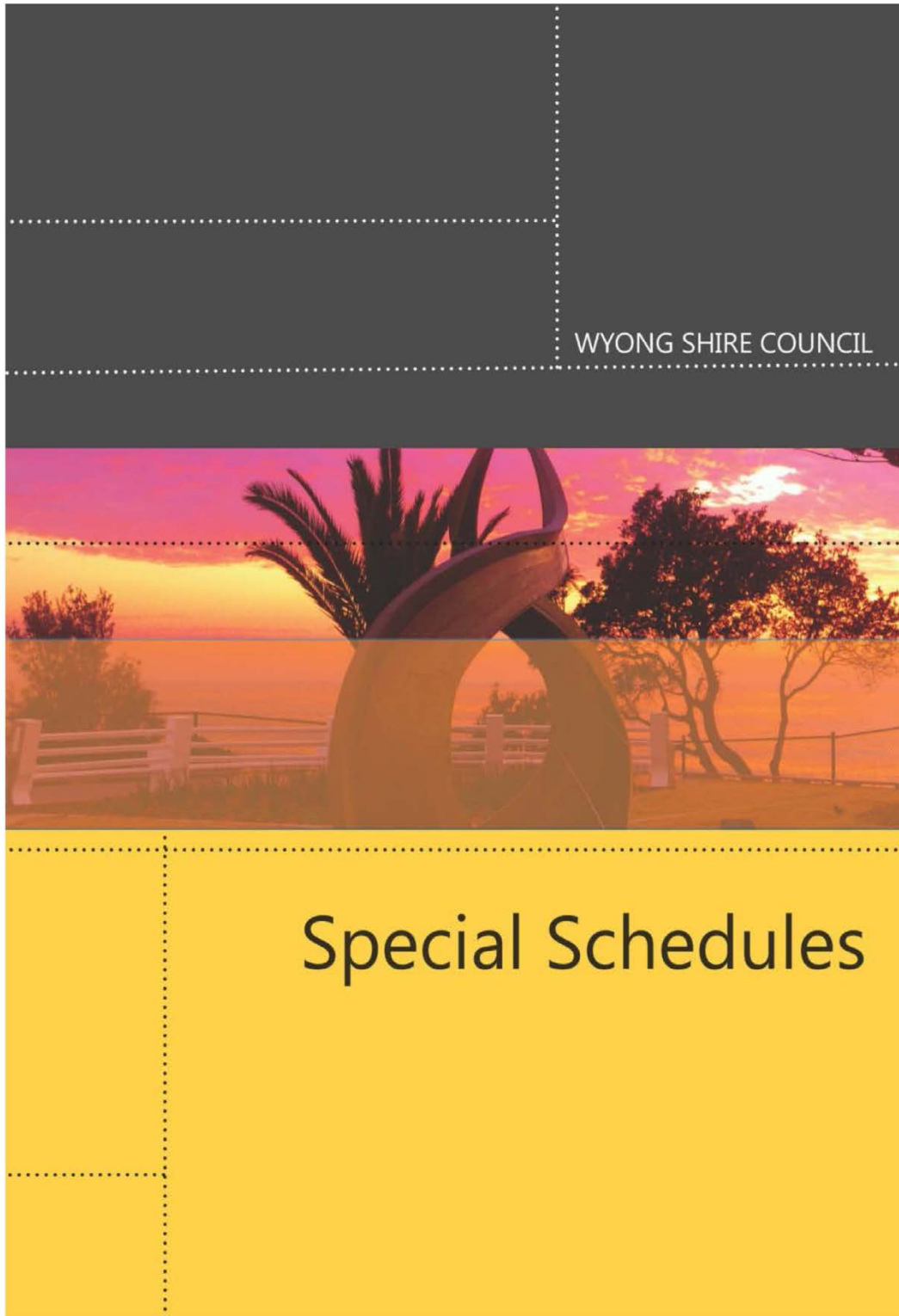
NWI F3	Total Income (Water & Sewerage) Total Income (w13 + s14) + Gain/Loss on disposal of assets (w14 + s15) minus Grants for acquisition of assets (w11a + s12a) - Interest Income (w9 + s10)	\$'000	79,859
NWI F8	Revenue from Community Service Obligations (Water & Sewerage) Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	1.72%
NWI F16	Capital Expenditure (Water & Sewerage) Acquisition of Fixed Assets (w16 + s17)	\$'000	26,359
NWI F19	Economic Real Rate of Return (Water & Sewerage) [Total Income (w13 + s14) - Interest Income (w9 + s10) - Grants for acquisition of assets (w11a + s12a) - Operating Cost (NWI F11 + NWI F12) - Current cost depreciation (w3 + s3)] x 100 divided by [Written down replacement cost of fixed assets (NWI F9 + NWI F10) + Plant & equipment (w33b + s34b)]	%	0.63%
NWI F20	Dividend (Water & Sewerage) Dividend paid from surplus (2(v) of Note 2 + 2(v) of Note 3)	\$'000	-
NWI F21	Dividend Payout Ratio (Water & Sewerage) Dividend (NWI F20) x 100 divided by Net Profit after tax (NWI F24)	%	0.00%

Wyong Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 3. Sewerage Business
Best Practice Management disclosure requirements (continued)Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) **2014****National Water Initiative (NWI) Financial Performance Indicators
Water & Sewer (combined)**

NWI F22	Net Debt to Equity (Water & Sewerage) Overdraft (w36 + s37) + Borrowings (w38 + s39) - Cash & Investments (w30 + s31) x 100 divided by [Total Assets (w35 + s36) - Total Liabilities (w40 + s41)]	%	9.46%
NWI F23	Interest Cover (Water & Sewerage) Earnings before Interest & Tax (EBIT) divided by Net Interest Earnings before Interest & Tax (EBIT): Operating Result (w15a + s16a) + Interest expense (w4a + s4a) - Interest Income (w9 + s10) - Gain/Loss on disposal of assets (w14 + s15) + Miscellaneous Expenses (w4b + w4c + s4b + s4c) Net Interest: Interest Expense (w4a + s4a) - Interest Income (w9 + s10)		1
NWI F24	Net Profit After Tax (Water & Sewerage) Surplus before dividends (w15a + s16a) - Tax equivalents paid (Note 2-1(iv) + Note 3-1(iv))	\$'000	(5,219)
NWI F25	Community Service Obligations (Water & Sewerage) Grants for Pensioner Rebates (w11b + s12b)	\$'000	1,375

- Notes:
- References to w (eg. s12) refer to item numbers within Special Schedules No. 5 & 6 of Council's Annual Financial Statements.
 - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.



Wyong Shire Council

Special Schedules

for the financial year ended 30 June 2014

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¹ Special Schedules are not audited (with the exception of Special Schedule 9).

Background

(i) These Special Schedules have been designed to meet the requirements of special purpose users such as;

- the NSW Grants Commission
- the Australian Bureau of Statistics (ABS),
- the NSW Office of Water (NOW), and
- the Office of Local Government (OLG).

(ii) The financial data is collected for various uses including;

- the allocation of Financial Assistance Grants,
- the incorporation of Local Government financial figures in national statistics,
- the monitoring of loan approvals,
- the allocation of borrowing rights, and
- the monitoring of the financial activities of specific services.

Wyong Shire Council

Special Schedule No. 1 - Net Cost of Services
for the financial year ended 30 June 2014

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Governance	1,579	4	-	(1,575)
Administration	2,174	5,828	4,381	8,035
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	4,919	1,170	495	(3,254)
Beach Control	1,513	14	-	(1,499)
Enforcement of Local Govt. Regulations	1,647	458	-	(1,189)
Animal Control	501	282	-	(219)
Other	-	-	-	-
Total Public Order & Safety	8,580	1,924	495	(6,161)
Health	35	557	-	522
Environment				
Noxious Plants and Insect/Vermin Control	162	50	-	(112)
Other Environmental Protection	2,127	70	80	(1,977)
Solid Waste Management	26,962	39,647	-	12,685
Street Cleaning	-	-	-	-
Drainage	6,750	6,546	946	742
Stormwater Management	162	1,757	-	1,595
Total Environment	36,163	48,070	1,026	12,933
Community Services and Education				
Administration & Education	1,744	148	-	(1,596)
Social Protection (Welfare)	-	-	-	-
Aged Persons and Disabled	186	34	-	(152)
Children's Services	5,042	4,284	-	(758)
Total Community Services & Education	6,972	4,466	-	(2,506)
Housing and Community Amenities				
Public Cemeteries	144	203	-	59
Public Conveniences	1,393	-	-	(1,393)
Street Lighting	3,817	235	-	(3,582)
Town Planning	7,267	2,157	-	(5,110)
Other Community Amenities	-	-	-	-
Total Housing and Community Amenities	12,621	2,595	-	(10,026)
Water Supplies	46,292	38,152	2,989	(5,151)
Sewerage Services	35,822	29,857	1,795	(4,170)

Wyong Shire Council

Special Schedule No. 1 - Net Cost of Services (continued)
for the financial year ended 30 June 2014

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Recreation and Culture				
Public Libraries	4,898	437	46	(4,415)
Museums	-	-	-	-
Art Galleries	15	-	-	(15)
Community Centres and Halls	4,057	1,071	-	(2,986)
Performing Arts Venues	-	-	-	-
Other Performing Arts	-	-	-	-
Other Cultural Services	796	104	-	(692)
Sporting Grounds and Venues	4,592	285	175	(4,132)
Swimming Pools	1,020	4	-	(1,016)
Parks & Gardens (Lakes)	8,389	46	-	(8,343)
Other Sport and Recreation	2,285	-	1,190	(1,095)
Total Recreation and Culture	26,052	1,947	1,411	(22,694)
Mining, Manufacturing and Construction				
Building Control	1,642	1,111	-	(531)
Other Mining, Manufacturing & Construction	-	-	-	-
Total Mining, Manufacturing and Const.	1,642	1,111	-	(531)
Transport and Communication				
Urban Roads (UR) - Local	22,089	2,050	1,449	(18,590)
Urban Roads - Regional	735	483	1,499	1,247
Sealed Rural Roads (SRR) - Local	-	-	-	-
Sealed Rural Roads (SRR) - Regional	-	-	-	-
Unsealed Rural Roads (URR) - Local	1,274	-	-	(1,274)
Unsealed Rural Roads (URR) - Regional	-	-	-	-
Bridges on UR - Local	461	-	-	(461)
Bridges on SRR - Local	-	-	-	-
Bridges on URR - Local	-	-	-	-
Bridges on Regional Roads	-	-	-	-
Parking Areas	701	-	-	(701)
Footpaths	1,423	-	-	(1,423)
Aerodromes	78	10	-	(68)
Other Transport & Communication	5,170	1,317	146	(3,707)
Total Transport and Communication	31,931	3,860	3,094	(24,977)
Economic Affairs				
Camping Areas & Caravan Parks	7,911	9,179	40	1,308
Other Economic Affairs	5,990	2,046	534	(3,410)
Total Economic Affairs	13,901	11,225	574	(2,102)
Totals – Functions	223,764	149,596	15,765	(58,403)
General Purpose Revenues ⁽²⁾		79,641		79,641
Share of interests - joint ventures & associates using the equity method	-	-	-	-
NET OPERATING RESULT ⁽¹⁾	223,764	229,237	15,765	21,238

(1) As reported in the Income Statement

(2) Includes: Rates & Annual Charges (incl. Ex Gratia, excl. Water & Sewer), Non Capital General Purpose Grants, Interest on Investments (excl. Ext. Restricted Assets) & Interest on overdue Rates & Annual Charges

Wyong Shire Council

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)
for the financial year ended 30 June 2014

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
Loans (by Source)											
Commonwealth Government	-	-	-	-	-	-	-	-	-	-	-
Treasury Corporation	-	-	-	-	-	-	-	-	-	-	-
Other State Government	484	709	1,193	-	484	-	-	44	370	339	709
Public Subscription	6	-	6	-	6	-	-	-	-	-	-
Financial Institutions	10,265	180,423	190,688	3,000	10,357	-	-	13,226	10,998	172,333	183,331
Other	-	-	-	-	-	-	-	-	-	-	-
Total Loans	10,755	181,132	191,887	3,000	10,847	-	-	13,270	11,368	172,672	184,040
Other Long Term Debt											
Ratepayers Advances	-	-	-	-	-	-	-	-	-	-	-
Government Advances	-	-	-	-	-	-	-	-	-	-	-
Finance Leases	-	-	-	-	-	-	-	-	-	-	-
Deferred Payments	-	-	-	-	-	-	-	-	-	-	-
Total Long Term Debt	-	-	-	-	-	-	-	-	-	-	-
Total Debt	10,755	181,132	191,887	3,000	10,847	-	-	13,270	11,368	172,672	184,040

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.
This Schedule is prepared using the face value of debt obligations, rather than fair value (which are reported in the GPFS).

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Special Schedules 2014

Wyong Shire Council

Special Schedule No. 2(b) - Statement of Internal Loans [Section 410(3) LGA 1993]
for the financial year ended 30 June 2014

\$'000

Summary of Internal Loans

Borrower (by purpose)	Amount originally raised	Total repaid during the year (Principal & Interest)	Principal Outstanding at end of year
General			
Water	20,000	2,165	19,622
Sewer			
Domestic Waste Management			
Gas			
Other			
Totals	20,000	2,165	19,622

Note: The summary of Internal Loans (above) represents the total of Council's Internal Loans categorised according to the borrower.

Details of Individual Internal Loans

Borrower (by purpose)	Lender (by purpose)	Date of Minister's Approval	Date Raised	Term (years)	Dates of Maturity	Rate of Interest	Amount Originally raised	Total repaid during year (Princ. & Int.)	Principal Outstanding at end of year
Water	General	Not required	30/06/13	20	30/06/33	9.00%	20,000	2,165	19,622
Totals							20,000	2,165	19,622

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Special Schedules 2014

Wyong Shire Council

Special Schedule No. 3 - Water Supply Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
A Expenses and Income Expenses		
1. Management expenses		
a. Administration	3,524	2,499
b. Engineering and Supervision	2,310	2,364
2. Operation and Maintenance expenses		
- Dams & Weirs		
a. Operation expenses	422	632
b. Maintenance expenses	78	108
- Mains		
c. Operation expenses	2,468	2,389
d. Maintenance expenses	4,224	4,247
- Reservoirs		
e. Operation expenses	202	248
f. Maintenance expenses	336	338
- Pumping Stations		
g. Operation expenses (excluding energy costs)	578	634
h. Energy costs	946	1,141
i. Maintenance expenses	504	557
- Treatment		
j. Operation expenses (excluding chemical costs)	2,562	2,445
k. Chemical costs	638	608
l. Maintenance expenses	333	384
- Other		
m. Operation expenses	223	429
n. Maintenance expenses	149	328
o. Purchase of water	95	17
3. Depreciation expenses		
a. System assets	16,233	16,335
b. Plant and equipment	360	297
4. Miscellaneous expenses		
a. Interest expenses	13,184	11,894
b. Revaluation Decrements	-	-
c. Other expenses	2,992	3,485
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalents Dividends (actually paid)	-	-
5. Total expenses	52,361	51,379

Special Schedules 2014

Wyong Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
Income		
6. Residential charges		
a. Access (including rates)	16,470	16,066
b. Usage charges	27,525	25,797
7. Non-residential charges		
a. Access (including rates)	-	-
b. Usage charges	-	-
8. Extra charges	-	-
9. Interest income	1,380	1,149
10. Other income	395	283
10a. Aboriginal Communities Water and Sewerage Program	-	-
11. Grants		
a. Grants for acquisition of assets	950	610
b. Grants for pensioner rebates	703	719
c. Other grants	231	212
12. Contributions		
a. Developer charges	1,513	1,531
b. Developer provided assets	1,472	980
c. Other contributions	102	88
13. Total income	50,741	47,435
14. Gain (or loss) on disposal of assets	(291)	(1,432)
15. Operating Result	(1,911)	(5,376)
15a. Operating Result (less grants for acquisition of assets)	(2,861)	(5,986)

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Wyong Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
B Capital transactions		
Non-operating expenditures		
16. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	-
b. New Assets for Growth	2,339	5,128
c. Renewals	17,211	4,552
d. Plant and equipment	277	3,917
17. Repayment of debt		
a. Loans	9,358	9,649
b. Advances	-	-
c. Finance leases	-	-
18. Transfer to sinking fund	-	-
19. Totals	29,185	23,246
Non-operating funds employed		
20. Proceeds from disposal of assets	-	-
21. Borrowing utilised		
a. Loans	-	23,200
b. Advances	-	-
c. Finance leases	-	-
22. Transfer from sinking fund	-	-
23. Totals	-	23,200
C Rates and charges		
24. Number of assessments		
a. Residential (occupied)	59,068	58,392
b. Residential (unoccupied, ie. vacant lot)	763	1,352
c. Non-residential (occupied)	2,483	2,514
d. Non-residential (unoccupied, ie. vacant lot)	189	17
25. Number of ETs for which developer charges were received	- ET	- ET
26. Total amount of pensioner rebates (actual dollars)	\$ 1,250,754	\$ 1,258,363

Wyong Shire Council

Special Schedule No. 3 - Water Supply Cross Subsidies
for the financial year ended 30 June 2014

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
27. Annual charges			
a. Does Council have best-practice water supply annual charges and usage charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 28a. If No, please report if council has removed land value from access charges (ie rates)?	<input type="checkbox"/>	<input type="checkbox"/>	
NB. Such charges for both residential customers and non-residential customers comply with section 3.2 of Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy from residential customers using less than allowance (page 25 of Guidelines)			<input type="text"/>
c. Cross-subsidy to non-residential customers (page 24 of Guidelines)			<input type="text"/>
d. Cross-subsidy to large connections in unmetered supplies (page 26 of Guidelines)			<input type="text"/>
28. Developer charges			
a. Has council completed a water supply Development Servicing** Plan?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
b. Total cross-subsidy in water supply developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
29. Disclosure of cross-subsidies			
Total of cross-subsidies (27b +27c + 27d + 28b)			<input type="text" value="-"/>

* Councils which have not yet implemented best practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice pricing and is phasing in such pricing over a period of 3 years.

Wyong Shire Council

Special Schedule No. 4 - Water Supply Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2014

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
30. Cash and investments			
a. Developer charges	4,091	16,050	20,141
b. Special purpose grants	585	950	1,535
c. Accrued leave	342	-	342
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	517	-	517
31. Receivables			
a. Specific purpose grants	1,027	-	1,027
b. Rates and Annual Charges	823	-	823
c. User Charges	12,607	3	12,610
d. Other	805	420	1,225
32. Inventories	503	-	503
33. Property, plant and equipment			
a. System assets	-	852,534	852,534
b. Plant and equipment	-	240	240
34. Other assets	-	56	56
35. Total assets	<u>21,300</u>	<u>870,253</u>	<u>891,553</u>
LIABILITIES			
36. Bank overdraft	-	-	-
37. Creditors	11,018	1,941	12,959
38. Borrowings			
a. Loans	9,801	162,377	172,178
b. Advances	-	-	-
c. Finance leases	-	-	-
39. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	1,791	118	1,909
40. Total liabilities	<u>22,610</u>	<u>164,436</u>	<u>187,046</u>
41. NET ASSETS COMMITTED	<u>(1,310)</u>	<u>705,817</u>	<u>704,507</u>
EQUITY			
42. Accumulated surplus			352,913
43. Asset revaluation reserve			351,594
44. TOTAL EQUITY			<u>704,507</u>
Note to system assets:			
45. Current replacement cost of system assets			1,303,708
46. Accumulated current cost depreciation of system assets			(451,174)
47. Written down current cost of system assets			852,534

Wyong Shire Council

Special Schedule No. 5 - Sewerage Service Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
A Expenses and Income Expenses		
1. Management expenses		
a. Administration	3,250	3,296
b. Engineering and Supervision	-	-
2. Operation and Maintenance expenses		
- Mains		
a. Operation expenses	1,703	1,411
b. Maintenance expenses	1,720	1,666
- Pumping Stations		
c. Operation expenses (excluding energy costs)	2,995	2,992
d. Energy costs	970	900
e. Maintenance expenses	2,511	2,443
- Treatment		
f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	4,552	4,113
g. Chemical costs	145	122
h. Energy costs	1,550	1,406
i. Effluent Management	-	-
j. Biosolids Management	-	-
k. Maintenance expenses	1,629	1,905
- Other		
l. Operation expenses	241	281
m. Maintenance expenses	116	39
3. Depreciation expenses		
a. System assets	12,510	12,082
b. Plant and equipment	338	403
4. Miscellaneous expenses		
a. Interest expenses	1,679	1,897
b. Revaluation Decrements	-	-
c. Other expenses	-	-
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalent Dividends (actually paid)	-	-
5. Total expenses	35,909	34,956

Wyong Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
Income		
6. Residential charges (including rates)	25,260	25,141
7. Non-residential charges		
a. Access (including rates)	2,261	2,322
b. Usage charges	466	796
8. Trade Waste Charges		
a. Annual Fees	230	235
b. Usage charges	611	539
c. Excess mass charges	-	-
d. Re-inspection fees	-	-
9. Extra charges	-	-
10. Interest income	1,812	2,244
11. Other income	439	235
11a. Aboriginal Communities Water & Sewerage Program	-	-
12. Grants		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	672	666
c. Other grants	5	-
13. Contributions		
a. Developer charges	1,239	677
b. Developer provided assets	556	837
c. Other contributions	-	-
14. Total income	<u>33,551</u>	<u>33,692</u>
15. Gain (or loss) on disposal of assets	-	(571)
16. Operating Result	<u>(2,358)</u>	<u>(1,835)</u>
16a. Operating Result (less grants for acquisition of assets)	(2,358)	(1,835)

Wyong Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
B Capital transactions		
Non-operating expenditures		
17. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	-
b. New Assets for Growth	776	2,483
c. Renewals	5,210	7,533
d. Plant and equipment	546	2,063
18. Repayment of debt		
a. Loans	955	2,115
b. Advances	-	-
c. Finance leases	-	-
19. Transfer to sinking fund	-	-
20. Totals	<u>7,487</u>	<u>14,194</u>
Non-operating funds employed		
21. Proceeds from disposal of assets	-	-
22. Borrowing utilised		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
23. Transfer from sinking fund	-	-
24. Totals	<u>-</u>	<u>-</u>
C Rates and charges		
25. Number of assessments		
a. Residential (occupied)	57,633	57,704
b. Residential (unoccupied, ie. vacant lot)	826	1,053
c. Non-residential (occupied)	2,304	2,551
d. Non-residential (unoccupied, ie. vacant lot)	161	167
26. Number of ETs for which developer charges were received	- ET	- ET
27. Total amount of pensioner rebates (actual dollars)	\$ 1,221,615	\$ 1,211,792

Wyong Shire Council

Special Schedule No. 5 - Sewerage Cross Subsidies
for the financial year ended 30 June 2014

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
28. Annual charges			
a. Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	<input type="checkbox"/> YES	<input type="checkbox"/>	
If Yes, go to 29a. If No, please report if council has removed land value from access charges (ie rates)?	<input type="checkbox"/>	<input type="checkbox"/>	
NB. Such charges for both residential customers and non-residential customers comply with section 4.2 & 4.3 of the Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy to non-residential customers (page 45 of Guidelines)			<input type="text"/>
c. Cross-subsidy to trade waste discharges (page 46 of Guidelines)			<input type="text"/>
29. Developer charges			
a. Has council completed a sewerage Development Servicing** Plan?	<input type="checkbox"/> YES	<input type="checkbox"/>	
b. Total cross-subsidy in sewerage developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
30. Disclosure of cross-subsidies			
Total of cross-subsidies (28b + 28c + 29b)			<input type="text"/> -

* Councils which have not yet implemented best practice sewer pricing & liquid waste pricing should disclose cross-subsidies in items 28b and 28c above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice sewerage and liquid waste pricing and is phasing in such pricing over a period of 3 years.

Wyong Shire Council

Special Schedule No. 6 - Sewerage Service Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2014

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
31. Cash and investments			
a. Developer charges	5,364	8,000	13,364
b. Special purpose grants	-	-	-
c. Accrued leave	375	-	375
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	25,487	-	25,487
32. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Annual Charges	1,615	10	1,625
c. User Charges	316	-	316
d. Other	1,345	-	1,345
33. Inventories	-	-	-
34. Property, plant and equipment			
a. System assets	-	703,801	703,801
b. Plant and equipment	-	414	414
35. Other assets	-	33	33
36. Total Assets	<u>34,502</u>	<u>712,258</u>	<u>746,760</u>
LIABILITIES			
37. Bank overdraft	-	-	-
38. Creditors	2,477	882	3,359
39. Borrowings			
a. Loans	1,018	23,008	24,026
b. Advances	-	-	-
c. Finance leases	-	-	-
40. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	1,930	55	1,985
41. Total Liabilities	<u>5,425</u>	<u>23,945</u>	<u>29,370</u>
42. NET ASSETS COMMITTED	<u>29,077</u>	<u>688,313</u>	<u>717,390</u>
EQUITY			
42. Accumulated surplus			247,834
44. Asset revaluation reserve			469,556
45. TOTAL EQUITY			<u>717,390</u>
Note to system assets:			
46. Current replacement cost of system assets			1,032,185
47. Accumulated current cost depreciation of system assets			(328,384)
48. Written down current cost of system assets			703,801

Wyong Shire Council

Notes to Special Schedule No.'s 3 & 5
for the financial year ended 30 June 2014**Administration** ⁽¹⁾

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Meter reading.
- Bad and doubtful debts.
- Other administrative/corporate support services.

Engineering and supervision ⁽¹⁾

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Other technical and supervision staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.

Operational expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

Impairment Losses (item 4d & 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

Aboriginal Communities Water and Sewerage Program (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

Residential charges ⁽²⁾ (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b Usage Charges.

Non-residential charges ⁽²⁾ (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b Usage Charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a Annual Fees, 8b Usage Charges and 8c Excess Mass Charges and 8d Re-inspection Fees.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) incl. capital contributions for water supply or sewerage services received by Council under Section 565 of the Local Government Act.

Notes:

⁽¹⁾ Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

⁽²⁾ To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

Wyong Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets
as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required Annual Maintenance ⁽²⁾	Actual Maintenance 2013/14 ⁽³⁾	Gross Replacement Cost (GRC) ⁽⁴⁾	Assets in Condition as a % of GRC ^{(4), (5)}				
						1	2	3	4	5
Buildings	Council Offices / Administration Centres	-	488	343	26,737	52.1%	27.8%	20.1%	0.0%	0.0%
	Council Works Depot	6	162	109	8,517	21.5%	18.6%	59.5%	0.4%	0.0%
	Council Public Halls	61	214	573	11,875	27.8%	45.5%	11.2%	15.5%	0.0%
	Libraries	-	99	95	5,527	36.6%	63.4%	0.0%	0.0%	0.0%
	Cultural Facilities	594	10	10	1,206	36.4%	9.1%	0.0%	5.9%	48.6%
	Other Buildings (Holiday Parks)	-	235	185	18,755	27.0%	73.0%	0.0%	0.0%	0.0%
	Specialised Buildings	203	1,723	1,350	84,407	50.2%	27.2%	16.6%	5.5%	0.5%
	Non Specialised	466	61	14	5,647	30.3%	3.2%	3.6%	36.4%	26.5%
	Water Supply	2	8	38	6,397	45.9%	45.7%	8.1%	0.3%	0.0%
	Sewerage Supply	49	12	41	7,546	13.6%	38.1%	44.0%	4.3%	0.0%
	sub total	1,381	3,012	2,758	176,614	42.3%	34.3%	16.9%	5.1%	1.4%
	Other Structures	Other Structures	2,396	200	133	20,159	44.8%	48.9%	0.3%	0.0%
sub total		2,396	200	133	20,159	44.8%	48.9%	0.3%	0.0%	6.0%
Roads	Sealed Roads Surface	9,635	1,375	1,780	114,550	45.6%	29.0%	11.0%	12.1%	2.3%
	Sealed Roads Structure	22,637	5,312	4,289	354,131	0.2%	38.3%	48.8%	12.7%	0.0%
	Unsealed Roads	-	40	1,123	2,634	25.0%	25.0%	25.0%	25.0%	0.0%
	Bridges	600	198	306	13,192	2.3%	78.1%	14.6%	4.9%	0.1%
	Footpaths	2,034	567	503	35,935	4.9%	82.3%	6.9%	0.6%	5.3%
	Cycle ways	-	82	77	2,534	21.1%	78.9%	0.0%	0.0%	0.0%
	Kerb and Gutter	2,394	836	500	69,703	4.3%	25.3%	64.9%	4.0%	1.5%
	Car Parks	800	207	102	17,217	9.8%	80.9%	9.3%	0.0%	0.0%
	Other	40	-	-	43,379	16.9%	62.9%	19.8%	0.3%	0.1%
	sub total	38,140	8,617	8,680	653,275	10.4%	41.4%	37.6%	9.7%	0.9%

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Special Schedules 2014

Wyong Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required Annual Maintenance ⁽²⁾	Actual Maintenance 2013/14 ⁽³⁾	Gross Replacement Cost (GRC) ⁽⁴⁾	Assets in Condition as a % of GRC ^{(4), (5)}				
						1	2	3	4	5
Water Supply Network	Dams/Weirs	-	-	-	-	-	-	-	-	-
	Mains	-	3,791	3,989	400,009	5.4%	92.9%	1.7%	0.0%	0.0%
	Reservoirs	20	384	414	37,868	3.3%	86.8%	9.8%	0.1%	0.0%
	Pumping Station/s	-	609	607	10,688	63.2%	23.9%	12.9%	0.0%	0.0%
	Treatment	15	590	333	8,269	95.6%	0.0%	0.0%	4.4%	0.0%
	Water Meters	1,330	-	-	8,682	9.8%	58.6%	0.0%	30.6%	0.0%
	Other - Joint Water Supply Assets	-	-	-	469,195	20.4%	77.0%	2.6%	0.0%	0.0%
	sub total	1,365	5,374	5,343	934,711	14.3%	82.8%	2.6%	0.3%	0.0%
Sewerage Network	Mains	-	1,650	1,656	725,858	11.5%	88.4%	0.1%	0.0%	0.0%
	Pumping Station/s	3,903	2,084	2,490	131,251	6.6%	74.9%	8.0%	10.5%	0.0%
	Treatment	-	1,085	1,742	133,076	3.6%	80.5%	15.9%	0.0%	0.0%
	Vacuum Systems	1,725	-	-	6,352	5.0%	0.0%	53.0%	42.0%	0.0%
	sub total	5,628	4,819	5,888	996,537	9.8%	85.0%	3.6%	1.7%	0.0%

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Special Schedules 2014

Wyong Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required Annual Maintenance ⁽²⁾	Actual Maintenance 2013/14 ⁽³⁾	Gross Replacement Cost (GRC) ⁽⁴⁾	Assets in Condition as a % of GRC ^{(4), (5)}				
						1	2	3	4	5
Stormwater	Retarding Basins	-	334	361	33,445	100.0%	0.0%	0.0%	0.0%	0.0%
	Stormwater Conduits	5,262	1,106	849	110,598	49.0%	19.0%	22.0%	1.0%	9.0%
	Inlet and Junction Pits	3,698	674	548	61,298	49.0%	19.0%	22.0%	1.0%	9.0%
	Head Walls	99	18	13	1,815	49.0%	19.0%	22.0%	1.0%	9.0%
	Other	4,305	1,038	694	103,795	49.0%	19.0%	22.0%	1.0%	9.0%
	sub total	13,364	3,170	2,465	310,951	54.5%	17.0%	19.6%	0.9%	8.0%
Open Space/ Recreational	Swimming Pools	94	100	96	5,943	3.4%	86.0%	0.0%	10.6%	0.0%
	Other	841	3,023	3,018	57,384	34.8%	44.3%	17.0%	2.5%	1.4%
	sub total	935	3,123	3,114	63,327	31.9%	48.2%	15.4%	3.3%	1.3%
Other Infrastructure Assets	Land Improvements	428	3,093	3,089	32,894	25.2%	39.5%	30.1%	3.6%	1.6%
	sub total	428	3,093	3,089	32,894	25.2%	39.5%	30.1%	3.6%	1.6%
TOTAL - ALL ASSETS		63,637	31,408	31,470	3,188,468	18.2%	64.5%	13.1%	3.1%	1.1%

BY FUND:

TOTAL	GENERAL FUND	43,229	18,025	17,695	932,326	18.9%	40.6%	31.3%	8.0%	1.2%
TOTAL	WATER SUPPLY AUTHORITY	20,408	13,383	13,775	2,256,142	17.9%	74.5%	5.5%	1.0%	1.1%

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Special Schedules 2014

Wyong Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
as at 30 June 2014

Notes:

- (1). Satisfactory is defined as "satisfying expectations or needs, leaving no room for complaint, causing satisfaction, adequate".
The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset to ensure that it is in a satisfactory standard.
This estimated cost should not include any planned enhancements (ie. to heighten, intensify or improve the facilities).
- (2). Required Annual Maintenance is "what should be spent to maintain assets in a satisfactory standard."
This estimated cost should not include any planned enhancements (ie. to heighten, intensify or improve the facilities).
- (3). Actual Maintenance is what has been spent in the current year to maintain the assets.
Actual Maintenance may be higher or lower than the required annual maintenance due to the timing of when the maintenance actually occurs.
- (4). Gross Replacement Cost is in accordance with Note 9 of Council's General Purpose Financial Statements
- (5). Infrastructure Asset Condition Assessment "Key"

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

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Special Schedules 2014

Wyong Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
for the financial year ended 30 June 2014

\$ '000	Amounts	Indicator	Prior Periods	
	2014	2014	2013	2012
Infrastructure Asset Performance Indicators Consolidated				
1. Building and Infrastructure Renewals Ratio				
Asset Renewals (Building and Infrastructure) ⁽¹⁾	<u>47,946</u>	100.33%	71.91%	74.35%
Depreciation, Amortisation & Impairment	<u>47,789</u>			
2. Infrastructure Backlog Ratio				
Estimated Cost to bring Assets to a Satisfactory Condition	<u>63,637</u>	0.02	0.05	0.06
Total value ⁽²⁾ of Infrastructure, Building, Other Structures & depreciable Land Improvement Assets	<u>3,188,468</u>			
3. Asset Maintenance Ratio				
Actual Asset Maintenance	<u>31,470</u>	1.00	0.91	0.84
Required Asset Maintenance	<u>31,408</u>			
4. Capital Expenditure Ratio				
Annual Capital Expenditure	<u>79,580</u>	1.43	1.36	1.14
Annual Depreciation	<u>55,511</u>			

Notes

⁽¹⁾ Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets.
Asset Renewals include building and infrastructure assets only.

⁽²⁾ Gross Replacement Cost

Wyong Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
for the financial year ended 30 June 2014

<p>1. Building and Infrastructure Renewals Ratio</p> <p>Ratio %</p> <p>Minimum 100.00%</p> <p>Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)</p>	<p>Purpose of Asset Renewals Ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on 2013/14 Result</p> <p>2013/14 Ratio 100.33%</p> <p>A ratio of 1:1 indicates that the amount spent on asset renewals equals the amount of depreciation. Council's rate increased by 29% in 2013/14 as a result of the allocation of revenue from Council's Special Rate Variation to infrastructure backlog works and Council's commitment to maintain financial sustainability and decrease the infrastructure backlog.</p>
<p>2. Infrastructure Backlog Ratio</p> <p>Ratio (x)</p> <p>Maximum .02</p> <p>Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)</p>	<p>Purpose of Infrastructure Backlog Ratio</p> <p>This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.</p>	<p>Commentary on 2013/14 Result</p> <p>2013/14 Ratio 0.02 x</p> <p>In June 2013, Council was successful in gaining approval for a Special Rate Variation for a period of 4 years. In accordance with the IPART approval, the additional rate income must be used to reduce the funding shortfall required to return Council's General Fund assets to a satisfactory condition. Council will allocate this funding to addressing the backlog, reversing a long-term decline in asset conditions and continue to improve this ratio.</p>
<p>3. Asset Maintenance Ratio</p> <p>Ratio (x)</p> <p>Minimum 1.00</p> <p>Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)</p>	<p>Purpose of Asset Maintenance Ratio</p> <p>Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the Infrastructure Backlog growing.</p>	<p>Commentary on 2013/14 Result</p> <p>2013/14 Ratio 1.00 x</p> <p>Council's Asset Maintenance Ratio is at the benchmark of 1. Council will continue to work to maintain and improve this benchmark.</p>
<p>4. Capital Expenditure Ratio</p> <p>Ratio (x)</p> <p>Minimum 1.10</p> <p>Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)</p>	<p>Purpose of Capital Expenditure Ratio</p> <p>To assess the extent to which a Council is expanding its asset base through capital expenditure on both new assets and the replacement and renewal of existing assets.</p>	<p>Commentary on 2013/14 Result</p> <p>2013/14 Ratio 1.43 x</p> <p>Council's Capital Expenditure Ratio continues to be above benchmark reflecting its significant capital expenditure program, increased in 2013/14 due to works undertaken as a result of Council's Special Rate Variation.</p>

Wyong Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
for the financial year ended 30 June 2014

\$ '000	Water 2014	Sewer 2014	General ⁽¹⁾ 2014
Infrastructure Asset Performance Indicators By Fund			
1. Building and Infrastructure Renewals Ratio			
Asset Renewals (Building and Infrastructure) ⁽²⁾	107.70%	46.02%	129.71%
Depreciation, Amortisation & Impairment			
prior period:	27.87%	62.32%	123.91%
2. Infrastructure Backlog Ratio			
Estimated Cost to bring Assets to a Satisfactory Condition	0.01	0.01	0.05
Total value ⁽³⁾ of Infrastructure, Building, Other Structures & Depreciable Land Improvement Assets			
prior period:	0.03	0.04	0.11
3. Asset Maintenance Ratio			
Actual Asset Maintenance	0.92	1.23	0.98
Required Asset Maintenance			
prior period:	0.84	1.14	0.88
4. Capital Expenditure Ratio			
Annual Capital Expenditure	1.19	0.51	2.04
Annual Depreciation			
prior period:	0.82	0.97	1.95

Notes

⁽¹⁾ General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

⁽²⁾ Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets.
Asset Renewals include building and infrastructure assets only.

⁽³⁾ Gross Replacement Cost

Wyong Shire Council

Special Schedule No. 8 - Financial Projections

as at 30 June 2014

\$'000	Actual ⁽¹⁾ 13/14	Forecast ⁽²⁾ 14/15	Forecast ⁽³⁾ 15/16	Forecast ⁽³⁾ 16/17	Forecast ⁽³⁾ 17/18	Forecast ⁽³⁾ 18/19	Forecast ⁽³⁾ 19/20	Forecast ⁽³⁾ 20/21	Forecast ⁽³⁾ 21/22	Forecast ⁽³⁾ 22/23	Forecast ⁽³⁾ 23/24
(i) OPERATING BUDGET											
Income from continuing operations	243,215	257,429	265,637	276,943	287,218	298,618	309,275	320,405	332,341	345,741	360,336
Expenses from continuing operations	221,977	242,109	249,845	257,605	264,041	270,715	277,404	284,518	290,689	296,035	301,920
Operating Result from Continuing Operations	21,238	15,320	15,792	19,338	23,177	27,903	31,871	35,887	41,652	49,706	58,416
(ii) CAPITAL BUDGET											
New Capital Works ⁽²⁾	17,681	30,721	31,934	59,989	26,161	22,596	36,100	27,893	26,026	19,032	10,724
Replacement/Refurbishment of Existing Assets	58,830	69,372	68,945	50,492	48,435	49,913	59,121	48,195	44,516	43,021	40,347
Total Capital Budget	76,511	100,093	100,879	110,481	74,596	72,509	95,221	76,088	70,542	62,053	51,071
Funded by:											
- Loans	1,483	-	-	-	-	-	-	-	-	-	-
- Asset sales	-	-	-	-	-	-	-	-	-	-	-
- Reserves	13,049	25,269	15,559	32,117	14,338	16,234	21,583	7,286	6,830	8,012	5,848
- Grants/Contributions	6,500	4,417	3,134	2,340	2,100	2,091	2,091	2,111	2,111	2,131	1,631
- Recurrent revenue	54,177	67,940	80,463	73,846	56,952	51,846	67,476	59,282	57,831	51,315	42,897
- Other	1,302	2,467	1,723	2,178	1,206	2,338	4,071	7,409	3,770	595	695
	76,511	100,093	100,879	110,481	74,596	72,509	95,221	76,088	70,542	62,053	51,071

Notes:

- (1) From 13/14 Income Statement.
(2) New Capital Works are major non-recurrent projects, eg tip cells, Central Coast Youth Skills Centre and Commercial Vehicles etc.
(3) Financial projections should be in accordance with Council's Integrated Planning and Reporting framework.

Wyong Shire Council

Special Schedule No. 9 - Permissible Income Calculation
for the financial year ended 30 June 2015

\$'000		Calculation 2013/14	Calculation 2014/15
Notional General Income Calculation ⁽¹⁾			
Last Year Notional General Income Yield	a	63,558	67,907
Plus or minus Adjustments ⁽²⁾	b	99	29
Notional General Income	c	63,657	67,936
Permissible Income Calculation			
Special variation percentage ⁽³⁾	d	6.90%	6.90%
or Rate peg percentage	e		
or Crown land adjustment incl. rate peg percentage	f		
less expiring Special variation amount	g	-	-
plus Special variation amount	h = c x d	4,392.33	4,687.58
or plus Rate peg amount	i = c x e	-	-
or plus Crown land adjustment and rate peg amount	j = c x f	-	-
sub-total	k = (c+g+h+i+j)	68,049	72,624
plus (or minus) last year's Carry Forward Total	l	-	15
less Valuation Objections claimed in the previous year	m	(147)	(20)
sub-total	n = (l + m)	(147)	(5)
Total Permissible income	o = k + n	67,902	72,619
less Notional General Income Yield	p	67,907	72,629
Catch-up or (excess) result	q = o - p	(5)	(10)
plus Income lost due to valuation objections claimed ⁽⁴⁾	r	20	11
less Unused catch-up ⁽⁵⁾	s	-	-
Carry forward to next year	t = q + r - s	15	1

Notes

- ¹ The Notional General Income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- ² Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called "supplementary valuations" as defined in the Valuation of Land Act 1916.
- ³ The Special Variation Percentage is inclusive of the Rate Peg percentage and where applicable crown land adjustment.
- ⁴ Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- ⁵ Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.



Wyong Shire Council

Independent auditor's report Report on the Special Schedule No. 9

Report on the Special Schedule No. 9

We have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 9) of Wyong Shire Council ("the Council") for the year ended 30 June 2014.

Responsibility of Council for Special Schedule No. 9

The Council is responsible for the preparation and fair presentation of Special Schedule No. 9 in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 22. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Special Schedule No. 9 that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on Special Schedule No. 9 based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether Special Schedule No. 9 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Special Schedule No. 9. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Special Schedule No. 9, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule No. 9.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule No. 9 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

PricewaterhouseCoopers, ABN 52 780 433 757
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**Audit Opinion**

In our opinion, Special Schedule No. 9 of Wyong Shire Council for the year ended 30 June 2014 is properly drawn up in all material respects in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.

Restriction on distribution

Without modifying our opinion, we advise that this schedule has been prepared for distribution to the Office of Local Government for the purposes of confirming that Council's reconciliation of Council's total permissible general income is presented fairly. As a result, the schedule may not be suitable for another purpose. Our report is intended solely for the council and the Division of Local Government.

A handwritten signature in blue ink, appearing to read 'Peter Buchholz', is written above the printed name.

PricewaterhouseCoopers

A second handwritten signature in blue ink, appearing to read 'Peter Buchholz', is written above the printed name.

Peter Buchholz
Partner

Sydney
25 September 2014

Wyong Water

Statement of comprehensive income
for the financial year ended 30 June 2015

\$ '000	Notes	Actual 2015	Actual 2014
Net operating result for the year (as per Income Statement)		1,237	(4,269)
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	20b (ii)	115,367	34,344
Total items which will not be reclassified subsequently to the operating result		115,367	34,344
Amounts which will be reclassified subsequently to the operating result when specific conditions are met			
Nil			
Total other comprehensive income for the year		115,367	34,344
Total comprehensive income for the year		116,604	30,075
Total comprehensive income attributable to Wyong Water		116,604	30,075
Total comprehensive income attributable to non-controlling interests		-	-

Wyong Water

Statement of financial position

as at 30 June 2015

\$ '000	Notes	Actual 2015	Actual 2014
Assets			
Current assets			
Cash and cash equivalents	6a	12,899	15,269
Investments	6b	30,834	21,492
Receivables	7	19,075	18,538
Inventories	8	-	503
Other	8	57	-
Non-current assets classified as "held for sale"	22	-	-
Total current assets		62,865	55,802
Non-current assets			
Investments	6b	25,000	25,000
Receivables	7	409	433
Inventories	8	-	-
Infrastructure, property, plant and equipment	9	1,668,329	1,556,989
Investments accounted for using the equity method	19	-	-
Investment property	14	-	-
Intangible assets	25	54	89
Total non-current assets		1,693,792	1,582,511
Total assets		1,756,657	1,638,313
Liabilities			
Current liabilities			
Payables	10	12,031	13,497
Borrowings	10	12,261	10,819
Provisions	10	3,361	3,720
Total current liabilities		27,653	28,036
Non-current liabilities			
Payables	10	1,648	2,821
Borrowings	10	188,499	185,386
Provisions	10	356	173
Total non-current liabilities		190,503	188,380
Total liabilities		218,156	216,416
Net assets		1,538,501	1,421,897
Equity			
Retained earnings	20	601,984	600,747
Revaluation reserves	20	936,516	821,150
Council equity interest		1,538,501	1,421,897
Non-controlling equity interests		-	-
Total equity		1,538,501	1,421,897

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

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Wyong Water

Statement of changes in equity
for the financial year ended 30 June 2015

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	WSA controlling Interest	Non- controlling Interest	Total Equity
2015						
Opening balance (as per last year's audited accounts)		600,747	821,150	1,421,897	-	1,421,897
a. Correction of prior period errors	20 (c)	-	-	-	-	-
b. Changes in accounting policies (prior year effects)	20 (d)	-	-	-	-	-
Revised opening balance (as at 1/7/14)		600,747	821,150	1,421,897	-	1,421,897
c. Net operating result for the year		1,237	-	1,237	-	1,237
d. Other comprehensive income						
- Revaluations : IPP&E asset revaluation reserve	20b (ii)	-	115,367	115,367	-	115,367
- Revaluations: other reserves	20b (ii)	-	-	-	-	-
- Transfers to income statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
Other comprehensive income		-	115,367	115,367	-	115,367
Total comprehensive income (c&d)		1,237	115,367	116,604	-	116,604
e. Distributions to/(contributions from) non-controlling interests		-	-	-	-	-
f. Transfers between equity		-	-	-	-	-
Equity - balance at end of the reporting period		601,984	936,516	1,538,501	-	1,538,501

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	WSA controlling Interest	Non- controlling Interest	Total Equity
2014						
Opening balance (as per last year's audited accounts)		605,016	786,806	1,391,822	-	1,391,822
a. Correction of prior period errors	20 (c)	-	-	-	-	-
b. Changes in accounting policies (prior year effects)	20 (d)	-	-	-	-	-
Revised opening balance (as at 1/7/13)		605,016	786,806	1,391,822	-	1,391,822
c. Net operating result for the year		(4,269)	-	(4,269)	-	(4,269)
d. Other comprehensive income						
- Revaluations : IPP&E asset revaluation reserve	20b (ii)	-	34,344	34,344	-	34,344
- Revaluations: other reserves	20b (ii)	-	-	-	-	-
- Transfers to income statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
Other comprehensive income		-	34,344	34,344	-	34,344
Total comprehensive income (c and d)		(4,269)	34,344	30,075	-	30,075
e. Distributions to/(contributions from) non-controlling interests		-	-	-	-	-
f. Transfers between equity		-	-	-	-	-
Equity - balance at end of the reporting period		600,747	821,150	1,421,897	-	1,421,897

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

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Wyong Water

Statement of cash flows

for the financial year ended 30 June 2015

Budget 2015	\$ '000	Notes	Actual 2015	Actual 2014
Cash flows from operating activities				
Receipts:				
45,558	Rates and annual charges		46,092	44,220
31,977	User charges and fees		27,580	27,905
3,248	Investment and interest revenue received		2,688	3,207
4,189	Grants and contributions		7,574	4,388
-	Bonds, deposits and retention amounts received		5	19
125	Other		559	1,720
Payments:				
(13,017)	Employee benefits and on-costs		(15,232)	(14,555)
(7,203)	Materials and contracts		(6,434)	(9,173)
(14,214)	Borrowing costs		(13,668)	(14,863)
(24,218)	Other		(23,788)	(16,653)
26,445	Net cash provided (or used in) operating activities	11b	25,376	26,215
Cash flows from investing activities				
Receipts:				
-	Sale of investment securities		24,917	49,422
-	Sale of infrastructure, property, plant and equipment		59	10
Payments:				
(33,151)	Purchase of investment securities		(34,259)	(54,539)
-	Purchase of infrastructure, property, plant and equipment		(23,018)	(21,931)
(33,151)	Net cash provided (or used in) investing activities		(32,301)	(27,038)
Cash flows from financing activities				
Receipts:				
9,000	Proceeds from borrowings and advances		15,900	-
Payments:				
(10,819)	Repayment of borrowings and advances		(11,345)	(10,313)
(1,819)	Net cash flow provided (used in) financing activities		4,555	(10,313)
(8,525)	Net increase/(decrease) in cash and cash equivalents		(2,370)	(11,136)
15,269	plus: Cash and cash equivalents - beginning of year	11a	15,269	26,405
6,744	Cash and cash equivalents - end of the year	11a	12,899	15,269
Additional Information:				
	plus: Investments on hand - end of year	6b	55,834	46,492
Total cash, cash equivalents and investments			68,733	61,761

Please refer to Note 11 for information on the following:

- Non-cash financing and investing activities.
- Financing arrangements.
- Net cash flow disclosures relating to any discontinued operations.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

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Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 1. Summary of significant accounting policies

The principal accounting policies adopted 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.

Wyong Shire Council, within its overall statutory responsibilities, is a statutory authority for water supply and related purposes, under the Water Management Act 2000. The principal business office of the Wyong Shire Council Water Supply Authority (now known as Wyong Water) is at 2 Hely St, Wyong NSW 2259. Wyong Water controls resources to carry out water supply, sewerage, stormwater drainage and ancillary activities within the Wyong local government area and these functions have been consolidated in these financial statements.

The financial statements have been authorised for use in accordance with the resolution of Council on 14 October 2015.

(a) Basis of preparation

These financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the Local Government Act (1993) and Regulation, and the Local Government Code of Accounting Practice and Financial Reporting. Wyong Water is a not-for-profit entity for the purpose of preparing the financial statements.

New and amended standards adopted by Wyong Water

During the current year, the following relevant standards became mandatory for Wyong Water and have been adopted:

- AASB 10 Consolidated Financial Statements
- AASB 11 Joint Arrangements
- AASB 12 Disclosures of Interests in Other Entities

AASB 10 introduced a new definition of control based on the substance of the relationship and required Wyong Water to consider its involvement with other entities regardless of whether there was a financial interest.

AASB 11 classified joint arrangements into either joint ventures (equity accounting) or joint operations (accounting for share of assets and liabilities).

AASB 12 has increased the level of disclosures required where Wyong Water has any interests in subsidiaries, joint arrangements, associates or unconsolidated structured entities.

Early adoption of standards

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

Historical cost convention

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

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying 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 entity and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Wyong Water makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

- (i) Estimated fair values of infrastructure, property, plant and equipment.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 1. Summary of significant accounting policies

Significant judgements in applying the entity's accounting policies

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

(b) Revenue recognition

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

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

Annual charges, grants and contributions

Annual charges, grants and contributions (including developer contributions) are recognised as revenues when Wyong Water obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required but Wyong Water may apply contributions according to the priorities established in work schedules.

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

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

Revenue is recognised when Wyong Water obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to Wyong Water

and the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at reporting date, the unused grant or contribution is disclosed in Note 3(g). The note also discloses the amount of unused grant or contribution from prior years that was expended on Wyong Water operations during the current year.

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

User charges and fees

User charges and fees are recognised as revenue when the service has been provided, or the payment is received, whichever first occurs.

Sale of plant, property, infrastructure and equipment

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

Interest

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

Rent

Rental income is accounted for in accordance with the terms of the lease.

Other income

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

Dedications

Dedicated assets contributed to Wyong Water are recognised at the fair value of the consideration received for each asset.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 1. Summary of significant accounting policies

(c) Principles of consolidation

These financial statements represent the consolidation of the Water and Sewer Funds.

The notional cash and investment assets of Wyong Water are represented in practice by an equity interest in the general cash and investment assets of Wyong Shire Council as a whole, and all investment assets and bank accounts are held in the name of Wyong Shire Council.

Interests in other entities

Joint Arrangements

AASB 11 Joint Arrangements defines a joint arrangement as an arrangement of which two or more parties have joint control and classifies these arrangements as either joint ventures or joint operations. Wyong Water has determined that it has joint operations.

Joint operations

In relation to its joint operations, where the venturer has the rights to the individual assets and obligations arising from the arrangement, Wyong Water has recognised:

- its assets, including its share of any assets held jointly
- its liabilities, including its share of any liabilities incurred jointly
- its revenue from the sale of its share of the output arising from the joint operation
- its share of the revenue from the sale of the output by the joint operation
- its expenses, including its share of any expenses incurred jointly.

These figures are incorporated into the relevant line item in the primary statements as well as Note 19.

(d) Leases

Leases of property, plant and equipment where Wyong Water, as lessee, has substantially all the risks and rewards of ownership, are classified as finance leases. Wyong Water currently has no finance lease obligations.

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

Lease income from operating leases where Wyong Water is a lessor is recognised in the income statement in accordance with the terms of the lease.

(e) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

(f) Cash and cash equivalents

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

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 1. Summary of significant accounting policies

(g) Receivables

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.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that Wyong Water will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired.

The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the income statement within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

(h) Inventories

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. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost includes the transfer from equity of any gains/losses on qualifying cash flow hedges relating to purchases of raw material. 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.

(i) Investments and other financial assets

Classification

Wyong Water classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) **Loans and receivables**

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

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

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Wyong Water's management has the positive intention and ability to hold to maturity. If Wyong Water were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 1. Summary of significant accounting policies

months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Recognition and de-recognition

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

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

Subsequent measurement

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

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the

income statement as part of revenue from continuing operations when Wyong Water's right to receive payments is established.

Impairment

Wyong Water assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

(i) Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the entity may measure impairment on the basis of an instrument's fair value using an observable market price.

Investment policy

Council, on behalf of Wyong Water, has an approved investment policy complying with Section 625 of the Local Government Act and Section 212 of the Local Government (General) Regulation 2005. Investments are placed and managed in accordance with that policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order. Council also maintains an investment policy that complies with the Act and ensures that it or its representatives exercise

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 1. Summary of significant accounting policies

care, diligence and skill that a prudent person would exercise in investing Wyong Water's funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. As at the reporting date, Council does not hold any investments that are not prescribed.

(j) Fair value estimation

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

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

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council, on behalf of Wyong Water, uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to Wyong Water for similar financial instruments.

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

Wyong Water's IPPE assets have been progressively revalued to fair value in accordance with a staged implementation advised by the Office of Local Government. At reporting date the following classes of IPPE were stated at their fair value:

- Operational land (external valuation)
- Buildings – specialised/non-specialised (external valuation)

- Water/Sewerage networks (internal valuation)
- Plant and equipment (as approximated by depreciated historical cost)
- Road assets – roads including other road related assets, bridges and footpaths (internal valuation)
- Drainage assets – (internal valuation)
- Bulk earthworks – (internal valuation)
- Land Improvements (as approximated by depreciated historical cost)
- Other structures (as approximated by depreciated historical cost)
- Other assets (as approximated by depreciated historical cost)

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water – Rates Reference Manual. For all other assets, Wyong Water assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date. If any such indication exists, Wyong Water determines the asset's fair value and revalues the asset to that amount. Full revaluations are undertaken for all assets on a 5 year cycle.

Increases in the carrying amounts arising on revaluation are credited to the asset 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 in 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

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

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 1. Summary of significant accounting policies

economic benefits associated with the item will flow to Wyong Water and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land, bulk earthworks, detention basins and wetlands (part of the Stormwater Drainage asset class) are not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Plant and equipment	2 to 35 years
Office equipment	2 to 10 years
Furniture and fittings	5 to 20 years
Buildings - specialised	8 to 150 years
Other structures	5 to 100 years
Roads - car parks	15 to 63 years
Stormwater drainage	25 to 182 years
Water supply network	15 to 150 years
Sewerage network	15 to 100 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Land, other than land under roads, is classified as either operational or community in accordance with Part 2 of Chapter 6 of the Local Government Act (1993). This classification is made in Note 9(a).

(l) Payables

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

(m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

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

(n) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(o) Provisions

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 1. Summary of significant accounting policies

obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

(p) Employee benefits

Short-term obligations

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

Other long term employee benefit obligations

The liability for long service leave and annual leave which 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.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement

for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Retirement benefit obligations

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

Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the statement of financial position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Wyong Water accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans ie. as an expense when it becomes payable.

Also refer to Note 18 for further information.

(q) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(r) Self insurance

Council, on behalf of Wyong Water, has decided to self-insure for workers compensation risks. A provision for self-insurance has been made to recognise outstanding claims the amount of which is detailed in Note 10. Wyong Water also maintains

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 1. Summary of significant accounting policies

cash and investments to meet expected future claims and these are detailed in Note 6(c).

(s) Intangible assets

IT development and software

Council, on behalf of Wyong Water, has acquired, under a managed service arrangement, a licence to access information technology services. In conjunction with this contract, Wyong Water has incurred a number of costs including system build costs, software and hardware licences, as well as direct costs of materials and labour. Wyong Water's contribution to these costs have been capitalised as an intangible asset and amortised on a straight line basis over the period of the contract.

(t) 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 which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(u) New accounting standards and interpretations issued not yet effective

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2015.

Wyong Water has not adopted any of these standards early.

Apart from the AASB disclosures below, there are no other standards that are "not yet effective" which are expected to have a material impact on Wyong Water

Authority in the current or future reporting periods and on foreseeable future transactions

Wyong Water's assessment of the impact of these new standards and interpretations is set out below.

AASB 9 - Financial Instruments and associated amending standards

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement and has an effective date for reporting periods beginning on or after 1 January 2018 (and must be applied retrospectively).

The overriding impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets.

Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories:

- Fair value, and
- Amortised cost (where financial assets will only be able to be measured at amortised cost where very specific conditions are met).

AASB 15 - Revenue from contracts with customers and associated amending standards

AASB 15 will introduce a five step process for revenue recognition with the core principle of the new Standard being that entities recognise revenue so as to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

The changes in revenue recognition requirements in AASB 15 may cause changes to accounting policies relating to the timing and amount of revenue recorded in the financial statements as well as additional disclosures.

The full impact of AASB 15 has not yet been ascertained or quantified.

AASB 15 will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 1. Summary of significant accounting policies

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2017.

AASB 124 - Related Party Disclosures

From 1 July 2016, AASB 124 Related Party Disclosures will apply to Wyong Water.

This means that Wyong Water will be required to disclose information about related parties and Wyong Water's transactions with those related parties.

Related parties will more than likely include the Mayor, Councillors and certain Wyong Water staff. In addition, the close family members of those people and any organisations that they control or are associated with will be classified as related parties (and fall under the related party reporting requirements).

AASB 2014 - 3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 and AASB 11]

This Standard amends AASB 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business.

The amendments require:

- (a) the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and
- (b) the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.

This Standard also makes an editorial correction to AASB 11.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2016.

If a joint operation is acquired during the reporting period, then this standard clarifies the accounting for the acquisition to be in accordance with AASB 3, i.e. assets and liabilities acquired to be measured at fair value.

(v) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(w) Comparative Figures

To ensure comparability with the current reporting period figures, some comparative period line items and amounts may have been reclassified or individually reported within these financial statements and/or the notes.

(x) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 2(a). Functions / activities - financial information

Functions/activities	Income, expenses and assets have been directly attributed to the following functions / activities. Details of these functions/activities are provided in Note 2(b).												
	Income from continuing operations			Expenses from continuing operations			Operating result from continuing operations			Grants included in income from continuing operations		Total assets held (current and non-current)	
	Original budget 2015	Actual 2015	Actual 2014	Original budget 2015	Actual 2015	Actual 2014	Original budget 2015	Actual 2015	Actual 2014	Actual 2015	Actual 2014	Actual 2015	Actual 2014
Water supply	53,379	53,508	50,741	52,890	53,307	52,652	489	201	(1,911)	958	1,884	1,003,404	891,553
Sewerage services	33,824	37,018	33,551	36,675	35,982	35,909	(2,851)	1,036	(2,358)	718	677	763,193	746,760
Total functions and activities	87,203	90,526	84,292	89,565	89,289	88,561	(2,362)	1,237	(4,269)	1,676	2,561	1,756,657	1,638,313
Share of gains/(losses) in associates and joint ventures (using the equity method)	-	-	-	-	-	-	-	-	-	-	-	-	-
General purpose income ¹	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating result from continuing operations	87,203	90,526	84,292	89,565	89,289	88,561	(2,362)	1,237	(4,269)	1,676	2,561	1,756,657	1,638,313

1. Includes: rates and annual charges (incl. ex-gratia), untied general purpose grants and unrestricted interest and investment income.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 2(b). Council functions / activities - component descriptions

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

Sewerage services

Sewerage services provides safe and reliable storage collection, treatment and disposal facilities for sewage in a cost-effective and sustainable manner.

Water supply

Water supply provides safe and reliable water services including the collection, storage, transportation, treatment, and distribution of water to standards appropriate to its use in a cost-effective and sustainable manner.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 3. Income from continuing operations

\$ '000	Notes	Actual 2015	Actual 2014
(a) Rates and annual charges			
Ordinary rates			
Nil			
Special rates			
Nil			
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Water supply services		10,334	10,044
Sewerage services		28,366	27,521
Drainage		7,146	6,426
Liquid trade waste		246	229
Total annual charges		46,092	44,220
Total rates and annual charges		46,092	44,220
(b) User charges and fees			
Specific user charges (per s.502 - specific "actual use" charges)			
Water supply services		27,722	27,525
Sewerage services		1,029	466
Liquid trade waste		713	611
Total user charges		29,464	28,602
Other user charges and fees			
(i) Fees and charges - statutory and regulatory functions (per s.608)			
Inspection services		12	13
Regulatory/statutory certificates		96	22
Regulatory/statutory fees		2	4
Total fees and charges - statutory and regulatory		110	39
(ii) Fees and charges - other (incl. general user charges) (per s.608)			
Sewer application fees		182	198
Sewer diagrams		114	103
Special water meter reading fees		17	17
Water carters licence fees		34	18
Water connection fees		448	263
Other		21	20
Total fees and charges - other		816	619
Total user charges and fees		30,390	29,260

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 3. Income from continuing operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
(c) Interest and investment revenue (incl. losses)			
Interest and dividends			
- Interest on overdue rates and annual charges (incl. special purpose rates)		408	411
- Interest earned on investments (interest and coupon payment income)		2,245	2,839
- Interest and dividend income (other)		18	22
Fair value adjustments			
- Fair valuation movements in investments (at fair value or held for trading)		-	(80)
<u>Total interest and investment revenue</u>		<u>2,671</u>	<u>3,192</u>
Interest revenue is attributable to:			
Restricted investments/funds - external:			
Development contributions			
- Section 94 - Drainage		297	301
- Section 93F - Drainage		15	16
- Section 93F - Water		16	18
- Section 93F - Sewer		6	6
- Section 64 - Water		402	415
- Section 64 - Sewer		299	292
Water Fund operations		314	630
Sewer Fund operations		1,322	1,514
<u>Total interest and investment revenue recognised</u>		<u>2,671</u>	<u>3,192</u>
(d) Other revenues			
External works		240	150
Property rents		47	22
Other		17	5
<u>Total other revenue</u>		<u>304</u>	<u>177</u>

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 3. Income from continuing operations (continued)

\$ '000	2015 Operating	2014 Operating	2015 Capital	2014 Capital
(e) Grants				
General purpose (untied)				
Nil				
Specific purpose				
Pensioners' rates subsidies:				
- Water	702	703	-	-
- Sewerage	672	672	-	-
Water supplies	-	-	-	950
Employment and training programs	-	5	-	-
Environmental protection	87	110	-	-
Fire Protection	-	-	61	-
LIRS subsidy	154	121	-	-
Total specific purpose	1,615	1,611	61	950
Total grants	1,615	1,611	61	950
Grant revenue is attributable to:				
- State funding	1,615	1,611	61	950
	1,615	1,611	61	950
(f) Contributions				
Developer contributions:				
(s93 & s94 - EP&A Act, s64 of the LGA):				
S 93F - Contributions using planning agreements	-	-	49	193
S 64 - Water supply contributions	-	-	1,918	1,330
S 64 - Sewerage service contributions	-	-	2,403	1,247
S 94 - Stormwater contributions	-	-	752	763
Total developer contributions	17	-	5,122	3,533
Other contributions:				
Dedications (other than by S94)	-	-	4,271	1,247
Drainage	-	92	-	-
Other	-	10	-	-
Total other contributions	-	102	4,271	1,247
Total contributions	-	102	9,393	4,780
Total grants and contributions	1,615	1,713	9,454	5,730

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 3. Income from continuing operations (continued)

\$ '000	Actual 2015	Actual 2014
(g) Restrictions relating to grants and contributions		
Certain grants and contributions are obtained by Wyong Water on condition that they be spent in a specified manner:		
Unexpended at the close of the previous reporting period	34,162	34,985
add: grants and contributions recognised in the current period but not yet spent:	11,751	5,531
less: grants and contributions recognised in a previous reporting period now spent:	(1,893)	(6,354)
Net increase (decrease) in restricted assets during the period	9,858	(823)
Unexpended and held as restricted assets	44,020	34,162
Comprising:		
- Specific purpose unexpended grants	1,535	1,535
- Developer contributions	42,356	32,498
- Other contributions	129	129
	44,020	34,162

Note 4. Expenses from continuing operations

(a) Employee benefits and on-costs

Salaries and wages	11,573	11,822
Employee Leave Entitlements (ELE)	2,734	3,002
Superannuation	1,605	1,711
Workers' compensation insurance	466	89
Payroll tax	998	1,010
Training costs (other than salaries and wages)	7	1
Other	1,013	49
Total employee costs	18,396	17,684
less: capitalised costs	(3,670)	(3,747)
Total employee costs expensed	14,726	13,937
Number of "Equivalent Full Time" Employees at year end	119	144

(b) Borrowing costs**(i) Interest bearing liability costs**

Interest on loans	13,607	14,710
Other debts	61	153
Total interest bearing liability costs expensed	13,668	14,863

(ii) Other borrowing costs

Nil

Total borrowing costs expensed	13,668	14,863
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Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
(c) Materials and contracts			
Raw materials and consumables		4,671	4,836
Contractor and consultancy costs		3,426	2,776
Auditors remuneration ⁽¹⁾		88	83
Operating leases:			
- Operating lease rentals: minimum lease payments ⁽²⁾		32	52
Total materials and contracts		8,217	7,747
1. Auditor remuneration			
During the year, the following fees were incurred for services provided by the Wyong Water's Auditor (Audit Office of NSW):			
Audit and other assurance services			
Audit and review of financial statements: Wyong Water's Auditor		88	83
Remuneration for audit and other assurance services		88	83
Total auditor remuneration		88	83
2. Operating Lease Payments are attributable to:			
Computers		19	52
Other		13	-
		32	52

\$ '000	Notes	Impairment costs		Depreciation/amortisation	
		Actual 2015	Actual 2014	Actual 2015	Actual 2014
(d) Depreciation, amortisation and impairment					
Plant and equipment		-	-	169	168
Office equipment		-	-	72	58
Furniture and fittings		-	-	11	12
Buildings - specialised		-	-	303	307
Other structures		-	-	48	47
Infrastructure:					
- Roads		-	-	1	-
- Stormwater drainage		-	-	3,053	2,616
- Water supply network		-	-	14,096	13,617
- Sewerage network		-	-	12,858	12,510
Intangible assets	25	-	-	35	106
Total depreciation and impairment costs		-	-	30,646	29,441

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
(e) Other expenses			
Administration support		11,260	11,717
Advertising		26	29
Bad and doubtful debts		(2)	84
Computer software charges		14	132
Donations, contributions and assistance to other organisations (Section 356)			
- Other contributions and donations		3	-
Electricity and heating		4,194	4,778
Gas charges		66	43
Insurance		2	-
Licences		182	263
Plant hire		3,279	3,414
Printing and stationery		42	53
Road opening permits		174	193
Subscriptions and publications		2	1
Telephone and communications		97	77
Tipping fees		1,841	1,477
Other		58	21
Total other expenses		21,238	22,282

Note 5. Gains or losses from the disposal of assets

Property (excl. investment property)			
Proceeds from disposal - property		59	10
less: carrying amount of property assets sold / written off		(43)	(49)
Net gain/(loss) on disposal		16	(39)
Infrastructure			
less: carrying amount of infrastructure assets sold / written off		(307)	(252)
Net gain/(loss) on disposal		(307)	(252)
Financial assets			
Proceeds from disposal / redemptions / maturities - financial assets		24,917	49,422
less: carrying amount of financial assets sold / redeemed / matured		(24,917)	(49,422)
Net gain/(loss) on disposal		-	-
Water stock			
less: Carrying amount of Water stock assets sold / written off		(503)	-
Net gain/(loss) on disposal		(503)	-
Net gain/(loss) from disposal of assets		(794)	(291)

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 6a. - Cash assets and Note 6b. - Investments

\$ '000	Notes	2015 Actual Current	2015 Actual Non Current	2014 Actual Current	2014 Actual Non Current
Cash and cash equivalents (Note 6a)					
Cash on hand and at bank		1,069	-	339	-
Cash equivalent assets ¹					
- Deposits at call		11,830	-	14,930	-
Total cash and cash equivalents		12,899	-	15,269	-
Investments (Note 6b)					
- Long term deposits		30,834	15,000	21,492	15,000
- Bank bonds		-	10,000	-	10,000
Total investments		30,834	25,000	21,492	25,000
Total cash assets, cash equivalents and investments		43,733	25,000	36,761	25,000

¹ Those investments where time to maturity (from date of purchase) is < 3 mths.

Cash, cash equivalents and investments were classified at year end in accordance with AASB 139 as follows:

Cash and cash equivalents

a. "At fair value through profit or loss"

12,899	-	15,269	-
--------	---	--------	---

Investments

a. "At fair value through profit or loss"

-	-	-	-
---	---	---	---

b. "Held to maturity"

30,834	25,000	21,492	25,000
--------	--------	--------	--------

Total investments

30,834	25,000	21,492	25,000
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Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 6b. Investments (continued)

\$ '000	2015 Actual Current	2015 Actual Non-current	2014 Actual Current	2014 Actual Non-current
Note 6(b-i)				
Reconciliation of investments classified as "At fair value through profit or loss"				
Balance at the beginning of the year	-	-	-	1,998
Revaluations (through the income statement)	-	-	(80)	-
Additions	-	-	130	-
Disposals (sales and redemptions)	-	-	(2,048)	-
Transfers between current/non-current	-	-	1,998	(1,998)
Balance at end of year	-	-	-	-
Note 6(b-ii)				
Reconciliation of investments classified as "Held to maturity"				
Balance at the beginning of the year	21,492	25,000	34,414	5,043
Additions	24,259	10,000	39,409	15,000
Disposals (sales and redemptions)	(24,917)	-	(47,374)	-
Transfers between current/non-current	10,000	(10,000)	(4,957)	4,957
Balance at end of year	30,834	25,000	21,492	25,000
Comprising:				
- Long term deposits	30,834	15,000	21,492	15,000
- Bank bonds	-	10,000	-	10,000
Total	30,834	25,000	21,492	25,000

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 6c. Restricted cash, cash equivalents and investments - details

\$ '000	2015		2014	
	Actual Current	Actual Non-current	Actual Current	Actual Non-current
Total cash, cash equivalents and investments	43,733	25,000	36,761	25,000
attributable to:				
External restrictions (refer below)	24,826	25,000	9,162	25,000
Internal restrictions (refer below)	1,605	-	1,740	-
Unrestricted	17,303	-	25,860	-
	43,733	25,000	36,761	25,000
2015	Opening balance	Transfers to restrictions	Transfers from restrictions	Closing balance
\$ '000				
Details of restrictions				
External restrictions - included in liabilities				
Specific purpose unexpended loans-Sewer (A)	-	5,472	-	5,472
External restrictions - included in liabilities	-	5,472	-	5,472
External restrictions - other				
Developer contributions - Water Fund (D)	9,984	2,320	(768)	11,536
Developer contributions - Sewer Fund (D)	13,000	2,706	(1,639)	14,067
Developer contributions - Drainage (D)	7,308	7,152	-	14,460
Developer contributions - VPA - Water (D)	1,842	81	-	1,923
Developer contributions - VPA - Sewer (D)	364	6	-	370
Specific purpose unexpended grants-Water Fund (F)	1,535	0	-	1,535
Contributions to works - Water (H)	129	-	(0)	129
Self insurance - Water	-	181	-	181
Self insurance - Sewer	-	153	-	153
External restrictions - other	34,162	12,599	(2,407)	44,354
Total external restrictions	34,162	18,071	(2,407)	49,826
Internal restrictions				
Employees leave entitlement- Water	342	-	(3)	339
Employees leave entitlement- Sewer	375	-	(126)	248
Prepaid contributions - Water	1,008	-	-	1,008
Public liability insurance - Water	15	-	(6)	9
Total internal restrictions	1,740	-	(135)	1,605
Total restrictions	35,901	18,071	(2,542)	51,430

A Loan moneys which must be applied for the purposes for which the loans were raised.

D Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)

H External contributions not yet expended for the provision of specific services and amenities

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 7. Receivables

\$ '000	Notes	2015		2014	
		Current	Non-current	Current	Non-current
Purpose					
Drainage annual charges		428	-	302	-
Water annual charges		454	1	522	3
Sewerage annual charges		1,036	2	1,615	10
Interest and extra charges		259	-	297	-
User charges and fees		14,727	-	13,018	-
Accrued revenues					
- Interest on investments		1,092	-	1,071	-
Government grants and subsidies		103	-	1,027	-
Net GST receivable		381	-	310	-
Liquid trade waste		419	-	260	-
Toukley Golf Club Limited		36	406	56	420
Other Debtors		222	-	144	-
Total		19,157	409	18,622	433
less: Provision for impairment					
Other debtors		(82)	-	(84)	-
Total provision for impairment - receivables		(82)	-	(84)	-
Total net receivables		19,075	409	18,538	433
Externally restricted receivables		-	-	-	-
Internally restricted receivables		-	-	-	-
Unrestricted receivables		19,075	409	18,538	433
Total net receivables		19,075	409	18,538	433

Notes on debtors above:

- (i) Annual charges outstanding are secured against the property.
- (ii) Doubtful rates debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates and charges at 8.50% (2014 9.00%).
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning credit risk and fair value disclosures.

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 8. Inventories and other assets

\$ '000	Notes	2015		2014	
		Current	Non Current	Current	Non Current
Inventories					
Water treatment supplies		-	-	503	-
Total inventories		-	-	503	-
Other assets					
Prepayments		57	-	-	-
Total other assets		57	-	-	-
Total inventories and other assets		57	-	503	-
Externally restricted assets					
Water					
Water treatment supplies		-	-	-	-
Total water		-	-	-	-
Sewerage					
Prepayments		-	-	-	-
Total sewerage		-	-	-	-
Total externally restricted assets		-	-	-	-
Total internally restricted assets		-	-	-	-
Total unrestricted assets		57	-	503	-
Total inventories and other assets		57	-	503	-

Other disclosures

(a) Inventory Write Downs

There were no amounts recognised as an expense relating to the write down of Inventory balances held during the year.

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 9a. Infrastructure, property, plant and equipment

\$ '000	as at 30/6/2014				Asset movements during the reporting period						as at 30/6/2015					
	At cost	At fair value	Accumulated dep'n	Impairment	Carrying value	Asset additions	WDV of asset disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	At cost	At fair value	Accumulated dep'n	Impairment	Carrying value
Capital work in progress	19,440	-	-	-	19,440	22,912	-	-	(13,221)	(489)	-	28,642	-	-	-	28,642
Plant and equipment	-	1,230	752	-	478	-	-	(169)	5	-	-	-	1,236	922	-	314
Office equipment	-	511	353	-	158	-	-	(72)	92	-	-	-	603	425	-	178
Furniture and fittings	-	149	131	-	18	-	-	(11)	20	-	-	-	170	143	-	27
Land:																
- Operational land	-	57,652	-	-	57,652	-	(35)	-	-	-	-	-	57,617	-	-	57,617
- Community land	-	1,113	-	-	1,113	-	(8)	-	-	-	-	-	1,105	-	-	1,105
Buildings - specialised	-	13,961	1,873	-	12,088	-	-	(303)	-	-	-	-	13,961	2,176	-	11,785
Other structures	-	1,526	113	-	1,413	-	-	(48)	56	-	-	-	1,582	161	-	1,421
Infrastructure:																
- Roads	-	-	-	-	-	-	-	(1)	-	26	-	-	41	16	-	25
- Bulk earthworks (non-depreciable)	-	-	-	-	-	-	-	-	-	16	-	-	16	-	-	16
- Stormwater drainage	-	310,951	73,797	-	237,154	2,098	-	(3,053)	7,648	650	97,262	-	459,624	117,865	-	341,759
- Water supply network	-	934,712	376,572	-	558,140	669	-	(14,096)	1,236	(493)	8,160	-	949,955	396,338	-	553,617
- Sewerage network	-	996,537	327,202	-	669,335	1,544	(307)	(12,858)	4,164	-	9,945	-	1,016,443	344,620	-	671,823
Total infrastructure, property, plant and equipment	19,440	2,318,342	780,793	-	1,556,989	27,224	(350)	(30,611)	-	(290)	115,367	28,642	2,502,353	862,666	-	1,666,329

Additions to buildings and infrastructure assets are made up of asset renewals (\$22,093) and new assets (\$461). Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27 - Fair value measurement for information regarding the fair value of other infrastructure, property, plant and equipment.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 9b. Externally restricted infrastructure, property, plant and equipment

\$ '000	Actual				Actual			
	2015				2014			
Class of asset	At cost	At fair value	A/Dep & impair'm't	Carrying value	At cost	At fair value	A/Dep & impair'm't	Carrying value
Water supply								
Work in progress	17,948	-	-	17,948	14,721	-	-	14,721
Plant and equipment	-	411	312	99	-	411	270	141
Office equipment	-	360	246	114	-	290	204	86
Furniture and fittings	-	137	115	22	-	117	104	13
Land								
- Operational land	-	34,631	-	34,631	-	34,631	-	34,631
- Community land	-	1,105	-	1,105	-	1,113	-	1,113
Buildings	-	6,405	892	5,513	-	6,405	724	5,681
Other structures	-	1,222	117	1,105	-	1,176	81	1,095
Infrastructure - Water supply	-	949,955	396,338	553,617	-	934,711	376,572	558,139
Infrastructure - stormwater	-	459,624	117,865	341,759	-	310,951	73,797	237,154
Total water supply	17,948	1,453,850	515,885	955,913	14,721	1,289,805	451,752	852,774
Sewerage services								
Work in progress	10,695	-	-	10,695	4,719	-	-	4,719
Plant and equipment	-	824	610	214	-	819	482	337
Office equipment	-	244	179	65	-	222	150	72
Furniture and fittings	-	32	28	4	-	32	27	5
Land								
- Operational land	-	22,986	-	22,986	-	23,021	-	23,021
Buildings	-	7,556	1,284	6,272	-	7,556	1,149	6,407
Other structures	-	360	44	316	-	350	32	318
Infrastructure	-	1,016,442	344,620	671,822	-	996,537	327,201	669,336
Other assets	-	58	16	42	-	-	-	-
Total sewerage services	10,695	1,048,502	346,781	712,416	4,719	1,028,537	329,041	704,215
property, plant and equipment	28,643	2,502,352	862,666	1,668,329	19,440	2,318,342	780,793	1,556,989

Note 9c. Infrastructure, property, plant and equipment - current year impairments

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

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 10a. Payables, borrowings and provisions

\$ '000	Notes	2015		2014	
		Current	Non-current	Current	Non-current
Payables					
Goods and services - operating expenditure		2,419	-	1,139	-
Payments received in advance		1,008	1,648	936	2,821
Accrued expenses:					
- Interest on bonds and deposits		1,238	-	1,282	-
- Salaries and wages		275	-	350	-
- Other expenditure accruals		6,849	-	9,553	-
Security bonds, deposits and retentions		242	-	237	-
Total payables		12,031	1,648	13,497	2,821
Borrowings					
Loans - secured ¹		11,457	160,467	10,406	166,176
Loans - unsecured		804	28,032	413	19,210
Total borrowings		12,261	188,499	10,819	185,386
Provisions					
Employee benefits;					
Annual leave		897	-	969	-
Sick leave		568	-	747	-
Long service leave		1,344	91	1,726	95
Gratuities		201	-	-	-
Other leave		48	-	43	-
Sub total - aggregate employee benefits		3,058	91	3,485	95
Self insurance - workers compensation		138	260	30	73
Self insurance - public liability		3	-	2	-
Self insurance - other		7	-	13	-
Payroll tax		155	5	190	5
Total provisions		3,361	356	3,720	173
Total payables, borrowings and provisions		27,653	190,503	28,036	188,380

(i) Liabilities relating to restricted assets

	2015		2014	
	Current	Non-current	Current	Non-current
Externally restricted assets				
Other insurance	7	-	15	-
Developer contributions in advance	1,008	1,648	642	2,821
Sewer charges in advance	-	-	294	-
Unexpended Loans Sewer	5,472	-	-	-
Liabilities relating to externally restricted assets	6,487	1,648	951	2,821
Internally restricted assets				
Self insurance	138	260	30	73
Liabilities relating to internally restricted assets	138	260	30	73
Total liabilities relating to restricted assets	6,625	1,908	981	2,894
Total liabilities relating to unrestricted assets	21,028	188,595	27,055	185,486
Total payables, borrowings and provisions	27,653	190,503	28,036	188,380

¹ Loans are secured over the general income of Wyong Water

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 15.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 10a. Payables, borrowings and provisions (continued)

\$ '000	Actual 2015	Actual 2014
(ii) Current liabilities not anticipated to be settled within the next 12 months		
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions - employees benefits	1,663	1,948
Payables - security bonds, deposits and retentions ¹	216	-
Total	1,880	1,948

Note 10b. Description of and movements in provisions

Class of provision	2014		2015			
	Opening balance as at 1/7/14	Additional provisions	Decrease due to payments	Remeasurement effects due to discounting	Unused amounts reversed	Closing balance as at 30/6/15
Annual leave	969	1,017	(1,089)	-	-	897
Sick leave	747	508	(687)	-	-	568
Long service leave	1,821	155	(541)	-	-	1,435
Other leave	43	109	(104)	-	-	48
Gratuities	-	201	-	-	-	201
Self insurance	118	538	(248)	-	-	408
Other	195	998	(1,033)	-	-	160
Total	3,893	3,526	(3,702)	-	-	3,717

- Employees leave entitlements and on-costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- Self insurance provisions represent both (i) claims incurred but not reported and (ii) claims reported and estimated as per the actuarial assessment.
- Other Provisions represent payroll tax

¹ Payables not expected to be settled represent average balances held in security bonds, deposits, and overpayments

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 11. Statement of cash flows - additional information

\$ '000	Notes	Actual 2015	Actual 2014
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6a	12,899	15,269
Less bank overdraft	10	-	-
Balance as per the statement of cash flows		12,899	15,269

**(b) Reconciliation of net operating result
to cash provided from operating activities**

Net operating result from income statement		1,237	(4,269)
Adjust for non cash items:			
Depreciation and amortisation		30,646	29,441
Net losses/(gains) on disposal of assets		794	291
Non-cash capital grants and contributions		(4,419)	(2,028)
Losses/(gains) recognised on fair value re-measurements through the income statement			
- Investments classified as "At fair value" or "Held for trading"		-	80
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		(511)	436
Increase/(decrease) in provision for doubtful debts		(2)	79
Decrease/(increase) in inventories		503	(13)
Decrease/(increase) in other assets		(57)	-
Increase/(decrease) in payables		1,280	(1,413)
Increase/(decrease) in other accrued expenses payable		(2,779)	6,212
Increase/(decrease) in other liabilities		(1,140)	(1,470)
Increase/(decrease) in employee leave entitlements		(431)	(739)
Increase/(decrease) in other provisions		255	(392)
Net cash provided from/(used in) operating activities from the statement of cash flows		25,376	26,215

(c) Non-cash investing and financing activities

S94 contributions "in kind"		148	781
Other dedications		4,271	1,247
Total non-cash investing and financing activities		4,419	2,028

(d) Financing arrangements

Nil

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Notes to the financial statements

for the financial year ended 30 June 2015

Note 12. Commitments for expenditure

\$ '000	Notes	Actual 2015	Actual 2014
(a) Capital commitments (exclusive of GST)			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Property, plant and equipment			
Infrastructure		16,060	8,259
Total commitments		16,060	8,259
These expenditures are payable as follows:			
Within the next year		16,060	8,259
Total payable		16,060	8,259
Sources for funding of capital commitments:			
Unrestricted general funds		9,135	6,519
Section 64 and 94 Funds/Reserves		6,925	1,740
Total sources of funding		16,060	8,259

Details of capital commitments

Commitments relate to an upgrade of the south Wyong sewage treatment plant for \$9m, upgrades to certain sewer pump stations for \$4.7m and works being undertaken on sewer mains for \$1.7m. The remaining commitments are for various works across Wyong Water's infrastructure

(b) Finance lease commitments

Nil

(c) Operating lease commitments (non-cancellable)**a. Commitments under non-cancellable operating leases at the Reporting date, but not recognised as liabilities are payable:**

Within the next year	33	34
Later than one year and not later than 5 years	40	36
Total non-cancellable operating lease commitments	73	70

b. Non-cancellable operating leases include the following assets:

Computer equipment - PC's, monitors and laptops: lease terms were all originally for 60 months. The most recent leases have 45 months remaining.

Printers: Lease terms were originally for 60 months. The most recent lease has 57 months remaining.

Conditions relating to operating leases:

- All operating lease agreements are secured only against the leased asset.
- No lease agreements impose any financial restrictions on Wyong Water regarding future debt etc.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 13a(i). Statement of performance measurement - indicators (consolidated)

\$ '000	Amounts 2015	Indicator 2015	Prior Periods 2014 2013	
Local Government industry indicators - consolidated				
1. Operating performance ratio				
Total continuing operating revenue ⁽¹⁾				
<u>(excl. Capital Grants and Contributions) - operating expenses</u>	<u>(7,423)</u>	-9.16%	-12.24%	-13.23%
Total continuing operating revenue ⁽¹⁾ (excl. capital grants and contributions)	81,072			
2. Own source operating revenue ratio				
Total continuing operating revenue ⁽¹⁾				
<u>(excl. all grants and contributions)</u>	<u>79,457</u>	87.77%	91.18%	92.19%
Total continuing operating revenue ⁽¹⁾	90,526			
3. Unrestricted current ratio				
<u>Current assets less all external restrictions ⁽²⁾</u>	<u>38,039</u>	1.97x	1.86	2.42
Current liabilities less specific purpose liabilities ^(3, 4)	19,286			
4. Debt service cover ratio				
Operating result ⁽¹⁾ before capital excluding interest and depreciation / impairment / amortisation	<u>36,891</u>	1.47x	1.38	1.28
Principal repayments (from the statement of cash flows) + borrowing costs (from the income statement)	25,013			
5. Rates, annual charges, interest and extra charges outstanding percentage				
<u>Rates, annual and extra charges outstanding</u>	<u>2,180</u>	4.43%	5.75%	6.54%
Rates, annual and extra charges collectible	49,249			
6. Cash expense cover ratio				
Current year's cash and cash equivalents + all term deposits	<u>58,733</u>	10.00	9.47	11.07
Payments from cash flow of operating and financing activities	5,872	mths		

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any real estate and land for resale not expected to be sold in the next 12 months

⁽³⁾ Refer to Note 10(a).

⁽⁴⁾ Refer to Note 10(a)(ii) - excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 13a(ii). Local Government industry indicators - graphs (consolidated)

<p>1. Operating performance ratio</p> <p>Benchmark: —— Minimum $\geq 0.00\%$ Source for Benchmark: Code of Accounting Practice and Financial Reporting #23</p>	<p>Purpose of operating performance ratio</p> <p>This ratio measures Wyong Water's achievement of containing operating expenditure within operating revenue.</p>	<p>Commentary on 2014-15 Result</p> <p>2014-15 Ratio -9.16%</p> <p>The operating performance of Wyong Water continues to be inhibited by regulated fees and charges set by IPART within the current price determination (2013-14 to 2016-17). Outcomes from a recent business optimisation review completed in 2014-15 are expected to improve this performance.</p> <p>■ Ratio is within Benchmark ■ Ratio is outside Benchmark</p>
<p>2. Own source operating revenue ratio</p> <p>Benchmark: —— Minimum $\geq 60.00\%$ Source for Benchmark: Code of Accounting Practice and Financial Reporting #23</p>	<p>Purpose of own source operating revenue ratio</p> <p>This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.</p>	<p>Commentary on 2014-15 Result</p> <p>2014-15 Ratio 87.77%</p> <p>Wyong Water's own source operating revenue ratio remains strong, well above the benchmark of 60%, and demonstrates fiscal flexibility if faced with unforeseen events. The decline on prior year relates to higher grants and developer contributions receipts in 2015 as a result of increased development within the Shire.</p> <p>■ Ratio is within Benchmark ■ Ratio is outside Benchmark</p>
<p>3. Unrestricted current ratio</p> <p>Benchmark: —— Minimum ≥ 1.50 Source for Benchmark: Code of Accounting Practice and Financial Reporting #23</p>	<p>Purpose of unrestricted current ratio</p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Wyong Water.</p>	<p>Commentary on 2014-15 Result</p> <p>2014-15 Ratio 1.97x</p> <p>Wyong Water's unrestricted current ratio remains above benchmark and demonstrates that debts are able to be paid as they fall due. The decline in the ratio since 2013 is the result of increased developer contributions being received but not yet spent.</p> <p>■ Ratio is within Benchmark ■ Ratio is outside Benchmark</p>

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 13a(ii). Local Government industry indicators - graphs (consolidated)

<p>4. Debt service cover ratio</p> <p>Benchmark: —— Minimum ≥ 2.00 Source for Benchmark: Code of Accounting Practice and Financial Reporting #23</p>	<p>Purpose of debt service cover ratio</p> <p>This ratio measures the availability of operating cash to service debt including interest, principal and lease payments</p>	<p>Commentary on 2014-15 Result</p> <p>2014-15 Ratio 1.47x</p> <p>Wyong Water's debt service cover ratio continues to strengthen as debt is repaid and the operating result improves.</p>
<p>5. Rates, annual charges, interest and extra charges outstanding percentage</p> <p>Benchmark: —— Maximum $\leq 5.00\%$ Source for Benchmark: Code of Accounting Practice and Financial Reporting #23</p>	<p>Purpose of rates and annual charges outstanding ratio</p> <p>To assess the impact of uncollected rates and annual charges on Wyong Water's liquidity and the adequacy of recovery efforts.</p>	<p>Commentary on 2014-15 Result</p> <p>2014-15 Ratio 4.43%</p> <p>Wyong Water's benchmark achievement of the rates and annual charges outstanding percentage for the first time in 2015 demonstrates perseverance in recovery efforts and success in implementation of socially responsible debt management strategies.</p>
<p>6. Cash expense cover ratio</p> <p>Benchmark: —— Minimum ≥ 3.00 Source for Benchmark: Code of Accounting Practice and Financial Reporting #23</p>	<p>Purpose of cash expense cover ratio</p> <p>This liquidity ratio indicates the number of months Wyong Water can continue paying for its immediate expenses without additional cash inflow.</p>	<p>Commentary on 2014-15 Result</p> <p>2014-15 Ratio 10.00 mths</p> <p>Wyong Water's cash expense ratio remains strong and reflects sound cash management.</p>

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 14. Investment properties

\$ '000

Wyong Water has not classified any land or buildings as "investment properties".

Note 15. Financial risk management

Risk management

Wyong Water'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.

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

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

Financial risk management is carried out on behalf of Wyong Water by Council's Finance Section under policies approved by the Council.

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

	Carrying value		Fair value	
	2015	2014	2015	2014
Financial assets				
Cash and cash equivalents	12,899	15,269	12,899	15,269
Investments				
- "Held to maturity"	55,834	46,492	55,834	46,492
Receivables	19,484	18,971	19,484	18,971
Total financial assets	88,217	80,732	88,217	80,732
Financial liabilities				
Payables	11,023	12,561	11,023	12,561
Loans / advances	200,760	196,205	239,786	232,637
Total financial liabilities	211,783	208,766	250,809	245,198

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** - estimated to be the carrying value which approximates market value.
- **Borrowings and 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.
- Financial assets classified (i) "at fair value through profit or loss" or (ii) **available for sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 15. Financial risk management (continued)

\$ '000

(a) Cash and cash equivalents, financial assets 'at fair value through the profit or loss' "available for sale" financial assets and "held to maturity" investments

Wyong Water'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 with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act and Minister's Investment Order. This policy is regularly reviewed by Council and it's staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

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

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

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

The following represents a summary of the sensitivity of Wyong Water's income statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2015				
Possible impact of a 1% movement in interest rates	687	687	(687)	(687)
2014				
Possible impact of a 1% movement in interest rates	618	618	(618)	(618)

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 15. Financial risk management (continued)

\$ '000

(b) Receivables

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

The major risk associated with these receivables is credit risk - the risk that debts due and payable may not be repaid in full.

Council manages this risk on behalf of Wyong Water by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

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

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

Wyong Water makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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

A profile of Wyong Water's receivables credit risk at balance date follows:

	2015 Rates and annual charges	2015 Other receivables	2014 Rates and annual charges	2014 Other receivables
(i) Ageing of receivables - %				
Current (not yet overdue)	0%	81%	0%	82%
Overdue	100%	19%	100%	18%
	100%	100%	100%	100%

	Rates and annual charges	Other receivables	Rates and annual charges	Other receivables
(ii) Ageing of receivables - value				
Rates and annual charges		Other receivables		
Current	-	14,336	-	13,614
< 1 year overdue	1,536	898	1,100	1,077
1 - 2 years overdue	314	211	506	495
2 - 5 years overdue	243	1,467	339	333
> 5 years overdue	87	474	804	787
	2,180	17,386	2,749	16,306

	2015	2014
(iii) Movement in provision for impairment of receivables		
Balance at the beginning of the year	84	5
+ new provisions recognised during the year	(2)	79
Balance at the end of the year	82	84

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 15. Financial risk management (continued)

\$ '000

(c) Payables and borrowings

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

Council manages this risk on behalf of Wyong Water 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 contractual undiscounted cash outflows (ie. principal and interest) of Wyong Water's payables and borrowings are set out in the maturity table below:

\$ '000	Subject to no maturity	payable in:						Total cash outflows	Actual carrying values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2015									
Trade/other payables	242	10,781	-	-	-	-	-	11,023	11,023
Loans and advances	-	25,959	25,688	25,417	24,885	46,127	142,594	290,670	200,760
Total financial liabilities	242	36,740	25,688	25,417	24,885	46,127	142,594	301,693	211,783
2014									
Trade/other payables	237	13,260	-	-	-	-	-	13,497	13,497
Loans and advances	-	21,634	22,418	22,170	21,922	21,674	145,745	255,563	196,205
Total financial liabilities	237	34,894	22,418	22,170	21,922	21,674	145,745	269,060	209,702

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Wyong Water manages this risk through the diversification of borrowing types, maturities and interest rate structures.

The following interest rates were applicable to Wyong Water's borrowings at balance date:

	2015		2014	
	Carrying value	Average interest rate	Carrying value	Average interest rate
Commercial banks	171,924	7.0%	176,583	7.0%
Wyong Shire Council	28,836	6.8%	19,622	9.0%
	<u>200,760</u>		<u>196,205</u>	

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 16. Material budget variations

\$ '000

Wyong Water's original financial budget for 2014-15 was adopted by the Council on 28 May 2014.

While the income statement included in this financial report must disclose the original budget adopted by Council, the Local Government Act requires Council to review its financial budget on a quarterly basis including Wyong Water so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of material variations between Wyong Water's original budget and its actual results for the year as per the income statement - even though such variations may have been adjusted for during each quarterly budget review.

Note that for variations* of budget to actual :

Material variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable budget variation, **U** = Unfavourable budget variation

\$ '000	2015 Budget	2015 Actual	2015 ----- Variance* -----		
Revenues					
Rates and annual charges	45,670	46,092	422	1%	F
User charges and fees	32,455	30,390	(2,065)	(6%)	U
Interest and investment revenue	3,263	2,671	(592)	(18%)	U
This variance is due to lower than anticipated interest rates. Investment returns have reduced from 4.20% in 2013-14 to 3.78% in 2014-15.					
Other revenues	43	304	261	609%	F
This variance is due to higher than expected recovery of repairs/damage to Infrastructure.					
Operating grants and contributions	1,833	1,615	(218)	(12%)	U
This variance is due to reduced grants relating to catchment flood studies.					
Capital grants and contributions	3,939	9,454	5,515	140%	F
This variance is a result of increased developer contributions in line with increased development within the Shire.					

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 16. Material budget variations (continued)

\$ '000	2015 Budget	2015 Actual	2015 ----- Variance* -----		
Expenses					
Employee benefits and on-costs	13,007	14,726	(1,719)	(13%)	U
This variance is due to business realignment/restructure costs.					
Borrowing costs	14,200	13,668	532	4%	F
Materials and contracts	7,765	8,217	(452)	(6%)	U
Depreciation and amortisation	30,375	30,646	(271)	(1%)	U
Other expenses	24,218	21,238	2,980	12%	F
This variance is a result of lower than expected electricity, tipping and administration costs.					
Net losses from disposal of assets	-	794	(794)	0%	U
The net gains and losses on disposal of assets have been combined as a net loss in operating expenses. This includes the write off of water stock and replaced infrastructure.					

Budget variations relating to Wyong Water's cash flow statement include:

Cash flows from operating activities	26,445	25,376	(1,069)	(4.0%)	U
Cash flows from investing activities	(33,151)	(32,301)	850	(2.6%)	F
Cash flows from financing activities	(1,819)	4,555	6,374	(350.4%)	F
Additional low interest loan drawn through the Local Infrastructure Renewal Scheme for \$5.9 million					

Financial Statements 2015

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 17. Statement of developer contributions

\$ '000

Wyong Water recovers contributions, raises levies and enters into planning agreements on development works that are subject to a development consent. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions and levies and the value of all remaining funds which are "restricted" in their future use.

Summary of contributions and levies

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowings repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
Drainage	7,308	646	107	297	514	5,588	14,459	38,451	(60,344)	(7,433)	-
S94 Contributions - under a Plan	7,308	646	107	297	514	5,588	14,459	38,451	(60,344)	(7,433)	-
Total S94 Revenue Under Plans	7,308	646	107	297	514	5,588	14,459				
S93F Planning Agreements	2,206	49	-	37	-	-	2,292				
S64 Contributions	22,984	4,280	41	701	(2,404)	1	25,604				
Total contributions	32,498	4,975	148	1,035	(1,890)	5,589	42,356				

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Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 17. Statement of developer contributions (continued)

\$ '000

Developer contributions - under a plan

Contribution plan number 1 - Wyong

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
Drainage	1,001	-	-	32	-	840	1,872	704	(4,258)	(1,681)	-
S94 Total	1,001	-	-	32	-	840	1,872	704	(4,258)	(1,681)	-
s64 - Water	2,138	281	-	72	-	-	2,491				
s64 - Sewer	3,482	579	-	65	(16)	(1,150)	2,960				
S64 Total	5,620	860	-	137	(16)	(1,150)	5,451				
Total	6,621	860	-	169	(16)	(310)	7,323				

Contribution plan number 2 - Southern Lakes

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
Drainage	1,090	34	-	19	-	-	1,143	240	(906)	477	-
S94 Total	1,090	34	-	19	-	-	1,143	240	(906)	477	-
s64 - Water	1,501	227	-	61	-	-	1,789				
s64 - Sewer	2,424	349	-	46	(3)	-	2,816				
S64 Total	3,925	576	-	107	(3)	-	4,605				
Total	5,015	610	-	126	(3)	-	5,748				

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 17. Statement of developer contributions (continued)

\$ '000

Developer contributions - under a plan

Contribution plan number 3 - The Entrance

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
Drainage	2	-	-	0	-	2	4	-	(110)	(106)	-
S94 Total	2	-	-	0	-	2	4	-	(110)	(106)	-
s93F - Water	401	-	-	7	-	-	408	-	-	-	-
S93F Total	401	-	-	7	-	-	408	-	-	-	-
s64 - Water	554	39	-	51	-	-	644	-	-	-	-
s64 - Sewer	898	10	-	15	(119)	2	806	-	-	-	-
S64 Total	1,452	49	-	66	(119)	2	1,450	-	-	-	-
Total	1,855	49	-	73	(119)	4	1,862	-	-	-	-

Contribution plan number 5 - Ourimbah

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
s64 - Water	666	18	-	16	-	-	700	-	-	-	-
s64 - Sewer	327	14	-	13	-	-	354	-	-	-	-
S64 Total	993	32	-	29	-	-	1,054	-	-	-	-
Total	993	32	-	29	-	-	1,054	-	-	-	-

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 17. Statement of developer contributions (continued)

\$ '000

Developer contributions - under a plan

Contribution plan number 6 - Toukley

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
Drainage	-	-	-	-	-	4	4	1,622	-	1,626	-
S94 Total	-	-	-	-	-	4	4	1,622	-	1,626	-
s64 - Water	468	41	-	18	-	-	527				
s64 - Sewer	2	13	-	8	(1,156)	1,150	17				
S64 Total	470	54	-	26	(1,156)	1,150	544				
Total	470	54	-	26	(1,156)	1,154	548				

Contribution plan number 7 - Gorokan

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
s93F - Water	22	-	-	-	-	-	22				
s93F - Sewer	15	-	-	-	-	-	15				
S93F Total	37	-	-	-	-	-	37				
s64 - Water	148	98	-	37	-	-	284				
s64 - Sewer	1,274	65	-	23	-	-	1,362				
S64 Total	1,422	163	-	60	-	-	1,646				
Total	1,459	163	-	60	-	-	1,683				

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 17. Statement of developer contributions (continued)

\$ '000

Developer contributions - under a plan

Contribution plan number 8 - San Remo

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
Drainage	64	243	-	1	-	1	309	116	-	426	-
S94 Total	64	243	-	1	-	1	309	116	-	426	-
s s64 - Water	1,101	101	-	40	-	(1)	1,241				
s s64 - Sewer	167	153	-	24	-	(99)	245				
S64 Total	1,268	254	-	64	-	(100)	1,486				
Total	1,332	497	-	65	-	(99)	1,796				

Contribution plan number 9 - Budgewoi

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
s s64 - Water	507	11	-	9	-	-	527				
s s64 - Sewer	2	9	-	-	(106)	100	5				
S64 Total	509	20	-	9	(106)	100	532				
Total	509	20	-	9	(106)	100	532				

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 17. Statement of developer contributions (continued)

\$ '000

Developer contributions - under a plan

Contribution plan number 15 - Northern Districts

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
s64 - Water	1,096	84	-	30	-	(2)	1,208				
s64 - Sewer	1,371	218	-	32	-	1	1,622				
S64 Total	2,467	302	-	62	-	(1)	2,830				
Total	2,467	302	-	62	-	(1)	2,830				

CONTRIBUTION PLAN NUMBER 17 Warnervale District

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
Drainage	5,151	369	107	245	514	4,742	11,126	35,769	(55,070)	(8,174)	-
S94 Total	5,151	369	107	245	514	4,742	11,126	35,769	(55,070)	(8,174)	-
s s93F - Drainage	896	49	-	15	-	-	960				
s s93F - Water	523	-	-	9	-	-	532				
s s93F - Sewer	349	-	-	6	-	-	355				
S93F Total	1,768	49	-	30	-	-	1,847				
s s64 - Water	1,805	546	41	63	(765)	-	1,690				
s s64 - Sewer	3,053	484	-	68	(239)	-	3,366				
S64 Total	4,858	1,030	41	131	(1,004)	-	5,056				
Total	11,777	1,448	148	406	(490)	4,742	18,029				

Wyong Water

Notes to the Financial Statements
for the financial year ended 30 June 2015

Note 17. Statement of developer contributions (continued)

\$ '000

Developer contributions - under a plan

CONTRIBUTION PLAN NUMBER 18 Development Service Plans Water & Sewerage

Purpose	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing repaid/(lent)	Held as restricted asset	Projections			Cumulative Internal borrowings due/(payable)
		Cash	Non-cash					Future income	Exp still outstanding	Over or (under) funding	
s s64 - Water	-	432	-	4	-	-	436				
s s64 - Sewer	-	509	-	4	-	-	513				
S64 Total	-	941	-	8	-	-	949				
Total	-	941	-	8	-	-	949				

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 18. Contingencies and other assets/liabilities not recognised

The following assets and liabilities do not qualify for recognition on the statement of financial position, but their knowledge and disclosure is considered relevant to the users of Wyong Water's financial report.

Liabilities not recognised

1. Defined benefit superannuation

Council, on behalf of Wyong Water, 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 AASB 119 Employee Benefits. Sufficient information is not available to account for the Scheme as a defined benefit plan in accordance with AASB 119, because the assets to the Scheme are pooled together for all Councils.

Employer contributions paid to the defined benefit section of the Local Government Superannuation Scheme during 2014-15 were recognised as an expense.

The last valuation of the Scheme was performed by Mr Martin Stevenson of Mercer Consulting (Australia) Pty Ltd on 20 February 2013.

However the position is monitored annually and the Scheme's most recent actuarial review, performed by Richard Boyfield of Mercer Consulting (Australia) Pty Ltd, estimates that a deficiency still exists as at 30 June 2015. Effective from 1 July 2009, employers are required to contribute additional contributions to assist in extinguishing this deficit.

Council, and subsequently Wyong Water'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 members. For this reason, no liability for the deficiency has been recognised in the accounts.

Further contributions made to the scheme to rectify the net deficit position will be recognised as an expense when they become payable.

The defined benefit element of the scheme is now closed to new members.

2. Developer contributions

Wyong Water levies Section 64 contributions upon various developments across the local government area through the required contributions plans.

As part of these plans, Wyong Water has received funds for which it will be required to expend the monies in accordance with those plans.

As well, these plans indicate proposed future expenditure to be undertaken by Wyong Water, which will be funded by making levies and receipting funds in future years.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent the intention to spend funds in the manner and timing set out in those plans.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 19. Interests in other entities

\$ '000

Wyong Water's objectives can and in some cases are best met through the use of separate entities and operations.

These operations and entities range from 100% ownership and control through to lower levels of ownership and control via co-operative arrangements with other Councils, bodies and other outside organisations.

The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards, depending on the level Wyong Water's (i) interest and (ii) control and the type (form) of entity/operation, as follows;

Joint operations

Note 19(a)

Operational arrangements where the parties that have joint control have rights to specific assets and obligations for specific liabilities relating to the arrangement rather than a right to the net assets of the arrangement.

(a) Joint operations

(a) Wyong Water is involved in the following joint operations

Name of joint operation	Principal activity	Interest in ownership	
		2015	2014
Joint water supply authority	Water supply headworks	47%	47%

(b) Wyong Water assets employed in the joint operations

	2015	2014
Wyong Water's own assets employed in the operations		
Non-current assets		
Property, plant and equipment	326,821	315,412
Total assets - Wyong Water owned	326,821	315,412
Wyong Water's share of assets jointly owned with other partners		
Nil		
Total net assets employed - Wyong Water and jointly owned	326,821	315,412

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 20. Equity - retained earnings and revaluation reserves

\$ '000	Notes	Actual 2015	Actual 2014
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(a) Retained earnings

Movements in retained earnings were as follows:

Balance at beginning of year (from previous years audited accounts)		600,747	605,016
a. Net operating result for the year		<u>1,237</u>	<u>(4,269)</u>
Balance at end of the reporting period		<u><u>601,984</u></u>	<u><u>600,747</u></u>

(b) Reserves

(i) Reserves are represented by:

- Infrastructure, property, plant and equipment revaluation reserve		<u>936,516</u>	<u>821,149</u>
Total		<u><u>936,516</u></u>	<u><u>821,149</u></u>

(ii) Reconciliation of movements in reserves:

Infrastructure, property, plant and equipment revaluation reserve			
- Opening balance		821,149	786,806
- Revaluations for the year	9(a)	<u>115,367</u>	<u>34,344</u>
- Balance at end of year		<u><u>936,516</u></u>	<u><u>821,149</u></u>
Total value of reserves		<u><u>936,516</u></u>	<u><u>821,149</u></u>

(iii) Nature and purpose of reserves**Infrastructure, Property, Plant & Equipment Revaluation Reserve**

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

(c) Correction of error/s relating to a previous reporting period

Wyong Water made no correction of errors during the current reporting period.

(d) Voluntary changes in accounting policies

Wyong Water made no voluntary changes in any accounting policies during the year.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 21. Financial result and financial position by Fund

Income statement by Fund \$ '000	Actual 2015	Actual 2015
	Water	Sewer
Continuing operations		
Income from continuing operations		
Rates and annual charges	17,493	28,353
User charges and fees	27,869	2,136
Interest and investment revenue	1,044	1,851
Other revenues	697	238
Grants and contributions provided for operating purposes	898	717
Grants and contributions provided for capital purposes	5,507	3,947
Total income from continuing operations	53,508	37,242
Expenses from continuing operations		
Employee benefits and on-costs	7,959	6,767
Borrowing costs	12,206	1,686
Materials and contracts	3,907	4,190
Depreciation and amortisation	17,471	13,175
Impairment	-	-
Other expenses	11,500	9,858
Net losses from the disposal of assets	488	306
Total expenses from continuing operations	53,531	35,982
Operating result from continuing operations	(23)	1,260
Discontinued operations		
Net profit/(loss) from discontinued operations	-	-
Net operating result for the year	(23)	1,260
Net operating result attributable to each Fund	(23)	1,260
Net operating result attributable to non-controlling interests	-	-
Net operating result for the year before grants and contributions provided for capital purposes	(5,530)	(2,687)

NB. All amounts disclosed above are gross - that is, they include internal charges and recoveries made between the Funds.

Wyong Water

Notes to the financial statements

as at 30 June 2015

Note 21. Financial result and financial position by Fund (continued)

Statement of financial position by Fund \$ '000	Actual 2015	Actual 2015
	Water	Sewer
Assets		
Current assets		
Cash and cash equivalents	1,780	11,119
Investments	4,431	26,404
Receivables	15,839	3,486
Inventories	-	-
Other	-	57
Non-current assets classified as 'held for sale'	-	-
Total current assets	22,050	41,066
Non-current assets		
Investments	25,000	-
Receivables	407	9,692
Inventories	-	-
Infrastructure, property, plant and equipment	955,913	712,416
Investments accounted for using the equity method	-	-
Investment property	-	-
Intangible assets	34	20
Total non-current assets	981,354	722,128
Total Assets	1,003,404	763,194
Liabilities		
Current liabilities		
Payables	8,819	3,210
Borrowings	10,825	1,687
Provisions	1,950	1,411
Total current liabilities	21,594	6,308
Non-current liabilities		
Payables	585	1,063
Borrowings	171,119	27,070
Provisions	200	156
Total non-current liabilities	171,904	28,289
Total liabilities	193,498	34,597
Net assets	809,906	728,597
Equity		
Retained earnings	352,890	249,096
Revaluation reserves	457,016	479,501
Total equity	809,906	728,597

NB. All amounts disclosed above are gross - that is, they include internal receivables and payables between the Funds.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 22. "Held for sale" non-current assets and disposal groups

\$ '000

Wyong Water did not classify any non-current assets or disposal groups as "held for sale".

Note 23. Events occurring after the reporting date

Events that occur between the end of the reporting period (ending 30 June 2015) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Wyong Water has adopted the date of receipt of the Auditors' Report as the applicable "authorised for issue" date relating to these financial statements.

Accordingly, the "authorised for issue" date is 28 October 2015.

Events that occur after the reporting period represent one of two types:

(i) Events that provide evidence of conditions that existed at the reporting period

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2015.

(ii) Events that provide evidence of conditions that arose after the reporting period

These financial statements (and figures therein) do not incorporate any "non-adjusting events" that have occurred after 30 June 2015 and which are only indicative of conditions that arose after 30 June 2015.

Wyong Water is aware of the following "non-adjusting events" that merit disclosure;

Fit for the Future

Following the release of the final recommendations of the Independent Local Government Review Panel (ILGRP), the NSW State Government introduced the "Fit for the Future" reform program and mandated that Councils submit a proposal to an independent expert panel by 30 June 2015 on how Councils would become "Fit for the Future". The ILGRP recommended that Wyong Shire Council investigate a merger with Gosford City Council (GCC).

Wyong Shire Council submitted a Fit for the Future proposal to the Independent Pricing and Regulatory Tribunal (IPART) - the nominated expert panel, prior to the 30 June 2015 deadline. Wyong's submission proposed that Council remain as a stand-alone entity whilst continuing to implement planned business improvement initiatives. The submission was based on an independent Cost Benefit Analysis of reform options, as well as extensive self-assessment. Council's proposal noted that Wyong Shire Council already met all Fit for the Future benchmarks, and that ongoing business improvement would further improve Council's performance against these benchmarks into the future.

IPART are scheduled to complete their assessment of the "fitness" of each Council by the end of October 2015, and the State Government is due to make decisions in relation to NSW Councils in December 2015.

As Wyong Water forms part of the consolidated entity of Wyong Shire Council, at this stage it is unknown whether there will be any impact to Wyong Water.

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 24. Discontinued operations

\$ '000

Wyong Water has not classified any of its operations as "discontinued".

Note 25. Intangible assets

\$ '000	Actual 2015	Actual 2014
Intangible Assets represent identifiable non-monetary asset without physical substance.		
Intangible assets are as follows;		
Opening values:		
Gross book value (1/7)	2,469	2,469
Accumulated amortisation (1/7)	(2,380)	(2,274)
Accumulated impairment (1/7)	-	-
Net book value - opening balance	89	195
Movements for the year		
- Amortisation charges	(35)	(106)
Closing values:		
Gross book value (30/6)	2,469	2,469
Accumulated amortisation (30/6)	(2,415)	(2,380)
Accumulated impairment (30/6)	-	-
Total intangible assets - net book value ¹	54	89

¹ The net book value of intangible assets represent:

- Software	54	89
	54	89

Note 26. Reinstatement, rehabilitation and restoration liabilities

Wyong Water has no outstanding obligations to make, restore, rehabilitate or reinstate any of its assets or operations.

Wyong Water

Notes to the financial statements
for the financial year ended 30 June 2015

Note 27. Fair value measurement

\$ '000

Wyong Water the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment

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

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

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

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

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

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

2015	Date of latest Valuation	Fair Value Measurement Hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring Fair Value Measurements					
Infrastructure, property, plant and equipment					
Plant and equipment	30/06/13	-	-	314	314
Office equipment	30/06/13	-	-	178	178
Furniture and fittings	30/06/13	-	-	27	27
Operational land	30/06/13	-	-	57,617	57,617
Community land	30/06/11	-	-	1,105	1,105
Buildings - specialised	30/06/13	-	-	11,785	11,785
Other structures	30/06/11	-	-	1,421	1,421
Roads	30/06/15	-	-	25	25
Bulk earthworks (non depreciable)	30/06/15	-	-	16	16
Stormwater drainage	30/06/15	-	-	341,759	341,759
Water supply network	30/06/12	-	-	553,617	553,617
Sewerage network	30/06/12	-	-	671,823	671,823
Total infrastructure, property, plant and equipment		-	-	1,639,687	1,639,687
2014					
Infrastructure, property, plant and equipment					
Plant and equipment	30/06/13	-	-	478	478
Office equipment	30/06/13	-	-	158	158
Furniture and fittings	30/06/13	-	-	18	18
Operational land	30/06/13	-	-	57,652	57,652
Community land	30/06/11	-	-	1,113	1,113
Buildings - specialised	30/06/13	-	-	12,088	12,088
Other structures	30/06/11	-	-	1,413	1,413
Stormwater drainage	30/06/10	-	-	237,154	237,154
Water supply network	30/06/12	-	-	558,140	558,140
Sewerage network	30/06/12	-	-	669,335	669,335
Total infrastructure, property, plant and equipment		-	-	1,537,549	1,537,549

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement (continued)

(2) Transfers between Level 1 and Level 2 fair value hierarchies

During the year, there were no transfers between Level 1 and Level 2 Fair Value hierarchies for recurring fair value measurements.

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

Where Wyong Water is unable to derive Fair Valuations using quoted market prices of identical assets (i.e. Level 1 inputs), Wyong Water instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

The Fair Valuation techniques Wyong Water has employed while utilising Level 2 and Level 3 inputs are as follows:

Infrastructure, property, plant and equipment

Plant and equipment, office equipment and furniture and fittings

Plant and Equipment, Office Equipment and Furniture and Fittings assets are recognised and valued at cost. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the items. Therefore these assets are disclosed at fair value in the notes.

These asset categories include:

- Plant and Equipment – pumps, compressors and power hand tools
- Office Equipment – computer hardware, digital cameras and photocopiers
- Furniture and Fittings – work stations, storage cabinets and air conditioning units

The unobservable level 3 inputs used include:

- Pattern of consumption
- Useful life

Wyong Water reviews the value of these assets based on the gross replacement cost of similar assets.

There has been no change to the valuation process during the reporting period.

Operational land

This asset class is comprised of all of Wyong Water's land classified as Operational Land under the Local Government Act 1993. The last valuation was undertaken at in 2013 by APV Valuers and Asset Management.

The valuation of the freehold land has been carried out on a market value basis. It has been assessed on the basis of the estimated amount, which the interest in each property being valued might reasonably be expected to realise on the date of valuation in an exchange between a willing vendor and a willing purchaser in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Where a depth in market was identified, the fair value was assessed as a best estimate of the price reasonably obtainable in the market at the date of valuation. This is based on available market evidence of sales of similar or reference assets.

The gross current value has been assessed on the basis of replacement cost with a new asset having similar service potential and includes allowances for preliminaries and professional fees.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement (continued)

This asset class is categorised as Level 3 as some of the inputs used in the valuation of these assets require significant professional judgement and are unobservable.

There has been no change to the valuation process during the reporting period.

Community land

Community Land assets are comprised of Wyong Water's owned land classified as Community Land under the Local Government Act 1993 and land under the care and management of Wyong Water on behalf of the Crown.

Wyong Water values Community Land based on the unimproved land values provided by the Valuer General or an average unit rate based on the land values for similar properties (land use, land size, shape and location) where the Valuer General has not provided a land value based on the highest and best use for the land.

This asset class is valued using unimproved land values provided by the Valuer General which is not considered to be an observable input based on market evidence and therefore contains Level 3 unobservable inputs. As per Office of Local Government Circular 12-09, the asset class will be revalued in 2016 with the latest Valuer General values as at 1 July 2014.

There has been no change to the valuation process during the reporting period.

Buildings – specialised

Council on behalf of Wyong Water engaged APV Valuers and Asset Management to value Buildings in 2013. The valuation methodology applied is dependent on whether a market exists to substantiate the value of the asset.

Where a depth in market is identified, the fair value is assessed as a best estimate of the price reasonably obtainable in the market at the date of valuation. This is based on available market evidence of sales of similar assets. The net value of the building and site services is the difference between the market value of the asset (as a whole) less the market value of the land component.

Where there is no depth of market the fair value is determined on depreciated current replacement (DCRC) basis. This is calculated by determining the gross current replacement cost and determining the amount of accumulated depreciation to reflect the level of service potential remaining in the asset.

The valuation of buildings, structural improvements and site services includes those items that form part of the building services installation (e.g. heating, cooling and climate control equipment, lifts, escalators, fire alarms, sprinklers and firefighting equipment, and general lighting). The buildings and site improvements were physically inspected and measured. The building valuations incorporate a gross current value, net current value and residual value for each asset.

This asset class is categorised as Level 3 as some of the inputs used in the valuation of these assets require significant professional judgement and are unobservable.

There has been no change to the valuation process during the reporting period.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement (continued)

Other structures

This asset class is comprised of fencing and structures which did not meet the definition of a building.

The cost approach has been utilised to value other structures. Valuations are undertaken by the Wyong Water's staff based on the technical knowledge and experience of engineers and asset management staff. Unobservable Level 3 inputs used include useful life, asset condition and pattern of consumption.

Stormwater drainage assets contained within Holiday Parks previously classified in this asset class have been reclassified to stormwater drainage assets and revalued during the reporting period as part of the roads and drainage asset revaluation.

There has been no change to the valuation process during the reporting period.

Stormwater drainage

The Stormwater Drainage asset class consists of Wyong Water's pits, pipes, detention basins, open drains, culverts, floodgates, wetlands, headwalls and gross pollutant traps. The valuation of the asset class undertaken in this financial year was performed by the Wyong Water's experienced asset management staff using the cost assets approach. Replacement cost is assessed using the MEERA approach.

Stormwater drainage assets contained within Holiday Parks previously classified in Other Structures have been reclassified to this asset class and revalued during the reporting period.

Replacement costs (unit rates) and useful lives for stormwater drainage assets were determined through a combination of historic data and technical knowledge during both the current and prior valuation, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on asset location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life and pattern of consumption.

Asset conditions between 1 (Excellent) to 5 (Very Poor) was determined by CCTV investigation undertaken across a representative selection of the Wyong Water's drainage network and assumptions based on age. Due to the availability of historical information for assets with long lives there is some uncertainty on the specifications and dimensions of some assets however data validation processes have been undertaken to reduce this risk. The methodology applied by external valuers, GHD, in 2010 was based on asset condition ratings from 0 (New Asset) to 10 (Failed Asset or No Longer in Service) and was based assessed asset conditions from a random sample of the drainage network.

This asset class is categorised a Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Water supply network

This asset class is comprised of water treatment plants, water pump stations, reservoirs, water mains, tunnels, dams, weirs and water meters.

The gross replacement cost approach has been utilised to value the water supply network. This approach estimates the gross replacement cost based on MEERA techniques and equipment that would result in recognising an asset to serve the same function as the existing asset, rather than replicate the existing asset. Assets have been componentised as per AASB 116 Property, Plant and Equipment.

Valuations are undertaken by Wyong Water's staff based on the technical knowledge and experience of engineers and asset management staff taking into consideration NSW Reference Rates issued by the Department of Primary Industries Office of Water and the valuations performed by Evans and Peck and NSW Public Works in 2011 for the Joint Water Assets.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement (continued)

Unobservable Level 3 inputs used include materials used in the construction of the asset, residual value, useful life, asset condition, unit rates and pattern of consumption. As some of the assets have very long lives there is some uncertainty on the specifications and dimensions of some assets however the Water and Sewer Planning section undertook data validation processes to reduce this risk.

There has been no change to the valuation process during the reporting period.

Sewerage network

This asset class is comprised of sewer treatment plants, sewer pump stations, sewer vacuum systems and sewer mains.

The gross replacement cost approach has been utilised to value the sewerage network. This approach estimates the gross replacement cost based on MEERA techniques and equipment that would yield an asset to serve the same function as the existing asset, rather than replicate the existing asset. Assets have been componentised as per AASB 116 Property, Plant and Equipment.

Valuations are undertaken by the Wyong Water's staff based on the technical knowledge and experience of engineers and asset management staff taking into consideration NSW Reference Rates issued by the Department of Primary Industries Office of Water.

Unobservable Level 3 inputs used include materials used in the construction of the asset, residual value, useful life, asset condition, unit rates and pattern of consumption. As some of the assets have very long lives there is some uncertainty on the specifications and dimensions of some assets however the Water and Sewer Planning section undertook data validation processes to reduce this risk.

There has been no change to the valuation process during the reporting period.

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3)

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

	Plant and equipment	Office equipment	Furniture and fittings	Operational land	Total
Adoption of AASB 13	616	214	30	57,599	58,459
Transfers from/(to) another asset class	5	-	-	55	60
Purchases (GBV)	23	-	-	47	70
Disposals (WDV)	-	-	-	(49)	(49)
Depreciation and impairment	(168)	(58)	(12)	-	(238)
Other movements	2	2	-	-	4
Closing Balance - 30/6/14	478	158	18	57,652	58,306
Purchases (GBV)	5	92	20	-	117
Disposals (WDV)	-	-	-	(35)	(35)
Depreciation and impairment	(169)	(72)	(11)	-	(252)
Closing Balance - 30/6/15	314	178	27	57,617	58,136

	Community land	Buildings specialised	Other structures	Stormwater drainage	Total
Adoption of AASB 13	1,168	12,393	1,431	231,531	246,523
Transfers from/(to) another asset class	(55)	-	-	-	(55)
Purchases (GBV)	-	-	28	7,779	7,807
Depreciation and impairment	-	(307)	(47)	(2,616)	(2,970)
Revaluation increments to equity (ARR)	-	-	-	459	459
Other movements	-	2	1	1	4
Closing Balance - 30/6/14	1,113	12,088	1,413	237,154	251,768
Transfers from/(to) another asset class	-	-	-	650	650
Purchases (GBV)	-	-	56	9,746	9,803
Disposals (WDV)	(8)	-	-	-	(8)
Depreciation and impairment	-	(303)	(48)	(3,053)	(3,404)
Revaluation increments to equity (ARR)	-	-	-	97,262	97,262
Closing Balance - 30/6/15	1,105	11,785	1,421	341,759	356,070

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3) (continued)

a. The following tables present the changes in Level 3 fair value asset classes. (continued)

	Roads	Bulk earthworks	Water supply network	Sewerage network	Total
Adoption of AASB 13	-	-	551,764	656,265	1,208,029
Purchases (GBV)	-	-	4,632	7,317	11,949
Disposals (WDV)	-	-	(252)	-	(252)
Depreciation and impairment	-	-	(13,618)	(12,509)	(26,127)
Revaluation increments to equity (ARR)	-	-	15,625	18,260	33,885
Other movements	-	-	(11)	2	(9)
Closing Balance - 30/6/14	-	-	558,140	669,335	1,227,475
Transfers from/(to) another asset class	26	16	(493)	-	(451)
Purchases (GBV)	-	-	1,906	5,708	7,614
Disposals (WDV)	-	-	-	(307)	(307)
Depreciation and impairment	(1)	-	(14,096)	(12,858)	(26,955)
Revaluation increments to equity (ARR)	-	-	8,160	9,945	18,105
Closing Balance - 30/6/15	25	16	553,617	671,823	1,225,481

Wyong Water

Notes to the financial statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement (continued)

(4). Fair value measurements using significant unobservable inputs (Level 3) (continued)

b. The valuation process for Level 3 fair value measurements

The revaluation of assets is carried out based on the appropriate methodology for each asset class prepared by the Wyong Water's experienced asset management staff. The fair value of assets has been evaluated using a cost approach based on MEERA techniques that would result in recognising an asset to serve the same function as the existing asset, rather than replicate the existing asset. The asset classes Operational Land and Buildings Non-Specialised use a market value approach where applicable and Land under Roads also encapsulates the Englobo valuation basis.

The significant inputs considered in the valuation of assets to fair value are the asset components, materials used in the construction of the asset, residual values, pattern of consumption, dimensions, condition ratings and remaining useful life. Asset conditions are based on field inspections using ratings aligned with technical asset condition standards for each asset class which aligns to the condition ratings set out in Special Schedule 7. For assets with long lives there is some uncertainty on the specifications and dimensions of some assets however data validation processes have been undertaken to reduce this risk.

Revaluation of assets is undertaken by experienced Wyong Water staff or independent valuation consultants depending on the asset class and available information for valuation purposes. Wyong Water's asset managers will determine if external valuation consultants are required to be engaged.

Wyong Water's asset managers and finance team work together to analyse fair value movements post valuation. In the 2015 reporting period the asset classes Roads and Stormwater Drainage assets were revalued by the Wyong Water's staff. This is the second valuation of Road and Drainage assets, the first of which was undertaken by external consultants in 2010.

(5). Highest and best use

As part of Wyong Water's ongoing review of the highest and best use of its assets in terms of service to the Community. Any operational land parcels which Wyong Water has assessed as being surplus to requirements and having limited service to the Community have been recommended for sale in the open market. Council on behalf of Wyong Water has resolved to sell surplus parcels which will assist Wyong Water in funding strategic projects as outlined in our strategic plan.

All of the Wyong Water's other non-financial assets are considered to being utilised for their highest and best use to serve Community needs.

5.3 Proposed Councillors' Community Improvement Grants

TRIM REFERENCE: C2015/01723 - D12075092

MANAGER: Lesley Crawley, Manager Corporate Governance

AUTHOR: Lisa Martin; Administration Assistant

SUMMARY

Councillors propose the following allocation of funds for expenditure from Councillors' Community Improvement Grants (CCIG).

RECOMMENDATION

- 1 That Council **allocate** an amount of \$9,595 from the 2015-16 Councillors' Community Improvement Grants as follows:

Berkeley Vale Neighbourhood Centre Ass Inc. (\$910)	The purchase of 17.5 cubic metres of quality organic garden soil to fill newly created garden beds for the Berkeley Vale Community Garden.	700
Central Coast CC Australian Italian Friendship Inc. (\$2500)	Facilitating social contact for a group of elderly Italian Nationals for integration within the general community.	2,500
Charmhaven Tennis Centre Inc. (\$4000)	Provide security lighting for night time when locking up and the purchase of additional seating for parents/players.	1,700
Chittaway Bay Public School P&C Association Inc. (\$754)	Repair storm and severe weather damage to the Anzac Memorial Garden that the students of the school proudly created.	520
Good Grief Limited (\$158)	To cover the cost of books for children participating in the program who are experiencing grief and loss through the loss of a loved one either through divorce or death.	75
Norah Head Ratepayers and Coast Care Association Inc. (\$1000)	Administration Costs	600
San Remo Community Environment Project Inc. (\$4000)	To build new raised garden beds at the Community garden in San Remo for members and non-members to grow their own fresh vegies and flowers.	1,300
Toukley Neighbourhood Centre (\$3840)	To provide subsidised art classes after school for children aged 7-14 years	750
Wyong Dog Training Club Inc.(\$3699)	To purchase a laptop computer to run and manage the club on a daily basis.	1,000
Yarramalong Valley Progress Association Inc. (\$556)	The Yarramalong Valley Spring Show	450

BACKGROUND

Provision has been made in Council's Annual Plan for each Councillor to recommend to Council the donation of funds to individuals, local service, charitable or community organisations that operate in the Shire or provide a benefit specifically to the residents of the Shire.

Funds may also be allocated for emergency assistance in the event of natural disasters such as bushfires, flood or drought anywhere in Australia, subject to CCIG Policy. The funds are granted subject to approval of the Council as a whole.

THE PROPOSAL

Under Council's Policy, all proposed allocations are subject to the approval of the Council as a whole.

Each Councillor is allocated a one tenth share of a total amount identified annually in Council's Annual Plan.

In the financial year preceding a Local Government election, the allocation to the individual Councillors will be 75% of the allocation identified above and will be available to Councillors from 1 July to 31 May of the 2015-16 year.

The amount allocated in the 2015-16 Annual Plan is \$112,500. In addition Council resolved to 'carry over' the unallocated balance for the 2014-15 financial year, being the amount of \$42,943.

The total available allocated funding for the 2015-16 financial year is \$155,443.00.

The proposed allocations are listed below:

COUNCILLORS' COMMUNITY IMPROVEMENT GRANTS ALLOCATION	Best	Eaton	Graham	Greenwald	Matthews	Nayna	Taylor	Troy	Vincent	Webster	SUB TOTAL
Allocation 01/07/2015 - 31/05/2016	15,536	14,833	16,806	16,459	12,436	18,808	20,466	14,115	11,710	14,274	155,443
Expenditure up to and including Ordinary Council Meeting of 12 August 2015	900	2,050	2,000	700	1,400	0	800	1,850	0	4,300	14,000
Available allocation as at 9 September 2015	14,636	12,783	14,806	15,759	11,036	18,808	19,666	12,265	11,710	9,974	141,443
14 October 2015											
Berkeley Vale Neighbourhood Centre Ass Inc. (\$910)	100				500			100			700
Central Coast CC Australian Italian Friendship Inc. (\$2500)	250	800			500		450			500	2,500
Charmhaven Tennis Centre Inc. (\$4000)	200				1,000			500			1,700
Chittaway Bay Public School P&C Association Inc. (\$754)	100				350			70			520
Good Grief Limited (\$158)	25							50			75
Norah Head Ratepayers and Coast Care Association Inc. (\$1000)	200	200						200			600
San Remo Community Environment Project Inc. (\$4000)	300				500			500			1,300
Toukley Neighbourhood Centre (\$3840)	200				250			300			750
Wyong Dog Training Club Inc.	500							500			1,000
Yarramalong Valley Progress Association Inc. (\$556)	100				250			100			450
Total Proposed Allocations for 14 October 2015	1,975	1,000	0	0	3,350	0	450	2,320	0	500	9,595
Total Accumulated Allocations as at 14 October 2015	2,875	3,050	2,000	700	4,750	0	1,250	4,170	0	4,800	23,595
Balance Uncommitted as at 14 October 2015	12,661	11,783	14,806	15,759	7,686	18,808	19,216	9,945	11,710	9,474	131,848

In April 2015 Council reviewed the Councillor Community Improvement Grant Policy in relation to the number of applications a group may be permitted to submit across all WSC grant programs in one financial year. The amended policy (Clause D15) requires that should a group submit two or more applications for any of Council's grant programs within the same financial year, then Council must consider the public benefit that would arise prior to approving the funding recommended for the second or subsequent application.

Staff have commenced applying this clause from 27 April 2015 and reviewed the list of applications not yet fully allocated.

The following is a list of applications that are for consideration in this report that are subsequent applications from the same group in the 2015-2016 year.

Group	Current Application	Previous Applications
Berkeley Vale Neighbourhood Centre Association Inc.	Submitted Date: 13 August 2015 Amount: \$910 Purchase 17.5 cubic meters of organic garden soil	Date: 14 August 2015 Type of Grant: Community Benefit Grant Amount Requested: \$4210 Allocated: \$N/A 'First Aid Essentials for Parents and Carers' Status: Undecided

5.3 Proposed Councillors' Community Improvement Grants (contd)

Note: The second application from this group will be determined under the Community Benefit Grant process at which time Council will consider the public benefit that would arise from approving both projects.

OPTIONS

- 1 Approval of applications as submitted will provide a community benefit to residents of the Shire.
- 2 Non approval could result in assistance not being provided to the community.

STRATEGIC LINKS

Annual Plan

Principal Activity	Strategy or Program	Financial Line Item No and Description
A More Sustainable Community	Enhance the quality of life of the Shire's residents	1.1.11 – Community Financial Support

Contribution of Proposal to the Principal Activity

The Councillors' Community Improvement Grants were developed to help charitable community groups and in doing so helping the broader community.

Link to Shire Strategic Vision

Priority Objective	How the proposal contributes or links to the Priority Objectives in Shire Strategic Vision and Annual Plan
Communities - Communities will be vibrant, caring and connected with a sense of belonging and pride in their local neighbourhood.	Funding is available to projects not specifically nominated in Council's Annual Plan that contribute to the priority objective.
Facilities and Services - Communities will have access to a diverse range of affordable and coordinated facilities, programs and services.	Funding is available to projects not specifically nominated in Council's Annual Plan that contribute to the priority objective.

Principles of Sustainability

The CCIG program is aligned with the principles of sustainability in that it would:

- Improve and maintain safety, wellbeing and sense of community
- Use locally available resources to increase our self-reliance
- Support local and regional economic prosperity
- Build and strengthen partnerships and alliances

CONSULTATION

Applications that met the criteria were distributed to Councillors for their consideration.

GOVERNANCE

All expenditure recommended is permissible under Section 24 and 356(1) of the Local Government Act 1993.

CORPORATE RISKS

Nil Impact.

CONCLUSION

The proposed allocations contained in this report are permissible under the Council's policy on Councillors' Community Improvement Grants. The process has been correct and Council may confirm the grants at its option.

ATTACHMENTS

Nil.

5.4 Delegate to Committees - Vacancy in Civic Office

TRIM REFERENCE: F2009/01343 - D12091135
MANAGER: Brian Glendenning, General Counsel
AUTHOR: Lesley Crawley; Manager Corporate Governance

SUMMARY

Election of delegates to Committees and external bodies as a result of a casual vacancy in civic office since 11 September 2015.

RECOMMENDATION

- 1 That Council nominate an alternate delegate to the Joint Regional Planning Panel for the remainder of the term of Council.**
- 2 That Council elect a delegate to the Local Traffic Committee for the remainder of the term of Council.**
- 3 That Council elect a delegate to the Audit and Risk Committee for the remainder of the term of Council.**
- 4 That Council elect a delegate to the Employment and Economic Development Committee for the remainder of the term of Council.**
- 5 That Council elect a delegate to the Grants Advisory Group for the remainder of the term of Council.**
- 6 That Council elect a delegate to the Sports Advisory Group for the remainder of the term of Council.**
- 7 That Council elect a delegate to Greater Toukley Vision for the remainder of the term of Council.**
- 8 That Council elect a delegate to the Executive - Central Coast Regional Organisation of Councils for the remainder of the term of Council.**

BACKGROUND

In October 2012 Council resolved to establish strategic committees of Council, statutory committees and advisory groups. Council further noted invitations to provide delegates to represent Council on external bodies.

At that meeting Council also resolved to appoint delegates to those committees, advisory groups and external bodies for the term of the Council.

CURRENT STATUS

Councillor Nayna resigned from civic office on 11 September 2015. The casual vacancy has resulted in vacancies on several of Council committees, advisory boards and external representation.

The vacant positions are as follows:

	Name	Type	Purpose	Position Vacant and current delegate/s	Meeting schedule
1	Joint Regional Planning (Hunter & Central Coast) Panel	Statutory	Established by State government to determine development proposals of "regional significance". Regional significance projects may include any with a capital investment value of between \$10 million and \$100 million	Current Delegate: Eaton, Best Alternate Delegate Taylor, vacant	When: As required Where: Civic Centre
2	Local Traffic Committee	Statutory	Technical Advisory Committee which considers matters delegated by RTA to Council and Council staff as prescribed by the Roads Act(s)	Current Delegate Vacant Alternate Delegate Webster	When: 1 st Wednesday every second month Where: Civic Centre
3	Audit and Risk Committee	Strategic Committee	To provide an assurance role, from a position independent of management, in respect to WSC's governance arrangements.	Mayor, Deputy Mayor 1 st Alternate Vacant 2 nd Alternate Vincent	When: Quarterly on a Wednesday at 9:30am Where: Civic Centre
4	Employment and Economic Development Committee (EEDC)	Strategic Committee	Providing strategic advice and guidance to Council on identifying, recommending and supporting projects and initiatives that will, generate employment, economic development & sustainable growth within the Wyong Shire and Central Coast community in alignment with Council's Strategic Plan and other regional strategies.	WSC Delegate Best Webster Greenwald Troy Eaton Vacant	When: 1 st Wednesday every second month Where: Civic Centre

	Name	Type	Purpose	Position Vacant and current delegate/s	Meeting schedule
5	Grants Advisory Group	Advisory Group	To consider and applications for funding in accordance with Council's Grants and Sponsorship Policy and make recommendations to Council on allocation of the funding.	Eaton Webster Vacant Mgr Community Partnerships and Planning	When: As required by grant cycle Where: Civic Centre
6	Sports Advisory Group	Advisory Group	To receive feedback from community representatives for sporting facilities and projects.	Cr Eaton Vacant Cr Troy Cr Taylor	When: quarterly on the last Tuesday of the month at 5:30pm
7	Greater Toukley Vision	External Body	Greater Toukley Vision Inc (GTV) is a non-profit organization responsible for administering the funds received by Wyong Shire Council from a levy on the commercial premises in the Greater Toukley area.	Vacant WSC Councillor Delegate	When: Monthly 2 nd Tuesday from 5:30pm
8	Executive - Central Coast Regional Organisation of Councils (CCROC)	Joint Committee	Pursuing better outcomes for serving the Central Coast community.	Mayor, Deputy Mayor, Vacant	As required but generally quarterly and held 2 weeks before the full joint CCROC meeting

THE PROPOSAL

It is proposed that Council elect new delegates to the positions made vacant by the resignation of Councillor Nayna for the remainder of the term of Council.

OPTIONS

Council may:

- 1 Elect delegate to the nominated Strategic and Statutory Committees, Advisory Groups and external bodies

5.4 Delegate to Committees - Vacancy in Civic Office (contd)

- 2 Amend the membership of its Strategic Committees, Advisory Groups to reduce the membership so that the vacancy no longer exists. If this option is taken Council will still need to elect delegates to statutory committees and external bodies.
- 3 Council had two alternates delegates for the JRPP (Crs Nayna and Taylor). Council may decline to replace the vacancy and retain one alternate.
- 4 Council may nominate a staff member for the vacant alternate position on the JRPP. Note: Of the two council appointed members, one member must have expertise in one or more of the following fields: planning, architecture, heritage, the environment, urban design, land economics, traffic and transport, law, engineering or tourism.

STRATEGIC LINKS

Nil

Budget Impact

Nil

CONSULTATION

Nil

GOVERNANCE AND POLICY IMPLICATIONS

Nil

MATERIAL RISKS AND ISSUES

Nil

CONCLUSION

A councillor has recently resigned his position of Civic Office. The resignation has created vacancies in representation on Council Committees and Advisory Groups and external bodies.

It is recommended that Council elect new delegates to fill those vacancies for the remainder of the term of Council.

ATTACHMENTS

Nil.

5.5 **Tetratheca juncea Investigation Study**

TRIM REFERENCE: RZ/13/2012 - D12079159
MANAGER: Tanya O'Brien, Manager
AUTHOR: Scott Duncan; Section Manager

SUMMARY

At its meeting on 23 October 2013, Council resolved to investigate the feasibility of removing the species *Tetratheca juncea* from the state and federal threatened species lists. This report discusses the findings of a feasibility report and recommends that Council does not proceed any further in having the species delisted.

RECOMMENDATION

- 1 ***That Council note the report prepared by Dr John Hunter "Preliminary Feasibility Report on Proposed Delisting of Tetratheca juncea".***
- 2 ***That Council not pursue the delisting of Tetratheca juncea any further.***

BACKGROUND

Tetratheca juncea is a small shrub and is listed as a Vulnerable species on both the Federal Government's *Environment Protection and Biodiversity Conservation (EPBC) Act 1999* and the *NSW Threatened Species Conservation (TSC) Act, 1995*. A vulnerable species is one which is likely to become endangered unless the circumstances threatening its survival and production improve.

At its meeting of 12 June 2013, Council considered a report which recommended supporting a planning proposal to rezone land at 2 – 10 Cams Boulevard, Summerland Point (RZ/13/2012).

The site contained approximately 29 clumps of *Tetratheca juncea*. In endorsing the recommendation to rezone the land, Council added the following resolutions.

"RESOLVED on the motion of Councillor TAYLOR and seconded by Councillor BEST:

739/13 That Council note that Tetratheca juncea is endemic to the Central Coast and Hunter Region, however it is listed as vulnerable based on its distribution.

740/13 That Council write to the relevant State and Federal Government agencies requesting reconsideration of this endangered status.

FOR: COUNCILLORS BEST, EATON, GRAHAM, NAYNA, TAYLOR, TROY AND WEBSTER

AGAINST: COUNCILLORS GREENWALD, MATTHEWS AND VINCENT "

Council at its meeting held 23 October 2013;

“RESOLVED unanimously on the motion of Councillor TAYLOR and seconded by Councillor NAYNA:

*1327/13 That Council receive the report on Response to Motion to Request Delisting of *Tetratheca juncea*.*

1328/13 That Council request the General Manager to provide a report on the success or otherwise of the delisting applications and changes to off setting requirements from the Office of Environment and Heritage (OEH).”

In response to this resolution 1328/13, Council engaged Dr John Hunter to prepare a report to investigate the feasibility of delisting *Tetratheca juncea* from both the *Threatened Species Conservation Act, 1995* and the *Environment Protection and Biodiversity Conservation Act, 1999*.

Overview of Dr John Hunter Report

Large populations of *Tetratheca juncea* occur on the Central Coast, Lower Hunter and Lower North Coast (from Karuah to Buledelah). Historically populations also occurred in the Sydney region but they have since become extinct in this region.

As part of the work conducted by Dr John Hunter, a literature review was conducted and potential habitat modelling conducted to produce a potential distribution model of both northern and southern meta-populations. The report outlines that the northern population has more suitable habitat than the southern population, but comparatively much fewer species records. Some limited field survey work was conducted on the northern meta-population. No new populations were detected within the northern population as part of this field survey program.

A map showing known distribution of *Tetratheca juncea* based on NSW Wildlife Atlas records is shown in the map below.

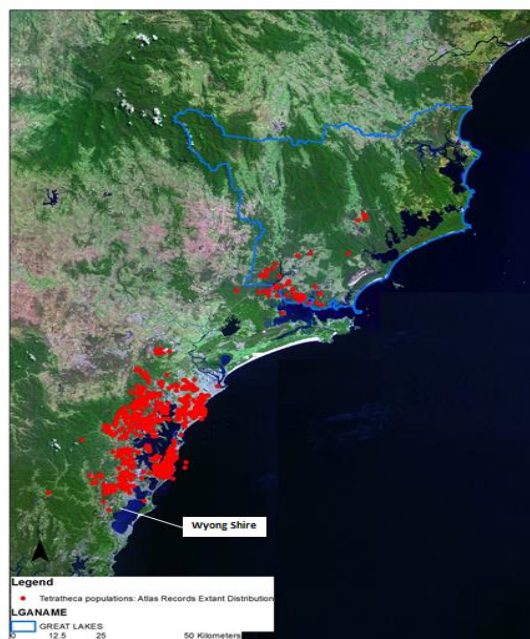


Figure 1: Population distribution map of *Tetratheca juncea*

Dr John Hunter advises that further survey work across a wide range of habitats would be required to provide the evidence to support any de-listing application by Council. He also expressed the view that when the species was first listed, little information existed on the species distribution and ecology and that over time the species has proven to be more widespread than first thought. He concluded that it is difficult to predict the views of the NSW Scientific Committee who administer delisting requests for the TSC 1995 and the Federal Department of Environment who administer the same process under the EPBC Act 1999. Dr John Hunter considered that they would likely take a precautionary approach for any delisting request and it was unlikely to be successful, unless additional reserves for this species are established within known population locations or new populations are discovered within recently modelled areas of habitat on the mid north coast of NSW which have not been subjected to detailed targeted ecological survey work.

The report also suggests that a necessary requirement to support any de-listing proposal would be to increase the area of the population under a secure reservation (i.e. through conservation agreements, biobanking or expanding national park reserves to protect additional large populations).

Securing large populations of the species for protection and on-going management (under biobanking agreements) has not been investigated or costed but would be several million dollars to fund land purchases and fund management programs over extensive areas of *Tetratheca juncea* habitat (much of which is outside of Wyong Shire). If Council is prepared to undertake protection and management of strategic populations of the species, a de-listing application may be successful, which may free up some development options on some development sites in Wyong Shire.

Offsetting

At its meeting of 12 June 2013, Council also resolved (1328/13) to receive an overview of changes to offsetting requirements from OEH. There are a number of methodologies which establish offsetting requirements for different ecosystem types and threatened species (these apply to *Tetratheca juncea* and many other threatened species).

Different offset methodologies apply to different types of development. Some of the main ones include;

- the NSW Biobanking Methodology,
- NSW Biodiversity Certification Methodology
- NSW State Offsets Policy for Major Projects; and
- NSW Native Vegetation Act, 2003.

For the species *Tetratheca juncea* offset requirements are expressed as species credits. For example removing an individual clump of *Tetratheca juncea* would require securing the required number of credits for each individual plant lost at a development site (if done through the NSW Biobanking Assessment Methodology). The methodology estimates credit requirements using the NSW Biobanking Credit Calculator, which is a computer software program which estimates ecosystem and species impacts for development proposals. This tool calculates the number of ecosystem and species credits generated by the development which will need to be retired or offset on an actual biobank offset site. The size of the offset site is influenced by a number of factors, such as the area of species habitat, potential for species to increase from management actions and the condition of the site. Other offset methodologies mentioned earlier have slightly different ways of undertaking biodiversity calculations.

CONSULTATION

In response to Council's request to investigate the likely success of being able to delist *Tetratheca juncea* the following government agencies and the NSW Scientific Committee were consulted in an attempt to ascertain their views on the matter. The views of each are summarised and copies of relevant correspondence are provided in Attachment 1, 2 and 3.

NSW Office of Environment and Heritage (OEH)

The OEH advised that it would not be appropriate for OEH to comment on the delisting process as this is the role of the NSW Scientific Committee.

NSW Scientific Committee

The NSW Scientific Committee advised that in view of the restricted range of the species, fragmented nature of known populations and perceived threat in near future of further habitat loss through clearing, it was considered that the species still meets the criteria for listing as a vulnerable species.

Any delisting application would need to demonstrate that the species no longer meets the criteria for listing as a Vulnerable species, based on confirmed records showing that the species occurs over a significantly wider range than at present and include additional information on population number, stability and threats.

Department of the Environment (Federal Government)

The Department of the Environment advised that in order for a species to get removed from the *Environment Protection and Biodiversity Conservation Act, 1999* sufficient evidence must be submitted that the species no longer meets the 5 criteria for listing. Additionally, the EPBC Act, 1999 provides for a species to remain listed, even if it is assessed as no longer meeting the requirements to remain listed.

In order for a successful delisting argument to be made, it would need to be demonstrated that the area of occupancy and extent of occurrence for the species will exceed those thresholds described in the delisting nomination (Criterion 2) and that the population size and continuing decline would need to exceed the thresholds of Criterion 3. In addition, the application would need to demonstrate that if the species was removed from the threatened species list that future planned developments would not result in the species becoming threatened and eligible for re-listing at some future date.

CONCLUSION

It is considered that any attempt to delist the species is unlikely to be successful without spending significant funds conducting further survey work to detect new populations and establishing new conservation reserves to protect additional populations of this species (most of which would be outside of Wyong Shire). It is considered to be beyond the resources of Council to achieve what amounts to the achievement of broader State Government conservation outcomes which would be required to mount a successful argument to delist this species from both State and Federal Government threatened species legislation. Correspondence with the NSW Scientific Committee and Department of the Environment (Federal Government) confirms this view. It is recommended that the report be noted.

ATTACHMENTS

1	Correspondence from NSW Office of Environment and Heritage	D11885373
2	NSW Scientific Committee	D12062319
3	Department of Environment (Federal Government)	D11952360
4	Final Preliminary Feasibility Report on Proposed Delisting of Tetratheca juncea	D12091251



Office of
Environment
& Heritage

Your reference: RZ/13/2012
Our reference: DOC15/74362-01
Contact: Ziggy Andersons, 4908 6820

Mr Michael Whittaker
General Manager
Wyang Shire Council
PO Box 20
WYONG NSW 2259

Attention: Scott Duncan

Dear Mr Whittaker

RE: PRELIMINARY FEASIBILITY REPORT ON PROPOSED DELISTING OF TETRATHECA JUNCEA – PT LOT 200 DP 1181287 CAMS BOULEVARD, SUMMERLAND POINT - WYONG LGA

I refer to your letter dated 6 March 2015 seeking comment on information requirements to support the delisting of the vulnerable listed plant *Tetralthea juncea* (Black-eyed Susan) and an opinion on the likelihood of success if Council were to submit such an application.

The Office of Environment and Heritage (OEH) is responsible for administering the *Threatened Species Conservation Act 1995* (TSC Act), which aims to protect species, populations and ecological communities threatened with extinction in NSW. The TSC Act establishes an independent Scientific Committee which is responsible for determining which species, populations and ecological communities should to be listed as endangered, vulnerable or presumed extinct under the TSC Act, and also to identify key threatening processes.

The process by which species, populations and ecological communities are listed as threatened is the foundation of the TSC Act, which requires that listing decisions are made by an independent scientific body (i.e. the Scientific Committee). In regards to OEH's opinion as to whether or not an application would be successful, it would not be appropriate for OEH to comment on the delisting process as this is the role of the Scientific Committee.

If you have any enquiries concerning this advice, please contact Ziggy Andersons, Conservation Planning Officer, on 4908 6820.

Yours sincerely

12 MAR 2015

RICHARD BATH
Senior Team Leader Planning, Hunter Central Coast Region
Regional Operations

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NSW SCIENTIFIC COMMITTEE

Mr Scott Duncan
Acting Team Leader
Rezoning
Wyong Shire Council
PO Box 20
WYONG NSW 2259

Dear Mr Duncan,

Thank you for your letter of 24th February, 2015 and the copy of John Hunter's report on *Tetratheca juncea*.

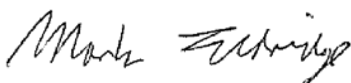
As you are aware *Tetratheca juncea* is currently listed as a vulnerable species in Schedule 2 of the Threatened Species Conservation Act. After reviewing the report the Committee has undertaken a review and appraisal of this species.

While Dr Hunter found that the species is known from more individuals than was previously thought no new populations that would increase the range of the species were found. The Extent of Occurrence and Area of Occupancy of the species was calculated using data from the Atlas of Living Australia and it was found to fall under the threshold for vulnerable species status. In view of the restricted range of the species, the fragmented nature of known populations and perceived threat in the near future of further habitat loss through clearing the Committee considers that the species still meets the criteria for listing as a vulnerable species.

Any delisting proposal would need to demonstrate that the species no longer meets the criteria for listing as a vulnerable species. It would need to be based on confirmed records showing that the species occurs over a significantly wider range than at present and include information on the numbers and stability of the populations, and the threats to the species across its range.

Thank you for providing the report. The Committee is always pleased to receive any information relevant to threatened species. If the information relevant to a delisting assessment becomes available in the future we would be pleased to consider a nomination.

Yours sincerely



Dr Mark Eldridge
Chairperson
NSW Scientific Committee

18 AUG 2015

ESTABLISHED UNDER THE THREATENED SPECIES CONSERVATION ACT 1995

Contact Address: C/o PO Box 1967 Hurstville BC NSW 1451 Telephone: (02) 9585 6940 Facsimile: (02) 9585 6606



Australian Government
Department of the Environment

Scott Duncan
Acting Team Leader REZONINGS
Wyong Shire Council
2 Hely Street
WYONG NSW 2259

Dear Mr Duncan

Thank you for your letter dated 24 February 2015 regarding the Wyong Shire Council's consideration of submitting a potential nomination for assessment to delist *Tetratheca juncea*. In order for a species to be removed from the list, sufficient supporting evidence needs to be provided to demonstrate that the species no longer meets any of the five criteria for listing. Additionally, the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) provides for a species to remain listed, even if it is assessed as no longer meeting the criteria for listing, if delisting it may result in protection actions being removed that may result in it becoming eligible for listing again in the future. The delisting nomination form¹, available on the Departments website outlines the information that is required to demonstrate that the species is no longer eligible and could be delisted.

Tetratheca juncea was listed as vulnerable (<http://www.environment.gov.au/node/16521>) under the EPBC Act in 2005 and found to meets criteria;

Criterion 2: *Tetratheca juncea* has a limited geographic distribution that is precarious for the survival of the species. *Tetratheca juncea* has a small extent of occurrence (estimated to be between 1594 and 1861 km²) and is severely fragmented (i.e. most individuals are found in small and relatively isolated subpopulations). The species is known to consist of approximately 239 subpopulations with 83% of these subpopulations consisting of fewer than 50 individuals.

Criterion 3: The estimated total number of mature individuals is limited. Given the severely fragmented nature of the species' distribution, and the fact that *Tetratheca juncea* occurs in coastal areas subject to high population growth and associated land development pressures, it is considered likely that a continuing decline in both the number of subpopulations and individuals is likely to occur. The total population size of *Tetratheca juncea* was estimated to be between 9881 and 11 893 plant clumps (approximately 10 000 individuals).

In order for the species to be removed from the list you would need to provide sufficient information that new knowledge on the species can demonstrate that the area of occupancy and the extant of occurrence exceed those thresholds described in the delisting nomination form under criterion 2. Similarly you would need to provide sufficient information in the nomination form regarding the population size and decline exceeding those thresholds

¹ <http://www.environment.gov.au/biodiversity/threatened/nominations/forms-and-guidelines>

described in the nomination form under criterion 3. You would also need to provide sufficient information to demonstrate that the species would also not be eligible under criteria 1, 4 and 5.

It is also important to note that evidence must also be provided to demonstrate that the removal of conservation management programs for the species as a result of it being removed from the list of threatened species would not result in the species becoming eligible for listing in the foreseeable future. Should you wish to submit a nomination to remove the *Tetratheca juncea* you would need to demonstrate that if the species was removed from the threatened species list that future planned development in the area would not result in the species becoming threatened and eligible for listing.

The report that you provided with your letter identifies the threats and touches on the information needed for delisting. The information appears to indicate that the species may now be known from up to 1.2 million clumps which exceed the threshold of <10,000 for vulnerable. For criterion 3 it would also need to be demonstrated that there no observed, estimated or projected continuing decline. It appears that the species area of occupancy remains <2000 km² and /or extent of occurrence <20 000 km², therefore the species would remain eligible under the first part of the criterion, it would need to be proved that there was no continuing observed, estimated or projected continuing decline. Guidelines on interpreting the criteria for listing can be found at the following link:

<http://www.environment.gov.au/system/files/pages/d72dfd1a-f0d8-4699-8d43-5d95bbb02428/files/tssc-guidelines-assessing-species-2015.pdf>

The Threatened Species Scientific Committee (TSSC) would need to be satisfied that the thresholds are exceeded for all five criteria and the status change is met therefore making the species ineligible for listing. The report that you provided suggests a cautionary approach to any delisting and that further survey work is needed to ensure a strong case for delisting, which the TSSC would require for consideration for reassessment of *Tetratheca juncea*.

If you have any questions about the delisting process or nomination to remove a threatened species from the list form please contact Eleena Wykes via email eleena.wykes@environment.gov.au or by phone on 02 6275 9245.

Yours sincerely



Liesl Taylor
Acting Director
Species Information and Policy Section
Department of the Environment

// May 2015

Preliminary Feasibility Report on Proposed Delisting of *Tetratheca Juncea*

Background Document Prepared by Dr John T. Hunter for the
Wyong Shire Council

Draft Report

February 2015



Document Information 2-2015

Citation:	Hunter, J.T. (2015) <i>Preliminary Feasibility Report on Proposed Delisting of <u>Tetratheca juncea</u></i> . Unpublished report to the Wyong City Council
Versions:	Draft Report v2 issued 20 th February 2015
Recipient:	Rochelle Lawson, Senior Ecologist, Property Management, Wyong Shire Council
Prepared by:	Dr John T. Hunter B.Sc. (Hons 1 st Class) Ph.D. [Ecologist/Botanist]
Reviewed by:	Vanessa Hunter B.Sc. [Ecologist]

Disclaimer

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1. Autecology of *Tetratheca juncea*

1.1 General description

Current Conservation Status

TSC Act Status: listed as Vulnerable under Schedule 2.

EPBC Act Status: listed as Vulnerable.

RoTAP (no-longer up-kept): 3VCa.

Derivation of name: *Tetra* 'Four'; *Thaeca* 'Anther Sacks'; *juncea* 'rush like'.

Tetratheca (Elaeocarpaceae) consists of 39 species (Thompson 1976) which are found across southern Australia from Western Australia, South Australia and the eastern States. One third (32%) of the species are considered to be rare or threatened (Gross *et al.* 2003) with two species thought to be extinct.

Many species within the genus, including *Tetratheca juncea*, are commonly known as 'Black Eyed Susan' due to their pendent pink flowers with a dark centre. *Tetratheca juncea* is a rhizomatous perennial sub-shrub growing to a height of 1.5 m. The species when young, or when in early regrowth after disturbance, has obovate leaves which are caducous (early deciduous) giving the plant a leafless appearance in its adult phase but is recognisable by its winged/angular stems.

What constitutes an individual is difficult to discern in the field and field counts generally are derived from a standardized method that recognises clumps of 30 cm as individuals. These clumps may contain up to 500 stems of a combination of ramets and genets (Bartier *et al.* 2001). The clumps may be long lived and persist for many decades with the internal stems becoming senescent with vigorous outer stems (Gross *et al.* 2003).

Budding generally occurs in early June with flowering beginning around August with fruit set beginning as pollinators become active in September (Driscoll 2013); fruits mature and seed is released from November onwards (Driscoll 2013). A second stage of flowering occurs approximately in September and may continue through to late summer particularly if rainfall is delayed. Flowers can be seen throughout the year (Driscoll 2003). *Tetratheca juncea* flowers are most commonly made up of four petals and four ovules, though additional petals and ovules are sometimes noted (Driscoll 2003; Driscoll 2013; Gross *et al.* 2003). Flowers are indeterminate, solitary or found in pairs and occur alternately along the stems.

1.2 Pollination and dispersal

Anthers are poricidal and contain pollen within a tapetal fluid (Driscoll 2003; Gross *et al.* 2003). The tapetal fluid dries gradually and releases pollen passively in small amounts after insect sonification (Buzz Pollination) (Gross *et al.* 2003). Up to 80% of the pollen is viable initially but is unviable by 14 days (Gross *et al.* 2003). Importantly *Tetraloche juncea* provides no nectar sources and as already stated pollen is released in small amounts gradually. Thus plants of *Tetraloche juncea* provide little attraction to pollinators as a food source. Gross *et al.* (2003) considered the clumping nature of the species assisted in pollination even if fruit set from autogamy was a rare event.

The species is known to be poorly autogamous (self-pollinating) and fertilisation is greatly enhanced by xenogamy. Under glasshouse conditions approximately 2% flowers produced viable seed when autogamy occurred due to passive dropping of small amounts of pollen onto the very small stigma (Bartier *et al.* 2001; Gross *et al.* 2003). Pollination is dependent largely on native bees (Driscoll 2003; Driscoll 2013). Fruit production is known to vary considerably within and between populations (Gross *et al.* 2003; Driscoll 2013). Overall a low seed set is reported for the species (Payne 2000; Bartier *et al.* 2001) and viability of seeds was approximately 30% (Bellairs *et al.* 2006). Observations by Driscoll (2003) suggested that pollinators were likely to only forage within an area within a single clump causing 'zoophilous autogamy' and thus low seed set. However after further research Driscoll (2013) believed that many of the earlier observations of poor seed set were based on biases due to its listed status. Currently up to six species of native bees have been observed pollinating the species transferring pollen up to 30 m (Fallding 2013).

Due to the lack of rewards for pollinators and the poor seed set from autogamy, Gross *et al.* (2003) speculated *Tetraloche juncea* may only persist within a patch if there remained a diversity of other co-flowering (specifically nectar producing) species for foraging insects. Similarly, Gross *et al.* (2003) suggested large contiguous populations with a large number of flowers may be required in order to allow regular successful outcrossing and long term viability.

The pollination strategy of *Tetraloche juncea* (slow release of pollen, short pollen longevity, poor autogamy and requirement for sonification) may be a lead to a significant disadvantage when populations are small, disjunct, fragmented, where the patch has a low diversity of other food source species, in particular co-flowering nectar producers and where a decline in pollinators has occurred (Gross *et al.* 2003). Thus long term persistence may require large contiguous populations in highly diverse habitats with healthy pollinator populations. Driscoll (2013) however argued that fecundity was not as low as Gross *et al.* (2003) had surmised and may actually be similar to other self-incompatible species.

Dispersal appears to be only across short distances (tens of metres) and reliant on ants being attracted to the nutrient rich elaiosome (Jones 2011). Driscoll (2013) discusses the potential of other fauna such as Macropods browsing stems with seeds surviving the passage through their guts, however no direct evidence has been found.

1.3 Response to fire

Driscoll (2013) observed that the passage of fire increased the growth rates, flowering and seed production along with an increase observed pollinators. One subpopulation was found to decrease in size by more than 25% ten years in the absence of fire presumably due to increased competition from other understorey species (Driscoll 2013) and the longevity of the seedbank was considered to be short by Bellairs *et al.* (2006). Seedlings have currently only been observed germinating after the passage of fire (Fallding 2013) and dormancy has been broken by scarification and exposure to smoke under research conditions (Bellairs *et al.* 2006). However the reduction in population size may have been due to a decrease in detectability rather than an actual decrease in population sizes (MacKenzie & Kendall 2002, Cunningham & Lindenmayer 2005, MacKenzie *et al.* 2005). Driscoll (2013) discusses the potential for meta-plasticity within *Tetradthea juncea* causing the species to expend more energy into underground resources in the face of increasing above ground competition. Driscoll (2003) also suggested that high frequency fire may cause simplification of floristics and community structure. Though resprouting is an adaptation to disturbance such as fire, a species ability to resprout is dependent on enough available time between disturbances to allow resources to be recovered, fire is only one of several disturbances (browsing, clearing, drought etc) that reduce clonal reproductive abilities (Croft *et al.* 2007; Croft *et al.* 2010). Though fire is an obvious important aspect for the persistence of this species, fire regimes should not focus on promoting maximum flowering and even maximum clump numbers for the species. Without further long term study high frequency may initially increase fecundity and numbers but in the long term declines may occur due to a reduction in competitive ability, responsiveness decreasing with increased disturbances, interaction of fire with other disturbances, flow on effects reducing general species composition of a patch and reduction in the long term of pollinator numbers.

1.4 Distribution and potential population size

Tetradthea juncea at one time occurred across 160 km from north of Buladelah (lower North Coast) to Port Jackson (Central Coast) during the 1880's. Currently the populations within the Sydney region are no longer extant leading to a range contraction which is now approximately 110 km from Buladelah in the north to the Wyong area in the south (Figure 1). Many known populations were thought to be in a fragmented and degraded state (Gross *et al.* 2003) and when originally proposed

for listing the species was thought to consist of 10,000 clumps in 240 highly fragmented groups most with fewer than 50 clumps. Three meta-populations have been recognised (Driscoll 2009) which include the extinct Sydney locations, the Central Coast between Wyong and Beresfield (25,000 known records) and the (lower) North Coast from Karuah to Buladelah (60 known records) (Payne 2000; Driscoll 2009; Fallding 2013) (Figure 1). Based on habitat modelling (Figure 2) Driscoll (2013) has estimated the potential total Central Coast population to be in the order of 1.2 million clumps (+/- ca. 300,00) which may be an underestimate of the number of individuals (Jones 2011). Due to the distances between these meta-populations Driscoll (2013) suggested that *Tetratheca juncea* was more widespread in the past and has contracted in its range due to environmental change unrelated to human induced changes but that this contraction is currently further exacerbated by human induced changes. This is however in contrast to a later statement within the same work that suggested that *Tetratheca juncea* was well adapted to its current environment (Driscoll 2013). The clonal abilities of this species would add further evidence to the theory of long term decline in habitat suitability, as allocating additional energies to asexual reproduction is generally a response to unfavourable environments (Hunter 2003). Overall, based on habitat modelling, 36% of habitat has been lost since European settlement and 29% of remaining habitat is highly fragmented (100-1000 ha patches) (Driscoll 2013; Fallding 2013). In some locations a much greater proportion of habitat may have been lost (60% within the Morisset Structure Plan area; Driscoll & Bell (2008)). In spite of the marked increase in known and predicted population size the proportion of reserved stands has remained low with approximately 14% of remaining potential habitat with conservation reserves and known populations being small, scattered and poorly connected (Driscoll 2013). In terms of geographic range *Tetratheca juncea* is regarded as highly restricted in distribution on a National and State scale.

Approximately 27 known vegetation types from coastal heaths to tall forests have been found containing populations of *Tetratheca juncea*. The majority of extant stands have been found within three plant community types: MU30 Coastal Plains Smooth-barked Apple Woodland; 31 Coastal Plains Scribbly Gum Woodland; 15 Coastal Foothills Spotted Gum – Ironbark Forest. Populations were commonly found on dry ridges comprising Conglomerate rock types (Driscoll 2003; Figure 4) but also on Carboniferous sediments, Permian sediments with Narrabeen Sandstone, erosional landscapes and depositional and aeolian sand (Fallding 2013).

Currently the evidence is clear that the historic range of the species has contracted significantly (approximately 30%) and that this decline is continuing due to development pressures from physical removal of plants but also increasing fragmentation of populations causing long term declines even

when populations remain. As such in the medium to long term a substantial reduction in population size will occur (Fallding 2013).

Species distribution models are becoming more reliable and sophisticated, however, their reliability is dependent on species being linked consistently to, and statistically strongly to, environmental variables. Modelling of presence only data using the program MaxENT and 100 m resolution by Driscoll (2013) of potential *Tetradthea juncea* distribution indicated that soil type (erosional landscape types) was the primary driver with rainfall (950-1,245 mm per annum) and distance from stream being of tertiary importance (Figure 2) for the North and Central Coast populations and the additional variable of elevation for the Central Coast populations. The results lead Driscoll (2013) to predict the *Tetradthea juncea* was a generalist and to suggest if it is presently rare this has been due to post European settlement habitat loss rather than habitat restriction.

An alternative draft species distribution model has been recently created by the Quantitative and Applied Ecology Group from the University of Melbourne (Figure 3). This second model presents a considerably different concept of where *Tetradthea juncea* is likely to be found, in particular within the northern meta-population where it is modelled in quite a different set of locations and in a vastly reduced likely area of occurrence. This second model covers a greater area within the southern meta-population than the model of Driscoll (2013). The University of Melbourne draft model is thought to have inaccuracies within the southern meta-population due to taxonomic inaccuracies and may not be as representative as the Driscoll's (2013) southern meta-population model. Only extensive survey within the projected northern locations will allow a test of which of the two models is most likely to be correct.

1.5 Anthropogenic climate change

It is difficult to predict what the impacts of potential future climate change may have on abundance and distribution of *Tetradthea juncea*. This species does not survive in isolation but is known to require interactions with specific pollinating native bees and likely to require the coexistence of nectar producing species that co-flower. Furthermore even less knowledge is available on how mycorrhiza it may be associated with will change within the landscape under change weather and temperature patterns.

Certainly the potential increase in the frequency of fires and their intensity are likely to impact negatively on *Tetradthea juncea*. As already noted no germination has been found after a high intensity fire and frequent disturbance from fire is likely to weaken the species ability to recover successively. However as a species that readily resprouts *Tetradthea juncea* maybe in a better

position than non-resprouting species to persist under more detrimental climatic scenarios. Current theory suggests that *Tetratheca juncea* is a generalist in its habitat preferences again potentially enabling this species to have a greater chance of persisting than species requiring more specific habitats.

1.6 Threats

- Habitat clearing for housing.
- Habitat clearing for coal mining.
- Inappropriate fire regimes (especially during peak flowering times).
- Fragmentation limiting outcrossing.
- Incorrect fire frequency.
- Reduction in species diversity of patch reducing rewards for pollinators.
- Competition from introduced honey bees.
- Reduction in habitat (food/shelter/nesting) for pollinators.
- Weed invasion.
- Backyard disposal of rubbish.
- Stormwater disposal from housing and road developments.
- Road construction and maintenance.
- Grazing.

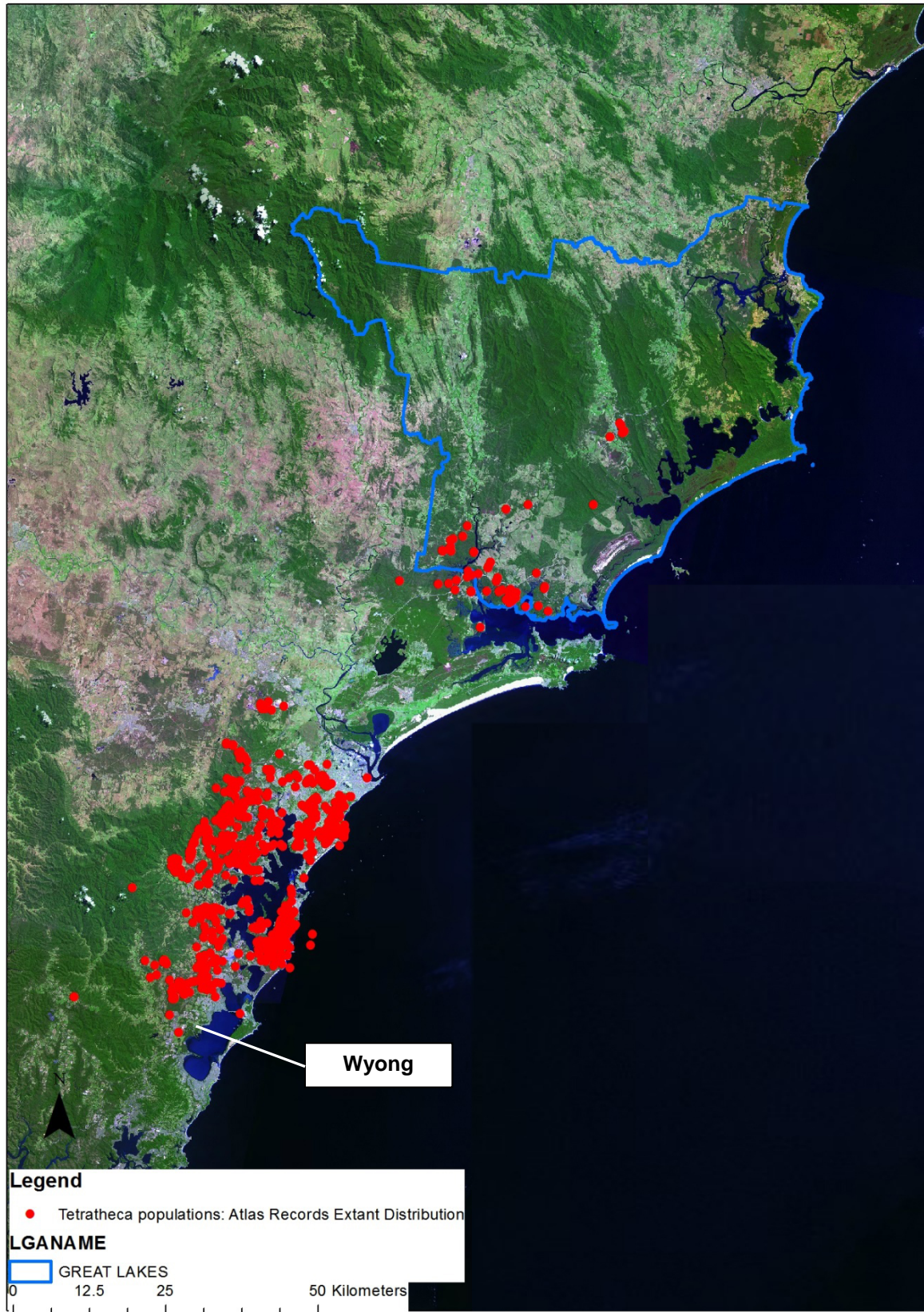


Fig. 1: Currently known distribution of *Tetratheca juncea* excluding the now extinct Port Jackson/Sydney meta-population.

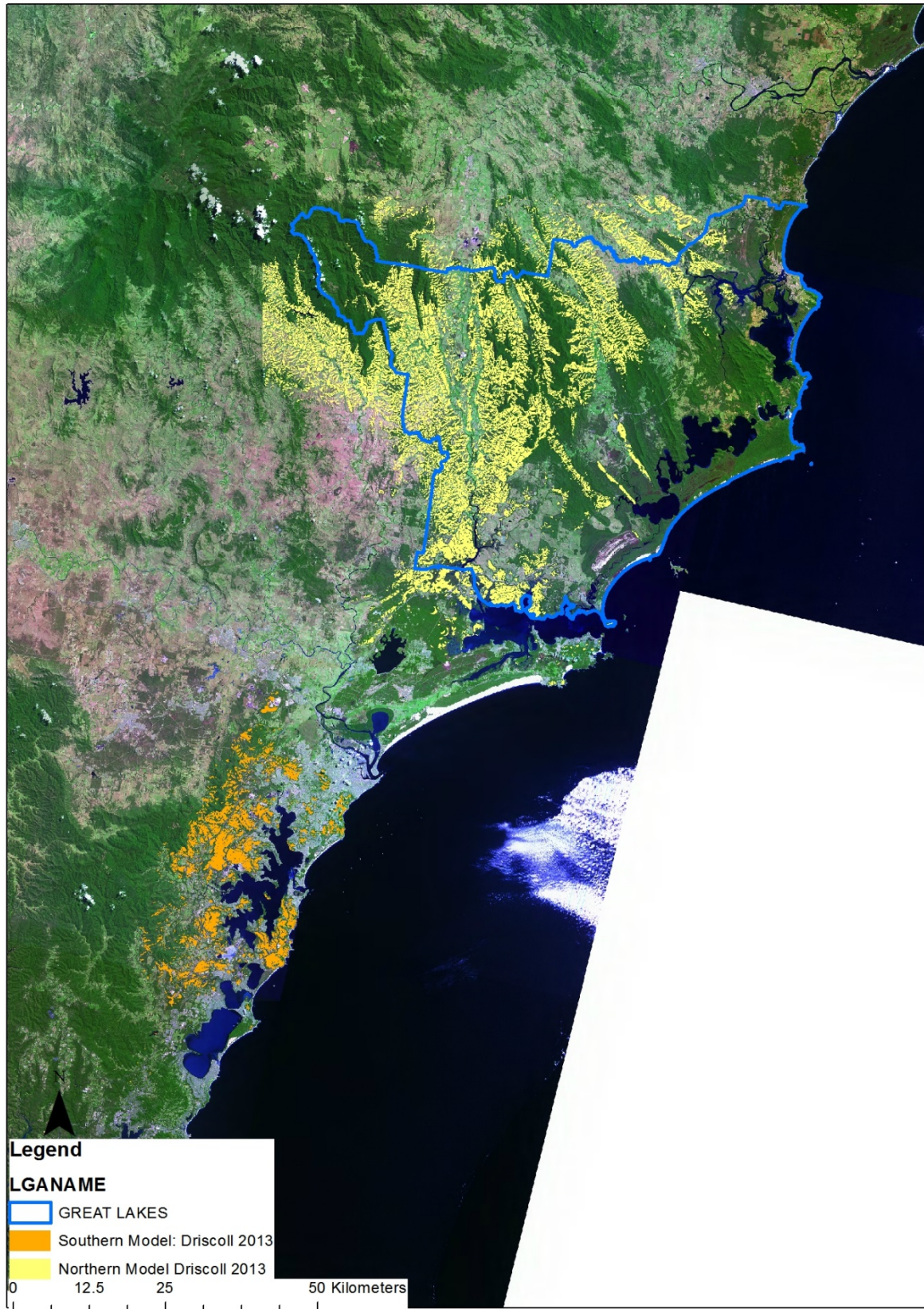


Fig. 2: Potential distribution of *Tetralathea juncea* habitat based on MaxENT models created by Driscoll (2013). Note that the western and northern boundaries of the northern model have been truncated.

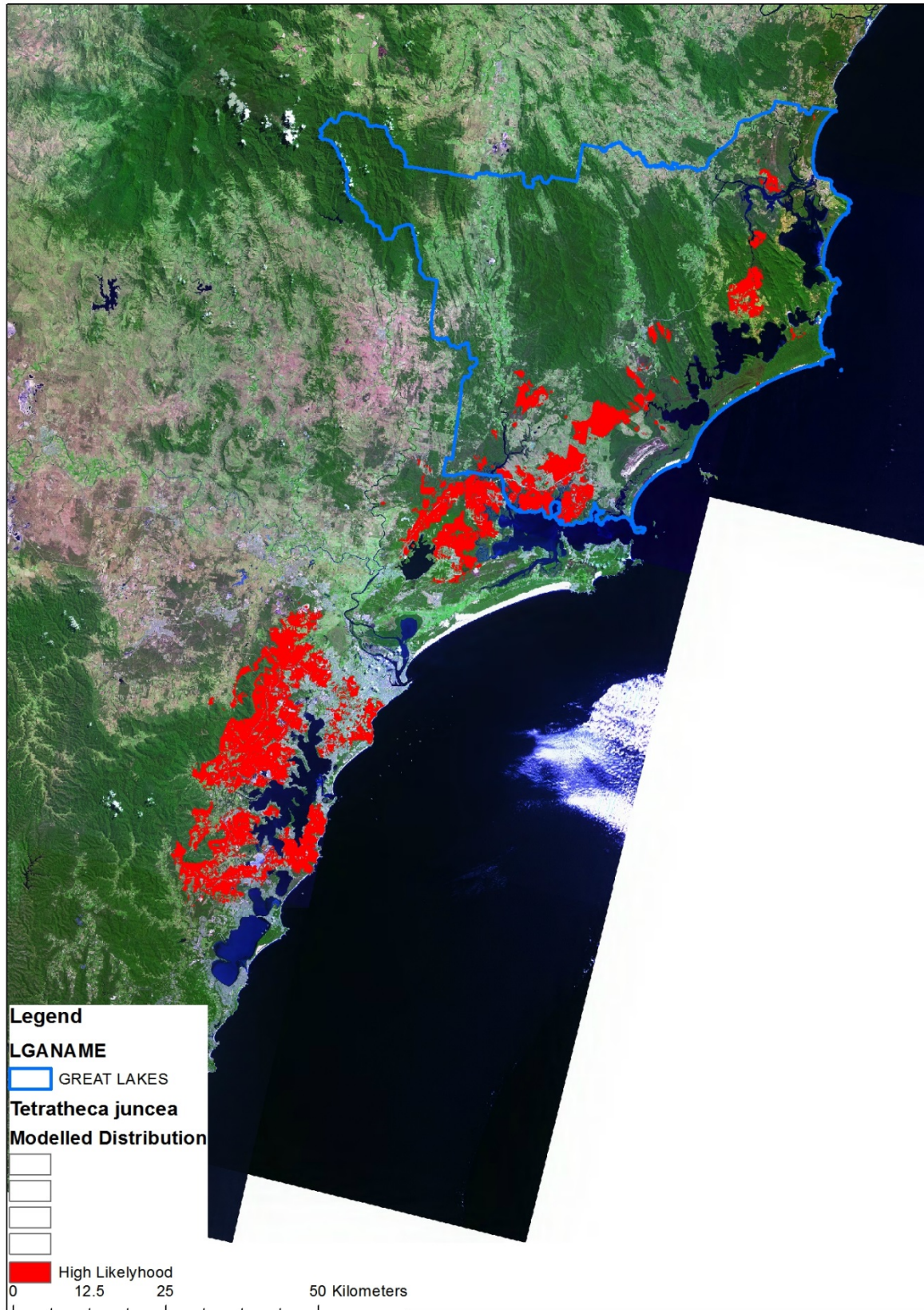


Fig. 3: Alternative species distribution model of *Tetratheca juncea* produced for incorporation within the Zonation program (Quantitative & Applied Ecology Group, University of Melbourne).

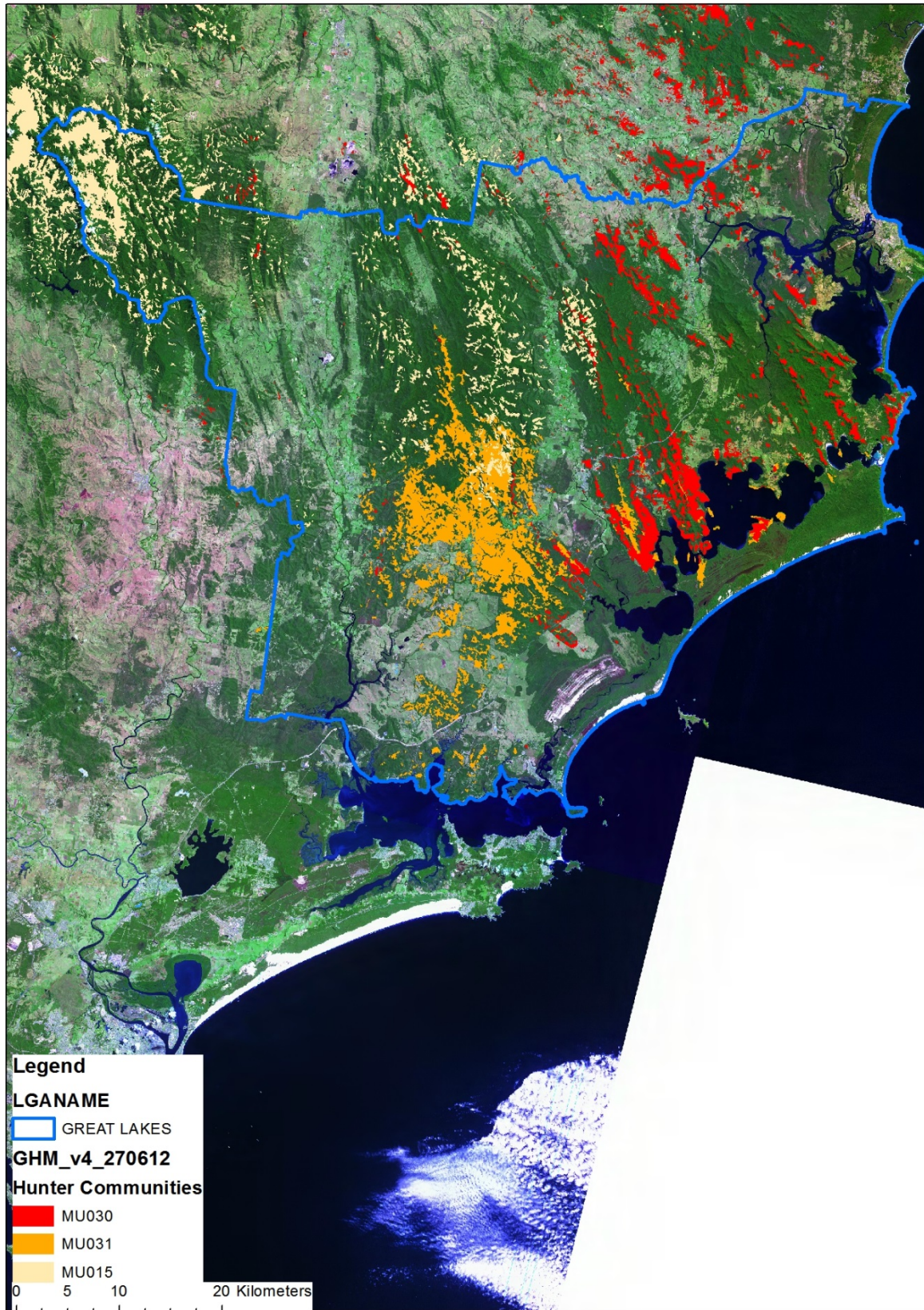


Fig. 4: Predicted distribution of the three communities in which *Tetratheca juncea* is most commonly found within the Great Lakes region (from models produced for the Greater Hunter Mapping: OEH 2014).

2. Methodology

Within the North Coast meta-population only 60 known records exist and the potential habitat has not been subject to extensive field survey (Fallding 2013). Yet this northern population may have far more suitable habitat than occurs within the Central Coast meta-population. There is potential for the northern meta-population to contain far more clumps than is currently known in total (Driscoll 2014). Conversely the amount of suitable habitat may be not greatly different from the Central Coast meta-population (University of Melbourne SDM 2014) or may not be significantly more widespread than is already known. Conversely potential habitat may in fact be a poor estimator of potential population locations in the northern province.

In order to assess the likelihood of *Tetradthecca juncea* being more common than currently thought it is necessary to test if either species distribution model may accurately represent so far undiscovered populations. Thus it was considered appropriate to conduct a short survey to test whether large thus far undiscovered populations may occur within areas identified as likely habitat. It was not the intention of the survey to be a thorough, but simply a quick investigation to see if significantly large populations may exist that have simply been missed. A negative result does not rule out the potential for extensive large and undiscovered populations. However, if any populations were discovered in divergent and new regions within predicted locations there would be some evidence to support further surveys and also provide evidence which of the two models is more accurate.

The most appropriate time for field survey for *Tetradthecca juncea* is between mid-September to mid-October (Driscoll 2013; Fallding 2013). Unfortunately this current survey did not start until early February of 2015. Due to a poor start to spring rains and heavy summer rains it was considered flowering may have been deferred or at least a second phase in mid to late summer would provide flowering material. It is acknowledged that the likelihood of extensive flowering throughout the region would be low and that any survey at this time would likely underestimate any populations found.

Only four days were available for this initial survey. The days were spent largely within areas within modelled highly likely habitat but generally within areas at some distance from known locations (Figure 5). Within four broad selected zones (Figure 5) accessible tracks were driven at walking pace though potential modelled habitat and areas of reasonable likelihood for populations were then searched randomly on foot for a minimum of 30 mins. At each of these locations time was spent searching within and between vegetation so that all species were checked and identified allowing the potential for discovery of *Tetradthecca juncea* even if it were not in flower.

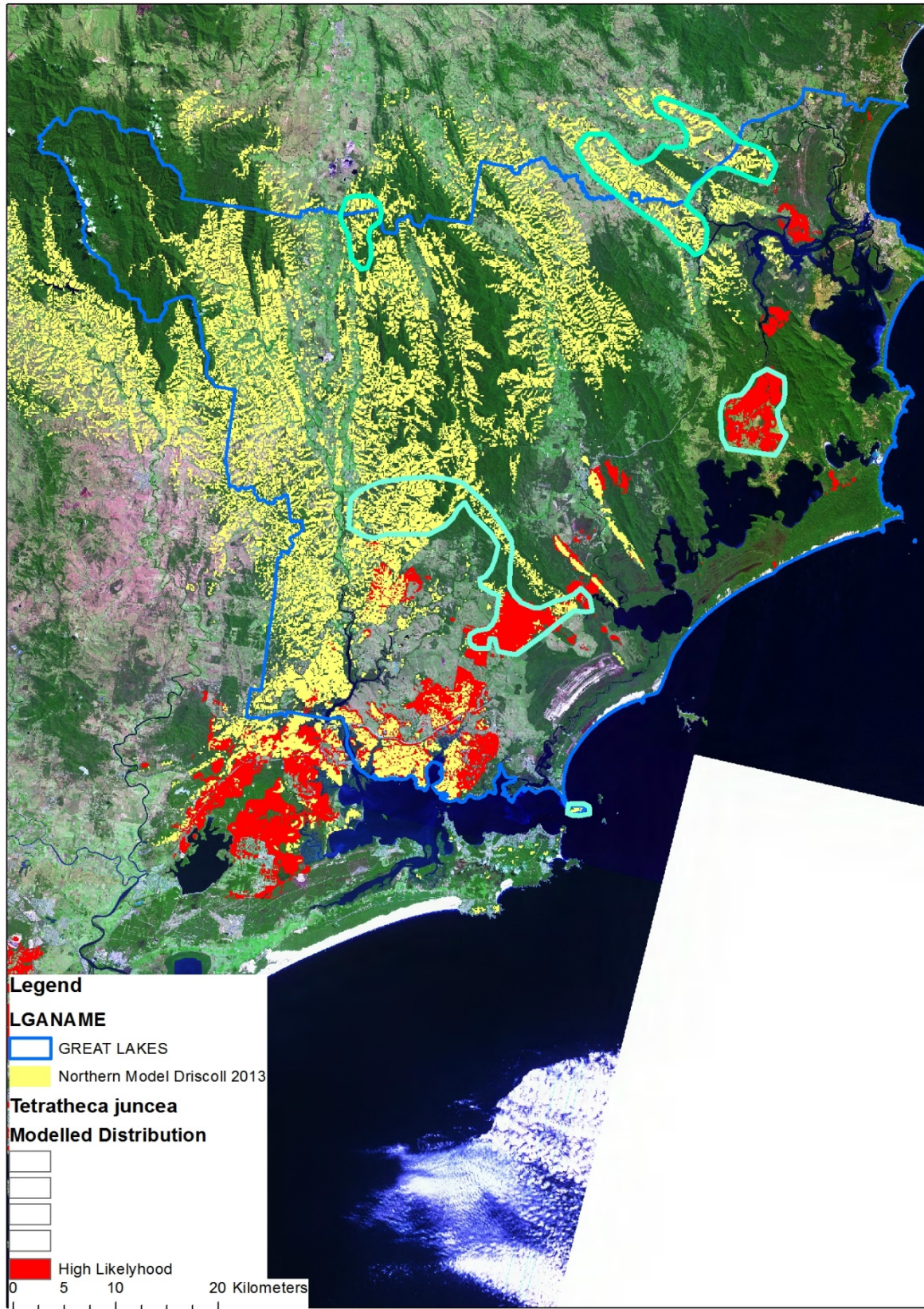


Fig. 5: Generalised search areas for additional potential populations of *Tetralathea juncea* (areas denoted by aqua polygons).

3. Results and discussion

3.1 Survey results

In total 102 locations were individually searched in detail on ground within the zones indicated on Figure 5. No populations or evidence of clumps were found during this current survey. As the survey was undertaken outside of the optimal survey period it is highly likely that the species could have been missed by the drive-by component of survey. The on-ground survey points however were searched with an intensity that would have picked up the species even when not in flower in most instances. The species distribution models however cover a very large area and even within the zones searched only a fraction of the potential modelled habitat was accessed. It must be emphasized that these negative results do not necessarily rule out populations being found within these search zones and furthermore that the species is not in nearby areas not searched. The results however do suggest that at least within the zones searched the species may not be as abundant as what is known within the Central Coast meta-population. Although *Tetraloche juncea* has a wide tolerance of vegetation types the author was of the opinion that many modelled locations were likely not optimal habitat, though many areas were contained in these zones that would be suitable for the species.

3.2 Further work

Based on the results of this survey it is suggested that further surveys be conducted. Little information is still known for the northern populations of *Tetraloche juncea*. Any further surveys should be conducted within the most appropriate time period of peak flowering between mid-September and mid-October. It is suggested that surveys at known locations within the northern meta-populations to assess the density and number of clumps within and nearby each of these known locations. After these have been assessed surveys further away from these locations should then occur. It is certainly likely that further populations will be found within the northern meta-population. This northern region is still relatively under-sampled.

3.3 Proposal for delisting

Tetraloche juncea was listed as Vulnerable on the EPBC and TSC Acts at a time when little information about the species distribution, population size and autecology was known. As discussed by Driscoll (2013) it is likely that the perception of this species as a highly restricted and listed vulnerable species may have biased the results of subsequent research in early years and perpetuated the view that the species was poorly adapted and struggling to persist within the landscape.

There is no doubt that the *Tetraloche juncea* occurs in many more locations and in significantly higher numbers than previously perceived. Driscoll (2013) estimates the population size to be in excess of 1,000,000 clumps which may be an underestimate due to clumps underestimating genetically distinct individuals (Jones 2011) and also due to large areas of modelled habitat not yet having been searched for the species systematically. Thus without further knowledge it is highly unlikely that with our current understanding that this species would be listed if it was put up as a new proposal today.

One cannot predict how a submission will be viewed by either the scientific committees administering either the TSC or EPBC Acts. However it is likely that a precautionary approach would be taken and that the following would be taken into consideration:

- There has been a significant and proven reduction in the geographic distribution of *Tetraloche juncea* in the order of 36% of its range since European settlement.
- 29% of the remaining habitat for the species is highly fragmented which may lead to a slow decline of health and abundance in these fragments.
- Even under the protection of the various acts current pressures and projected impacts will cause a potential additional 30% reduction of extant habitat due to urban, mining and industrial expansion by 2050.
- Changes in drainage, runoff, the effects such as anthropogenic climate change, prolonged drought periods, increased temperatures and higher frequency and intensity of fires is likely to reduce population sizes further.
- Though our understanding of the biology of this species has significantly changed there is still potential that some of the concepts of earlier investigators still hold true. Such concepts include the need for the species to have a diverse and rich patch that includes a range of nectar producing co-flowering species, large patch size that includes habitat for pollinators to breed.
- Only 14% of predicted habitat occurs within conservation reserves. Many of the populations known from conservation areas are small and highly fragmented and thus may not have long term persistence traits.
- If delisted it is highly likely that a greater than 30% of remaining habitat would be lost by 2050; a higher rate of fragmentation of existing populations would occur along with a

higher degree of degradation of remaining habitat causing an increasingly rapid further decline.

- Increase in pressure across all threats due to significant human population increase within the region.
- The committees would have to assess whether delisting would cause the species to be reduced to a point where it would need to be re-listed in the near future.

In spite of the size of current populations these factors are likely to be taken into consideration and as Driscoll (2013) has pointed out that even if taken off the lists it may be relisted in years to come.

While there may be sufficient evidence on current population sizes alone for delisting it is likely that further information on the potential size of the northern meta-population will need to be gathered and moreover further additions to secure reservation will need to occur. Thus to ensure a successful application for delisting the author suggests that additional assessments need to be made. Collation of all information on, and/or survey of, the population size and distribution of all secure reservation locations for *Tetraloche juncea* may be necessary. This would include locations within the National Reserve Network (National Parks/Nature Reserves) but also long term protected locations such as Voluntary Conservation Areas and Biobanking sites that contain the species. It is suggested that a necessary requirement for delisting would be an increase in the secure reservation of this species than is currently known. The relevant Committees would more likely be satisfied if there were significant large, intact protected locations for this species in both of the remaining meta-population locations. It is likely that an increase in the number, size and locations of known populations within the northern meta-population area would also provide additional weight that the species is less threatened than currently perceived. This was tested only briefly and unsuccessfully during this current investigation but it is likely that there is much potential in further targeted searches in this northern area.

Therefore it is likely that a successful application will need to include a strong case that there is sufficient evidence of reservation of the species in both meta-population areas that includes large intact populations with good connectivity and habitat of good quality. Quality will need to be assessed by the range of co-occurring nectar producing species and habitat and presence of known pollinators. Additionally a strong case that there is a significant and large northern population would also strengthen a case for removal from either Act. An increase in both of these factors along with the information that is already known would likely be needed to give a high likelihood of success. To increase the benefit of further surveys it is highly recommended that postponement till the prime

flowering time occur. It is the authors' opinion that without an increase in these two elements that despite the higher known current population size that the factors given previously (dot points above) may sway the committees to applying a cautionary approach.

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Acknowledgements

Rochelle Lawson is thanked for administering this project. Thanks to Dr Colin Driscoll for allowing the use of his Species Distribution Models of *Tetratheca juncea* under licence. The Quantitative and Applied Ecology Group of the University of Melbourne are also thanked for allowing the use of their draft Species Distribution Model.

5.6 Councillor Attendance - Australian Local Government Association (ALGA) National Local Roads and Transport Congress

TRIM REFERENCE: F2004/06517 - D12095594

MANAGER: Lesley Crawley, Manager Corporate Governance

AUTHOR: Jade Maskiewicz; Councillor Services Officer

SUMMARY

The Australian Local Government Association (ALGA) National Local Roads and Transport Congress is being held 17-19 November 2015 in Ballarat Victoria.

RECOMMENDATION

- 1 That Council authorise those interested Councillors to attend the Australian Local Government Association (ALGA) National Local Roads and Transport Congress in accordance with the Council's Facilities and Expenses Policy for Councillors.**
- 2 That Council authorise the reimbursement of expenses for Councillors in accordance with the Council's Facilities and Expenses Policy for Councillors.**

BACKGROUND

The 2015 ALGA National Local Roads and Transport Congress is likely to be the last before the expected 2016 federal election and as such will ensure the Government and Opposition understand the key concerns Local Government share in this area.

The key aim of this year's congress is to highlight the importance of federal funding to Local Government in overcoming road and infrastructure challenges.

THE PROPOSAL

The ALGA National Local Roads and Transport Congress will be held at the Ballarat Lodge and Convention Centre, Ballarat VIC on 17-19 November 2015.

Councillors have expressed interest in attending this course.

STRATEGIC LINKS

Wyong Shire Council Strategic / Annual Plan

Nil impact.

5.6 Councillor Attendance - Australian Local Government Association (ALGA) National Local Roads and Transport Congress (contd)

Budget Impact

The table below indicates the approximate cost for attendance at the conference and associated travel expenses per Councillor:

The ALGA National Local Roads and Transport Congress	Councillor Fees
Registration	\$ 990.00
Accommodation	\$ 800.00
Travel (Return flights)	\$ 400.00
Airport Transfers	\$ 225.00
Sustenance	\$ 600.00
Total (estimate)	\$ 3,015.00

CONSULTATION

Nil.

GOVERNANCE AND POLICY IMPLICATIONS

In accordance with the provisions of Council's Facilities and Expenses Policy for Councillors, Councillors are encouraged to attend external training sessions that will support their professional development as a Councillor. Reasonable expenses incurred in Councillors attending external training are met in accordance with that policy.

Part of clause D11 as well as clauses D12 and D17 is relevant in this instance:

“Attendance at Conferences, Workshops, Seminars, Professional Development and Training Courses

- D11 Council will reimburse expenses for attendance at conferences, workshops and seminars as follows:*
- Each event must be authorised by Council resolution.*
 - Each event must relate to the business of the Council*
 - A combined total of six attendances, per Councillor, per year.*
 - The limit of six will only include those events occurring over one or more consecutive days unless otherwise approved by Council.*
 - Total reimbursement of attendance cost per conference, per Councillor is limited to \$5,000 with a maximum total cost for conferences per year of \$12,000, subject to a total expenditure limit for all Councillors of \$100,000 per year.*
 - The maximum number of Councillors authorised to attend an event is 3 with the exception of the Local Government NSW annual conference and National General Assembly of Local Government or as resolved by Council. These conferences are not included in the cost threshold.*
 - Where Council has incurred costs and a replacement is not nominated by the Mayor/Deputy Mayor and the elected member's non-attendance is not a family or employment or medical emergency, all costs incurred by Council will be charged to the elected member.*

5.6

Councillor Attendance - Australian Local Government Association (ALGA) National Local Roads and Transport Congress (contd)

- Before requesting attendance Councillors must satisfy themselves:
 1. that the program is likely of benefit to Council, the Community and/or to his/her professional development as an elected member
 2. that he/she is able to commit the time necessary to attend the conference sessions in the terms of this policy

D12 The attendance costs that will be paid up front to the event organiser or reimbursed to the Councillor under this section are identified as follows:

- Registration costs – costs charged by organisers including official luncheons dinners and tours which are relevant to the interests of this Council.
- Travel costs (actual costs as detailed in the travel section of this policy)
- Accommodation (actual costs for accommodation as detailed in the accommodation section of this policy)
- Sustenance (food and beverage) limit of \$150.00 per day per Councillor and verified by receipts
- Out of pocket expenses such as Internet and phone access, laundry limit of \$50.00 per day per Councillor and verified by receipts.
- Cost of mandatory textbooks or other supporting documentation if separate to course fees limit \$500 per course
- Spouse and Partner Costs (as detailed in the Spouse and Partner Section of this Policy)."

Spouses, Partners, Carer and Accompanying Persons

D17 Council will pay the cost as further described in this section, for a spouse or partners or carer or one accompanying person per Councillor and children under 18 years in attending the following events as per the table below:

Event	Registration	Ticket	Accommodation	Sustenance	Partner Tours	Travel	Carer
Other Council approved conferences and events	No	No	Yes. If staying in same room as Councillor	Yes if for official conference events. (eg formal dinner, welcome drinks) No additional meals and beverages included	No	Yes. If travelling In company of Councillor in same vehicle No additional air or other travel fares included)	Yes

CONCLUSION

Attendance at this course will be in accordance with Council's Facilities and Expenses Policy for Councillors.

ATTACHMENTS

- | | | |
|---|---|-----------|
| 1 | 2015 Australian Local Government Association (ALGA) National Local Roads and Transport Congress - Registration Brochure | D12095587 |
|---|---|-----------|

NATIONAL LOCAL ROADS & TRANSPORT CONGRESS

17-19 NOVEMBER 2015
BALLARAT • VICTORIA



CONNECTING
COMMUNITIES
▶ **DRIVING
THE NATION**

PROGRAM
& REGISTRATION

REGISTER ONLINE
WWW.ALGA.ASN.AU



AUSTRALIAN LOCAL
GOVERNMENT ASSOCIATION

MAJOR SPONSORS



Australian Government
Department of Infrastructure and Regional Development



NATIONAL LOCAL ROADS & TRANSPORT CONGRESS

17-19 NOVEMBER 2015
BALLARAT • VICTORIA



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CONNECTING COMMUNITIES ► DRIVING THE NATION



PRESIDENT'S WELCOME

Colleagues,

The Australian Local Government Association (ALGA) National Local Roads and Transport Congress (the Roads Congress) have historically built a reputation for influencing significant change. This year's Congress is likely to be the last before the expected 2016 Federal Election. It will be your opportunity to ensure both the Government and Opposition understand the key concerns that Local Government share in this vital area. The 2015 Roads Congress will take place in historic Ballarat, Victoria from 17-19 November.

For many councils, local roads and bridges are their single largest area of expenditure and present the greatest challenge in terms of asset management and financial sustainability.

ALGA's advocacy has contributed to some significant outcomes at the Federal level in recent years including new funding for bridges, a longer term commitment to the Roads to Recovery program and a massive injection of extra funding for Roads to Recovery. However none of that would have been possible without a strong and united Local Government voice.

A key aim of this year's Roads Congress is to highlight the importance of Federal funding to local government in overcoming road and infrastructure challenges. Together, ALGA, state and territory local government associations and delegates of the National Roads and Transport Congress have been very successful in advocating for additional Roads to Recovery funding.

The R2R program was doubled in 2015-16 and as a result of our continued work on R2R and Financial Assistance Grants, the first two years of the indexation of fuel excise has been allocated to additional R2R funding. These are fantastic

outcomes for the R2R program, but we need to continue to make our case, especially in the lead up to the next Federal election, to ensure this funding finds support across the political spectrum. That is why this Congress is so important.

Your council's attendance at this year's Congress shows your support for the work that ALGA and your state and territory association is doing to secure better funding for local government roads and infrastructure. Not only does it demonstrate the need for the continued program but the Congress can also assist us to showcase how effectively Commonwealth funds are being utilised.

The 2015 Congress program has a strong focus on collaboration – between towns, cities, regions and jurisdictions. The theme '*Connecting Communities: Building the Nation*' highlights the reality that our national prosperity relies on building networks between communities and linking local roads with regional and national routes.

The Congress will feature national and international speakers and I have invited the Deputy Prime Minister, the Hon Warren Truss MP and the Shadow Minister for Infrastructure and Transport, the Hon Anthony Albanese MP. We will also hear directly from councils about transport challenges they have faced and overcome.

Your council's experience and knowledge will help to make the 2015 Congress a success and provide the ALGA Board with important input as we develop our election position for 2016.

I look forward to seeing you in Ballarat in November.



Mayor Troy Pickard
ALGA PRESIDENT

NATIONAL LOCAL ROADS & TRANSPORT CONGRESS
17-19 NOVEMBER 2015 • BALLARAT • VICTORIA

**CONGRESS
PROGRAM**

Strategic Regional Infrastructure Investment

TUESDAY 17 NOVEMBER

5:00-7:00 pm Welcome Reception, Sovereign Hill Historic Park

WEDNESDAY 18 NOVEMBER

9:00 am OPENING ADDRESS ALGA President, Troy Pickard

9:30 am Deputy Prime Minister the Hon Warren Truss MP (Invited)

10:00 am KEYNOTE ADDRESS
Progressing Productivity Reforms, Peter Harris, Chairman of the Productivity Commission (Invited)

10:30 am MORNING TEA

11:00 am PANEL SESSION Regional Council Groups

12:30 pm LUNCH

1:30 pm CONCURRENT SESSIONS
• Regional Investment Strategies
• Managing the Urban Transport Sprawl

3:00 pm AFTERNOON TEA

3:30 pm International Speaker

4:00 pm Discussion with key stakeholders on funding

5:00 pm DAY ONE CLOSE

6:30 pm OFFICIAL DINNER
Pre-dinner drinks: Jackson's & Co
Dinner: Mining Exchange

THURSDAY 19 NOVEMBER

9:00 am Shadow Minister for Infrastructure and Transport, The Hon Anthony Albanese MP (Invited)

9:30 am Launch of State of the Assets Reports - Roads and Community Infrastructure Assets, Jeff Roorda, JRA and Associates

10:15 am AccessCONNECT - Reform Progress

10:45 am MORNING TEA

11:15 am CONCURRENT SESSIONS
• Defence's Land 121 Project
• Road Safety

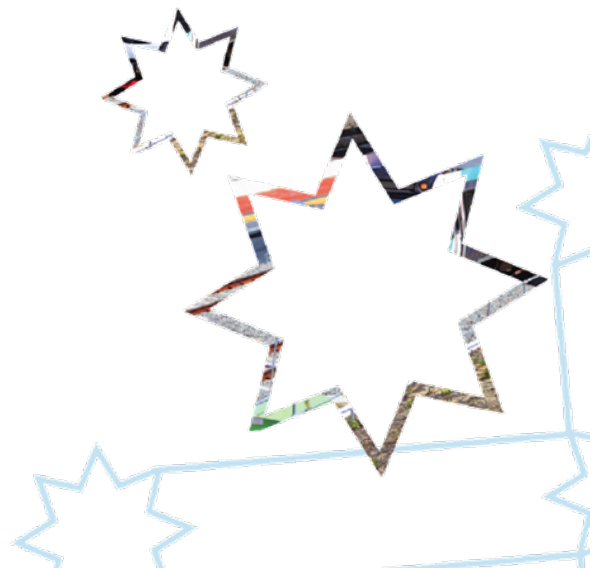
12:45 pm LUNCH

1:45 pm Regional Aviation

2:15 pm Election Advocacy Initiatives

3:15 pm President's Closing Address

3:30 pm CONGRESS CLOSE



CONNECTING COMMUNITIES ► DRIVING THE NATION

INVITED
SPEAKERS

The Hon Warren Truss MP

Deputy Prime Minister and Minister for Infrastructure and Regional Development

The Hon Warren Truss MP is Deputy Prime Minister of Australia and the Minister for Infrastructure and Regional Development.

He became Leader of the Nationals in 2007 and is the longest serving federal leader of any political party in Australia today.

A third generation farmer from the Kumbia district near Kingaroy in Queensland, Mr Truss first won the federal seat of Wide Bay in 1990.

He was a Minister in the Howard Government for 10 years, serving as Minister for Customs and Consumer Affairs in October 1997, and a year later, Minister for Community Services. In July 1999 Mr Truss became the Minister for Agriculture, Fisheries and Forestry, where he served for six years. He became Minister for Transport and Regional Services in July 2005 and, in September 2006, was appointed Minister for Trade.

Before entering Parliament, Mr Truss was a Kingaroy Shire Councillor (1976 to 1990), including seven years as Mayor. He was Deputy Chairman of the Queensland Grain Handling Authority and a member of the State Council of the Queensland Graingrowers Association for more than 10 years.

Mr Truss is also former State and National President of the Rural Youth Organisation and President of the Lutheran Youth of Queensland.

The Hon Anthony Albanese MP

Shadow Minister for Infrastructure and Transport, Shadow Minister for Tourism and Shadow Minister for Cities

Anthony grew up in a public housing community in Camperdown and recognised early on the need to fight for social justice so that there was equal opportunity in society.

That is what led Anthony to joining the Australian Labor Party. He developed his political activity working for former prisoner of war and legendary Whitlam and Hawke Government Minister Tom Uren.

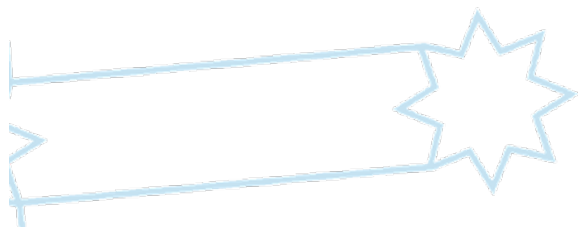
In 1996 Anthony was elected as the Member for Grayndler in Sydney's inner west, where he has lived his entire life.

Following the election of the Federal Labor Government in November 2007 Anthony became the Minister for Infrastructure and Transport and Leader of the House of Representatives.

Anthony was named Infrastructure Minister of the Year for 2012 by London based publication Infrastructure Investor.

In June 2013, he became Deputy Prime Minister, and also took on additional responsibility as Minister for Broadband, Communications and the Digital Economy.

Anthony was re-elected the Member for Grayndler in 2013 and is now the Shadow Minister for Transport and Infrastructure, and the Shadow Minister for Tourism. In 2014 he added Shadow Minister for Cities to his responsibilities.



NATIONAL LOCAL ROADS & TRANSPORT CONGRESS
17-19 NOVEMBER 2015 • BALLARAT • VICTORIA

REGISTRATION DETAILS

Congress Registration Fees

 **STANDARD REGISTRATION \$890**
Payment received on or before Friday 9 October 2015

 **LATE REGISTRATION \$990**
Payment received after Friday 9 October 2015

Congress Registration Includes

- » Attendance at all congress sessions
- » One ticket to the Welcome Reception, Tuesday
- » One ticket to the Congress Dinner, Wednesday
- » Morning tea, lunch and afternoon tea as per the congress program
- » Congress satchel and materials.

Payment Procedures

Payment can be made by:

- » **CREDIT CARD**
MasterCard, Visa and American Express
- » **CHEQUE**
Made payable to ALGA Roads Congress
- » **ELECTRONIC FUNDS TRANSFER**
BANK: Commonwealth BRANCH: Curtin
BSB NO: **062 905** ACCOUNT NO: **1014 6120**
NOTE: If paying via EFT you must quote your transaction reference number on the registration form.

CANCELLATION POLICY

All alterations or cancellations to your registration must be made in writing and will be acknowledged by post, facsimile or email. Notification should be sent to:

Conference Co-ordinators
PO Box 4994 Chisholm ACT 2905

Facsimile (02) 6292 9002
Email roadscongress@confco.com.au

An administration charge of \$110.00 will be made to any participant cancelling before Friday 9 October 2015. Cancellations received after Friday 9 October 2015 will be required to pay full registration fees. However, if you are unable to attend, substitutes are welcome at no additional cost.

By submitting your registration you agree to the terms of the cancellation policy.

PRIVACY DISCLOSURE

ALGA collects your personal contact information in its role as a peak body for local government. ALGA may disclose your personal contact information to the sponsors of the event for the purposes of commercial business opportunities. If you consent to ALGA using and disclosing your personal contact information in this way, please tick the appropriate box on the registration form.

Importantly, your name may also be included in the Congress List of Participants. You must tick the appropriate box on the registration form if you wish your name to appear in this list.





SOCIAL FUNCTIONS

Welcome Reception

Tuesday 17 November 2015

Sovereign Hill • 5:00–7:00 pm

\$50 per person for partners and guests
No charge for full registered delegates

Dress code: smart casual

Sovereign Hill is just like stepping back in time to goldrush Ballarat during the 1850s, from the hustle and bustle of Main Street to the excitement of the Red Hill Gully Diggings where real gold can be found.

The Welcome reception will be held on Main Street where delegates can explore a selection of historic buildings and enjoy the live gold rush band.

Congress Dinner

Wednesday 18 November 2015

Pre dinner drinks: Jackson's & Co • 6:30–7:00 pm

Dinner: Ballarat Mining Exchange • 7:00–11:00 pm

\$95 per person for partners and guests
No charge for full registered delegates

Dress code: Smart casual

Pre dinner drinks will be served in the Historic Jackson's & Co, on the balcony with views across Ballarat before moving to The Ballarat Mining Exchange for dinner. Built in the late 1800's, the Ballarat Mining Exchange building is an extraordinary example of Victorian architecture on the goldfields. Situated in historic Lydiard Street, it was historically used for trading of shares in mining companies during the Gold Rush era.

Note: Bookings are accepted in order of receipt.

PARTNER TOURS

Ballarat History and Botanic Gardens

Wednesday 18 November

\$90 per person

Today's partner tour will start at the Art Gallery of Ballarat for a guided tour through the oldest and largest regional art gallery in Australia, established in 1884. We will then have a tour and lunch at M.A.D.E (Museum of Australian Democracy at Eureka). M.A.D.E is located on the site of the 1854 Eureka Stockade in Ballarat, and is home to the Eureka Flag.

After lunch we will travel to the Botanical Gardens to view the remarkable collection of mature trees, marble statues and Prime Ministers Avenue.

Buninyong Tour and Wines

Thursday 19 November

\$30 per person

Today's tour will start with a scenic drive to Buninyong, a historic town 20 minutes out of Ballarat. There will be a bus and walking tour around the town, including the Botanic Gardens, Town Hall Museum, and the Volcano on Mount Buninyong.

We will then head to Mt Buninyong Winery where there will be a wine tasting and lunch before heading back to the Lodge.

Temperatures are known to be cooler in the mountains, it is advised to bring an extra layer.

NATIONAL LOCAL ROADS & TRANSPORT CONGRESS
17-19 NOVEMBER 2015 • BALLARAT • VICTORIA

GENERAL INFORMATION

Registration Desk

The registration desk will be located in the foyer of the Ballarat Lodge and Convention Centre and will be open for the duration of the congress, times below:

Tuesday 17 November

3:00 pm–4:30 pm
Ballarat Lodge and Convention Centre

5:00 pm–7:00 pm
Sovereign Hill during the Welcome Reception

Wednesday 18 November

8:00 am–5:00 pm
Ballarat Lodge and Convention Centre

Thursday 19 November

8:00 am–3:00 pm
Ballarat Lodge and Convention Centre

Special Requirements

Every effort will be made to ensure all delegate and guests requirements are catered for. If you have any special requirements (e.g. catering, mobility or any other assistance) please include a note on your registration form under special requirements or contact the Congress Secretariat.

Climate

Throughout the month of November Ballarat usually has sunny skies with daytime temperatures of around 19°C. At night the average minimum temperature drops down to around 8°C.



Congress Location and Venue

Ballarat is Victoria's largest inland city, located on the Yarrowee river an hour west of Melbourne. Ballarat is known for being a historic city and home to the richest alluvial gold field in the world.

The 2015 National Local Roads and Transport Congress will be held at the Ballarat Lodge and Convention Centre which is a five minute drive from Sturt Street, the city's main thoroughfare.

Ballarat is famous for its heritage attractions such as:

BALLARAT WINE REGION

The boutique wineries of Ballarat have earned a premium reputation, specialising in pinot noir, chardonnay and sparkling wines. The wine areas include: MT Coghill Vineyard, Mount Buninyong winery, Michael unwin wines, Mount Beckworth wines, St Anne's vineyard – Myrniong, Captains creek organic wines and Sinclair of Scotsburn.

MUSEUM OF AUSTRALIAN DEMOCRACY AT EUREKA (M.A.D.E)

The museum has been built on the site of the 1854 Eureka uprising at Ballarat and called the birthplace of Australian democracy. It has been curated in collaboration with some of the best Australian and international historians, museum experts and innovative minds.

ART GALLERY OF BALLARAT

The Gallery was established in 1884 and is the oldest and largest gallery in regional Australia. Admission to the Gallery is free but admission prices may apply to special exhibitions. They also offer tours for booked groups and tours of special exhibitions, the free guided tour runs from Tuesdays to Sundays at 2:00 pm.

OPEN AIR MUSEUM SOVEREIGN HILL

The streets are lined with costumed workers, antiques, books, artwork and machinery from the 1850's, recreation of the gold rush days. You can get a ride in one of the horse drawn carriages, borrow a colourful costume and if you are up to it, explore the glittering underground mines.

BALLARAT BOTANICAL GARDENS

The Ballarat Botanical Gardens is one of Australia's most significant cool climate gardens, with a remarkable collection of mature trees and marble statues. The botanical garden is set amongst 40 hectares. The Prime Ministers Avenue has a series of handcrafted bronze statues of every prime minister of Australia.

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ACCOMMODATION

To book your accommodation at the rates listed below complete the appropriate section of the registration form. Bookings are subject to availability and should be made prior to Friday 9 October 2015.

All cancellations or amendments must be made in writing to Conference Co-ordinators and will be acknowledged by email.

Please note your credit card details are required to guarantee your room. Neither Conference Co-ordinators nor the hotel will make any charges against your credit card unless you fail to give 21 days notice in writing of your cancellation. Full payment of your account will be required at the time of your departure.

Note: All properties have a 100% non smoking policy.

Ballarat Lodge

613 Main Road, Golden Point VIC 3350

The Ballarat Lodge is the venue for the Congress and has stylish four star accommodation surrounded by four hectares of gardens and bushlands, located directly opposite Sovereign Hill. The hotel facilities include a 24-hour reception, laundry and dry cleaning services (charges apply), 24-hour room service, complimentary car parking, two onsite restaurants, gymnasium, outdoor swimming pool and a day spa.

The rooms each boast direct ground floor access and have views overlooking the gardens. Rooms contain air-conditioning, mini-bar, tea and coffee making facilities, in room safe and shower over bath.

Single: \$139 per night; Double/Twin: \$159 per night

Quest Ballarat

7 Dawson Street North, Ballarat VIC 3350

The Quest Ballarat is a five minute drive from the Ballarat Lodge and has stylish studios and apartments. The property facilities include on-site reception (hours listed below), gymnasium, complimentary parking, guest laundry facilities and business centre and lounge.

All rooms feature king beds, air conditioning, broadband Internet access, in-room safe and work desk. The one and two bedroom apartments have a fully equipped kitchen, laundry facilities and separate living/dining areas.

NOTE: The Quest Ballarat has three levels with stair access only, there is NO lift.

Reception Hours: Monday-Thursday, 7.00am-11.00pm; Friday, 7.00am-10.00pm; Saturday-Sunday, 8.00am-10.00pm

Studio Apartment: \$175 per night Single/Twin/Double
One Bedroom Apartment: \$195 per night Single/Twin/Double

Ballarat Mid City Hotel

19 Doveton Street North, Ballarat VIC 3350

A five minute drive from the congress venue, Ballarat Mid City Hotel is a four star hotel and features a 24-hour reception, free onsite parking, restaurant and bar, dry cleaning service, room service, outdoor pool and a business centre.

Each room is spacious with a queen bed and has air conditioning, mini bar, coffee and tea making facilities, opening windows, work desk and wireless internet access (at a cost).

Standard Rooms

Single: \$119 per night; Double: \$129 per night;
Twin: \$139 per night (one queen and one single)

Sovereign View Apartments

5 Lal Lal Street, Golden Point VIC 3350

The Sovereign View Apartments offer basic apartment style accommodation and is under a ten minute walk to the Ballarat Lodge. The property features an outdoor solar heated swimming pool, secure undercover parking and guest laundry.

Apartments have air conditioning, full kitchen facilities and a separate living area.

Two Bedroom Apartment: \$246 per night
Three Bedroom Apartment: \$290 per night
Four Bedroom Apartment: \$379 per night

Best Western Plus Ballarat Suites

525 Main Road Ballarat VIC 3350

The Best Western Ballarat Suites are styled to four stars and is located only a five minute walk from the Ballarat Lodge. The property facilities include free onsite parking, guest laundry facilities and dry cleaning.

All rooms are beautifully styled and have king beds, large open shower, air conditioning, tea and coffee making facilities, work desk, mini-bar and wireless internet services.

Single/Twin/Double \$176 per night

TRANSPORT

Coach Transfers

MELBOURNE AIRPORT TO CONGRESS HOTELS

Tuesday 17 November

Coaches will collect delegates from the Melbourne Airport to all the congress hotels at 12:00 pm, 1:00 pm, 2:00 pm and 3:00 pm.

WELCOME RECEPTION - SOVEREIGN HILL

Tuesday 17 November 2015

Coaches will collect delegates from all congress hotels (except Ballarat Lodge) at approximately 4:45 pm. The return coaches will depart at 7:00 pm.

DAILY SHUTTLES TO AND FROM THE BALLARAT LODGE AND CONVENTION CENTRE

A shuttle service between all congress hotels will operate between 8:00 am and 8:30 am. Return shuttles will depart the Ballarat Lodge at 5:30 pm.

CONGRESS DINNER - MINING EXCHANGE

Wednesday 18 November 2015

Coaches will collect delegates from all congress hotels at approximately 6:15 pm. A return shuttle service will commence at 10:15 pm.

CONGRESS HOTELS TO MELBOURNE AIRPORT

Thursday 18 November 2015

Coaches will collect delegates from the congress hotels for flights from Melbourne Airport at 3:45 pm and 4:30 pm.

Car Parking

The Ballarat Lodge and Convention Centre offers ample free onsite parking.

Getting to and from Melbourne

In addition to the coach transfers being provided to congress delegates (detailed under coach transfers) there are several options for getting to and from Melbourne.

COACH

A public bus service is available seven days a week. Transfers are approximately \$34 per person one way and need to be pre-booked. Please visit: <http://airportshuttlebus.com.au/> for further information.

PRIVATE CAR

A limited number of companies offer private transfers, prices start from \$250 each way. At Call Corporate Cars Melbourne offer such transfers, for more information please visit: <http://www.atcall.com.au/index.htm>

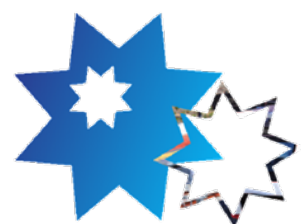
TRAIN

A train service is available between Melbourne and Ballarat, fares are approximately \$20 per person one way. Timetables are available at: <http://www.vline.com.au/home/>

Please be aware that you may need to pre-purchase a Myki pass prior to travel, further details available via the same link.

HIRE CAR

All major hire car companies are situated at the airport.





REGISTRATION FORM

NATIONAL LOCAL ROADS AND TRANSPORT CONGRESS 2015
 Tax Invoice: ABN 31 008 613 876

REGISTER ONLINE
WWW.ALGA.ASN.AU

Multiple delegates » photocopy form
 Register online, download PDF or return this form to:
 Conference Co-ordinators, PO Box 4994 Chisholm ACT 2905
 Phone (02) 6292 9000 Fax (02) 6292 9002
 Email roadscongress@confco.com.au
 By submitting your registration you agree to the terms and conditions of the cancellation policy

PERSONAL DETAILS

TITLE _____ NAME _____ SURNAME _____
(Ct/Rtd/Mayor/Other)
 POSITION _____
 COUNCIL/ORGANISATION _____
 ADDRESS _____
 SUBURB _____ STATE _____ POSTCODE _____
 PHONE _____ MOBILE _____ FAX _____
 EMAIL _____
 NAME FOR BADGE _____

TYPE OF COUNCIL METRO REGIONAL RURAL OTHER _____
 PRIVACY DISCLOSURE I DO consent to my name appearing in the 2015 Roads Congress List of Participants booklet (name, organisation and state only disclosed) as outlined in the privacy disclosure on page 6.
 I DO consent to ALGA disclosing my personal contact information as outlined in the privacy disclosure on page 6.

REGISTRATION FEES

GENERAL ASSEMBLY REGISTRATION FEES

STANDARD REGISTRATION FEES (payment received on or before 9 October 2015) \$890.00
 LATE REGISTRATION FEES (payment received after 9 October 2015) \$990.00

ACCOMPANYING PARTNERS REGISTRATION FEES

ACCOMPANYING PARTNER NAME FOR LAPEL BADGE _____

SOCIAL FUNCTIONS INCLUDED IN FEES

One ticket to each of the following functions is included in the full Congress registration and/or accompanying partners registration fee. Please confirm if you will be attending by placing a tick in the appropriate boxes. To purchase additional tickets to any of the following functions please indicate the number required and complete the total amount payable.

WELCOME RECEPTION (TUESDAY 17 NOVEMBER 2015)
 I/we will attend: Delegate Number of additional tickets @ \$50.00 each Total \$

CONGRESS DINNER (WEDNESDAY 18 NOVEMBER 2015)
 I/we will attend: Delegate Number of additional tickets @ \$95.00 each Total \$

PARTNER TOURS

BALLARAT HISTORY AND BOTANIC GARDENS (WEDNESDAY 18 NOVEMBER 2015)
 I will attend: Partner Number of additional tickets @ \$90.00 each Total \$

BUNINYONG TOUR AND WINES (THURSDAY 19 NOVEMBER 2015)
 I will attend: Partner Number of additional tickets @ \$30.00 each Total \$

» Registration form continues over the page

NATIONAL LOCAL ROADS & TRANSPORT CONGRESS
 17-19 NOVEMBER 2015 • BALLARAT • VICTORIA

REGISTRATION FORM

 NATIONAL LOCAL ROADS AND TRANSPORT CONGRESS 2015
 Tax Invoice: ABN 31 008 613 876

SPECIAL REQUIREMENTS

(E.G. DIETARY)

REGISTRATION AND SOCIAL FUNCTION PAYMENT DETAILS

 Enclosed is my cheque made payable to 'ALGA Roads Congress'

 I'm faxing my requirements, payment follows by mail

 I have paid via an Electronic Funds Transfer to the 'ALGA Roads Congress' account TRANSACTION REFERENCE NUMBER
ALGA ACCOUNT BANK: Commonwealth BRANCH: Curtin BSB NO: 062905 ACCOUNT NO: 10146120 NAME: ALGA Roads Congress

 Please charge my Credit Card: Mastercard Visa Amex

 CREDIT CARD NUMBER Grand total \$

CARD HOLDER'S NAME

SIGNATURE

EXPIRY DATE / IS THIS A CORPORATE CARD? YES NO

ACCOMMODATION DETAILS

PLEASE indicate your preference from 1 to 5

BALLARAT LODGE

 SINGLE \$139 SINGLE TWIN TWIN DOUBLE

 TWIN /DOUBLE \$159 TWIN DOUBLE

QUEST BALLARAT

 STUDIO APARTMENT \$175 SINGLE TWIN DOUBLE
 1 BEDROOM APARTMENT \$195 SINGLE TWIN DOUBLE

BALLARAT MID CITY HOTEL

 STANDARD SINGLE \$119
 STANDARD DOUBLE \$129
 STANDARD TWIN \$139
SOVEREIGN VIEW APARTMENTS

 2 BEDROOM APARTMENT \$246 SINGLE TWIN DOUBLE
 3 BEDROOM APARTMENT \$290 SINGLE TWIN DOUBLE
 4 BEDROOM APARTMENT \$379 SINGLE TWIN DOUBLE

BEST WESTERN PLUS BALLARAT SUITES

 STANDARD ROOM \$176 SINGLE TWIN DOUBLE

ACCOMMODATION GUARANTEE

Please note your credit card details are required to guarantee your room. Neither Conference Co-ordinators nor the hotel will make any charges against your credit card unless you fail to give a minimum of twenty-one (21) days notice in writing of your cancellation. All cancellations will be acknowledged in writing by Conference Co-ordinators. Full payment of your account will be required at the time of your departure. The rates quoted are per room per night.

DATE OF ARRIVAL

DATE OF DEPARTURE

SHARING WITH

ESTIMATED TIME OF ARRIVAL

 I understand my credit card details are given as a guarantee of my arrival and to ensure my room will be held until my nominated arrival time. No charge for accommodation will be made against this card unless I fail to give a minimum of twenty-one (21) days notice of cancellation in writing to Conference Co-ordinators.

 Please use the credit card details provided below to guarantee my accommodation booking.

 Mastercard Visa Amex

CREDIT CARD NUMBER

CARD HOLDER'S NAME

SIGNATURE

EXPIRY DATE / IS THIS A CORPORATE CARD? YES NO

RETURN FORM TO:

 Conference Co-ordinators
 PO Box 4994 Chisholm ACT 2905
 or
 Fax (02) 6292 9002

5.7 Councillor Attendance - Central Coast Tourism - Sizzling Summer Product Showcase 2015

TRIM REFERENCE: F2004/06517 - D12106286

MANAGER: Sonia Witt, TL Governance and Councillor Services

AUTHOR: Jade Maskiewicz; Councillor Services Officer

SUMMARY

Central Coast Tourism Sizzling Summer Product Showcase 2015 is to be held Monday 19 October 2015 at Wyong Race Club.

RECOMMENDATION

- 1** *That Council authorise the attendance of interested Councillors at the Central Coast Tourism Sizzling Summer Product Showcase 2015 in accordance with the Council's Facilities and Expenses Policy for Councillors.*
- 2** *That Council authorise the reimbursement of expenses for Councillors in accordance with the Council's Facilities and Expenses Policy for Councillors.*

BACKGROUND

This is the second annual Product Showcase for Central Coast Tourism and it will be held at the Wyong Race Club, Monday 19 October 2015 from 6pm.

THE PROPOSAL

Councillors have expressed an interest in attending this event.

Councillors may be reimbursed for expenses incurred in the attendance of non-Council events and functions in accordance with the provisions of the Facilities and Expenses Policy.

STRATEGIC LINKS

Wyong Shire Council Strategic/ Annual Plan

Nil impact.

Budget Impact

The table below indicates the approximate cost for attendance at the event and associated travel expenses per Councillor:

Central Coast Tourism Sizzling Summer Product Showcase 2015	Councillor Fees
Registration	\$ 25.00
Travel	\$ 30.00
Total (estimate)	\$ 55.00

CONSULTATION

This submission complies with Council's adopted Facilities and Expenses Policy for Councillors.

GOVERNANCE AND POLICY IMPLICATIONS

In accordance with the provisions of Council's Facilities and Expenses Policy for Councillors, clause D14 and D17, reasonable expenses incurred in Councillors attending non-Council events and functions are met in accordance with that policy.

"D14 Council will meet sustenance and attendance expenses for Councillors' attendance at non-Council functions related to Council business which provide briefings to Councillors from key members of the community, politicians and business. Approval for reimbursement will be by Council resolution. The maximum reimbursement of total attendance costs is \$200 per Councillor per event. Councillors may attend a maximum of 6 of these events in a year. The total maximum expenditure is \$1200.

D17 Council will pay the cost as further described in this section, for a spouse or partners or carer or one accompanying person per Councillor and children under 18 years in attending the following events as per the table below:

Event	Registration	Ticket	Accommodation	Sustenance	Partner Tours	Travel	Carer
<i>Other Council approved conferences and events</i>	<i>No</i>	<i>No</i>	<i>Yes. If staying in same room as Councillor</i>	<i>Yes if for official conference events. (eg formal dinner, welcome drinks) No additional meals and beverages included</i>	<i>No</i>	<i>Yes. If travelling In company of Councillor in same vehicle No additional air or other travel fares included)</i>	<i>Yes"</i>

CONCLUSION

Attendance at this event is in accordance with Council's Facilities and Expenses Policy for Councillors.

ATTACHMENTS

- | | | |
|----------|---|-----------|
| 1 | Invitation from Central Coast Tourism - Sizzling Summer Product Showcase 19 October | D12106308 |
|----------|---|-----------|

You're Invited to the Central Coast Tourism's Sizzling Summer Product Showcase

[View this email in your browser](#)



**Invites you and
your colleagues to our
Sneak Peak of Summer**

The second annual Product Showcase
will be at the **Wyong Race Club**.

SEE, TASTE and TRY
a range of local products
before the sizzling summer season.

When: Monday, 19 October 2015
From: 6.00 pm

Special Event Admission Price:

\$25.00 per person = CCT Member
\$20.00 per person = CCT Members second attendee
Guest of Member (non-member business): \$25.00 per person

NB: Closed in footwear mandatory for adventure activities.



HEAR Guest Speaker: Tim Gunasinghe

Tim is the brainchild behind the Marina Cove - Gosford Broadwater Development opening Mid 2016. Learn how he has taken his dining concept from dream to reality.



TASTE



TRY

NB: Watch your inbox for information leaks about additional products that will be available on the night to SEE, TASTE or TRY.

RSVP Now

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6.1 End of Financial Year Update on EP & A and LGA Developer contributions

TRIM REFERENCE: F2004/00552 - D12066383

MANAGER: Stephen Naven, Chief Financial Officer

AUTHOR: Sandy Rose; Developer Contributions Officer

SUMMARY

This report provides an update of Council's Developer Contributions levied under the *Environmental Planning and Assessment Act 1979* and the *Local Government Act 1993* from 1 July 2014 to 30 June 2015

RECOMMENDATION

That Council receive the report on End of Financial Year Update on EP & A and LGA Developer contributions.

BACKGROUND

This report covers any developer contributions received by Council under the Environmental Planning and Assessment Act 1979 (EP&A Act)

- section 93F - Voluntary Planning Agreements (VPA)
- section 94 - Contribution towards provision or improvement of amenities or services
- section 94A - Fixed development consent levies

and Local Government Act 1993 (LGA)

- section 64 – Water and sewer contributions

Developer contributions are reported in the relevant fund based on the purpose that the developer contributions have been collected for.

Contribution Type	General Fund	Water Fund	Sewer Fund
s93F and s94 Income (excluding drainage)	✓		
s93F and s94 Drainage Income		✓	
Section 94A	✓		
s64 Water Income		✓	
s64 Sewer Income			✓

6.1 End of Financial Year Update on EP & A and LGA Developer contributions (contd)

CONTRIBUTIONS RECEIVED

Summary of Cash Contributions

Contribution Type	Budgeted Income	S93F VPA Actual Income	Developer Contribution Actual Income	Total Actual Income	Variance to Original Budget
s93F and s94 Income (exc drainage) - General Fund	\$4,004,218	\$223,579	\$4,230,332	\$4,453,911	\$449,693
s93F and s94 Drainage Income - Water Fund	\$721,965	\$49,362	\$645,692	\$695,054	(\$26,911)
Section 94A - General Fund	\$300,000		\$783,006	\$783,006	\$483,006
Total EPA Developer Contributions	\$5,026,183	\$272,941	\$5,659,030	\$5,931,971	\$905,788
s64 Water Income - Water Fund	\$1,566,706	\$0	\$1,877,246	\$1,877,246	\$310,540
s64 Sewer Income - Sewer Fund	\$1,981,408	\$0	\$2,402,950	\$2,402,950	\$421,542
Total LGA Developer Contributions	\$3,548,114	\$0	\$4,280,196	\$4,280,196	\$732,082
Total Non-Cash Contributions	\$0	\$0	\$877,884	\$877,884	\$877,884
Total EPA & LGA Developer Contributions	\$8,574,297	\$272,941	\$10,817,110	\$11,090,051	\$2,515,754

For the financial year 1 July 2014 to 30 June 2015 Council has received total contributions of \$11,090k made up as follows:

- \$5,932k in developer contributions under EP&A Act,
- \$4,280k in water and sewer LGA contributions, and
- \$878k in non-cash contributions.

This is \$2,516k above the budgeted developer contributions of \$8,574k.

s93F and s94 developer contributions (excluding drainage) reported in the General Fund

Contribution Plan #	Contribution Plan Name	Budgeted Income	S93F VPA Actual Income	S94 Actual Income	Total Actual Income	Variance to Original Budget
1	Wyong	\$48,716		\$113,307	\$113,307	\$64,591
2	Southern Lakes	\$46,800		\$426,825	\$426,825	\$380,025
3	The Entrance	\$434,083		\$738,746	\$738,746	\$304,663
5	Ourimbah	\$36,543		\$28,592	\$28,592	(\$7,951)
6	Toukley	\$64,650		\$136,791	\$136,791	\$72,141
7	Gorokan	\$53,684		\$228,943	\$228,943	\$175,259
8	San Remo	\$64,980		\$84,031	\$84,031	\$19,051
9	Budgewoi	\$56,229		\$55,930	\$55,930	(\$299)
13	Shire Wide	\$114,377	\$3,882	\$242,638	\$246,520	\$132,143
15	Northern Districts	\$633,544		\$689,103	\$689,103	\$55,559
17	Warnervale District	\$2,450,612	\$219,697	\$1,485,426	\$1,705,123	(\$745,489)
	General Fund Total	\$4,004,218	\$223,579	\$4,230,332	\$4,453,911	\$449,693

s94 contributions received from 1 July 2014 to 30 June 2015 totalled \$4,454k. This exceeded budget by \$450k.

6.1 End of Financial Year Update on EP & A and LGA Developer contributions (contd)

Contribution Type	Original Budgeted Income	Total Actual Income	Variance to Original Budget
Section 94A	\$300,000	\$783,006	\$483,006

Section 94A contributions received from 1 July 2014 to 30 June 2015 totalled \$783k which is \$483k favourable compared to a budget of \$300k.

s93F and s94 Drainage contributions reported in Water Fund

		Water Fund - s94 Drainage				
Contribution Plan #	Contribution Plan Name	Budgeted Income	S93F VPA Actual Income	S94 Actual Income	Total Actual Income	Variance to Original Budget
1	Wyong			\$0	\$0	\$0
2	Southern Lakes			\$34,287	\$34,287	\$34,287
3	The Entrance			\$0	\$0	\$0
5	Ourimbah			\$0	\$0	\$0
6	Toukley			\$0	\$0	\$0
7	Gorokan			\$0	\$0	\$0
8	San Remo			\$242,770	\$242,770	\$242,770
9	Budgewoi			\$0	\$0	\$0
13	Shire Wide			\$0	\$0	\$0
15	Northern Districts			\$0	\$0	\$0
17	Warnervale District	\$721,965	\$49,362	\$368,635	\$417,997	(\$303,968)
Water Fund Drainage Total		\$721,965	\$49,362	\$645,692	\$695,054	(\$26,911)

s94 drainage contributions received from 1 July 2014 to 30 June 2015 totalled \$695k. This is unfavourable to budget by \$27k.

Changes to Water & Sewer Development Servicing Plans under Local Government Act 1993

As at 1 July 2014 all Development Servicing Plans (DSP) were consolidated into one DSP – the Water Supply and Sewerage Development Servicing Plan. Previously there were separate water and sewer DSP for areas that aligned with the Section 94 contribution plans.

All water and sewerage contributions listed on an applicant's s306 certificate after 1 July 2014 will be based on the charges in the Water Supply and Sewerage DSP. Any s306 certificates issued prior to 1 July 2014 remain at the amounts contained in the old DSP with the appropriate indexation applied.

6.1 End of Financial Year Update on EP & A and LGA Developer contributions (contd)

s64 Water Developer contributions reported in the Water Fund

		Water Fund - Water				
Contribution Plan #	Contribution Plan Name	Budgeted Income	S93F VPA Actual Income	S94 Actual Income	Total Actual Income	Variance to Original Budget
1	Wyong			\$281,381	\$281,381	\$281,381
2	Southern Lakes			\$226,996	\$226,996	\$226,996
3	The Entrance			\$38,724	\$38,724	\$38,724
5	Ourimbah			\$17,968	\$17,968	\$17,968
6	Toukley			\$41,101	\$41,101	\$41,101
7	Gorokan			\$98,064	\$98,064	\$98,064
8	San Remo			\$100,556	\$100,556	\$100,556
9	Budgewoi			\$11,027	\$11,027	\$11,027
13	Shire Wide			\$0	\$0	\$0
15	Northern Districts			\$83,678	\$83,678	\$83,678
17	Warnervale District			\$545,593	\$545,593	\$545,593
Water1	Water Wyong Shire	\$1,566,706		\$432,158	\$432,158	(\$1,134,548)
Water Fund Total		\$1,566,706	\$0	\$1,877,246	\$1,877,246	\$310,540

Water fund contributions (s64) received from 1 July 2014 to 30 June 2015 totalled \$1,877k which exceeds the revised budget by \$311k.

s64 Sewer developer contributions reported in the Sewer Fund

		Sewer Fund - Sewer				
Contribution Plan #	Contribution Plan Name	Budgeted Income	S93F VPA Actual Income	S94 Actual Income	Total Actual Income	Variance to Original Budget
1	Wyong			\$578,933	\$578,933	\$578,933
2	Southern Lakes			\$348,755	\$348,755	\$348,755
3	The Entrance			\$9,517	\$9,517	\$9,517
5	Ourimbah			\$14,358	\$14,358	\$14,358
6	Toukley			\$13,102	\$13,102	\$13,102
7	Gorokan			\$65,412	\$65,412	\$65,412
8	San Remo			\$152,776	\$152,776	\$152,776
9	Budgewoi			\$9,358	\$9,358	\$9,358
13	Shire Wide			\$0	\$0	\$0
15	Northern Districts			\$217,593	\$217,593	\$217,593
17	Warnervale District			\$484,067	\$484,067	\$484,067
Sewer1	Sewer Wyong Shire	\$1,981,408		\$509,079	\$509,079	(\$1,472,329)
Sewer Fund Total		\$1,981,408	\$0	\$2,402,950	\$2,402,950	\$421,542

Sewer Fund contributions (s64) received from 1 July 2014 to 30 June 2015 totalled \$2,403k which exceeds the revised budget by \$422k.

Non-Cash Contributions

Council allows developers to dedicate assets (works or land that has been identified in a contribution plan) in lieu of making cash contributions. Where the value of the assets dedicated exceeds the developer contributions owed a developer credit is recognised. The developer credits are available to offset future developer contributions.

6.1 End of Financial Year Update on EP & A and LGA Developer contributions (contd)

Non-cash contributions received from 1 July 2014 to 30 June 2015 totalled \$878k. Due to the nature of non-cash contributions this is difficult to budget.

Contribution Plan #	Contribution Plan Name	Budgeted Income	General	Drainage	Water	Sewer	Total
1	Wyong						\$0
2	Southern Lakes						\$0
3	The Entrance						\$0
5	Ourimbah						\$0
6	Toukley		\$180,924				\$180,924
7	Gorokan						\$0
8	San Remo						\$0
9	Budgewoi						\$0
13	Shire Wide		\$14,644				\$14,644
15	Northern Districts						\$0
17	Warnervale District		\$534,721	\$106,692	\$40,903		\$682,316
Total Non Cash Income		\$0	\$730,289	\$106,692	\$40,903	\$0	\$877,884

SPECIFIC PURPOSE VPA CONTRIBUTIONS RECEIVED

\$514k in specific purpose VPA contributions was received in 2012-13 financial year from Fabcot Pty Limited to be spent on stage 1 specific pathway works as outlined below:

- Pathway 1 – 2013-14 Saliena Avenue to Tall Timbers Road – completed in July 2014
- Pathway 2 – 2014-15 Pacific Highway South – Tall Timbers to Colongra Bay Road – is now complete

Total cost of the pathways completed as part of stage 1 is \$264k.

Any unspent funds from stage 1 can be held for stage 2.

Any unspent funds at the end of the 4 year period from when the VPA was entered into will need to be refunded.

RESTRICTED ASSET – DEVELOPER CONTRIBUTIONS

Council currently has a restricted asset totalling \$47.2m which represents the developer contributions received with interest income that has not yet been spent as at 30 June 2015. The break up is as follows:

Contribution Type	Restricted Asset Value
S93F	\$4,827,061
S94 - General	\$2,323,912
S94 - Drainage	\$14,459,711
S94A	\$28,140
S64 - Water	\$11,535,767
S64 - Sewer	\$14,067,375
Total	\$47,241,967

6.1 End of Financial Year Update on EP & A and LGA Developer contributions (contd)

DEVELOPER CREDITS – NON-CASH CONTRIBUTIONS

Council's current unfunded liabilities (non-cash contributions) total \$14.0m as at 30 June 2015. This includes s94 credits totalling \$12.9m and s64 credits totalling \$1.1m.

A summary of the movement in non-cash contributions from 1 July 2014 to 30 June 2015 is provided below.

Summary of Developer Credits	
Opening Balance @ 1-7-2014	\$15,254,423
Contributed Assets	\$429,096
Non-Cash Contributions	(\$877,884)
Interest & Indexation	\$127,174
Refunds	(\$942,357)
Closing Balance @ 30-6-2015	\$13,990,451

ATTACHMENTS

Nil.

6.2 Road Capital Works Program

TRIM REFERENCE: F2011/00879 - D12086237
MANAGER: Peter Murray, Manager
AUTHOR: Stuart Baverstock; Construction Manager

SUMMARY

Council's 2015/16 Strategic Plan commits Council to a road pavement renewal, upgrade and resealing rolling works program with the objective of improving the overall pavement network condition and corresponding levels of service. The following report summarises the timing of projects planned for the following 12 month period.

RECOMMENDATION

That Council receive the report on the status of the Council's Road Capital Rolling Works Program.

BACKGROUND

Council's 2015/16 Strategic Plan has committed \$26.06M for the renewal, upgrading and expansion of its road and drainage assets. The majority of these funds (\$16.6M) is committed to road pavement upgrade/renewals and road stormwater drainage works (\$7.6M). The remaining \$1.86M is allocated to shared pathways, footpath, kerb & gutter, bridges and road safety improvement projects.

The target volume outputs for 2015/16 are:

- Pavement resealing = 45 km 0 km achieved to date (program commences Oct/Nov 2015)
- Road upgrade / renewal = 14 km 2.1 km achieved to date
- Footpath = 3.2 km 2.0 km achieved to date

Council continues to operate an advanced Pavement Management System which is used to measure and model network condition and to develop optimised works programs. The allocation of funding is consistent with this strategic approach that continues to see an overall improvement in network condition towards the 2015/16 target Pavement Condition Index (PCI) of 7.2.

The attached table provides a schedule of all road upgrades, renewals & reseal projects proposed for all Council controlled Local Roads for 2015/16.

6.2 Road Capital Works Program (contd)

In September 2015 the following major achievements in the Road Capital Works program were achieved:

- Drainage works at Hume Boulevard Killarney Vale have now been completed, with crews now engaged in the pavement upgrade,
- The construction of environmental swale drains into Tuggerah Lakes at Tuggerah Parade Long Jetty has been completed,
- Goorama Avenue San Remo – Stage 3 road and drainage works have essentially been completed, with the Council construction crew now progressing onto the next stage of works on this road,
- Safety improvements at Warnervale Airport have now been completed, and the airport has now reopened,
- Road pavement asphalt works were completed on;
 - Palmdale Rd, Palmdale,
 - Warnervale Airport,
 - Wyong Rd Killarney Vale.

ATTACHMENTS

- | | |
|--|-----------|
| 1 CAPEX and Resealing Programme Reports - October 2015 Council Meeting | D12087413 |
|--|-----------|

ROAD UPGRADE /RENEWAL / RESEAL PROJECTS - 2015 / 2016 FINANCIAL YEAR																
Capital Responsibility Centre (RC) No.	(Multiple Items)	SRV Projects	Project Phasing			✓	Project Status Project Completed	✗	Project Status Project deferred or removed from 2015/16 programme due to constructability related issues							
Suburb Location	Capital RC Name	Project Description DO NOT CHANGE	July-15	Aug-15	Sept-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	June-16	Project Status	
Bateau Bay	Local Roads Rehab Works/Road Pavement Renewals	Hillcrest Avenue - Block 1 : Pavement Renewal Programme														
		Norah Head Close - Block 1 : Pavement Renewal Programme														
	Reseals Local Roads-General	Adrian Close - Block 1 Reseal Programme														
		Anglers Drive - Block 1 Reseal Programme														
		Augustus Place - Block 1 Reseal Programme														
		Bateau Bay Road - Block 6 Reseal Programme														
		Bateau Bay Road - Block 7 Reseal Programme														
		Elgata Street - Block 1 Reseal Programme														
		Katungal Street - Block 1 Reseal Programme														
		Kipling Drive - Block 1 Reseal Programme														
		Kipling Drive - Block 2 Reseal Programme														
		Masefield Avenue - Block 1 Reseal Programme														
		Peta Close - Block 1 Reseal Programme														
		Reserve Drive - Block 1 Reseal Programme														
		Reserve Drive - Block 2 Reseal Programme														
		Reserve Drive - Block 3 Reseal Programme														
		Reserve Drive - Block 4 Reseal Programme														
		Reserve Drive - Block 5 Reseal Programme														
	Roads To Recovery Program	Debra Anne Drive - Block 1, 2 and 3 : Pavement Renewal Programme														
Berkeley Vale	Capital Local Roads Rehab - General/Roads Upgrade	Audie Parade, Berkeley Vale : Road Upgrade/Renewal With Stormwater Drainage														
	Reseals Local Roads-General	Clare Crescent - Block 1 Reseal Programme														
		Colleen Street - Block 1 Reseal Programme														
		Jean Avenue - Block 2 Reseal Programme														
		Keren Avenue - Block 1 Reseal Programme														
		Keren Avenue - Block 2 Reseal Programme														
		Lakedge Avenue Shops C/P at Bluebell Avenue Reseal Programme														

ROAD UPGRADE /RENEWAL / RESEAL PROJECTS - 2015 / 2016 FINANCIAL YEAR														
Capital Responsibility Centre (RC) No.	(Multiple Items)	SRV Projects	Project Phasing				Project Status Project Completed	Project Status Project deferred or removed from 2015/16 programme due to constructability related issues						
Blue Bay	Capital Local Roads Rehab - General/Roads Upgrade	Bay Road, Blue Bay : Road Upgrade Including Stormwater Drainage												
	Reseals Local Roads-General	Boondilla Road - Block 3 Reseal Programme												
		The Crescent - Block 1 Reseal Programme												
		The Crescent - Block 2 Reseal Programme												
		The Crescent - Block 3 Reseal Programme												
		The Crescent - Block 4 Reseal Programme												
Budgewoi	Capital Local Roads Rehab - General/Roads Upgrade	Continuation - 33 SUNRISE AVENUE												
		Villa Close, Budgewoi : Road Upgrade With Stormwater Drainage												
	Local Roads Rehab Works/Road Pavement Renewals	Edward Street - Block 1 : Road Pavement Renewal												
	Reseals Local Roads-General	Natuna Avenue - Block 2 Reseal Programme												
Buff Point	Capital Local Roads Rehab - General/Roads Upgrade	Elouera Road, Buff Point : Road Upgrade With Stormwater Drainage												
Bushells Ridge	Reseals Local Roads-General	Bushells Ridge Road - Block 1 Reseal Programme												
		Bushells Ridge Road - Block 2 Reseal Programme												
		Bushells Ridge Road - Block 3 Reseal Programme												
Cedar Brush Creek	Reseals Local Roads-General	Brush Creek Road - Block 1 Reseal Programme												
		Brush Creek Road - Block 11 Reseal Programme												
		Brush Creek Road - Block 3 Reseal Programme												
		Brush Creek Road - Block 4 Reseal Programme												
		Brush Creek Road - Block 5 Reseal Programme												
		Brush Creek Road - Block 6 Reseal Programme												
		Brush Creek Road - Block 7 Reseal Programme												
		Brush Creek Road - Block 9 Reseal Programme												

ROAD UPGRADE /RENEWAL / RESEAL PROJECTS - 2015 / 2016 FINANCIAL YEAR													
Capital Responsibility Centre (RC) No.	(Multiple Items)	SRV Projects	Project Phasing			Project Status Project Completed	Project Status Project deferred or removed from 2015/16 programme due to constructability related issues						
Chain Valley Bay	Reseals Local Roads-General	Scaysbrook Avenue - Block 1 Reseal Programme											
		Scaysbrook Avenue - Block 2 Reseal Programme											
		Tall Timbers Road - Block 2 Reseal Programme											
		Tall Timbers Road - Block 3 Reseal Programme											
		Tall Timbers Road - Block 4 Reseal Programme											
		Tall Timbers Road - Block 5 Reseal Programme											
		Tall Timbers Road - Block 6 Reseal Programme											
		Tall Timbers Road - Block 7 Reseal Programme											
Charmhaven	Footpath Construction	Pacific Highway Charmhaven : Footpath Programme (New)											
	Reseals Local Roads-General	Dixie Lane - Block 1 Reseal Programme											
	Roads To Recovery Program	Removed in Continuation - Chelmsford Road (West), Charmhaven : Roads To Recovery											X
	Shared Pathways	Pacific Highway Charmhaven Stage 1: Shared Pathway Programme (New)											
Chittaway Bay	Reseals Local Roads-General	Kauai Avenue - Block 1 Reseal Programme											
		Kauai Avenue - Block 2 Reseal Programme											
		Moloki Avenue - Block 1 Reseal Programme											
		Moloki Avenue - Block 2 Reseal Programme											
		Moui Avenue - Block 1 Reseal Programme											
Chittaway Point	Local Roads Rehab Works/Road Pavement Renewals	Removed in Continuation - Geoffery Road - Block 9 : Pavement Renewal Programme											X
	Reseals Local Roads-General	Geoffrey Road - Block 10 Reseal Programme											
		Geoffrey Road - Block 11 Reseal Programme											
		Geoffrey Road - Block 12 Reseal Programme											
		Geoffrey Road - Block 13 Reseal Programme											
		Vesta Close - Block 1 Reseal Programme											

ROAD UPGRADE /RENEWAL / RESEAL PROJECTS - 2015 / 2016 FINANCIAL YEAR														
Capital Responsibility Centre (RC) No.	(Multiple Items)	SRV Projects	Project Phasing					Project Status Project Completed	Project Status Project deferred or removed from 2015/16 programme due to constructability related issues					
Crangan Bay	Roads To Recovery Program	Continuation - KANANGRA DRIVE - Safer Roads	■	■	■	■	■							
Durren Durren	Roads Rehab Minor Rolling Works	Continuation - SMITHS ROAD @ DURREN DURREN ROAD. Road upgrade (seal)					■							
Fountaindale	Reseals Local Roads-General	Old Chittaway Road - Side Road) Reseal Programme							■					
Glenning Valley	Reseals Local Roads-General	Glenning Road - Block 1 Reseal Programme							■					
		Glenning Road - Block 2 Reseal Programme							■					
		Glenning Road - Block 3 Reseal Programme							■					
		Glenning Road - Block 4 Reseal Programme							■					
		Palm Springs Avenue - Block 1 Reseal Programme							■					
		Palm Springs Avenue - Block 2 Reseal Programme							■					
		Toona Way - Block 1 Reseal Programme							■					
Gorokan	Capital Local Roads Rehab - General/Roads Upgrade	Coorabin Street, Gorokan : Road Upgrade/Renewal With Stormwater Drainage									■	■		
	Reseals Local Roads-General	Beryl St - Block 1 Reseal Programme					■							
		Jacqueline Avenue - Block 1 Reseal Programme					■							
		Jacqueline Avenue - Block 2 Reseal Programme					■							
		Ocean View Road - Block 1 Reseal Programme					■							
		Ocean View Road - Block 2 Reseal Programme					■							
		Odette Avenue - Block 2 Reseal Programme					■							
		Sadie Avenue - Block 2 Reseal Programme					■							
		Suncrest Parade - Block 1 Reseal Programme					■							
		Sylvia Avenue - Block 1 Reseal Programme					■							
	Roads To Recovery Program	Spring Valley Avenue - Block 1 : Roads To Recovery					■							

ROAD UPGRADE /RENEWAL / RESEAL PROJECTS - 2015 / 2016 FINANCIAL YEAR														
Capital Responsibility Centre (RC) No.	(Multiple Items)	SRV Projects	Project Phasing				✓	Project Status Project Completed	✗	Project Status Project deferred or removed from 2015/16 programme due to constructability related issues				
Gwandalan	Capital Local Roads Rehab - General/Roads Upgrade	Continuation - QUINALUP ROAD (Imga Street) Gwandalan : Road Upgrade												
	Footpath Construction	Gamban Road, Gwandalan : Footpath Programme (New)												
	Reseals Local Roads-General	Orana Road - Block 2 Reseal Programme												
Halekulani	Reseals Local Roads-General	Huene Avenue - Block 1 Reseal Programme												
		Huene Avenue - Block 2 Reseal Programme												
Kangy Angy	Reseals Local Roads-General	Orchard Road - Block 1 Reseal Programme												
Kanwal	Footpath Construction	Wallarah Road, Kanwal : Footpath Programme (New)												
Killarney Vale	Capital Local Roads Rehab - General/Roads Upgrade	Continuation - HUME BOULEVARD. Road Upgrade												
		Norton Ave, Killarney Vale : Road Upgrade With Possible Stormwater Drainage												
	Reseals Local Roads-General	East St - Block 1 Reseal Programme												
		East St - Block 2 Reseal Programme												
		Oxley Road - Block 1 Reseal Programme												
		Robert Bourke Street - Block1 Reseal Programme												
Robert Bourke Street - Block2 Reseal Programme														
Kulnura	Roads Rehab Minor Rolling Works	Cherry Road, Kulnura : Road Upgrade (Seal)												
		Finns Road, Kulnura : Road Upgrade (Seal)												
		Forest Road, Kulnura : Road Upgrade (Seal)												
		Hunts Road, Kulnura : Road Upgrade (Seal)												

ROAD UPGRADE /RENEWAL / RESEAL PROJECTS - 2015 / 2016 FINANCIAL YEAR														
Capital Responsibility Centre (RC) No.	(Multiple Items)	SRV Projects	Project Phasing				Project Status Project Completed	Project Status Project deferred or removed from 2015/16 programme due to constructability related issues						
Lake Haven	Footpath Construction	Lake Haven - Footpath Programme (New)												
Lake Munmorah	Footpath Construction	Continuation - ANITA AVENUE. Footpath Programme												
	Reseals Local Roads-General	Elizabeth Bay Drive - Block 7 Reseal Programme												
		Rosemount Avenue - Block 1 Reseal Programme												
		Rosemount Avenue - Block 2 Reseal Programme												
	Shared Pathways	Continuation - PACIFIC HIGHWAY - Shared Pathway (New Construction)											✓	
Long Jetty	Footpath Construction	Implement Long Jetty Master plan - Main St footpath upgrades (Pacific St to Toowoon Bay Rd)												
	Local Roads Rehab Works/Road Pavement Renewals	Mayfair Street - Block 1 : Road Pavement Renewal												
	Reseals Local Roads-General	Archbold Road - Block 1 Reseal Programme												
		Archbold Road - Block 2 Reseal Programme												
		Archbold Road - Block 3 Reseal Programme												
		Bonnieview Street - Block 6 Reseal Programme												
		Nirvana Street - Block 1 Reseal Programme												
		Nirvana Street - Block 2 Reseal Programme												
		Nirvana Street - Block 3 Reseal Programme												
		Remove in Q1 - McLachlan Avenue - Block 4 Reseal Programme											✗	
		Rhodin Drive - Block 1 Reseal Programme												
		Rhodin Drive - Block 2 Reseal Programme												
		Surf Street - Block 2 Reseal Programme												
		Surf Street - Block 3 Reseal Programme												
		Thompson Street - Block 3 Reseal Programme												
		Toowoon Bay Road - Block 4 Reseal Programme												
		Remove in Q1 - McLachlan Avenue - Block 5 Reseal Programme											✗	

ROAD UPGRADE /RENEWAL / RESEAL PROJECTS - 2015 / 2016 FINANCIAL YEAR														
Capital Responsibility Centre (RC) No.	(Multiple Items)	SRV Projects	Project Phasing				Project Status Project Completed	Project Status Project deferred or removed from 2015/16 programme due to constructability related issues						
Manning Park	Roads To Recovery Program	Dunvegan Street - Block 1 : Roads To Recovery												
	Shared Pathways	Griffith Street, Manning Park : Shared Pathway Programme (New)												
Norah Head	Capital Local Roads Rehab - General/Roads Upgrade	Bald Street, Norah Head : Road Upgrade With Stormwater Drainage												
		Maitland Street (Bush Street Stage3) Norah Head : Road Upgrade Including Stormwater Drainage												
	Reseals Local Roads-General	Bungary Road - Block 1 Reseal Programme												
		Bungary Road - Block 2 Reseal Programme												
		Bungary Road - Block 4 Reseal Programme												
		Bungary Road - Block 5 Reseal Programme												
		Park Street - Block 1 Reseal Programme												
		Victoria Street - Block 1 Reseal Programme												
		Victoria Street - Block 2 Reseal Programme												
		Victoria Street - Block 3 Reseal Programme												
Noraville	Footpath Construction	Remove in Q1 - Pandora Parade, Noraville : Footpath Programme (New)												
Ourimbah	Capital Local Roads Rehab - General/Roads Upgrade	Glen Road, Ourimbah : Road Renewal With Stormwater Drainage And Guard Rail												
	Footpath Construction	Coachwood Drive, Ourimbah : Footpath Programme (New)												
	Reseals Local Roads-General	Alex Close - Block 1 Reseal Programme												
		Ourimbah Road - Block 1 Reseal Programme												
	Roads Rehab Minor Rolling Works	Removed in Continuation - Bridge Street, Ourimbah : Road Upgrade (Seal)												
	Roads To Recovery Program	Ourimbah Creek Road - Block 5 : Pavement Renewal Programme												
Palmdale	Roads Rehab Minor Rolling Works	Fern Tree Lane, Palmdale : Road Upgrade (Seal)												
		Palmdale Road, Palmdale : Road Upgrade (Seal)												

ROAD UPGRADE /RENEWAL / RESEAL PROJECTS - 2015 / 2016 FINANCIAL YEAR														
Capital Responsibility Centre (RC) No.	(Multiple Items)	SRV Projects	Project Phasing					Project Status Project Completed	Project Status Project deferred or removed from 2015/16 programme due to constructability related issues					
San Remo	Capital Local Roads Rehab - General/Roads Upgrade	Goorama Avenue, San Remo : Road Upgrade/Renewal Including Stormwater Drainage												
	Reseals Local Roads-General	Barker Avenue - Block 1 Reseal Programme												
		Wills Road - Block 1 Reseal Programme												
Summerland Point	Reseals Local Roads-General	Bambara Avenue - Block 1 Reseal Programme												
		Government Road - Block 2 Reseal Programme												
		Murrumbong Road - Block 1 Reseal Programme												
		Yeramba Road - Block 3 Reseal Programme												
		Yeramba Road - Block 4 Reseal Programme												
		Yeramba Road - Block 5 Reseal Programme												
The Entrance	Reseals Local Roads-General	Boomerang Road - Block 1 Reseal Programme												
		Boomerang Road - Block 2 Reseal Programme												
		Norfolk Street - Block 1 Reseal Programme												
		Norfolk Street - Block 2 Reseal Programme												
Roads To Recovery Program	Gosford Avenue - Block 1 : Roads To Recovery	Lakeside Parade, The Entrance : Road Upgrade With Stormwater Drainage												
Toukley	Footpath Construction	Continuation - HOLMES AVENUE. Footpath Programme – renewal												
		Dunleigh Street, Toukley : Footpath Programme (New)											✓	
	Reseals Local Roads-General	Evans Road - Block 2 Reseal Programme												
		Evans Road - Block 3 Reseal Programme												
		Evans Road - Block 4 Reseal Programme												
James Road - Block 1 Reseal Programme														

ROAD UPGRADE /RENEWAL / RESEAL PROJECTS - 2015 / 2016 FINANCIAL YEAR														
Capital Responsibility Centre (RC) No.	(Multiple Items)	SRV Projects	Project Phasing	✓	Project Status Project Completed	✗	Project Status Project deferred or removed from 2015/16 programme due to constructability related issues							
Tuggerah	Roads To Recovery Program	Continuation - JOHNSON ROAD. Road Pavement Renewal (Roads to Recovery)												✓
Tuggerawong	Capital Local Roads Rehab - General/Roads Upgrade	Warner Avenue, Tuggerawong : Road Upgrade With Stormwater Drainage												
	Reseals Local Roads-General	Tuggerawong Road - Block 10 Reseal Programme												
		Tuggerawong Road - Block 11 Reseal Programme												
		Tuggerawong Road - Block 8 Reseal Programme												
Tumbi Umbi	Reseals Local Roads-General	Alimah Close - Block 1 Reseal Programme												
		Hansens Road - Block 1 Reseal Programme												
		Lees Lane - Block 1 Reseal Programme												
		Marilyn Crescent - Block 1 Reseal Programme												
Watanobbi	Reseals Local Roads-General	Watanobbi Road - Block 1 Reseal Programme												
		Watanobbi Road - Block 2 Reseal Programme												
		Watanobbi Road - Block 3 Reseal Programme												
Woongarra	Reseals Local Roads-General	Hakone Road - Block 10 Reseal Programme												
		Hakone Road - Block 11 Reseal Programme												
		Hakone Road - Block 12 Reseal Programme												
		Hakone Road - Block 8 Reseal Programme												
		Hakone Road - Block 9 Reseal Programme												
Wyong	Local Roads Rehab Works/Road Pavement Renewals	Robleys Lane - Block 1 : Pavement Renewal Programme												
	Reseals Local Roads-General	Byron Street - Block 1 Reseal Programme												
		Pollock Avenue - Block 1 Reseal Programme												
		Pollock Avenue - Block 2 Reseal Programme												
Wyong Creek	Roads Rehab Minor Rolling Works	Remove in Q1 - Amber Lane, Wyong Creek : Road Upgrade (Seal)												✗

ROAD UPGRADE /RENEWAL / RESEAL PROJECTS - 2015 / 2016 FINANCIAL YEAR														
Capital Responsibility Centre (RC) No.	(Multiple Items)	SRV Projects	Project Phasing				✓	Project Status Project Completed	✗	Project Status Project deferred or removed from 2015/16 programme due to constructability related issues				
Wyongah	Capital Local Roads Rehab - General/Roads Upgrade	Kilpa Road, Wyongah : Road Upgrade With Stormwater Upgrade												
	Local Roads Rehab Works/Road Pavement Renewals	Murrawal Road, Wyongah : Traffic Calming and Road Upgrade												

6.3 Annual Disclosure of Interest Returns 2014-15

TRIM REFERENCE: F2014/00652 - D12106512
AUTHOR: Sonia Witt; TL Governance and Councillor Services
MANAGER: Brian Glendenning, General Counsel

SUMMARY

The Local Government Act, 1993 requires Disclosure of Interest (DOI) Returns for Councillors and Designated Persons to be lodged with the General Manager who, in turn is required to keep a register of the Disclosure of Interest Returns.

The Act further requires the DOI Returns lodged with the General Manager to be tabled at a meeting of Council.

RECOMMENDATION

That Council receive the report on Annual Disclosure of Interest Returns 2014-15.

BACKGROUND

In accordance with the Local Government Act 1993, Councillors, the General Manager and designated staff are required to lodge a return by 30 September each year. Newly appointed staff and Councillors are also required to lodge a return within three months of being appointed to a designated position.

All required disclosures have been submitted with the exception of 17 staff, of whom are on maternity leave or resigned. These returns are being pursued. Section 450A also specifies that the General Manager must table the returns lodged under these Sections and, in accordance with this Section of the Act, the returns for the period 1 July 2014 to 30 June 2015 are tabled, together with those new staff who commenced in designated positions between 1 July and 30 September 2015.

NB

Sections 449(1) and (5) of the Local Government Act, 1993 - Disclosure of Interest Returns for Councillors and Designated Persons to be lodged with GM
Section 450A(1) – register required of the Disclosure of Interest Returns lodged.
Section 450A(2) - Returns lodged with the General Manager under section 449(1) to be tabled at a meeting of Council.

ATTACHMENTS

1 Disclosures of Interest Received - 1 July to 30 September 2015 D12106523

**Disclosure of Interest Register
1 July – 30 September 2015**

Councillors

-

Staff

Whittaker M (resignation)

6.4 Outstanding Questions on Notice and Notices of Motion

TRIM REFERENCE: F2015/00040-02 - D12095780
MANAGER: Lesley Crawley, Manager Corporate Governance
AUTHOR: Jade Maskiewicz; Councillor Services Officer

SUMMARY

Report on Outstanding Questions on Notice and Notices of Motion.

RECOMMENDATION

That Council receive the report on Outstanding Questions on Notice and Notices of Motion.

ATTACHMENTS

1 Table of Outstanding Questions and Notice of Motions - 14 October 2015 D12095796

No	Department	Responsible Officer	Question Asked / Resolution	Meeting Asked/ Councillor	Status
115	Chief Executive Officer's Unit	Stephen Naven	7.2 Notice of Motion - Government Rating Outrage 50/15 <i>That Council <u>note</u> with great concern the likely significant escalation of the 2015 rate burden on the local lower to mid-market property sector.</i> 51/15 <i>That Council <u>note</u> the significant escalation is as a consequence of the recent property market increases and unfair rerating formulas dictated to Council by the State Government Valuer General and Office of Local Government.</i> 52/15 <i>That Council <u>call</u> on the State Government to conduct a thorough review into the Valuer General's and Office of Local Government's outdated and discriminatory rating methods that will place undue hardship on many in our community.</i> 53/15 <i>That Council <u>investigate</u> a shire wide, online petition in partnership with the community, to give ratepayers a voice to call upon the State Government to reject this outrageous and out of touch taxing.</i> 54/15 <i>That Council <u>include</u> in its 2015 Strategic Planning Process a review of all options to assist in reducing the impact of the Government's looming rerating charges.</i>	28 January 2015 Cr Best	Response to be provided at Ordinary Meeting 28 October 2015.
133	Property and Economic Development	John Willey	7.2 Notice of Motion - Tuggerah Station Parking and Safety Shambles 236/15 <i>That Council <u>reiterate</u> the total inadequacy of parking at and around the Tuggerah Rail Station, and that the provision of such parking is the sole responsibility of Transport NSW and State Government.</i> 237/15 <i>That Council <u>explore</u> all land options in the Tuggerah Rail Station precinct, in partnership with Transport NSW and State Government, to address this issue.</i> 238/15 <i>That Council <u>note</u> the urgent need to immediately deal with this matter and therefore the prospect of interim/temporary parking should also be considered.</i>	11 March 2015 Cr Best Cr Matthews	Response to be provided at a future meeting.
150	Development and Building	Jamie Loader	6.1 Notice of Motion - Council's Animal Care Facility 539/15 <i>That Council recognise the outstanding work over the past few years by staff and more recently by the current animal care contractor and that this management team has delivered an outcome of near zero euthanising of stray and abandoned pets.</i>	Cr Best 27 May 2015	Investigations are underway, with a response to be provided 25 November 2015.

No	Department	Responsible Officer	Question Asked / Resolution	Meeting Asked/ Councillor	Status
			<p>540/15 That Council recognise that the current Charmhaven Animal Care Facility is approaching end of its asset life.</p> <p>541/15 That Council take a more strategic and regional approach through opening dialogue with Gosford City Council and the current animal care contractors both at Charmhaven and Erina, with the view to establishing a regional, Central Coast animal care facility that will service the future needs of the Coast as a whole.</p> <p>542/15 That Council consider any such centrally located regional facility in tandem with innovative satellite offices in the region's north and far south to assist residents in outer areas to access these important services.</p> <p>543/15 That Council request the General Manager to provide a report back to Council.</p>		
152	Infrastructure and Operations	Peter Murray	<p>6.1 Notice of Motion – End Gridlock Pacific Highway, Wyong</p> <p>627/15 That Council <i>recognises</i> the urgent need to work with the RMS to deliver the Wyong Town leg of the Pacific Hwy, an economically vital transport corridor, relied upon by thousands of local residents as they daily commute.</p> <p>628/15 That further Council <i>recognises</i>, the inordinate delays plaguing this multimillion dollar Highway project as it seeks to accommodate the demand of a small number of property owners must now end.</p> <p>629/15 That Council <i>applauds</i> the timely turnaround of the RMS's final and progressive draft plans currently on exhibition.</p> <p>630/15 That Council <i>encourages</i> all interested parties to make responsible submissions and Council recognises through community representations and submissions there may very well be some adjustments and amendments to the draft plan.</p> <p>631/15 That Council again <i>reiterates</i> that irrespective of any further representation to call for this highway project to bypass through residential back streets will not be entertained by Council.</p> <p>632/15 That, due to the urgent need to construct this important transport corridor, Council, on behalf of our local residents, <i>make funding representations</i> to the</p>	Cr Best & Troy 10 June 2015	Response to be provided at Ordinary Meeting to be held 28 October 2015.

No	Department	Responsible Officer	Question Asked / Resolution	Meeting Asked/ Councillor	Status
			633/15 <i>State Government seeking to tap into the 6 billion dollar state government regional funding pool. That the General Manager <u>liaise</u> with the Minister for Roads and RMS in regards to designing a more direct and easier disabled access to Wyong Railway Station, other than that proposed off Howarth Street.</i>		
161	Community and Recreations Services	Brett Sherar	7.1 <i>Notice of Motion - Establishment of New Extreme Bike and Skate Facility in our Shire's North</i> 753/15 <i>That Council welcome the community's recent drive to establishment a steering committee to activate a Northern area competition BMX Track based at San Remo.</i> 754/15 <i>That Council request the General Manager to provide a report on the Committee's initiative to activate a new competition standard version of the Extreme Bike and Skate Facility at San Remo and that committee representatives be invited to brief Council on their vision.</i> 755/15 <i>That further to Council's recent announcement to construct a major regional Skate Facility in the Shires South, Council recognise the need to equitability distribute resources across the Shire, to this end Council welcomes this community driven initiative.</i>	Cr Best 22 July 2015	Initial meetings with the community have been held. A report will be provided at Ordinary Meeting to be held 28 October 2015.
162	Property and Economic Development	Mike Dowling	7.2 <i>Notice of Motion - Shire Wide Events and Promotions Board</i> 758/15 <i>That Council reaffirm its' principal direction from the February workshop to investigate options for management and promotion of tourism, employment and investment within the shire including forming a shire wide events and promotions body.</i> 759/15 <i>That Council negotiate changes to the existing agreements to give effect to Council's new direction with:</i> a) <i>The Entrance Centre Management</i> b) <i>Greater Toukley Vision</i> c) <i>Central Coast Tourism</i> d) <i>Wyong Regional Chamber of Commerce</i> 760/15 <i>That Council request the General Manager to provide a report back to Council.</i>	Cr Taylor 22 July 2015	Response to be provided at a future meeting.

No	Department	Responsible Officer	Question Asked / Resolution	Meeting Asked/ Councillor	Status
165	Community and Recreations Services	Julie Vaughan	<p>7.2 Notice of Motion - Formation of Council's Disability Supports Committee (DSC)</p> <p>812/15 That Council <u>request</u> the General Manager provide a report, in partnership with key stakeholder groups, around the formation of a broad based disability needs support committee that would seek to assist, guide and provide our ageing population, the temporally injured and the profoundly disabled with the necessary levels of community care.</p> <p>813/15 That Council <u>recognise</u> the importance of such a committee in assisting Council in crafting it's Disability Inclusion Plan (DIP) & to assist in ushering in the National Disability Insurance Scheme (NDIS), however the committee's role should be seen more holistically & beyond the DIP & the NDIS.</p> <p>814/15 That, while Council notes the important of providing suitable traditional disability access, Council also <u>recognise</u> the complexity and far reaching nature of modern disabilities beyond physical access issues.</p>	Cr Best 12 August 2015	Meeting to be held with stakeholders during September 2015 and a report to be tabled at an Ordinary Meeting in November 2015.
166	Community and Recreations Services	Sue Ledingham	<p>7.3 Notice of Motion - Nude Tourism Trend</p> <p>815/15 That Council <u>note</u> Wyong Shire's Beautiful Birdie Beach is reportedly one of only three 'official' Nude Beaches on the north coast of NSW and the only one on the Central Coast. Despite this facility being in easy day access to a population catchment in the millions, Birdie Beach free bathing is not mentioned in any Central Coast Tourism promotions / Web material.</p> <p>816/15 That Council <u>recognise</u> Tourism is one of our major employers & the increasing popularity of Nude Bathing / Nude Tourism such as the recent phenomena of P&O's, Pacific and Orient's, Nude Cruises. It is with this understanding that Council in partnership with Central Coast Tourism and National Parks explore opportunities to better promote our region to this most lucrative tourism market.</p> <p>817/15 That further Council <u>request</u> an options report to the Employment and Economic Development Committee (EEDC) from Central Coast Tourism (CCT) including the prospect of holding a unique community event to showcase and market our beautiful beaches including</p>	Cr Best 12 August 2015	Report will be tabled at the Employment and Economic Development Committee meeting 4 November 2015.

No	Department	Responsible Officer	Question Asked / Resolution	Meeting Asked/ Councillor	Status
			<i>free bathing at Birdie Beach.</i>		
168	Infrastructure and Operations	Peter Murray	Q30/15 Flooding Tuggerah Business District "Mr Mayor, <i>I have repeatedly raised the issue of the Tuggerah creek/storm water drain as almost each time a major rain event occurs, the business district floods. I have been advised by local business owners that again substantial debris is blocking the drain. Could you please have staff look into this as a matter of urgency, thank you?"</i>	Cr Best 12 August 2015	Response to be provided at Ordinary Meeting to be held 28 October 2015.
170	Community and Recreations Services	Maxine Kenyon	1.6 Mayoral Minute - Vandalism Reward Doubling 837/15 <i>That Council <u>double</u> its current reward under its Policy for Reporting Vandalism in respect of the EDSAAC Bateau Bay amenities/clubhouse building destroyed by fire last weekend.</i> 838/15 <i>That Council <u>publicise</u> this increased reward extensively through Council's media and communication channels.</i> 839/15 <i>That Council <u>publicise</u> the names of those convicted, subject to any prosecution.</i>	Cr Eaton 26 August 2015	Response to be provided at a future meeting.
171	Property and Economic Development	Mike Dowling	6.1 Notice of Motion - Free Wi-Fi The Entrance Memorial Park Precinct 869/15 <i>That Council, in principle, seek to install free Wi-Fi in the Entrance Memorial Park Precinct as part of the multimillion dollar refurbishment starting next month.</i> 870/15 <i>That Council request the General Manager to report on the cost of such an installation, ongoing operating costs, benefits to the local retailers and the wider community and any other relevant issues.</i>	Cr Webster 26 August 2015	Response to be provided at a future meeting.
172	Property and Economic Development	Andrew Pearce	6.2 Notice of Motion - \$3.4million Litter Land 871/15 <i>That Council note with concern, despite the excellent efforts of Staff, the escalation of roadside litter on our main corridors and particularly on our beach road accesses.</i> 872/15 <i>That Council recognise the unacceptable cost to our ratepayers of this deliberate litter that is now exceeds more than \$3,400,000 in this term of Council alone.</i>	Cr Best 26 August 2015	Response to be provided at Ordinary Meeting to be held 25 November 2015.

No	Department	Responsible Officer	Question Asked / Resolution	Meeting Asked/ Councillor	Status
			<p>873/15 That Council consider far more strident enforcement options including publishing those offenders prosecuted to combat the emerging tag of 'Litter Land'.</p> <p>874/15 That Council request the General Manager, in the lead up to the summer litter season, to provide a litter reduction report exploring education and enforcement options, with a view to limiting the outrageous cost of deliberate litter to our ratepayers.</p> <p>875/15 That Council request the General Manager to make representations to Mr Harris, Ms Catley, Mr Mehan the Local State Members and call on them to gain support for this initiative.</p>		
175	Property and Economic Development	Andrew Pearce	<p>Q34/15 Community Litter Statistics and Education</p> <p>"Does Council have any demographic statistics on what age groups maybe causing litter in Wyong Shire and what options may be used to target and educate the community on littering. Can the General Manager please advise how such statistics can be used?"</p>	Cr Greenwald 26 August 2015	Response to be provided at Ordinary Meeting to be held 11 November 2015.
178	Property and Economic Development	Mike Dowling	<p>Q37/15 Threatened, Vulnerable and Endangered Trees</p> <p>"Could Staff please advise if there is a list of threatened species relevant to Wyong Shire which can be easily accessed by the Community?</p> <p>If not, could staff please make a list available on the Council web site as removal of some of these trees with knowing their listing could expose residents to a substantial fine."</p>	Cr Vincent 9 September 2015	Response to be provided at a future meeting.
180	Property and Economic Development	Mike Dowling	<p>1.6 Mayoral Minute - The Entrance Surf Club Lease</p> <p>984/15 That Council <u>request</u> The Entrance Surf club enter into suitable arrangements with Council for the clearance of the outstanding rates and charges.</p> <p>985/15 That Council <u>request</u> for additional purpose to be added to the Reserve under Section 121A of the Crown Lands Act 1989.</p> <p>986/15 That Council <u>amend</u> the lease to include a sub-lease permitting a café/restaurant to be included in the footprint of The Entrance Surf Club.</p> <p>987/15 That Council <u>share</u> the rental derived from the commercial operation with The Entrance Surf</p>	Cr Eaton 23 September 2015	Response to be provided at a future meeting.

No	Department	Responsible Officer	Question Asked / Resolution	Meeting Asked/ Councillor	Status
			988/15 <i>Club. That Council <u>require</u> The Entrance Surf Club to spend their share of the rental on Surf Life Saving activities and/or equipment, and provide annual financial statements to show how these funds have been distributed.</i>		
181	Infrastructure and Operations	Peter Ham	8.1 Notice of Motion - Shark Summit 1037/15 <i>That Council <u>note</u> the increased number of shark attacks in and around our coastal waters due to the rise in shark numbers.</i> 1038/15 <i>That Council <u>take</u> proactive and pre-emptive steps to mitigate further local attacks.</i> 1039/15 <i>That Council <u>recognise</u> that not only do the current shark attacks highlight the need for better public safety they have the potential to affect summer time tourism and its associated employment.</i> 1040/15 <i>That, having regard to the far reaching potential of these events, Council <u>convene</u> in partnership with Surf Life Saving and Professional Life Guards a Shark Summit that includes all key stakeholder groups, rescue organisations, applicable agencies, tourism representatives and specialist marine experts.</i> 1041/15 <i>That Council <u>request</u> the Acting Chief Executive Officer to report on the feasibility of auditing our ocean coast line with a view to identifying suitable sites to create shark proof ocean bathing areas/enclosures, however this does not include traditional netting.</i> 1042/15 <i>That staff <u>investigate</u> the effectiveness and practicality of making available to bathers, technology such as the shark shield devices on a short term hire basis.</i>	Cr Best 23 September 2015	Response to be provided at a future meeting.
182	Chief Executive Officer's Unit	Steve Naven	8.2 Notice of Motion - \$10million Rate Relief 1043/15 <i>That Council <u>congratulate</u> all staff for their excellent team efforts in addressing the \$30million deficit.</i> 1044/15 <i>That Council <u>recognise</u> that these efforts have now resulted in a \$10.6million surplus, this reflects</i>	Cr Best 23 September 2015	Response to be provided at a future meeting.

No	Department	Responsible Officer	Question Asked / Resolution	Meeting Asked/ Councillor	Status
			<p>1045/15 a \$41million total turn around in just 5 years. That Council <u>note</u> the key initiatives deployed to achieve this extraordinary turn around are:</p> <ul style="list-style-type: none"> • “Right-sizing” the organisation – aligning inputs to priority outputs • Service Delivery Review removing \$8m from the cost base • Using our own resource, not consultants • Benchmarking and testing alternate service delivery models • Better budgeting – focusing on community priorities • Better discipline in meeting budgets • More effective measurement. Closer monitoring of spend • Better procurement practices and outcomes. <p>1046/15 That, as a consequence of this excellent financial management, Council <u>note</u> that it does not intend to apply a special rate variation when it makes rates for the 2016/17 rating year and revert to a maximum increase of 3% (the assumed standard rate pegging), thereby saving our rate payers \$10.7 million dollars.</p> <p>1047/15 That Council now continues to <u>work</u> through the identified infrastructure backlog using the current unallocated surplus of \$10.6million and future year surpluses.</p> <p>1048/15 That the Mayor, through the Council column, publically <u>thank</u> our community for their support, patience and understanding throughout this difficult period of restructure.</p>		
186	Infrastructure and Operations	Peter Murray	<p>Q42/15 Kanwal Traffic Calming Devices</p> <p>“Mr Mayor,</p> <p>As the local area Councillor, my question is on behalf of the good folk of Walker Avenue/ Braithwaite, Kanwal. I am hearing of outrageous driving behaviour that is endangering public safety, I appreciate it’s a policing matter, however could you have staff look into the possibility of installing some traffic calming devices in this area, particularly leading from the high pedestrian area, Kanwal shops?”</p>	Cr Best 23 September 2015	Response to be provided at a future meeting.

No	Department	Responsible Officer	Question Asked / Resolution	Meeting Asked/ Councillor	Status
187	Infrastructure and Operations	Peter Murray	Q43/15 Gosford City Council Road Condition Measurements <i>"Can the Acting Chief Executive Officer please advise whether Gosford City Council measures the condition of their roads via a PCI or similar index and if so please provide the results of the index for the last three years?"</i>	Cr Taylor 23 September 2015	Response to be provided at Ordinary Meeting to be held 28 October 2015.

**QUESTIONS ON NOTICE AND NOTICES OF MOTION REMOVED SINCE
23 SEPTEMBER 2015**

No#	Department	Question on Notice / Notice of Motion	Date Asked/ Councillor	Status
148	Community and Recreation Services	7.1 Notice of Motion - Regional Rollout of Council's Skate Park Facilities	Cr Best 13 May 2015	Report included on agenda for Ordinary Meeting 23 September 2015.
153	Infrastructure and Operations	Q22/15 Link Road Intersection at Blue Haven	Cr Best 10 June 2015	Report included on agenda for Ordinary Meeting 14 October 2015.
167	Mayor's Office	Q29/15 Toukley Graffiti Epidemic	Cr Best 12 August 2015	Report included on agenda for Ordinary Meeting 14 October 2015.
173	Community and Recreation Services	Q32/15 Disabled Fishing Platform	Cr Vincent 26 August 2015	Report included on agenda for Ordinary Meeting 14 October 2015.
174	Chief Executive Officer's Unit	Q33/15 Rates for Parks	Cr Vincent 26 August 2015	Report included on agenda for Ordinary Meeting 14 October 2015.
176	Community and Recreation Services	Q35/15 Osbourne Park	Cr Best 26 August 2015	Staff acknowledged.
177	Chief Executive Officer's Unit	Q36/15 Video Conferencing Facilities	Cr Taylor 26 August 2015	Report included on agenda for Ordinary Meeting 14 October 2015.
179	Property and Economic Development	Q38/15 Council Appointed Tree Officer	Cr Vincent 9 September 2015	Report included on agenda for Ordinary Meeting 14 October 2015.
183	Chief Executive Officer's Unit	Q39/15 Review of Councillor Committee Positions	Cr Matthews 23 September 2015	Report included on agenda for Ordinary Meeting 14 October 2015.
184	Chief Executive Officer's Unit	Q40/15 Nomination for Popularly Elected Mayor and Councillor	Cr Greenwald 23 September 2015	Response was provided via Councillor Business Update 29 September 2015.
185	Chief Executive Officer's Unit	Q41/15 Election of Popularly Elected Mayor	Cr Greenwald 23 September 2015	Response was provided via Councillor Business Update 29 September 2015.

7.1 Answers to Question on Notice

TRIM REFERENCE: C2014/05521 - D12068848
AUTHOR: Josette Matthews, Personal Assistant to Manager

7.1 Q22/15 - Link Road Intersection at Blue Haven

The following question was asked by Councillor Greg Best at the Ordinary Meeting on 10 June 2015:

"Mr Mayor,

As the local Councillor for the Blue Haven area it has been drawn to my attention by many residents of Blue Haven that the intersection of Blue Haven Way and the Motorway link is a high risk intersection.

I appreciate the Motor Way Link is not a Council road, however can you appeal to advocate on behalf of our local Community to the RMS, to provide an improved intersection works on this arterial road with a closing speed at the intersection of some 200km/hr, of particular concern is the almost non-existent acceleration lane heading to the M1. With the huge residential influx in the area this issue can no longer be ignored any response to our representation from the RMS would be appreciated in your reply to this question and indeed the good folk of Blue Haven?"

These concerns regarding the safe functioning of the intersection of Blue Haven Way and the Motorway Link Road at Blue Haven have been subsequently raised by the Mayor and staff at a recent meeting with the Regional Manager of Roads & Maritime Services (RMS) on 22 July 2015. The Regional Manager advised that RMS will investigate these concerns and will notify Council of the outcome on completion. Since this is an important matter, it will remain a standing agenda item on the quarterly Council/RMS meeting until satisfactory resolution is achieved.

ATTACHMENTS

Nil.

7.2 Answers to Question on Notice

TRIM REFERENCE: F2011/00401 - D12084418
AUTHOR: Doug Eaton, Councillor

7.2 Q29/15 - Toukley Graffiti Epidemic

The following question was asked by Councillor Best at the Ordinary Meeting on 26 August 2015 :

"Mr Mayor

My question is on behalf of the business community, the local GTV and indeed the broader local Toukley community on the issue of the outrageous graffiti/vandalism attacks that are now running at epidemic proportions in the Toukley business district. The utter frustration of the business community is in the knowledge that the perpetrators in question are known and taunt shop keepers by day only to graffiti their businesses at night. This information has been provided to the police yet the attacks continue. I fully appreciate the good work our local police do and how busy they are, however Mr Mayor, this must stop. Could you please formally raise this with Superintendent/ Local Area Commander, David Swilks at your next meeting and advise council of what actions will now be taken. Thank you?"

Letter was forwarded to NSW Police Force on 24 August 2015, please find attached response from Rod Peet A/Superintendent Tuggerah Lakes Local Area Command.

ATTACHMENTS

- 1 Response - Graffiti vandalism Toukley Area - NSW Police D12079090

**NSW Police Force**

Tuggerah Lakes Local Area Command
22 Hely Street, Wyong NSW 2260
Ph: 4356 6099
Fx: 4356 6011
TTY: 9211 3776 (Hearing/Speech impaired only)

Cr Doug Eaton AOM
Wyong Shire Council
PO Box 20
Wyong NSW 2259

Dear Cr Eaton,

I refer to your correspondence dated 24 August 2015 referring to recent questions raised by Cr Best concerning graffiti/vandalism offences in the Toukley area.

I note your correspondence related to Police action in response to incidents of this nature in and around this precinct.

A review of reported offences was conducted specific to that location. I can advise 60 incidents of malicious damage offences were reported in the Toukley area since January 2015.

I can advise 14 of those incidents were reported on the 13 August, 2015 in the areas surrounding the avenues at Toukley. A person of interest has been identified however to date there is insufficient evidence to proceed.

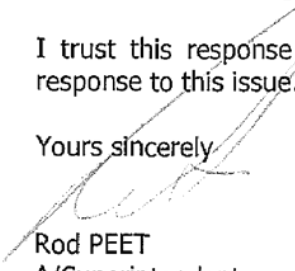
Intelligence has been received in relation to a group of youths committing graffiti offences in Toukley. Accordingly, I have tasked our Target Action Group to proactively target these individuals and initiate dialogue with their parents in an effort to curb this anti-social behaviour.

I can further advise this Command is initiating a Northern Sector pro-active response group to respond and target incidents as nominated in Cr Best's query.

I urge the victims of such crime to report these incidents to assist Police in providing a timely and effective response. This would further enable Police to gather evidence which assists Police in bringing the offenders before the court.

I trust this response provides you with some insight into recent incidents and Police response to this issue.

Yours sincerely


Rod PEET
A/Superintendent
A/COMMANDER
Tuggerah Lakes Local Area Command
8 September, 2015

7.3 Answers to Question on Notice

TRIM REFERENCE: F2004/06893 - D12091297
AUTHOR: Brett Sherar, Manager

Q32/15 - Disabled Fishing Platform

The following question was asked by Councillor Doug Vincent at the Ordinary Meeting on 26 August 2015:

“Are Council staff aware of the community project to install a disabled fishing platform and hoist proposed for the Joshua Porter reserve at Chain Valley Bay South.

Are staff supportive of this project applying for State Government funding?”

BACKGROUND

Council staff attended an onsite meeting at Joshua Porter Reserve on 10 March 2015 with the Chain Valley Bay Progress Association (CVBPA). The meeting discussed initiatives to improve facilities and access for people with disabilities at Joshua Porter Reserve. It was brought to the attention of the attending staff member that the President of the Northern Lakes Disability Tourism Precinct Committee (NLDTPC), Mr. Gary Blaschke has been investigating the possibility of developing an accessible fishing platform with hoist on this site.

On 29 May 2015, the Manager of Open Space and Recreation (OSR) received an email from the NLDTPC requesting a meeting with staff to discuss the process to obtain approvals to construct the fishing platform. Further information was requested and was subsequently provided with the attached sketch (Attachment 1) on 1 June 2015.

The NLDTPC stated in their return email that Council's Duty Officer had informed them that the land was Crown Land not under Council's care and control and as such does not require Council approval. A representative of the Lands Department then advised the NLDTPC that the project did require Council support.

A staff member from OSR was appointed to assist the NLDTPC with their needs including what is required by Council e.g. approvals, support, funding applications, ownership, future maintenance and licence fees. When the staff member contacted the President of the NLDTPC, he requested a meeting with a number of select Councillor to discuss this project.

A meeting was convened on 17 July 2015 in the Council chambers with the President of the NLDTPC, the Section Manager of Natural Areas and one Councillor, being Cr Vincent, with a second Councillor, Cr Best, providing an apology to the meeting. Whilst this meeting was to allow the representative from the NLDTPC to discuss what he required from Council in relation to this project, many other issues were discussed and no solid direction was achieved in relation to this project.

CURRENT STATUS

In moving this project forward, staff received an email on 24 July from Mr. Blaschke stating they had missed the deadline for the grant they were preparing for this project. While staff support this concept as a project, Council's Aquatic Infrastructure Strategy, adopted at the meeting of 28 October 2014, already identifies a four year priority works program until 2017/18. The Aquatic Infrastructure Strategy was exhibited to the public for comment and has been supported by Roads and Maritime Services in identifying suitable projects to be part-funded under the NSW Government's Better Boating Program over coming years. This project was not proposed during these periods of consultation.

External funding sources for this proposed project may therefore be somewhat limited, as the Better Boating Program is one of the key external sources of funding for aquatic infrastructure. Other funding sources may be available including a number of Council grant programs.

Issues that will need to be considered during further development of this proposal include:

- asset ownership and maintenance – this was an issue with a previous project by the same organisation
- annual Crown license fee payment
- propensity for the site to accumulate sediment and sensitive site environment including mangroves and saltmarsh
- design requirements
- construction and ongoing costs
- management
- powering, maintenance and safe operation of the requested outdoor hoist

OSR planning staff are fully committed to delivering approved capital projects in 2015/16 with no capacity for further projects. Staff had a meeting with the CVBPA on 29 September 2015 to provide advice on the proposal and to help them map out a path forward.

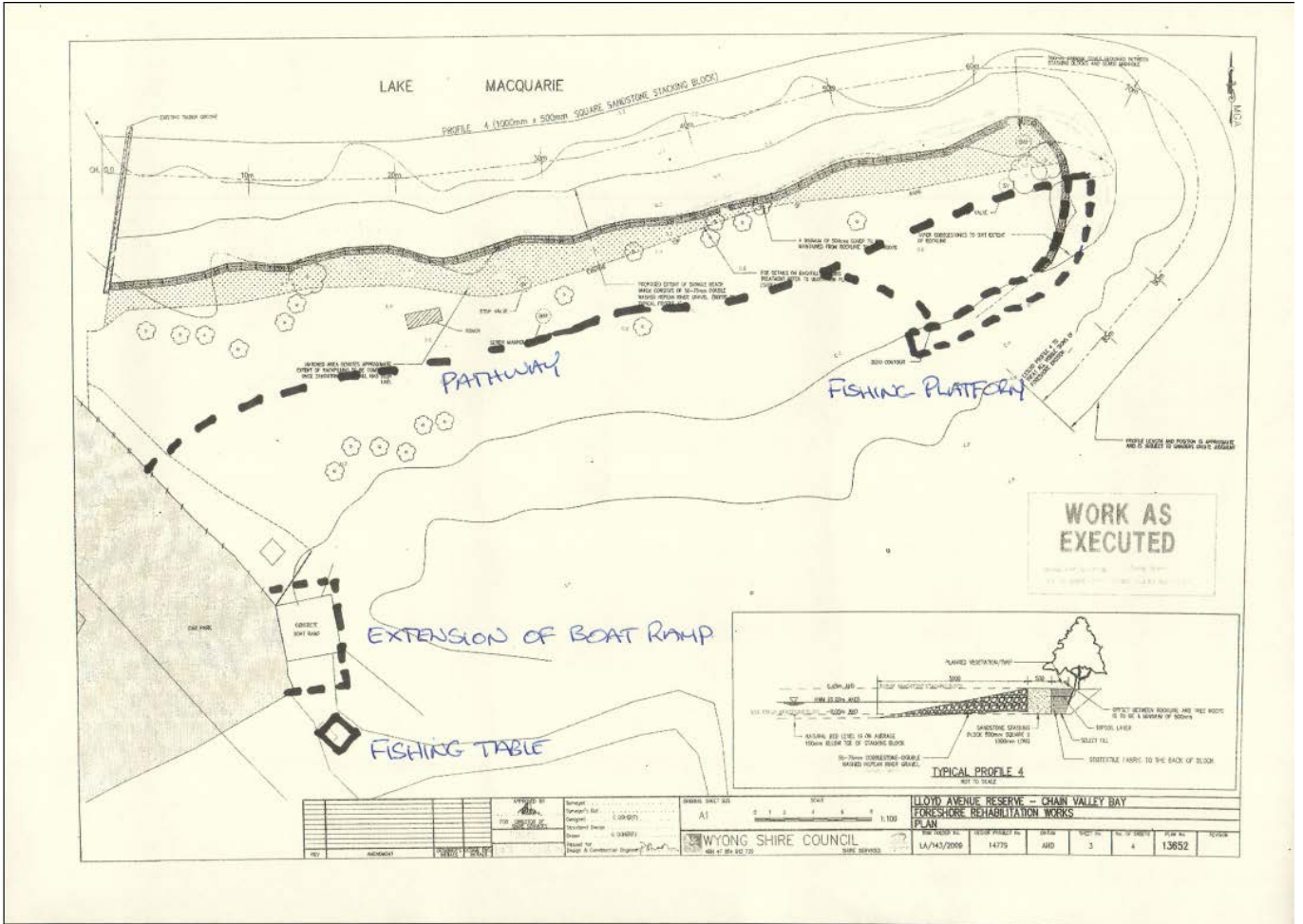
CONCLUSION

Staff are supportive of the project in principle, if:

- the issues identified above are overcome
- land owner support and approval is achieved
- legislated approval process is met
- the asset is built to Council standards
- Councillors support the project and provide direction on ownership and ongoing funding sources

ATTACHMENTS

- 1 Site Map - Chain Valley Bay D12091301



7.4 Answers to Question on Notice

TRIM REFERENCE: F2004/07718 - D12096866

AUTHOR: Stephen Naven, Chief Financial Officer

7.4 Q33/15 - Rates for Parks

The following question was asked by Councillor Vincent at the Ordinary Meeting on 26 August 2015:

“Could staff please advise what rates residential parks pay?”

The following response is provided on the understanding that “residential parks” means caravan parks or manufactured home estates.

The [Wyong Local Environmental Plan 2013 \(LEP\)](#) defines a caravan park as “..land (including a camping ground) on which caravans (or caravans and other moveable dwellings) are, or are to be, installed or placed.”

The LEP also defines

[Section 514 of the Local Government Act 1993](#) requires Council to categorise all rateable land within one or other of the following categories:

- **Farmland** - dominant use, where there is a primary production business activity being conducted which has a significant and substantial nature and a purpose of making a profit. Land zoned as rural does not automatically lead to categorisation as Farmland. Hobby farms do not meet the definition for categorisation as Farmland – Section [515](#) of the Local Government Act.
- **Residential** - dominant use must be for residential accommodation or be vacant land zoned for residential purposes – Section [516](#) of the Local Government Act.
- **Mining** - dominant use is for mining coal or metalliferous minerals - Section [517](#) of the Local Government Act.
- **Business** - If it does not fit either of the above three categories than it must be categorised as Business - Section [518](#) of the Local Government Act.

[Section 516 \(2\) of the Local Government Act 1993](#) also provides “*The regulations may prescribe circumstances in which land is or is not to be categorised as residential*”.

[Clause 121 of the Local Government \(General\) Regulation 2005](#) provides “*If the dominant use of land is for a caravan park or a manufactured home estate, the land is not to be categorised as residential for rating purposes*”.

The remaining available categories available are Farmland, Mining and Business. Caravan parks or manufactured home estates do not meet the criteria of either the Farmland or Mining categories. Effectively by default these properties are categorised as Business.

ATTACHMENTS

Nil.

7.5 Answers to Question on Notice

TRIM REFERENCE: F2004/07718 - D12096543
AUTHOR: Bob Platt, Chief Information Officer

7.5 Q36/16 - Video Conferencing Facilities

The following question was asked by Councillor Taylor at the Ordinary Meeting on 26 August 2015:

"Mr General Manager,

Council is at the forefront of upgrading IT processes and has been working actively to bring the IT up to 2015 standards. Part of this process has been a full review and upgrade of software and hardware systems.

Council have just completed a rigorous process of recruiting an Acting General Manager for Wyong Shire Council. Part of the recruitment process has been to interview the prospective General Managers by Skype video conference interview.

Could the General Manager please advise if Council has the ability to currently utilise this technology in house and if not what is the cost for Council to setup this technology at Council?"

Council has had the ability to utilise Skype video conferencing since July 2014. It was implemented due to an increasing demand for conducting video conference job interviews with candidates unable to travel to Wyong.

The Human Resources Unit are the main users of this facility however other units also use this technology occasionally for vendor meetings. The facility is located in our Guesthouse conference room which is located within the secure Information Management area.

During the 2015-2016 fiscal year, Information Management and Property Management are planning to deploy video conferencing facilities to a meeting room on each floor of the Chambers building and one in each of the Council depots. This should improve the uptake of this capability making it more accessible and potentially reducing the need to travel between the depots and Chambers for meetings.

ATTACHMENTS

Nil.

7.6 Answers to Question on Notice

TRIM REFERENCE: F2004/07718 - D12098453
AUTHOR: Margaret Collins, Personal Assistant to Director

7.6 Q38/15 - Council Appointed Tree Officer

The following question was asked by Councillor Vincent at the Ordinary Meeting on 9 September 2015:

“Could staff please advise if any Council Officers are allocated to provide advice to residents who are unsure if a tree is listed as threatened, vulnerable or endangered?”

If a staff member is available. Could their contact details be made available to the community on the Council website?”

Council does not have any officers allocated to provide advice to residents who are unsure if a tree is listed as threatened, vulnerable or endangered.

However, appropriate lists are available on Council's website and are accessible through the 'trees' page at:

www.wyong.nsw.gov.au/my-property/trees

ATTACHMENTS

Nil.

7.7 Answers to Question on Notice

TRIM REFERENCE: F2009/01343 - D12097292
AUTHOR: Lesley Crawley, Manager

7.7 Q39/15 - Review of Councillor Committee Positions

The following question was asked by Councillor Matthews at the Ordinary Meeting on 23 September 2015:

“Can the Acting Chief Executive Officer please advise if and when Council will review its committee positions, in particular those committees that former Councillor Nayna sat on?”

At its meeting held on October 10 2012 Council adopted a structure for Committees and Advisory groups and established those groups for the term of the Council. At that meeting Council also elected delegates to those groups as well as delegates for external boards and committees for the term of Council.

There is no proposal to review the committee structure or membership until the new Council term commences with the exception of those groups affected by the resignation of Cr Nayna.

A report addressing the vacancies in those committees and groups upon which Cr Nayna served is on this business paper.

ATTACHMENTS

Nil.

14 October 2015

To the Ordinary Council Meeting

Councillor

8.1 Notice of Motion - Wyongah to Tuggerawong Pathway

TRIM REFERENCE: F2004/07706 - D12093655 Lesley Crawley, Manager Corporate Governance

AUTHOR: Adam Troy; Councillor

Councillor Adam Troy has given notice that at the Ordinary Council Meeting to be held on 14 October 2015 he will move the following Motion:

- "1 That Council explore the building of the Wyongah to Tuggerawong pathway in the 2016/2017 budget.*
- 2 That Council include this project in the Pathway Strategy.*
- 3 That Council explore partnering with the interested community groups in delivering the pathway.*
- 4 That Council consult with the community before any decision on the pathway."*

RESOURCES

Open Space and Recreation Unit Planning and Development staff are fully committed to the 2015/16 work program therefore this project could only commence in 2016/17 after budget and service unit planning consideration. This may result in other projects being deferred due to resourcing.

COUNCILLORS NOTE

Nil.

ATTACHMENTS

Nil.

14 October 2015

To the Ordinary Council Meeting

Councillor

8.2 Notice of Motion - Amalgamation / Questionable Financial Stability?

TRIM REFERENCE: F2010/00500 - D12103124

AUTHORS: Greg Best; Councillor

Adam Troy; Councillor

Councillors Best and Troy have given notice that at the Ordinary Council Meeting to be held on 14 October 2015 they will move the following Motion:

"1 That Council note that further to Chief Financial Officer's Councillor Briefing presented on the 9 September 2015 around Wyong's year end financial results that outline Council's excellent economic turnaround over the past 5 years. The key drivers to this achievement were:

- "Right-sizing" the organisation – aligning inputs to priority outputs*
- Service Delivery Review removing \$8m from the cost base*
- Using our own resource, not consultants*
- Benchmarking and testing alternate service delivery models*
- Better budgeting – focusing on community priorities*
- Better discipline in meeting budgets*
- More effective measurement. Closer monitoring of spend*
- Better procurement practices and outcomes.*

This has now resulted in a \$10.6million surplus and thereby providing Council the opportunity to not levy the scheduled 2016/17 approved extra ordinary rate rise.

- 2 That further Council note with concern investment report item 6.1 from 23 September 2015 that provides some commentary/financial comparisons between Gosford and Wyong Councils. Of significant note is Gosford's decline in cash Table 9, Graph 1 declining investment portfolio returns, Table 10 and Graph 2 declining portfolio returns. (Tables and Graphs attached below).*
- 3 That as Wyong and Gosford Councils are partners in the billion dollar water supply and that there is a real prospect of amalgamation, it is responsible and incumbent upon Council to establish a thorough and accurate economic analysis heading into any further partnerships. Consequently Council respectfully request Gosford City Council provide full and unfettered access to its 2014/15 accounts, Including all supporting documentation for an independent forensic audit.*
- 4 That Council recognise the importance of working cooperatively and transparently with our sister Central Coast Council. It is with this understanding, that Wyong reciprocates access to all necessary statements that will assist Gosford in any similar financial analysis.*

ACTING CHIEF EXECUTIVE OFFICER NOTE

Despite the reality of the existing connections between our two councils regarding water supply, the proposal for an independent forensic audit is likely to be very costly, has not been budgeted for and may be premature, given no announcement has yet been made regarding amalgamation. It also would seem to have potential to damage relationships between the two councils at a time when the best possible relationships need to be established should an amalgamation be required. It is suggested that consideration of this part of the proposed motion be deferred, pending receipt of advice from the state government about the impact on our region of their amalgamation proposals.

COUNCILLORS NOTE

Tables and Graphs as reports in item 6.1 Investment Report for August 2015 from Ordinary Meeting 23 September 2015:

Table 9 – Summary of Investment Portfolio Balances

Month / Council	Wyong Shire Council \$'000	Gosford City Council \$'000	Lake Macquarie Council \$'000
Feb 2015	\$150,398	\$145,317	\$195,167
Mar 2015	\$155,147	\$143,904	\$197,531
Apr 2015	\$143,519	\$136,326	\$186,993
May 2015	\$151,698	\$119,426	\$193,612
Jun 2015	\$148,374	\$122,104	\$210,429
Jul 2015	\$147,142	\$109,590	\$206,208
Aug 2015	\$158,886	Not available	Not available

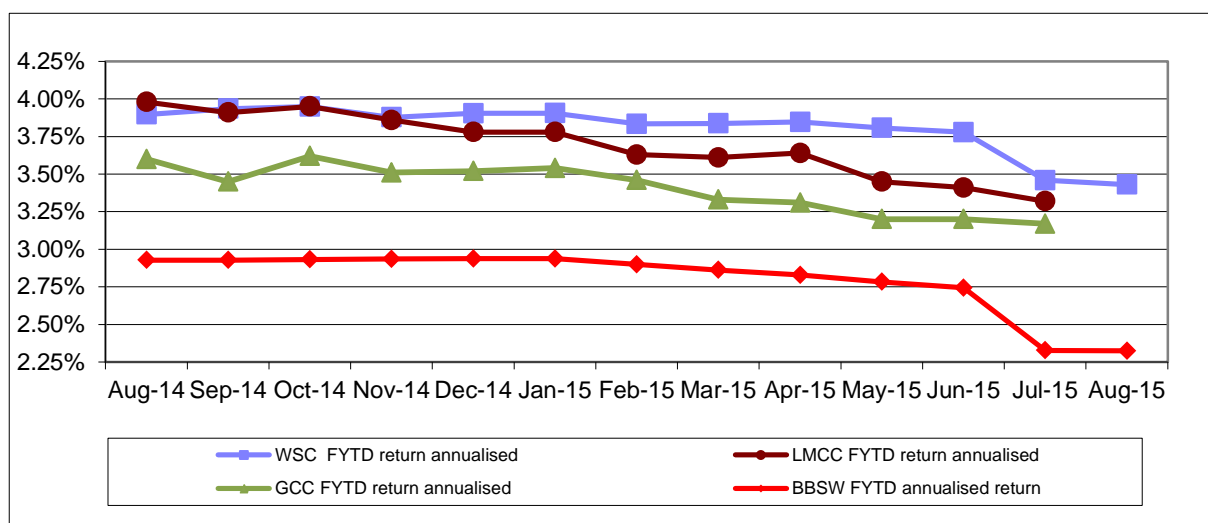
Graph 1 – Portfolio Valuations – Comparison to Neighbouring Councils

**8.2 Notice of Motion - Amalgamation / Questionable Financial Stability?
(contd)**

Table 10 – Summary of Investment Portfolio Returns

Month	BBSW	Wyang Shire Council	Gosford City Council	Lake Macquarie Council
Feb 2015	2.90%	3.83%	3.46%	3.63%
Mar 2015	2.86%	3.84%	3.33%	3.61%
Apr 2015	2.83%	3.85%	3.31%	3.64%
May 2015	2.78%	3.81%	3.20%	3.45%
Jun 2015	2.74%	3.78%	3.20%	3.41%
Jul 2015	2.33%	3.46%	3.17%	3.32%
Aug 2015	2.32%	3.43%	Not available	Not available

Graph 2 – Portfolio Return – Comparison to Neighbouring Councils



Councillors it is noted that the details above are unaudited and indicative only and do not provide a thorough representation of the situation. However, being that it would appear Gosford's operating losses actual and forecasts between 13/14 and 16/17 is \$27million. In addition borrowings in the next three years are forecast to increase by as much as \$25million, resulting in a loans blow out over \$200million.

Also it is noted, Gosford City Council staff wages being \$20million higher than Wyong is cause for concern, particularly as they are a similar size council to Wyong and this figure is equivalent to having an extra 250 staff. Road spending is again of particular concern being that Gosford currently expends only \$6million on its roads, this is 10% of Wyongs' budget, \$66million. Natural Areas also have a huge spending imbalance with Gosford spending just \$2.4million compared to Wyong \$14million.

These figures are just some of the items that are of concern, particularly as amalgamation is highly likely. These shortfalls and overspends may ultimately be at the cost of Wyong Ratepayers, a situation that I am sure Councillors recognise as unacceptable. Given a decision on amalgamation is only a few months away, we need urgent answers as to our forced marriage partner's finances.

**8.2 Notice of Motion - Amalgamation / Questionable Financial Stability?
(contd)**

Regardless of any amalgamation, as Gosford is our partner in the Central Coast Billion Dollar Water Supply, it would be prudent to better understand their true financial position. There may well be explanations as to the trends reported, however, I for one am unwilling to take our rate payers into a marriage / possible amalgamation that could result in an economic black hole that will consume Wyongs' five year hard earned multi-million dollar surplus.

As outlined above, we have all worked hard in delivering responsible financial governance of this Council. The rate payers have supported us in the financial turnaround, in response Council has agreed to review the rate burden. Now to face the prospect of unravelling all this excellent economic work is totally unacceptable. We must know the full details.

It is with this understanding that we respectfully request our partners open their full accounts to provide ALL Central Coast rate payers with a transparent, independent, forensic audit of their true operating position. Naturally, Wyong would reciprocate by opening its fully audited accounts for similar transparency and rigor.

ATTACHMENTS

Nil.