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LEAVE OF ABSENCE/APOLOGIES

Cr Stadtmiller has requested a leave of absence from this meeting.

Recommendation: That Cr Stadtmiller be granted a leave of absence from the meeting.

ATTENDANCE OF COUNCILLORS BY AUDIO-VISUAL LINK

Councils Code of Meeting Practice permits Councillors to attend and participate in meetings of the council with the approval of the council or relevant committee.

Clauses 5.19 - 5.30 of the Code of Meeting Practice provides the parameters for eligibility and requirements for remote attendance.

Cr Morris has requested to attend this meeting via audio visual link

Recommendation: That Cr Morris be permitted to attend the meeting by audio visual link.

WEBCASTING OF COUNCIL MEETINGS

Attendees of this meeting are reminded that:

- a) The meeting is being recorded and made publicly available on Council's website, and
- b) Persons attending the meeting should refrain from making any defamatory statements.

STATEMENT OF ETHICAL OBLIGATIONS

Councillors are reminded of the oath or affirmation of office they have taken under section 233A of the Act.

The governing body of a county council is responsible for managing the affairs of the county council. Each Councillor as a member of the governing body has a responsibility to make considered and well-informed decisions to ensure that the exercise of the functions of Goldenfields Water are performed to benefit the whole of the area of operations of Goldenfields Water.

In addition Councillors are reminded of their obligations under council's code of conduct to disclose and appropriately manage conflicts of interest.

ACKNOWLEDGEMENT OF COUNTRY

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

PRESENTATIONS

Council's auditor representatives under appointment by the Auditor General, Jason Gilbert, will be in attendance at the meeting to present the Audit Report in relation to the 2021/22 Financial Statements.

DECLARATION OF PECUNIARY INTERESTS

Declaration of Interest

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

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

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

DECLARATION OF NON PECUNIARY INTERESTS

Declaration of non Pecuniary Interest

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

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

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

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

CONFIRMATION OF MINUTES

It is recommended that the minutes of the meeting held 1 September 2022 having been circulated to members be confirmed as a true and accurate record.

BUSINESS ARISING FROM MINUTES

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

CORRESPONDENCE

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

MATTERS OF URGENCY

In accordance with clause 9.3 of Councils Code of Meeting Practice, business may be transacted at a meeting without due notice only if:

- a) A motion is passed to have the business transacted at the meeting, and
- b) The business to be considered is ruled by the chairperson to be of great urgency on the grounds that it requires a decision by the council before the next scheduled ordinary meeting of the council.

NOTICES OF MOTION/RESCISSION MOTIONS

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

CHAIRPERSONS MINUTE

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

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

FINANCIAL STATEMENTS 2021/22

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Board receives and notes the 2021/22 Audited Financial Statements.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 1 High Quality, Secure and Efficient Water Supplies

BACKGROUND

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

REPORT

The Audit Office of NSW have completed their audit of the 2021/22 Financial Statements. Council's auditor representative under appointment by the Auditor General, Jason Gilbert, will be in attendance at the meeting to present the Audit Report

FINANCIAL IMPACT STATEMENT

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

ATTACHMENTS: Attachment will be provided prior to the meeting.

TABLED ITEMS: Nil

Goldenfields Water County Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2022

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



Goldenfields Water County Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2022

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



Goldenfields Water County Council

General Purpose Financial Statements

for the year ended 30 June 2022

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Overview

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

84 Parkes Street
Temora NSW 2666

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

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

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

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

Goldenfields Water County Council

General Purpose Financial Statements

for the year ended 30 June 2022

Statement by Councillors and Management

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 01 September 2022.



Cr Matthew Stadtmiller
Chairperson
01 September 2022



Clr Robert Callow
Deputy Chairperson
01 September 2022



Aaron Drenovski
General Manager
01 September 2022



John Chapman
Responsible Accounting Officer
01 September 2022

Goldenfields Water County Council

Statement of Comprehensive Income

for the year ended 30 June 2022

| \$ '000 | Notes | 2022 | Restated 2021 |
|--|-------|--------------|------------------|
| Net operating result for the year – from Income Statement | | (310) | 146 |
| Other comprehensive income: | | | |
| Amounts which will not be reclassified subsequently to the operating result | | | |
| Gain (loss) on revaluation of infrastructure, property, plant and equipment | C1-6 | 7,946 | 5,292 |
| Total items which will not be reclassified subsequently to the operating result | | 7,946 | 5,292 |
| Total other comprehensive income for the year | | 7,946 | 5,292 |
| Total comprehensive income for the year attributable to Council | | 7,636 | 5,438 |

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

Goldenfields Water County Council

Statement of Financial Position

as at 30 June 2022

| \$ '000 | Notes | 2022 | Restated 2021 |
|--|-------|----------------|------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | C1-1 | 3,126 | 4,338 |
| Investments | C1-2 | 36,082 | 34,021 |
| Receivables | C1-4 | 5,340 | 5,820 |
| Inventories | C1-5 | 774 | 768 |
| Total current assets | | 45,322 | 44,947 |
| Non-current assets | | | |
| Investments | C1-2 | 5,000 | 12,000 |
| Infrastructure, property, plant and equipment (IPPE) | C1-6 | 288,946 | 272,867 |
| Total non-current assets | | 293,946 | 284,867 |
| Total assets | | 339,268 | 329,814 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Payables | C3-1 | 2,132 | 1,447 |
| Income received in advance | C3-1 | 1,125 | – |
| Employee benefit provisions | C3-3 | 2,582 | 2,573 |
| Total current liabilities | | 5,839 | 4,020 |
| Non-current liabilities | | | |
| Payables | C3-1 | 9 | 8 |
| Employee benefit provisions | C3-3 | 129 | 131 |
| Total non-current liabilities | | 138 | 139 |
| Total liabilities | | 5,977 | 4,159 |
| Net assets | | 333,291 | 325,655 |
| EQUITY | | | |
| Accumulated surplus | C4-1 | 94,866 | 95,176 |
| IPPE revaluation reserve | C4-1 | 238,425 | 230,479 |
| Council equity interest | | 333,291 | 325,655 |
| Total equity | | 333,291 | 325,655 |

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

Goldenfields Water County Council

Statement of Changes in Equity

for the year ended 30 June 2022

| | Notes | 2022 | | | 2021 | | |
|---|-------|---------------------|--------------------------|----------------|---------------------|--------------------------|----------------|
| | | Accumulated surplus | IPPE revaluation reserve | Total equity | Accumulated surplus | IPPE revaluation reserve | Total equity |
| \$ '000 | | | | | Restated | Restated | |
| Opening balance at 1 July | | 95,176 | 230,479 | 325,655 | 95,030 | 225,187 | 320,217 |
| Net operating result for the year | | (310) | – | (310) | 146 | – | 146 |
| Net operating result for the period | | (310) | – | (310) | 146 | – | 146 |
| Other comprehensive income | | | | | | | |
| Correction of prior period errors | F4-1 | – | – | – | – | (4,679) | (4,679) |
| Gain (loss) on revaluation of infrastructure, property, plant and equipment | C1-6 | – | 7,946 | 7,946 | – | 9,971 | 9,971 |
| Other comprehensive income | | – | 7,946 | 7,946 | – | 5,292 | 5,292 |
| Total comprehensive income | | (310) | 7,946 | 7,636 | 146 | 5,292 | 5,438 |
| Closing balance at 30 June | | 94,866 | 238,425 | 333,291 | 95,176 | 230,479 | 325,655 |

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

Goldenfields Water County Council

Statement of Cash Flows

for the year ended 30 June 2022

| Original unaudited budget 2022 | \$ '000 | Notes | Actual 2022 | Actual 2021 |
|---|---|-------|-----------------|----------------|
| Cash flows from operating activities | | | | |
| <i>Receipts:</i> | | | | |
| 5,506 | Annual charges | | 5,824 | 5,592 |
| 16,043 | User charges and fees | | 15,520 | 14,576 |
| 673 | Interest received | | 538 | 1,295 |
| 1,570 | Grants and contributions | | 1,544 | 2,389 |
| 110 | Other | | 5,726 | 1,556 |
| <i>Payments:</i> | | | | |
| (6,874) | Payments to employees | | (7,422) | (7,071) |
| (3,962) | Payments for materials and services | | (11,634) | (9,729) |
| (4,571) | Other | | 262 | 147 |
| 8,495 | Net cash flows from operating activities | G1-1 | 10,358 | 8,755 |
| Cash flows from investing activities | | | | |
| <i>Receipts:</i> | | | | |
| 12,267 | Redemption of term deposits | | 4,939 | 2,979 |
| – | Proceeds from sale of IPPE | | 942 | 968 |
| <i>Payments:</i> | | | | |
| (20,762) | Payments for IPPE | | (17,451) | (14,036) |
| (8,495) | Net cash flows from investing activities | | (11,570) | (10,089) |
| – | Net change in cash and cash equivalents | | (1,212) | (1,334) |
| 5,172 | Cash and cash equivalents at beginning of year | | 4,338 | 5,672 |
| 5,172 | Cash and cash equivalents at end of year | C1-1 | 3,126 | 4,338 |
| 33,619 | plus: Investments on hand at end of year | C1-2 | 41,082 | 46,021 |
| 38,791 | Total cash, cash equivalents and investments | | 44,208 | 50,359 |

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

Goldenfields Water County Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 01 September 2022. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) Regulation 2005 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

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

Historical cost convention

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

Significant accounting estimates and judgements

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

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-6
- (ii) employee benefit provisions – refer Note C3-3.

Significant judgements in applying the Council's accounting policies

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

COVID-19 Impacts

During the 2022 financial year, COVID-19 (COVID) has continued to cause a disruption to Council's business practices with a number of staff working remotely from home when required. Whilst this has caused some inconveniences it has not resulted in significant additional costs.

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

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

A1-1 Basis of preparation (continued)

Monies and other assets received by Council

The Consolidated Fund

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

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

General Purpose Operations (Water Services)

Goods and Services Tax (GST)

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

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

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

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2022 reporting period.

Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2021.

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

New accounting standards adopted during the year

During the year, Council adopted all standards which were mandatorily effective for the first time at 30 June 2022.

B Financial Performance

B1 Functions or activities

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

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

| | Income | | Expenses | | Operating result | | Grants and Contributions | | Carrying amount of assets | |
|---------------------------------------|---------------|---------------|---------------|---------------|------------------|------------|--------------------------|--------------|---------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 Restated |
| \$ '000 | | | | | | | | | | |
| Functions or activities | | | | | | | | | | |
| Water supplies | 22,635 | 23,272 | 22,945 | 23,126 | (310) | 146 | 1,540 | 2,388 | 339,268 | 334,493 |
| Total functions and activities | 22,635 | 23,272 | 22,945 | 23,126 | (310) | 146 | 1,540 | 2,388 | 339,268 | 334,493 |

B1-2 Components of functions or activities

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

Water supplies

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

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

Council does not undertake any other functions.

B2 Sources of income

B2-1 Rates and annual charges

| \$ '000 | 2022 | 2021 |
|---|--------------|--------------|
| Annual charges | | |
| <small>(pursuant to s.496, s.496A, s.496B, s.501 & s.611)</small> | | |
| – Residential | 1,706 | 1,637 |
| – Non-residential | 1,022 | 989 |
| – Rural | 1,531 | 1,482 |
| – Bulk supplies to councils | 1,548 | 1,437 |
| Less: pensioner rebates | (146) | (156) |
| Annual charges levied | 5,661 | 5,389 |
| Pensioner subsidies received: | | |
| – Water | 80 | 84 |
| Total annual charges | 5,741 | 5,473 |
| Total rates and annual charges | 5,741 | 5,473 |

Accounting policy

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

Pensioner rebates relate to reductions in annual charges for eligible pensioners' place of residence in the local government council area.

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

B2-2 User charges

| \$ '000 | Timing | 2022 | 2021 |
|--|--------|---------------|---------------|
| User charges | | | |
| Residential | 2 | 3,923 | 4,175 |
| Non residential | 2 | 2,946 | 2,680 |
| Rural | 2 | 2,881 | 2,816 |
| Bulk supplies to councils | 2 | 4,079 | 3,988 |
| Inspection services | 2 | 2 | 3 |
| Private works | 2 | 235 | 2 |
| Section 603 certificates | 2 | 67 | 65 |
| Tapping fees | 2 | 192 | 137 |
| Connection application fees | 2 | 52 | 44 |
| Other | 2 | - | 18 |
| Special meter reading fee | 2 | 4 | 7 |
| Total user charges | | 14,381 | 13,935 |
| Timing of revenue recognition for user charges and fees | | | |
| User charges and fees recognised at a point in time (2) | | 14,381 | 13,935 |
| Total user charges and fees | | 14,381 | 13,935 |

Accounting policy

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

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

B2-3 Other revenues

| \$ '000 | Timing | 2022 | 2021 |
|--|--------|-------------|------------|
| Diesel rebate | 2 | 9 | 12 |
| Employment / training incentives | 2 | 43 | 43 |
| Data network access charges | 2 | 37 | 34 |
| Insurance rebates | 2 | 16 | 6 |
| Workers compensation rebate | 2 | 83 | 37 |
| Procurement rebate | 2 | – | 1 |
| Other | 2 | 3 | 6 |
| Water filling station commissions | 2 | 15 | 89 |
| Total other revenue | | 206 | 228 |
| Timing of revenue recognition for other revenue | | | |
| Other revenue recognised at a point in time (2) | | 206 | 228 |
| Total other revenue | | 206 | 228 |

Accounting policy for other revenue

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

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

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

B2-4 Grants and contributions

| \$ '000 | Timing | Operating 2022 | Operating 2021 | Capital 2022 | Capital 2021 |
|--|--------|-------------------|-------------------|-----------------|-----------------|
| Special purpose grants and non-developer contributions (tied) | | | | | |
| Cash contributions | | | | | |
| Water supplies | 2 | – | – | 96 | 10 |
| Total special purpose grants and non-developer contributions | | – | – | 96 | 10 |
| Comprising: | | | | | |
| – Other funding | | – | – | 96 | 10 |
| | | – | – | 96 | 10 |

Developer contributions

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

Cash contributions

| | | | | | |
|---------------------------------------|---|----------|----------|--------------|--------------|
| S 64 – water supply contributions | 2 | – | – | 1,444 | 2,378 |
| Total developer contributions | | – | – | 1,444 | 2,378 |
| Total grants and contributions | | – | – | 1,540 | 2,388 |

Timing of revenue recognition for grants and contributions

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

| | | | | | |
|---------------------------------------|--|----------|----------|--------------|--------------|
| Total grants and contributions | | – | – | 1,540 | 2,388 |
|---------------------------------------|--|----------|----------|--------------|--------------|

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

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

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

Capital Grants

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

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

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

B2-4 Grants and contributions (continued)

Other grants and contributions

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

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

B2-5 Interest and investment income

| \$ '000 | 2022 | 2021 |
|--|------------|--------------|
| Interest on financial assets measured at amortised cost | | |
| – Overdue rates and annual charges (incl. special purpose rates) | 35 | 21 |
| – Cash and investments | 372 | 1,024 |
| Total interest and investment income (losses) | 407 | 1,045 |
| Interest and investment income is attributable to: | | |
| Unrestricted investments/financial assets: | | |
| Overdue rates and annual charges (general fund) | 35 | 21 |
| General Council cash and investments | 372 | 1,024 |
| Total interest and investment income | 407 | 1,045 |

Accounting policy

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

B2-6 Other income

| \$ '000 | Notes | 2022 | 2021 |
|--|-------|------------|------------|
| Rental income | | | |
| Rental properties | | | |
| Lease income (excluding variable lease payments not dependent on an index or rate) | | 53 | 60 |
| Total Rental properties | | 53 | 60 |
| Other lease income | | | |
| Leaseback fees - council vehicles | | 103 | 92 |
| Total other lease income | | 103 | 92 |
| Total other income | C2-2 | 156 | 152 |
| Total other income | | 156 | 152 |

B3 Costs of providing services

B3-1 Employee benefits and on-costs

| \$ '000 | 2022 | 2021 |
|--|--------------|--------------|
| Salaries and wages | 5,739 | 5,313 |
| Employee termination costs (where material – other than vested leave paid) | 154 | 24 |
| Employee leave entitlements (ELE) | 985 | 1,153 |
| Superannuation | 1,020 | 885 |
| Workers' compensation insurance | 146 | 139 |
| Fringe benefit tax (FBT) | 168 | 138 |
| Payroll tax | 308 | 284 |
| Training costs (other than salaries and wages) | 112 | 161 |
| Protective clothing | 68 | 59 |
| Recruitment costs | 44 | 17 |
| Other | 54 | 8 |
| Total employee costs | 8,798 | 8,181 |
| Less: capitalised costs | (1,342) | (1,038) |
| Total employee costs expensed | 7,456 | 7,143 |

Accounting policy

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

Retirement benefit obligations

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

Superannuation plans

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

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

B3-2 Materials and services

| \$ '000 | Notes | 2022 | 2021 |
|---|-------|-----------------|-----------------|
| Advertising | | 6 | 35 |
| Audit Fees | E2-1 | 60 | 70 |
| Bank charges | | 13 | 19 |
| Cleaning | | 24 | 1 |
| Collection agencies | | 66 | 69 |
| Computer software charges | | 176 | 237 |
| Contractor and consultancy costs | | 11,641 | 10,414 |
| Council land rates | | 85 | 80 |
| Councillor and Mayoral fees and associated expenses | E1-2 | 103 | 104 |
| Electricity and heating | | 2,193 | 2,294 |
| Insurance | | 234 | 208 |
| Other expenses | | 42 | 10 |
| Printing, postage and stationery | | 100 | 92 |
| Raw materials and consumables | | 8,575 | 6,022 |
| Subscriptions and publications | | 230 | 278 |
| Telephone and communications | | 318 | 311 |
| Legal expenses | | 105 | 133 |
| Expenses from leases of low value assets | C2-1 | 101 | 54 |
| Purchase of water | | 121 | 92 |
| Total materials and services | | 24,193 | 20,523 |
| Less: capitalised costs | | (17,490) | (13,141) |
| Total materials and services | | 6,703 | 7,382 |

Accounting policy

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

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

| \$ '000 | 2022 | 2021 |
|---|--------------|--------------|
| Depreciation and amortisation | | |
| Plant and equipment | 1,037 | 1,027 |
| Office equipment | 343 | 347 |
| Furniture and fittings | 11 | 12 |
| Infrastructure: | | |
| – Buildings – non-specialised | 199 | 192 |
| – Water mains | 4,448 | 4,350 |
| – Reservoirs | 1,178 | 1,136 |
| – Pumping stations and bores | 627 | 677 |
| – Treatment plants | 687 | 620 |
| – Microwave Network | 50 | – |
| Total gross depreciation and amortisation costs | 8,580 | 8,361 |
| Total depreciation and amortisation costs | 8,580 | 8,361 |
| Total depreciation, amortisation and impairment for non-financial assets | 8,580 | 8,361 |

Accounting policy

Depreciation and amortisation

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

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

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

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

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

B3-4 Other expenses

| \$ '000 | 2022 | 2021 |
|--|------------|------------|
| Other | | |
| Donations, contributions and assistance to other organisations (Section 356) | 206 | 240 |
| Total other | 206 | 240 |
| Total other expenses | 206 | 240 |

Accounting policy

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

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

| \$ '000 | Notes | 2022 | 2021 |
|--|-------|--------------|-------|
| Gain (or loss) on disposal of plant and equipment | C1-6 | | |
| Proceeds from disposal – plant and equipment | | 942 | 968 |
| Less: carrying amount of plant and equipment assets sold/written off | | (738) | (917) |
| Gain (or loss) on disposal | | 204 | 51 |
| Net gain (or loss) from disposal of assets | | 204 | 51 |

Accounting policy

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

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 23/06/2022 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

| \$ '000 | 2022 Budget | 2022 Actual | 2022 ----- Variance ----- | | |
|--|----------------|----------------|------------------------------|-------|----------|
| Revenues | | | | | |
| Rates and annual charges | 5,585 | 5,741 | 156 | 3% | F |
| User charges and fees | 16,751 | 14,381 | (2,370) | (14)% | U |
| Water usage was lower than original budget projections due to reduced demand following wet weather and low average temperatures. | | | | | |
| Other revenues | 126 | 206 | 80 | 63% | F |
| Higher than originally budgeted for due larger than budgeted for workers compensation rebate. | | | | | |
| Capital grants and contributions | 1,050 | 1,540 | 490 | 47% | F |
| Higher number of developer applications. | | | | | |
| Interest and investment revenue | 540 | 407 | (133) | (25)% | U |
| Interest rates in 2022 where lower than budgeted for until March 2022 when they increased. | | | | | |
| Net gains from disposal of assets | - | 204 | 204 | ∞ | F |
| Other income | 85 | 156 | 71 | 84% | F |
| Variance due to lease income being classified differently in the original budget. | | | | | |

B5-1 Material budget variations (continued)

| \$ '000 | 2022 Budget | 2022 Actual | 2022 ----- Variance ----- | |
|--|----------------|----------------|------------------------------|----------------|
| Expenses | | | | |
| Employee benefits and on-costs | 6,885 | 7,456 | (571) | (8)% U |
| Materials and services | 3,988 | 6,703 | (2,715) | (68)% U |
| Variance due to the change in categorisation compared to budget, and insufficient budget provision for materials and services. | | | | |
| Depreciation, amortisation and impairment of non-financial assets | 8,300 | 8,580 | (280) | (3)% U |
| Other expenses | 4,572 | 206 | 4,366 | 95% F |
| Variance due to the change in categorisation compared to budget. | | | | |
| Statement of cash flows | | | | |
| Cash flows from operating activities | 8,495 | 10,358 | 1,863 | 22% F |
| Large capital works program lead to less cash flows from operating activities in 2022. | | | | |
| Cash flows from investing activities | (8,495) | (11,570) | (3,075) | 36% U |
| Less investments required redeeming during the year than originally budgeted for, which reduced sales of investments within the investing activity cash flows. | | | | |

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

| \$ '000 | 2022 | 2021 ^{PY} |
|--|--------------|--------------------|
| Cash assets | | |
| Cash at bank and on hand | 599 | 837 |
| Cash equivalent assets | | |
| – Deposits at call | 2,527 | 3,501 |
| Total cash and cash equivalents | 3,126 | 4,338 |

Reconciliation of cash and cash equivalents

| | | |
|---|--------------|--------------|
| Total cash and cash equivalents per Statement of Financial Position | 3,126 | 4,338 |
| Balance as per the Statement of Cash Flows | 3,126 | 4,338 |

Accounting policy

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

C1-2 Financial investments

| \$ '000 | 2022 Current | 2022 Non-current | 2021 Current | 2021 Non-current |
|--|-----------------|---------------------|-----------------|---------------------|
| Debt securities at amortised cost | | | | |
| Long term deposits | 36,082 | 5,000 | 34,021 | 12,000 |
| Total | 36,082 | 5,000 | 34,021 | 12,000 |
| Total financial investments | 36,082 | 5,000 | 34,021 | 12,000 |

Accounting policy

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

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

Financial assets

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

Classification

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

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

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

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

C1-2 Financial investments (continued)

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

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

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

Financial assets through profit or loss

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

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

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

| \$ '000 | 2022 | 2021 |
|--|---------------|--------|
| (a) Externally restricted cash, cash equivalents and investments | | |
| Total cash, cash equivalents and investments | 44,208 | 50,359 |
| Cash, cash equivalents and investments not subject to external restrictions | 44,208 | 50,359 |

| \$ '000 | 2022 | 2021 |
|--|-----------------|----------|
| (b) Internal allocations | | |
| Cash, cash equivalents and investments not subject to external restrictions | 44,208 | 50,359 |
| Less: Internally restricted cash, cash equivalents and investments | (20,611) | (28,491) |
| Unrestricted and unallocated cash, cash equivalents and investments | 23,597 | 21,868 |

Internal allocations

At 30 June, Council has internally allocated funds to the following:

| | | |
|-----------------------------------|---------------|--------|
| Plant and vehicle replacement | 2,148 | 1,761 |
| Infrastructure replacement | 15,971 | 24,482 |
| Employees leave entitlement | 2,492 | 2,248 |
| Total internal allocations | 20,611 | 28,491 |

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

| \$ '000 | 2022 | 2021 |
|--|---------------|--------|
| (c) Unrestricted and unallocated | | |
| Unrestricted and unallocated cash, cash equivalents and investments | 23,597 | 21,868 |

C1-4 Receivables

| \$ '000 | 2022 | 2022 | 2021 | 2021 |
|----------------------------------|--------------|-------------|--------------|-------------|
| | Current | Non-current | Current | Non-current |
| Availability (access) charges | 1,522 | – | 1,431 | – |
| Interest and extra charges | 70 | – | 75 | – |
| User charges and fees | 2,854 | – | 2,782 | – |
| Accrued revenues | | | | |
| – Interest on investments | 157 | – | 283 | – |
| Deferred developer contributions | 287 | – | 689 | – |
| Government grants and subsidies | 80 | – | 84 | – |
| Net GST receivable | 208 | – | 468 | – |
| Other debtors | 162 | – | 8 | – |
| Total | 5,340 | – | 5,820 | – |
| Total net receivables | 5,340 | – | 5,820 | – |

Accounting policy

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

Impairment

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

When estimating ECL, Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

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

When considering the ECL for rates and annual charges debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

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

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

Council's provision for impairment of receivables at 30 June 2022 is \$nil (2021: \$nil)

C1-5 Inventories

| \$ '000 | 2022 Current | 2022 Non-current | 2021 Current | 2021 Non-current |
|----------------------------------|-----------------|---------------------|-----------------|---------------------|
| (i) Inventories at cost | | | | |
| Stores and materials | 774 | - | 768 | - |
| Total inventories at cost | 774 | - | 768 | - |
| Total inventories | 774 | - | 768 | - |

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

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

C1-6 Infrastructure, property, plant and equipment

| By aggregated asset class | At 1 July 2021 | | | Asset movements during the reporting period | | | | | | At 30 June 2022 | | |
|---|---------------------------------------|---|---------------------------------|---|----------------------|-----------------------------|----------------------|---------------|---|---------------------------|---|---------------------|
| | Gross carrying amount (2) Restated | Accumulated depreciation and impairment (2) Restated | Net carrying amount Restated | Additions renewals ¹ | Additions new assets | Carrying value of disposals | Depreciation expense | WIP transfers | Revaluation increments / (decrements) to equity (ARR) | Gross carrying amount (2) | Accumulated depreciation and impairment (2) | Net carrying amount |
| \$ '000 | | | | | | | | | | | | |
| Capital work in progress | 14,650 | – | 14,650 | 10,037 | 598 | – | – | (12,502) | – | 12,783 | – | 12,783 |
| Plant and equipment | 9,172 | (3,922) | 5,250 | – | 1,420 | (738) | (1,037) | – | – | 9,419 | (4,525) | 4,894 |
| Office equipment | 1,765 | (1,095) | 670 | – | – | – | (343) | – | – | 1,764 | (1,438) | 326 |
| Furniture and fittings | 110 | (62) | 48 | – | – | – | (11) | – | – | 110 | (73) | 37 |
| Land: | | | | | | | | | | | | |
| – Operational land | 3,338 | – | 3,338 | – | 34 | – | – | – | 379 | 3,751 | – | 3,751 |
| Infrastructure: | | | | | | | | | | | | |
| – Buildings – non-specialised | 7,241 | (2,467) | 4,774 | – | 63 | – | (199) | – | 518 | 7,821 | (2,666) | 5,155 |
| – Water mains | 331,049 | (166,650) | 164,399 | 3,029 | 74 | – | (4,448) | 6,659 | 6,110 | 353,962 | (178,139) | 175,823 |
| – Reservoirs | 83,966 | (36,109) | 47,857 | – | – | – | (1,178) | – | 2,373 | 88,719 | (39,667) | 49,052 |
| – Pumping stations and bores | 26,927 | (12,305) | 14,622 | 811 | – | – | (627) | 2,573 | (1,607) | 31,645 | (15,873) | 15,772 |
| – Treatment plants | 33,567 | (16,308) | 17,259 | 506 | – | – | (687) | 2,951 | 138 | 39,487 | (19,320) | 20,167 |
| – Microwave Network | – | – | – | – | 881 | – | (50) | 319 | 35 | 1,190 | (4) | 1,186 |
| Total infrastructure, property, plant and equipment ² | 511,785 | (238,918) | 272,867 | 14,383 | 3,070 | (738) | (8,580) | – | 7,946 | 550,651 | (261,705) | 288,946 |

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

(2) Council has restated opening balances for a prior period error explained in Note F3-1

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

| By aggregated asset class | At 1 July 2020 | | | Asset movements during the reporting period | | | | | | At 30 June 2021 | | |
|--|-----------------------|---|---------------------|---|----------------------|-----------------------------|----------------------|---------------|--|--------------------------------|--|------------------------------|
| | Gross carrying amount | Accumulated depreciation and impairment | Net carrying amount | Additions renewals ¹ | Additions new assets | Carrying value of disposals | Depreciation expense | WIP transfers | Revaluation increments / (decrements) to equity (ARR) Restated | Gross carrying amount Restated | Accumulated depreciation and impairment Restated | Net carrying amount Restated |
| \$ '000 | | | | | | | | | | | | |
| Capital work in progress | 6,037 | – | 6,037 | – | 9,809 | – | – | (1,196) | – | 14,650 | – | 14,650 |
| Plant and equipment | 8,845 | (3,272) | 5,573 | – | 1,621 | (917) | (1,027) | – | – | 9,172 | (3,922) | 5,250 |
| Office equipment | 1,699 | (748) | 951 | – | 66 | – | (347) | – | – | 1,765 | (1,095) | 670 |
| Furniture and fittings | 110 | (50) | 60 | – | – | – | (12) | – | – | 110 | (62) | 48 |
| Land: | | | | | | | | | | | | |
| – Operational land | 2,830 | – | 2,830 | – | 470 | – | – | 38 | – | 3,338 | – | 3,338 |
| Infrastructure: | | | | | | | | | | | | |
| – Buildings – non-specialised | 7,094 | (2,275) | 4,819 | 133 | – | – | (192) | 14 | – | 7,241 | (2,467) | 4,774 |
| – Water supply network | 323,070 | (156,797) | 166,273 | 167 | 145 | – | (4,350) | 52 | 2,112 | 331,049 | (166,650) | 164,399 |
| – Reservoirs | 83,599 | (39,492) | 44,107 | 285 | – | – | (1,136) | 50 | 4,551 | 83,966 | (36,109) | 47,857 |
| – Pumping stations and bores | 28,539 | (14,248) | 14,291 | 1,090 | – | – | (677) | 177 | (259) | 26,927 | (12,305) | 14,622 |
| – Treatment plants | 33,205 | (15,329) | 17,876 | – | 250 | – | (620) | 865 | (1,112) | 33,567 | (16,308) | 17,259 |
| Total infrastructure, property, plant and equipment | 495,028 | (232,211) | 262,817 | 1,675 | 12,361 | (917) | (8,361) | – | 5,292 | 511,785 | (238,918) | 272,867 |

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

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

Accounting policy

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

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

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

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

Useful lives of IPPE

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

| Plant and equipment | Years | Buildings | Years |
|----------------------------|--------------|--------------------|--------------|
| Office equipment | 5 to 10 | Buildings: masonry | 50 to 60 |
| Office furniture | 10 to 20 | Buildings: other | 25 to 40 |
| Computer equipment | 5 | | |
| Vehicles | 6.25 | | |
| Heavy plant | 8 to 20 | | |
| Other plant and equipment | 5 to 15 | | |

Water assets

| | |
|---------------------------|----------|
| Reservoirs | 40 to 90 |
| Bores | 30 to 80 |
| Reticulation pipes: PVC | 50 to 80 |
| Reticulation pipes: other | 50 to 90 |
| Pumps and telemetry | 10 to 40 |

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

Revaluation model

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every 5 years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Water network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Planning, industry and Environment - Water.

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

C2 Leasing activities

C2-1 Council as a lessee

Income Statement

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

| \$ '000 | 2022 | 2021 |
|---------------------------------------|------------|-----------|
| Expenses relating to low-value leases | 101 | 54 |
| | 101 | 54 |

Accounting policy

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

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

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

Exceptions to lease accounting

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

C2-2 Council as a lessor

Operating leases

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

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

| \$ '000 | 2022 | 2021 |
|--|------------|-----------|
| (i) Assets held as rental property | | |
| Lease income (excluding variable lease payments not dependent on an index or rate) | 53 | 60 |
| Total income relating to operating leases for rental property assets | 53 | 60 |
| (ii) Repairs and maintenance: property | | |
| Other | 20 | 18 |
| Total repairs and maintenance: property | 20 | 18 |
| (ii) Assets held as property, plant and equipment | | |
| Lease income (excluding variable lease payments not dependent on an index or rate) | 103 | 92 |
| Total income relating to operating leases for Council assets | 103 | 92 |

C2-2 Council as a lessor (continued)

Accounting policy

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

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

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

C3 Liabilities of Council

C3-1 Payables

| \$ '000 | 2022 | | 2021 | 2021 |
|--|--------------|-------------|--------------|-------------|
| | Current | Non-current | Current | Non-current |
| Goods and services – operating expenditure | – | – | 3 | – |
| Prepaid rates and charges | 684 | – | 510 | – |
| Accrued expenses: | | | | |
| - Salaries and wages | 111 | – | 84 | – |
| - Employee expense on-costs | 185 | 9 | 163 | 8 |
| - Other expenditure accruals | 1,086 | – | 684 | – |
| Other | 66 | – | 3 | – |
| Payments received in advance | 1,125 | – | – | – |
| Total payables | 3,257 | 9 | 1,447 | 8 |

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Council comprise trade payables.

Payables

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

C3-2 Borrowings

Financing arrangements

| \$ '000 | 2022 | 2021 |
|---|------------|------------|
| Total facilities | | |
| Bank overdraft facilities ¹ | 500 | 500 |
| Credit cards/purchase cards | 65 | 65 |
| Total financing arrangements | 565 | 565 |
| Undrawn facilities | | |
| – Bank overdraft facilities | 500 | 500 |
| – Credit cards/purchase cards | 33 | 48 |
| Total undrawn financing arrangements | 533 | 548 |

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

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

C3-3 Employee benefit provisions

| \$ '000 | 2022 | | 2021 | 2021 |
|--|--------------|-------------|--------------|-------------|
| | Current | Non-current | Current | Non-current |
| Annual leave | 814 | – | 787 | – |
| Long service leave | 1,716 | 129 | 1,741 | 131 |
| Accrued leave | 52 | – | 45 | – |
| Total employee benefit provisions | 2,582 | 129 | 2,573 | 131 |

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

| \$ '000 | 2022 | 2021 |
|--|--------------|--------------|
| The following provisions, even though classified as current, are not expected to be settled in the next 12 months. | | |
| Provisions – employees benefits | 2,132 | 2,122 |
| | 2,132 | 2,122 |

Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

Short-term obligations

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

Other long-term employee benefit obligations

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

On-costs

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

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

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

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

D Risks and accounting uncertainties

D1-1 Risks relating to financial instruments held

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

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

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

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

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

| \$ '000 | Carrying value 2022 | Carrying value 2021 | Fair value 2022 | Fair value 2021 |
|-------------------------------------|------------------------|------------------------|--------------------|--------------------|
| Financial assets | | | | |
| Measured at amortised cost | | | | |
| Cash and cash equivalents | 3,126 | 4,338 | 3,126 | 4,338 |
| Receivables | 5,340 | 5,820 | 5,420 | 5,820 |
| Investments | | | | |
| – Debt securities at amortised cost | 41,082 | 46,021 | 41,082 | 46,021 |
| Total financial assets | 49,548 | 56,179 | 49,628 | 56,179 |
| Financial liabilities | | | | |
| Payables | 2,141 | 1,455 | 2,141 | 1,455 |
| Total financial liabilities | 2,141 | 1,455 | 2,141 | 1,455 |

Fair value is determined as follows:

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

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

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

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

The risks associated with the instruments held are:

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

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

D1-1 Risks relating to financial instruments held (continued)

(a) Market risk – interest rate and price risk

| \$ '000 | 2022 | 2021 |
|--|------|------|
| The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date. | | |
| Impact of a 1% movement in interest rates | | |
| – Equity / Income Statement | 441 | 482 |

(b) Credit risk

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

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

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

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

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

Credit risk profile

Receivables – rates and annual charges

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

| \$ '000 | overdue rates and annual charges | | | Total |
|-----------------------|----------------------------------|-----------|-----------|-------|
| | Not yet due | < 5 years | ≥ 5 years | |
| 2022 | | | | |
| Gross carrying amount | 1,273 | 229 | 20 | 1,522 |
| 2021 | | | | |
| Gross carrying amount | 1,090 | 325 | 16 | 1,431 |

Receivables - non-rates and annual charges and contract assets

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

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

| \$ '000 | Not yet overdue | Overdue debts | | | | Total |
|------------------------|-----------------|---------------|--------------|--------------|-----------|-------|
| | | 0 - 30 days | 31 - 60 days | 61 - 90 days | > 91 days | |
| 2022 | | | | | | |
| Gross carrying amount | 3,178 | 21 | 149 | 1 | 469 | 3,818 |
| Expected loss rate (%) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| ECL provision | – | – | – | – | – | – |
| 2021 | | | | | | |
| Gross carrying amount | 2,746 | 1 | 217 | 71 | 569 | 3,604 |
| Expected loss rate (%) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| ECL provision | – | – | – | – | – | – |

continued on next page ...

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D1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

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

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

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

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

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

| \$ '000 | Weighted average interest rate | Subject to no maturity | ≤ 1 Year | payable in: | | Total cash outflows | Actual carrying values |
|------------------------------------|---|------------------------------|----------|----------------|-----------|------------------------|------------------------------|
| | | | | 1 - 5 Years | > 5 Years | | |
| 2022 | | | | | | | |
| Payables | 0.00% | – | – | – | – | – | 2,141 |
| Total financial liabilities | | – | – | – | – | – | 2,141 |
| 2021 | | | | | | | |
| Payables | 0.00% | – | 253 | – | – | 253 | 945 |
| Total financial liabilities | | – | 253 | – | – | 253 | 945 |

D2-1 Fair value measurement

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

– Infrastructure, property, plant and equipment

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

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

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

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

Level 3: Inputs for the asset or liability.

| | Date of latest valuation | Fair value measurement hierarchy | | | | | | Total | |
|--|--------------------------|---------------------------------------|--------------|---|----------------|----------------|----------------|----------------|------|
| | | Level 2 Significant observable inputs | | Level 3 Significant unobservable inputs | | | | | |
| | | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| \$ '000 | | | | | | | | | |
| | Notes | | | | | Restated | | Restated | |
| Recurring fair value measurements | | | | | | | | | |
| Infrastructure, property, plant and equipment C1-6 | | | | | | | | | |
| Plant and Equipment | 30/06/21 | 30/06/21 | – | – | 4,894 | 5,250 | 4,894 | 5,250 | |
| Office Equipment | 30/06/21 | 30/06/21 | – | – | 326 | 670 | 326 | 670 | |
| Furniture and Fittings | 30/06/21 | 30/06/21 | – | – | 37 | 48 | 37 | 48 | |
| Operational Land | 30/06/22 | 30/06/18 | 3,751 | 3,338 | – | – | 3,751 | 3,338 | |
| Buildings – Non Specialised | 30/06/22 | 30/06/18 | 5,155 | 4,774 | – | – | 5,155 | 4,774 | |
| Water Mains | 30/06/22 | 30/06/21 | – | – | 175,823 | 164,399 | 175,823 | 164,399 | |
| Reservoirs | 30/06/22 | 30/06/21 | – | – | 49,052 | 47,857 | 49,052 | 47,857 | |
| Pumping Stations and Bores | 30/06/22 | 30/06/21 | – | – | 15,772 | 14,622 | 15,772 | 14,622 | |
| Treatment Plants | 30/06/22 | 30/06/21 | – | – | 20,167 | 17,259 | 20,167 | 17,259 | |
| Microwave Network | 30/06/22 | | – | – | 1,186 | – | 1,186 | – | |
| Total infrastructure, property, plant and equipment | | | 8,906 | 8,112 | 267,257 | 250,105 | 276,163 | 258,217 | |

Valuation techniques

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

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

Infrastructure, property, plant and equipment (IPPE)

Plant and Equipment, Office Equipment and Furniture and Fittings

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

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

Land - Operational

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

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

D2-1 Fair value measurement (continued)

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

Buildings - Non Specialised

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

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

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

Water Infrastructure

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

These asset classes were indexed as at 30 June 2022 by the NSW Water Supply & Sewerage Construction Cost Index from the NSW Reference Rates Manual.

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

Physical inspections were undertaken during 2019/20 on above ground infrastructure to confirm condition. Some assets such as underground pipes are not able to be inspected due to their nature. For these assets, reliance is placed on asset management and GIS system data based from day-to-day operations to manage these assets.

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

Fair value measurements using significant unobservable inputs (level 3)

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

| \$ '000 | 2022 | 2021 Restated |
|--|----------------|------------------|
| Balance at 1 July | 250,105 | 249,131 |
| Total gains or losses for the period | | |
| Recognised in other comprehensive income – revaluation surplus | (2,567) | 5,292 |
| Other movements | | |
| Purchases (GBV) | 4,871 | 4,768 |
| Disposals (WDV) | (738) | (917) |
| Depreciation and impairment | (8,580) | (8,169) |
| Balance at 30 June | 243,091 | 250,105 |

Highest and best use

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

D3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

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

Description of the funding arrangements.

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

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

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

* For 180 Point Members, Employers are required to contribute 7.5% of salaries for the year ending 30 June 2022 (increasing to 8.0% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$40.0 million for 1 July 2019 to 31 December 2021 and \$20.0 million per annum for 1 January to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2021. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

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

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

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

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

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

D3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2022 was \$76,647. The last formal valuation of the Scheme was performed by Fund Actuary, Richard Boyfield FIAA as at 30 June 2021.

Council's expected contribution to the plan for the next annual reporting period is \$69,404.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2022 is:

| Employer reserves only * | \$millions | Asset Coverage |
|--------------------------|------------|----------------|
| Assets | 2,376.6 | |
| Past Service Liabilities | 2,380.7 | 99.8% |
| Vested Benefits | 2,391.7 | 99.4% |

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

The share of this deficit that is broadly attributed to Council is estimated to be in the order of 0.20% as at 30 June 2022.

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

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

| | |
|--------------------|----------------|
| Investment return | 5.5% per annum |
| Salary inflation * | 3.5% per annum |
| Increase in CPI | 2.5% per annum |

* Plus promotional increases

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

(ii) Statewide Limited

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

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

The future realisation and finalisation of claims incurred but not reported to 30 June this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

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

D3-1 Contingencies (continued)

2. Other liabilities

(i) Third party claims

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

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

E People and relationships

E1 Related party disclosures

E1-1 Key management personnel (KMP)

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

| \$ '000 | 2022 | 2021 |
|--------------------------|--------------|--------------|
| Compensation: | | |
| Short-term benefits | 1,078 | 970 |
| Post-employment benefits | 140 | 112 |
| Other long-term benefits | 28 | 23 |
| Total | 1,246 | 1,105 |

Other transactions with KMP and their related parties

| Nature of the transaction | Ref | Transactions during the year | Outstanding balances including commitments | Terms and conditions | Impairment provision on outstanding balances | Impairment expense |
|--|-----|---------------------------------|---|----------------------|---|-----------------------|
| \$ '000 | | | | | | |
| 2022 | | | | | | |
| Supply and Service of Council vehicles | 1 | 476 | 118 | | - | - |
| Rental of Council Owned Properties | 2 | 17 | - | | - | - |
| 2021 | | | | | | |
| Supply and Service of Council vehicles | 1 | 726 | - | | - | - |
| Rental of Council Owned Properties | 2 | 17 | - | | - | - |
| Supply of Legal Services | 3 | 5 | - | | - | - |

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

2 Council owned properties rented to KMP.

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

E1-2 Councillor and Mayoral fees and associated expenses

| \$ '000 | 2022 | 2021 |
|--|-------------|-------------|
| The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are: | | |
| Members expenses – chairperson’s fee | 17 | 16 |
| Members expenses – members fees | 77 | 79 |
| Members expenses (incl. chairperson) – other (excluding fees above) | 9 | 9 |
| Total | 103 | 104 |

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

| \$ '000 | 2022 | 2021 |
|--|-------------|-------------|
| During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms | | |
| Auditors of the Council - NSW Auditor-General: | | |
| (i) Audit and other assurance services | | |
| Audit and review of financial statements | 31 | 30 |
| Remuneration for audit and other assurance services | 31 | 30 |
| Total Auditor-General remuneration | 31 | 30 |
| Non NSW Auditor-General audit firms | | |
| (i) Audit and other assurance services | | |
| Internal Audit costs | 29 | 40 |
| Remuneration for audit and other assurance services | 29 | 40 |
| Total remuneration of non NSW Auditor-General audit firms | 29 | 40 |
| Total audit fees | 60 | 70 |

F Other matters

F1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

| \$ '000 | 2022 | 2021 |
|---|---------------|--------------|
| Net operating result from Income Statement | (310) | 146 |
| Add/(less) for non-cash items: | | |
| Depreciation and amortisation | 8,580 | 8,361 |
| (Gain) / loss on disposal of assets | (204) | (51) |
| Change in assets and liabilities: | | |
| Movements in operating assets and liabilities | | |
| (Increase) / decrease of receivables | 480 | 138 |
| (Increase) / decrease of inventories | (6) | (173) |
| Increase / (decrease) in payables | (3) | (181) |
| Increase / (decrease) in other accrued expenses payable | 429 | 303 |
| Increase / (decrease) in other liabilities | 260 | 63 |
| Increase / (decrease) in employee benefit provision | 7 | 149 |
| Increase / (decrease) in income received in advance | 1,125 | – |
| Net cash flows from operating activities | 10,358 | 8,755 |

F2-1 Commitments

Capital commitments (exclusive of GST)

| \$ '000 | 2022 | 2021 |
|---------|------|------|
|---------|------|------|

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

Property, plant and equipment

| | | |
|--------------------------|--------------|--------------|
| Water infrastructure | 6,609 | 5,180 |
| Total commitments | 6,609 | 5,180 |

These expenditures are payable as follows:

| | | |
|----------------------|--------------|--------------|
| Within the next year | 6,609 | 5,180 |
| Total payable | 6,609 | 5,180 |

Sources for funding of capital commitments:

| | | |
|---------------------------------|--------------|--------------|
| Unrestricted general funds | 6,609 | 5,180 |
| Total sources of funding | 6,609 | 5,180 |

Details of capital commitments

Oura HV Construction \$338k
 HV Asset Replacement Design \$140k
 Switch Room Design Jugiong \$1.515m
 Oura WTP Electrical Installation \$155k
 HV Electrical Supply Jugiong WTP \$1.261m
 Thanowring Road Materials Supply \$1.797m
 Scada and Control Systems \$1.403m

F3-1 Events occurring after the reporting date

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

F4 Changes from prior year statements

F4-1 Correction of errors

Nature of prior period error

During the process of capitalisation of expenditure for the year ended 30 June 2021, some costs included in "Works in Progress" (WIP) were incorrectly included in revaluation calculations. This resulted in an overstatement of the gross carrying amounts as follows:

- Water mains \$2.8m
- Pumping stations and bores \$1.9m

Comparatives have been altered to reflect the correction of errors. The impact on each line item is shown in the table below.

Adjustments to the comparative figures for the year ended 30 June 2021

Statement of Financial Position

| \$ '000 | Original Balance 30 June, 2021 | Impact Increase/ (decrease) | Restated Balance 30 June, 2021 |
|---|--------------------------------------|-----------------------------------|--------------------------------------|
| Infrastructure, property, plant and equipment | 277,546 | (4,679) | 272,867 |
| Total non-current assets | 289,546 | (4,679) | 284,867 |

continued on next page ...

Page 49 of 60

F4-1 Correction of errors (continued)

| \$ '000 | Original Balance 30 June, 2021 | Impact Increase/ (decrease) | Restated Balance 30 June, 2021 |
|--------------------------|--------------------------------------|-----------------------------------|--------------------------------------|
| Total assets | 334,493 | (4,679) | 329,814 |
| Net assets | 330,334 | (4,679) | 325,655 |
| IPPE revaluation reserve | 235,158 | (4,679) | 230,479 |
| Total equity | 330,334 | (4,679) | 325,655 |

Statement of Comprehensive Income

| \$ '000 | Original Balance 30 June, 2021 | Impact Increase/ (decrease) | Restated Balance 30 June, 2021 |
|---|--------------------------------------|-----------------------------------|--------------------------------------|
| Net operating result for the year | 146 | – | 146 |
| Amounts which will not be reclassified subsequently to the operating result: | | | |
| Gain / (loss) on revaluation of infrastructure, property, plant and equipment | 9,971 | (4,679) | 5,292 |
| Other comprehensive income for the year | 9,971 | (4,679) | 5,292 |
| Total comprehensive income for the year | 10,117 | (4,679) | 5,438 |

F5 Statement of performance measures

F5-1 Statement of performance measures – consolidated results

| \$ '000 | Amounts 2022 | Indicator 2022 | Indicators 2021 2020 | | Benchmark |
|--|-----------------|-------------------|------------------------------|--------|-----------|
| 1. Operating performance ratio | | | | | |
| Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2} | (2,054) | (9.83)% | (11.01)% | 1.57% | > 0.00% |
| Total continuing operating revenue excluding capital grants and contributions ¹ | 20,891 | | | | |
| 2. Own source operating revenue ratio | | | | | |
| Total continuing operating revenue excluding all grants and contributions ¹ | 20,891 | 93.13% | 89.72% | 94.02% | > 60.00% |
| Total continuing operating revenue ¹ | 22,431 | | | | |
| 3. Unrestricted current ratio | | | | | |
| Current assets less all external restrictions | 39,208 | 10.58x | 23.68x | 32.03x | > 1.50x |
| Current liabilities less specific purpose liabilities | 3,707 | | | | |
| 4. Debt service cover ratio | | | | | |
| Operating result before capital excluding interest and depreciation/impairment/amortisation ¹ | 6,526 | ∞ | ∞ | ∞ | > 2.00x |
| Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement) | – | | | | |
| 5. Rates and annual charges outstanding percentage | | | | | |
| Rates and annual charges outstanding | 1,592 | 21.86% | 21.27% | 22.64% | < 10.00% |
| Rates and annual charges collectable | 7,282 | | | | |
| 6. Cash expense cover ratio | | | | | |
| Current year's cash and cash equivalents plus all term deposits | 44,208 | 28.23 | 36.29 | 36.90 | > 3.00 |
| Monthly payments from cash flow of operating and financing activities | 1,566 | months | months | months | months |

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

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

End of the audited financial statements



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Goldenfields Water County Council

To the Councillors of Goldenfields Water County Council

Opinion

I have audited the accompanying financial statements of Goldenfields Water County Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

The Council's annual report for the year ended 30 June 2022 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements.

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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

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

Nirupama Mani
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

25 October 2022
SYDNEY



Cr Matthew Stadtmiller
Chairperson
Goldenfields Water County Council
PO Box 220
TEMORA NSW 2666

Contact: Nirupama Mani
Phone no: 02 9275 7111
Our ref: D2220759/1819

25 October 2022

Dear Cr Stadtmiller

**Report on the Conduct of the Audit
for the year ended 30 June 2022
Goldenfields Water County Council**

I have audited the general purpose financial statements (GPFS) of the Goldenfields Water County Council (the Council) for the year ended 30 June 2022 as required by section 415 of the *Local Government Act 1993* (the Act).

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

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2022 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

SIGNIFICANT AUDIT ISSUES AND OBSERVATIONS

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

Correction of error relating to the previous reporting period

The Council has disclosed a correction of error in Note F4-1 'Correction of errors' relating to a previous reporting period, which changed comparative information in Note C1-6 'Infrastructure, property, plant and equipment'. The error related to the incorrect recognition of IPPE asset and revaluation reserve resulting in an overstatement of \$4.7 million. The Council retrospectively corrected the error in line with the requirements of AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors'.

There was no impact on the audit opinion on the Council's 30 June 2022 GPFS.

INCOME STATEMENT

Operating result

| | 2022 | 2021 | Variance |
|--|-------|-------|----------|
| | \$m | \$m | % |
| Rates and annual charges revenue | 5.7 | 5.5 | 3.6 |
| Grants and contributions revenue | 1.5 | 2.4 | 34.8 |
| Operating result from continuing operations | (0.3) | 0.1 | 400 |
| Net operating result before capital grants and contributions | (1.8) | (2.2) | 18.2 |

Rates and annual charges revenue increased by \$0.2 million (3.6 per cent) to \$5.7 million. The increase is consistent with the movement in the rate peg of 2% applied to rates and annual charges revenue in 2021–22.

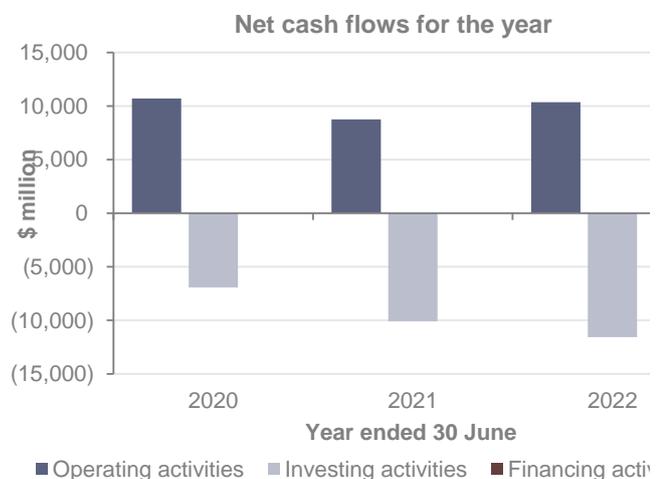
Grants and contributions revenue of \$1.5 million has decreased by \$0.9 million (34.8 per cent) in 2021–22 due to a decrease in additional water supply contributions received for headworks compared to the prior year.

The Council's operating result from continuing operations has decreased by \$0.4 million to a deficit of \$0.3 million in 2021–22. The decrease is mainly due to the decrease in grants and contributions provided for capital purposes in the current year.

The net operating deficit before capital grants and contributions \$1.8 million was \$0.4 million higher than the 2020–21 result. The increase is mainly due to the increase in user charges and fees.

STATEMENT OF CASH FLOWS

- Council recorded a net decrease in cash and cash equivalents of \$1.2 million at 30 June 2022 (net decrease of \$1.3 million at 30 June 2021).
- Net cash provided by operating activities amounted to \$10.3 million. Council recorded cash receipts from user fees and charges of \$15.5 million and grants and contributions of \$1.5 million. Council recorded cash payments for employee benefits and on-costs of \$7.4 million and materials and services of \$11.6 million.
- Net cash used in investing activities amounted to \$11.5 million. This is largely due to the net cash outflow of \$17.0 million for the purchase of infrastructure, property, plant and equipment during the year.



FINANCIAL POSITION

Cash and investments

| Cash and investments | 2022 | 2021 | Commentary |
|--|-------------|-------------|--|
| | \$m | \$m | |
| Total cash, cash equivalents and investments | 44.2 | 50.3 | <ul style="list-style-type: none"> Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect identified programs of works and any forward plans identified by Council. The movement in the internally restricted cash balance is predominately due to a decrease in infrastructure replacement restrictions. |
| Restricted and allocated cash, cash equivalents and investments: | | | |
| • External restrictions | -- | -- | <ul style="list-style-type: none"> Unrestricted cash has increased due to the decrease in internal restrictions from the prior year. Council has decreased the internal restriction for infrastructure replacement. |
| • Internal allocations | 20.6 | 28.5 | |
| • Unrestricted | 23.6 | 21.8 | |

Debt

Council's approved overdraft facility for Commonwealth Bank Australia (CBA) is \$0.5 million. This remains unused at the end of the financial year.

PERFORMANCE

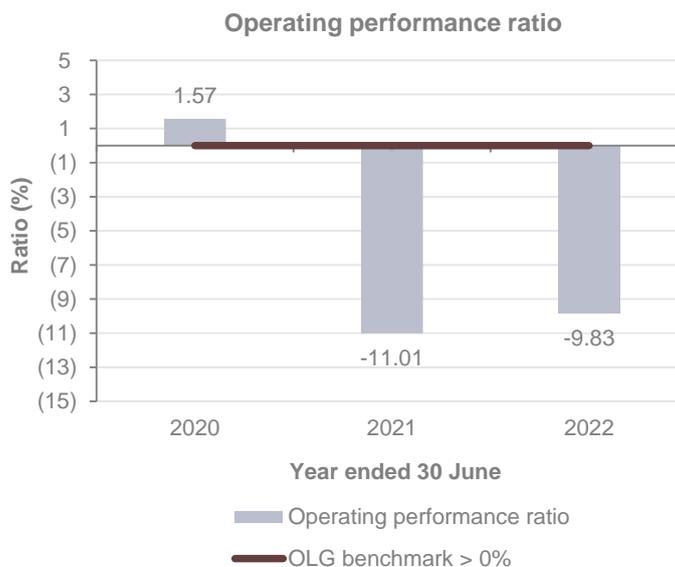
Performance measures

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

Operating performance ratio

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

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

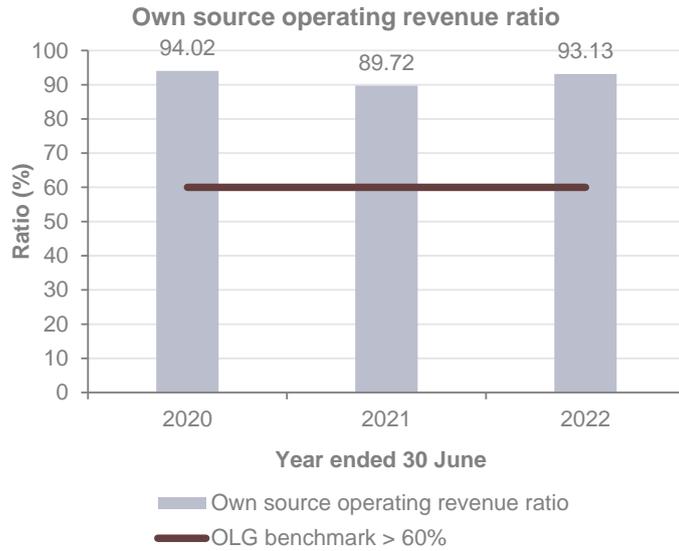


Own source operating revenue ratio

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

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

The Council's own source operating revenue ratio of 93.13 per cent is above the industry benchmark of 60 per cent. Council has met this benchmark as its main source of income is from water sales, rather than reliance on operating grants and contributions.



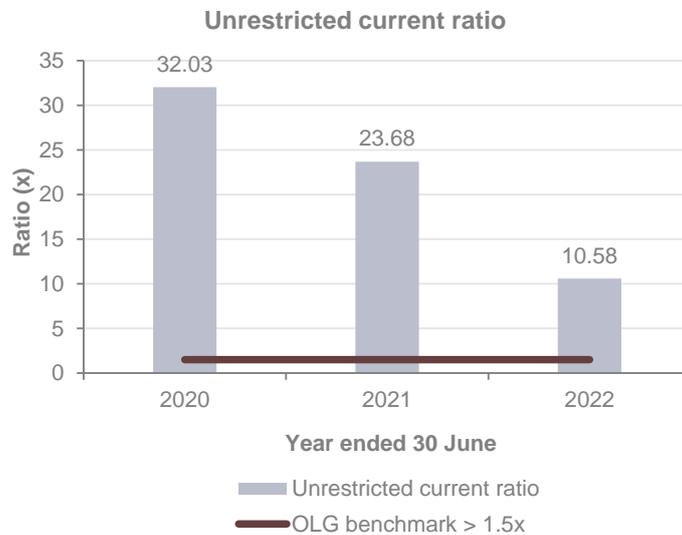
Unrestricted current ratio

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

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

The Council's unrestricted current ratio of 10.58 times is higher than the industry benchmark minimum of greater than 1.5 times. This indicates that the Council have sufficient liquidity to meet its current liabilities as and when they fall due.

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



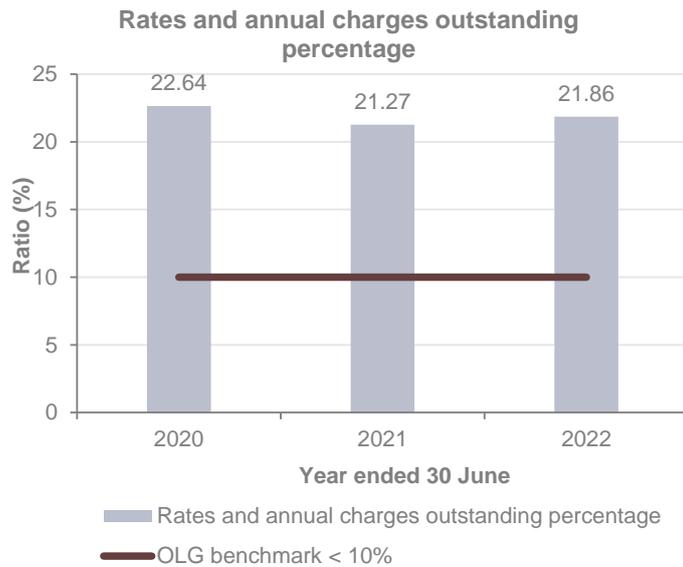
Rates and annual charges outstanding percentage

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

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

The Council’s rates and annual charges outstanding percentage of 21.86 per cent is outside the industry benchmark of less than 10 per cent for rural councils.

Council continues to not meet this benchmark due to the rolling quarterly billing arrangements. The billing cycle of water county councils need to be considered when assessing this performance against other general councils.

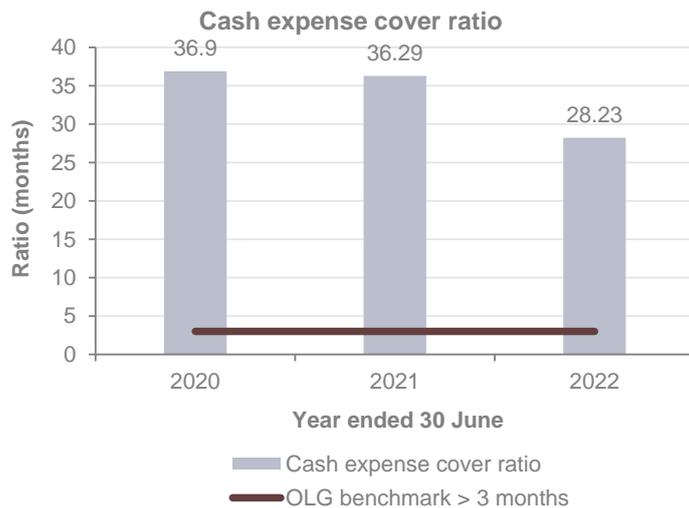


Cash expense cover ratio

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

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

The Council’s cash expense cover ratio was 28.23 months, which is above the industry benchmark of greater than 3 months. This indicates that Council has the capacity to cover 28.23 months of cash expenditure without additional cash inflows at 30 June 2022.



Infrastructure, property, plant and equipment renewals

The Council has renewed \$14.4 million of assets in the 2021–22 financial year, compared to \$1.7 million of assets in the 2020–21 financial year. Council have a large capital works program which is contributing to the high amount of renewals.

OTHER MATTERS

Legislative compliance

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

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



Nirupama Mani
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

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

Goldenfields Water County Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2022

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



Goldenfields Water County Council

Special Purpose Financial Statements

for the year ended 30 June 2022

| Contents | Page |
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| Statement by Councillors and Management | 3 |
| Special Purpose Financial Statements: | |
| Income Statement of water supply business activity | 4 |
| Statement of Financial Position of water supply business activity | 5 |
| Note – Significant Accounting Policies | 6 |
| Auditor's Report on Special Purpose Financial Statements | 8 |

Background

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

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.
- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).
- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Goldenfields Water County Council

Special Purpose Financial Statements

for the year ended 30 June 2022

Statement by Councillors and Management

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

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

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

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

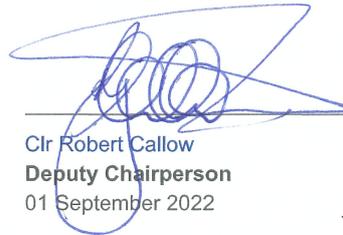
- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

Signed in accordance with a resolution of Council made on 01 September 2022.



Cr Matthew Stadtmiller
Chairperson
01 September 2022



Cr Robert Callow
Deputy Chairperson
01 September 2022



Aaron Drenovski
General Manager
01 September 2022



John Chapman
Responsible Accounting Officer
01 September 2022

Goldenfields Water County Council

Income Statement of water supply business activity

for the year ended 30 June 2022

| \$ '000 | 2022 | 2021 |
|--|----------------|----------------|
| Income from continuing operations | | |
| Access charges | 5,741 | 5,473 |
| User charges | 14,381 | 13,935 |
| Fees | 206 | 228 |
| Interest and investment income | 407 | 1,045 |
| Net gain from the disposal of assets | 204 | 51 |
| Other income | 156 | 152 |
| Total income from continuing operations | 21,095 | 20,884 |
| Expenses from continuing operations | | |
| Employee benefits and on-costs | 7,456 | 7,143 |
| Materials and services | 6,582 | 7,290 |
| Depreciation, amortisation and impairment | 8,580 | 8,361 |
| Water purchase charges | 121 | 92 |
| Calculated taxation equivalents | 47 | 41 |
| Other expenses | 206 | 240 |
| Total expenses from continuing operations | 22,992 | 23,167 |
| Surplus (deficit) from continuing operations before capital amounts | (1,897) | (2,283) |
| Grants and contributions provided for capital purposes | 1,540 | 2,388 |
| Surplus (deficit) from continuing operations after capital amounts | (357) | 105 |
| Surplus (deficit) from all operations before tax | (357) | 105 |
| Less: corporate taxation equivalent (25%) [based on result before capital] | - | - |
| Surplus (deficit) after tax | (357) | 105 |
| Plus accumulated surplus | 95,176 | 95,030 |
| Plus adjustments for amounts unpaid: | | |
| – Taxation equivalent payments | 47 | 41 |
| Closing accumulated surplus | 94,866 | 95,176 |
| Return on capital % | (0.7)% | (0.8)% |
| Subsidy from Council | 12,472 | 6,418 |
| Calculation of dividend payable: | | |
| Surplus (deficit) after tax | (357) | 105 |
| Less: capital grants and contributions (excluding developer contributions) | (1,540) | (2,388) |
| Surplus for dividend calculation purposes | - | - |
| Potential dividend calculated from surplus | - | - |

Goldenfields Water County Council

Statement of Financial Position of water supply business activity
as at 30 June 2022

| \$ '000 | 2022 | 2021 Restated |
|---|----------------|------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | 3,126 | 4,338 |
| Investments | 36,082 | 34,021 |
| Receivables | 5,340 | 5,820 |
| Inventories | 774 | 768 |
| Total current assets | 45,322 | 44,947 |
| Non-current assets | | |
| Investments | 5,000 | 12,000 |
| Infrastructure, property, plant and equipment | 288,946 | 277,546 |
| Total non-current assets | 293,946 | 289,546 |
| Total assets | 339,268 | 334,493 |
| LIABILITIES | | |
| Current liabilities | | |
| Payables | 2,132 | 1,447 |
| Income received in advance | 1,125 | – |
| Employee benefit provisions | 2,582 | 2,573 |
| Total current liabilities | 5,839 | 4,020 |
| Non-current liabilities | | |
| Payables | 9 | 8 |
| Employee benefit provisions | 129 | 131 |
| Total non-current liabilities | 138 | 139 |
| Total liabilities | 5,977 | 4,159 |
| Net assets | 333,291 | 330,334 |
| EQUITY | | |
| Accumulated surplus | 90,187 | 95,176 |
| Revaluation reserves | 243,104 | 235,158 |
| Total equity | 333,291 | 330,334 |

Note – Significant Accounting Policies

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

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

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

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

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

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

National Competition Policy

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

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

Declared business activities

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

Category 1

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

Goldenfields Water County Council (whole of Council operation)

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

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where Council does not pay some taxes, which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in special purpose financial statements. For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – **25%** (20/21: 26%)

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

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

Note – Significant Accounting Policies (continued)

Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 25% (20/21: 26%).

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

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

Local government rates and charges

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

Loan and debt guarantee fees

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

(i) Subsidies

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

(ii) Return on investments (rate of return)

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

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

The rate of return is calculated as follows:

Operating result before capital income + interest expense

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 3.66% at 30/6/22.

(iii) Dividends

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

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

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

- 50% of this surplus in any one year, or
- the number of water supply assessments at 30/06/2022 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

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



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

To the Councillors of Goldenfields Water County Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Goldenfields Water County Council's (the Council) Declared Business Activity, Water Supply Business Activity, which comprise the Statement by Councillors and Management, the Income Statement of the Declared Business Activity for the year ended 30 June 2022, the Statement of Financial Position of the Declared Business Activity as at 30 June 2022 and the Significant accounting policies note.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's Declared Business Activity as at 30 June 2022, and its financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2021–22 (LG Code).

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

The Council's annual report for the year ended 30 June 2022 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements.

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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

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

Nirupama Mani
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

25 October 2022
SYDNEY

Goldenfields Water County Council

SPECIAL SCHEDULES
for the year ended 30 June 2022

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



Goldenfields Water County Council

Special Schedules

for the year ended 30 June 2022

| Contents | Page |
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| Special Schedules: | |
| Report on infrastructure assets as at 30 June 2022 | 3 |

Goldenfields Water County Council

Report on infrastructure assets as at 30 June 2022

| Asset Class | Asset Category | Estimated cost to bring assets to satisfactory standard | | Estimated cost to bring to the agreed level of service set by Council | 2021/22 Required maintenance ^a | 2021/22 Actual maintenance | Net carrying amount | Gross replacement cost (GRC) | Assets in condition as a percentage of gross replacement cost | | | | |
|-----------------------------|--------------------------|---|---------------|---|---|----------------------------|---------------------|------------------------------|---|--------------|--------------|--------------|---|
| | | \$ '000 | \$ '000 | | | | | | \$ '000 | \$ '000 | \$ '000 | \$ '000 | 1 |
| Buildings | Council Office | – | – | 100 | 61 | 1,312 | 2,092 | 95.0% | 0.0% | 5.0% | 0.0% | 0.0% | |
| | Council Works Depots | – | – | 108 | 99 | 1,889 | 2,831 | 91.0% | 3.0% | 3.0% | 3.0% | 0.0% | |
| | Council Houses | – | – | 30 | 20 | 1,954 | 2,899 | 37.0% | 28.0% | 35.0% | 0.0% | 0.0% | |
| | Sub-total | – | – | 238 | 180 | 5,155 | 7,822 | 72.1% | 11.5% | 15.4% | 1.1% | 0.0% | |
| Water supply network | Mains | 55,782 | 56,573 | 1,675 | 1,936 | 175,823 | 353,962 | 25.8% | 28.1% | 2.5% | 24.7% | 19.0% | |
| | Reservoirs | 4,339 | 9,631 | 689 | 461 | 49,052 | 88,719 | 9.1% | 37.0% | 41.3% | 6.5% | 6.1% | |
| | Pumping Stations & Bores | 4,304 | 4,443 | 777 | 619 | 15,772 | 31,646 | 20.7% | 33.0% | 21.9% | 5.8% | 18.6% | |
| | Treatment | 2,965 | 5,561 | 752 | 636 | 20,168 | 39,488 | 22.6% | 15.9% | 32.1% | 21.8% | 7.6% | |
| | Microwave Network | – | – | 50 | 18 | 1,186 | 1,190 | 0.0% | 0.0% | 0.0% | 0.0% | 100.0% | |
| Sub-total | 67,390 | 76,208 | 3,943 | 3,670 | 262,001 | 515,005 | 22.3% | 28.9% | 12.6% | 20.1% | 16.0% | | |
| Total – all assets | | 67,390 | 76,208 | 4,181 | 3,850 | 267,156 | 522,827 | 23.0% | 28.7% | 12.7% | 19.8% | 15.8% | |

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

Infrastructure asset condition assessment 'key'

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

Goldenfields Water County Council

Report on infrastructure assets as at 30 June 2022

Infrastructure asset performance indicators (consolidated) *

| \$ '000 | Amounts 2022 | Indicator 2022 | Indicators | | Benchmark |
|--|-----------------|-------------------|------------|--------|------------|
| | | | 2021 | 2020 | |
| Buildings and infrastructure renewals ratio | | | | | |
| Asset renewals ¹ | 14,383 | 309.51% | 6.32% | 8.32% | >= 100.00% |
| Depreciation, amortisation and impairment | 4,647 | | | | |
| Infrastructure backlog ratio | | | | | |
| Estimated cost to bring assets to a satisfactory standard | 67,390 | 34.78% | 8.57% | 16.32% | < 2.00% |
| Net carrying amount of infrastructure assets | 193,761 | | | | |
| Asset maintenance ratio | | | | | |
| Actual asset maintenance | 3,850 | 92.08% | 102.08% | 93.28% | > 100.00% |
| Required asset maintenance | 4,181 | | | | |
| Cost to bring assets to agreed service level | | | | | |
| Estimated cost to bring assets to an agreed service level set by Council | 76,208 | 14.58% | 7.83% | 9.95% | |
| Gross replacement cost | 522,827 | | | | |

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

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

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

COUNCIL CASH AND INVESTMENTS

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the report detailing Council Cash and Investments as at 30th September 2022 be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

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

REPORT

Council's cash and investment portfolio decreased by \$3,000,000 from \$43,761,611 as at 31st July 2022 to \$40,761,611 as at 30th September 2022.

Cash and Investment Portfolio

| Type | Rating | SP RATING | Issuer | Frequency | Purchase | Maturity | Days | Rate | Benchmark* | Principal |
|---------------|--------|-----------|------------------------|-------------|------------|------------|------|------|------------|---------------------|
| TD | BBB+ | A2 | ME Bank | At Maturity | 9/06/2021 | 12/10/2022 | 490 | 0.48 | 1.81 | \$1,000,000 |
| TD | BBB- | A3 | Judo Bank | At Maturity | 29/10/2021 | 2/11/2022 | 369 | 1.01 | 1.81 | \$2,000,000 |
| TD | A+ | A1 | Macquarie Bank | At Maturity | 29/10/2021 | 2/11/2022 | 369 | 0.55 | 1.81 | \$1,000,000 |
| TD | BBB | A2 | AMP Bank | Annual | 17/11/2021 | 17/11/2022 | 365 | 1.00 | 1.81 | \$3,000,000 |
| NOTICE | BBB | A2 | AMP Bank | At Maturity | 12/01/2021 | 5/12/2022 | 692 | 1.80 | 1.81 | \$2,000,000 |
| NOTICE | BBB | A2 | AMP Bank | At Maturity | 12/01/2021 | 5/12/2022 | 692 | 1.80 | 1.81 | \$2,081,638 |
| NOTICE | BBB | A2 | AMP Bank | At Maturity | 16/02/2021 | 5/12/2022 | 657 | 1.80 | 1.81 | \$2,000,000 |
| TD | BBB- | A3 | Illawarra Credit Union | At Maturity | 8/09/2022 | 16/12/2022 | 99 | 3.26 | 1.81 | \$1,000,000 |
| TD | A+ | A1 | Macquarie Bank | At Maturity | 13/09/2022 | 23/12/2022 | 101 | 3.43 | 1.81 | \$1,000,000 |
| TD | BBB+ | A2 | BOQ | At Maturity | 12/07/2022 | 12/01/2023 | 184 | 3.35 | 1.81 | \$1,000,000 |
| TD | BBB | A2 | AMP Bank | At Maturity | 14/07/2022 | 12/01/2023 | 182 | 3.60 | 1.81 | \$2,000,000 |
| TD | A+ | A1 | Macquarie Bank | At Maturity | 13/09/2022 | 23/01/2023 | 132 | 3.43 | 1.81 | \$1,000,000 |
| TD | A+ | A1 | Macquarie Bank | At Maturity | 16/03/2022 | 15/02/2023 | 336 | 1.15 | 1.81 | \$3,000,000 |
| TD | AA- | A1+ | CBA | Half Year | 20/07/2022 | 1/03/2023 | 224 | 3.82 | 1.81 | \$1,000,000 |
| TD | AA- | A1+ | CBA | Half Year | 28/04/2022 | 3/05/2023 | 370 | 2.73 | 1.81 | \$4,000,000 |
| TD | BBB+ | A2 | ME Bank | At Maturity | 27/05/2022 | 1/06/2023 | 370 | 3.18 | 1.81 | \$4,000,000 |
| TD | BBB+ | A2 | BOQ | Annual | 1/06/2022 | 5/07/2023 | 399 | 3.20 | 1.81 | \$2,000,000 |
| TD | AA- | A1+ | NT Treasury | Annual | 10/09/2020 | 15/12/2023 | 1191 | 1.00 | 1.81 | \$2,000,000 |
| TD | AA- | A1+ | NT Treasury | Annual | 28/09/2020 | 15/12/2024 | 1539 | 1.10 | 1.81 | \$1,000,000 |
| CASH | A+ | A1 | Macquarie Bank | Monthly | | | | 0.55 | 1.35 | \$2,519,158 |
| CASH | AA- | A1+ | CBA | Monthly | | | | 0.20 | 1.35 | \$1,500,000 |
| CASH | AA- | A1+ | CBA | N/A | | | | 0.00 | 1.35 | \$660,815 |
| TOTAL: | | | | | | | | | | \$40,761,611 |

*Benchmarks

On Call - RBA Cash

Floating Rate Deposit - 3m BBSW

Term Deposit - BBSW

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

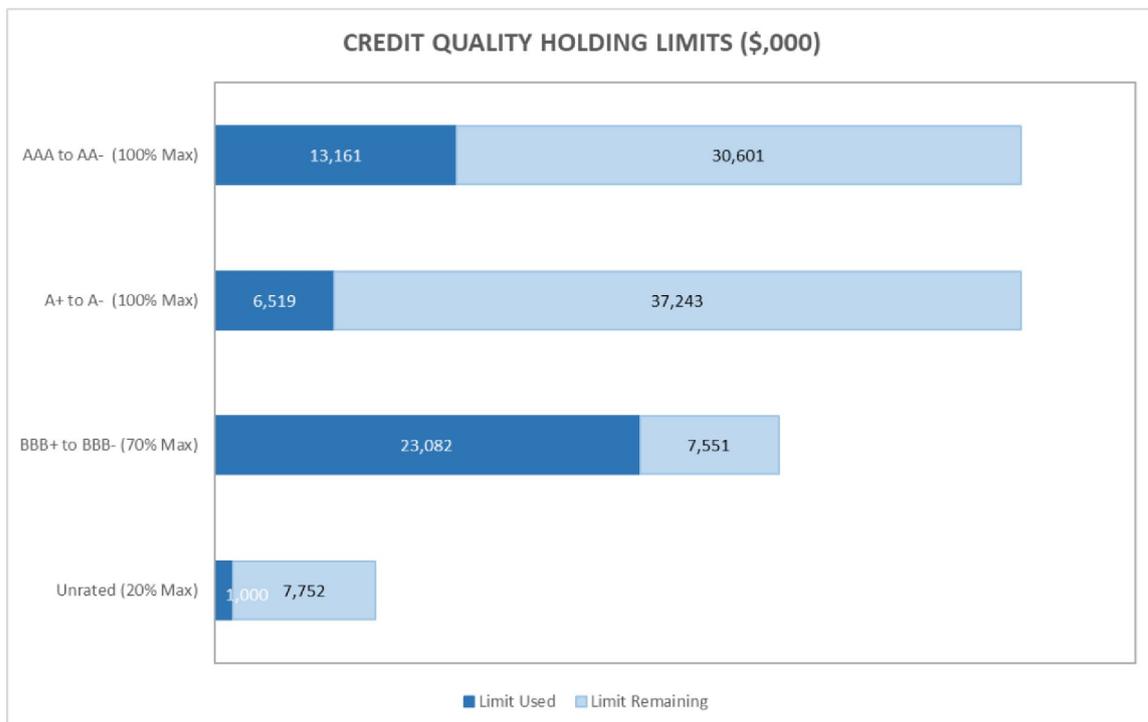
Performance

Goldenfields Water County Council’s investment portfolio outperformed the relevant BBSW Index benchmark by 12%. The average weighted yield for September was 1.83%, over an average weighted term of 132 days, with a benchmark 1.75%.

| | | |
|---|---|---|
| Total Cost 40,761,611 | Yearly Interest Received 102,475 | Weighted Average Term 132 Days |
| Total Value 40,761,611 | Monthly Interest Received 7,926 | Weighted Average Yield 1.83% |

Credit Quality Compliance

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

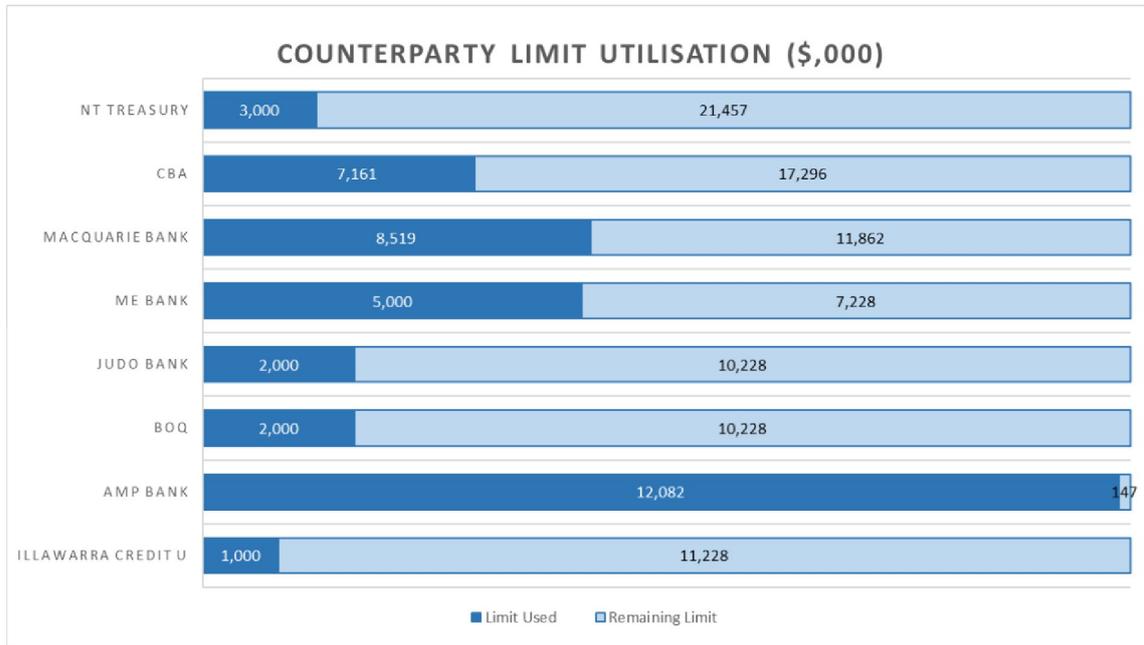


GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

Counter Party Compliance

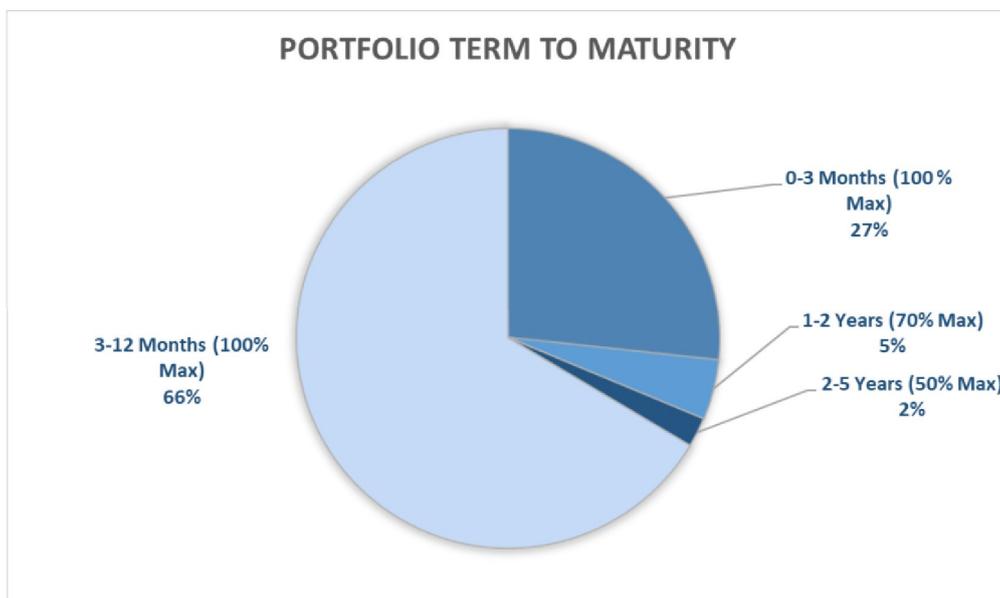
As at the end of September, Council was compliant with policy in terms of individual financial institution capacity limits. It is worth noting that capacity limits are affected by changes in the on-call account balance compared to the total portfolio balance.

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



Term to Maturity

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



GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

Application of Investment Funds

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

| | |
|-----------------------------|-------------------|
| Restricted Funds: | |
| Plant & Vehicle Replacement | 2,148,190 |
| Infrastructure Replacement | 15,970,725 |
| Employee Leave Entitlement | 2,492,494 |
| Sales Fluctuation Reserve | 0 |
| Property Reserve | 0 |
| Unrestricted Funds: | 20,150,202 |
| TOTAL | 40,761,611 |

Declaration

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

Signed



John Chapman
Responsible Accounting Officer

FINANCIAL IMPACT STATEMENT

Council's cash and investment portfolio decreased by \$3,000,000 from \$43,761,611 as at 31st July 2022 to \$40,761,611 as at 30th September 2022.

ATTACHMENTS: Nil.

TABLED ITEMS: Nil.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

PROGRESS REPORT - CAPITAL WORKS EXPENDITURE

Report prepared by Acting Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Capital Works Progress Report as at 30th September 2022 be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

Capital Works represents an important part of Councils activities and expenditure. This report details expenditure and progress for the year to date on programmed and emergent capital works.

REPORT

This report is presented for information on the expenditure and progress of Council's Capital Works Program as at 30th September 2022.

FINANCIAL IMPACT STATEMENT

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

ATTACHMENTS: Capital Works Progress Report as at 30th September 2022.

TABLED ITEMS: Nil.

Goldenfields Water County Council Agenda - 27 October 2022 - MATTERS TO BE SUBMITTED TO OPEN COUNCIL

| Goldenfields Water County Council CAPITAL WORKS PROGRESS | | | | | | | | | | |
|---|--------------|----------------------------|-----------------------------------|--------------|---------------------------|----------------|----------------|---------------------------------|------------------|-----------------------|
| AS AT 30 SEPTEMBER 2022 | W.O. | ORIGINAL BUDGET 2022/23 | 2021/2 CARRYOVERS & REVOTES | QBR SEP 2022 | REVISED BUDGET 2022/23 | ACTUAL YTD | COMMITTED YTD | TOTAL ACTUAL & COMMITTED YTD | VARIANCE YTD | % ACTUAL TO BUDGET |
| CAPITAL INCOME: | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | % |
| Asset Sales | | | | | | | | | | |
| Sale of Plant | 3100 | 738,000 | | | 738,000 | 43,182 | - | 43,182 | 694,818 | 6% |
| Asset Sales | | 738,000 | - | - | 738,000 | 43,182 | - | 43,182 | 694,818 | 6% |
| Capital Contributions | | | | | | | | | | |
| Developer Contributions - Augmentation | 3200.200.153 | 250,000 | | | 250,000 | 65,440 | - | 65,440 | 184,560 | 26% |
| Developer Contributions - S64 | 3200.200.280 | 1,250,000 | | | 1,250,000 | 246,722 | - | 246,722 | 1,003,278 | 20% |
| West Wyalong Capital Grant | 1100.200.270 | 4,725,000 | | | 4,725,000 | - | - | - | 4,725,000 | 0% |
| Capital Contributions | | 6,225,000 | - | - | 6,225,000 | 312,162 | - | 312,162 | 5,912,838 | 5% |
| TOTAL CAPITAL INCOME: | | 6,963,000 | - | - | 6,963,000 | 355,344 | - | 355,344 | 6,607,656 | 5% |
| CAPITAL EXPENDITURE | | | | | | | | | | |
| NEW SYSTEM ASSETS: | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | % |
| Plant & Equipment | | | | | | | | | | |
| Plant & Equipment Purchases | 3101 | 1,585,000 | | | 1,585,000 | 148,952 | 740,139 | 889,091 | 695,909 | 56% |
| Plant & Equipment | | 1,585,000 | - | - | 1,585,000 | 148,952 | 740,139 | 889,091 | 695,909 | 56% |
| Land & Buildings | | | | | | | | | | |
| New Temora Depot Building | 3176 | - | 100,000 | | 100,000 | 22,358 | - | 22,358 | 77,642 | 22% |
| Land & Buildings | | - | 100,000 | - | 100,000 | 22,358 | - | 22,358 | 77,642 | 22% |
| Mains - Developer Paid | | | | | | | | | | |
| Coolamon Industrial Subdivision | 3103 | 40,000 | | | 40,000 | - | - | - | 40,000 | |
| Accommodation Village - Boundary Rd - West Wyalong | 3160 | - | 40,000 | | 40,000 | 64,643 | 2,268 | 66,911 | (26,911) | |
| Dustin Rose Estate | 3204 | - | | | - | 2,802 | - | 2,802 | (2,802) | |
| Loch St Ganmain | 3206 | - | 20,000 | | 20,000 | 5,736 | 818 | 6,554 | 13,446 | |
| Mains - Developer Paid | | 40,000 | 60,000 | - | 100,000 | 86,725 | 4,768 | 91,493 | 8,507 | 91% |
| Mains - Trunk | | | | | | | | | | |
| Bulk Customer Water Quality Panels - Harden Offtake | 3106 | - | 66,000 | | 66,000 | - | 65,540 | 65,540 | 460 | 99% |
| Mains - Trunk | | - | 66,000 | - | 66,000 | - | 65,540 | 65,540 | 460 | 99% |
| Mains - Reticulation | | | | | | | | | | |
| Oura WTP PRV to customer | 3205 | - | 5,000 | | 5,000 | 4,898 | - | 4,898 | 102 | 98% |
| Mains - Reticulation | | - | 5,000 | - | 5,000 | 4,898 | - | 4,898 | 102 | 98% |
| Mains - Rural | | | | | | | | | | |
| Mandamah Stage 2 - 4 | 1688 | - | | | - | 5,148 | 6,125 | 11,273 | (11,273) | 0% |
| Mains - Rural | | - | - | - | - | 5,148 | 6,125 | 11,273 | (11,273) | 0% |

| Goldenfields Water County Council CAPITAL WORKS PROGRESS | | | | | | | | | | |
|---|------|----------------------------|-----------------------------------|------------------|---------------------------|----------------|------------------|---------------------------------|------------------|-----------------------|
| AS AT 30 SEPTEMBER 2022 | W.O. | ORIGINAL BUDGET 2022/23 | 2021/2 CARRYOVERS & REVOTES | QBR SEP 2022 | REVISED BUDGET 2022/23 | ACTUAL YTD | COMMITTED YTD | TOTAL ACTUAL & COMMITTED YTD | VARIANCE YTD | % ACTUAL TO BUDGET |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | % |
| NEW SYSTEM ASSETS (Continued): | | | | | | | | | | |
| Pump Stations and Bores | | | | | | | | | | |
| West Wyalong Transfer Pump Station | 3225 | - | | 400,000 | 400,000 | 38,691 | - | 38,691 | 361,309 | 10% |
| Pump Stations and Bores | | - | - | 400,000 | 400,000 | 38,691 | - | 38,691 | 361,309 | 10% |
| Scada | | | | | | | | | | |
| Microwave link sites for Scada | 3109 | 250,000 | 430,000 | | 680,000 | 3,250 | 188,673 | 191,923 | 488,077 | 28% |
| Scada | | 250,000 | 430,000 | 400,000 | 1,080,000 | 41,941 | 188,673 | 230,614 | 849,386 | 21% |
| Reservoirs | | | | | | | | | | |
| Wyalong Standpipe Res | 3226 | 1,500,000 | | 2,920,750 | 4,420,750 | 1,028 | 3,995,233 | 3,996,261 | 424,489 | 90% |
| Reservoirs | | 1,750,000 | 430,000 | 2,920,750 | 5,100,750 | 4,278 | 4,183,906 | 4,188,184 | 912,566 | 82% |
| TOTAL NEW SYSTEM ASSETS: | | 3,375,000 | 661,000 | 3,320,750 | 7,356,750 | 311,051 | 5,000,478 | 5,311,529 | 2,045,221 | 72% |

Goldenfields Water County Council Agenda - 27 October 2022 - MATTERS TO BE SUBMITTED TO OPEN COUNCIL

| Goldenfields Water County Council CAPITAL WORKS PROGRESS | | | | | | | | | | |
|---|----------------------------|-----------------------------------|--------------|---------------------------|------------------|---------------|---------------------------------|---------------|-----------------------|------------|
| AS AT 30 SEPTEMBER 2022 | | | | | | | | | | |
| W.O. | ORIGINAL BUDGET 2022/23 | 2021/2 CARRYOVERS & REVOTES | QBR SEP 2022 | REVISED BUDGET 2022/23 | ACTUAL YTD | COMMITTED YTD | TOTAL ACTUAL & COMMITTED YTD | VARIANCE YTD | % ACTUAL TO BUDGET | |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | % |
| RENEWALS: | | | | | | | | | | |
| Plant & Equipment | | | | | | | | | | |
| New GPS | 3217 | 30,000 | | | 30,000 | - | - | - | 30,000 | 0% |
| Plant & Equipment | | 30,000 | - | - | 30,000 | - | - | - | 30,000 | 0% |
| Information Technology | | | | | | | | | | |
| IT Equipment | 3112 | 60,000 | | | 60,000 | 2,043 | - | 2,043 | 60,000 | (2,043) |
| Information Technology | | 60,000 | - | - | 60,000 | 2,043 | - | 2,043 | 57,957 | 3% |
| Furniture and Office Equipment | | | | | | | | | | |
| Furniture and Office Equipment | 3114 | 5,000 | | | 5,000 | - | - | - | 5,000 | 0% |
| Furniture and Office Equipment | | 5,000 | - | - | 5,000 | - | - | - | 5,000 | 0% |
| Land & Buildings | | | | | | | | | | |
| Administration Building | 1717 | 50,000 | | | 50,000 | - | 5,100 | 5,100 | 44,900 | 10% |
| Land & Buildings | | 50,000 | - | - | 50,000 | - | 5,100 | 5,100 | 44,900 | 10% |
| Mains - Trunk | | | | | | | | | | |
| Thanowring Road Pipeline | 1232 | 2,000,000 | | | 2,000,000 | - | - | - | 2,000,000 | 0% |
| Rosehill Pipeline | 1234 | 600,000 | | | 600,000 | - | - | - | 600,000 | 0% |
| Trunk Renewals - Budget | 3115 | 600,000 | | (70,000) | 530,000 | - | - | - | | |
| Talbingo Lane Pipeline Renewal | 3208 | - | | 70,000 | 70,000 | 70,435 | - | 70,435 | | |
| June and Weethalle Trunk Designs | 3148 | - | | - | - | 35 | 1,213 | 1,248 | | |
| Trunk Renewals Totals | | 600,000 | - | - | 600,000 | 70,470 | 1,213 | 71,683 | - | 12% |
| PRV Renewals - Budget | 3116 | 30,000 | | | 30,000 | - | - | - | 30,000 | 0% |
| Valve Renewals - Budget | 3117 | 100,000 | | | 100,000 | - | - | - | | |
| Mains Valve Renewals - Oura | 3118 | - | | | - | 1,030 | 25 | 1,055 | | |
| Mains Valve Renewals - Jugiong | 3119 | - | | | - | 2,226 | - | 2,226 | | |
| Mains Valve Renewals - Mt Arthur | 3121 | - | | | - | 804 | - | 804 | | |
| Mains Valve Renewals Totals | | 100,000 | - | - | 100,000 | 4,060 | 25 | 4,085 | | 4% |
| Mains - Trunk | | 3,330,000 | - | - | 3,330,000 | 74,530 | 1,238 | 75,768 | 2,630,000 | 2% |

Goldenfields Water County Council Agenda - 27 October 2022 - MATTERS TO BE SUBMITTED TO OPEN COUNCIL

| Goldenfields Water County Council CAPITAL WORKS PROGRESS | | | | | | | | | | |
|---|------|----------------------------|-----------------------------------|--------------|---------------------------|----------------|------------------|---------------------------------|------------------|-----------------------|
| AS AT 30 SEPTEMBER 2022 | W.O. | ORIGINAL BUDGET 2022/23 | 2021/2 CARRYOVERS & REVOTES | QBR SEP 2022 | REVISED BUDGET 2022/23 | ACTUAL YTD | COMMITTED YTD | TOTAL ACTUAL & COMMITTED YTD | VARIANCE YTD | % ACTUAL TO BUDGET |
| Mains - Reticulation | | | | | | | | | | |
| Wyalong Reliability Project Investigation & Design | 1703 | 4,000,000 | | (3,900,000) | 100,000 | 29,144 | 51,747 | 80,891 | 19,109 | 81% |
| Water Main Replacement - Beach St Junee | 1727 | - | | | - | 77,492 | 3,510 | 81,002 | (81,002) | 0% |
| Wyalong Reliability Project Pipeline Construction | 3241 | | | 3,900,000 | 3,900,000 | 343 | 2,069,679 | 2,070,022 | 1,829,978 | 53% |
| Meter and Taggle Replacements | | 635,000 | | | 635,000 | - | - | - | | |
| Urban Meter & Taggle Replacement Program | 3212 | | | | | - | 164,970 | 164,970 | | |
| Rural Meter and Taggle Replacement Program | 3213 | | | | | 56,846 | 122,297 | 179,143 | | |
| Meter and Taggle Replacement Totals | | 635,000 | - | - | 635,000 | 56,846 | 287,267 | 344,113 | 290,887 | 54% |
| Reticulation Renewals | 3123 | 1,000,000 | | | 1,000,000 | - | - | - | | |
| Pine St - West Wyalong Renewal | 3185 | - | | | - | - | 2,273 | 2,273 | | |
| Reticulation Renewals Totals | | 1,000,000 | - | - | 1,000,000 | 56,846 | 289,540 | 346,385 | 653,615 | 35% |
| Mains - Reticulation | | 5,635,000 | - | - | 5,635,000 | 163,825 | 2,414,476 | 2,578,301 | 2,712,587 | 46% |
| Mains - Rural | | | | | | | | | | |
| PRV Renewals | 3180 | 30,000 | | | 30,000 | 133 | - | 133 | 29,867 | 0% |
| Rural Renewals | 3181 | 750,000 | 180,000 | | 930,000 | - | - | - | | |
| Mirroll - Newell Highway Mains Replacement | 3193 | - | | | - | 2,398 | 3,890 | 6,288 | | |
| Oura New Connections from Riv Water (50% Contribution) | 3202 | - | | | - | 34,906 | - | 34,906 | | |
| South from Jail Break Inn Junee | 3233 | - | | | - | 54,279 | 1,188 | 55,467 | | |
| Bygoo Road Replacement - Ardlethan | 3239 | - | | | - | 4,537 | 27,563 | 32,101 | | |
| Rural Renewals Totals | | 750,000 | 180,000 | - | 930,000 | 96,120 | 32,642 | 128,762 | 801,238 | 14% |
| Mains - Rural | | 780,000 | 180,000 | - | 960,000 | 96,253 | 32,642 | 128,895 | 831,105 | 13% |

Goldenfields Water County Council Agenda - 27 October 2022 - MATTERS TO BE SUBMITTED TO OPEN COUNCIL

| Goldenfields Water County Council CAPITAL WORKS PROGRESS | | | | | | | | | | |
|---|------|----------------------------|-----------------------------------|--------------|---------------------------|----------------|---------------|---------------------------------|------------------|-----------------------|
| AS AT 30 SEPTEMBER 2022 | W.O. | ORIGINAL BUDGET 2022/23 | 2021/2 CARRYOVERS & REVOTES | QBR SEP 2022 | REVISED BUDGET 2022/23 | ACTUAL YTD | COMMITTED YTD | TOTAL ACTUAL & COMMITTED YTD | VARIANCE YTD | % ACTUAL TO BUDGET |
| Pump Stations and Bores | | | | | - | | | - | | |
| Gantry Crane | 1738 | 75,000 | 59,000 | | 134,000 | - | 6,000 | 6,000 | 128,000 | 4% |
| Rosehill Pump Station | 3125 | - | 150,000 | | 150,000 | 56,519 | 17,694 | 74,212 | 75,788 | 49% |
| Temora WPS SB Upgrade - Oura | 1662 | - | - | | - | 5,033 | 7,518 | 12,551 | (12,551) | 0% |
| Oura Bore 6 Renewal | 1694 | - | - | | - | 41 | 7,509 | 7,551 | (7,551) | 0% |
| Pump and Electrical Renewals - GWCC Wide - Budget | 3126 | - | - | | - | 69 | - | 69 | (69) | 0% |
| Valve Renewals - Budget | 3127 | 25,000 | - | | 25,000 | - | - | - | | |
| Critical Valve Renewal | 1730 | - | - | | - | 16 | - | 16 | | |
| Pump Station Valve Renewals - Oura | 3128 | - | - | | - | 2,645 | - | 2,645 | | |
| Pump Station Valve Renewals - Jugiong | 3129 | - | - | | - | 7,280 | - | 7,280 | | |
| Pump Station Valve Renewals - Mt Arthur | 3131 | - | - | | - | 89 | - | 89 | | |
| Pumping Stations Valve Renewals Totals | | 25,000 | - | - | 25,000 | 10,030 | - | 10,030 | 14,970 | 40% |
| Oura Bore 4 | 3133 | - | - | | - | 4,695 | - | 4,695 | (4,695) | |
| Oura Bore 4 - Emergency Bore Reline | 3189 | - | 250,000 | | 250,000 | 395,721 | 250 | 395,971 | (145,971) | |
| Oura Bore 4 Totals | | - | 250,000 | - | 250,000 | 400,415 | 250 | 400,665 | (150,665) | 160% |
| Ariah Park Pump Station Investigation | 3158 | 400,000 | 20,000 | | 420,000 | 6,115 | - | 6,115 | 413,885 | 1% |
| Oura Pump Station Renewal | 3218 | 75,000 | - | | 75,000 | 3,571 | 176 | 3,747 | 71,253 | 5% |
| Jugiong Raw water well Renewal | 3219 | 100,000 | - | | 100,000 | 2,307 | - | 2,307 | 97,693 | 2% |
| Pump Station - Mech (pump renewals/rebuilds) | 3223 | 100,000 | - | | 100,000 | - | - | - | 100,000 | |
| Pump Station - Elec (Electrical Items, SBs, etc) | 3224 | 420,000 | - | | 420,000 | - | - | - | 420,000 | |
| Jugiong Raw Water PS Renewal | 3209 | - | - | | - | 6,300 | - | 6,300 | (6,300) | |
| Talbingo Pump 1 | 3215 | - | - | | - | 1,019 | 894 | 1,912 | (1,912) | |
| Ganmain Pump 8 - 2022 | 3234 | - | - | | - | 9,330 | 224 | 9,554 | (9,554) | |
| Eurollie Pump 2 - 2022 | 3235 | - | - | | - | 7,760 | - | 7,760 | (7,760) | |
| Junee Reefs Magflow Install - 2022 | 3236 | - | - | | - | 27,035 | 5,705 | 32,740 | (32,740) | |
| Demondrille Pump 2 - 2022 | 3237 | - | - | | - | 12,978 | 7,561 | 20,539 | (20,539) | |
| Jugiong CWPS1 Pump 1 - 2022 | 3238 | - | - | | - | 10,511 | - | 10,511 | (10,511) | |
| Temora Transfer Pump 1 - 2022 | 3243 | - | - | | - | - | - | - | - | |
| Pumping Station Renewals/Rebuilds etc Totals | | 520,000 | - | - | 520,000 | 74,933 | 14,383 | 89,316 | 430,684 | 17% |
| Pump Stations and Bores | | 1,195,000 | 479,000 | - | 1,674,000 | 559,033 | 53,530 | 612,564 | 1,061,436 | 37% |

Goldenfields Water County Council Agenda - 27 October 2022 - MATTERS TO BE SUBMITTED TO OPEN COUNCIL

| Goldenfields Water County Council CAPITAL WORKS PROGRESS | | | | | | | | | | |
|---|------|----------------------------|-----------------------------------|------------------|---------------------------|------------------|-------------------|---------------------------------|-------------------|-----------------------|
| AS AT 30 SEPTEMBER 2022 | W.O. | ORIGINAL BUDGET 2022/23 | 2021/2 CARRYOVERS & REVOTES | QBR SEP 2022 | REVISED BUDGET 2022/23 | ACTUAL YTD | COMMITTED YTD | TOTAL ACTUAL & COMMITTED YTD | VARIANCE YTD | % ACTUAL TO BUDGET |
| Reservoir Sites | | | | | | | | | | |
| Oura Reservoirs and aerator | 3183 | 3,000,000 | 300,000 | | 3,300,000 | 121,929 | 144,947 | 266,876 | 3,033,124 | 8% |
| Wombat BT Renewal | 3203 | | | | - | 1,039 | 7,109 | 8,148 | (8,148) | |
| Internal Adhoc Renewals | 3134 | 50,000 | | | 50,000 | 35,265 | 2,885 | 38,150 | 11,850 | |
| External Adhoc Renewals | 3135 | 100,000 | 263,000 | | 363,000 | 295,769 | 25,240 | 321,009 | 41,991 | |
| Full Renewal | 3182 | 1,000,000 | | | 1,000,000 | - | - | - | 1,000,000 | |
| Switchboard Renewals | 3220 | 75,000 | | | 75,000 | - | - | - | 75,000 | |
| Renewals Totals | | 1,225,000 | 263,000 | - | 1,488,000 | 332,073 | 35,234 | 367,307 | 1,120,693 | 25% |
| Reservoir Sites | | 4,225,000 | 563,000 | - | 4,788,000 | 454,002 | 180,182 | 634,183 | 4,153,817 | 13% |
| Treatment Plant | | | | | | | | | | |
| Jugiong PLC Upgrade | 1653 | - | | | - | 17,676 | - | 17,676 | (17,676) | 0% |
| Oura High Voltage | 1660 | - | 650,000 | | 650,000 | 228,360 | - | 228,360 | 421,640 | 35% |
| Jugiong Compressor | 1728 | - | | | - | 1,093 | - | 1,093 | (1,093) | 0% |
| Jugiong High Voltage | 3137 | 4,000,000 | 330,000 | | 4,330,000 | 563,424 | 3,056,796 | 3,620,220 | 709,780 | 84% |
| Internal Adhoc Renewals | 3139 | 30,000 | | | 30,000 | 69 | - | 69 | 29,931 | 0% |
| Jugiong WTP - Valve & Pneumatic Upgrade | 3186 | - | | | - | 20,134 | 908 | 21,043 | (21,043) | 0% |
| Jugiong Raw Water Well Renewal | 3199 | - | 40,000 | | 40,000 | - | - | - | 40,000 | 0% |
| Treatment Plant | | 4,030,000 | 1,020,000 | - | 5,050,000 | 830,756 | 3,057,705 | 3,888,460 | 1,161,540 | 77% |
| Emergency Works | | | | | | | | | | |
| Emergency Works - Budget | 3140 | 200,000 | | | 200,000 | (7,340) | 90,509 | 83,169 | 116,831 | 42% |
| Emergency Works | | 200,000 | - | - | 200,000 | (7,340) | 90,509 | 83,169 | 116,831 | 42% |
| TOTAL RENEWALS ASSETS: | | 19,540,000 | 2,242,000 | - | 21,782,000 | 2,173,101 | 5,835,381 | 8,008,482 | 13,636,279 | 37% |
| TOTAL CAPITAL EXPENDITURE: | | 22,915,000 | 2,903,000 | 3,320,750 | 29,138,750 | 2,484,152 | 10,835,859 | 13,320,011 | 15,681,500 | 46% |

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

QUARTERLY BUDGET REVIEW 30 SEPTEMBER 2022

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Board receives and adopts the Quarterly Budget Review for the period ended 30 September 2022.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

The Quarterly Budget Review Statement is presented to Council in accordance with Clause 203(2) of the Local Government (General) Regulations 2021, for the purpose of periodically reviewing and revising estimates of income and expenditure.

REPORT

The Quarterly Review of Council's Budget for the period ended 30 September 2022 is submitted for examination by Council.

The anticipated Operating Result for 2022/23 is a deficit of \$1,778,000. The anticipated Operating Result as adopted in the original budget was a deficit of \$1,738,000. Proposed adjustments are detailed below.

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

Proposed September 2022 quarterly review adjustments:

Operational Expenditure

- (\$40,000) Rectification/remediation of unused confined spaces

Capital Expenditure

- (\$400,000) West Wyalong Transfer Pump Station
- (\$2,921,000) Wyalong Standpipe Res
- \$70,000 Trunk Renewals - Total Budget
- (\$70,000) Talbingo Lane Pipeline Renewal

FINANCIAL IMPACT STATEMENT

The recommendation increases Council's Operating Result by \$40,000 and increases Capital Works Expenditure by \$3,321,000.

ATTACHMENTS: Quarterly Budget Review 30-09-22.

TABLED ITEMS: Nil.

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

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Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Report by Responsible Accounting Officer

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

It is my opinion that the Quarterly Budget Review Statement for Goldenfields Water County Council for the quarter ended 30/09/22 indicates that Council's projected financial position at 30/6/23 will be Satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed:  _____

Date: 18/10/2022

John Chapman
Corporate Services Manager

Goldenfields Water County Council

Quarterly Budget Review Statement

for the period 01/07/22 to 30/09/22

Income & Expenses Budget Review Statement

Budget review for the quarter ended 30 September 2022

Income & Expenses

| (\$000's) | Original Budget | Variations for this | | Projected Year End | Actual YTD |
|--|-----------------|---------------------|-----|--------------------|----------------|
| | 2022/23 | Sep | Qtr | Result | figures |
| Income | | | | | |
| Rates and Annual Charges | 5,478 | - | | 5,478 | 278 |
| User Charges and Fees | 15,725 | | | 15,725 | 860 |
| Interest and Investment Revenues | 390 | | | 390 | 106 |
| Other Revenues | 145 | - | | 145 | 4 |
| Grants & Contributions - Operating | 85 | - | | 85 | 14 |
| Grants & Contributions - Capital | 6,225 | | | 6,225 | 312 |
| Total Income from Continuing Operations | 28,048 | - | | 28,048 | 1,575 |
| Expenses | | | | | |
| Employee Costs | 7,005 | - | | 7,005 | 2,086 |
| Materials & Contracts | 4,069 | 40 | 2.1 | 4,109 | 1,620 |
| Depreciation | 8,370 | - | | 8,370 | 2,093 |
| Other Expenses | 4,117 | - | | 4,117 | 968 |
| Total Expenses from Continuing Operations | 23,561 | 40 | | 23,601 | 6,767 |
| Net Operating Result from Continuing Operations | 4,487 | (40) | | 4,447 | (5,192) |
| Net Operating Result from All Operations | 4,487 | (40) | | 4,447 | (5,192) |
| Net Operating Result before Capital Items | (1,738) | (40) | | (1,778) | (5,504) |

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) and should be read in conjunction with the total QBRS report

Page 2

Goldenfields Water County Council

Quarterly Budget Review Statement

for the period 01/07/22 to 30/09/22

**Income & Expenses Budget Review Statement
Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

| Notes | Details | \$000 |
|--------------|--|--------------|
| 2.1 | Rectification/remediation of unused confined sspaces | 40 |

Goldenfields Water County Council

Quarterly Budget Review Statement

for the period 01/07/22 to 30/09/22

Capital Budget Review Statement

Budget review for the quarter ended 30 September 2022

Capital Budget

| (\$000's) | Original Budget | Approved Changes | Revised Budget | Variations for this | Notes | Projected Year End | Actual YTD |
|--|-----------------|------------------|----------------|---------------------|-------|--------------------|---------------|
| | 2022/23 | Carry Forwards | 2022/23 | Sep Qtr | | Result | figures |
| Capital Expenditure | | | | | | | |
| New Assets | | | | | | | |
| - Land & Buildings | - | 100 | 100 | - | | 100 | 22 |
| - Water Supply Infrastructure | 1,790 | 561 | 2,351 | 3,321 | 3.1 | 5,672 | 404 |
| Renewal Assets (Replacement) | | | | | | | |
| - IT Equipment | 60 | - | 60 | - | | 60 | 2 |
| - Office Equipment | 5 | - | 5 | - | | 5 | - |
| - Plant & Equipment | 1,585 | - | 1,585 | - | | 1,585 | 889 |
| - Land & Buildings | 50 | - | 50 | - | | 50 | 5 |
| - Water Supply Infrastructure | 19,425 | 2,242 | 21,667 | - | 3.2 | 21,667 | 9,334 |
| Total Capital Expenditure | 22,915 | 2,903 | 25,818 | 3,321 | | 29,139 | 10,656 |
| Capital Funding | | | | | | | |
| Fees, Charges & Other Untied Funding | - | 2,903 | 2,903 | 3,321 | | 6,224 | 34 |
| Capital Grants & Contributions | 6,225 | - | 6,225 | - | | 6,225 | 312 |
| Proceeds from Sale - IPP&E | 738 | - | 738 | - | | 738 | 43 |
| Internal Restrictions/Reserves | 15,952 | - | 15,952 | - | | 15,952 | 10,267 |
| Total Capital Funding | 22,915 | 2,903 | 25,818 | 3,321 | | 29,139 | 10,656 |
| Net Capital Funding - Surplus/(Deficit) | - | - | - | - | | - | - |

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

| Notes | Details | \$000 |
|--------------|--|--------------|
| | Refer to Capital Works Progress report for more detail on Capital Projects | |
| 3.1 | West Wyalong Transfer Pump Station | 400 |
| | Wyalong Standpipe Res | 2,921 |
| 3.2 | Trunk Renewals - Total Budget | (70) |
| | Taalbingo Lane Pipeline Renewal | 70 |

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Cash & Investments Budget Review Statement

Budget review for the quarter ended 30 September 2022

Cash & Investments

| (\$000's) | Original Budget | Variations for this | Notes | Projected Year End | Actual YTD |
|--|-----------------|---------------------|-------|--------------------|---------------|
| | 2022/23 | Sep Qtr | | Result | figures |
| Internally Restricted ⁽²⁾ | | | | | |
| Plant & Vehicle Replacement | 2,148 | - | | 2,148 | 2,148 |
| Infrastructure Replacement | 15,952 | - | | 15,952 | 15,971 |
| Employees Leave Entitlement | 2,492 | - | | 2,492 | 2,492 |
| Sales Fluctuation Reserve | - | - | | - | - |
| Property Reserve | - | - | | - | - |
| Total Internally Restricted | 20,592 | - | | 20,592 | 20,611 |
| (2) Funds that Council has earmarked for a specific purpose | | | | | |
| Unrestricted (ie. available after the above Restrictions) | 7,639 | (3,321) | 4.1 | 4,318 | 20,150 |
| Total Cash & Investments | 28,231 | (3,321) | | 24,910 | 40,761 |

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Cash & Investments Budget Review Statement**Investments**

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

Cash

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.
The date of completion of this bank reconciliation is 30/09/22

The YTD Cash & Investment figure reconciles to the actual balances held as follows:

\$ 000's

| | | |
|--|---------------------|---------------|
| Cash at Bank (as per bank statements) | | 4,680 |
| Investments on Hand | | 36,081 |
| less: Unpresented Cheques | (Timing Difference) | (1) |
| add: Undeposited Funds | (Timing Difference) | 49 |
| Less: receipts not yet updated | (Timing Difference) | - |
| Reconciled Cash at Bank & Investments | | 40,809 |
| Balance as per Review Statement: | | 40,809 |
| Difference: | | - |

Recommended changes to revised budget

Budget Variations being recommended include the following material items:

| Notes | Details | \$000 |
|--------------|--|--------------|
| 4.1 | Rectification/remediation of unused confined sspaces | (40) |
| | Capital expenditure adjustments | (3,321) |

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

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

Budget review for the quarter ended 30 September 2022

| (\$000's) | Current Projection | | Original Budget 22/23 | Actuals Prior Periods | |
|-----------|--------------------|-----------|--------------------------|--------------------------|-------|
| | Amounts | Indicator | | 21/22 | 20/21 |
| | 22/23 | 22/23 | | | |

NSW Local Government Industry Key Performance Indicators (OLG):

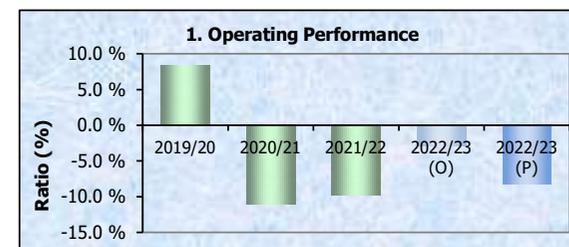
1. Operating Performance

| | | | | | |
|---|--------|--------|--------|--------|---------|
| Operating Revenue (excl Capital) - Operating Expenses | -1,778 | -8.1 % | -2.9 % | -9.8 % | -11.0 % |
| Operating Revenue (excl Capital Grants & Contributions) | 21,823 | | | | |

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

A positive result indicates a surplus. Operating deficits cannot be sustained in the long term.

Benchmark >0%



2. Own Source Operating Revenue

| | | | | | |
|---|--------|--------|--------|--------|--------|
| Operating Revenue (excl all Grants & Contributions) | 21,738 | 77.5 % | 95.3 % | 93.1 % | 89.7 % |
| Total Continuing Operating Revenue | 28,048 | | | | |

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

Benchmark >60%



3. Unrestricted Current Ratio

| | | | | | |
|---|--------|-------|-------|-------|-------|
| Current Assets less all External Restrictions | 38,856 | 20.47 | 20.47 | 10.58 | 23.68 |
| Current Liabilities less Specific Purpose Liabilities | 1,898 | | | | |

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

Benchmark >1.5x



Goldenfields Water County Council

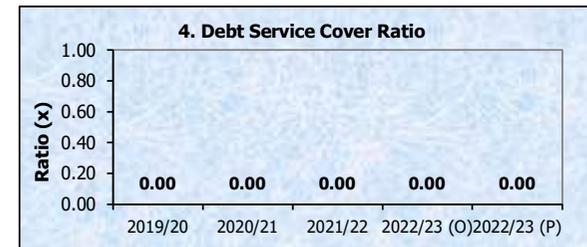
Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

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

Budget review for the quarter ended 30 September 2022

| (\$000's) | Current Projection | | Original Budget 22/23 | Actuals Prior Periods | |
|--|--------------------|-----------|--------------------------|--------------------------|-------|
| | Amounts | Indicator | | 21/22 | 20/21 |
| | 22/23 | 22/23 | | | |
| 4. Debt Service Cover Ratio | | | | | |
| Operating Result before Capital (excl Interest & Depn) | 6,592 | 0.00 | 0.00 | 0.00 | 0.00 |
| Principal Repayments + Borrowing Interest Costs | 0 | | | | |

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



| | | | | | |
|---|--------|-------|-------|-------|-------|
| 5. Cash Expense Cover Ratio | | | | | |
| Current Year's Cash & Cash Equivalents (incl. Term Deposits) | 24,910 | | | | |
| Monthly payments from cash flow of operating and financing activities | 1,344 | 18.53 | 28.91 | 28.23 | 36.90 |
| | | mths | mths | mths | mths |

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



Goldenfields Water County Council

Quarterly Budget Review Statement

for the period 01/07/22 to 30/09/22

Contracts Budget Review Statement

Budget review for the quarter ended 30 September 2022

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

| Contractor | Contract detail & purpose | Contract Value | Start Date | Duration of Contract | Budgeted (Y/N) | Notes |
|--------------------------------|---|-----------------------|-------------------|-----------------------------|-----------------------|--------------|
| Quay Civil Pty Ltd | Construction of concrete high level reservoir at West Wyalong | \$3,986,142 | Jul 22 | 9 months | Y | |
| Killard Infrastructure Pty Ltd | Construction of 12km of pipeline in Wyalong and West Wyalong | \$6,209,038 | Sep 22 | 13 months | Y | |
| Palmer Ford | Supply and delivery of 6 vehicles | \$335,767 | Sep 22 | 3 months | Y | |
| Rowair | Oura High Voltage Building Air Conditioning System | \$183,992 | Sep 22 | 3 months | Y | |

Notes:

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

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Consultancy & Legal Expenses Budget Review Statement

Consultancy & Legal Expenses Overview

| Expense | YTD Expenditure (Actual Dollars) | Budgeted (Y/N) |
|----------------|---|---------------------------|
| Consultancies | 901,011 | Y |
| Legal Expenses | 13,569 | Y |

Definition of a consultant:

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

Comments

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

Details

N/A

GOLDENFIELDS WATER COUNTY COUNCIL – October 2022

WATER PRODUCTION REPORT

Report prepared by Production and Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Water Production Report be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 3 A Healthy Natural Environment

BACKGROUND

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

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

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

REPORT

Jugiong drinking Water Scheme

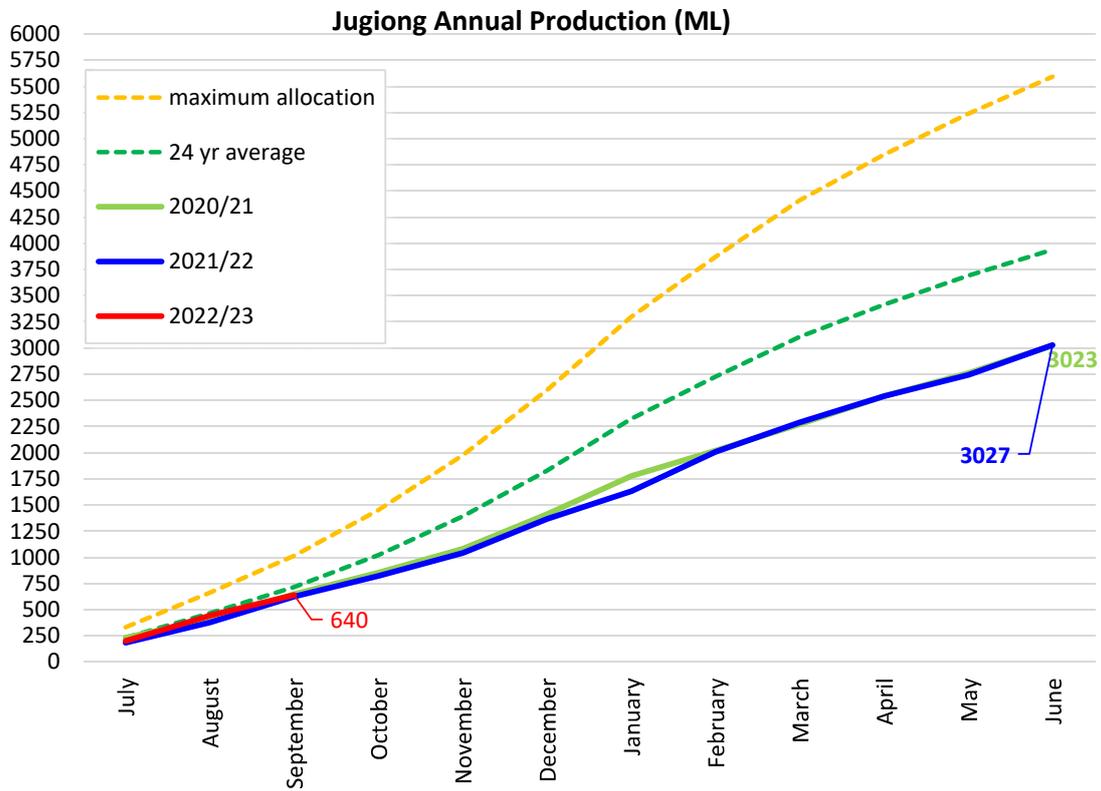
The Jugiong drinking water scheme sources water from the Murrumbidgee River and has an extraction licence entitlement of 5590ML per annum. Water from the Murrumbidgee River is treated through a 40ML/day, conventional Water Treatment Plant that consists of: Coagulation, Flocculation, Clarification, Filtration,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

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

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

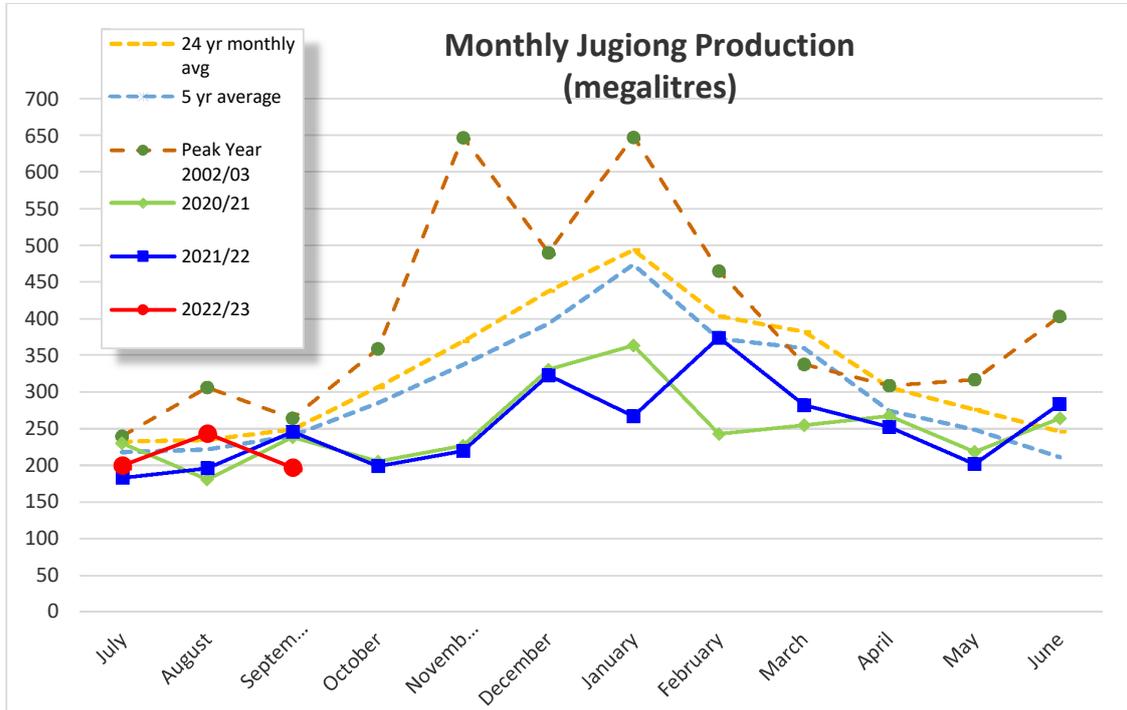
GOLDENFIELDS WATER COUNTY COUNCIL – October 2022

For the first 3 months of the 2022/23 financial year, 640ML of water had been extracted from the Murrumbidgee River and processed at the Jugiong Water Treatment plant. This is slightly higher than the same period in the 2021/22 FY where 625ML was extracted. An increase of 5ML. This is illustrated in the graph below.



GOLDENFIELDS WATER COUNTY COUNCIL – October 2022

Jugiong monthly production started slightly higher in July with 199ML extracted and treated for the month. August seen a further increase in production with 243ML extracted and treated before a decrease in production for September where only 197ML was extracted and treated. This decrease in production coincides with a very wet start to Spring.



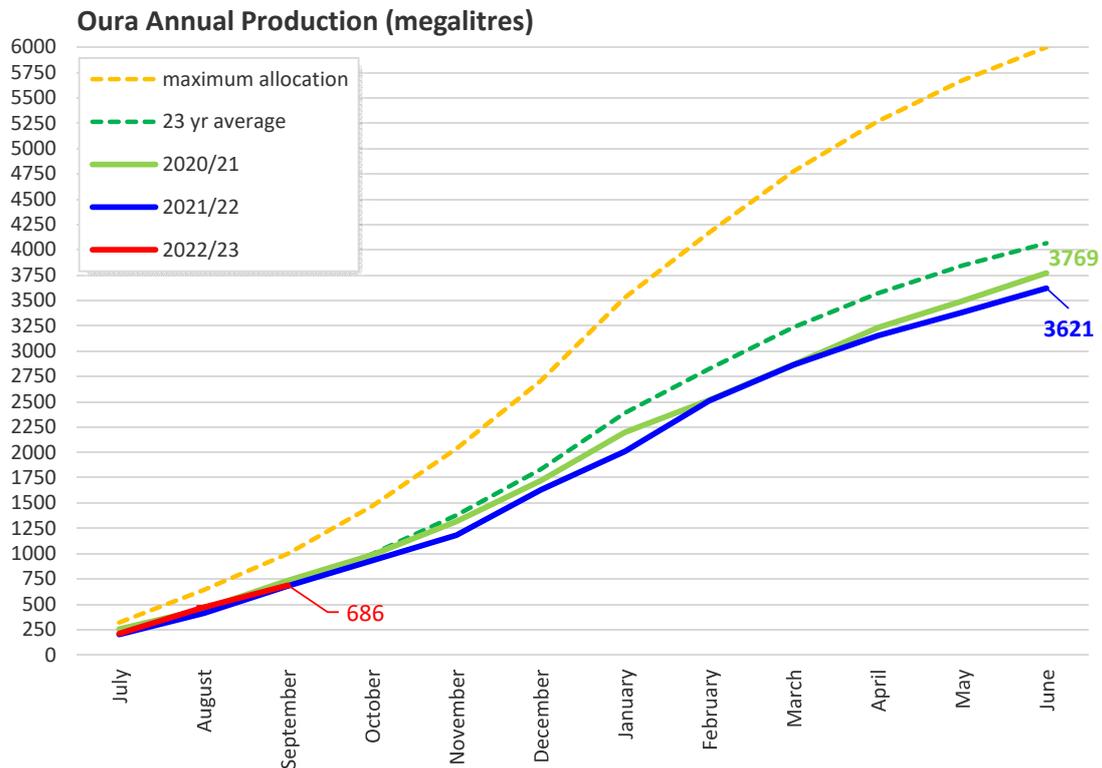
GOLDENFIELDS WATER COUNTY COUNCIL – October 2022

Oura Drinking Water Scheme

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

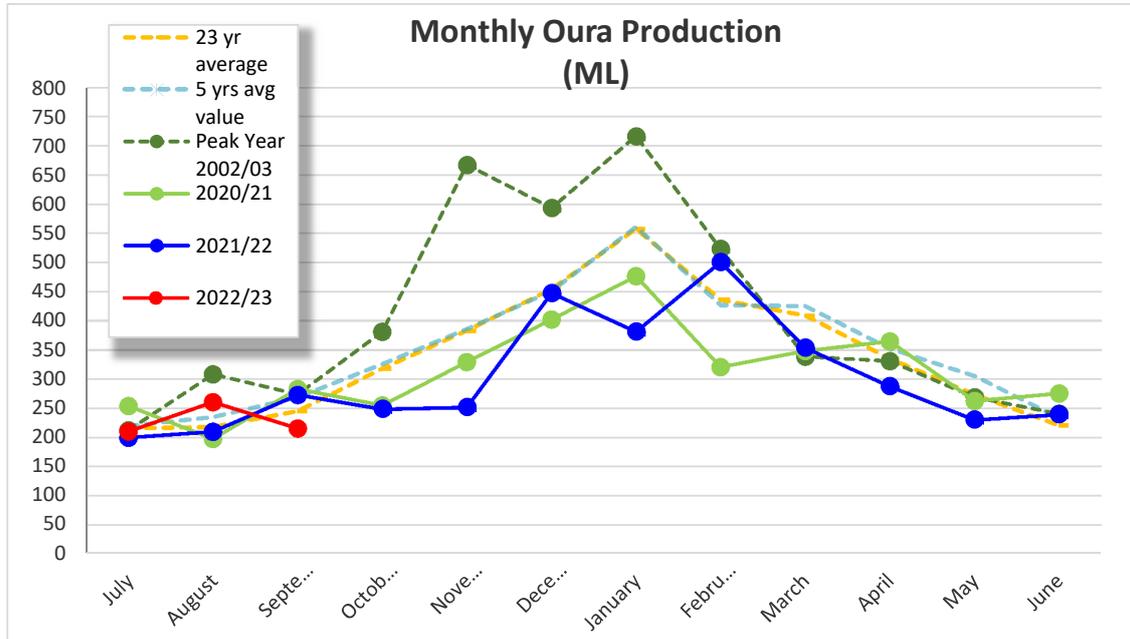
The Oura scheme has 33 sets of reservoirs and 19 pumping stations, produces drinking water for approximately 14,600 people in the Bland, Coolamon, Junee, Narrandera and Temora Shires. The Oura scheme can also supply water to the Northern side of the rural area of Wagga Wagga City when required.

For the first 3 months of the 2022/23 financial year, 686ML of water has been extracted from the Oura Borefield and processed at the Oura Water Treatment Plant. This is a slight increase in production compared to last FY where 682ML was extracted for the same period of time. An increase in production of 4ML. This is depicted in the graph below.



GOLDENFIELDS WATER COUNTY COUNCIL – October 2022

Oura monthly water production has started slightly higher in July where 200ML was extracted from the Oura bores in July. August seen an increase in production where 260ML was extracted before a decrease in production for September seen only 215ML extracted, this decrease can be attributed to a wet start to spring.

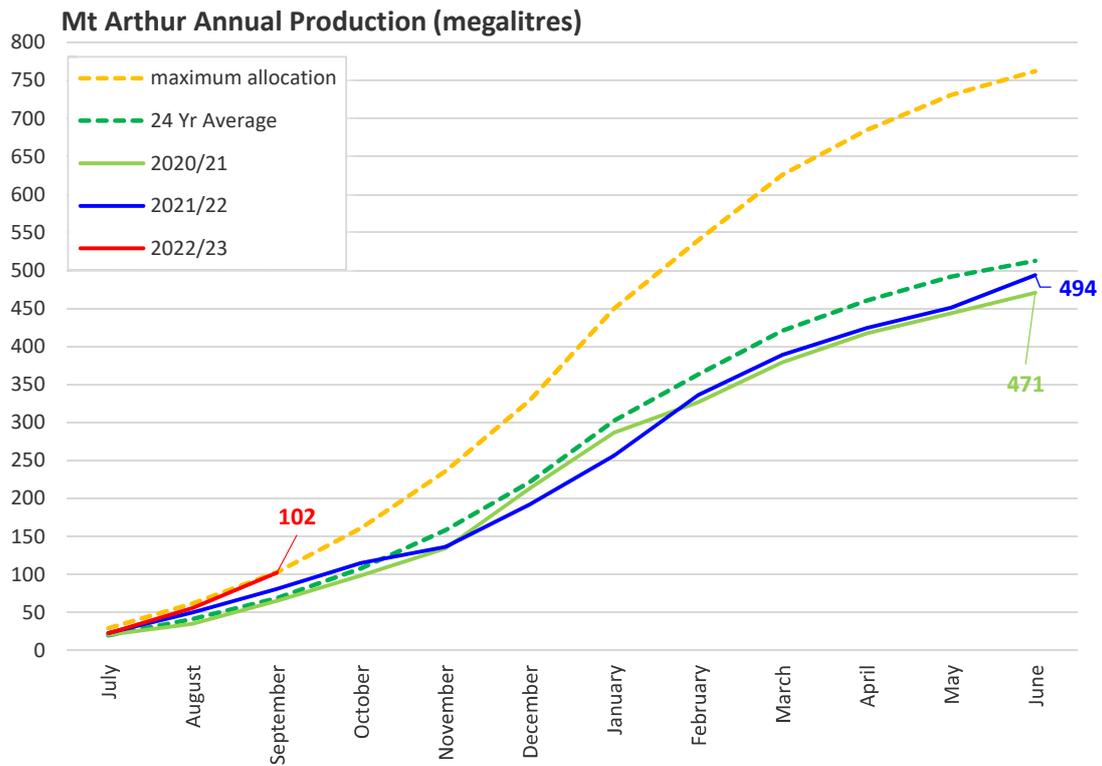


GOLDENFIELDS WATER COUNTY COUNCIL – October 2022

Mount Arthur Drinking Water Scheme

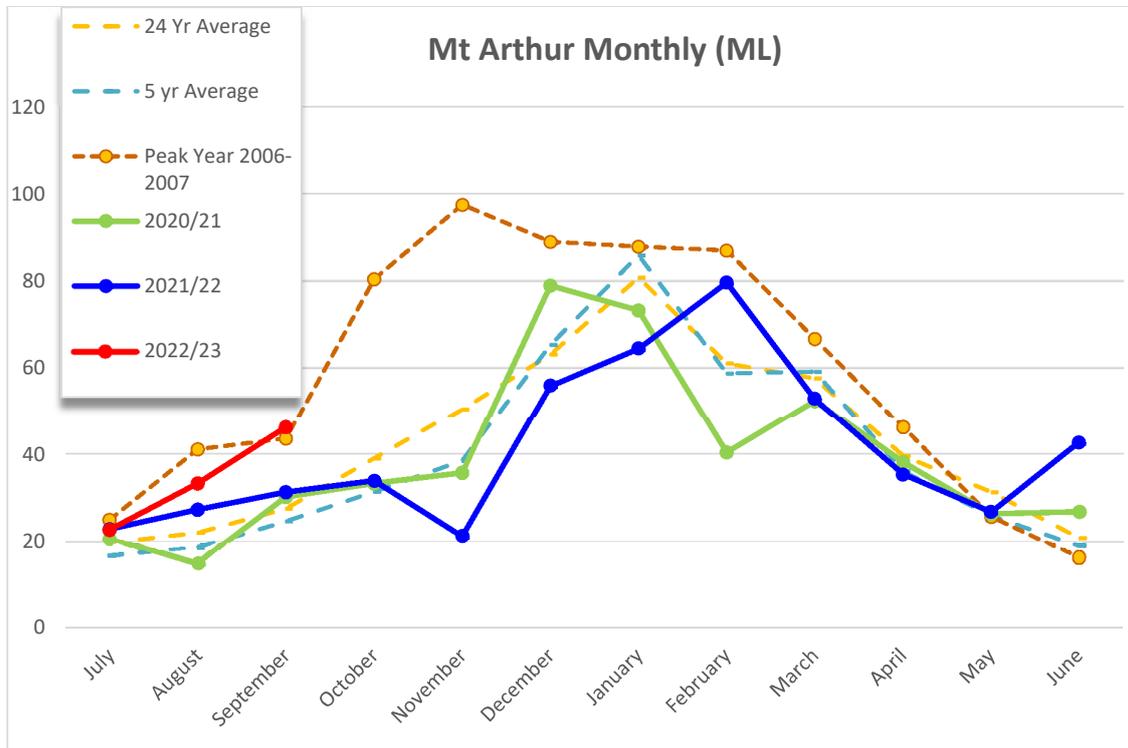
The Mount Arthur Water Source is from the Lachlan Fold belt Aquifer System. The water is extracted via two bores, bores 1 and 2 located in the Wagga Wagga City Council area South of Matong. The water is disinfected before distribution through 9 sets of reservoirs supplying approximately 2400 people with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

For the first 3 months of the 2022/23 financial year, 102ML of water has been extracted from the Mt Arthur Borefield. This is an increase compared to last FY where 81ML was extracted from the Mt Arthur bores for the same period. An increase of 21ML. As can be seen in the graph below trending slightly higher to previous years.



GOLDENFIELDS WATER COUNTY COUNCIL – October 2022

Mt Arthur monthly water production started very consistently to previous years with 23ML of water extracted from the bores in July before a significant increase in the following 2 months, August seen 33ML extracted and September a further increase to 46ML. This increase indicates a potential leak within the system however finding it is proving difficult with the wet catchment.



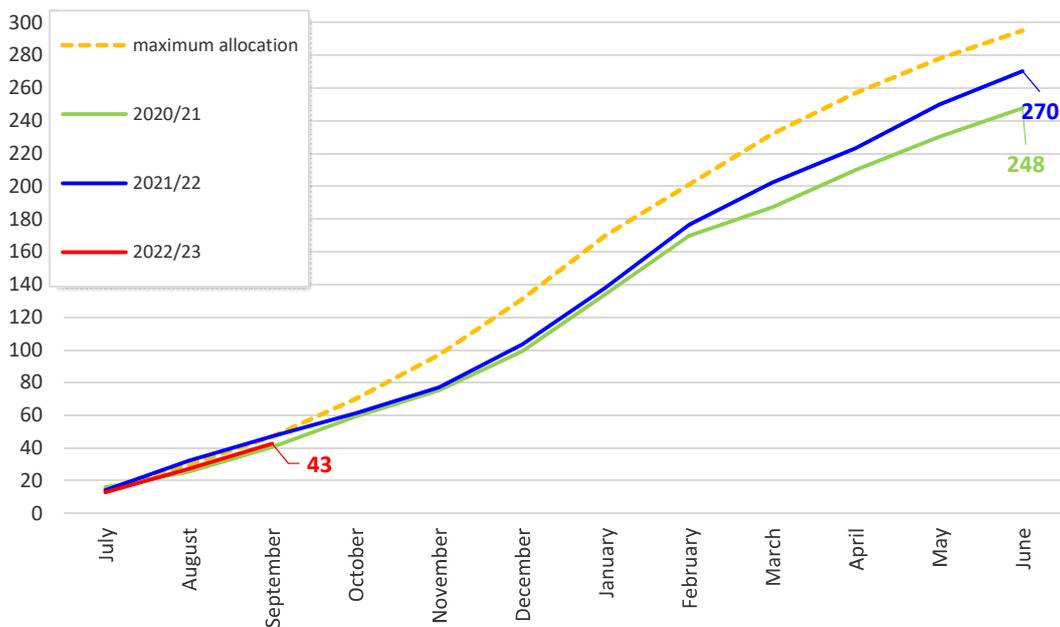
GOLDENFIELDS WATER COUNTY COUNCIL – October 2022

Mount Daylight Drinking Water Scheme

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

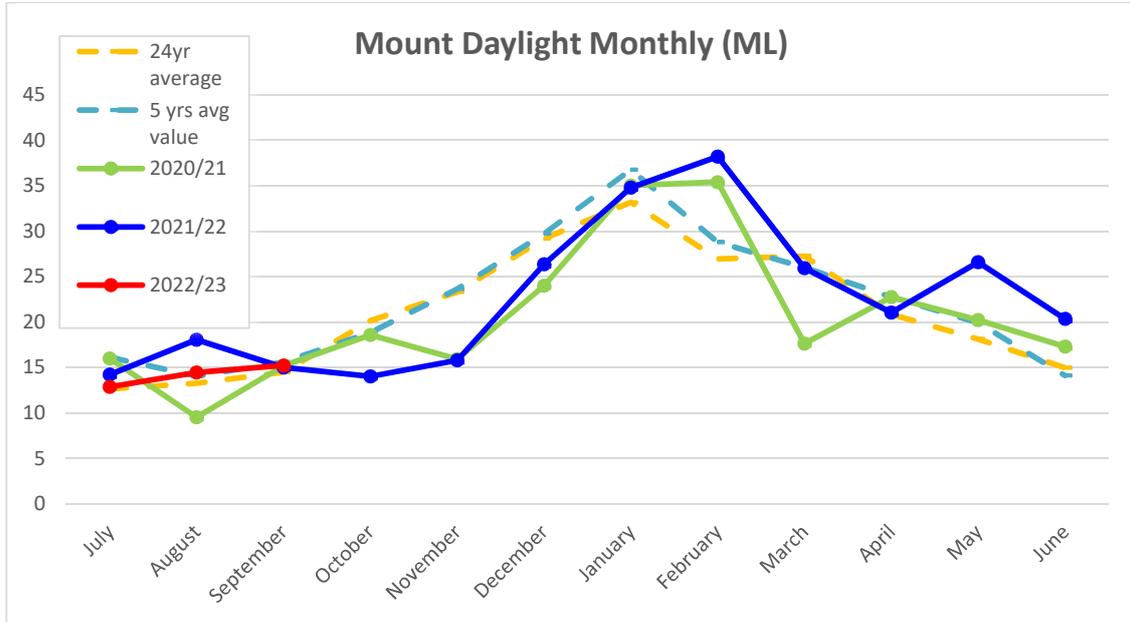
For the first 3 months of the 2022/23 financial year, 43ML of water has been extracted from the Mt Daylight Borefield. This is a decrease in volume of 4ML compared to the 2021/22 FY where 47ML was produced over the same period. As can be seen in the graph below trending in a similar fashion to historical years.

Daylight Annual Volume (megalitres)



GOLDENFIELDS WATER COUNTY COUNCIL – October 2022

The monthly extraction totals for the Mt Daylight bores have started very consistently with July seeing 13ML extracted with slight increases in August 14ML and September 15ML extracted.

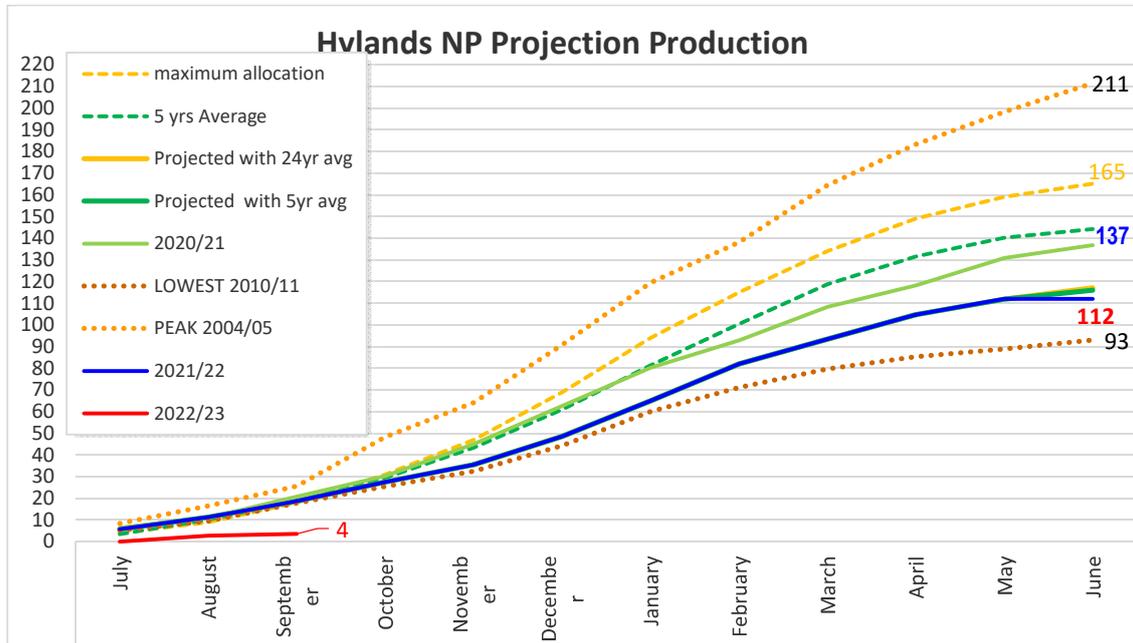


GOLDENFIELDS WATER COUNTY COUNCIL – October 2022

Hylands Bridge - Non Potable

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

For the first 3 months of the 2022/23 financial year only 4ML of water has been extracted from the Hylands Bridge Raw Water scheme. The reduction in production from Hylands Bridge may be attributed to pump issues during August/September.



FINANCIAL IMPACT STATEMENT

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

ATTACHMENTS: Nil

TABLED ITEMS: Nil

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

STATEMENT OF BUSINESS ETHICS UPDATED

Report prepared by Engineering Manager

COUNCIL OFFICER RECOMMENDATION

That the Board endorse the updated Statement of Business Ethics

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 2 Customer Service Focus

BACKGROUND

The Statement of Business Ethics outlines Goldenfields Water’s ethical principals that govern all staff, elected representatives, contractors, volunteers and business associates and ensure all business relationships are carried out in an ethical manner.

REPORT

The Statement of Business Ethics has been updated to include direct reference to the Modern Slavery Act and other minor inclusions.

FINANCIAL IMPACT STATEMENT

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

ATTACHMENTS: Draft Statement of Business Ethics

TABLED ITEMS: Nil



Statement of Business Ethics



Statement of Business Ethics

1 INFORMATION ABOUT THIS POLICY

POLICY INFORMATION

| | |
|---|--|
| Date Adopted by Board 21 December 2018 | Resolution No. 18/124 |
| Policy Responsibility General Manager | |
| Review Timeframe Four years | |
| Last Review NA | Next Scheduled Review December 2022 |

DOCUMENT HISTORY

| DOCUMENT NO. | DATE AMENDED | SUMMARY OF CHANGES |
|--------------|--------------|---|
| 1 | 21/12/2018 | Original document |
| 2 | | Addition of reference to the Modern Slavery Act |
| | | |
| | | |
| | | |
| | | |
| | | |



Statement of Business Ethics

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3 INTRODUCTION

This Statement of Business Ethics applies to Goldenfields Water's elected representatives, staff, contractors, volunteers and business associates dealing with Goldenfields Water.

Goldenfields Water require that all business relationships are honest, ethical, fair and consistent in obtaining best value for money. Value for money includes a comprehensive assessment of all contributing factors to a successful procurement.

Business activities are to comply with relevant legislation, policies, procedures and practices. Business activities should be transparent and open to public scrutiny wherever possible.

4 OUR VALUES

Goldenfields Water's values are the underlying attitudes that consistently affect all of our actions and decision making processes.

Our core values are Integrity, Trust, Respect, Teamwork and Continuous Improvement.

4.1 Integrity

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

4.2 Trust

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

4.3 Respect

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

4.4 Teamwork

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

4.5 Continuous Improvement

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

5 WHAT TO EXPECT FROM GOLDENFIELDS WATER

Goldenfields Water will ensure that all its policies, procedures and practices relating to tendering, contracting and the purchase of goods and services are consistent with best practice and high standards of ethical conduct.

Our staff are bound by Goldenfields Water's Code of Conduct when doing business with the private sector and will be expected to:

- abide by the law;
- adhere to policies and procedures relevant to the activity;

- effectively and efficiently utilise public resources;
- ensure all dealings with individuals and organisations are fair, honest and ethical; and
- declare all conflicts of interest (whether real or perceived).

When entering into and undertaking a procurement activity, it is to be guided by the following core business principles:

- All potential suppliers will be treated with impartiality, fairness and given equal access to information and opportunities to submit bids;
- All procurement activities and decisions will be clearly documented to provide an audit trail and enable measurement of performance;
- Tenders will not be called unless there is an intention to proceed to contract; and
- Goldenfields Water will not disclose confidential or proprietary information.

6 WHAT REQUIRE OF YOU

Goldenfields Water requires our tenderers, contractors, suppliers and their employees and subcontractors, as agents of Goldenfields Water, = be guided by the same policies and procedures that bind Goldenfields Water and its staff to act in an ethical manner.

When doing business with Goldenfields Water, we require you to:

- ensure familiarisation and compliance with this statement
- respect the obligations of Goldenfields Water staff to act in accordance with this statement;
- not exert pressure on Goldenfields Water staff to act in ways that contravene the business ethics or code of conduct;
- not offer incentives such as money, gifts, benefits, and entertainment or employment opportunities;
- deliver value for money;
- comply with Goldenfields Water procurement policy and procedures;
- take all reasonable measures to prevent the disclosure of confidential information;
- provide accurate advice and information when required;
- act ethically, fairly and honestly in all dealings with Goldenfields Water;
- declare any actual or perceived conflicts of interest as soon as it is known;
- Conduct all business (whether relating to Goldenfields Water or otherwise) legally in an ethical, fair and honest manner;
- Ensure up to date awareness of and compliance with legislative requirements and best practice standards
- Take all necessary steps to ensure the supply of goods and services is sourced in an ethical and socially responsible manner and meet the requirements of the Modern Slavery Act 2018; and
- Not make any statement or mislead anyone to believe you are representing Goldenfields Water or expressing Goldenfields Water's views without the appropriate authority to do so.

7 ETHICAL BEHAVIOUR

In dealing with the community, you should rightly expect all Goldenfields Water staff to be honest, reasonable and equitable in their dealings, having the public interest at heart. Goldenfields Water's adopted Code of Conduct is a key mechanism to assist council officials to act honestly, ethically, responsibly and with accountability.

The Code of Conduct has been adopted to assist council officials with:

- Understanding the standards of conduct that are expected of them;

- Enabling them to fulfill their statutory duty to act honestly and exercise a reasonable degree of care and diligence; and
- Acting in a way that enhances public confidence in the integrity of local government.

The following situations in which industry and Goldenfields Water should exercise due care include:

7.1.1 Gifts and Benefits

While it may be common practice for the private sector to offer incentives to those they want to do business with, as a way of promoting their company or their particular interests, Goldenfields Water staff are constrained by both legislation and our Gifts and Benefits Policy.

Advice in relation to gifts and benefits can be found in the Goldenfields Water Code of Conduct and additionally the Gifts and Benefits Policy.

7.1.2 Conflicts of Interest

All Goldenfields Water staff are required to disclose any real or potential conflicts of interest. Goldenfields Water also extends this requirement to business partners, contractors and suppliers.

A conflict of interest can be either:

- Pecuniary – An interest that a person or company has in a matter because of a reasonable likelihood or expectation of financial gain or loss to the person with whom the person is associated or,
- Non Pecuniary – A private or personal interest of an official or staff member or delegate that does not amount to a pecuniary interest as defined in the Local Government Act 1993 (eg: a friendship, membership of an association, society or trade union, or involvement or interest in an activity an may include an interest of a financial nature (DLG Model Code of Conduct December 2004 Page 12).

Any complaints about possible conflict of interest should be directed to Goldenfields Water's General Manager for attention.

7.1.3 Confidentiality

Information that is considered sensitive may have commercial implications for Goldenfields Water. All staff matters of a personal nature will be considered confidential. Under the Government Information (Public Access) Act 2009, confidential information may be accessed upon formal submission and payment.

7.1.4 Communication

All goods and services providers are to ensure that communication is clear, direct and accountable to minimise the risk of perception of inappropriate influence on any business relationship. If communication needs to be confidential for commercial in confidence or personal reasons, the communication shall remain clear, direct and accountable.

7.1.5 Sponsorship

Goldenfields Water will not ask for, entertain or enter into any sponsorship or similar arrangement that is not open and transparent or if such sponsorship creates a perception that it could be part of an attempt to improperly influence any organisational decision-making process.

7.1.6 Use of Goldenfields Water Resources

All resources must be used ethically, effectively, efficiently and carefully in the course of official business and must not be used for private purposes (except when supplied under a contract of employment) unless lawfully authorised and proper payment is made where appropriate.

7.1.7 Secondary Employment

Goldenfields Water staff must obtain consent of the General Manager for any secondary employment as per the Local Government Act 1993. The General Manager will make the final determination whether to grant or refuse consent. Secondary employment will not be approved if it has the potential to create a real or perceived conflict of interest between the staff member's public role and their private interest.

7.1.8 Contractor Expectations

Goldenfields Water emphasises that all contractors (including sub-contractors) will be expected to be aware of, and comply with Goldenfields Water's Statement of Business Ethics.

8 COMPLYING WITH THIS STATEMENT

By complying with this Statement of Business Ethics you will be able to advance your business through the opportunity to bid for public sector work on an equal level. This may enhance your capacity to undertake public sector work with similar compliance requirements in the future.

As all suppliers of goods and services are required to comply with this statement, no provider will be disadvantaged in any way. Consequences for not complying with the principles of business ethics as outlined in this statement can be significant for both public officials and people doing business with Goldenfields Water.

Consequences for Goldenfields Water staff include investigation, disciplinary action, dismissal or potential criminal charges.

Consequences for private sector partners could lead to:

- Investigation for corruption or other offences;
- Possible loss of work;
- Damage to reputation;
- Termination of contracts; and
- Loss of rights (such as loss of operating or trade licences).

It should be noted that any individual can be found corrupt by the Independent Commission Against Corruption (even if they are not a public official) if they attempt to improperly influence a public official or a public authority's honest or impartial exercise of their official functions.

9 MAKING CONTACT

Please contact the Goldenfields Water General Manager if you have concerns regarding conduct involving fraud, corrupt conduct, maladministration or waste of public funds, together with any possible breaches of this Statement of Business Ethics.

Persons reporting corrupt behaviour are protected under the Protected Disclosures Act 1994. It aims to protect individuals from reprisals or detrimental action, whilst ensuring all disclosures are investigated accordingly.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

DEVELOPER CHARGES POLICY UPDATE

Report prepared by Engineering Manager

COUNCIL OFFICER RECOMMENDATION

That the Board adopt the updated Developer Charges Policy PP008

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 2 Customer Service Focus

BACKGROUND

In April 2017 the Board offered a 50% reduction in Developer Services Charge subject to financial assessments for a poultry rearing and laying facility. This was in response to the company providing a written response to the developer charges stating that “the charges proposed for the development are putting in question the viability of these sites and therefore the entire project for the region.” The development was seen to provide a regional economic benefit through creating additional employment opportunities and growth in the region. The resolution required the company to provide financial assessments to Council to support this.

Council considered different options for allowing for such reductions to apply in future and sought legal advice at the time. The proposed solution was to provide an avenue for developments that may provide regional economic benefit to the region to be able to seek reduced developer charges as follows:

- The relevant Constituent Council was required to enter into a Memorandum of Understanding with Goldenfields Water County Council which requires the Constituent Council to refer any Development Applications to Goldenfields Water for consideration of requesting a Certificate of Compliance Condition to be imposed by the Constituent Council when granting Development Consent. **Note:** A developer has no legally enforceable obligation to apply for a certificate of compliance for a development from the County Council unless the obligation is imposed by the conditions of a development consent. Without these Certificate of Compliance Conditions, it limits Goldenfields Water’s opportunity to identify and charge applicable Developer Charges.
- The Developer could then request to enter into a Voluntary Planning Agreement with Goldenfields Water County Council. If Goldenfields Water Board agrees to the VPA, the applicable Developer Infrastructure Charges will be based on the development’s individual requirements rather than the adopted charges set out in Goldenfields Water’s Development Servicing Plan which are based on a number of region-wide financial, social and environmental factors.

As such the Board resolved the following at the November 2017 Council meeting:

1. That the Council approves of the proposed Voluntary Planning Agreement under section 93F of the *Environmental Planning and Assessment Act 1979* for use by the Council in connection with development specified in the definition of ‘*Development*’ in clause 1.1 of the proposed Memorandum of Understanding between the Council and the Constituent Councils

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

2. That the Council approves the proposed Memorandum of Understanding between the Council and the Constituent Council
3. That the Council delegates to the General Manager the function of negotiating, finalising and entering into a memorandum of understanding between the Council and each Constituent Council on terms and conditions generally consistent with the proposed Memorandum of Understanding.
4. That the Council delegates to the General Manager the function of negotiating, finalising and entering into voluntary planning agreements with developers in connection with applications for certificates of compliance made to the Council under section 305 of the *Water Management Act 2000* by developers in connection with development specified in the definition of 'Development' in clause 1.1 of the proposed Memorandum of Understanding on terms and conditions generally consistent with the proposed Voluntary Planning Agreement.

To date, only Cootamundra Gundagai Regional Council and Hilltops Council have signed the MOU.

REPORT

A recent development application has been submitted resulting in developer infrastructure charges of \$12,558,000. This application raised queries of whether the upgrade would be applicable for requesting a reduction in charges due to providing a regional economic benefit.

The Developer Charges Policy PP008 did not contain information regarding consideration of the regional economic development and how this is applied. This is the first development since 2017 that has had the potential to be considered to provide significant regional economic benefit.

The development is located within a Shire Council who do not have an existing MOU with us, so are unlikely to be able to apply for a reduction in developer charges. The Developer have advised they will raise the opportunity with the Shire Council.

The above has resulted in the Developer Charges Policy PP008 being reviewed and a number of updates have been made to the policy as follows:

1. Restructured and additional wording provided to improve clarity of the document
2. Removal of multi residential Equivalent Tenements (ETs) determinations. These were higher than the Water Directorate Guidelines and Goldenfields staff consider the ETs provided in the guidelines to be suitable.
3. Updated information to reflect that Goldenfields Water now allow augmentation works to be either constructed by external parties or Goldenfields Water whereas previously they were constructed by Goldenfields Water staff only
4. Any works whether constructed by Goldenfields Water staff or external parties will be valued at the unit rates used in Goldenfields Water's asset register
5. Information regarding the on site storage (constant flow) discounts has been added
6. Information regarding the Regional Economic Development opportunities has been added

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

Due the significant restructuring of the policy, the updated document has not been provided in track changes. Notations have been made in the left-hand margin to assist with reconciling information from the previous policy to the updated policy. These notations will be removed once the policy has been adopted.

A subsequent report will be provided to the Board if the Shire Council opt to enter into the MOU and an application for Regional Economic Development consideration is submitted to Council.

FINANCIAL IMPACT STATEMENT

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

ATTACHMENTS: Draft Updated Developer Charges Policy PP008

TABLED ITEMS: Nil



Policy No. PP008

Developer Charges Policy

DRAFT

Developer Charges Policy

1. Information about this Policy

POLICY INFORMATION

| | |
|--|-----------------------------------|
| Date Adopted by Board 2018 | Resolution No. 18/049 |
| Policy Responsibility Administrator Coordinator | |
| Review Timeframe Bi-annually | |
| Last Review 2018 | Next Scheduled Review 2020 |

DOCUMENT HISTORY

| DOCUMENT NO. | DATE AMENDED | SUMMARY OF CHANGES |
|--------------|--------------|---|
| | 13/08/2016 | <p>Addition of Water Service Connections Supplying Multiple premise.</p> <p>Definitions Current Water Account Holder, Documentary Evidence, Unauthorised Connection, NRCC, SWTWS, Sole Use by Consumer, Public Works, Premises, Contiguous.</p> <p>Clause 143,144,151,152,153,156 & 160 1Local Government (General) Regulation 2005 to Relevant Legislation section</p> |
| | 29/08/2018 | <p>Amendment to 5 Definitions-Permanent Disconnection Period. 6.10 Permanent Disconnection Connection</p> |
| | 28/08/2022 | <p>Restructured document to improve clarity Additional wording to improve clarity Removed multi residential ETs – determine as per water directorate guidelines Augmentation works may be constructed in house or externally Developer constructed augmentation works to be valued as per GWCC unit rates for compensation purposes On site storage discounts (constant flow) info added Added Regional Economic Development Added Condensed legislation section</p> |

FURTHER DOCUMENT INFORMATION AND RELATIONSHIPS

| | |
|--|--|
| Related Legislation | <p>Local Government Act 1993 NSW Local Government (General) Regulation 2005 Water Management Act Environmental Planning and Assessment Act 1979</p> |
| Related Policies | <p>Service Connections Policy</p> |
| Related Procedures, Protocols, Statements and Documents | <p>2016 Developer Charges Guidelines for Water Supply, Sewerage and Stormwater- NSW Department of Primary Industries-Water. Goldenfields Water Operational Plan –Part 2 Financials. NSW Department of Primary Industries-Water References Rates</p> |



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2. Purpose

To identify the requirement for the levying of Developer Charges as a result of new development, new connections and or an increase in demands on Goldenfields Water water infrastructure as provided for under section 64 of the Local Government Act by its cross reference to sections 305 to 307 of the Water Management Act 2000.

3. Scope

This policy applies to all new water service connections and all existing water service connections where development creates new or increased demands upon Goldenfields Water water supply services identified in its Developer Service Plan Areas.

4. Definitions

2016 Developer Charges Guidelines for Water Supply, Sewerage and Stormwater- Guidelines issued by the Office of Water.

Agreed Annual Volume – The Annual Volume used to calculate the Developer Infrastructure Charge to be levied.

Annual Usage - The metered water consumption in kilolitres commencing as close as practicable to 1 July and ending as close as practicable to 30 June.

Annual Volume – The volume of water in kilolitres required for one year.

Certificate of Compliance – A Certificate issued by Goldenfields Water to satisfy the requirement of Section 109J(1)e of the Environmental Planning and Assessment Act 1979.

Date of Commissioning – Is the date when the water infrastructure has been completed, has passed the required tests and the water supply is available.

Developer - The Owner or Owners of the property where the new or existing development is situated be it residential, rural, commercial or industrial development

Developer Augmentation Charge - The Charge calculated to meet the cost of Goldenfields Water supplying additional infrastructure, and or upgrading existing infrastructure to supply the development.

Developer Infrastructure Charge – The Charge calculated to recover the investment in assets existing or proposed to serve the development. The Charge is per equivalent tenement.

Development Servicing Plan (DSP) - Plan prepared by Goldenfields Water in accordance with the Office of Water guidelines.

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

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

Goldenfields Water - Goldenfields Water County Council

Letter of Offer – A notice to the Owner outlining conditions of supply and relevant charges to be levied. The Letter of Offer will also include any Connection Charges applicable.

LG Act - NSW Local Government Act 1993

LG Regulations - Regulations made under the Local Government Act 1993

Lot - A parcel of land comprised in a Deposited Plan (DP).

Office of Water - NSW Department of Primary Industries-Water at time of publication

Operational Plan – The Plan publishing the Fees and Charges made by Goldenfields Water for the current year.

Permanent Disconnection – Where the property service pipe is physically disconnected from Goldenfields Water’s water mains.

Permanent Disconnection Period – A period of time calculated from the date of permanent disconnection to the date the application has been received by Goldenfields Water and appropriate application fee has also been received, and no reconnection has occurred in the intervening period.

Premises - For this purpose, it is “land, whether built on or not”

Service Connection – The point of connection between the owner’s internal plumbing and the Goldenfields Water water supply network separated by Goldenfields Water’s water meter.

Tapping Service and Metering Charge – The Charge levied for the tapping of the water main, laying of the service connection, installation of the riser and meter and metering device.

Usage Charge – The Charge levied per kilolitre for all water recorded through the water meter.

Vacant Land Charge – The Charge levied on vacant unconnected properties, applicable to new sub-divisions registered after 01/07/2011.

Water Directorate Guidelines - Guidelines prepared by the Water Directorate to assist in determining a Development’s ET load.



Prev. 6.8 Subdivision with additional information

5. Certificate of Compliance

All development proposals must include an application for a Water Management Act certificate of compliance. Goldenfields Water is the relevant water supply authority constituted under the NSW Local Government Act 1993 and the Water Management Act 2000, as per their proclamation.

Applications should include plans of the development and details of any water requirements for the new development. Developers may choose to apply for a certificate of compliance before submitting a development proposal to the local Council. This may be helpful to obtain information on likely requirements early-on in the development planning and design process. Upon application, the compliance certificate is either issued immediately or conditionally.

Goldenfields Water will issue a Certificate of Compliance following:

- The return of a signed Letter of Offer for connection,
- The full payment of required up front charges as specified in the Letter of Offer
- In relation to subdivisions; the Owner is required to provide Goldenfields Water with a copy of the Registered Final Plan of sub-division. Goldenfields Water will not carry out any works for tapping, service and metering to the property/properties until a copy of the Registered Final Plan of Sub-division has been provided.

Prev. 6. with additional information

6. Developer Charges

Water Supply Developer Charges (sometimes referred to as Section 64 charges) are levied on new or existing developments that place (or have the potential to place) additional load on our water supply systems. These charges are levied so that Goldenfields Water can recover its investment in the water supply network that will serve and benefit the development. This includes the assets directly servicing the development as well as all the assets required to provide the water supply from the source, through treatment and to the development location.

Goldenfields Water levies Developer Charges in accordance with Section 64 of the NSW Local Government Act 1993 and Division 5 of Part 2 of Chapter 6 of the Water Management Act 2000. Developer contributions to the construction of works (sections 305, 306 and 307).

Developer Charges comprise

- Developer Infrastructure Charge
- Developer Augmentation Charge

Prev 6.1 minor changes

7. Developer Infrastructure Charges

Developer Infrastructure Charges will be applied to any development which creates new or increased demands upon water supply services, including new dwellings, subdivisions, commercial, industrial, community, institutional rural developments, including change of use. The Developer Infrastructure Charge is calculated on a per Equivalent Tenement basis.

One Equivalent Tenement (ET) is the estimated annual usage from an average residential household. Goldenfields Water uses an Equivalent Tenement of 250 kilolitres per year. The minimum Developer Infrastructure Charge is 1 ET.

Goldenfields Water uses a combination of the following methods for determining the relevant number of ETs for each development:

- Water Directorate's Section 64 Determinations of Equivalent Tenements Guidelines
- Comparison to similar existing developments
- Annual volume calculations provided by applicants

Prev 6.1 and 6.2 and 6.12 minor changes

7.1 Residential Developments

The standard residential Developer Infrastructure Charge is 1 ET. For dual occupancy and multi residential units the ETs are determined on a per bedroom basis.

7.2 Special Conditions – Residential

Goldenfields Water may permit a residential development to proceed provided that the Owner/Developer agrees to permanent water supply conditions for the development, the Owner/Developer will make agreed undertakings in an 88B instrument for each Lot which will apply to any subsequent Owner(s).

7.3 Multiple Premises

Water service connections supply a single premises through a Goldenfields Water meter.

- Individual lots or dwellings within Neighbourhood, Community Strata Titles or like developments, are to be serviced by a separate metered water service connections. Any common lot or common ground within these developments requiring water supply including but not limited to lawns, gardens, and pools is required to have a separately metered water service connection. This is referred to as a Master/subtract meter. A separate Tapping, Service and Meter Charge will apply, however Developer Infrastructure Charges will not be levied on the common ground, but if applicable the additional demand will be divided equally amongst the habitable connections.
- An exception occurs for an owner of multiple lots where the lots are in direct contact. In these circumstances it may be allowable for a single connection to supply the multiple lots. For this to occur the owner must be the same for each of the lots as per the property's certificate of title. The single connection will be dedicated to a single lot

Any identified connection supplying another premises owned separately or not in direct contact will be required to permanently disconnect the other premise unless a historical written agreement/approval exists in which case the current water account holder must provide documentary evidence of the agreement. The provision of a new Goldenfields Water connection to the other premise will attract relevant developer charges

7.4 Non Residential Developments

For all non residential developments, the applicant will be required to provide the owner(s) anticipated annual volume. Goldenfields Water will review the provided annual volume to determine if it is consistent with like developments and/or the Water Directorate guidelines.

If the annual volume is not provided, Goldenfields Water will determine an annual volume based on the Water Directorate Guidelines or like developments.

The adopted annual volume will then become the Agreed Annual Volume for that connection. The Developer Infrastructure Charge will be calculated by dividing the Agreed Annual Volume by 250 kilolitres to determine the number of ETs. Calculations will be made to the closest 0.25 ET.

7.5 Changed use and/or Increased Demand on Existing Connections

If an existing connection has a changed use or has increased its annual volume, additional Developer Charges may apply. If an existing connection has no Agreed Annual Volume Goldenfields Water will determine one through use of historical data. Where possible and applicable the previous 6 year average (prior to any significant increased demand) will be used.

Prev 6.11 with minor changes

Prev 6.3, 6.14, 6.15 with minor changes

Prev 6.5

Developer Charges Policy

7.6 Fire Services

Prev 6.16

Apart from emergencies and limited maintenance, fire services will have a nil demand on Goldenfields Water Systems. Therefore there will be no Developer Infrastructure Charges payable for any connection exclusively for firefighting purposes. Dedicated fire fighting services may be audited and Developer Infrastructure Charges may apply if being use for general water supply. In some circumstances a Developer Augmentation Charge may be required.

7.7 Permanent Disconnected Connection

Prev 6.10

Developer Infrastructure Charges apply for any reconnection of a previously permanently disconnected water service connection. Reconnection of a previously permanently disconnected water service connection is not guaranteed.

The charge shall be the lesser of:

- The full Developer Infrastructure Charges or
- 120 percent of the current year's 20mm Access Charge (for that property's Goldenfields Water Classification), multiplied by the number of years of permanent disconnection.

7.8 Exceeding Agreed Annual Volume

Once the Developer Charges have been levied and fully paid, it is not expected that property owner(s) should in practice exceed their Agreed Annual Volume.

Goldenfields Water may at its discretion allow the Owner/Developer to access additional water over and above the Approved Annual Volume, provided that

Prev 6.4

- Sufficient additional supply is available,
- Other Customer's levels of service are not affected and,
- That full payment of all charges are being maintained.

Any additional water provided will not at any time constitute any entitlement over and above the Agreed Annual Volume.

Exceeding the Agreed Annual Volume will require the payment of additional Usage Charges. Any annual usage in excess of the Agreed Annual Volume (plus a 20% grace amount) will be subject to an Excess Usage Charge.

The Excess Usage Charge (per kilolitre) will be at Goldenfields Water's Standpipe Rate as per our fees and charges.

8. Developer Augmentation Charges

In addition to any Developer Infrastructure Charges levied, the Owner/Developer will be required to meet the cost of Goldenfields Water supplying additional infrastructure and/or upgrading existing infrastructure to supply the development.

8.1 Pipelines

Goldenfields Water's letter of offer will detail the required augmentation works for the development to occur. Depending on construction staff availability, the Letter of Offer may include an offer and relevant developer augmentation charges for Goldenfields Water staff to undertake the augmentation works.

Where this is unavailable or the Developer wishes the undertake the augmentation works themselves, the Developer will be required to undertake design and construction of the augmentation works in accordance with Goldenfields Water Design and Construction Specifications which can be

Prev. 6.17 with additions



found on our website. Developer augmentation charges will be levied for cut-ins, inspections, commissioning etc required for the works to be completed. Goldenfields Water require a 12 month warranty period from the Developer from the date of commissioning.

Prev. 6.17 with additions

8.2 Tapping, service and meter charges

Where new pipelines are laid, these works will include the provision of service lines as per Goldenfields Water's Design and Construction Specifications.

Where the service connections to an existing pipeline occur, Goldenfields Water will undertake the tapping and service line works.

In both circumstances Goldenfields Water will install the meter assembly.

The associated costs can be located in Goldenfields Water's fees and charges.

8.3 Potential Contribution by Goldenfields Water

Where new or upgraded infrastructure will benefit existing Goldenfields Water customers with improved levels of service, Goldenfields Water will meet part of the augmentation costs.

For developments requiring water main augmentations, where there is a potential for the creation of dead end mains within an existing LEP Zone Residential, (including large lot residential), Goldenfields Water will consider a contribution to enable the dead end to be removed by linking it to an existing main. A contribution up to \$10,000 will be considered by Council Officers. Augmentation above \$10,000 will be considered by Council on a case by case basis.

Prev. 6.17 and 6.19

9. Other Charges

9.1 Vacant Land Charges

On registration of the sub-division, each newly unconnected lot is subject to a Vacant Land Charge to be levied quarterly.

Prev. 6.9

9.2 Backflow prevention

Some developments may require backflow prevention measures to be installed as per Goldenfields Water's Backflow Prevention Policy.

New

10. Development Incentives

Goldenfields Water offer the following incentives to encourage development within its supply area and assist developers to reduce or delay some components of the Developer Charges.

10.1 Deferred Developer Infrastructure Charges

If a development involves the subdivision of land into more than three lots, Goldenfields Water may allow a developer to defer payment of the Developer Infrastructure Charges applicable to each subdivided lot for up to 10 years.

Prev. 6.7 with additions

Deferred developer charges work as followed:

1. All arrangements shall be committed to an appropriate agreement established between the sub-divider and Goldenfields Water. The agreement shall be accepted by all parties as being publicly available in response to any inquiry to Goldenfields Water (for whatever reason) regarding either the subdivision in general, or a specific allotment in such subdivision. The sub-divider shall provide to any prospective purchaser a copy of this agreement.
2. The total outstanding Developer Infrastructure Charges (debt) created shall be distributed equally (or in such other manner as Goldenfields Water may specifically approve) over all

Developer Charges Policy

- useable lots created by the subdivision. The debt will be imposed on each lot in the form of a special charge pursuant to Section 552 of the Local Government Act
- It shall be the responsibility of the sub divider (as the then property owner at the time of sale) to ensure that full payment is made to Goldenfields Water for the outstanding debt for that lot

The following conditions apply:

- The life of the agreement is limited to the sale of all lots specified, or ten years, whichever is the lesser. Any debts outstanding beyond the life of the agreement shall attract normal interest charges and be subject to such other recovery action as Goldenfields Water may determine.
- Should there be an increase in Goldenfields Water's Developer Infrastructure Charge (for whatever reason), then, in addition to the above debts being levied on each lot, Goldenfields Water will (immediately the new charge applies) debit the increase in Developer Infrastructure Charge to each unsold lot.
- Should there be a decrease in the Developer Infrastructure charges (for whatever reason), then, no reduction will apply and the originally agreed debt shall be maintained on any unsold lot.
- Any further subdivision of any lot, will require the payment of additional Developer Infrastructure charges for any additional useable lots created.
- Dual occupancy may be subject to additional Developer Infrastructure charges, and as such is not included under this agreement, other than the original debt for the original lot or lots as the case may be.
- The agreement is for a specific number of useable lots. Where it is proposed to vary the number of lots, then, consolidation under one title will be the only criteria used in determining a reduction in the number of lots. If the lots are unsold, an adjustment will be made removing the identified lot's debt. Where the lots have been sold, then upon application, a refund being the amount of Developer Infrastructure Charges paid for the original lots, less, the Developer Infrastructure charge (payable at that time) for a single Developer Infrastructure Charge entitlement. In either case the new lands (under one title) will have a single Developer Infrastructure Charge entitlement.
- No associated connection fees can be deferred.
- No capital costs associated with construction of water mains required within the subdivision can be deferred

10.2 Staged Developments

Goldenfields Water may, through agreement allow a development to proceed in stages in acknowledgement that some developments will not require the full Agreed Annual Volume up front. Staged development proceeds as follows:

- The full Developer Infrastructure Charge is determined (based on total anticipated annual water demand when the development is operating at full capacity)
- An Initial Annual Volume and additional volume indicators (planned staging) is agreed to in writing by both parties
- The Developer Infrastructure Charge associated with the Initial Annual Volume is paid in full
- Once an additional volume indicator is reached, the Developer Infrastructure Charges for that new annual volume (next stage) must be fully paid

The following conditions apply:

- Any annual usage in excess of the Initial Annual Volume (plus a 20% grace amount) will be subject to an Excess Usage per kilolitre at the Goldenfields Water's Standpipe Rate.

Developer Charges Policy

- Where a staged development agreement exists, part of the Excess Usage Charge will credit any future Developer Infrastructure Charge. Any credit will be calculated at the Current Year's Developer Infrastructure Charge rate.

10.3 Compensation for already paid Development

When a Developer is levied a Developer Augmentation Charge in excess of \$10,000 they will be eligible to be partially compensated by any future Developers who use that infrastructure for their development.

Prev. 6.18 with additions

Compensation for already paid development proceeds as follows:

1. The original Developer pays for the augmentation works
2. The augmentation works are valued based on the value of the works when entered into Goldenfields Water's asset management system at the time of commissioning (this utilizes Goldenfields Water unit rates for valuation rather than actual construction costs)
3. Any future connections within 10 years of commissioning which utilize that infrastructure may be required to compensation towards the original developer. The compensation amount is calculated using the number of connections the augmentation is servicing at the time that the Letter of Offer is produced.
4. The compensation amount is then paid to the original developer minus an administration charge of 10%

The following conditions apply:

- The augmentation value must exceed \$10,000 (2016 rate indexed to CPI)
- The original developer is only compensated up to 50% of the augmentation value
- The compensation arrangement would cease after 10 years from the date of commissioning or after 50% of the augmentation value has been recovered by the original Developer, whichever occurs first.
- It is the original Developer's responsibility to ensure they provide and maintain up to date contact details for the duration of the compensation period to enable Goldenfields Water staff to process the compensation

Prev. 6.14 with additions

10.4 On site storage discounts

On site storage discounts (previously referred to as constant flow) may be applicable where the development has suitable on site storage requirements to buffer the demand on our system providing a relatively constant or limited demand.

For discount to apply the developer is required to have a minimum of 3 days on site storage available. The flow rate into the development will be limited via a restrictor installed in the meter assembly. Removal of the restrictor will result in full developer charges being levied.

10.5 Regional Economic Development

New

It is recognized that large developments may attract significant Developer Infrastructure Charges that could jeopardize the viability of the development within Goldenfields Water's supply area. These developments may provide regionally significant benefits to the supply area through provision of employment opportunities and growth as well as benefits to Goldenfields Water through increased water sales.

Council may consider entering into a Voluntary Planning Agreement with a Developer whereby the applicable Developer Infrastructure Charges will be based upon the development's individual

Developer Charges Policy

requirements rather than using the predetermined charges which incorporates a number of region-wide financial, social and environmental factors. Depending on the requirements of the development the VPA may allow Goldenfields Water to reduce the applicable Developer Infrastructure Charges.

To apply to enter into a VPA, the developer must provide a detailed report for Council consideration providing supporting evidence that the development will provide an economic benefit to the region. This report must be reviewed by and supported by the relevant Constituent Council.

New

To apply for a VPA on the basis of Regional Economic Development:

1. The relevant Constituent Council must have an agreed Memorandum of Understanding in place with Goldenfields Water addressing Certificate of Compliance requirements between the Councils
2. The Development Consent conditions requires the Developer to obtain a Certificate of Compliance from the County Council for the Development
3. With their application for a Certificate of Compliance, the developer provides a detailed financial evaluation supporting the development as being regionally significant.
4. Goldenfields Water Board will make a determination on a case by case basis
5. If successful, the Developer enters into a Voluntary Planning Agreement with Goldenfields Water to facilitate payment and the granting of the Certificate of Compliance.

11. Relevant Legislation

| Legislation | Section | Section heading |
|--|---|---|
| Local Government Act 1993 | 64 | Construction of works for developers |
| | 552 | What land may be subject to a water supply special charge |
| | 553 | Time at which land becomes subject to special rate or charge |
| | 608 | Council fees for services |
| Local Government (General) Regulation 2005 | 143 | Inspection of pipes and drains and measurement of water and sewage |
| Water Management Act 2000 | Division 5 of Part 2 of Chapter 6 305, 306 and 307 | Application for certificate of compliance Authority may impose certain requirements before granting a certificate of compliance Granting certificates of compliance |
| Environmental Planning and Assessment Act | 7.4 | Planning Agreements |

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

COUNCIL RESOLUTIONS UPDATE REPORT

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That Council note the Council Resolutions Update Report

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 1 High Quality, Secure and Efficient Water Supplies

BACKGROUND

The General Manager is responsible for ensuring that Council's resolutions are implemented efficiently and in a timely manner.

REPORT

After a Council meeting is held, actions required from the resolutions made are listed and distributed to the Management Team for their attention. This list is included on the fortnightly Management meeting agenda to ensure timely completion of tasks.

The resolutions update table attached is provided to the Board to deliver an overview of the tasks completed since the previous meeting and to identify any outstanding tasks that still require action. This allows greater transparency for the Board into the actioning of the resolutions made and a timely reminder for Management to progress these actions.

FINANCIAL IMPACT STATEMENT

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

ATTACHMENTS: Council Meeting Resolution Action Table

TABLED ITEMS: Nil



Council Meeting Action Items – October 2022

Council

| Resolution No. | Resolution | Action Required | Status Update | Responsible Officer |
|----------------|---|--|---|----------------------------|
| 22.071 | RESOLVED on the motion of Crs McGlynn and McAlister that Tender 04/2022 Supply of six (6) Vehicles be awarded to Palmer Ford for the assessed price of \$335,767.62. | Tender to be awarded as per resolution | Tender Awarded. Item Complete | Operations Manager |
| 22.076 | <p>RESOLVED on the motion of Crs White and Sinclair that</p> <ol style="list-style-type: none"> 1. The Financial Statements for the year ended 30th June 2022 be referred to Council's Auditor, Audit Office of New South Wales, 2. Council make a resolution in accordance with Section 413(2)(c) that the Financial Statements have been prepared in accordance with: <ol style="list-style-type: none"> i. the Local Government Act 1993 (NSW) (as amended) and the Regulations made there under ii. the Australian Accounting Standards and professional pronouncements iii. the Local Government Code of Accounting Practice and Financial Reporting iv. presents fairly the Council's operating results and financial position for the year v. accords with Council's accounting and other records vi. that Council is not aware of any matter that would render these statements false or misleading in any way 3. That Council adopt the abovementioned Statement and that the Chairperson, Councillor, | Refer statements to Auditor. Publish audited reports. Present audited reports at the October meeting | Financial Statements scheduled to be presented at the 27 October Council Meeting. | Corporate Services Manager |



| Resolution No. | Resolution | Action Required | Status Update | Responsible Officer |
|----------------|---|---|--|----------------------------|
| | <p>General Manager and Responsible Accounting Officer be authorised to sign the 'Statement by Councillors and Management' in relation to Council's 2021/22 Financial Statements and Special Purpose Financial Reports and be attached thereto.</p> <p>4. The General Manager be delegated the authority to issue the audited Financial Statements immediately upon receipt of the Auditor's Reports, subject to their being no material changes or audit issues.</p> <p>5. Council present the final audited Financial Statements and Auditor's Report to the public at its ordinary meeting to be held on 27th October 2022.</p> | | | |
| 22.077 | RESOLVED on the motion of Crs Callow and McGlynn that the Board revotes expenditure totalling \$2,903,000 from 2021/22 for inclusion in the 2022/23 budget. | Revote expenditure of \$2,903,000 for inclusion in the 2022/23 budget | Expenditure revoted for inclusion in the 2022/23 budget. Item Complete | Corporate Services Manager |
| 22.078 | RESOLVED on the motion of Crs McGlynn and McAlister that <ol style="list-style-type: none"> 1. Rebate water account 44084276 \$5,967.57 for water charges incurred due to a concealed leak 2. Rebate water account 44084805 \$16,056.51 for water charges incurred due to a concealed leak | Credit accounts and advise customers as per resolution. | Rebates applied as per resolution. Item complete. | Corporate Services Manager |
| 22.079 | RESOLVED on the motion of Crs Callow and Sinclair that <ol style="list-style-type: none"> 1. the amended Concealed Leak Detection Policy be approved; and 2. authority be delegated to management to determine applications from property owners for reductions in usage charges under the Concealed | Finalise policy and publish | Policy finalised and published. Item complete. | Corporate Services Manager |



| Resolution No. | Resolution | Action Required | Status Update | Responsible Officer |
|----------------|---|--|---|-------------------------------|
| | Leak Detection Policy, up to a maximum reduction of \$3,000. | | | |
| 22.083 | RESOLVED on the motion of Crs White and Sinclair that the Board approve an increase to the operational budget of \$135,000 to recommence the implementation of the Emagin product. | Increase operational budget by \$135,000 | Progressing. | Corporate Services Manager |
| 22.084 | RESOLVED on the motion of Crs McGlynn and McAlister that the Board resolves to increase the capital works budget by \$550,000 to enable the completion of the microwave network works. | Increase capital works budget by \$550,000 | Completed as part of the Quarterly Budget Review. Item Complete | Corporate Services Manager |
| 22.085 | RESOLVED on the motion of Crs McAlister and McGlynn that the Board 1. Pursuant to s55(3)(i) of the Local Government Act 1993, the Board considers that a satisfactory result would not be achieved by inviting tenders before entering into a contract for the purchase of energy, due to extenuating circumstances, being: a. current energy market volatility and significant risk in entering into a fixed agreement b. multiple options for purchasing energy, such as wholesale purchasing c. flexibility in purchasing processes is required for speed of acting on low price demands within the National Energy Market (NEM) 2. authorise the General Manager or their delegate the delegation to negotiate the purchase of energy and enter into any such Agreements necessary to continue the efficient operations of Goldenfields Waters supply network. | Negotiate the purchase of energy and enter into agreement/s as required. | No action at this time. | Production & Services Manager |



| Resolution No. | Resolution | Action Required | Status Update | Responsible Officer |
|----------------|---|---|---|---------------------|
| 22.087 | RESOLVED on the motion of Crs Sinclair and Callow that Council's January - June 2022 Delivery Program Progress Report be received and noted. | Finalise and publish report as per requirements | Report finalised and published as per requirements. Item complete | General Manager |
| 22.088 | RESOLVED on the motion of Crs McGlynn and White that the Board: 1. Endorse the Chairperson as Goldenfields Water's voting delegate for the LGNSW Annual Conference 2. Approve the attendance of the General Manager, Chairperson and Deputy Chairperson | Book accommodation and conference attendance. | Conference attendance bookings completed. Item complete | General Manager |
| 22.089 | RESOLVED on the motion of Crs McGlynn and McAlister that the Board supports: Option 1: REROC as a stand-alone organisation, the JO folds and Option 4: REROC as a stand-alone organisation, the JO goes into hiatus. | Provide preferences as per resolution to REROC | Preferences provided to REROC as per resolution. Item complete | General Manager |

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

COUNCIL MEETING DATES 2022/2023

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That Council set the meeting schedule as described for the ensuing twelve months.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 2 Customer Service Focus

BACKGROUND

Councils Code of Meeting Practice states that Council shall, by resolution, set the frequency, time, date and place of its ordinary meetings. Council has previously resolved that Ordinary Council meetings are held on the fourth Thursday of every second month at the Temora Office, commencing at 10.00am.

REPORT

Ordinary Council Meetings are generally held on the fourth Thursday of every second month, with a review of the meeting schedule for the ensuing 12 months being considered annually. The December council meeting date is proposed to be held 2 weeks prior to the regular schedule to avoid conflict with Constituent Council Meetings and to facilitate the end of year councillor and management function.

In order to allow advance public notification of Council meeting dates for the next twelve months, the following program is put forward for consideration:

- Thursday 8 December 2022 commencing at 4.30pm
- Thursday 23 February 2023 commencing at 10.00am
- Thursday 27 April 2023 commencing at 10.00am
- Thursday 22 June 2023 commencing at 10.00am
- Thursday 24 August 2023 commencing at 10.00am
- Thursday 26 October 2023 commencing at 10.00am

FINANCIAL IMPACT STATEMENT

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

ATTACHMENTS: Nil

TABLED ITEMS: Nil

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

OFFICE CLOSURE 2022/2023

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That Council endorse the office to be closed commencing 12.00pm Thursday 22 December 2022, reopening Monday 9 January 2023.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 2 Customer Service Focus

BACKGROUND

Council has previously closed its office for a period of two weeks during the Christmas and New Year Period, with minimal disruption to Council's normal operations.

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

REPORT

The office closure is proposed to be from 12.00pm Thursday 22 December 2022, reopening Monday 9 January 2023.

Benefits are:

- The first week of the New Year is a quiet week for customer interaction,
- Many staff take advantage of extending their Christmas/New Year break, and
- The additional closure assists annual leave liability management.

Rostered staff will be on call to attend to operational issues (water breaks, breakdowns etc) and for major emergencies key staff will be recalled.

Customers can pay accounts through Australia Post, Direct Deposit and Debit Debit, and Bpay facilities.

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

The end of year staff function will be held on Thursday 22 December 2022, commencing at 12.30pm. To facilitate the hosting of the function the office will be closed from 12.00pm Thursday 22 December 2022 for the remainder of the day.

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

FINANCIAL IMPACT STATEMENT

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

ATTACHMENTS: Nil

TABLED ITEMS: Nil

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2022

2021/2022 ANNUAL REPORT

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That Council's 2021/22 Annual Report be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 1 High Quality, Secure and Efficient Water Supplies

BACKGROUND

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

REPORT

Goldenfields Waters' 2021/22 Annual Report is the fifth Annual report within the five year reporting period for the 2017 – 2022 Delivery Program.

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

The Annual Report has been prepared in accordance with the guidelines stipulated under section 217 of the Local Government Regulations

A copy of Council's audited financial reports will be included as an Appendix in the final version of this document, however have been excluded from this attachment as they already appear in the October 2021 Council Meeting Agenda under **Financial Statements 2021/22**.

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

FINANCIAL IMPACT STATEMENT

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

ATTACHMENTS: 2021/22 Annual Report

TABLED ITEMS: Nil.



ANNUAL REPORT

2021 - 2022

INTEGRITY

TRUST

RESPECT

TEAMWORK

CONTINUOUS IMPROVEMENT



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Mission

Mission Statement

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

Values

Integrity

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

Trust

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

Respect

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

Teamwork

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

Continuous Improvement

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



Chairperson's Message

It was my honour to be elected as Chairperson of Goldenfields Water in January 2022, and my pleasure to be a representative of Goldenfields Water since 2017.

I extend my appreciation to Deputy Chairperson Bob Callow, my fellow Board members, and the Goldenfields Water Leadership Team whose knowledge and guidance over the last 12 months has been vital.

Each year brings its own set of challenges, and I am proud of the way Goldenfields as an organisation has collaboratively met, and overcome, the issues that arose over the last 12 months.

This report also highlights the many achievements that Goldenfields have realised during the 2021-2022 year, in the pursuit of delivering a quality water supply in line with our Mission, Vision and Values.

Finally, in putting forward the annual report for 2021/22, the Board and I sincerely thank our constituent councils and the community for their continued support of Goldenfields Water and their faith in our ability to provide a continued secure water supply.

Matthew Stadtmiller

Chairperson



General Manager's message

It has been my pleasure to continue in the role of General Manager and lead the organisation toward success over the last 12 months.

The results during the 2021/22 year are reflective of an organisation that values and promotes Integrity, Trust, Respect, Teamwork and Continuous Improvement.

This is the final report for the 2017-2022 Delivery Program and this report contains a snapshot overview of Goldenfields achievements in implementing the Business Activity Strategic Plan during this time. Over the past five years Goldenfields Water has delivered a range of essential infrastructure and service improvements as well as many community-focused initiatives that will continue to have a positive effect on our region for many years to come.

I am proud of what the organisation has achieved during this time, and along with the Board and Leadership Team we are keen to commence achieving the objectives set out within our newly created Business Activity Strategic Plan.

I am grateful to the Board for their support, and I acknowledge the efforts of our skilled staff as being instrumental in achieving the organisational goals detailed within this report.

Aaron Drenovski

General Manager



Profile

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

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

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

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

Goldenfields Water's seven constituent councils are:

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

Currently, Goldenfields Water supplies all drinking water directly to over 11,600 rural, residential, commercial and other properties in the local government areas of Bland, Coolamon, Junee, Temora, and parts of Cootamundra-Gundagai and Narrandera.

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

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



The Board

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

Goldenfields Water's constituent councils elect the Board members from among their councillors. The Board is currently comprised of eight members – one elected from six of the constituent councils and two elected from Hilltops Council. The Board elects a Chairperson from amongst its members. The Chairperson holds office for two years and is responsible for presiding at Board meetings as well as exercising other functions of the county council as the Board determines. The Board also elects a deputy Chairperson.

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





Annual Report Explained

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

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

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

Goldenfields Water's Annual Report must also include financial, asset and other information that is prescribed by the Local Government (General) Regulation 2021 (NSW) and the Integrated Planning and

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

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



Integrated Planning and Reporting framework

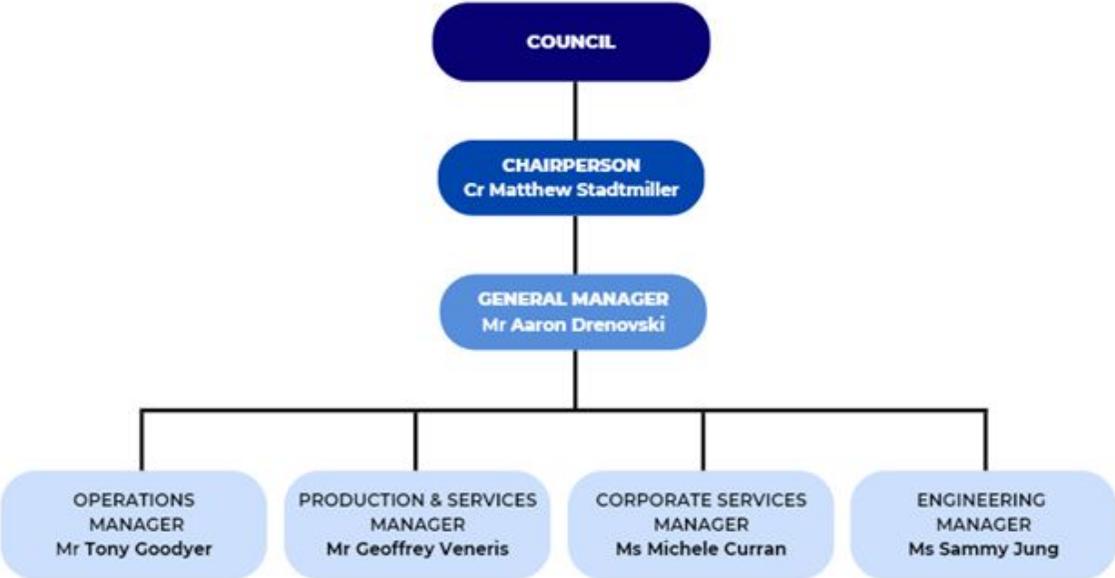




Organisational Structure

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

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





DELIVERY PROGRAM PROGRESS

2017-2022

REPORTING ON PROGRESS

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

This section contains the report on Goldenfields Water's Delivery Program progress for 2021/22.

It is categorised in-line with the nine strategic priorities established by its long-term Business Activity Strategic Plan and the strategic objectives, strategies and actions outlined in its 2017/22 Delivery Program and 2021/22 Operational Plan to achieve those priorities.



Green – Completed



Blue – Progressing



Red – Not yet started



1: Excellence in service provision

1.2: Provide a reliable and quality drinking water supply

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|-----------------------------|-------------------------------|---|----------|--|
| 1.2.1.1 | Maintain and Review the Drinking Water Management System | Complete DWMS Annual Report | Production & Services Manager |  | 100% | Council have developed and maintain a DWMS. The system is reviewed annually for its effectiveness in managing Councils water quality obligations in relation to the Australian Drinking Water Guidelines. An annual review is undertaken and reported to the Council every October/December Council meeting. |



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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|---|-------------------------------|----------------|----------|--|
| 1.2.2.3 | Commence and complete Talbingo Lane Junee pipeline replacement of approximately 10km. | Commence and complete Talbingo Lane Junee pipeline replacement of approximately 10km. | Operations Manager | | 60% | Approx 60% of the pipeline has been renewed. Unable to renew the remainder due to pipeline route under crop. Expected completion November 2022 |
| 1.2.2.3 | Commence and complete urban pipeline renewal at Beach and Pretoria Street Junee. | Commence and complete urban pipeline renewal at Beach and Pretoria Street Junee. | Operations Manager | | 10% | Beach and Pretoria Street pipeline renewal has commenced and delays have been caused by the current weather patterns. Expected completion October 2022 |
| 1.2.2.3 | Commence Thanowring Road pipeline replacement. | Commence Thanowring Rd Pipeline Replacement | Operations Manager | | 100% | Thanowring Rd pipeline renewal commenced in December 2021. 8 kilometer's of pipe has been laid to date. |
| 1.2.2.3 | Complete and Commission Mandamah pipeline construction Stage 3, and commence Stage 4. | Complete and Commission Mandamah pipeline construction Stage 3, and commence Stage 4. | Operations Manager | | 100% | Mandamah Stage 3 completed and commissioned. Stage 4 completed and unable to connect consumers until Thanowring rd pipeline is commissioned. This is due to previous agreements with land owners |
| 1.2.2.3 | Installation of an organisational wide microwave communication system for SCADA is complete | Installation of an organisational wide microwave communication system for SCADA is complete | Production & Services Manager | | 100% | Council has designed and commenced the roll out of a new Microwave communications network. Phase 1 with a total of 9 sites was to be completed within the 2021/22 financial year which is now complete. Phase 2 will commence with an additional 10 sites to be completed within the 2022/23 financial year. |



| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|--|-------------------------------|----------------|----------|--|
| 1.2.2.3 | Jugiong No1 High Voltage Upgrade - Detailed design contract to be completed. | Jugiong No1 High Voltage Upgrade - Detailed design contract to be completed. | Production & Services Manager | | 90% | Tenders have been awarded for the design and construction of the Civil, Electrical and Hardware contracts for the project. All designs are completed except for the electrical design contract which has now been awarded and is established for completing in October 2022. |
| 1.2.2.3 | Jugiong Programmable Logic Controller (PLC) is completed. | Jugiong Programmable Logic Controller (PLC) is completed. | Production & Services Manager | | 95% | This project has involved the full upgrade of electrical services and control systems within the Jugiong WTP. Works are nearing completion and will be finalised by October 2022. |
| 1.2.2.3 | Oura High Voltage Upgrade - Civil Construction is complete and commissioned | Oura High Voltage Upgrade - Civil Construction is complete and commissioned | Production & Services Manager | | 100% | Civil construction works have been completed with Practical Completion being granted to Gongues Construction in November 2021. |
| 1.2.2.3 | Plan for a new workshop facility to support Urban Reticulation renewals as per Capital Works forecast. | Detailed design completed for proposed new workshop | General Manager | | 50% | Initial detailed designs have been developed, however expected future budget constraints are to be considered before further progress is made. |
| 1.2.2.4 | Valve maintenance and replacement will be completed by October 2021. | Achieve greater than 85% of program | Operations Manager | | 100% | The actual valve maintenance and replacement program has been completed. Identified from that program were towns that require further investigation and on-going renewal programs. These programs were commenced in May 2022 |



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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|---|------------------------------|---|----------|--|
| 1.2.4.1 | Utilise issues register and burst data to determine renewals program. | Achieve 90% of mains renewals budget | Engineering Manager |  | 75% | Renewals program developed from asset condition information. 74% of renewals completed this FY |
| 1.2.4.3 | Implement the water main renewal program for 21/22 | Achieve 85% of mains renewals budget | Engineering Manager |  | 75% | 74% complete despite significant wet weather delays |
| 1.2.4.4 | Continue with Mandamah water main extension program | Achieve greater than 85% of 30km of mains installation. | Engineering Manager |  | 100% | Project completed under budget and ahead of schedule |



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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|--|-------------------------------|----------------|----------|---|
| 1.2.8.1 | Progressively replace all SCADA across to ClearSCADA | Progressively replace all SCADA across to ClearSCADA | Production & Services Manager | | 100% | Council has completed a majority of its SCADA upgrade system. All further upgrades will be undertaken as part of Councils asset renewal program or new capital works program. |

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|----------|--|--|------------------------------|----------------|----------|---|
| 1.2.10.1 | Air, Scour and Stop Valves and Hydrants are reviewed and replaced as required in Temora, Wyalong and Ungarie. Junee, Coolamon and Ganmain are reviewed for future replacement. | Air, Scour and Stop Valves and Hydrants are reviewed and replaced as required in Temora, Wyalong and Ungarie. Junee, Coolamon and Ganmain are reviewed for future replacement. | Operations Manager | | 100% | Completed for this F/Y 21-22. This is a continuous on-going program across all towns within GWCC footprint without any end date |



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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|----------|--|--|-------------------------------|----------------|----------|--|
| 1.2.12.1 | Replace aged water quality instrumentation where required. | Replace aged water quality instrumentation where required. | Production & Services Manager | | 100% | GWCC staff progressively renew water quality instrumentation when and where required. There was no planned renewal site to be completed this financial year. |

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|----------|--|---|------------------------------|----------------|----------|---|
| 1.2.13.1 | Regularly update and publish information on Goldenfields website relating to major projects, water outages, meeting minutes, billing, recent announcements and staffing updates. | Our website is regularly updated with relevant and timely information. | Community Engagement Officer | | 100% | Website is updated weekly with all relevant information. |
| 1.2.13.2 | Proactively provide project specific information to relevant stakeholders as required and respond to any stakeholder requests in a timely manner. | Accurate and relevant information is provided to stakeholders in a timely manner. | General Manager | | 100% | Goldenfields stakeholders are provided relevant information through quarterly customer newsletters, website updates, media and social media engagement. Stakeholder requests are responded to in line with the customer service charter |



| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|----------|---|---|-------------------------------|----------------|----------|--|
| 1.2.13.4 | Prepare statutory financial reports within required timeframes - including Quarterly Budget Reviews, Annual Financial Statements. | Quarterly Budget Reviews presented at the Council meeting following quarter end. Annual Financial Statements submitted to Office of Local Government by statutory due date. | Corporate Services Manager | | 100% | 2020/21 financial statements submitted by due date. Quarterly budget reviews prepared and presented by due dates. Audit plan for 2021/22 financial statements has been finalised along with preparation timetable. |
| 1.2.13.5 | Notify any non-conformance as required. Complete annual reporting to NSW Public Health, DPIE, and EPA. | Complete DWMS Annual Report, EPA Annual Return and the Annual Benchmark Report. Notify any non-conformances to the relevant Authority as required. | Production & Services Manager | | 100% | Council has completed its DWMS Annual report and Annual Performance Benchmark Report. The Jugiong Water Treatment Plant Annual Return for its Environmental Protection License was completed in May 2022. |



2: Maximising regional water supply

2.2: Plan for the region's future growth

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|--|------------------------------|----------------|----------|--|
| 2.2.1.1 | Liaise closely with constituent councils regarding growth and development | Engage with Constituent Councils regularly | General Manager | | 100% | Goldenfields has engaged with each constituent council as part of the process to develop the next Business Activity Strategic Plan, and specifically each Councils anticipated population and housing growth. Goldenfields and Bland Shire Council worked closely together to successfully obtain funding to support the West Wyalong Water Security Project. |

2.2.2: Water supply system constraints are identified

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|---|------------------------------|----------------|----------|--|
| 2.2.2.3 | Consultant is engaged to complete IWCM Strategy inclusive of hydraulic model and financial plan. | Works are on track for completion in the 2022/23 financial year | Engineering Manager | | 100% | Consultant engaged and on track for completion in 2022/23 financial year |



3: Strategic water management

3.1: Become an industry leader in the water sector

3.1.2: We have the capacity to influence water industry direction

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|---------------------|-------------------------------|----------------|----------|---|
| 3.1.3.1 | Complete the Integrated Water Cycle Management Plan | IWCM is adopted | Production & Services Manager | | 60% | Goldenfields has completed the IWCM Issues Paper which has received concurrence from DPE. Works have now commenced on the Strategy with the validation of Councils hydraulic model being undertaken by Public Works Advisory. Works are set for completion within the 2022/23 financial year. |

4: Best practice pricing

4.2: Levy and collect water charges

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|--|------------------------------|----------------|----------|--|
| 4.2.1.1 | Read at least 97% of meters by automated meter reading network. | Minimum of 97% meters read through AMR network. | Corporate Services Manager | | 100% | AMR meter reading target being met each billing cycle. |
| 4.2.1.2 | Water Accounts issued within 3 weeks of quarter end | Water accounts issued within 3 weeks of quarter end. | Corporate Services Manager | | 100% | Water accounts issued within specified timeframe. |



4.3: Deliver a consistent price path

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|---|------------------------------|----------------|----------|--|
| 4.3.1.1 | Determine scheduled fees and charges consistent with the long term financial plan. | LTFP reviewed to determine fees and charges schedule for inclusion in operational plan - maintaining financial sustainability (surplus operating results and cash reserves throughout 10 year plan) | Corporate Services Manager | | 100% | 2022-2023 budgeting process finalised in June 2022 |

5: Proactive customer relations

5.1: Improve customer and community engagement

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|--|------------------------------|----------------|----------|--|
| 5.1.2.1 | Goldenfields 3 year community engagement strategy is developed utilising information gathered from the community including the customer survey. | Goldenfields Water 2021-25 Community Engagement Strategy is developed. | Community Engagement Officer | | 100% | Developed and adopted in conjunction with the Business Activity Strategic Plan |



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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|--|------------------------------|----------------|----------|---|
| 5.1.4.1 | Information regarding water management and sustainable water practices is delivered to our community through a variety of advertising mediums and community activities. | Our community is provided information on water management and sustainable water practices. | Community Engagement Officer | | 100% | Information provided via ongoing regular social media posts, customer newsletters, and media releases. |
| 5.1.4.2 | Educate local students and customers about the region's drinking water supply and water cycle, water efficiency and sustainability, and benefits of choosing tap water. This will be achieved by offering Depth Days to local students, developing a school program targeted at Stage 5 students and actively promoting National Water Week to schools and the community through interactive and engaging sustainable water themed resources. | Goldenfields hosts 'Depth Days', develops Stage 4 educational program and engages with local schools and preschools during Water Week to provide sustainable water themed resources. | Community Engagement Officer | | 100% | Goldenfields partnered with the National Theatre Company to produce the Your Water Your Future program, designed to educate high school students about the value of water and the water treatment process. the livestream events were delivered to schools within Goldenfields Constituent Councils and included games, videos, hands-on lessons and assessments in line with the curriculum. |



5.1.5: Customer Service Experience is enhanced

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|--|------------------------------|----------------|----------|--|
| 5.1.5.1 | Customer service initiatives of emailed water accounts, mywater and direct debit payment arrangements are promoted through staff engagement and targeted advertising | The percentage of customers using mywater, direct debit and receiving emailed accounts has increased | Corporate Services Manager | | 100% | Advertising and promotion for customer service initiatives undertaken on a regular basis through promotions, newsletters and social media - 22% of accounts now distributed by email |

5.2: Develop and maintain strong links with stakeholders

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|--|------------------------------|----------------|----------|---|
| 5.2.1.2 | Work closely with REROC and the Joint Organisation to improve service efficiency and effectiveness and promote matters of common interest | Goldenfields participates in projects with a joint interest. | General Manager | | 100% | Goldenfields is a member of REROC Workforce Development Group. Goldenfields attends REROC and RivJo meetings and considers common interest opportunities. |



5.2.2: We have close relationships with our constituent councils

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|---|------------------------------|----------------|----------|---|
| 5.2.2.1 | Engage with our Constituent Councils regularly. | We have regularly engaged with our Constituent Councils | General Manager | | 100% | Goldenfields partnered with Bland Shire Council to ensure project viability despite financial setbacks. Goldenfields' General Manager and staff regularly communicate with Constituent Council counterparts to achieve mutual outcomes. |

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|--|------------------------------|----------------|----------|---|
| 5.2.3.1 | Information regarding Goldenfields' current works, major upcoming works, educational programs and general updates are provided through traditional and modern media platforms, including our quarterly customer newsletters, social media platforms, website and media releases. | Goldenfields Customer Newsletter is circulated in January, April, July and October. Information is regularly provided through various media platforms. | Community Engagement Officer | | 100% | Customer Newsletter delivered for January, April and July. Social media & website used to provide ongoing information. Regular media releases provided to news outlets. |



6: Environmental protection and sustainability

6.2: Ensure natural resources are used efficiently

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|---|-------------------------------|----------------|----------|---|
| 6.2.1.4 | Maintain an energy usage and cost data base. | Maintain the population of Azility cloud base systems to actively monitor our energy usage and costs. | Production & Services Manager | | 100% | Council currently maintain systems for monitoring its energy and greenhouse gas production. This system is designed to highlight any anomalies and to provide historical trends of councils energy usage. |

6.2.2: Water use efficiency is increased across the network

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|--|------------------------------|----------------|----------|---|
| 6.2.2.3 | Support the Customer Service Team to provide customers with a seamless and simplified interaction. Promoting digital engagement such as the Goldenfields Water App, direct debit payments and online accounts will be an integral part of enabling simplified interaction. | Customer registration to the Goldenfields App, online accounts and direct debit increases. | Community Engagement Officer | | 100% | Advertising via social media platforms & print media for the Goldenfields Water App & online accounts. Online forms in the process of being developed to make sign up to direct debits & other requests easier for customers & customer service team. |



6.3: Manage the water supply's sustainability and security

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

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|---|-------------------------------|----------------|----------|---|
| 6.3.1.1 | Actively monitor our raw water source via both hydrological and water quality parameters | Undertake monthly sampling and testing of raw water quality samples. Monitor councils access entitlements to source water and ensure restrictions are utilised when and where required. | Production & Services Manager | | 100% | GWCC staff undertake routine monitoring, sampling and testing of all raw water sources. Additional SCADA monitoring systems have been installed on groundwater bores to trend levels and meet new metering regulations. Staff are also currently developing visual monitoring system of groundwater levels for the Oura borefield through the WaterOutlook software system. |



7: Efficient operations

7.1: Improve business efficiency

7.1.1: We have an efficient corporate structure

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|---|------------------------------|----------------|----------|---|
| 7.1.1.1 | Goldenfields Corporate structure is reviewed within 12 months of the ordinary election of council to best meet the organisations requirements. | Goldenfields Corporate structure is efficiently aligned to meet organisational requirements, having been reviewed within 12 months of the ordinary election of council. | General Manager | | 0% | Goldenfields corporate structure will be reviewed within 12 months of ordinary council elections in line with the Local Government Act. |

7.1.2: Information management is integrated across the organisation

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|----------------------------------|------------------------------|----------------|----------|--|
| 7.1.2.2 | Continually update and improve the Geographic Information System | GIS enhancements are implemented | Engineering Manager | | 100% | Updates have been made to improve user functions and linking of asset data |



7.1.5: Fleet management is optimised

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|--|------------------------------|----------------|----------|--|
| 7.1.5.1 | Prepare annual fleet replacement budget and review quarterly. | Prepare annual fleet budget for inclusion in Capital Works Program. Review progress quarterly during Quarterly Budget Reviews. | Corporate Services Manager | | 100% | Fleet budget monitored during quarterly budget review process. 2022-2023 replacement program finalised later in June 2022. |

7.3: Reduce exposure to business risks

7.3.1: We take an integrated approach to risk management

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|--|------------------------------|----------------|----------|--|
| 7.3.1.3 | ARIC function complies with Framework. ARIC Meetings are regularly held. Internal audits are conducted in accordance with Strategic Internal Audit Plan | ARIC is compliant with framework. ARIC meetings are held quarterly. 3 internal audits conducted in financial year. | Corporate Services Manager | | 100% | ARIC Charter has been reviewed by committee. New guidelines to be released in future. Meetings being held quarterly. Internal audits progressing as planned. |



7.3.5: Capital Works Program reduces business risk through prioritisation of critical renewals

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|---|------------------------------|----------------|----------|---|
| 7.3.5.1 | Implement the capital works program for 2021/22 Financial year | 85% of capital works program is completed | Engineering Manager | | 90% | Capital works program 79% completed despite Covid-19 staff implications, transport delays and significant wet weather |

7.4: Improve the efficiency of operations in the field

7.4.1: We have an efficient, mobile workforce

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|--|---|------------------------------|----------------|----------|--|
| 7.4.1.2 | Rollout O365 across Council to improve availability, lessen demand on infrastructure, workforce collaboration and mobility | Email service migrated to the cloud. O365 operational for staff. Collaboration tools being utilised as scoped for Council requirements. | Corporate Services Manager | | 75% | O365 project progressing as planned. Exchange portion is finalised. Additional functionality being progressively rolled out, scheduled for completion in first quarter of 2022-2023. |
| 7.4.1.4 | Investigate, source and implement an electronic timesheet system | System successfully implemented and operationally compliant | Corporate Services Manager | | 80% | Indoor staff have commenced use of the program. Outdoor staff scheduled to be onboarded. |



8: Highly skilled and energetic workforce

8.1: Improve the management of human resources

8.1.1: Our workforce is motivated, skilled and flexible

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|---|------------------------------|--|----------|---|
| 8.1.1.1 | Goldenfields Workforce Management Plan is developed to meet the organisational requirements identified within the four year Delivery Program for 2021/25. | Goldenfields Workforce Management Plan has been developed and adopted by the Board. | HR Coordinator |  | 100% | Goldenfields Water's Workforce Management Plan 2022-2026 was adopted by the Board at the April Council Meeting. |
| 8.1.1.2 | Provide staff with professional development opportunities that meet organisational future needs | Annual staff development plans completed, training undertaken for identified gaps | HR Coordinator |  | 100% | Staff are provided professional development opportunities in accordance with Training Plan and Education Assistance Policy. Staff Development Plans due to be undertaken and reviewed annually to assist in determining gaps. |
| 8.1.1.3 | An annual staff survey is undertaken to identify areas that are going well, areas that could be improved and how staff are best supported to effectively perform their roles. | Annual staff survey is undertaken and results considered to enhance organisational functions. | HR Coordinator |  | 0% | Scheduled for Q3 of this Financial Year |



9: Financially sustainable

9.1: Deliver responsible financial management

9.1.1: Our organisation is financially sustainable

| Code | Operational Plan Desired Outcome | Performance Measure | Responsible Officer Position | Traffic Lights | Progress | Annual Comment |
|---------|---|--|------------------------------|---|----------|---|
| 9.1.1.1 | Long Term Financial Plan updated annually | The LTFP has been reviewed annually in conjunction with Operational Plan Preparation | Corporate Services Manager |  | 100% | 2022-2023 budgeting process finalised in June 2022. |
| 9.1.1.5 | Total Asset Management Plan and Financial Plan is developed as part of IWCM | Documents completed by June 2022 | Engineering Manager |  | 75% | Progressing, due for completion in the 2022.23 financial year |



Achievements in implementing the Business Activity Strategic Plan 2017-2022

01 Excellence in Service Provision

- ✓ Backflow Policy and Program developed and implemented
- ✓ Database developed to capture complaints and service notifications with advanced reporting functionality
- ✓ DWMS framework consisting of documents, procedures and other supporting information for the safe supply of drinking water, along with the annually reporting on the delivery of the DWMS
- ✓ Goldenfields became the first NSW water utility to provide its customers in the local government areas of Bland, Coolamon, Junee, Temora, and parts of Cootamundra-Gundagai and Narrandera, with access to MyH2O. Linked to the smart meter technology installed in customers' water meters, MyH2O is a completely free online service that gives customers instant knowledge about how much water is being used at their property every hour and how much it is costing them. MyH2O can be accessed from any computer, smart phone or other mobile device, and customers can even choose their own water consumption targets with email and SMS alerts
- ✓ Extensive renewals of water main renewals, pump stations, reservoir relining and telemetry renewals.

02 Maximising Regional Water Supply

- ✓ GWCC have undertaken 30 year asset strategy for our Jugiong and Oura treatment plants which considers the future growth, required asset upgrades and staging of works to ensure future water supply is secure and reliable.
- ✓ Key infrastructure assets have been upgraded to allow for the region's future growth



03 Strategic Water Management

- ✓ Goldenfields Production and Services Manager is an executive committee member for the NSW Water Directorate. The General Manager is a member of the Town Water Risk Reduction Program which actively work toward enabling local water utilities to manager risks and priorities more strategically and effectively. The Production and Services Manager is involved in the incident emergency focus group and performance monitoring group within the TWRRP.
- ✓ Working toward developing the Integrated Water Cycle Management Plan, Goldenfields has developed 30 year strategic plans, and developed an asset register and database.
- ✓ GWCC are actively improving the systems we use to operate our services to gain efficiencies and improve water quality, security and reliability. We have invested in innovative technologies such as artificial intelligence and undertaken trialing different filter media for optimum treatment plant operation.

04 Best Practice Pricing

- ✓ Asset management is used to determine future financial requirements of the organisation through 30 year capital works plans and 10 year long term financial plan
- ✓ The Mandamah Rural Supply Scheme was completed in early 2022. As a result of the successful delivery, the Mandamah Rural Water Supply Scheme has now expanded Goldenfields Water County Council supply network by approximately 180 kilometres, providing essential water services to farmers and residents across more than 90,000 hectares in the Mandamah region west of Barmedman.

05 Proactive Customer Relations

- ✓ Goldenfields launched a new logo, brand and website offering a range of modern features aimed at improving customer experience, and established a social media presence to engage with stakeholders.
- ✓ Customer surveys have been undertaken and areas for improvement raised considered as part of the organisations strategy.
- ✓ Goldenfields first Community Engagement Strategy was developed and implemented with a dedicated officer engaged to implement the actions identified



06 Environmental Protection and Sustainability

- ✓ Goldenfields explored, and implemented where viable solar alternatives
- ✓ Energy use and greenhouse gas production is monitored.
- ✓ Educational and engagement programs were delivered to schools within Goldenfields footprint, including Depth Days, Your Water Your Future Programs, National Water Week initiatives and revegetation events.

07 Efficient Operations

- ✓ New SCADA networks developed
- ✓ Updated financial management system implemented
- ✓ Records Management System implemented
- ✓ Human Resources Information Management System and electronic timesheets introduced

08 Highly Skilled and Energetic Workforce

- ✓ Workforce plan developed and implemented
- ✓ Training plan developed and implemented
- ✓ Health and Well being Plan developed and implemented

09 Financially Sustainable

- ✓ Long Term Financial Plans are reviewed at least annually
- ✓ Fees and Charges are reviewed and adopted in accordance with four-year price paths









STATUTORY REPORTING

Financial, asset and other reporting requirements

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

- ✓ A copy of its audited financial report prepared in accordance with the Local Government Code of Accounting Practice and Financial Reporting published by the NSW Government's Office of Local Government.
- ✓ Such other information or material as the Local Government (General) Regulation 2021 (NSW) or the Integrated Planning and Reporting Guidelines may require.

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



Overseas visits by Goldenfields Water representatives

Clause 217(1) (a) Local Government (General) Regulation 2021.

During the 2021/22 year, no overseas visits were undertaken by Goldenfields Water representatives.

Councillor remuneration, expenses and provision of facilities

Clause 217(1) (a1) Local Government (General) Regulation 2021

| | |
|--|------------------|
| Chairpersons fees | \$ 16,768 |
| Members fees | \$ 76,907 |
| Total | \$ 93,675 |
| Provision of dedicated office equipment | Nil |
| Telephone call allowance | \$ 418 |
| Attendance of councillors at conferences and seminars | \$ 523 |
| Induction training and professional development programs | \$ 2,035 |
| Other training and skill development | Nil |
| Attendance of councillors spouse at conferences | Nil |
| Travel expenses | \$ 7,867 |
| Provision of care for child or immediate family member | Nil |
| Total | \$ 8,817 |

Councillor Induction Training and Ongoing Professional Development

Goldenfields engaged Lindsay Taylor Lawyers to create and deliver Board Member Induction Training for all Councillors. The training 'Responsibilities & Liabilities of Board Members of County Councils as Appointees of the Constituent Councils' was tailored specifically to be relevant for County Councils.

Councillors are provided the opportunity to attend relevant conferences, including the LGNSW Annual Conference and LGNSW Water Conference – attended by Chairperson Matthew Stadtmiller during the 2021/2022 year.



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

Clause 217 (1) (a2) Local Government (General) Regulation 2021

| Contractor Name | Name of goods/ services provided | Total amount payable under the contract |
|------------------------------------|--|---|
| Palmer Ford | Supply and delivery of 6 vehicles | \$335,767 ex GST |
| Killard Infrastructure Pty Ltd | Construction of 12km of pipeline in Wyalong and West Wyalong | \$6,209,038 ex GST |
| Quay Civil Pty Ltd | Construction of concrete high level reservoir at West Wyalong | \$3,986,142 ex GST |
| RMP Abrasive Blasting | Recoat internal surfaces and replace roof of Coolamon high level steel reservoir (north) | \$671,043 ex GST |
| GHD Pty Ltd | Electrical design of High Voltage assets renewals at Jugiong Water treatment plant | \$212,122 ex GST |
| Van Mal Group Construction Pty Ltd | Design and construction of high voltage switch room and associated works | \$2,133,080 ex GST |
| RIC Electrics Pty Ltd | Electrical assets installation works at Oura Water Treatment Plant | \$862,596 ex GST |
| Schneider Electric Pty Ltd | Supply of High Voltage equipment for Jugiong Water Treatment Plant | \$2,001,153 ex GST |

| Contractor Name | Name of goods/ services provided | Total amount payable under the contract |
|--------------------------|---|---|
| Clover Pipelines Pty Ltd | Supply of approx. 40km of pipeline materials and fittings | \$1,906,641 ex GST |
| Palmer Ford | Supply and delivery of 6 vehicles | \$335,767 ex GST |
| Cardno (Stantec) | Reservoir and multi-tray aerator designs. Assess bore delivery capacity | \$394,509 ex GST |



Report on certain proposed capital works projects where a capital expenditure review had been submitted

*OLG Capital Expenditure Guidelines**

Whilst the OLG Capital Expenditure Guidelines 2010 do not apply to water supply infrastructure the following comments are provided for capital works projects over \$1m

1. Stage 1 of microwave link sites is near completion with stage 2 being delivered over the following two financial years. The microwave network facilitates remote monitoring and control of water infrastructure assets through our telemetry program
2. Thanowring road pipeline construction has commenced but is currently behind schedule due to wet weather impeding construction. This pipeline entails approximately 40km of pipeline renewal and upsizing.
3. The construction of the Rosehill pipeline has been completed. This project occurred over multiple years and included the renewal and upsizing of approximately 11 km of trunk pipeline for a cost of approximately \$6.5m
4. Oura High voltage renewal works are nearing completion with commissioning to occur in late 2022. The project required the replacement of high voltage assets which were upgraded to meet current regulatory standards. The project included electrical design works, civil works, high voltage electrical equipment supply and electrical equipment installation. The project will cost approximately \$7m in total
5. The renewal of high voltage assets at the Jugiong Water Treatment Plant has commenced. The works required are similar to the Oura high voltage renewal noted above. The project is due to be completed in the 2022/23 financial year.

6. The Jugiong PLC (Programmable Logic Controller) is the upgrade of the systems, cables, sensors, equipment and computer control system used to monitor, record and control the Jugiong Water Treatment Plant.

Legal Proceedings: Expenses & Progress

Clause 217(1) (a3) Local Government (General) Regulation 2021

During the 2021/22 year Goldenfields Water incurred \$104,658 in legal fees for general legal issues and debt recovery. Legal fees were not in relation to legal proceedings in court, they were only in relation to legal advice or debt recovery action.

Section 67 Works on private land

Clause 217(1) (a4) Local Government (General) Regulation 2021

During the 2021/22 year Goldenfields did not carry out any works on private land.



Section 356 contributions

Clause 217(1) (a5) Local Government (General) Regulation 2021

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

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

- Constituent General Purpose Councils - a donation equal to the value of access charges levied on the first connection to "community" land, together with any connections within road reserves (where such connection is used for public beautification) and crown reserves (where such reserves are not leased or otherwise subject to restrictions on public access);
- All Schools (State and Church), colleges and pre-schools within Council's service area - on application, a donation of \$200 per annum each, to be applied towards the cost of prizes and/or awards to students or any other approved purpose;
- Premises owned by recognised Churches - a donation equal to the value of access charges for any connection which serves, in whole or part, a place of public worship, residence occupied by a minister of religion and/or member of a recognised religious order, and/or welfare facility operated by that church (not including commercial operations);

- Premises owned (or held in trust) and used by the following community organisations, together with others which may be accepted from time to time - a donation equal to the value of access charges for any connection which serves premises primarily utilised to further the objectives of such organisation:

- Scouting & Guiding movement
- Rescue and disaster response groups
- Masonic Lodge meeting places
- Community halls / recreation facilities
- Country Women's Association
- Red Cross
- Local history societies / museums
- Local senior citizens' groups
- Agricultural showgrounds
- Unlicensed RSL halls or similar premises

During 2021/22, Goldenfields Water provided the following donations:

- Access Charge Donation - \$159,879
- Donation of Drinking Water re-fill stations - \$34,674
- Schools - \$11,300
-

Total rates and charges written off

Clause 132 Local Government (General) Regulation 2021

During the 2021/22 year, Goldenfields Water County Council wrote off a total of \$0.



Goldenfields Water functions delegated to external bodies

Clause 217(1) (a6) Local Government (General) Regulation 2021.

During the 2021/22 year, Goldenfields Water has delegated building inspections related to onsite water functions to retail councils: Bland, Coolamon, Junee and Temora.

Goldenfields Water’s controlling interest in corporations, partnerships, trusts, joint ventures, syndicates or other bodies

Clause 217(1) (a7) Local Government (General) Regulation.

During the 2021/22 year, Goldenfields Water held no controlling interests under this section.

Participation in partnerships, trusts, joint ventures, syndicates or other bodies

Clause 217(1) (a8) Local Government (General) Regulation

Goldenfields Water was a party to the following partnerships, co-operatives or joint ventures during the 2021/22 financial year:

- Statewide Mutual - a self-insurance mutual providing public liability and professional indemnity cover for Council.
- Statewide Property Mutual - a self-insurance mutual providing property insurance for Council.
- StateCover - a self-insurance mutual providing workers compensation insurance for Council.
- Riverina Eastern Regional Organisation of Councils (REROC) - a collective of 7 General Purpose Councils and 2 Water County Councils whose objectives are as follows:

- To participate in activities which promote effective regional development.
- To enhance the collective status of Local Government within the eastern Riverina.
- MOU with Riverina Water – Goldenfields Water developed MOU to encourage resource and technical advice sharing.

Equal Employment Opportunity Statement of Activities

Clause 217(1) (a9) Local Government (General) Regulation 2021

It is Council’s policy to provide equal employment opportunity for all persons in accordance with relevant legislation to ensure our workplace is free of discrimination and supports diversity. An Equal Employment Opportunity policy and accompanying Management Plan is in place which provides a comprehensive overview of EEO while outlining the actions Goldenfields Water will undertake to ensure compliance. Council’s EEO Policy & Management Plan focuses on three key areas:

- Communication and awareness
- Policies practices and reporting
- Recruitment and training processes

Strategies in line with these key areas, including staff training and awareness, policy development and implementation, key messaging are put in place to reinforce Council’s position against discrimination and harassment in any form.



Total remuneration for general managers and senior staff

Clause 217(1) (b) & (c) Local Government (General) Regulation 2021

During the 2021/22 financial year the general manager was the only position on a senior staff contract. The remuneration total includes salaries paid, employer superannuation contributions, and fringe benefits tax.

General Manager \$239,598

Total remuneration for senior staff (other than the General Manager)

Clause 217(1)(c) Local Government (General) Regulation 2021

During the 2021/22 financial year the general manager was the only position on a senior staff contract.

Total number of persons performing paid work - 25 May 2022

Clause 217(1)(d) Local Government (General) Regulation 2021

70 persons were employed by the Council on a permanent full-time, permanent part-time or casual basis or under a fixed-term contract.

1 person was employed by Council as a senior staff member.

0 persons were engaged by the Council under a contract or other arrangement with the person's employer, wholly or principally for the labour of the person.

0 persons were supplied to the Council, under a contract or other arrangement with the person's employer, as an apprentice or trainee.



Compliance with the Australian Drinking Water Guidelines (ADWG)

Goldenfields Water has developed and maintained a new Drinking Water Management System (DWMS) since 2018. The DWMS demonstrates Goldenfields Waters' compliance with the requirement of s25 Public Health Act 2010 which requires a water utility to develop a Quality Assurance Program in line with the Framework for Drinking Water Quality Management in the Australian Drinking Water Guidelines 2011 v3.4 (NHMRC 2017). This DWMS and its associated documents, act as a roadmap of the activities that Council undertakes to ensure the provision of safe drinking water to its customers.

As part of maintaining a DWMS, Goldenfields Water staff undertake an extensive water analysis of all of its water supply systems via the collection and testing of water for both operational and verification monitoring. These samples are tested at the GWCC laboratory, or an external NATA accredited laboratory for operational monitoring or NSW Health's FASS lab for verification and compliance purposes.

Throughout the 2021/22 reporting period Goldenfields Staff have conducted a total of 1296 microbial water samples, 186 comprehensive chemical samples, 14 pesticide samples, and 3165 in-situ testing samples undertaken and reported on.

All microbial samples were compliant throughout the reporting period, with 41 chemical results indicating levels of exceedance with the Australian Drinking Water Guidelines. These exceedances were based on a majority of low Fluoride results (37) in the Oura and Jugiong supply schemes. The remaining exceedances were related to low results of Chlorine levels in both the Mt Daylight and Jugiong Water Schemes.

These exceedances were based off instrumentation failure and retesting did not identify an additional exceedance and no further action was required. The DWMS is a public document and can be accessed through the following link.

<http://www.gwcc.nsw.gov.au/Plans-policies/Plans-and-reports>



Government Information (Public Access) Act 2009

Section 125 of the Government Information (Public Access) Act 2009 & clause 8. Schedule 2 of the Government Information (Public Access) Regulation 2018.

Review of proactive release program – Clause 8 (a)

Under section 7 of the GIPA Act, Council must review its program for the release of government information to identify the kinds of information that can be made public. This must be undertaken every year.

Council's program for the release of information is on a case-by-case basis as little information is discretionally unavailable.

Number of access applications received - Clause 8(b)

During the reporting period, Council received one formal access application.

Number of refused applications for Schedule 1 information – Clause 8(c)

During the reporting period, Council did not refuse any formal access applications.

Statistical information about access applications – Clause 8(d) and Schedule 2

Table A: Number of applications by type of applicant and outcome*

| | Access granted in full | Access granted in part | Access re-fused in full | Information not held | Information already available | Refuse to deal with application | Refuse to confirm/deny whether information is held | Application withdrawn |
|---|------------------------|------------------------|-------------------------|----------------------|-------------------------------|---------------------------------|--|-----------------------|
| Media | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Members of Parliament | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Private sector business | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Not for profit organisations or community groups | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Members of the public (application by legal representative) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Members of the public (other) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |

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

**Table B: Number of applications by type of application and outcome**

| | Access granted in full | Access granted in part | Access refused in full | Information not held | Information already available | Refuse to deal with application | Refuse to confirm/deny whether information is held | Application withdrawn |
|--|------------------------|------------------------|------------------------|----------------------|-------------------------------|---------------------------------|--|-----------------------|
| Personal information applications* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Access applications (other than personal information applications) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Access applications that are partly personal information applications and partly other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |

**A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual). The total number of decisions in Table B should be the same as Table A.*

Table C: Invalid applications

| Reason for invalidity | Number of applications |
|---|------------------------|
| Application does not comply with formal requirements (section 41 of the Act) | 0 |
| Application is for excluded information of the agency (section 43 of the Act) | 0 |
| Application contravenes restraint order (section 110 of the Act) | 0 |
| Total number of invalid applications received | 0 |
| Invalid applications that subsequently became valid applications | 0 |



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

| | Number of times consideration used* |
|---|-------------------------------------|
| Overriding secrecy laws | 0 |
| Cabinet information | 0 |
| Executive Council information | 0 |
| Contempt | 0 |
| Legal professional privilege | 0 |
| Excluded information | 0 |
| Documents affecting law enforcement and public safety | 0 |
| Transport safety | 0 |
| Adoption | 0 |
| Care and protection of children | 0 |
| Ministerial code of conduct | 0 |
| Aboriginal and environmental heritage | 0 |
| Information about complaints to Judicial Commission | 0 |
| Information about authorised transactions under Electricity Network Assets (Authorised Transactions) Act 2015 | 0 |
| Information about authorised transactions under Land and Property Information NSW (Authorised Transaction) Act 2016 | 0 |

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

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

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

Table F: Timeliness

| | Number of applications |
|--|------------------------|
| Decided within the statutory timeframe (20 days plus any extensions) | 0 |
| Decided after 35 days (by agreement with applicant) | 1 |
| Not decided within time (deemed refusal) | 0 |
| Total | 0 |



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

| | Decision varied | Decision upheld | Total |
|--|-----------------|-----------------|----------|
| Internal review | 0 | 0 | 0 |
| Review by Information Commissioner* | 0 | 0 | 0 |
| Internal review following recommendation under section 93 of Act | 0 | 0 | 0 |
| Review by NCAT | 0 | 0 | 0 |
| Total | 0 | 0 | 0 |

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

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

| | Number of applications for review |
|------------------------------|-----------------------------------|
| Agency initiated transfers | 0 |
| Applicant initiated transfer | 0 |

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

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



Public interest disclosures

Section 31 of the Public Interest Disclosures Act 1994 (PID Act) & clause 4 of the Public Interest Disclosures Regulation 2011

Goldenfields Water is required to report annually on statistical information in accordance with the Public Interest Disclosures Act 1994 (PID Act).

Goldenfields Water maintains a Complaints Management Policy as well as an Internal Reporting Policy to manage public interest disclosures. These are published on council's website as well as distributed to staff.

Statistical information for 2021/22 can be found in the following table

| 1 July 2021 - 30 June 2022 | Made by public officials performing their day to day functions | Under a statutory or other legal obligation | All other PIDs |
|---|---|--|-----------------------|
| Number of public officials who made PIDs directly | 0 | 0 | 0 |
| Number of PIDs received | 0 | 0 | 0 |
| Of PIDs received, number primarily about: Corrupt conduct | N/A | N/A | N/A |
| Maladministration | N/A | N/A | N/A |
| Serious and substantial waste | N/A | N/A | N/A |
| Government information contravention | N/A | N/A | N/A |
| Local government pecuniary interest contravention | N/A | N/A | N/A |
| Number of PIDs finalised | 0 | | |



Financial Statements

Goldenfields' audited financial reports for the year 2021/22 are included below.

NEXT MEETING

The next ordinary meeting of Council is scheduled to be held on Thursday 8 December at 4.30pm.

CLOSE OF BUSINESS

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