



BERRIGAN SHIRE
BAROOGA • BERRIGAN • FINLEY • TOCUMWAL



Annual Report

2022-2023





Acknowledgements

Berrigan Shire Council acknowledges the Traditional Owners on whose land we live and work. We pay our respects to elders past, present and emerging for they hold the memories, culture, tradition and hopes of all First Nations Peoples and contribute the fabric that is our community.

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Message from our Chief Executive Officer & Mayor to September 2023

We are delighted to present the Berrigan Shire Council's Annual Report for the 2022-2023 financial year. We are proud to share with you the progress we have made, the challenges we have overcome, and the vision we strive to deliver for our community.

This year has been a testament to the strength and resilience of our people. In the face of unprecedented circumstances, we have witnessed the true spirit of the resilience and co-operation that defines our Shire. Together, we have confronted the impacts of extended flood events, impacts on our businesses for Covid and reduced tourism trade, global events, and many other challenges; embracing change with determination and optimism. As your Mayor and the CEO, we are immensely proud of the strides we have taken as a community.

Financial Stability and Infrastructure Development: Despite the economic challenges, we have maintained prudent fiscal management, ensuring our financial sustainability while delivering essential services to our residents. We have made significant investments in upgrading and maintaining our infrastructure, focusing on roads, public spaces and utilities to enhance the overall living experience in Berrigan Shire. Some of the highlights in this area have been:

- the development of the Finley Lake Masterplan;
- the development and commencement of delivery on the Barooga Recreation Reserve Masterplan;
- the development of the Masterplans for the Berrigan, Finley and Barooga Cemeteries;
- considerable remediation works have been completed following the extended flooding events;
- the Tocumwal Aerodrome Carpark has been delivered; and
- we were able to confirm the ongoing commitment with Moira Shire to continue to provide funding to the Barooga Aquatic and Recreation Centre.

Community Engagement and Empowerment: We firmly believe the success of our Shire depends on the active involvement of our residents. In this spirit, we have increased our support to our volunteer committees, particularly our section 355 Committees of Council and will continue to redefine those relationships throughout the coming year. Through various programs, meetings and online platforms, we have encouraged open dialogue and inclusivity, ensuring every voice is heard and considered in our decision-making processes. Examples of this work include:

- establishing strong relationships with both Cross Border Commissioners to ensure our communities are well represented;
- increased advocacy regarding the establishment of an ambulance station in Tocumwal;
- direct engagement with discussions regarding the Finley Hospital upgrade; and
- successful leveraging of our Memorandums of Understanding between Council, the private sector and other local councils.

Sustainable Initiatives: Sustainability remains a top priority for Berrigan Shire Council. We have committed to delivering Food Organics and Garden Organics collection in the coming financial year, made considerable inroads into our waste reduction programs and will continue to promote renewable energy initiatives within our service delivery.

Supporting Local Businesses and Employment: Our commitment to economic growth extends to supporting local businesses and creating employment opportunities within the Shire. We have continued to engage with our local industries and business providers to foster an environment conducive to growth, innovation and prosperity. By investing in skills development programs and vocational training, we aim to equip our workforce with the necessary tools to thrive in an ever-evolving job market.

Strong advocacy to attract four Country Universities Centres (CUC) to the region, one being in Finley has seemingly borne fruit. The interim report from the University Accord included an announcement of \$67M to go towards establishing more regional university centres, meaning our argument for their establishment in our region looks more promising than ever. The inception of a CUC in Finley will assist us to deliver the desire of the community to grow our own talent and develop a more sustainable talent pool.

We have also worked hard in the areas of:

- water security, having many meetings with the Murray Darling Basin Authority so they may start to understand how their water management practices are affecting local communities, especially through the creation of prolonged flooding events;
- water utility provision concerns have been raised through the introduction of a new Bill to Parliament to constitutionally recognise Hunter and Sydney Water to ensure they remain State public assets; we are advocating to ensure this constitutional change recognises the importance of all water utility provision in NSW remaining public assets;
- strong advocacy concerning the 450GL buy back program being implemented without understanding of the potential pressures this scheme will place on our area in particular;
- the commencement of work on a regional housing strategy that is geared to address the shortage of key worker and affordable housing across our region, making it almost impossible to attract workers to the area; and
- held our very successful bi-annual Business Awards including the provision of advertising and marketing stock for nominated businesses.



L-R: Berrigan Shire Council's Mayor to September 2023, Matthew Hannan and CEO, Karina Ewer.

Tourism and Cultural Enrichment Berrigan Shire boasts a rich cultural heritage and scenery and attractions that draw visitors from near and far. In 2023, we have intensified efforts to promote tourism and cultural events, showcasing our unique identity and providing memorable experiences to all who visit. By promoting our local businesses, attractions, events and identity, we celebrate the essence of Berrigan Shire and reinforce our position on the regional tourism map.

We have actively engaged in this area by:

- working closely with Murray Regional Tourism in the review, development and delivery of a region wide Destination Management Plan and associated Local Action Plans for each Council area;
- working closely with Murray Regional Tourism and government departments to address Covid recovery initiatives and flood recovery efforts for the tourism sector;
- provided grant funding for the delivery of major events (such as the Finley Ice Skating Rink and the Might Murray Rod Run) to encourage increase in visitation to the area;
- established an accredited Visitor Information Centre focused on the area including the aligning of marketing activities with the wider sector.

The Road Ahead: As we reflect on the achievements of the past year, we recognise our journey is far from over. The road ahead may be challenging, but with the collective determination of our residents, community organisations, local businesses and Council, we are confident Berrigan Shire will continue to grow and thrive. This year we will continue to focus on local and regional

representation to ensure the issues facing our community are understood and addressed. We will continue to work through our collaboration with the Riverina and Murray Joint Organisation, a group of 11 Councils Mayor Matt chairs, for strong regional representation. We will continue to engage with the Country Mayors Association and the work they are doing for NSW Councils as a whole. And, we will continue to attend important strategic conferences such as the Australian Local Government Association and Local Government NSW. All are important forums for the success of our Council and ensuring acknowledgement and understanding of the needs and desires of our community.

We extend our heartfelt gratitude to the residents of Berrigan Shire for their unwavering support and trust in our vision. We are dedicated to serving you with integrity, transparency, and a deep sense of responsibility. Together we will forge ahead, united in our pursuit of a vibrant, sustainable and prosperous future for Berrigan Shire.

Yours sincerely

Matthew Hannan
**Mayor to September 2023,
Berrigan Shire Council**
20 September 2023

Karina Ewer
**Chief Executive Officer,
Berrigan Shire Council**
20 September 2023



Message from our Mayor from October 2023

I would like to thank Councillor Matt Hannan for his commitment and significant contribution as Mayor for an outstanding seven years. Councillor Hannan, as Mayor, has led our community through a very difficult period in our history.

In just the last four years we have dealt with impacts from bushfires, lockdowns, border closures and floods. As we come out the other side, with our communities rapidly expanding as a place of choice and our visitor economy starting to resurge, we are reaping the benefits of his solid and enduring leadership. Thank you.

Bringing considerable experience in governance and probity across government, I intend to guide our Council through new and evolving ways of thinking and doing things. We can and will be a Council that prides itself on its innovative approaches to both new and old problems. As Mayor I look forward to leading the Council in the provision of high quality, contemporary, professional and reliable service to our community.

A handwritten signature in black ink that reads "Julia Cornwell McKean".

Julia Cornwell McKean
Mayor from October 2023,
Berrigan Shire Council
18 October 2023





Our Vision

Community Vision

In 2032 we will be recognised as a Shire that builds on and promotes our natural assets and advantages to create employment and economic activity to attract residents, families and tourists.



TEAMWORK.

A collegiate workforce who are passionate about their community, are approachable to internal and external stakeholders and who are flexible enough to support the service delivery outcomes of Council, regardless of position title.



RELIABILITY.

Trust is generated by a knowledgeable and competent workforce who are willing to help others as necessary and within their skill sets, abilities and delegations.



HONESTY.

A working environment where loyalty and integrity are rewarded and staff are brave enough to question why, allowing everyone space to commit fully to agreed service delivery outcomes.



SERVICE.

Service is the core of our commitment to the community and is well considered and strategic in its delivery.

Our Guiding Principles



Service - we treat people as valued customers, provide streamlined systems and services, and actively listen and respond to community needs.



Employees - we listen to our employees, value their input and recognise the knowledge and experience they bring to the culture of our Council.



Sustainability - we ensure value for money and sustainable community outcomes are at the centre of our spending decisions.



Stakeholders - we seek opportunities to work with all stakeholders to achieve the goals of our Community Strategic Plan.



Communication - our communication is planned, clear, concise and consistent with our vision and values.



Respect - we respect and apply social justice principles including equity, fair access and participation to our service delivery.



Responsibility - we take responsibility for our decisions and actions.

Overview

About Berrigan Shire

Berrigan Shire is a thriving rural community on the banks of the iconic Murray River, the border between New South Wales and neighboring Victoria, only three hours north of Melbourne (270 km) and 7 hours (670 km) south-west of Sydney. A growing population of 8,700 live in our four towns of Barooga, Berrigan, Finley and Tocumwal and the surrounding rural area. This population is expected to increase to over 10,000 by 2046.

Berrigan Shire's major industry is agriculture with most of our 2,066 square kilometre area having access to irrigation, allowing for intensive cropping and pasture with Finley and Berrigan acting as service towns. The Murray River and associated lifestyle options also attract many tourists from Victoria, especially in the river towns of Tocumwal and Barooga.

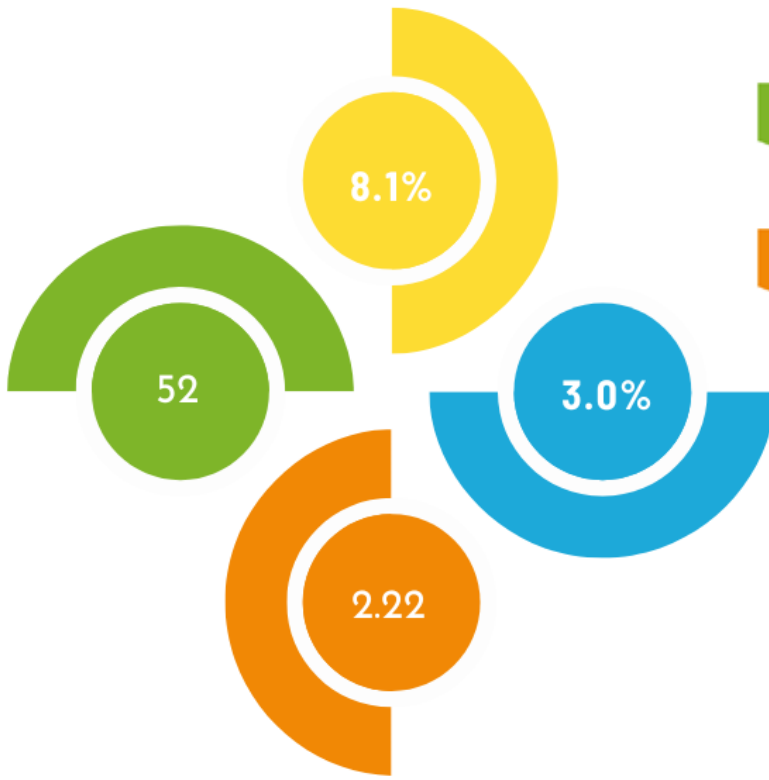
About our Council

Berrigan Shire Council, established in 1906, is the governing body for Berrigan Shire, providing a full range of local government services.

Eight Councillors are elected to four-year terms and the Councillors elect a Mayor from among their number who serves a two-year term. The role of the elected Council is to represent the community, formulate policy and strategic direction, oversee the implementation of Community Strategic Plan and review the performance of the organisation.

Day-to-Day management of the Council, in line with the strategic direction set by the Councillors, is the responsibility of the Chief Executive Officer (CEO). The CEO is also responsible for providing advice to the Council, implementing the lawful decisions of the Council and appointing and managing staff in line with the resources provided in the Council's budget and organisation structure.

About Our Community



- Overall population**
 The population estimate for Berrigan Shire as of the 30th June 2022 is 8,653. Since the previous year, the population has grown by 0.44%.
- Born overseas**
 In 2021, 8.1% of Berrigan Shire's population was born overseas compared to 12.2% in Regional NSW.
- Age Profile**
 In 2021, Berrigan Shire had a median age of 52 years, with Tocumwal having the highest median age of 59 years.
- Indigenous population**
 In 2021, 3.0% of Berrigan Shire's population was of Aboriginal and/or Torres Strait Islander.
- Size of dwellings**
 Berrigan Shire had an average household size of 2.22 persons per dwelling in 2021.
- Working profile**
 Employed residents: 3,693
 Local businesses: 902
 Largest industry (by employment): Agriculture, Forestry and Fishing

We provide:



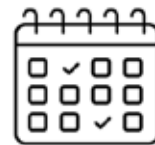
Pet registration and animal control.



Waste management and recycling.



Lifeguard patrols at our outdoor pools.



Events program and assistance.



Community and cultural programs.



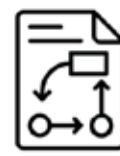
Regulatory and environmental.



Tourism and economic development.



Community engagement about plans, services and facilities.



Strategic planning.



Critical service - Water Supply & Wastewater.



We provide:



Amenities.



Swimming Pools.



Libraries.



Playgrounds.



Roads



Bushland.



Recreation Reserves.



Pathways.



Skateboarding facilities.

14 
PLAYGROUNDS

Berrigan 2, Barooga 5,
Finley 5, Tocumwal 3

23 
PARKS & RESERVES

Barooga 6, Tocumwal 7,
Finley 7, Berrigan 3

3 ★★★★★
SKATE PARKS
★★★★★

Berrigan 1, Finley 1,
Tocumwal 1



Berrigan Shire
Council covers
an area of
2,066KM²


19 **TOILET
BLOCKS**

Berrigan 3,
Barooga 4, Finley 7,
Tocumwal 5



2.6%
of Shire area is
parkland.

3 **OUTDOOR
SWIMMING
POOLS**

Tocumwal 1, Finley 1,
Barooga 1

**NUMBER OF
ROADS:**

543

293.994km


4
LIBRARIES

Finley 1, Tocumwal 1,
Barooga 1, Berrigan 1



50.799KM
**ASPHALT
FOOTPATHS**

Bulk waste and illegal dumping
collections made by Berrigan Shire
Council team:

Berrigan Total: 5,034m³



Waste collected
4,622m³



Waste recycled
336m³

Tocumwal Total: 1,671m³



Waste collected
913m³



Waste recycled
728m³

Type	Volume in tonnes
Total Waste Received	6,214
Total Waste collected (Kerb side collection)	2,260
Waste recycled by council	970
Waste sent to other facilities for recycling	1,160



Consolidated B-24 Liberator

The B-24 was used extensively in the Pacific theater of World War II. It was the only four-engine bomber to be produced in large numbers. It was used for long-range bombing missions and for transport. The B-24 was also used for medical evacuation and for dropping supplies to the front lines. It was the only bomber to be used in the atomic bombing of Japan. The B-24 was also used for reconnaissance and for training pilots. It was the most versatile and reliable bomber of the war.

About Our Council

Berrigan Shire Council administers a Local Government Area covering the townships of Barooga, Berrigan, Finley and Tocumwal.

We have eight councillors including the Mayor. In 2022-2023 the day-to-day operations were managed by Chief Executive Officer, Ms Karina Ewer.

Attendance at Council Meetings 1 July 2022 to 30 June 2023

Elected Member	No. of Council Meetings	Apology/ Absent
Cr Hannan	15	1
Cr Marriott	15	1
Cr Reynoldson	14	2
Cr Paine	13	3
Cr Taylor	14	2
Cr Hatty	14	2
Cr McNaught	14	2
Cr Cornwell McKean	16	-



L-R: Cr Julia Cornwell McKean (Mayor), Cr Renee Paine, Cr Roger Reynoldson, Cr Carly Marriott (Deputy Mayor), Cr John Taylor, Matthew Hansen (Deputy CEO), Rohit Srivastava (Director Infrastructure) Dr Joanne Ruffin (previous Director Strategic Planning and Development), Karina Ewer (Chief Executive Officer), Cr Matthew Hannan, Cr Sarah McNaught, Cr Ted Hatty.

Your Rates at Work



Special Rate variation

Special Rate Variation Guidelines 7.1*

The Berrigan Shire Council was initially given a 0.9% rate cap increase by IPART. A special variation was approved,

adding a further 1.1% to the initial 0.9% meaning the rate cap increased 2% for the 2022/2023 financial year



Amount of rates and charges written off during the year

Local Government (General) Regulation 2021 (Reg), cl 132

Ordinary/General Rates/Interest	\$587.03
Annual Water Charges/Interest	\$30.48
Water consumption Charges/Interest	\$3,946.75
Annual Sewer/Pedestal Charges/Interest	\$30.80
Domestic Waste Charges/Garbage/Interest	\$71.40
Stormwater/Drainage Charges/Interest	\$214.43
Business garbage	\$29.40
Legal & Other Charges/Interest	\$0
Total	\$4,910.29

Modern Slavery Statement 2023

Act s 428(4)(d)

Berrigan Shire Council
56 Chanter Street
Berrigan NSW 2712

07 July 2023

Introduction

At Berrigan Shire Council, we are committed to upholding the highest ethical standards and promoting human rights in all our activities. As part of our dedication to social responsibility, we recognise the importance of addressing modern slavery and human trafficking issues with our operations and supply chains. This Modern Slavery Statement outlines our approach to combating modern slavery, as required under the Modern Slavery Act 2018 (Cth).

Organisational Structure

The Berrigan Shire Council is a local government entity operating within the Southern Riverina area of New South Wales. We provide a wide range of services to our community, including services listed in the following section "Our Service Delivery." Our Council comprises dedicated employees, contractors, and suppliers who contribute to the delivery of these services.

Our Commitment

We are committed to preventing modern slavery in all its forms, including forced labour, human trafficking, child labour, and other exploitative practices. We condemn any violation of human rights and strive to ensure our operations, as well as our supply chains, are free from modern slavery.

Policies and Due Diligence Processes

As per the below outline, Council has commenced work in some areas related to identifying and preventing modern slavery, and has identified several areas of focus for the coming year:

1. **Policy Against Modern Slavery:** during the 2023-2024 financial year we will develop a policy that will explicitly prohibit modern slavery within our organisation and our supply chains. The policy will be communicated to all employees, contractors and suppliers. Council is currently undertaking a comprehensive review of its Workforce Management Plan and is about to commence a comprehensive review of its procurement manual. Modern slavery considerations will inform the development of these policies.
2. **Risk Assessments:** Having only recently completed the development of our Risk Management Framework, including a full risk register, and strategic risks, it is planned that during the 2023-24 financial year, we will complete a modern slavery risk assessment across our service delivery and supply chains. These assessments will help us to understand the nature and extent of the risks involved and prioritise our efforts accordingly.
3. **Supplier Engagement:** Once our Policy Against Modern Slavery is adopted by Council, we will commence engagement with suppliers to ensure they share our commitment to combatting modern slavery. We will expect our suppliers to comply with all applicable laws and regulations related to modern slavery and to implement their own policies and due diligence processes. We will continue to manage our procurement processes through LG Procurement and TenderLink to provide a level of mitigation until these processes are developed and implemented.
4. **Supplier Audits and Assessments:** During the 2023-24 financial year we will commence audits and assessments of our suppliers to evaluate their compliance with our policies and to identify any potential risks of modern slavery. These audits and assessments will be conducted periodically or as deemed necessary and will be guided by the outcomes of our policy development.
5. **Employee Training and Awareness:** We will provide training and awareness programs to our employees to educate them about modern slavery, its indicators, and the actions they may take to report any concerns or suspicions.



Reporting Mechanisms

We encourage employees, contractors, suppliers and members of the public to report any suspicions or concerns related to modern slavery. Our development of the required policy will provide information regarding appropriate reporting mechanisms to receive and investigate such reports. All reports will be treated confidentially, and no individual will face retaliation for making a report in good faith. Until Council has appropriate policies in place it will seek relevant legal advice as to how to proceed with any reporting matters.

Future Steps

Council is aware there is a lot of work to do in the coming year to meet its modern slavery obligations. We are committed to continually improving our efforts to combat modern slavery. In the coming year we will:

- Develop the policy outlined above;
- Complete require risk assessments across our service delivery areas;
- Undertake training for our employees; and
- Engage with our suppliers to ensure they are aware of our journey and our commitment to desired outcomes.

Conclusion

We recognise the fight against modern slavery requires ongoing vigilance and collaboration. We are committed to playing our part in eradicating this abhorrent practice and protecting human rights within our sphere of influence. This Modern Slavery Statement will be reviewed annually to ensure its relevance and effectiveness in addressing modern slavery risks.

Karina Ewer MBA, MCDR, GAICD, MAHRI

**Chief Executive Officer
Berrigan Shire Council**

Issues Raised by Anti-Slavery Commissioner 2022-2023

Act s 428(4)(c)

There have been no issues raised by the Anti-Slavery Commissioner with the Berrigan Shire Council during the reporting period.

Our Service Delivery



Karina Ewer
Chief Executive Officer

- Corporate Governance
- Strategic Direction
- Strategic Risk Management
- Insurance and Liability
- Strategic Communications Management
- Workforce Safety and Wellbeing
- Cultural Tone
- Council Efficiencies
- Enterprise Risk Management
- Financial Sustainability



Matthew Hansen
Deputy Chief Executive Officer

- Operational Management
- Operational Governance
- Human Resource Management
- Workforce Development
- Corporate Communications
- Intergrated Planning and Reporting
- Cemetery Management
- Emergency Management
- Property and Land Management



Tahlia Fry
Director Corporate Services

- Financial Management
- Payroll
- Information Technology
- Rates Management
- Customer Experience
- Bendigo Bank
- Records Management
- Recreation Management
- Section 355 Committees of Council
- Procurement and Contracts Oversight
- Lease Management
- Council Land & Building



Rohit Srivastava
Director Infrastructure

- Asset Management
- Energy and Sustainability
- Resource Recovery
- Parks and Recreation Space Management
- Landscape Services
- Streetscapes
- Preoject Delivery
- Design Services
- Traffic and Transport
- Civil Services
- Water Supply
- Network Planning and Operations
- Landfill Management
- Aerodrome Management



Andrew Fletcher
Director Strategic Planning and Development

- Library Services
- Community Development
- Visitor Economy and Experience
- Event Management
- Visitor Information Services
- Economic Development
- Development Assessment
- Building Surveying
- Compliance
- Pest Weed and Animal Services
- Public Health Management

Integrated Planning and Reporting

Act s 428(3), Act s 428(4)(b)

Integrated planning and reporting outlines the system of integrated business planning for local government in NSW.

The aim of the framework is to ensure Councils:

- Integrate community priorities into Council strategies and plans;
- Support community and stakeholders to play an active role in shaping the future of the community;
- Articulate the community's vision and priorities; and
- Maintain accountability and transparency through regular monitoring and reporting.

Key Components of Integrated Planning and Reporting



Community Strategic Plan

The Community Strategic Plan (CSP) is the highest level plan a Council will prepare. The purpose of the CSP is to identify the community's priorities and aspirations for the future and allows Council to plan strategies for achieving these goals. The CSP is the cornerstone document of the NSW Government's Integrated Planning and Reporting framework (IP&R).



Resourcing Strategy

The Resourcing Strategy outlines the resources to implement the strategies in the CSP and the principal activities of the Deliver Program. The Resourcing Strategy includes the Long Term Financial Plan, our Workforce Plan and our Asset Management Strategy and Plans.



Delivery Program

The Delivery Program (DP) is Council's commitment to the community. In preparing the program, the Council is accounting for its stewardship of the community's long-term goals, outlining what it intends to do towards achieving these goals during its term of office and what its priorities will be.



Operational Plan

The Operational Plan (OP) supports the DP and is annual in nature. It spells out the details as individual projects and activities that will be undertaken each year to achieve the commitments made in the DP.



Annual Report

The Annual Report is one of the key points of accountability between the Council and its community. The Annual Report focuses on the Council's implementation of the DP and OP and Council's progress against delivering those plans.



State of Shire Report

The State of the Shire Report is prepared by each outgoing Council and is noted by the incoming Council. It reports to the community the effectiveness of the Council in its implementation of the CSP. Our next State of the Shire Report will be prepared during the 2023-24 Financial Year in preparation for the 2024 Local Government elections.



Measuring Progress

The IP&R framework requires Councils to measure and report on the progress of implementation of its Plans using a set of community indicators.



Reporting Progress

- Delivery Program - 6 monthly progress reports
- Annual Report
- State of the Shire Report - in line with election cycle (generally every four years)

The Integrated Planning and Reporting Framework





Performance Report

During the 2022-2023 year, we reviewed our Community Strategic Plan - Berrigan Shire 2032. We plan to undertake a thorough review of the CSP during the 2023-2024 year to ensure Council's outcomes continue to align with the aspirations of our community.

The strategic directions outlined in our CSP play a major role in guiding our decisions and priorities. The strategic actions included in our CSP identify ways to work towards achieving the higher-level aspirations of the community.

To monitor progress towards the achievement of these strategic priorities, Berrigan Shire officers report monthly on the progress of our projects. Monitoring includes ongoing commentary and reporting on the achievement of our targets.

Our Councillors receive quarterly reports on progress towards the strategic actions and projects outlined in each year's Operational Plan. A six-monthly report is also made available on our Berrigan Shire website to track our progress towards achieving the actions arising from the Community Strategic Plan.

The following pages outline the progress Berrigan Shire Council has made in achieving the specific projects and strategic actions of Berrigan Shire 2032 during the 2022-2023 year.

Strategic Plan Themes

Berrigan Shire 2032 has a hierarchical structure which considers the four themes under which our outcomes are noted. Outcomes are the highest level aspirations of the community and the Strategic Actions show how the outcomes will be achieved.

Council has continued working, including with a number of strategic partners, to achieve those outcomes identified by the community that are not wholly the responsibility of Council. These agreements are referred to as Memorandums of Understanding.

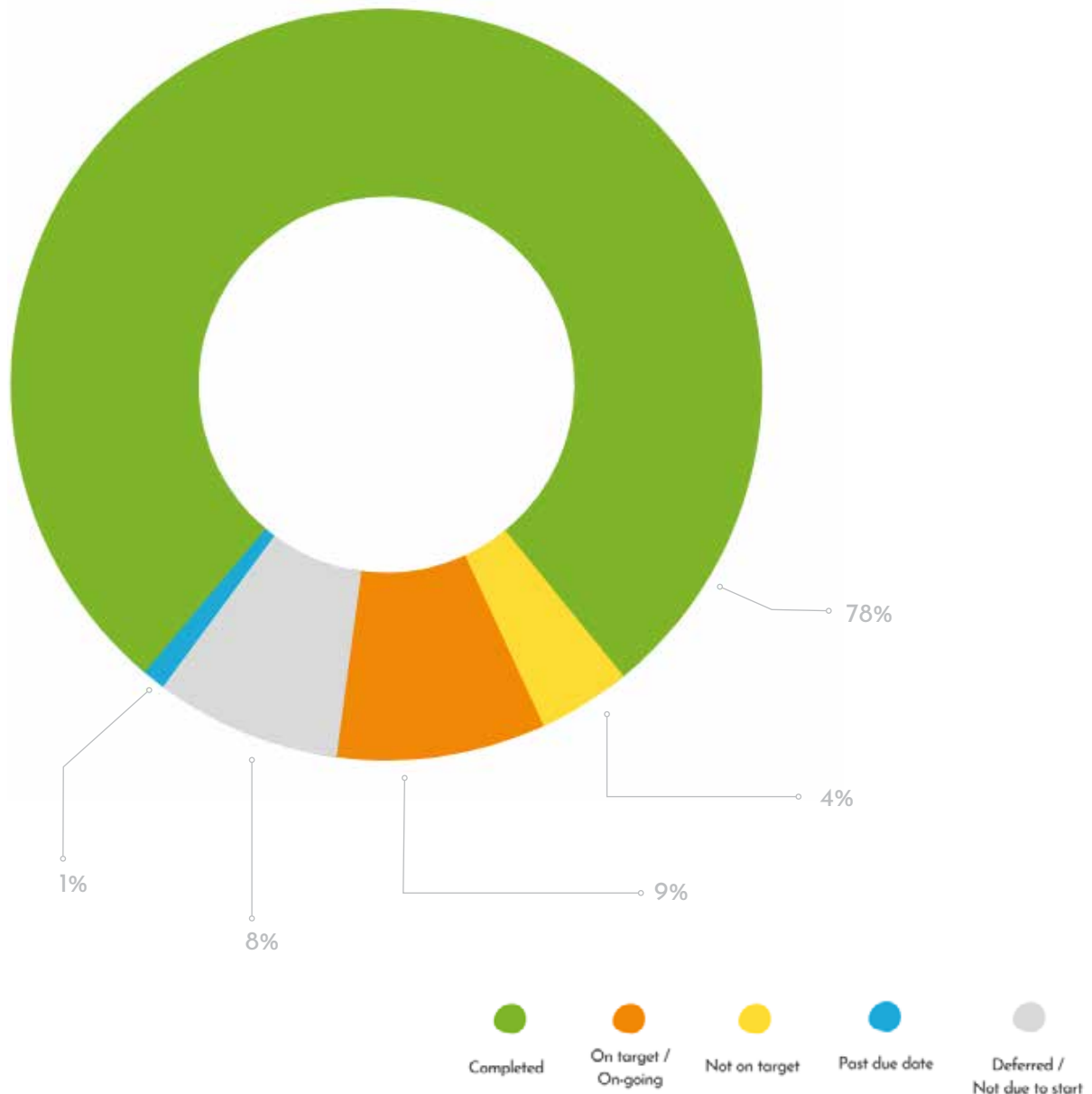
The annual Berrigan Shire Operational Plan lists our projects and activities under each Strategic Action. As we complete items in the Operational Plan, we demonstrate how we are working towards the Strategic Actions and community aspirations of the CSP.



Snapshot - 2022-2023 Operational Plan Performance - Berrigan Shire 2032 Themes

Berrigan Shire's overall progress of the Operational Plan performance reflected an achievement rate of 86%. Overall, of the 71 actions, 55 were completed and 62 reported as on track as at the end of the 2022-2023 financial year. There are two main reasons for Council not achieving all actions identified in the Operational Plan:

- Berrigan Shire Council held a number of vacancies during the reporting period - with an average vacancy rate of about 1/5 of our workforce
- Floods have diverted considerable attention to reconstruction to ensure the ongoing sustainability of our infrastructure. There were considerable time and resources that went into addressing floods and recovery.





Sustainable Natural and Built Landscapes

Development decisions made today about how we move around and between our communities and use our natural resources - the river, wildlife, forests, agriculture, urban land, and water, shape the future of our communities.

The natural and cultural heritage values of our towns, the river, its forests and wildlife are intrinsically valuable and linked to the social wellbeing and economic health of our communities.



Good Government

The development of a Community Strategic Plan establishes a pathway for Councils, other levels of government and our communities and individuals to become engaged and active in planning for the future wellbeing of our communities. Increasing therefore, the transparency of day to day Council operations and Council accountability for how we connect with, and report to our communities. And just as important as the plan, is the process which facilitates partnership, shared resourcing and the development of new opportunities.



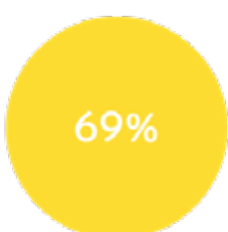
Supported and Engaged Communities

Supported and engaged communities' welcome new members and value the wellbeing of all residents and the social connections that connect people to each other and place. Community wellbeing is fostered through every day involvement in community activities. Community resources are also equitably used to improve community health, individual wellbeing and to celebrate community creativity and innovation - past, present and future.



Diverse and Resilient Business

Local job creation is driven by investment in innovation (new products/ services) is needed to retain and attract skilled professionals and young people. Rural communities who offer lifestyle and professional opportunities are more successful in attracting and retaining a skilled workforce. A strong local economy is a buffer against globally exposed commodity agribusiness during drought or economic downturn. Tourism is a competitive industry sector with the drivers for growth being a diverse range of local / regional experiences supported by Destination product development, marketing and promotion.





THEME 1 - Sustainable Natural and Built Landscapes

Outcomes

- 1.1 Support sustainable use of our natural resources and built landscapes
- 1.2 Retain the diversity and preserve the health of our natural landscapes and wildlife
- 1.3 Connect and protect our communities

Outcome 1.1

Support sustainable use of our natural resources and built landscapes

LEP Review

Council commenced the review of its Local Environment Plan (LEP). A strong Project Steering Committee has assisted Council with ensuring the needs of multiple stakeholders are considered and included in the resultant LEP document.

Issue's related to a new requirement for a Land Use Strategy have caused some delays in the delivery of the finalised plan.

The Council are determined to ensure this document meets the needs of our community now and into the future. The LEP is intended to underpin our economic development, so getting it perfect is essential.

It is hoped the LEP will be ready for submission to the Department of Planning and Environment early in the 2023-24 financial year.





Tocumwal WAAAF Creek Walk

1.1.1 Coordinate strategic land use planning

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
1.1.1.1	Implement Berrigan Shire Council's Local Strategic Planning Statement (LSPS) 2020 - 2040	Director Strategic Planning and Development	Council's strategic landuse practices reflect NSW Dept Planning regional plan and strategic priorities and opportunities identified by local communities	30%		The recommendation the LEP review includes a rural land use strategy will progress a key deliverable from the LSPS - namely that the land use requirements for irrigated agriculture is documented and strategic planning informs this form of primary production.
1.1.1.2	Local Environment Plan (LEP) and associated instruments provide the framework for flexible assessment and control of development in the Berrigan Shire	Director Strategic Planning and Development	Planning controls support transition to Net Zero	80%		<p>The following activities have been undertaken in the past 12-months.</p> <ul style="list-style-type: none"> Reference group formed and provided comment on the strategic issues to be considered including commenting on the draft urban district plans. Series of public meetings held seeking comment on draft district plans. Key issues identified relating to the availability of industrial land as opposed to the supply. The current LEP notes supply of land - this is not the same as the land being available for the zoned use. <p>Confirmed all towns have sufficient in-fill housing land supply - there is however, still demand for flexible use of rural land. Hence, the rural land use strategy is needed to demonstrate the need for flexible use of rural land adjacent to our towns.</p>



OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
1.1.1.3	Monitor and implement changes to development and planning legislation on an ongoing basis	Director Strategic Planning and Development	Land-use planning, and development reflects legislation	100%		<p>This action was included as part of the Planning and Building Service Review. The Service Review is in draft form and noted the pace of reform has not kept pace with rural council's capacity to engage relevant expertise. Further the cost of development is borne by Council and not the developer themselves. Finalisation of the outcomes of the Service review will be tabled for Council consideration during the 2023-24 financial year.</p> <p>Finalisation of software to ensure Council's systems integrate effectively with the ePlanning Portal are also under development to assist with the increased administrative burden placed on Council by the mandatory use of the new system</p> <p>Monthly development reports re: processing of applications to Council is now benchmarked against State average.</p>
1.1.1.4	Commence review of Local Environment Plan	Director Strategic Planning and Development	<p>The planning system supports the development of diversity Housing Stock for key workers</p> <p>Key Worker Housing Strategy is developed and adapted by the Council</p>	80%		<p>The key deliverables and milestones achieved for this project in the past 12-months include: 1) Formation of LEP Reference Group - EOI via social media 2) Reference Group feedback informed development of strategic positioning paper 3) public meetings held and individual meetings held with affected landowners re: draft urban district plans to discuss indicative changes to land use 4) briefing provided to Council at November 2022 workshop re: progress and draft district plans 5) SPW presentation to the Council March 2023 with the Dept in attendance to outline the need for separate rural land use strategy to ensure Dept support for suggestions re LEP changes to rural land - key issue to be overcome related to in-fill land supply options in all our towns and the need to address the Dept. concerns that diversity of rural land zones will not lead to fragmentation of rural land.</p>

1.1.2 Coordinate and develop Community Participation Plans in accordance with relevant legislation and the Council's Community Engagement Framework.

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
1.1.2.1	Implement the Council's Community Engagement and Community Participation Plan	Director Strategic Planning and Development	Additional opportunities will be provided for the community to comment on new Development	100%		All development applications requiring public exhibition have been exhibited and public comment sought. Submissions received have noted issues addressed as part of the Development's assessment and final determination.

1.1.3 Enhance the visual amenity, heritage and liveability of our communities.

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
1.1.3.1	Continue its rolling program of works - town entrances	Director Infrastructure	Improved visual amenity and attractiveness of our towns and major town entrances	100%		Mowing at the town entrances is going as scheduled and is getting done as per the budget.
1.1.3.2	Finalise the implementation of the Tocumwal Foreshore Master Plan	Director Infrastructure	Sensitive and sustainable development of the Tocumwal Foreshore	100%		Toc foreshore amphitheatre and fishing deck Tender was cancelled due to being over budget. Projects to be funded in the future years.



1.1.3 Enhance the visual amenity, heritage and liveability of our communities - *continued*

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
1.1.3.3	Implement, in partnership with Tocumwal community and as funds become available the WAAAF Creek Walk Master Plan	Director Corporate Services	Sustainable development of the natural and cultural heritage WAAAF Creek, Walk Tocumwal	100%	✔	In partnership with Tocumwal Rotary Club, Berrigan Shire Council continues to implement the Tocumwal WAAAF Creek Walk masterplan as resources allow. In 2023, the aging seats were replaced with attractive modern furniture and four additional interpretive signs were installed. Council continues to look for funding to replace the timber bridges and walkways.
1.1.3.4	Implement Finley Railway Park Master Plan as funds become available	Director Infrastructure	Contemporary Residential Precinct Finley Railway Park that meets standards re: Walkability Accessibility Open Space	100%	✔	All 'funded' projects within the Master Plan have been completed. Any new project needs to be scoped and appropriately funded.

Outcome 1.2

Retain the diversity and preserve the health of our natural landscapes and wildlife.

Commencement of Plans of Management

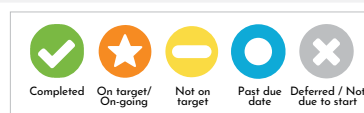
Tocumwal Foreshore Reserve (Town Beach, Tocumwal Recreation Reserve and Tocumwal Foreshore) and Tocumwal War Memorial Hall are Crown Land reserves managed by Council. Council are required to develop Plans of Management for the day-to-day operation of these reserves. The Plans of Management commenced in May 2023.

In May 2023 community consultation occurred to help determine how the community would like to see these reserves maintained and operated.



1.2.1 Partner with community groups and agencies on projects that retain and preserve the health of our natural landscapes and wildlife.

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
						State Government to manage this issue.
1.2.1.2	Monitor bio-security hazards -including monitoring and control of pests (vermin, feral animals, etc) and undertake control activities when funded to do so	Coordinator Biosecurity and Compliance	Environmental, economic, and social harms cause by biosecurity hazards and or common pests is reduced	80%	★	Monthly Regional Weed Action Strategy reports provided to the Department per the funding agreement. Local weeds are being addressed with additional staff resourcing. Rabbit control was undertaken at Tocumwal, Barooga, Berrigan cemeteries and Tocumwal Recreation Reserve.
1.2.1.3	Undertake tree assessments and establish a tree register for all urban trees	Enterprise Risk Manager	Hazardous trees will be identified High risk issues address	50%	⊖	Until grant funding is made available to develop this strategy, tree assessments will be conducted on an as needs basis, ie. through incident reporting, complaints or inspections.
1.2.1.4	Develop an urban tree strategy	Director Infrastructure	Planned and strategic response to the management of urban trees	5%	✘	Tree strategy is under review and is anticipated to be presented to Council in the FY 23/24.



OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
1.2.1.5	Partner with our communities on the review of Crown Reserve Plans of management	Director Corporate Services	Crown Reserve Management Plans inform management of Crown Lands	100%		Actions in the past 12-months include - working with the Crown Land Manager, Finley Lake on the development of a Master Plan, looking at ways to try to start managing Corellas but all options are incredibly expensive, survey of Town Beach to identify land that is used for camping for inclusion in the Tocumwal Foreshore Crown Reserve, also commenced consultation with the Tocumwal Memorial Hall Committee of Management on the development of a new Plan of Management.

Outcome 1.3
Connect and protect our communities

Stormwater and Drainage works

Stormwater works identified at Snell Rd completed. Survey of open drains at Berrigan complete.

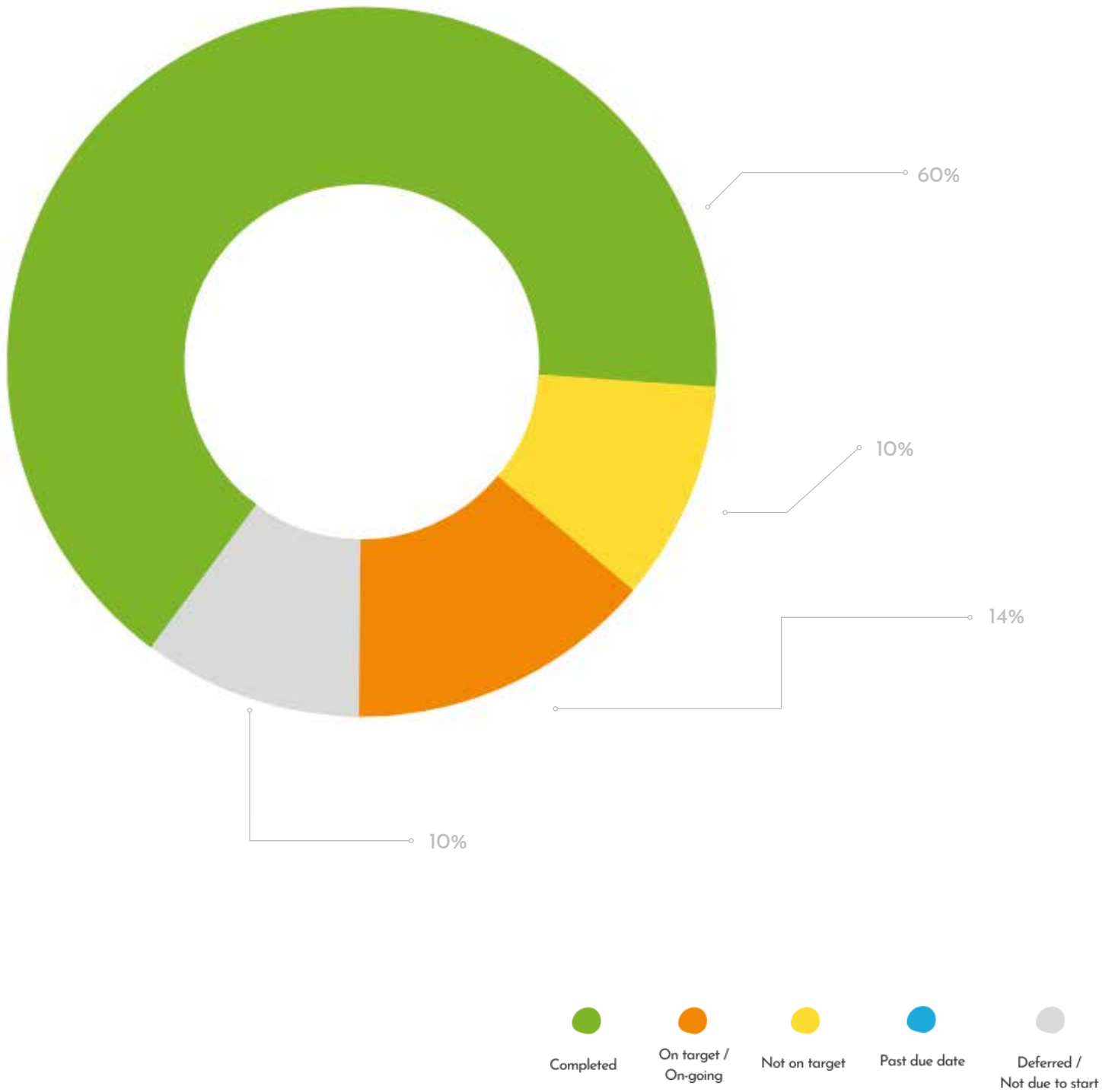
1.3.1 Coordinate flood levee, local road, sewer and stormwater asset management and planning

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
1.3.1.1	Review and implement Asset Management Plans which maintain a balance between improving and maintaining flood levees, stormwater, Council roads, paths and trails	Director Infrastructure	Service levels met as set out in adopted Asset Management Plans	40%		AMP reviews were delayed due to staff shortages. The project will be commenced in the FY 23/24 with the engagement of a new Assets and Engineering Manager.
1.3.1.2	Design, construct and maintain storm water systems that safely capture and remove water	Director Infrastructure	Service levels met as set out in adopted Storm Water Asset Management Plan	100%		Stormwater works identified at Snell Rd completed. Survey of open drains at Berrigan complete.
1.3.1.3	Ensure sewer network is safe and functional	Director Infrastructure	Sewer networks are managed to maximise operational functions	100%		Operations staff ensured sewer network and treatment plants functioned as per the desired levels. CCTV of critical sewer mains were completed, scope of works to strengthen them identified.
1.3.1.4	Continue remediation of Tocumwal Foreshore Levee	Director Infrastructure	Prevents inundation of Tocumwal from recognised flood events	100%		All works related to the foreshore levee are complete and minor maintenance works are on-going.
1.3.1.5	Maintain the safety of Council roads and walkways	Director Infrastructure	Asset Management Plan identified service levels and standards are met	100%		Council engaged services of an external consultant to inspect all Council roads and provide condition assessments. The project identified flood damages and the same have been submitted to TfNSW as part of Council's flood claim.

1.3.2 Manage landfill, recycling and waste disposal

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
1.3.2.1	Implement the Berrigan Shire Council Waste Plan	Environmental Engineer	Sustainable management of Berrigan Shire Council Waste Management facilities and services	100%		Council participated in a joint solid waste tender of RAMJO Councils. Council representative has reviewed the received tenders and a Council report of the tender evaluation is complete with the evaluation being presented to Council at its Aug'23 meeting. Waste tender was awarded at its Jul meeting. A start date for the Waste Tender is currently being discussed.
1.3.2.2	Deliver township waste collection and street cleaning services	Environmental Engineer	Instigate & manage a waste collection contract to ensure garbage collection	100%		Kerbside collection contract is going smoothly, and new Contract is anticipated to start from Jul'24.

Operational Plan 2022/23 Report





Delivery Program Monitoring Measures

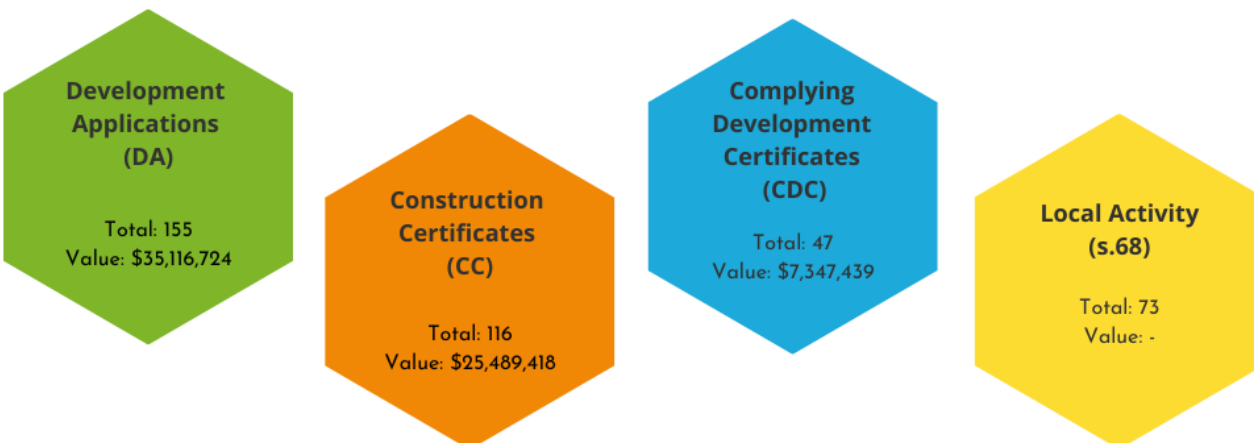
Monitoring Measure: Waste **Indicator:** Activity Data Domestic Roadside Waste Collection

Below is the curbside waste volume collected data from FY18-19 to FY 21-22, all volumes reported are in metric tonnes.

Kerbside Pickup	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Total
General Waste	133.43	158.16	132.91	133.23	169.14	137.53	155.24	137.4	139	133.71	165.73	128.26	1723.74
Recycle Bin	37.7	47.74	41.98	44.64	58.42	42.9	58.7	44.15	37.4	35.95	50.5	36.35	536.43

Monitoring Measure: Building and Planning Department

Indicator: Activity Data Development Applications and Construction Certificates



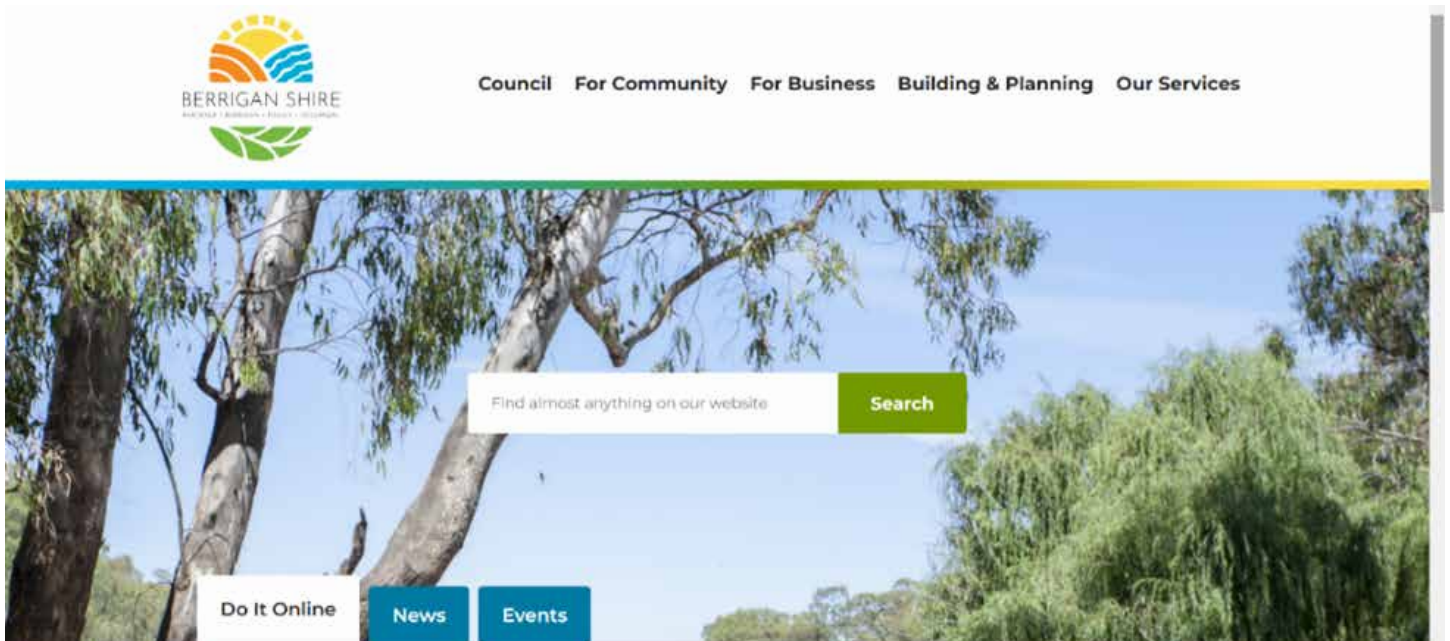
THEME 2 - Good Government

Outcomes

- 2.1 Berrigan Shire 2032 objectives and strategic actions facilitate the effective governance by Council of Council operations and reporting
- 2.2 Strengthen strategic relationships and partnerships with community, business and government

Outcome 2.1

Berrigan Shire 2032 objectives and strategic actions facilitate the effective governance by Council of Council operations and reporting



Launch of Berrigan Shire Council's new website



Implementing aspects of the Barooga Recreation Reserve Masterplan
Opening of the Barooga Netball courts




Berrigan Shire Council Business Awards
Winner: People's Choice in Customer Service



Australia Day

2.1.1 Council operations, partnerships and coordination of resources contribute toward the implementation of Berrigan Shire 2032







OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
2.1.1.1	Promote and support the engagement of Shire residents, local business and agencies in the development, implementation of Berrigan Shire 2032	Director Strategic Planning and Development	Co-production of local services	100%		The development of MOUs with neighbouring councils, key employers and other strategic partners, in addition to ongoing support offered to Council's section 355 Committees' and the launch of the new website design are examples of activities undertaken to promote and support the engagement of residents in Council's operations. Resident engagement has been particularly evident in support for the Business Awards and other online surveys. All surveys have achieved extensive engagement across all age groups noted when residents and business were invited to provide feedback on matters such as the future development Tocumwal Town Beach.

2.1.1 Council operations, partnerships and coordination of resources contribute toward the implementation of Berrigan Shire 2032




OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
2.1.2.1	Provide facilities and support including financial to the elected the Council	Chief Executive Officer	The leadership skills, experience and knowledge of Councillors is used	100%		All Councillors have completed agreed training and professional development. New plans have been prepared for the 2023 financial year and will ensure Councillors continue to keep and upgrade their skills to deliver required outcomes for our communities.
2.1.2.2	Action Audit and Risk Improvement Committee (ARIC) recommendations	Enterprise Risk Manager	Improvements in Risk Management	60%		ARIC have developed a Work Plan and identified risk areas for Council to concentrate on and report on at regular intervals. To date these have included S355 Committees of Management, Council's Risk Register for WHS risks and Technology risks, Finley Saleyards, and financial reports.
2.1.2.3	Conduct comprehensive review of Berrigan Shire 2032 (CSP) and associated integrated plans	Director Strategic Planning and Development	Community involvement in the review and codesign on new Community Strategic Plan (CSP)	10%		Due to the complexity of the LEP review, Council did not believe simultaneous engagement with the community to review the CSP would be as effective as undertaking the CSP review separately. This project was therefore deferred to 2023/24 financial year.



2.1.3 Council operations and financial management support ethical, transparent and accountable corporate governance.

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
2.1.3.1	Coordinate Council investments, financial management, financial operations, and processing	Director Corporate Services	Effective management of Council investments and finances	100%		Council is continuing to diversify its investment portfolio with short and medium-term Term Deposit investments across several financial institutions. Council is also beginning to see significant returns on investments again post COVID-19. Overall, Council has achieved greater return on investment than initially budgeted this financial year.
2.1.3.2	Monitor and respond to change in the Financial Governance, Regulatory and Reporting Frameworks	Director Corporate Services	Council Operations comply with relevant frameworks	100%		The implementations of the Audit Risk and Improvement Committee (ARIC) was the most significant change to the Council's regulatory and reporting framework in 2022/23. Council's annual financial statements received an audit opinion without qualification. Council continues to formalise and digitise its delegation processes.
2.1.3.3	Deliver responsive customer service	Director Corporate Services	Customer survey Complaints system	85%		Council's Customer Experience Team continue to work hard to deliver responsive Customer Experience. A new telephone system has been implemented which will enable Council to have a call waiting feature so phone calls will no longer ring out or have the potential of not being answered. This system will be cloud based and will enable Council to deliver an enhanced Customer Experience even when officers are working away from the office.
2.1.3.4	Manage human resources and workforce development activities through the implementation of the Berrigan Shire's Workforce Development Plan 2022-2026	Human Resource Coordinator	A workforce with the competencies needed to implement the Council's Delivery Program	50%		Council has undertaken considerable work in this area. A Wage Harmonisation process has seen the investigation of all skills required in Council mapped to relevant positions. Further work in the 2023-24 financial year will finalise the review of the Salary Policy and commence informing the review of the Workforce Development Plan.
2.1.3.5	Provide information technology and associated support for Council operations	Information Technology Coordinator	Efficient operation of Information Technology Systems supporting other Council services	95%		The review of several Council IT systems has led Council to engage new providers and software products. A review of the systems in place has set Council up to develop a comprehensive IT Strategy in the 2023-24 financial year.
2.1.3.6	Coordinate the delivery and management of Shire records and communication	Director Corporate Services	Effective records management system	100%		Council made significant progress on its transition to an Electronic Document and Records Management (EDRMS) system. Council completely digitised its property file system - with all Council records relating to a property now stored in the EDRMS. Council's financial records were also digitised and processes implemented to ensure all new records are stored digitally. Existing paper records for the revenue function and general filing were placed into archives. Formal records management and access to information policies were adopted



OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
2.1.3.7	Maintain and sustainably redevelop existing infrastructure and community assets	Deputy Chief Executive Officer	Council owned community infrastructure and assets are sustainably maintained and developed	100%		Council, in partnership with the volunteer committee of management and user groups, has started delivering on the Barooga Recreation Reserve Masterplan. In accordance with the plan, new netball courts including LED lighting, have been constructed. Funding has been identified for the replacement of the cricket nets. Council also commenced a major refurbishment of Finley War Memorial Hall. Council supported the volunteer Land Managers to develop a comprehensive masterplan for future development the Finley Lake Reserve with the aim of making the reserve a key destination for visitors and locals.
2.1.3.8	Coordinate and manage maintenance and renewal of Council plant and equipment	Director Infrastructure	Ongoing maintenance and renewal of Council plant and equipment	100%		Council procured plants and machinery as per the renewal plan and budget. The purchasing budget was on target. Plant machinery has been maintained, as vehicles have been kept and outsourced due to the inability to hire a mechanic. The 10-year plant purchasing program is regularly reviewed a few times a year. The review includes looking at when plant reaches its optimal age for changeover, what plant has issues and needs to be replaced. A review is also conducted when management create new positions that require new plant items.
2.1.3.9	Coordinate the ongoing review and development of Council and Operational Policies and procedures	Director Corporate Services	Regular review and update of Council policies and associated operational procedures	100%		With the election of a new Council in January 2022, Council embarked on a comprehensive review of its entire policy portfolio. To streamline this task, Council delegated policies deemed as administrative to the Chief Executive Officer. Council has made significant progress on the review with 68 policies having been reviewed. This includes 63 polices revised and re-adopted and a further five policies revoked. Council has identified 29 policies that still require review.



Outcome 2.2

Strengthen strategic relationships and partnerships with community, business and government



Solar lighting

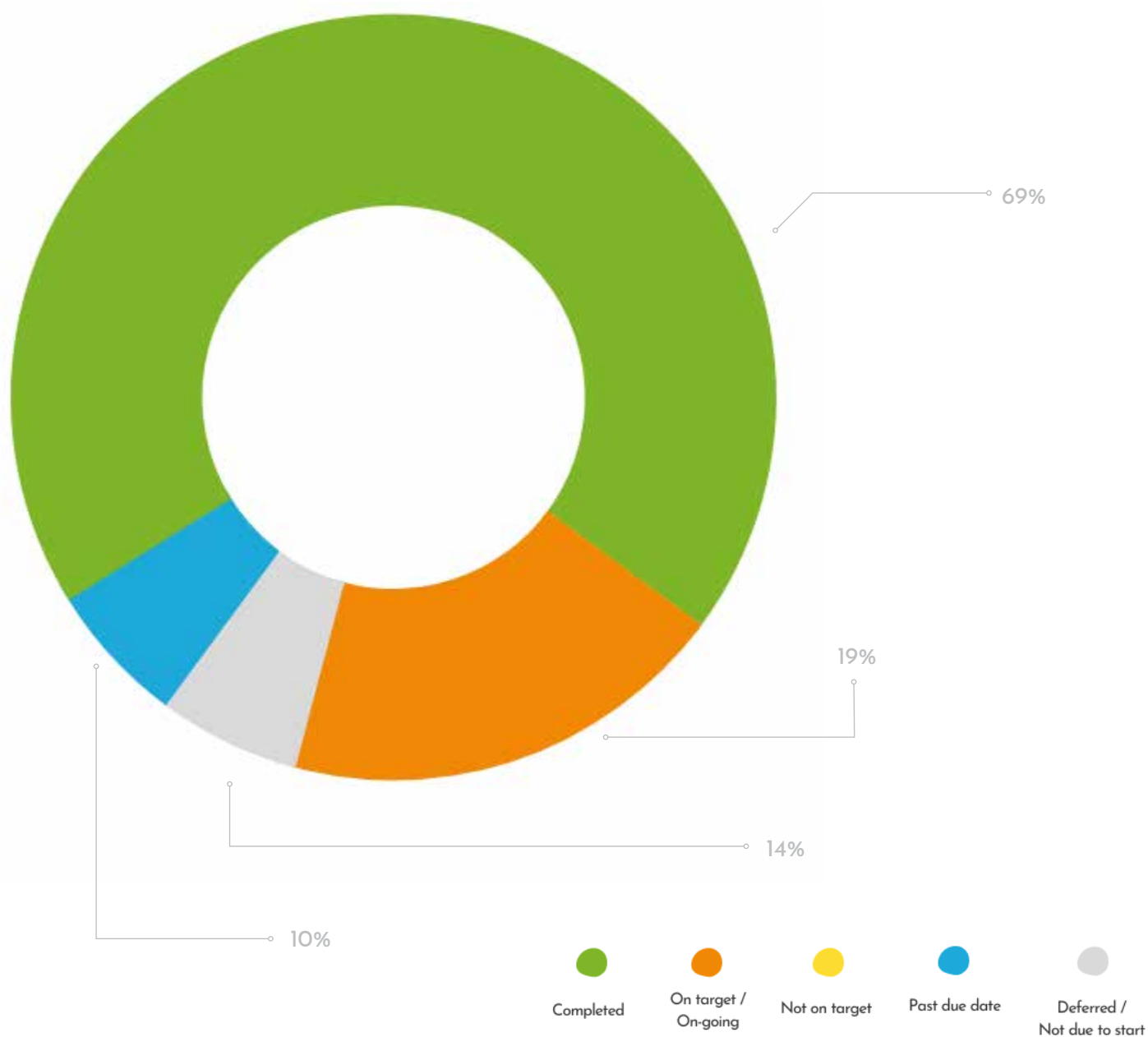
Berrigan Shire Council and PowerStack have delivered solar lighting to Barooga and will be rolled out across the Shire as the need arises

2.2.1 Participate in networks that promote regional and cross-border collaboration, planning and service delivery.

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
	Shire residents, business and Council operations					
2.2.1.2	Actively lobby all levels of government and industry re: RAMJO Water Position Paper	Chief Executive Officer	Improved economic and social outcomes for the Shire's irrigators and communities	100%	✓	<p>A large amount of advocacy work has been undertaken during the year. Among the highlights are:</p> <ul style="list-style-type: none"> • Funding to address inefficiencies created by the ePlanning Portal, • Information sharing regarding the upgrade of the Finley Hospital • advocacy has commenced to ensure an ambulance station is delivered for Tocumwal as soon as possible • advocacy and business planning to achieve the delivery of four Country Universities Centres across the Southern Riverina, including Finley • MOUs with cross border Councils and other strategic partners will also continue as we see real outcomes being delivered
2.2.1.3	Actively lobby all levels of government and energy industry for investment in upgrading local energy (power) infrastructure	Chief Executive Officer	Improved economic and social outcomes for the Shire's primary and manufacturing industries	100%	✓	<p>Considerable actions have been undertaken throughout the year.</p> <ul style="list-style-type: none"> • Meetings with Essential Energy were successful in moving forward a number of projects to address electricity supply issues in Tocumwal in particular and across the Shire in general. • Trials with PowerStack have delivered solar lighting to Barooga and will be rolled out across the Shire as the need arises.



Operational Plan 2022/23 Report - Continued



Monitoring Measure: Organisational capacity.

Organisational Capacity	1 July 2020 - 30 June 2021	1 July 2021 - 30 June 2022	1 July 2022 - 30 June 2023
Staff Turnover exc. Casuals	14.4%	23.4%	18.2%
Length of time unfilled	Average 18 weeks	Average 13 weeks	Average 28 Weeks
Skilled vacancies	10	27	12
Managerial vacancies	4	5	5

Financial Fast Facts, Financial Performance, Performance measures

	Benchmark	2022/23	Performance
Operating Performance Ratio	Greater than 0%	-5.90%	
Own Source Operating Revenue Ratio	Greater than 60%	47.26%	
Unrestricted Current Ratio	Greater than 1.50:1	5.22:1	
Debt Service Cover Ratio	Greater than 2.00:1	16.30:1	
Rates Outstanding Percentage	Less than 10.00%	5.15%	
Cash Expense Cover Ratio	Greater than 3.00 months	23.01 months	

Monitoring Measure: Financial Strategy 2020 Key Performance Indicators

1. Operating Performance	Amount ,000 2022/23	Performance 2022/23	Financial Strategy Target
Operating Revenue (excl. Capital) - Operating Expenses	(1,569)	(5.9%)	>0.0 %
Operating Revenue (excl. Capital Grants & Contributions)	26,601		
Indicative Target: An operating performance ratio greater than 0% across any five-year period			

2. Unrestricted Current Ratio	Amount ,000 2022/23	Performance 2022/23	Financial Strategy Target
Current Assets less all External Restrictions	18,327	5.22:1	>2.0x
Current Liabilities less Specific Purpose Liabilities	3,514		
Indicative Target: An Unrestricted Current Ratio of at least 2x			

3. Rates and Annual Charges Outstanding	Amount ,000 2022/23	Performance 2022/23	Financial Strategy Target
Rates and Annual charges Outstanding	625	5.15%	Under 8.00%
Rates and Annual charges Collectible	12,146		
Indicative Target: Outstanding rates, annual and extra charges percentage to remain under 8% as of 30 June each year			

4. Building and Infrastructure Renewals Ratio	Amount ,000 2022/23	Performance 2022/23	Financial Strategy Target
Asset Renewals (Building, Infrastructure & Other Structures)	3,981	57.51%	Greater than 100%
Depreciation, Amortisation & Impairment	6,922		
Indicative Target: Building, Infrastructure & other Structure renewals Ratio to remain over 100% on average over the life of the LTFP. When setting this target the council should consider that asset replacement is lumpy - with large changes in asset renewals depending on the needs of the time. This measure is best considered for a 10-year period and preferably longer			

5. Infrastructure Backlog Ratio	Amount ,000 2022/23	Performance 2022/23	Financial Strategy Target
Estimated cost to bring Assets to a satisfactory condition	-	0.00%	Less than 2.00%
Total value of Infrastructure, Building, Other Structures & depreciable Land Improvement Assets	379,125		
Indicative Target: Infrastructure Backlog Ratio to remain at less than 2% at all times			

6. Capital Expenditure Ratio	Amount ,000 2022/23	Performance 2022/23	Financial Strategy Target
Annual Capital Expenditure	\$13,574	1.6	1.00
Annual Depreciation	\$8,471		

7. Debt Service Cover Ratio	Amount ,000 2022/23	Performance 2022/23	Financial Strategy Target
Operating Result before Interest & Dep. exp (EBITDA)	6,651	16.30:1	
Principal Repayments + Borrowing Interest Costs	408		

8. Cash Expense Cover Ratio	Amount ,000 2022/23	Performance 2022/23	Financial Strategy Target
Current Year's Cash & Cash Equivalents (incl.Term Deposits)	43,197	23.01 months	Greater than 3.00 months
Operating & financing activities Cash Flow payments	1,877		
Indicative Target: Cash expense cover ratio is to be no less than 3 months			

THEME 3 - Supported and Engaged Communities

Outcomes

- 3.1 Create safe, friendly and accessible communities
- 3.2 Support community engagement through life-long learning, culture and recreation

Outcome 3.1

Create safe, friendly and accessible communities



Youth Futures

Youth Futures was held at the Finley High School to expose young people to new ideas and skill sets and included information relevant to their transition to employment or tertiary studies. Presenters included Aaron Wilson - Film Director, Legacy Packing, MON Foods, Marcus Fry - MV Locksmiths, Katy Wallis - Service NSW, Australian Defence Force, Karina Ewer - CEO Berrigan Shire Council, Allison Hayes - Coly Irrigation.



Youth Week - Skateboarding

Totem Skateboarding delivering skateboarding workshops at Finley Skatepark



Opening of the Little Explorers Long Day Care Centre



Berrigan Shire Council cemeteries

Council developed and adopted masterplans for Barooga, Berrigan and Finley cemeteries. It also started investigating options to provide additional cemetery space at Tocumwal.

3.1.1 Build communities that are home to more families and young people


OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
3.1.1.1	Support and promote the healthy development and wellbeing of children and young people	Director Strategic Planning and Development	Local projects and programs are established to support and promote the healthy development and wellbeing of children and young people	100%		Activities have included school holiday programs at Council libraries, Youth Week and the Youth Expo at Finley High School. The Council has also provided funds toward Southern Riverina Wellbeing Collaborative's Burnbright Workshop held at Finley High School.
3.1.1.2	Implement Children and Families Strategy 2019 - 2023	Director Strategic Planning and Development	Local projects and services support the attraction and retention of families and young people	100%		The first quarter saw the long awaited opening of Little Explorers Long Day Care Centre - completing a key action of this strategy. There remains more work to be done in the area of early intervention and family support to ensure ease of access and visibility for parents and young children. Focus this year has been on adolescent mental health via the Southern Riverina Wellbeing Collaborative MOU development which has been initiated by the CEO with the Southern Riverina Wellbeing Collaborative (SRWC) - comments have been provided to this group re: its alignment with Children, Young People and their Families Strategy- unfunded action included in the 2023/24 Operational Plan - specifically the funding by the council of youth worker to be engaged by SRWC

3.1.2 Facilitate all age healthy lifestyles and ageing in place





OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
3.1.2.1	Implement Disability Inclusion Plan	Director Strategic Planning and Development	Council facilities and services support older residents health, mobility and their economic and social participation in community life	100%		The signature event this year was the hosting at Barooga and Cobram of the TriState Games - a social multisport carnival for disabled athletes from South Australia, New South Wales and Victoria. Initiated as an economic development project the TriState Games was a partnership with the Cobram Barooga Tourism Group, Barooga Sporties and host sports clubs. A volunteer run games all events were held in Barooga, Cobram and Yarrawonga
3.1.2.2	Provide recreation facilities which support active lifestyle and ageing in place	Director Corporate Services	Council recreation facilities support active lifestyle and ageing in place	100%		Council is delivering on the Barooga Recreation Reserve masterplan. It has constructed modern netball courts with LED lights and secured funding for the replacement of the cricket practice facilities. Council also partnered with the Finley Lake Reserve Land Manager to prepare a comprehensive masterplan for the development of the reserve.



3.1.3 Strengthen the inclusiveness and accessibility of our community

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
3.1.3.1	Promote the social and economic wellbeing of Shire residents and the inclusiveness of our communities through social planning and community development activities	Recreation Officer	Annual program of community development activities implemented Based on participant surveys.	100%		Throughout 2022/2023 Berrigan Shire Council organised Skateboarding Workshops for Youth Week, Youth Futures at the Finley High School, Summer Holiday Program Sport and Recreation at the Tocumwal War Memorial Hall. Berrigan Shire Council was successful in receiving the Community Events Grant Program. All three outdoor pools had a successful summer season.

3.1.4 Coordinate and facilitate the delivery of potable water, public health and safety services

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
3.1.3.1	Promote the social and economic wellbeing of Shire residents and the inclusiveness of our communities through social planning and community development activities	Recreation Officer	Annual program of community development activities implemented Based on participant surveys.	100%		Throughout 2022/2023 Berrigan Shire Council organised Skateboarding Workshops for Youth Week, Youth Futures at the Finley High School, Summer Holiday Program Sport and Recreation at the Tocumwal War Memorial Hall. Berrigan Shire Council was successful in receiving the Community Events Grant Program. All three outdoor pools had a successful summer season.
3.1.4.2	Ensure potable water and sewer network is safe and functional	Director Infrastructure	1) Safe potable water for human consumption and health 2) Water and Sewer networks are managed to maximise operational functions	100%		Water supplies are meeting the public health standards. Two water treatment plants at Barooga & Finley are under construction and will be commissioned during the 23/24 financial year.
3.1.4.3	Monitor, control and report upon environmental contaminants and public health hazards - water, fire, refuse, buildings and air	Manager Building and Planning	Safer and healthier communities	20%		Compliance activities in the latter half of the year have been constrained by lack of resources for this activity due to turnover of staff with these skills. Identified as part of the planning and building services review as a key but unfunded Council deliverable - compliance actions have been restricted to following breaches that have impacted public health and safety. In the following year Council will investigate delivery options to ensure public health monitoring actions are deliverable.
3.1.4.4	Coordinate and facilitate local emergency management committee	Director Infrastructure	Committee coordinated and facilitated	100%		Local Emergency Managing Committee meetings are held quarterly and any issues are discussed and actions co-ordinated. A number of documents are being reviewed and updated to ensure Emergency Response mechanisms are in place and understood by all delivery partners.



OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
3.1.4.5	Implement the Berrigan Shire Adverse Events Plan	Director Corporate Services	Resilient community and infrastructure	100%	✓	<p>The Berrigan Shire Adverse Events policy was developed following the 2020 drought. The plan itself is not an emergency response plan but instead is designed to build resilience to minimise the impact of adverse events on Berrigan Shire and to allow our community to recover effectively - i.e. "Build back better".</p> <p>The Adverse Events Plan is now part of the Council's suite of plans and strategies that inform Council planning and decision making.</p>
3.1.4.6	Develop and maintain local cemeteries and associated infrastructure	Director Corporate Services	Cemeteries progressively developed to meet demand Routine maintenance conducted	100%	✓	<p>With the assistance of volunteers, Council operates four cemeteries - one each at Barooga, Berrigan, Finley and Tocumwal. Council developed and adopted masterplans for Barooga, Berrigan and Finley cemeteries. It also started investigating options to provide additional cemetery space at Tocumwal. A new policy for cemeteries was adopted during the year to provide guidance to staff and the public on how Council's cemeteries are operated. In 2022/23, there were 82 interments in Council cemeteries - 18 in Barooga, 10 in Berrigan, 30 in Finley and 24 in Tocumwal.</p>
3.1.4.7	Control and promote responsible ownership of companion animals	Coordinator Biosecurity and Compliance	Negative impacts & disturbance caused by companion animals reduced	100%	✓	<p>Increased urbanisation of our towns has seen an increase in the workload in this area and may account for spike in dangerous dog notifications. Introduced also this year has been the introduction of vet checks for all rehomed animals. The ability to hire traps for the relocation or removal of animals has also increased our service delivery offering.</p>

Outcome 3.2

Support community engagement through life-long learning, culture and recreation



Storytime

Storytime is held at all four libraries once a week, providing an opportunity for children aged 0-5 to enjoy a literacy program and participate in craft activities linked to the books read. National Simultaneous Storytime is held across all four library branches joining millions across the world to read and enjoy one book all together.

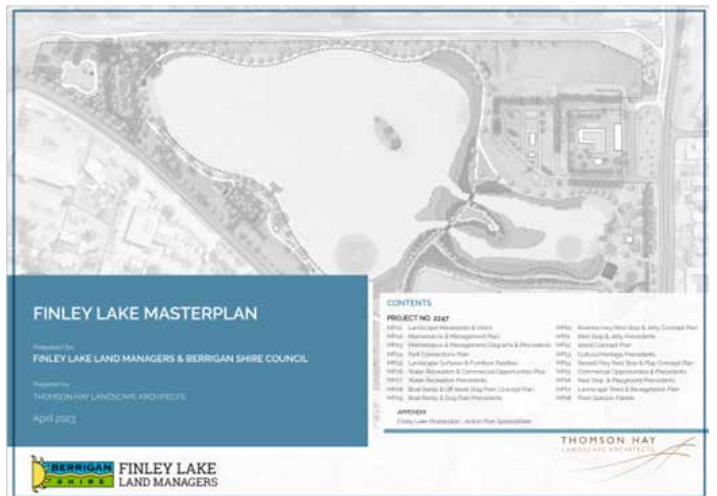


International Women's Day (IWD)

WD is an annual event where we celebrate the life and achievements of author guest speakers. This year we hosted Margaret Hickey, author of *Cutters End*, *Stone Town* and her latest release *Broken Bay*.







Installation of new shared paths in Barooga and Tocumwal




Adoption of the Finley Lake Masterplan

3.2.1 Provide opportunities for life-long learning, cultural expression, and recreation

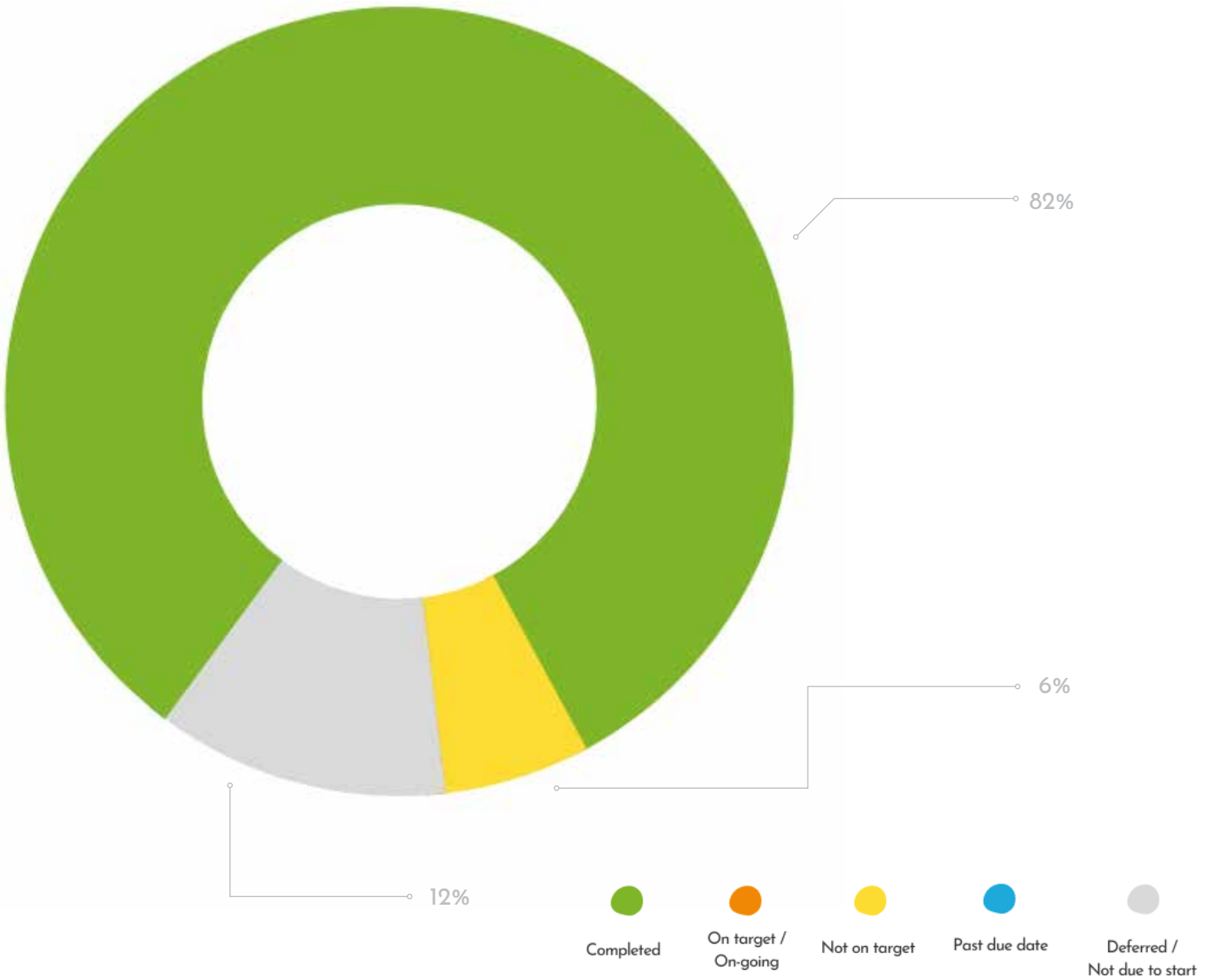
OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
3.2.1.1	Coordinate and deliver local library services in accordance with Library Services Strategic Plan 2021 - 2025	Library Manager	A Library Service meeting the needs of its community	100%		Our library services have seen a steady increase in library participation through both online promotions and in house servicing. Print loans increased by 429, to 21,370 while total eResources loans increased by 297 to 5,929. Successfully delivered Tech Savvy Seniors program over 8 weeks which had 182 seniors asking for more. International Women's Day attracted 112 participants, with guest speaker, Margaret Hickey's description of the beautiful Australian bush as the basis for her intriguing mystery stories. We farewelled the last group of 'Friends of the Library' with a lovely morning tea at Tocumwal Library on 1st September. 'Toc Friends' support and dedication to the Library Service over the last 30 years was highly appreciated by all. National Simultaneous Story Time 'The Speedy Sloth' by Rebecca Young, attracted 101 preschoolers and their carers to the fun story read simultaneously amongst our four branches followed by the craft of making a sloth. Overall, the Library Service continues to reflect the needs and wants of our community of readers and users of our library spaces.
3.2.1.2	Strengthen community engagement and participation in Council activities	Director Strategic Planning and Development	Increased resident engagement in Council activities	100%		Library programs and social media continue to support our community engagement. The CEO has commenced a strategic project aimed at increasing local access to tertiary education - lifelong learning via Country University model.
3.2.1.3	Financially contribute to and support South West Arts programs and activities	Director Corporate Services	South West Arts delivery of Shire based Arts program/s and activities	100%		Council's partnership with South West Arts (SWA) remains strong. SWA supported and delivered a range of programs in Berrigan Shire, most notably the Shawn Parker and Company dance crew show in Tocumwal, the Powerhouse Picnic Tour of the Night Sky at Barooga, the Holiday Film School in Berrigan and the House that Dan Built Music and Arts Extravaganza hosted in Berrigan Shire culminating in a showcase event at the Tuppal Wool Sheds.
3.2.1.4	Develop a public arts strategy	Director Strategic Planning and Development	1) Planned and strategic investment in public art projects 2) Public Art Strategy is developed in consultation with arts practitioners & the community	Deferred/ Not currently in progress		Council will continue to assess relevant grant funding should it become available in order to develop this strategy for our community.

3.2.2 Facilitate and partner with local communities in the development of township plans

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
3.2.2.1	Coordinate and align community projects and activities with township masterplans	Director Strategic Planning and Development	Increased resident engagement in town plan development and implementation	100%		Standout projects for the year include: Installation of seats, the commissioning of new story boards with Tocumwal Rotary - in kind support re installation of story boards will complete this collaboration. The development of a Master Plan for the Finley Lake in consultation with the Crown Land managers for the Lake. Planning has also commenced for the development of a Master Plan for all Caravan Parks, Berrigan and District Development Association has worked on projects involving the installation of public art sculpture and new signage at Hayes Park - Council assistance provided re: planning approval process. Work also commenced this quarter on the development of Plans of Management for Crown Land - with consultation commenced re: Tocumwal Memorial Hall and Tocumwal Foreshore. Significant time has also been invested in the development of precinct plan for Barooga aligning projects in the Barooga Recreation Reserve and the installation of new shared paths and lighting in Barooga's Golf Course Road.



Operational Plan 2022/23 Report - Continued



Delivery Program Monitoring Measures

Indicator: Community Events and Engagement Activities

The Council continues to support events in the region with a focus on high-yield events that bring overnight visitation to the region. Throughout 2022 - 2023 community events and engagement activities included Berrigan Shire Council Business Awards, Summer Holiday Program, Youth Week Skateboarding Workshop, Australia Day, International Women’s Day and Youth Futures.

Indicator: Social Media Analytics: Social Media Engagement

Activities July 2022 to June 2023	
Facebook - Reach	248,929 ^ 32%
Instagram - Reach	4,891 V 30.2%
Facebook - Page Visits	66,614 ^ 143.6%
Instagram - Profile Visits	834 ^ 56.5%
Facebook Follower	668 ^ 57.9%
Face Book Analytics	248,929 ^ 32%

Instagram reach

Facebook followers

5,973

Age & gender



Instagram followers

1,208

Age & gender



Facebook reach

Reach

Facebook reach

248,929 ↑ 32.2%



Instagram reach

4,891 ↑ 30.2%



Indicators: Life-long Learning July 2022 - June 2023



Library events number of participants

Sessions: 292
Attendees: 2599



Door Count

20832

Users (Members)

3742



Library loans

21370

WIFI (Login / Devices)

2255 / 1074



Loans (e-audio and e-books) + e magazines

eAudio: 3894
eBook:1713
eMags: 322
EAL/D: 60

THEME 4 - Diverse and Resilient Business

Outcomes

- 4.1 Strengthen and diversify the local economy through investment in local jobs creation, and innovation
- 4.2 Diversify and promote local tourism
- 4.3 Connect local, regional and national road, rail and aviation infrastructure

Outcome 4.1

Strengthen and diversify the local economy through investment in local jobs creation, and innovation



Tocumwal Aerodrome Carpark

4.1.1 Partner with government and industry to promote strategic investment in the development of economic assets and infrastructure needed to create jobs

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
4.1.1.1	Implement Berrigan Shire Economic Development Plan 2017 - 2021	Manager, Economic Development and Tourism	Economic Development Plan developed	100%	✓	The development of a new Economic Development Plan for Berrigan Shire was paused in favour of the rewrite and immediate implementation of the 2022 - 2026 Strategy for the Visitor Economy. The new Economic Development Strategy will also be informed by the new Local Environment Plan that is still being developed.
4.1.1.2	Develop an Action Plan to address skills and workforce issues	Manager, Economic Development and Tourism	The Council is engaged with the private sector to address the workforce shortages and skills gaps. The Council advocates for local business on key issues	100%	✓	The Youth Futures expo was held at the end of June 2023. The expo is a full day event for Finley High School students in years 11 and 12 designed to highlight local and regional options and to build capacity in workforce skills.
4.1.1.3	Support collaborative planning, shared resourcing in local industry promotion of business and infrastructure development projects	Manager, Economic Development and Tourism	Council facilitation of industry networks / collaborative projects and shared resourcing	100%	✓	In 2022/23 a memorandum of understanding was entered into between Berrigan, Moira, Federation and Indigo Councils. One of the key outcomes of the MOU is to promote cross border shared resourcing between the LGA's especially around infrastructure projects. Berrigan and Moira Shire Council share tourism web presence through www.suncountryonthemurray.com.au and www.visitthemurray.com.au and also collaborate on tourism promotion and industry networking events.



OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
4.1.1.4	Undertake research and planning around further development at the Tocumwal Aerodrome and Airpark precinct	Manager, Economic Development and Tourism	An expansion Masterplan is developed	100%		The Council is considering several development options within the Tocumwal Aerodrome precinct. The carpark at the Tocumwal Aerodrome Museum was completed and now offers high quality all abilities access to the Museum.
4.1.1.5	Investment in future economic development projects via strategic land purchases as and when these opportunities are identified or become available	Manager, Economic Development and Tourism	Planned economic and industry development of strategically located land	100%		<p>The work to strengthen and diversify the local economy has been extensive this year. I am on the Steering Committee working to deliver a Country Universities Centre to Finley. The work includes delivering CUCs to Hay, Deniliquin and Moama as well to create the CUC Southern Riverina. That work will be ongoing in the new year.</p> <p>Key Worker housing continues to be a focus for Council. We have two parcels in Finley, one house being completed in Berrigan and two further parcels being negotiated for Council to resume from Crown Lands. An EOI will go out in the new FY to engage contractors to deliver needed housing. We are also working with RAMJO Councils to deliver a regional response to housing supply.</p>

4.1.2 Support local enterprise through economic and industry development initiatives

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
4.1.2.1	Promote the development of business support groups / networks within the Shire	Manager, Economic Development and Tourism	Active business groups / networks contributing towards local jobs and business growth	100%		The Tourism Reference Group has been established as a key action of the 2022 - 2026 Strategy for the Visitor Economy. The group is made up of industry representatives who expressed an interest in being involved and met in Q3 and Q4. The terms of reference for the group have been agreed as have the industry priorities from the Strategy Action Plan. The Visitor Information Centre was opened in October 2022 with accreditation under the nationally recognised system allowing the use of the yellow on blue italicized "i".
4.1.2.2	Convene regular meetings between Council and presidents of local Chambers of Commerce or similar	Manager, Economic Development and Tourism	Forum for local business and Council to identify and resolve issues of common concern	50%		The Chamber Presidents Group has not met this since August 2022 following a workshop that was facilitated by Katrina Tehan. The purpose of the workshop was to reach an agreed position on the function of future meetings however common ground could not be found on this matter. The Chambers of Commerce and interested community groups interact with the Council on an as needs and individual basis.
4.1.2.3	Investigate options for upgrade Finley Saleyards	Deputy Chief Executive Officer	Safe and efficient facility	100%		Council has been considering the future of the Finley Saleyards for some time now. In 2022/23 Council obtained expert industry and legal advice on options available for the future operation of the saleyards. Having considered that advice, Council called for expressions of interest for the purchase and/or lease of the saleyards. As at 30 June 2023, Council is negotiating with its preferred proponent and should be in a position to make a transition to a new operating model in late 2023.



Outcome 4.2

Diversify and promote local tourism



Murray River Festival of Golf - TPS Murray River
Photo credit Cobram Barooga Golf Club



Finley Ice Skating
Photo credit Finley Ice Skating









Strawberry Fields
Photo credit Strawberry Fields




Mild to Wild Rod Run
Photo credit Scott Johncock



4.2.1 Implement the Berrigan Shire Tourism Strategy

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
4.2.1.1	Invest in infrastructure that will add value to and increase the competitiveness of the Shire's Visitor Economy e.g. Redevelopment of the Foreshore Reserve	Manager, Economic Development and Tourism	Local operators develop new Visitor Economy product and services	100%		The implementation of the 2022 - 2026 Strategy for the Visitor Economy has progressed well in 2022 - 2023 with the opening of the Berrigan Shire Visitor Information Centre in Tocumwal. This was one of the key actions for the strategy and the opening coincided with closure of the river beaches due to flooding that lasted for three months. There are several private infrastructure projects within the Berrigan Shire the Council is keen to see progress and has actively supported these initiatives with letters of support for funding applications.
4.2.1.2	Partner with industry and other levels of government on securing investment needed for Ports of the Murray and Murray River Adventure Trail Projects	Manager, Economic Development and Tourism	New Visitor Experiences	100%		The Tocumwal Historic Aerodrome is recognised under the Ports of the Murray program and is the area that the Council would look to support for further investment projects. The upgrade of the parking area at Tocumwal Aviation Museum is an investment in the future of the Museum and the Aerodrome as a whole. Council has worked directly with Murray Regional Tourism to deliver a new Destination Management Plan for the Murray region and the development and adoption of Local Area Plans which Council may use to underpin the regional nature of their own tourism product development.
4.2.1.3	Provide support to event proponents and organisers	Manager, Economic Development and Tourism	Increase in the number of successful events, proponents and organisers Increased attendance local events	100%		Events that are designed to attract visitation and promote the region are very important to the overall economy of Berrigan Shire. The Council has supported a number of events in 2022/23 through its own Major Events Funding program and also through the State Government Community Events Program as the administrator of the BSC allocation. The Council also supports significant events such as Strawberry Fields and its off shoot event, Good Times, with in kind support. Major Events held in Berrigan Shire include the Murray River Festival of Golf - TPS Murray River, Finley Ice Skating and the Mild to Wild Rod Run.
4.2.1.4	Facilitate local industry review and update of digital content and marketing	Manager, Economic Development and Tourism	Digital content will be accurate	100%		Local review of content on the Australian Tourism Data Warehouse site (ATDW) is an ongoing process. Council receives monthly updates on local ATDW listings and their status, either live or expired. Visitor Information Centre staff are now collating ATDW listings and will begin following up on expired listings to ensure the LGA has the greatest possible exposure through www.visitnsw.com.au , www.visitthemurray.com.au and www.suncountryonthemurray.com.au

4.2.2 Partner with regional Tourism Boards

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
4.2.2.1	Membership of regional tourism boards established to increase visitation and economic activity in the Murray Region of NSW and Murray River towns	Manager, Economic Development and Tourism	Regional and interstate marketing and promotion of Shire's tourism products and services	100%		Berrigan Shire CEO, Karina Ewer is a member of the Murray Regional Tourism Board representing the NSW local government membership. Manager of Economic Development and Tourism, Merran Socha, attends Tourism Manager forums for MRT every two months. MRT Crisis Management Committee was activated during the flood event from October 2022 to January 2023 and was the key to connecting with the State Governments on both sides of the river.



Outcome 4.3

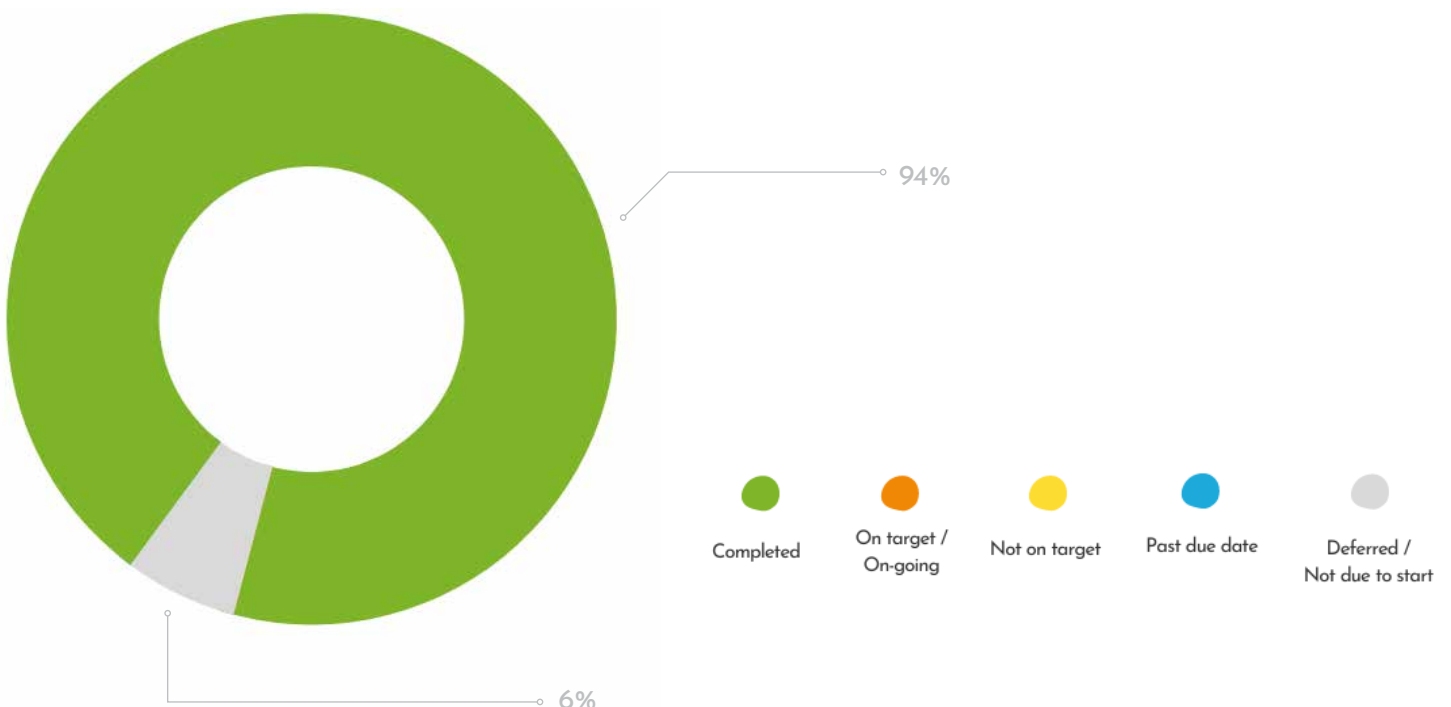
Connect local, regional, and national road, rail, and aviation infrastructure

4.3.1 Develop and promote Berrigan Shire regional transport and freight infrastructure

OP Action Code	OP Action	Responsible	What will be the result	YTD Progress	Status	Comments
4.3.1.1	Continue to advocate for the development of hardstand and serviced truck parking Tocumwal, Finley and Berrigan	Manager, Economic Development and Tourism	Improved safety and services for transport and logistics industries	100%	✓	There is no action to take on this matter at present however opportunities will be acted up on when they become available.
4.3.1.2	Lobby for upgrade of rail facilities, associated with Tocumwal rail line incl. line to Shepparton and Melbourne Ports	Manager, Economic Development and Tourism	Increased use of Tocumwal inter-modal facility	100%	✓	There have been discussions about the upgrade of the Toc Intermodal. There will be no passenger line from Toc to Vic etc in the foreseeable future, as that would require significant investment to upgrade the bridge.
4.3.1.3	Participate actively in efforts to upgrade Newell Highway and Midland Murray Valley highways particularly the Shepparton bypass	Manager, Economic Development and Tourism	Increased use of Tocumwal inter-modal facility	100%	✓	Discussions have commenced with VLine in relation to upgrades of the Tocumwal Intermodal to facilitate increased agricultural product transport movements. Interface Agreements are currently being negotiated.
4.3.1.4	Operate the Tocumwal Aerodrome	Director Infrastructure	Operated in accordance with CASA regulations and Tocumwal Aerodrome Management Plan. Maintained in accordance with Corporate and Community Facilities Asset Management Plan	100%	✓	The operations and maintenance works have been undertaken as planned. Council has received an audit report from CASA on the aerodrome and actions will be implemented in the FY 23/24 to meet compliance.



Operational Plan 2022/23 Report - Continued



Delivery Program Monitoring Measures

Indicator: Activities
Tourism and events

Visitor Information Centre

The Accredited Visitor Information Centre (VIC) at Tocumwal opened on the 12th of October 2022. In the months prior to opening, national accreditation was attained and staff appointed and trained. On the first day of operation the key driver of visitation during the summer months, our river and beaches, closed due to flooding and remained closed until the end of January 2023. The flood event had a serious and detrimental financial impact on businesses, especially those in Barooga and Tocumwal, and a flow on effect to Finley and Berrigan. The VIC was very quiet during this period with several days in January where there were less than 10 people through the doors. This changed as soon as the river re-opened, and the daily average quickly rose above 30. We have been genuinely surprised to see the VIC used by a very broad demographic. Whilst the expectation was that we would be servicing an older demographic, colloquially known as the "grey nomads", this has proven to be an incorrect assumption that probably demonstrates why modern versions of VICs have not become relics of the past.

The staff have developed new material for visitors with the weekly events bulletin being very successful. The Facebook page has grown in popularity with posts regularly shared in excess of 50 times. The staff also manage online information through the Australian Tourism Data Warehouse which populates www.visitNSW, www.visitthemurray and www.suncountryonthemurray. We have a loyal group of volunteers who assist in the running of the centre and we have a regular training program for them to ensure they are up to date with current happenings.

Community Events Program (CEP) State Government

The CEP was a COVID19 recovery program with all Local Government Areas in NSW receiving a predetermined funding allocation. The criteria for this funding was very narrow and resulted in many events that could have benefitted from the program, being ineligible for one reason or another. The events in Berrigan Shire that were successfully funded were:

- Berrigan Races, August 2022
- Finley Ice Skating, January 2023
- The Murray River Festival of Golf and TPS Murray River February 2023
- The Mild to Wild Rod Run March 2023
- South West Arts Program - April to August 2023.

All the events have been successful with the Ice Skating in Finley being especially well received by locals over the long school holiday break. The Finley Chamber of Commerce organising Committee did an exceptional job hosting the event. This was a "one off" funding round from the State Government and the funding criteria prevented event organisers from making any income.

Our Management

Management Structure

Berrigan Shire Council consists of the Mayor, Deputy Mayor and six Councillors. During 2022-2023 day to day operations were controlled by the Chief Executive Officer (CEO). For more information about the management structure please refer to the service model information at the front of this report.



Mayoral and Councillor Fees and Expenses
Reg cl 217(1)(a1) (i), (ii), (iii), (iiia), (iv), (v), (vi), (vii), (viii)

Mayoral and Councillor fees and expenses for 2022-2023 are outlined in the table below. Council's policy on payment of expenses and the provision of facilities for Councillors is available on the Berrigan Shire website.

Councillor Facilities and Expenses	2022- 2023
FACILITIES	
Office Equipment	\$180.00
Telephone	\$0.00
Meals & Refreshments at meetings convened by Council	\$19,590.48
Councillor Vehicles	\$16,279.20
FACILITIES TOTAL	\$36,049.68
EXPENSES	
Mayoral Allowance	\$27,060.00
Councillor Allowance	\$98,166.35
Telephone - Calls	\$3,748.84
Conferences & Seminars	\$22,952.48
Training	\$25,466.69
Interstate Travel	\$0.00
Spouse/partner/accompanying person expenses	\$0.00
Carer or other related expenses	\$705.72
Legal expenses	\$0.00
Subscriptions	\$1,852.27
Insurance	\$2,581.25
Local Travel	\$8,688.81
Travel outside the LGA	\$3,723.77
Miscellaneous	\$4,720.37
EXPENSES TOTAL	\$101,500.20
TOTAL FACILITIES AND EXPENSES	\$137,549.88

Councillor Conference Attendance and Professional Development

Reg cl 186

All new and returning councillors are required to participate in professional development activities at Berrigan Shire Council. Councils are required under the Local Government (General) Regulation 2005 to include information in their annual reports about Councillor attendance and participation in induction and professional activities each year.

Our Councillors have roles and responsibilities under NSW legislation, both collectively as a governing body. Each Mayor

and Councillor in NSW is also responsible for making all reasonable efforts to acquire and maintain the skills necessary to perform their role.

As this was not an election year, there was no Councillor Induction Sessions undertaken.

All Councillors attended the Corporate Workshops in October 2022.

Conferences & Professional Development:



Matthew Hannan
Mayor to September 2023

Australasian Waste and Recycling Expo
Murray Darling Association Conference 2022
Rural and Regional Hours Summit
National General Assembly 2023
Country Mayors Association
National Roads Conference
AICD course (complete)
AICD - Economic outlook and Federal budget update
AICD - Uluru statement from the heart and the Voice
AICD - Climate governance guide
Understanding Local Government Financials
Essentials of Cyber Security



Carly Marriott
Deputy Mayor

Switch Conference 2022
Australasian Waste and Recycling Expo
Planning 101 Councillors



Cr. Julia Cornwell McKean
Mayor from October 2023

AICD course (complete)
AICD - Economic outlook and Federal budget update
AICD - Uluru statement from the heart and the Voice
AICD - Climate governance guide
Australian Rural Leadership Program - Session 1
Essentials of Cybersecurity



Cr. Roger Reynoldson



Cr. Renee Paine



Cr. John Taylor



Cr. Ted Hatty



Cr. Sarah McNaught



Overseas Travel

Reg cl 217(1)(a)

No overseas travel was undertaken by Berrigan Shire Council Councillors in 2022-2023.

Senior Staff Remuneration

Reg cl 217(1)(b)(i), (ii), (iii), (iv), (v)

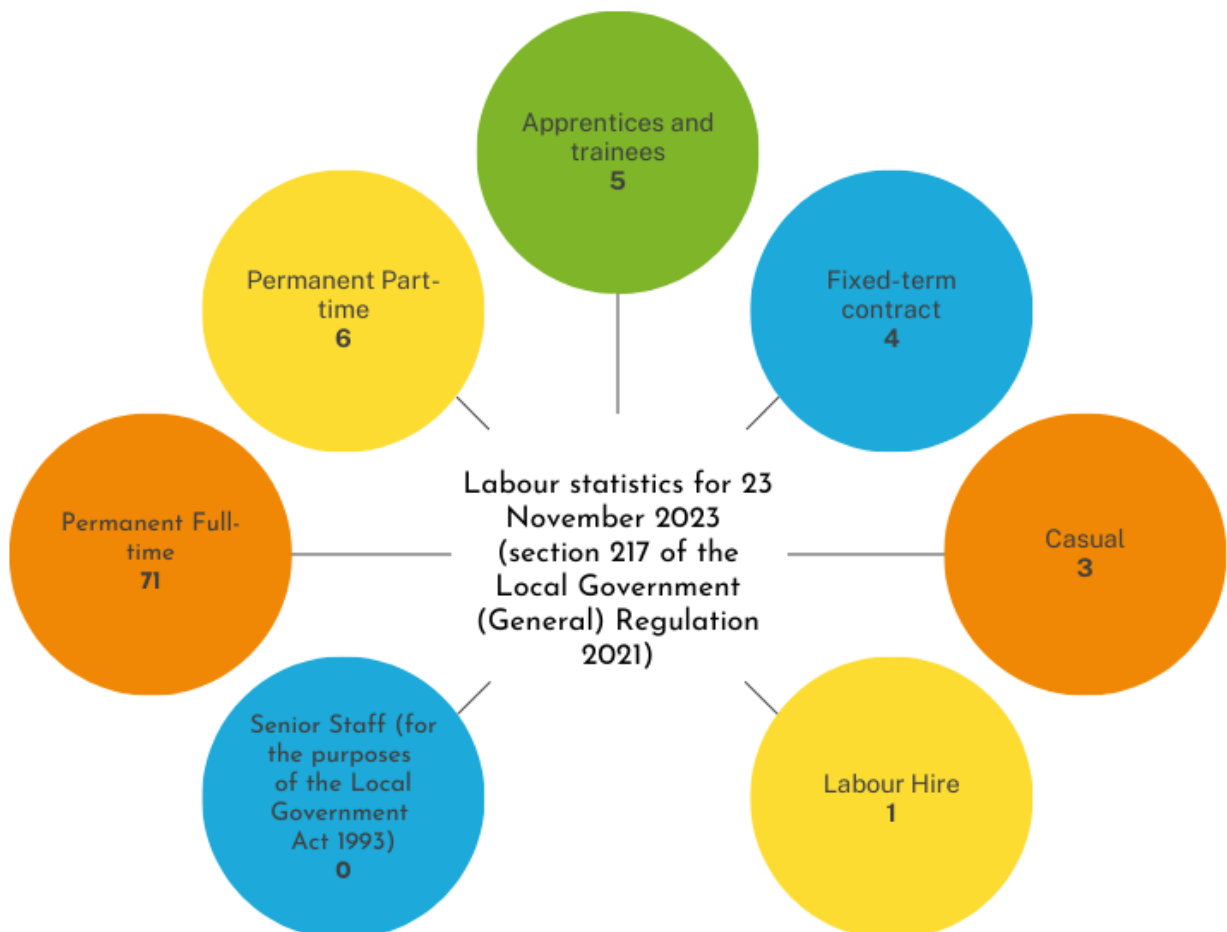
For the purposes of the Local Government Act 1993 Council has elected to have only the CEO as their direct employee. In this way Council's Deputy CEO and Directors are employed under the Local Government (State) Award 2023.

The salary below for the CEO includes all amounts payable for salary, superannuation, vehicle, fringe benefits tax and all other costs directly associated with employment.



Labour Statistics

Reg cl 217 (1)(d) (i),(ii),(iii),(iv)





Human Resources Activities

Council commenced a significant project during the 2022-2023 year to move to a position as an 'employer of choice' through employee engagement, community focus and a fair and rewarding work environment.

Human Resource activities throughout the 2022-2023 year have centred around reassessing our salary system and aligning wages with required skill sets. We have reviewed our On Call Policy and the systems with which we engage new staff. The 2023-2024 financial year will see a full review of our Salary Policy and Workforce Strategy.

We have worked together regarding attrition rates and ways to arrest the loss of significant corporate knowledge due to retirements and attraction to larger cities with higher pay rates. Supporting staff as part of this review process, and ensuring strategic objectives can be met, have formed the centre piece of all discussions.

Pulse surveys indicate there has been a positive shift in culture directly related to the work undertaken. We acknowledge there is still work to be done on the journey.

Recruitment levels have remained high during the 2022-2023 year though they have slowed towards the end of the financial year. Berrigan Shire Council have successfully onboarded 25 new starters over the past twelve months and experienced an increase of internal movements. Recruitment activities have

resulted in attracting high quality candidates, however skill shortages remain a challenge in areas such as engineering, planning and sustainability. Our Customer Experience Team have seen a full change over three times during the year as most were recruited internally to various positions.

Berrigan Shire is commencing a 'grow our own' program by encouraging current employees to increase their knowledge and skill sets through further education and professional development. We have successfully recruited 3 trainees, apprentices and graduates and now have 4 employees actively studying to increase their internal employment opportunities. One of our trainees was nominated on several occasions for awards in their area of study.

The CEO's work with Country Universities Centres is focussed on further driving and underpinning our desire to grow local talent into careers in Local Government and in our community. Once established, it is expected Council will embark on a scholarship program to both support the university site in Finley and to ensure Council have a pipeline of new talent as they come online.

Equal Employment Opportunity (EEO) Reg cl 217(1)(a9)

Berrigan Shire Council has commenced concerted focus on creating and providing a positive and collaborative work environment through the application of EEO principles. During the coming year Council intends to review its EEO policy and develop an EEO and Diversity Strategy as part of the review of its Workforce Strategy.

We are continuing to promote life balance benefits including the commencement of work to develop an All Roles Flex policy and procedure, with attraction and retention packages, purchased leave opportunities, career enhancement and secondment opportunities all being considered in the context of our community and the opportunity we present.

Wellbeing, Health and Safety

Council has provided training to all employees regarding managing and understanding workplace bullying and harassment including bystander training. Understanding these issues has encouraged and demonstrated support for our staff in responding to any inappropriate behaviour in constructive and active ways.

We have implemented a wellbeing program focussing on the mental health and support of our workforce through what has been significant change. It is most important our people are valued, feel safe and are motivated to deliver services that make our community better in every way.

We have continued the promotion of our Employee Assistance Program which provides valuable support for employees, councillors and their families to assist them with both workplace and personal issues.

Safety Systems Management

Throughout 2022-2023 progress has been made to the ongoing update and improvement of Berrigan Shire's WHS Safety management Systems. During the year we have developed and implemented the following policies and procedures:

- Alcohol and other drugs
- Bullying, harassment and workplace violence
- Vaccination policy
- Review of Work Health and Safety Policy
- Review of Heat Stress Policy
- Review of Asbestos Policy

In addition, the establishment of the Work Health and Safety Plan, incorporating mental health and wellbeing awareness and initiatives has also been implemented.



Our Accountability

Government Information (Public Access) Act 2009 (GIPA) Report

Berrigan Shire Council received 7 requests in total, under the Government Information (Public Access) Act 2009 (GIPA Act) in the 2022-2023 reporting period. Berrigan Shire Council is averaging approximately 1-2 requests per month.

During this reporting period Berrigan Shire Council received 7 valid formal access to information applications under the GIPA Act, which is the same as the reporting period last year.

During this reporting period, we received 6 informal access to information applications under the GIPA Act. This is the same as reporting period last year. We received no Confidential requests.

Summary

- Formal - 7
- Confidential - 0
- Immunisation - 0
- Informal - 6

In the spirit of more open and transparent government, we endeavour to respond to the majority of requests for information either informally or by proactively releasing information, rather than relying on the formal process. At Berrigan Shire, we proactively publish a range of information on our website and social media. The improved content is based on the foundation of 'self-service' so members of the community can easily find information on our website, particularly any information that is frequently requested of us.

Public Interest Disclosure Annual Report July 2022 to June 2023

Government Information (Public Access) Act 2009, s 125(1), Government Information (Public Access) Regulation 2018, cl 8, Schedule 2, Public Interest Disclosures Act 1994, s 31 Public Interest Disclosures Regulation 2011, cl 4

Section 31 of the Public Interest Disclosure Act 2022 (PID Act) requires public authorities to prepare an annual report on their obligations under the PID Act. The report below meets Berrigan Shire Council's obligations under the Act.

Statistical Information on PIDs

There were no Public Officials who made Public Interest Disclosures.

There were no Public Interest Disclosures received by Berrigan Shire Council.

Update on PID obligations

Berrigan Shire Council currently has in place an Access to Council Information Policy. The policy is closely aligned with the NSW Ombudsman's model policy as well as Berrigan Shire Council's Code of Conduct. The Policy is due for review and is available on Council's website.

Development Contributions and Development Levies

Environment Planning and Assessment Regulation 2021 cl 218A(1), Reg 218A (2)(a),(b),(c),(d),(e),(f),(g), Reg 218A(3) (a),(b)

Contributions received: \$260,353.89

Did not receive levies within the 2022/2023 year.

Stormwater management services provided (if levied)

Reg cl 217(1)(e)

Stormwater charge throughout the 2022/2023 financial year totalled \$77,837.50



Audit, Risk and Improvement Committee

Activities

Berrigan Shire Council engaged an Audit, Risk and Improvement Committee (ARIC) for the first time in the 2022-2023 financial year. They have proved to be a very active group and have worked closely with Council staff to consider basic controls and emerging risks.

Risk Management

Risk Management is an integral part of Berrigan Shire Council's governance and risk framework. It is an activity that begins at the highest level and is applied consistently through all levels of Council. All workers are required to integrate risk management procedures and practices into their daily activities and must be competent and accountable for identifying and adequately managing risk within their area of responsibility.

Risk management is not an isolated function and can be applied to any activity, including decision making, at all levels. Effective identification, analysis, evaluation and treatment of defined risks are critical to Council achieving its objectives and meeting community expectations.

Berrigan Shire Council's Risk Management Policy and Framework can be found on our website.

During the 2022-2023 financial year Council's Enterprise Risk Manager has completed a significant project to develop and implement a full Risk Register that considers all of Council's service delivery and strategic risks. Earlier work included developing Council's Risk Appetite Statement to support risk management practices and decisions across our operations.

The Committee has received regular updates from the Chief Executive Officer regarding emerging risks that could impact Berrigan Shire Council's performance and regular corporate risk update reports, including the development of a Climate Change Adaptation Strategy, public liability and insurance matters.

External Audit Accountability

The Committee received and considered the NSW Audit Office annual engagement plan which outlines the focus areas of the external auditor. Throughout the year the Committee has received updates regarding Council's draft budget and quarterly budget reviews.

At each meeting the Committee received a progress update on the preparation of the annual financial statements for audit and lodgement, which were delayed due to LGNSW being unable to process our Long Term Financial Plan in a timely manner.

The Committee also considered the audited financial statements and auditor reports at the ARIC meeting held on 5 December 2022 before being finalised and lodged with the Office of Local Government.

It is important to note the Committee were in support of Council's decision to continue to not account for Rural Fire Service assets. Council did not receive a qualified audit report as expected due to the non-reporting of RFS Assets. Many other Councils across the State were qualified for non-reporting.

Internal Audit

At the May meeting, the Committee noted that although it had not developed a Strategic Internal Audit Strategic Plan (SIAP) nor an Annual Internal Audit Plan, it agreed in principle to undertake one internal audit review per year.

A draft SIAP is to be considered by ARIC early in the 23-24 Financial Year. The Committee noted the following work was being undertaken by Council relating to internal control issues or to risks that have been identified to Council:

- Council is undertaking Service Reviews - with Cemeteries and Building and Planning Service Review currently is underway
- Cultural Audit - draft report recently received and being considered (refer Item 7.4)
- Finley Saleyards Audit - Expressions of Interest currently being sought for the conduct of a WH&S audit of the Finley Saleyards (refer also Item 7.3)

Under the Guidelines, Berrigan Shire Council have a choice of:

- i. contracting a third Party Internal Auditor; or
- ii. employing an Internal Audit function.

At this stage no decision has been made regarding the internal audit function.

The Committee has actively supported the reports received following all audits, along with the specific recommendations identified and corresponding management actions. On occasions, the Committee has taken the opportunity to more fully explore matters raised through our audit reports as a way of ensuring the resultant actions will be effective in adding value to the outcomes for the Berrigan Shire community. The Council and the Committee continually monitor progress of action items identified in previous audit reports.



Legislative Compliance

The Committee plays an active role in reviewing Berrigan Shire Council's overall approach to ensuring legislative compliance and reviewing any breaches.

In the 2022-2023 period Berrigan Shire Council implemented the Pulse Delegations and Policy modules to manage compliance to Delegations of Authority and Policies and Procedures. Whilst the Delegations module is fully implemented, the policies module requires further effort and will be implemented during the 2023-2024 financial year. Both areas are linked to a process where Kell Moore Legal Services provide a six-monthly legislative compliance update. Berrigan Shire Council has completed one six monthly review with Kell Moore in January 2023 with the next review due in July 2023. In addition, the Committee has been provided with updates as required regarding any potential issue regarding legislative breaches, critical legal matters or items reported to external agencies.

Performance and Improvement

During the 2023-2024 financial year, it is anticipated the Committee will become more engaged in the Performance and Improvement side of the work they are engaged to undertake. With the planned development of the new Community Strategic Plan, it is anticipated the Committee will need to assist in considering the goals and aspirations that will shape the future of our Shire.

As we move through the review of our Workforce Strategy, the Committee will also be engaged to consider the outcomes and actions to be taken to address improvement in culture and workplace outcomes.



External Members of the Audit, Risk and Improvement Committee



Julia Cornwell McKean - Councillor representative

Councillor Cornwell McKean has been trained in quality and performance audit and has undertaken several reviews and audits for government organisations.

She is regarded as an expert in risk management and governance in government and small business. Julia has previously been a member of the Victorian Building Authority's Audit and Risk Committee.



Linda MacRae - Chairperson

Linda has a Local Government Business Degree as well as a teaching qualification. Linda is an Independent Member and Chair of five Local Government Audit and Risk Committees in NSW and Victoria. She has been involved in Audit and Risk Committees for 17 years with her experience including the Department of Transport (Victoria), several metropolitan as well as regional and rural Councils'. She has extensive senior management Local Government experience, with a career spanning over 30 years, in the critical areas of corporate services; financial management; information technology and governance. Linda's Chair's Annual Report, was considered by the Council in September 2023, and provides a comprehensive summary of the Committee's work since it commenced in February 2022.



Todd Bentley - Independent Member

Dr. Todd Bentley is an experienced executive leader, specialising in risk, safety, assurance, and systems design. These specialisations, along with related senior roles in transport, construction, and policy and regulation, bring an array of perspectives to support and contribute to Berrigan Shire through the Audit, Risk, and Improvement Committee. Todd has a strong focus on continual improvement of systems and appreciates the balance of risk in all activities. Todd has a PhD in human factors, holds an appointment as an Adjunct Associate Professor at La Trobe University, is a Member of the Australian Institute of Company Directors, and is a Certified Professional Ergonomist.



Angela Urquhart - Independent Member

Currently Angela lives in the Berrigan Shire and has experience in Financial Management, Governance, and Local Government. Angela is an active member of the community and is committed to ensuring the community's wellbeing by assisting Council in making well informed decisions that are transparent and accountable. Angela has 20 years of financial management experience within Local Government, Not for Profit, and Private Enterprise and has gained strong financial qualifications and skills. Given Angela's financial knowledge, Angela has taken lead roles with both the Rice Growers Association and Biralee in relation to the financial management and audit functions. Angela's involvement in these roles has provided great insight into governance, leadership, and financial management.

Report on compliance with the Carers Recognition Act for the reporting period

Carers Recognition Act 2010, s 8(2)

Berrigan Shire Council reviewed the leave policy to ensure the leave policy reflects requirements of the Act.

Berrigan Shire Council is currently reviewing guidelines concerning the management of flexible and working from home arrangements.

Berrigan Shire Council Responsibilities Under the NSW Disability Inclusion Act 2014

Disability Inclusion Act 2014, s 13(1)

The Disability Inclusion Act 2014 (DI Act) demonstrates the ongoing commitment of the NSW Government to build inclusive communities and requires all government authorities to produce a Disability Inclusion Plan. The NSW Disability Inclusion Plan supports the DI Act and provides a strategy to implement the DI Act's objectives and principles across government and the community.

Disability Inclusion Action Plans (DIAP) are mandated by the DI Act and play a critical role in promoting the ethos of inclusion and provide the practical measures by which intent is transformed into action by agencies and local government. Council's DIAP can be accessed on our website and looks to break down barriers and promote access to services, information and employment and promote the rights of people with disability.

Our Active Ageing & Disability Inclusion Plan Themes and Outcomes:

- Moving: Safe paths, parks, and travel in, around, and between our towns.
- Employment: A workplace where all employees experience meaningful employment.
- Inclusion: All residents including disabled; older residents and their carers get the services they need to engage with their community.
- Growing: A vibrant community that makes Berrigan Shire a great place to live, work, play and grow old.

Under the requirements of the DI Act, Berrigan Shire Council has completed the following:

- Council endorsed the DIAP at a Council meeting on 15 June 2022 and it was lodged with the NSW Dept of Communities and Justice in June 2022.
- Include in the Council's Development Control Plan (DCP) a requirement for inclusive (wider) footpaths
- Improve the walkability of our towns and local access to services: Shared paths in Barooga and Tocumwal.

Under the requirements of the DI Act, Berrigan Shire Council has achieved the following ongoing actions:

- Improved the accessibility of corporate communications: A new website has been implemented for Berrigan Shire Council using the Open Cities software
- Implemented the Active Ageing and Disability Inclusion Action Plan 2022 - 2026
- Conducted Library Services activities that are accessible and respond to and reflect local needs and interests. Libraries provide technology information sessions, such as Tech Savy Seniors Libraries provide a range of audiobooks, online books and EAL/D books for the community
- Lead strategic management of recreation and open space assets through the delivery of the inclusive play space in Tocumwal which is located beside the Tocumwal Library
- Promoted Visitor Information Services experiences that are inclusive and accessible: The newly opened Visitor information Centre provides information throughout the Berrigan Shire Council. Shared footpaths were built in the towns of Tocumwal and Barooga that are accessible for all.

Swimming Pools Amendment Act 2021 - Schedule 1

Swimming Pools Act 1992 (SP Act), s 22F(2) Swimming Pools Regulation 2018 (SP Reg) cl 23

With the introduction of inspection requirements into State legislation, Berrigan Shire Council maintained a public safety focus through a swimming pool inspection program. During the reporting period, 1 July 2022 to 30 June 2023, our officers conducted 60 inspections on swimming pools within the Berrigan Shire Local Government Area (LGA).

The pools inspected that were found to be non-compliant, predominantly failed due to faulty components and poor maintenance regimes. The most common defects included:

- Fence height <1200mm
- Gaps >100mm below the fence
- Gates unable to self close
- Resuscitation chart not on display

In most instances, the property owners co-operated with Council and all identified non-compliance issues rectified before a subsequent inspection. Berrigan Shire Council will work with all owners to achieve compliance, however where co-operation is not forthcoming, formal notices are issued.

During the reporting period 0 notices of intention to serve an order were issued and 0 orders for pool safety barriers to be upgraded were issued. There are 0 orders or notices currently outstanding.

Since the introduction of the State Swimming Pool Register, a total of 286 pools have been registered in the Berrigan Shire LGA.

Reporting Requirement	Total Number 2022-23	Total Number 2021-22	Total Number 2020-21
Number of inspections carried out on tourist or visitor accommodation	0	0	15
Number of inspections of premises on which there are more than two dwellings	0	1	2
Number of Certificates of Compliance issued under section 22D of the Swimming Pool Act 1992	4	11	12
Number of Certificates of Non-Compliance issued under clause 21 of the Swimming Pools Regulation 2018	0	10	1

Competitive Neutrality Principles

To ensure its operations comply with national competition requirements, Council has identified those activities which must be treated as separate business operations. Council's declared business activities are categorised as either Category 1 (gross operating turn over exceeding \$2M - water supply, sewerage) or Category 2 (gross operating turnover less than \$2M - Council's landfill and cemeteries in each community).

All Category 1 business activities are expected to generate a return on capital investment that is comparable to rates for commercial businesses operating in similar activities, having regard to the local, national and global financial conditions. Further, any advantages the business activities may enjoy because of Council ownership (in borrowing funds and the equivalent of any taxation payments that would be payable by private sector providers) are identified by the Special Purpose Financial Statements.

Council has a Complaints Management Policy that provides details for dealing with complaints relating to competitive neutrality. No such complaints were received during the 2022-2023 reporting year.

Berrigan Shire Council Representation on Regional Forums

To enhance cross-border and regional co-operation, recognise growth opportunities and foster consistency and better use of resources, Berrigan Shire Council continued to have active representation on the following regional forums:

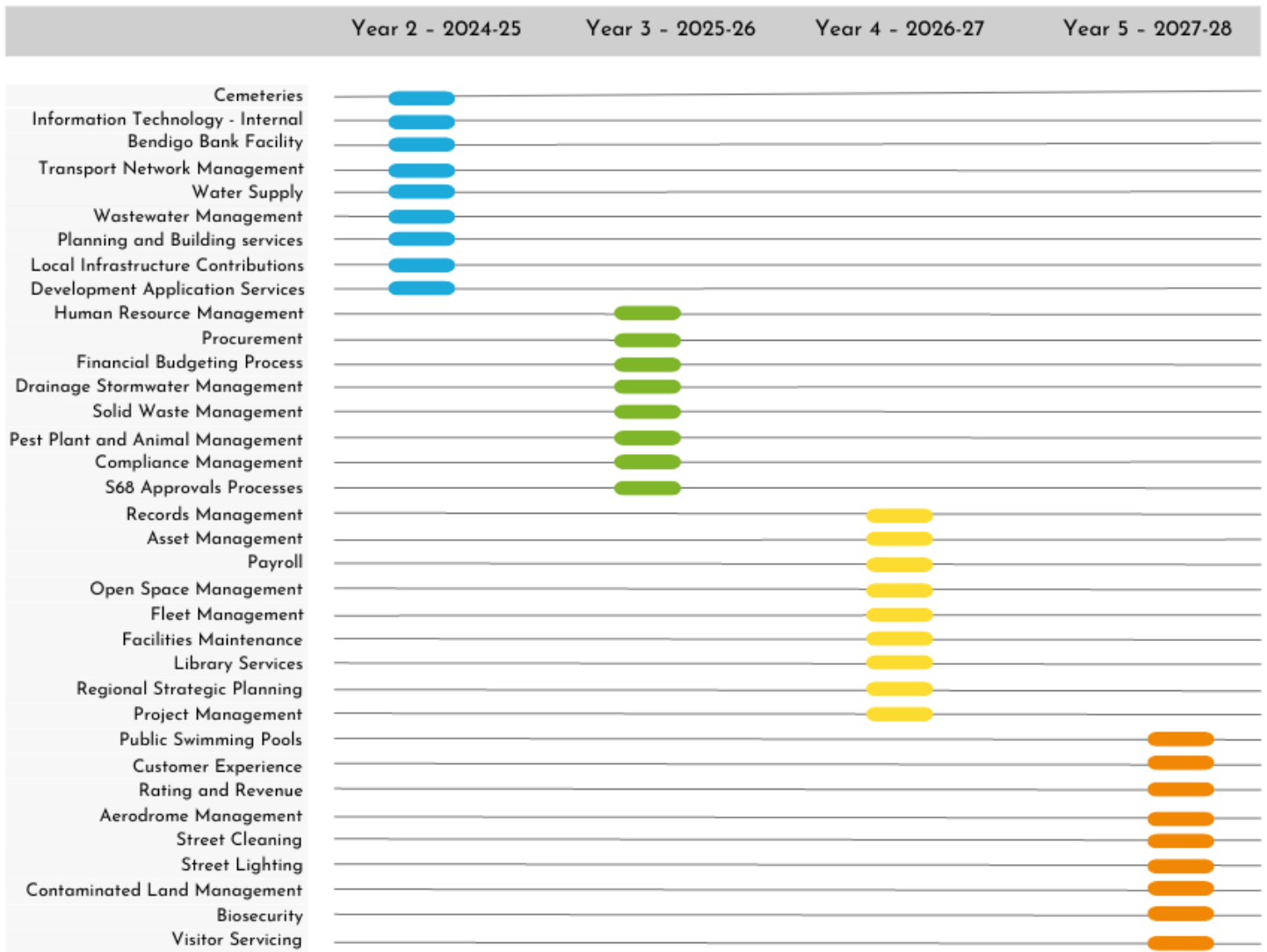
- Country Mayors' Association
- Country Universities Centre Steering Committee
- Local Emergency Management Committees
- Murray Regional Tourism
- Public Library NSW Association (South-West zone)
- Riverina and Murray Joint Organisation
- South West Arts

Service and Efficiency Review Programs The Program

Berrigan Shire Council commenced its Service Review program in 2022. The aim of the program is to assist Berrigan Shire Council in delivering on the aspirations of the Community Strategic Plan, while being financially sustainable as an organisation and as efficient as possible. It is an opportunity for Berrigan Shire Council to review its services and service levels and find ways to improve delivery and boost efficiency. Council is committed to continuous improvement and achieving value for money from every dollar spent; however, not all reviews will have dollar savings. Council will continue to investigate better ways of doing business to ensure efficient delivery of essential services and operations.

To date, two Service Reviews have commenced with outcomes of those reviews to be presented to Council for consideration early in the 2023-24 financial year. In total there are 35 reviews to undertake. Total ongoing operational savings will be reported in future years.

These are the services planned to be reviewed in the next 5 years:



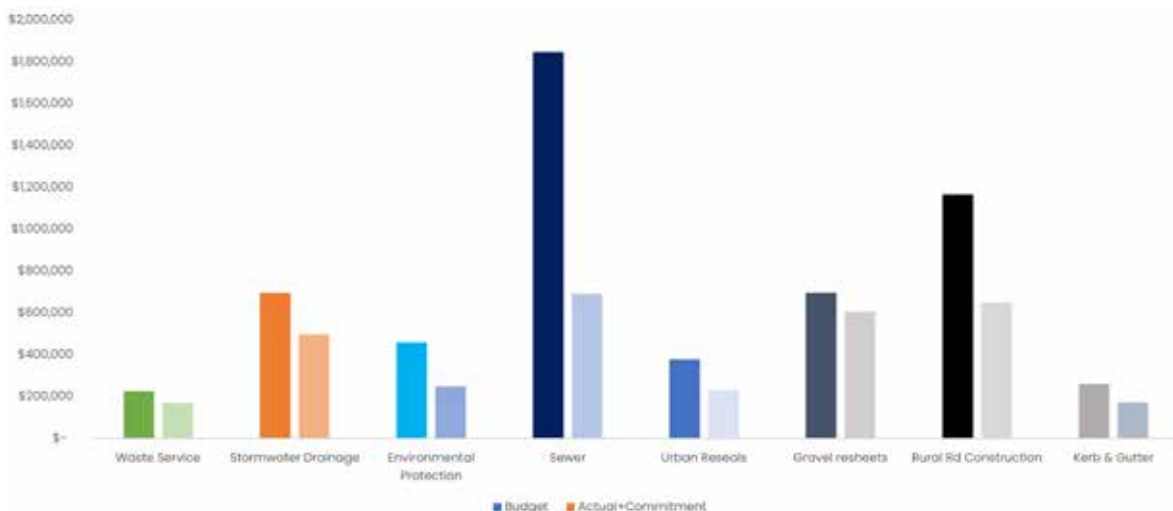
Outcomes of Reviews

In future years, Council will outline the outcomes of each Service Review in this section. As these are a new process for Council, there are none to report for the 2022-23 Financial Year.

Report on all Capital Works Projects

OLG Capital Expenditure Guidelines*

Annual Capital Expenditure



Examples of infrastructure projects throughout 2022/2023:

Project	Comments	Location
Solar lights and CCTV	Council installed solar poles with light and CCTV at various community areas across the Shire. The purpose of this project was to ensure safety and well-being of our residents.	Across Shire
Water Treatment Plant - Finley	The plant is at the commissioning stage	Finley
Water Treatment Plant - Barooga	The plant is expected to be at a commissioning stage in Jan'24.	Barooga
Solar lights on Golf Course Road	Council installed solar poles with light along Golf Course road, from Sporties to Vermont Street.	Barooga
Shared path project	Council delivered shared paths at Barooga and Tocumwal as part of pedestrian access and safety.	Barooga & Tocumwal
Aerodrome Car Park	Aa all-weather car park has been constructed at the site to ensure safety of customers.	Tocumwal
Netball Courts	Two new netball courts have been constructed and delivered.	Barooga
Hydraulic Modelling Project	Council is developing hydraulic models of water supply and wastewater for Barooga & Tocumwal (initially). The project will assist in accommodating anticipated growth in the Shire.	Barooga & Tocumwal
War Memorial Hall	Shire has completed works at the War Memorial Hall - painting, electrical upgrades, floor polishing.	Finley
Sheep ramps	Council has completed installation of three new sheep ramps at saleyards.	Finley

Environmental Upgrade Agreement

Act s 54P(1)

There were no environmental upgrade agreements entered into by Council in 2022/2023.

Particulars of compliance with and effect of planning agreements in force during the year

Environmental Planning & Assessment Act 1979, s 7.5(5)

There were no planning agreements in place for 2022/2023.



Details of each contract awarded above \$150,000
 Reg cl 217(1)(a2) (i), (ii)

Contracts - includes Contracts above \$150,000		
Name and address of Contractor	Contract description	Tendered amount (including GST)
Andrew Goldman Excavations Pty Ltd 1843 Murray Valley Hwy, Burramine VIC 3730	TO1/22/23 Annual Plant Hire	Schedule of Rates
Bencon Civil Construction Pty Ltd 98 Broadway Street, Cobram VIC 3644	TO1/22/23 Annual Plant Hire	Schedule of Rates
Mohr, Peter Graham T/A Berrigan Water Cartage 66 Barooga Street, Berrigan NSW 2712	TO1/22/23 Annual Plant Hire	Schedule of Rates
Cleanaway Co Pty Ltd T/A Toxfree 2/9 Romet Road, Wodonga VIC 3690	TO1/22/23 Annual Plant Hire	Schedule of Rates
Coates Hire Operations Pty Ltd Level6, O'Riordan Street, Mascot NSW 2020	TO1/22/23 Annual Plant Hire	Schedule of Rates
Conplant Pty Ltd 25 York Road, Ingleburn NSW 2565	TO1/22/23 Annual Plant Hire	Schedule of Rates
The Trustee for Boda Family Trust T/A Conx Hire 7924 Goulburn Valley Highway, Kialla VIC 3631	TO1/22/23 Annual Plant Hire	Schedule of Rates
Crawford Civil Pty Ltd 36-40 Dean Street, Tocumwal NSW 2714	TO1/22/23 Annual Plant Hire	Schedule of Rates
Border Backhoe Services Pty Ltd 74 Cobram Street, Berrigan NSW 2712	TO1/22/23 Annual Plant Hire	Schedule of Rates
Drainflow Solutions Pty Ltd 73 McCarthy Street, Mulwala NSW 2647	TO1/22/23 Annual Plant Hire	Schedule of Rates
The Mining Pty Ltd 2/7 Keith Lane, Fannie Bay NT 0820	TO1/22/23 Annual Plant Hire	Schedule of Rates
O'Loughlin Excavations 774 Campbell Road, Muckatah VIC 3644	TO1/22/23 Annual Plant Hire	Schedule of Rates
Pascoe Grading & Earthmoving Contractors Pty Ltd 11 Harley Court, Finley NSW 2713	TO1/22/23 Annual Plant Hire	Schedule of Rates
Porter Excavations Pty Ltd T/A Porter Plant 5110 Colac-Ballarat Road, Cambrian VIC 3352	TO1/21/22 Annual Plant Hire	Schedule of Rates
Precision Grading Pty Ltd 10 Maxwell Street, Shepparton VIC 3630	TO1/20/21 Annual Plant Hire	Schedule of Rates
Riverina Stabilisers Pty Ltd 381 Murray Street, Hay NSW 2711	TO1/20/21 Annual Plant Hire	Schedule of Rates
Rollers Australia 34 Jones Street East, Wagga Wagga NSW 2650	TO1/20/21 Annual Plant Hire	Schedule of Rates
Gavlex Pty Ltd T/A RSP Environmental Services 994 Wellington Street, Strathfieldsaye VIC 3551	TO1/20/21 Annual Plant Hire	Schedule of Rates
Stabilco Pty Ltd 26 Irwin Road, Benalla VIC 3672	TO1/20/21 Annual Plant Hire	Schedule of Rates

Contracts - includes Contracts above \$150,000		
Name and address of Contractor	Contract description	Tendered amount (including GST)
Tribuzi Transport & Plant Hire Pty Ltd 26 Waverley Road, Berrigan NSW 2712	T01/20/21 Annual Plant Hire	Schedule of Rates
Andrew Goldman Excavations Pty Ltd 1843 Murray Valley Hwy, Burramine VIC 3730	T02/22/23 Supply of Quarry Products	Schedule of Rates
Lawrence Brothers Quarries Pty Ltd 32 Stevenson Court, Yarrowonga VIC 3730	T02/22/23 Supply of Quarry Products	Schedule of Rates
E.B. Mawson & Sons Pty Ltd 141 King George Street, Cohuna VIC 3568	T02/22/23 Supply of Quarry Products	Schedule of Rates
Cobram Electrical and Data Services 30 Dillon Street, Cobram VIC 3644	T03/22/23 Supply of Electrical Services	Schedule of Rates
Ian Wastle Pace Electrics Pty Ltd 187 Newell Highway, Tocumwal NSW 2714	T03/22/23 Supply of Electrical Services	Schedule of Rates
PA & JL Scott 5 McNamara Street, Finley NSW 2713	T03/22/23 Supply of Electrical Services	Schedule of Rates
RW Purtle Electrical Pty Ltd 14 Lang Street, Mulwala NSW 2647	T03/22/23 Supply of Electrical Services	Schedule of Rates
Mobaditty Pty Ltd T/A Koalitty Downunder Servicing 17962 Riverina Hwy, Finley NSW 2713	T03/22/23 Supply of Electrical Services	Schedule of Rates
Stabilco Pty Ltd 26 Irwin Road, Benalla VIC 3672	T04/22/23 Insitu Pavement Stabilisation	Schedule of Rates
Downer EDI Works Pty Ltd 1 Unwin Street, Rosehill NSW 2142	T05/22/23 Cut-Back Bitumen	Schedule of Rates
Miller Pipe & Civil Pty Ltd 8 Schubert Street, Cobram VIC 3644	T06-22-23 Demolition and Reconstruction of Barooga Recreation Reserve (Netball Courts)	\$270,403.99
Deniliquin Irrigation Contracting Pty Ltd 904 Moonee Swamp Road, Deniliquin NSW 2710	MQ12-22-23 Supply & Install New Water Main - Hennessy Street, Tocumwal	\$216,272.10
Conex Group Pty Ltd Unit 11, 16 Stanton Road, Seven Hills NSW 2147	T12/22/23 Construction of 2.5M Wide 700M Long Shared Footpath from Vermont St. to	\$216,272.10
Conex Group Pty Ltd Unit 11, 16 Stanton Road, Seven Hills NSW 2147	T13/22/23 Construction of 2.5M Wide 901M Long Shared Footpath from Jerilderie St. to Kelly St. along Barooga Road in Tocumwal	\$476,190.01
Quarrell Civil Construction Pty Ltd 559 Zeerust Road, Bunbartha VIC 3634	T14-22-23 Construction of Tocumwal Aero-drome Museum Carpark	\$220,263.00
Deniliquin Irrigation Contracting Pty Ltd 904 Moonee Swamp Road, Deniliquin NSW 2710	T11-22-23 Tocumwal Sewer Treatment Plant New Drying Bed	\$281,600.00
BT Equipment Pty Ltd T/A Tutt Bryant Equipment 80-86 Frankston Dandenong Road, Dandenong VIC 3175	Q10-22-23 Purchase of two (2) Multi Tyred Rollers	\$432,410.00

Reporting Requirement *Local Government (General) Regulation 2005 cl 217 (1) (a2)*

Legal Issues

Reg cl 217(1)(a3)

Berrigan Shire Council was involved in the following legal proceeding during 2022-23:

Council have asserted a resident actively stole water from the Shire during the 2022-2023 financial year. The matter was to be heard in the Finley Court on 28 June 2023. The magistrate ordered the person to seek professional legal advice on the matter and it was adjourned for four weeks. The matter has been heard and charges withdrawn in return for an agreement from the resident to make restitution for loss to Council. Legal costs incurred for this matter were \$2,907.69.

Memorandums of Understanding

Council has instigated a number of Memorandums of Understanding (MOU) to assist with the effective and efficient delivery of a number of strategic outcomes. Each of the MOUs is listed below along with the key achievements made possible through those associations and alignments.

MOUs are entered into where Council and the strategic partner can align their strategic outcomes to:

- identify key mutual outcomes for the region;
- apply for and delivery mutually beneficial government grants and recognise other funding opportunities;
- share data that is mutually beneficial to both parties but does not compromise Privacy Principles etc;
- promote and facilitate cross-border events and opportunities;
- develop collaborative approaches to outcomes such as youth education, training, employment or wellbeing; and
- maintain and enhance the liveability of the Berrigan Shire.





Barooga Sporties

The current MOU was signed in 2021-22 and will be valid for three years. The specific aims of this agreement are to work together to achieve:

- agreed upgrades to, and ongoing maintenance of, the Barooga Aquatic and Recreation Centre (BARC) facility;
- the re-development of the Barooga Sports Recreation Precinct in line with the adopted Master Plan;
- the linking of club grants to Council strategic plans (such as health and wellbeing / youth programs etc);
- implementing the Burkinshaw Street landscaping master plan initiative; and
- the maintenance of the Cobram Barooga Golf Club as a destination golf course, supporting both local participation as well as golf tourism.

To date we have achieved:

- the delivery of the Burkinshaw Street landscape master plan with Council delivering the signage and infrastructure and Sporties providing the plants and ongoing maintenance of the site;
- assisted with the distribution of Community Grants funding required under the Gaming Machine Tax Act 2001;
- agreed upgrades to the BARC facility being completed;
- negotiations regarding an ongoing agreement of Moira and Berrigan Shire Councils to continue to provide \$50,000 each to the ongoing management and maintenance of the facility, acknowledging this offsets some of the financial loss of Sporties whilst providing a high-quality community service, is currently underway; and
- securing required funding, including Council support of the PGA round at the CBGC for the next three years.

Tocumwal Aviation Museum

The current MOU was signed in 2022-23 and will be valid for three years. The specific aims of this agreement are to work together to investigate opportunities associated with:

- Adventure and Joy Flight Tourism;
- Air Shows and Aviation Events; and
- Investment in the aerodrome and associated infrastructure

To date we have achieved:

- the implementation of Adventure Flights at the museum;
- the delivery of a sealed car park at the museum to offer all weather and inclusive access;
- provided for the establishment of the Beaufort Garden area with Council allowing the development of the garden on the Crown Land under its care and control and signing the required agreements to establish the museum of the owners of the infrastructure for the garden and its ongoing care and maintenance;
- the continuation of the Air Show at the Tocumwal Aerodrome with plans for increased offerings in future years being considered; and
- working with the Museum to ensure the site is well known and established as a tourism attraction throughout the region.

Tocumwal Golf and Bowls Club

The current MOU was signed in 2021-22 and will be valid for three years. The specific aims of this agreement are to work together to achieve:

- the development of TGBC as a key recreation and lifestyle visitor attraction, delivering employment and economic support to Tocumwal and the greater Berrigan Shire;
- the development of residential areas associated with the Golf Course to deliver suitable housing and alleviate pressures on the current market;
- implement youth health and wellbeing initiatives to encourage participation in sport and social activities;
- explore grant opportunities to ensure the delivery of the master plan is possible in the longer term; and
- advice and liaison in regard to TGBC's obligations to support local community activities under the Gaming Machine Tax Act 2001.

To date we have achieved:

- reaching agreement regarding in-kind support. The TGBC will continue to keep the entrance to Tocumwal attractive and mowed and Council will provide the equivalent amount of work to maintain the potholes in the Kelly Street thoroughfare used as a short cut by most locals;
- provided letters of support to gain significant funding to upgrade the TGBC facility;
- provided support to ensure the continued delivery of the golfing youth programs and competitions; and
- assisted in the distribution of Community Grants required as part of the TGBC's obligations under the Gaming Machine Tax Act 2001.

Murray 4 Collaboration

The four local Councils signatory to this MOU are Berrigan Shire, Federation, Moira Shire and Indigo Shire Councils. We have committed to working together to achieve mutual benefits for our communities.

To date we have achieved:

- strong advocacy with both Cross Border Commissioners to ensure the region as a whole is considered when policies, regulations are introduced;
- engaged with each other with respect to strategic planning to ensure any development outcomes on one side of the river do not adversely affect the communities on the other side of the river; and
- gained cross border funding for works to be undertaken at Thompsons Beach to deliver accessible infrastructure to allow all abilities access to the facilities at and on Thompsons Beach.

Corporations, partnerships, trusts, joint ventures, syndicates or other bodies

Reg cl 217(1)(a8)

During 2022-2023 the Corporations, partnerships, trusts, joint ventures, syndicates or other bodies were:

- Statewide Mutual
- Active Super
- Murray Regional Tourism Board
- Riverina and Murray Joint Organisations (RAMJO)
- Local Government NSW

External Bodies Exercising Delegated Functions

Reg cl 217(1)(a6)

During 2022-2023 the external bodies who exercised functions delegated by Council were:

S355 COMMITTEES OF MANAGEMENT

- Barooga Advancement Group
- Barooga Community Botanical Gardens
- Barooga Recreation Reserve
- Berrigan Conservation Group & Tidy Town
- Berrigan Sportsground
- Berrigan War Memorial Hall
- Berrigan War Memorial Swimming Pool
- Boomanoomana Landcare
- Finley Recreation Reserve
- Finley Showground & Sporting Complex
- Finley War Memorial Hall
- Finley War Memorial Swimming Pool
- Finley School of Arts
- Finley Log Cabin Museum and Mary Lawson Wayside Rest
- Native Dog Landcare Group
- Retreat Public Hall
- Tocumwal Foreshore
- Tocumwal Rail Preservation
- Tocumwal Recreation Reserve
- Tocumwal Swimming Pool
- Tocumwal War Memorial Hall

S355 COMMITTEE PROJECTS

- Finley School of Arts
- Sanded and revarnished floors \$11,500 with 1/3 loan from BSC
- Purchased new curtains for hall \$3,900
- Replaced and painted skirting boards in front two rooms
- New carpet tiles front two rooms
- Tocumwal War Memorial Hall
- Removed old heaters from hall walls
- Repaired Hall Ceiling (BSC)
- Cleaned facade brickwork, painted surfaces to remove flaking paint
- Installed building sign
- New window glass
- Installed flagpole
- Replaced foyer batten lights with LED lights
- Installed gallery lights in foyer for memorial art display
- Replaced emergency exit doors (BSC)
- Installed WW1 memorial art display

Contributions and Donations to Community Organisations

Reg cl 217(1)(a5) & Act s 356

Financial Assistance	
RAMJO	\$19,296.46
Rural Fire Services	\$201,696.00
NSW SES	\$23,524.84
NSW Fire Brigade	\$65,849.00
Barooga Sports Club	\$104,500.00
Murray Regional Tourism	\$25,425.40
Community Grants	
Barooga Recreation Reserve	\$12,000.00
Berrigan Recreation Reserve	\$12,000.00
Finley Recreation Reserve	\$12,000.00
Tocumwal Recreation Reserve	\$12,000.00
Berrigan War Memorial Hall	\$7,860.00
Finley War Memorial Hall	\$7,860.00
Tocumwal War Memorial Hall	\$8,000.00
Berrigan Swimming Pool	\$34,254.55
Finley Swimming Pool	\$38,836.36
Tocumwal Swimming Pool	\$34,254.55
Event Sponsorship	
Barooga Christmas Carols	\$2,000.00
Cobram Barooga Business Awards	\$22,000.00
Professional Golfers Association	\$11,000.00
Subsidised rates	\$5,916.19
Community Groups	
Tocumwal Rail Preservation	\$431.99
Barooga Botanical Gardens	\$514.64
Finley Pioneer Committee	\$729.70

Recipients of Berrigan Shire Council Contributions and Donations

Community Grants	
Cobram Secondary College	\$150.00
Finley TAFE	\$162.37
Finley High School	\$200.00
Event Sponsorship	
Local sportspersons	\$300.00

Cobram Barooga Business and Tourism Events Program

Berrigan Shire Council makes an annual contribution of \$20,000 to the Cobram Barooga Business and Tourism Events Program. During the 2022/2023 financial year Council's return on investment was \$176:\$1.

8
EVENTS



- Tri State Games
- NSW All Schools Cricket
- Victorian Mid Amatuer Golf
- Murray River Junior Masters
- Murray River Festival of Golf
- Victorian Country Golf Championships
- Vic University Mixed Ultimate Mixed Ultimate Games
- Golf Australia Vic: Vic Womens Country Championships

\$2,188,450
Visitor Spend/Direct Impact

Work Carried out on Private Land

Reg cl 217(1)(a4) & Act s 67, 67(2)(b),67(3)

There were no work carried out on Private Land in 2022/2023.

Responsible Pet Ownership and the Requirements of the NSW Companion Animals Act

Reg cl 217(1)(f)


Companion animals play an important part in the lives of our residents, and we continue to support and encourage responsible pet ownership including the positive experiences and benefits pets provide. Our Ranger is in the community advocating safe pet ownership, distributes pamphlets, undertakes social media promotion and administers a number of community-based events. Our Ranger also continued to help pet owners with the required NSW registration process and microchipping services.

Throughout 2022-23, concerns about disturbance, destructive behaviours, and dogs at large, continue to require substantial Council resources to manage. Barking, stray and aggressive animals, and the impact of cats on native wildlife were among the complaints. There were 8 fines and 7 dog attacks reported during 2022-2023.


Berrigan Shire Council's animal centre continues to provide a valuable community service. The facility provides impounding services to manage animals as they transition to new homes.

Our Ranger tries to rehome animals and if not successful, then makes contact with two rescue organisations. Council strives to deliver a 'no-kill' policy with 61 animals seized and 11 animals rehomed and 6 returned to grateful owners during the reporting period. A lack of identification or failure to keep owner contact information up to date continues to be the main reasons we are unable to reunite animals with their owners.

Data Collection Return for Companion Animals 2022-23




DOGS	Seized	Returned to Owner before Impounding	Transferred to Council's Facility	Returned to Owner after Impounding
2022-23	48	4	44	16
2021-22	59	18	41	25
2020-21	33	4	29	21



CATS	Seized	Returned to Owner before Impounding	Transferred to Council's Facility	Returned to Owner after Impounding
2022-23	17	0	17	1
2021-22	10	0	10	2
2020-21	26	0	26	0


Numbers do not include animals adopted by new owners and / or animal organisations



No. animals featured on our Facebook page: **28**



Average reach: **5,200**



No. people that shared, liked and commented on the posts: **911**

Off Leash Areas

Providing off leash areas encourages residents to exercise with their dogs, therefore gaining health benefits and promoting social interaction between dogs and owners.

It should be noted that it is only legal to have dogs off leash in areas designated as off leash areas. Council's off leash areas are: Kelly Street Tocumwal and Creed Street Berrigan.



General Purpose Financial Statements

for the year ended 30 June 2023.

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Overview

Berrigan Shire Council is constituted under the *Local Government Act 1993 (NSW)* and has its principal place of business at:

56 Chanter St
BERRIGAN NSW 2712

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.berriganshire.nsw.gov.au.

Understanding Council's Financial Statements

Introduction

Each year New South Wales local governments are required to present audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2023.

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

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

About the Auditor's Reports

Council's financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides two audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the audit report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements. Council is required to forward an audited set of financial statements to the Office of Local Government.

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 18 October 2023.




Carly Marriott
Deputy Mayor
18 October 2023



Matthew Hannan
Councillor
18 October 2023



Karina Ewer
Chief Executive Officer
18 October 2023



Tahlia Fry
Responsible Accounting Officer
18 October 2023

Income Statement

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
Income from continuing operations				
11,420	Rates and annual charges	B2-1	11,601	11,234
2,227	User charges and fees	B2-2	2,421	2,514
730	Other revenues	B2-3	435	468
8,035	Grants and contributions provided for operating purposes	B2-4	11,028	9,060
10	Grants and contributions provided for capital purposes	B2-4	6,350	3,734
342	Interest and investment income	B2-5	924	182
25	Other income	B2-6	192	183
<u>22,789</u>	Total income from continuing operations		<u>32,951</u>	<u>27,375</u>
Expenses from continuing operations				
4,911	Employee benefits and on-costs	B3-1	9,072	9,013
10,077	Materials and services	B3-2	10,225	7,067
123	Borrowing costs	B3-3	(251)	45
6,309	Depreciation, amortisation and impairment of non-financial assets	B3-4	8,471	7,423
507	Other expenses	B3-5	695	582
–	Net loss from the disposal of assets	B4-1	1,697	1,120
<u>21,927</u>	Total expenses from continuing operations		<u>29,909</u>	<u>25,250</u>
<u>862</u>	Net operating result for the year attributable to Council		<u>3,042</u>	<u>2,125</u>
<u>853</u>	Net operating result for the year before grants and contributions provided for capital purposes		<u>(3,308)</u>	<u>(1,609)</u>

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

Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Net operating result for the year – from Income Statement		3,042	2,125
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	<u>43,161</u>	<u>12,668</u>
Total items which will not be reclassified subsequently to the operating result		43,161	12,668
Total other comprehensive income for the year		<u>43,161</u>	<u>12,668</u>
Total comprehensive income for the year attributable to Council		<u>46,203</u>	<u>14,793</u>

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

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	15,084	17,384
Investments	C1-2	28,113	26,084
Receivables	C1-4	3,195	2,874
Inventories	C1-5	691	760
Other	C1-7	51	51
Total current assets		47,134	47,153
Non-current assets			
Infrastructure, property, plant and equipment (IPPE)	C1-6	401,971	355,982
Total non-current assets		401,971	355,982
Total assets		449,105	403,135
LIABILITIES			
Current liabilities			
Payables	C3-1	2,645	2,174
Contract liabilities	C3-2	1,254	951
Borrowings	C3-3	675	659
Employee benefit provisions	C3-4	1,620	1,607
Provisions	C3-5	–	466
Total current liabilities		6,194	5,857
Non-current liabilities			
Borrowings	C3-3	3,434	4,109
Employee benefit provisions	C3-4	663	641
Provisions	C3-5	159	76
Total non-current liabilities		4,256	4,826
Total liabilities		10,450	10,683
Net assets		438,655	392,452
EQUITY			
Accumulated surplus		133,564	130,522
IPPE revaluation reserve	C4-1	305,091	261,930
Total equity		438,655	392,452

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

Statement of Changes in Equity

for the year ended 30 June 2023

\$ '000	Notes	2023		2022		
		Accumulated surplus	IPPE revaluation reserve	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July		130,522	261,930	128,397	249,262	377,659
Net operating result for the year		3,042	–	2,125	–	2,125
Other comprehensive income						
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	43,161	–	12,668	12,668
Other comprehensive income		–	43,161	–	12,668	12,668
Total comprehensive income		3,042	43,161	2,125	12,668	14,793
Closing balance at 30 June		133,564	305,091	130,522	261,930	392,452

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

Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
Cash flows from operating activities				
<i>Receipts:</i>				
11,360	Rates and annual charges		11,473	11,240
2,188	User charges and fees		2,620	2,463
341	Interest received		514	205
8,016	Grants and contributions		17,864	13,151
–	Bonds, deposits and retentions received		–	20
725	Other		2,670	1,960
<i>Payments:</i>				
(4,871)	Payments to employees		(9,031)	(10,544)
(10,020)	Payments for materials and services		(11,979)	(7,273)
(123)	Borrowing costs		251	(45)
–	Bonds, deposits and retentions refunded		(47)	–
(506)	Other		(1,064)	(708)
7,110	Net cash flows from operating activities	G1-1	13,271	10,469
Cash flows from investing activities				
<i>Receipts:</i>				
6,177	Redemption of term deposits		39,194	28,948
–	Sale of real estate assets		432	749
907	Proceeds from sale of IPPE		263	190
<i>Payments:</i>				
–	Acquisition of term deposits		(41,223)	(27,006)
(18,857)	Payments for IPPE		(13,578)	(9,027)
–	Purchase of real estate assets		–	(979)
(11,773)	Net cash flows from/(used in) investing activities		(14,912)	(7,125)
Cash flows from financing activities				
<i>Payments:</i>				
(699)	Repayment of borrowings		(659)	(644)
(699)	Net cash flows from/(used in) financing activities		(659)	(644)
(5,362)	Net change in cash and cash equivalents		(2,300)	2,700
13,699	Cash and cash equivalents at beginning of year		17,384	14,684
8,337	Cash and cash equivalents at end of year	C1-1	15,084	17,384
22,649	plus: Investments on hand at end of year	C1-2	28,113	26,084
30,986	Total cash, cash equivalents and investments		43,197	43,468

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

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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 18 October 2023. 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 consolidated 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.

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts. Specific budgetary amounts have been included for comparative analysis (to actuals) in the following reports and notes:

- Income statement
- Statement of cash flows
- Note B5-1 – Material budget variations

and are clearly marked.

Historical cost convention

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

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) fair values of infrastructure, property, plant and equipment – refer Note C1-6
- (ii) tip remediation provisions – refer Note C3-5
- (iii) employee benefit provisions – refer Note C3-4

Significant judgements in applying the Council's accounting policies

- (i) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables – refer Note C1-4.

Council monitors its receivables closely and currently considered all of them recoverable, with debt collection processes ongoing where necessary.

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.

The Consolidated Fund has been included in the financial statements of the Council.

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

- General purpose operations
- Water service
- Sewerage service

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.

Volunteer services

Council has no material reliance on volunteer services and there is no financial impact on the financial statements as presented.

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 2023 reporting period.

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

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

New accounting standards adopted during the year

During the year Council adopted all accounting standards, which were mandatorily effective from the first time at 30 June 2023. None of these standards had a significant impact on reported position or performance.

B Financial Performance

B1 Functions or activities

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

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

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Functions or activities										
Sustainable Natural and Built Landscapes	19,085	14,807	21,350	18,283	(2,265)	(3,476)	10,465	6,222	358,661	324,614
Good Government	12,754	10,817	3,527	2,793	9,227	8,024	5,422	5,064	32,325	28,799
Supported and Engaged communities	497	950	3,905	3,383	(3,408)	(2,433)	1,491	1,505	49,274	42,179
Diverse and resilient business	615	801	1,127	791	(512)	10	–	3	8,845	7,543
Total functions and activities	32,951	27,375	29,909	25,250	3,042	2,125	17,378	12,794	449,105	403,135

B1-2 Components of functions or activities

Sustainable and Natural Built Landscapes

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

Development decisions made today about how we move around and between our communities and use our natural resources - the River, wildlife, forests, agricultural and urban land, and water shape the future of our communities. Council's Delivery Program and strategic objectives are:

- 1.1 Support sustainable use of natural resources and built landscapes;
- 1.2 Retain the diversity and preserve the health of our natural landscapes and wildlife; and
- 1.3 Connect and protect our communities.

Sustainable and natural built landscapes include the Council functions of Housing, Environment, Water Supply, Sewerage Services, Mining, Manufacture and Construction, and Transport and Communication.

Good Government

Good government is about making good decisions over time. These decisions involve managing our financial, economic, and environmental risks and the social implications of decisions made. Council's good government Delivery Program and strategic objectives are:

- 2.1 Berrigan Shire 2027 objectives and strategic actions facilitate the effective governance by Council of Council operations and reporting; and
- 2.2 Strengthen strategic relationships and partnerships with community, business and government.

Good Government includes the Council functions of Administration and Governance.

Supported and Engaged communities

Safe, healthy, accessible and inclusive communities are child and older person friendly. Lifelong learning, cultural expression, services for older residents and recreational activities provide opportunities for people with a diverse range of interests to become involved and engaged in their local communities. Council's Supported and engaged communities Delivery Program and strategic objectives are:

- 3.1 Create safe, friendly and accessible communities; and
- 3.2 Support community engagement through life-long learning, culture and recreation.

Supported and engaged communities includes the Council functions of Public Order and Safety, Health, Community Amenities, Community Services and Education and Recreation and Culture.

Diverse and resilient business

Our lifestyle, climate, existing facilities and proximity to Melbourne present a range of agricultural, tourism, retail and health industry opportunities. Council's Delivery Program and diverse and resilient business strategic objectives include:

- 4.1 Strengthen and diversify the local economy and invest in local job creation and innovation;
- 4.2 Diversify and promote local tourism; and
- 4.3 Connect local, regional and national road and rail infrastructure and networks.

Diverse and resilient business include the Council functions of Economic Affairs.

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	Timing	2023	2022
Ordinary rates			
Residential	1	3,041	2,971
Farmland	1	2,035	1,994
Business	1	611	598
Less: pensioner rebates	1	(174)	(174)
Rates levied to ratepayers		5,513	5,389
Pensioner rate subsidies received	2	95	95
Total ordinary rates		5,608	5,484
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)			
Domestic waste management services	1	1,186	1,135
Stormwater management services	1	77	76
Water supply services	1	2,347	2,254
Sewerage services	1	2,377	2,284
Waste management services (not-domestic)	1	116	104
Less: pensioner rebates	1	(242)	(242)
Annual charges levied		5,861	5,611
Pensioner annual charges subsidies received:			
– Water	2	46	47
– Sewerage	2	44	46
– Domestic waste management	2	42	46
Total annual charges		5,993	5,750
Total rates and annual charges		11,601	11,234

Council has used 2019 year valuations provided by the NSW Valuer-General in calculating its rates.

Accounting policy

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

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

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

B2-2 User charges and fees

\$ '000	Timing	2023	2022
User charges			
Domestic waste management services	2	270	259
Water supply services	2	960	992
Sewerage services	2	77	64
Waste management services (not-domestic)	2	346	371
Total User charges		1,653	1,686
Fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Building regulation	2	215	337
Private works – section 67	2	126	54
Section 10.7 certificates (EP&A Act)	2	24	22
Section 603 certificates	2	28	36
Aerodrome	2	30	33
Cemeteries	2	146	115
Library	2	9	6
Swimming centres	2	88	87
Sewerage	2	5	12
Water supply	2	51	85
Other	2	46	41
Total fees		768	828
Total user charges and fees		2,421	2,514
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		–	–
User charges and fees recognised at a point in time (2)		2,421	2,514
Total user charges and fees		2,421	2,514

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.

Where an upfront fee is charged such as joining fees for the leisure centre, the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

B2-3 Other revenues

\$ '000	Timing	2023	2022
Fines	2	1	2
Legal fees recovery – rates and charges (extra charges)	1	31	23
Commissions and agency fees	1	99	103
Diesel rebate	1	58	62
Insurance claims recoveries	1	13	–
Recycling income (non-domestic)	1	28	37
Sales – general	1	95	2
Insurance rebate	1	3	3
Paid parental leave scheme	1	21	–
Sale of scrap metal	1	10	61
Other	1	42	45
Workers compensation recovery	1	34	130
Total other revenue		435	468

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	434	466
Other revenue recognised at a point in time (2)	1	2
Total other revenue	435	468

Accounting policy for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as 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 2023	Operating 2022	Capital 2023	Capital 2022
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	1	1,100	1,907	–	–
Financial assistance – local roads component	1	459	769	–	–
Payment in advance - future year allocation					
Financial assistance – general component	1	4,306	2,927	–	–
Financial assistance – local roads component	1	1,761	1,186	–	–
Amount recognised as income during current year		7,626	6,789	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Previously specific grants:					
Bushfire and emergency services	1	61	73	–	–
Community care	2	5	3	–	–
Economic development	2	7	266	–	–
Employment and training programs	2	4	56	–	–
ESPL implementation funds	2	–	94	–	–
Heritage and cultural	2	13	–	–	–
Library	2	8	7	–	–
Library – per capita	1	65	64	–	–
Library – special projects	1	20	20	–	–
LIRS subsidy	1	13	18	–	–
Recreation and culture	2	–	–	1,120	1,120
Noxious weeds	2	62	96	–	–
Sewerage services	2	–	–	–	2
Street lighting	2	52	51	–	–
Transport (other roads and bridges funding)	2	1,471	–	2,741	1,330
Transport (roads to recovery)	2	516	264	–	–
Water supplies	2	–	–	1,929	789
Other specific grants	2	35	219	224	197
Previously contributions:					
Kerb and gutter	2	–	–	–	2
Paving	2	–	–	(6)	12
Recreation and culture	2	–	–	4	16
Transport for NSW contributions (regional roads, block grant)	2	1,060	1,040	58	158
Other contributions	2	10	–	20	–
Total special purpose grants and non-developer contributions (tied)		3,402	2,271	6,090	3,626
Total grants and non-developer contributions		11,028	9,060	6,090	3,626

B2-4 Grants and contributions (continued)

\$ '000	Timing	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Comprising:					
– Other funding		11	–	88	30
– Commonwealth funding		9,665	7,171	224	694
– State funding		1,352	1,889	5,778	2,902
		11,028	9,060	6,090	3,626

B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Timing	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):	G5					
Cash contributions						
S 7.11 – contributions towards amenities/services		2	–	–	46	19
S 64 – water supply contributions		2	–	–	214	77
S 64 – sewerage service contributions		2	–	–	–	12
Total developer contributions			–	–	260	108
Total grants and contributions			11,028	9,060	6,350	3,734
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised over time (1)			7,785	6,964	–	–
Grants and contributions recognised at a point in time (2)			3,243	2,096	6,350	3,734
Total grants and contributions			11,028	9,060	6,350	3,734

B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Unspent grants and contributions				
Unspent funds at 1 July	453	105	951	1,064
Add: Funds received and not recognised as revenue in the current year	12,460	8,020	4,524	5,168
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	(12,379)	(7,672)	(3,270)	(4,217)
Less: Funds received in prior year but revenue recognised and funds spent in current year	–	–	(951)	(1,064)
Unspent funds at 30 June	534	453	1,254	951
Contributions				
Unspent funds at 1 July	955	847	–	–
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	258	108	–	–
Add: contributions received for the provision of goods and services	1,215	1,227	–	–
Less: contributions recognised in the current period now spent	(1,215)	(1,227)	–	–
Unspent contributions at 30 June	1,213	955	–	–

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.

The performance obligations vary according to the agreement but include achievement of agreed service levels, or the completion of certain works or delivery of specified services. 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 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.

Developer contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979*. (EP&A Act)

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

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

B2-5 Interest and investment income

\$ '000	2023	2022
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	29	22
– Cash and investments	895	160
Total interest and investment income (losses)	924	182
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	14	10
General Council cash and investments	444	72
Restricted investments/funds – external:		
Water fund operations	400	78
Sewerage fund operations	66	22
Total interest and investment income	924	182

Accounting policy

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

B2-6 Other income

\$ '000	Notes	2023	2022
Rental income			
Other lease income			
Staff Housing		36	44
Caravan Park		42	33
Leaseback fees - council vehicles		44	61
Other facilities		70	45
Total rental income	C2-2	192	183
Total other income		192	183

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2023	2022
Salaries and wages	6,456	6,652
Employee leave entitlements (ELE)	1,441	1,469
ELE on-costs	35	33
Superannuation – defined contribution plans	715	665
Superannuation – defined benefit plans	80	35
Workers' compensation insurance	444	273
Fringe benefit tax (FBT)	64	45
Training costs (other than salaries and wages)	1	–
Protective clothing	14	26
Other	30	108
Total employee costs	9,280	9,306
Less: capitalised costs	(208)	(293)
Total employee costs expensed	9,072	9,013
Number of 'full-time equivalent' employees (FTE) at year end	90	98

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 E3-1 for more information.

B3-2 Materials and services

\$ '000	Notes	2023	2022
Raw materials and consumables		6,349	3,729
Contractor costs		733	323
– Domestic waste and recycling collection contract		496	430
Advertising		136	116
Audit Fees ¹	F2-1	71	65
Bank charges		63	54
Cleaning		6	6
Councillor and Mayoral fees and associated expenses	F1-2	216	176
Election expenses		–	97
Electricity and heating		374	289
Insurance		549	470
Street lighting		228	540
Subscriptions and publications		49	48
Telephone and communications		115	52
Training costs (other than salaries and wages)		224	157
Travel expenses		169	231
Valuation fees		43	40
Other expenses		295	141
Legal expenses:			
– Legal expenses: planning and development		27	12
– Legal expenses: debt recovery		73	91
– Legal expenses: other		9	–
Total materials and services		10,225	7,067

Accounting policy

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

B3-3 Borrowing costs

\$ '000	Notes	2023	2022
(i) Interest bearing liability costs			
Interest on loans		132	99
Total interest bearing liability costs		132	99
(ii) Other borrowing costs			
Discount adjustments relating to movements in provisions (other than ELE)			
– Remediation liabilities	C3-5	(383)	(54)
Total other borrowing costs		(383)	(54)
Total borrowing costs expensed		(251)	45

Accounting policy

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

B3-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2023	2022
Depreciation and amortisation			
Plant and equipment		1,001	915
Office equipment		29	23
Land improvements (depreciable)		–	54
Infrastructure:			
	C1-6		
– Buildings – non-specialised		10	9
– Buildings – specialised		725	616
– Roads		3,063	2,636
– Bridges		90	84
– Footpaths		152	70
– Stormwater drainage		294	228
– Water supply network		1,100	833
– Sewerage network		1,036	1,007
– Swimming pools		59	55
– Other open space/recreational assets		393	297
– Aerodrome		141	125
Other assets:			
– Heritage collections		1	1
– Library books		12	18
– Other		186	114
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	C1-6	179	334
– Quarry assets	C1-6	–	4
Total depreciation, amortisation and impairment for non-financial assets		8,471	7,423

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. Useful lives are included in Note C1-6 for IPPE assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are 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.

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

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

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.

B3-5 Other expenses

\$ '000	2023	2022
Impairment of receivables		
Other	42	17
Total impairment of receivables	42	17
Other		
Contributions/levies to other levels of government		
– Emergency services levy (includes FRNSW, SES, and RFS levies)	21	201
– NSW fire brigade levy	60	–
– NSW rural fire service levy	183	–
– Other contributions/levies	21	–
Donations, contributions and assistance to other organisations (Section 356)		
– Heritage and cultural programs	10	10
– Public halls and community facilities	27	20
– Riverina and Murray Regional Organisation of Councils	18	17
– Sporting grounds	53	60
– Swimming pools	157	148
– Tourism and area promotion	44	72
– Other	59	37
Total other	653	565
Total other expenses	695	582

Accounting policy

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

Impairment expenses are recognised when identified.

B4 Gains or losses

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

\$ '000	Notes	2023	2022
Gain (or loss) on disposal of property (excl. investment property)			
Less: carrying amount of property assets sold/written off		–	–
Gain (or loss) on disposal		–	–
Gain (or loss) on disposal of plant and equipment			
	C1-6		
Proceeds from disposal – plant and equipment		263	190
Less: carrying amount of plant and equipment assets sold/written off		(70)	(23)
Gain (or loss) on disposal		193	167
Gain (or loss) on disposal of infrastructure			
	C1-6		
Proceeds from disposal – infrastructure		–	–
Less: carrying amount of infrastructure written off		(1,863)	(1,376)
Gain (or loss) on disposal		(1,863)	(1,376)
Gain (or loss) on disposal of real estate assets held for sale			
	C1-5		
Proceeds from disposal – real estate assets		432	375
Less: carrying amount of real estate assets sold/written off		(459)	(286)
Gain (or loss) on disposal		(27)	89
Net gain (or loss) from disposal of assets		(1,697)	(1,120)

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 22 June 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	2023 Budget	2023 Actual	2023 ----- Variance -----	
Revenues				
Rates and annual charges	11,420	11,601	181	2% F
User charges and fees	2,227	2,421	194	9% F
Other revenues	730	435	(295)	(40)% U
Council incorrectly included revenue that is included in other income in the financials to other revenues when setting the budget.				
Operating grants and contributions	8,035	11,028	2,993	37% F
This budget variance is largely due to the Financial Assistance Grant for 23/24 being paid in its entirety in 22/23. It is also attributable to receiving grant funding during the year that was not available or announced before the 2023 Financial Year budget was set.				
Capital grants and contributions	10	6,350	6,340	63,400% F
Council only allocates a budget line for Grant Funding once a formal approval of the Grant application is received and a Funding Deed is provided. As Council applies for and receives various grants throughout the year this causes this budget line to vary depending on the Grant Funding available throughout the year.				
Interest and investment revenue	342	924	582	170% F
Council did not predict interest rates to increase so heavily this financial year. Council also done some short term investments within the Water Fund this financial year due to large scale projects taking longer than originally planned.				
Other income	25	192	167	668% F
Council allocated revenue included in other income to other revenues when setting it's budget.				

B5-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
Expenses				
Employee benefits and on-costs	4,911	9,072	(4,161)	(85)% U
Council budgets its salary and wage expenditure for numerous employees against budget line items that are captured under materials and contracts. These employees include but are not limited to roads, water, sewer, waste, parks & gardens. Council needs to do this to ensure they are accurately capturing the cost of capital works, repairs and maintenance.				
Materials and services	10,077	10,225	(148)	(1)% U
Borrowing costs	123	(251)	374	304% F
This variance is due to a reduction in the provision for remediation for Council's Tips and Quarry. Council now has two cells that no longer require remediation. This was not budgeted for.				
Depreciation, amortisation and impairment of non-financial assets	6,309	8,471	(2,162)	(34)% U
Council is currently revaluing their assets on a regular basis and with current inflation costs and natural disasters has not accounted for the large increase in the cost of some asset classes.				
Other expenses	507	695	(188)	(37)% U
Council did not budget for the large increase in Rural Fire Service contributions or the impairment of receivables.				
Net losses from disposal of assets	-	1,697	(1,697)	∞ U
Council does not budget for losses from disposal of assets.				
Statement of cash flows				
Cash flows from operating activities	7,110	13,271	6,161	87% F
The major variance is due to the 23/24 Financial Year Financial Assistance Grant being paid 100% in advance.				
Cash flows from investing activities	(11,773)	(14,912)	(3,139)	27% U
This variance is due to capital works that were scheduled to be completed in the 22/23 Financial Year being delayed and not yet completed.				
Cash flows from financing activities	(699)	(659)	40	(6)% F

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2023	2022
Cash assets		
Cash at bank and on hand	15,084	17,384
Total cash and cash equivalents	15,084	17,384

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	15,084	17,384
Balance as per the Statement of Cash Flows	15,084	17,384

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	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Debt securities at amortised cost				
Term deposits	28,113	–	26,084	–
Total financial investments	28,113	–	26,084	–
Total cash assets, cash equivalents and investments	43,197	–	43,468	–

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

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.

C1-2 Financial investments (continued)

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	2023	2022
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	43,197	43,468
Less: Externally restricted cash, cash equivalents and investments	<u>(28,243)</u>	<u>(31,837)</u>
Cash, cash equivalents and investments not subject to external restrictions	14,954	11,631
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
Specific purpose unexpended grants – general fund	<u>1,254</u>	951
External restrictions – included in liabilities	1,254	951
External restrictions – other		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	1,215	955
Specific purpose unexpended grants (recognised as revenue) – general fund	534	453
Water fund	16,304	19,909
Sewer fund	5,293	4,508
Domestic waste management	<u>3,643</u>	<u>5,061</u>
External restrictions – other	26,989	30,886
Total external restrictions	28,243	31,837

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

\$ '000	2023	2022
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	14,954	11,631
Less: Internally restricted cash, cash equivalents and investments	<u>(2,925)</u>	<u>(3,497)</u>
Unrestricted and unallocated cash, cash equivalents and investments	12,029	8,134

Internal allocations

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

Plant and vehicle replacement	1,516	1,549
Employees leave entitlement	289	289
Aerodrome	114	264
Capital works reserve	653	653
Information technology	162	292
Levee bank construction	–	13
Risk management	191	363
Tourism events	–	74
Total internal allocations	2,925	3,497

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

\$ '000	2023	2022
(c) Unrestricted and unallocated		
Unrestricted and unallocated cash, cash equivalents and investments	12,029	8,134

C1-4 Receivables

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Rates and annual charges	625	–	485	–
User charges and fees	323	–	452	–
Accrued revenues				
– Interest on investments	501	–	91	–
– Other income accruals	312	–	179	–
Government grants and subsidies	1,346	–	1,439	–
Net GST receivable	–	–	8	–
Other debtors	88	–	220	–
Total net receivables	3,195	–	2,874	–

Externally restricted receivables

Water supply

– Rates and availability charges	320	–	254	–
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Sewerage services

– Rates and availability charges	124	–	91	–
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Total external restrictions	444	–	345	–
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Unrestricted receivables	2,751	–	2,529	–
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Total net receivables	3,195	–	2,874	–
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Accounting policy

Receivables are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Impairment

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

When 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, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the receivables are over 120 days past due, whichever occurs first.

None of the receivables that have been written off are subject to enforcement activity.

Where Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

C1-5 Inventories

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
(i) Inventories at cost				
Real estate for resale	408	–	521	–
Stores and materials	283	–	239	–
Total inventories	691	–	760	–

Externally restricted assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Water				
Stores and materials	108	–	103	–
Total water	108	–	103	–
Sewerage				
Stores and materials	12	–	9	–
Total sewerage	12	–	9	–
Total externally restricted assets	120	–	112	–
Total unrestricted assets	571	–	648	–
Total inventories	691	–	760	–

C1-5 Inventories (continued)

(i) Other disclosures

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
(a) Details for real estate development					
Residential		408	–	521	–
Total real estate for resale		408	–	521	–
(Valued at the lower of cost and net realisable value)					
Represented by:					
Acquisition costs		408	–	521	–
Total costs		408	–	521	–
Total real estate for resale		408	–	521	–
Movements:					
Real estate assets at beginning of the year		521	–	12	–
– Purchases and other costs		1	–	605	–
– Transfers in from (out to) Note C1-6		345	–	190	–
– WDV of sales (expense)	B4-1	(459)	–	(286)	–
Total real estate for resale		408	–	521	–

Accounting policy**Raw materials and stores**

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.

Land held for resale

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

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

C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2022											At 30 June 2023										
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renews ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Transfers from/to real estate assets (Note C1-5)	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount							
Capital work in progress	2,518	—	2,518	417	5,004	—	—	(69)	—	—	—	—	7,870	—	7,870							
Plant and equipment	8,372	(5,160)	3,212	—	1,329	(32)	(1,001)	—	—	—	—	—	9,245	(5,737)	3,508							
Office equipment	747	(651)	86	—	127	—	(29)	—	—	—	—	—	874	(690)	184							
Land:																						
– Operational land	7,853	—	7,853	—	1,094	—	—	—	27	(25)	(137)	—	8,812	—	8,812							
– Community land	970	—	970	—	—	—	—	—	—	—	—	366	1,337	—	1,337							
– Crown land	2,253	—	2,253	—	—	—	—	—	—	—	—	1,790	4,043	—	4,043							
– Land under roads (post 30/6/08)	88	—	88	—	—	—	—	—	—	—	—	—	88	—	88							
Land improvements – depreciable	847	(399)	448	—	—	—	—	—	(448)	—	—	—	—	—	—							
Infrastructure:																						
– Buildings – non-specialised	729	(30)	699	—	—	—	(10)	—	—	(320)	(1)	—	404	(36)	368							
– Buildings – specialised	53,515	(16,355)	37,160	262	51	(151)	(725)	8	—	—	—	3,106	57,874	(18,162)	39,712							
– Roads	183,562	(29,221)	154,341	1,738	588	(1,247)	(3,063)	12	—	—	—	20,096	205,423	(32,958)	172,465							
– Bridges & Culverts	12,165	(5,213)	6,952	—	—	—	(90)	—	—	—	—	644	12,796	(5,289)	7,507							
– Footpaths	5,440	(1,196)	4,244	—	861	(135)	(152)	—	—	—	—	4,131	11,167	(2,217)	8,950							
– Bulk earthworks (non-depreciable)	12,553	—	12,553	105	—	—	—	—	—	—	—	1,546	14,204	—	14,204							
– Stormwater drainage	26,103	(4,874)	21,229	456	—	(14)	(294)	9	—	—	—	2,919	29,561	(5,256)	24,305							
– Water supply network	53,860	(19,118)	34,742	411	29	(2)	(1,100)	20	—	—	—	2,138	57,974	(21,736)	36,238							
– Sewerage network	66,853	(21,806)	45,047	153	—	(314)	(1,036)	16	—	—	—	3,010	71,482	(24,606)	46,876							
– Swimming pools	3,608	(1,569)	2,039	—	—	—	(59)	—	—	—	—	282	4,078	(1,816)	2,262							
– Other open space/recreational assets	12,188	(3,517)	8,671	—	385	—	(393)	4	519	—	—	3,085	16,041	(3,770)	12,271							
– Aerodrome	11,940	(4,896)	7,044	—	—	—	(141)	—	—	—	(806)	—	10,047	(3,950)	6,097							
Other assets:																						
– Heritage collections	81	(9)	72	—	—	—	(1)	—	—	—	(71)	—	—	—	—							
– Library books	120	(20)	100	—	28	(38)	(12)	—	—	—	—	—	87	(9)	78							
– Other	5,666	(2,186)	3,480	439	11	—	(186)	—	(98)	—	—	1,063	7,676	(2,969)	4,707							
Restatement, rehabilitation and restoration assets:																						
– Tip assets	3,555	(3,374)	181	—	86	—	(179)	—	—	—	—	—	1,253	(1,164)	89							
– Quarry assets	37	(37)	—	—	—	—	—	—	—	—	—	—	37	(37)	—							
Total infrastructure, property, plant and equipment	475,623	(119,641)	355,982	3,981	9,593	(1,933)	(8,471)	—	—	(345)	(1,015)	44,176	532,373	(130,402)	401,971							

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

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

By aggregated asset class	Asset movements during the reporting period										At 30 June 2022			
	At 1 July 2021	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Tfrs from/(to) real estate assets (Note C1-5)	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$'000														
Capital work in progress	6,968	6,968	1,954	151	-	-	(6,391)	-	(164)	-	-	2,518	-	2,518
Plant and equipment	8,243	3,612	-	536	(23)	(915)	-	-	-	-	-	8,372	(5,160)	3,212
Office equipment	737	99	-	10	-	(23)	-	-	-	-	-	747	(661)	86
Land:														
- Operational land	6,424	6,424	-	332	-	-	-	-	(26)	-	1,123	7,853	-	7,853
- Community land	1,026	1,026	-	-	-	-	161	-	-	(217)	-	970	-	970
- Crown land	2,396	2,396	-	-	-	-	-	-	-	(143)	-	2,253	-	2,253
- Land under roads (post 30/6/08)	109	109	-	-	-	-	-	-	-	(21)	-	88	-	88
Land improvements – depreciable	847	501	-	-	-	(54)	-	-	-	-	-	847	(399)	448
Infrastructure:														
- Buildings – non-specialised	650	644	-	-	-	(9)	-	-	-	-	63	729	(30)	699
- Buildings – specialised	46,276	32,344	35	414	(111)	(616)	1,884	-	-	-	3,210	53,515	(16,355)	37,160
- Roads	176,249	150,706	2,550	647	(1,000)	(2,636)	2,830	-	-	-	1,243	183,562	(29,221)	154,341
- Bridges	12,114	7,003	-	12	-	(84)	-	-	-	-	20	12,165	(5,213)	6,952
- Footpaths	4,960	3,827	-	196	(51)	(70)	203	-	-	-	138	5,440	(1,196)	4,244
- Bulk earthworks (non-depreciable)	12,195	12,195	-	-	-	-	-	-	-	-	358	12,553	-	12,553
- Stormwater drainage	25,421	19,986	-	227	(6)	(228)	297	-	-	-	954	26,103	(4,874)	21,229
- Water supply network	51,386	34,185	-	126	(35)	(833)	311	-	-	-	988	53,860	(19,118)	34,742
- Sewerage network	61,529	41,536	395	7	(15)	(1,007)	415	-	-	-	3,715	66,853	(21,806)	45,047
- Swimming pools	3,330	1,936	-	-	-	(55)	-	-	-	-	158	3,608	(1,569)	2,039
- Other open space/recreational assets	10,782	7,757	-	443	(119)	(297)	290	-	-	-	597	12,188	(3,517)	8,671
- Aerodrome	10,853	6,400	325	-	-	(125)	-	295	-	-	149	11,940	(4,896)	7,044
Other assets:														
- Heritage collections	75	68	-	-	-	(1)	-	-	-	-	6	81	(9)	72
- Library books	175	126	-	31	(39)	(18)	-	-	-	-	-	120	(20)	100
- Other	5,294	3,101	447	183	-	(114)	-	(295)	-	-	158	5,666	(2,186)	3,480
Restatement, rehabilitation and restoration assets (refer Note C3-5):														
- Tip assets	447	342	-	-	-	(334)	-	-	-	-	173	3,555	(3,374)	181
- Quarry assets	46	8	-	-	-	(4)	-	-	-	(4)	-	37	(37)	-
Total infrastructure, property, plant and equipment	448,532	(105,233)	5,706	3,315	(1,399)	(7,423)	-	-	(190)	(385)	13,053	475,623	(119,641)	355,982

(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.

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

Water and sewerage network assets are indexed at each reporting period in accordance with a desktop valuation provided by an external valuer, or in accordance with the Rates Reference Manual issued by Crown Lands and Water (CLAW), if no desktop valuation is available.

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

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

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	Other equipment	Years
Office equipment	5 to 10	Playground equipment	5 to 30
Office furniture	10 to 20	Benches, seats etc.	20 to 60
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	60 to 125
Other plant and equipment	5 to 15	Buildings: other	10 to 195
Water and sewer assets		Stormwater assets	
Dams and reservoirs	80 to 100	Drains	100 to 1000
Bores	20 to 40	Culverts	60 to 100
Reticulation pipes	80 to 130	Flood control structures	80 to 100
Pumps and telemetry	15 to 20		
Transportation assets		Other infrastructure assets	
Road Pavements - Sealed	30 to 200	Airport Assets	20 to 180
Road Pavements - Unsealed	15 to 60	Swimming pools	30 to 120
Road Surface	10 to 85	Other open space/recreational assets	5 to 60
Bridge: concrete	60 to 200	Other infrastructure	15 to 210
Bridge: other	100 to 200	Library books	10
Kerb, gutter and footpaths	15 to 100		

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

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

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

Land under roads

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

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

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

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

Externally restricted infrastructure, property, plant and equipment

\$ '000	as at 30/06/23			as at 30/06/22		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
Water supply						
WIP	6,419	–	6,419	1,976	–	1,976
Office equipment	7	7	–	7	7	–
Land						
– Operational land	1,826	–	1,826	743	–	743
Buildings	247	103	144	279	57	222
Infrastructure	57,974	21,736	36,238	53,860	19,118	34,742
Total water supply	66,473	21,846	44,627	56,865	19,182	37,683
Sewerage services						
WIP	226	–	226	73	–	73
Plant and equipment	217	217	–	163	163	–
Land						
– Operational land	1,489	–	1,489	1,512	–	1,512
Infrastructure	71,481	24,606	46,875	66,528	21,762	44,766
Total sewerage services	73,413	24,823	48,590	68,276	21,925	46,351
Total restricted infrastructure, property, plant and equipment	139,886	46,669	93,217	125,141	41,107	84,034

C1-7 Other

Other assets

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Prepayments	51	–	51	–
Total other assets	51	–	51	–

C2 Leasing activities

C2-1 Council as a lessee

Council does not have any material leases for the purpose of delivering services to its community. A number of minor leases over Crown lands have been classified as 'peppercorn' leases with annual rentals less than \$2,000 as disclosed in Note C2.

(a) Income Statement

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

\$ '000	2023	2022
Other	—	—
	—	—

(b) Statement of Cash Flows

Total cash outflow for leases	—	—
	—	—

(c) Leases at significantly below market value – concessionary / peppercorn leases

Council has a number of leases at significantly below market value for land and buildings which are used for:

- Community Services
- Second Hand Store/Car Park

The leases are generally between 5 and 30 years and require payments of a maximum amount of \$1,250 per year.

Council does not believe that any of the leases in place are individually material from a statement of financial position or performance perspective.

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.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

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.

C2-1 Council as a lessee (continued)

Leases at significantly below market value / Concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties and plant & vehicles to staff and to community groups. These leases have been classified as operating leases for financial reporting purposes and the assets are included as IPP&E (refer in this note part (v) below) 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	2023	2022
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The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below

Operating lease expenses

(ii) Assets held as property, plant and equipment

Lease income (excluding variable lease payments not dependent on an index or rate)	192	183
Total income relating to operating leases for Council assets	192	183

Reconciliation of IPPE assets leased out as operating leases

\$ '000	Land 2023	Land 2022	Buildings & Oth Structures 2023	Buildings & Oth Structures 2022
Opening balance as at 1 July	631	572	8,743	6,397
Additions new assets	656	–	896	2,049
Carrying value of disposals	–	–	(320)	–
Depreciation expense	–	–	(190)	(163)
Revaluation increments to equity (ARR)	231	59	1,317	460
Closing balance as at 30 June	1,518	631	10,446	8,743

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.

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

If the lease contains lease and non-lease components, 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 for an operating lease and as finance income using amortised cost basis for finance leases.

C3 Liabilities of Council

C3-1 Payables

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Goods and services – operating expenditure	1,627	–	1,206	–
Accrued expenses:				
– Salaries and wages	282	–	232	–
– Other expenditure accruals	45	–	10	–
Security bonds, deposits and retentions	326	–	373	–
Prepaid rates	365	–	353	–
Total payables	2,645	–	2,174	–

Payables relating to restricted assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Externally restricted assets				
Water	326	–	248	–
Payables relating to externally restricted assets	326	–	248	–
Total payables relating to restricted assets	326	–	248	–
Total payables relating to unrestricted assets	2,319	–	1,926	–
Total payables	2,645	–	2,174	–

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.

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 Contract Liabilities

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	1,254	–	951	–
Total contract liabilities		1,254	–	951	–

Notes

(i) Council has received funding to construct assets including sporting facilities, library extensions and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 or AASB 1058 being satisfied since the performance obligations are ongoing.

C3-2 Contract Liabilities (continued)

Contract liabilities relating to restricted assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Externally restricted assets				
Unspent grants held as contract liabilities (excl. Water & Sewer)	1,254	–	951	–
Total contract liabilities	1,254	–	951	–

C3-2 Contract Liabilities (continued)

Revenue recognised that was included in the contract liability balance at the beginning of the period

\$ '000	2023	2022
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	951	1,064
Total revenue recognised that was included in the contract liability balance at the beginning of the period	951	1,064

Significant changes in contract liabilities

There has been no significant changes in the value of contract liabilities compared to the previous year.

Accounting policy

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

C3-3 Borrowings

\$ '000	2023		2022	
	Current	Non-current	Current	Non-current
Loans – secured ¹	675	3,434	659	4,109
Total borrowings	675	3,434	659	4,109

(1) Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note E1-1.

Borrowings relating to restricted assets

\$ '000	2023		2022	
	Current	Non-current	Current	Non-current
Externally restricted assets				
Water	391	2,449	382	3,087
Total borrowings relating to restricted assets	391	2,449	382	3,087
Total borrowings relating to unrestricted assets	284	985	277	1,022
Total borrowings	675	3,434	659	4,109

C3-3 Borrowings (continued)

Changes in liabilities arising from financing activities

	2022		Non-cash movements				2023
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
\$ '000							
Loans – secured	4,768	(659)	–	–	–	–	4,109
Total liabilities from financing activities	4,768	(659)	–	–	–	–	4,109

	2021		Non-cash movements				2022
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
\$ '000							
Loans – secured	5,412	(644)	–	–	–	–	4,768
Total liabilities from financing activities	5,412	(644)	–	–	–	–	4,768

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.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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

C3-4 Employee benefit provisions

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Annual leave	799	–	794	–
Long service leave	511	604	508	594
Other leave	122	–	140	–
ELE on-costs	188	59	165	47
Total employee benefit provisions	1,620	663	1,607	641

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

\$ '000	2023	2022
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	709	506
	709	506

Description of and movements in provisions

\$ '000	ELE provisions				Total
	Annual leave	Long service leave	ELE on-costs	Other employee benefits	
2023					
At beginning of year	794	1,102	212	140	2,248
Additional provisions	470	148	35	–	653
Amounts used (payments)	(465)	(135)	–	(18)	(618)
Total ELE provisions at end of year	799	1,115	247	122	2,283
2022					
At beginning of year	896	1,551	273	106	2,826
Additional provisions	–	–	–	34	34
Amounts used (payments)	(102)	(446)	8	–	(540)
Other	–	(3)	(69)	–	(72)
Total ELE provisions at end of year	794	1,102	212	140	2,248

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.

C3-4 Employee benefit provisions (continued)

On-costs

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

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

C3-5 Provisions

\$ '000	2023 Current	2023 Non-Current	2022 Current	2022 Non-Current
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	159	466	76
Total provisions	–	159	466	76

Description of and movements in provisions

\$ '000	Other provisions	
	Asset remediation	Total
2023		
At beginning of year	542	542
Unwinding of discount	(383)	(383)
Total other provisions at end of year	159	159
2022		
At beginning of year	596	596
Unwinding of discount	(54)	(54)
Total other provisions at end of year	542	542

C3-5 Provisions (continued)

Nature and purpose of provisions

Asset remediation

Council has a legal/public obligation to make, restore, rehabilitate and reinstate the Council tip and quarry.

Accounting policy

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

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

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

Asset remediation – tips and quarries

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

IPPE revaluation reserve is used to record increments / decrements of non-current asset values due to their revaluation.

D Council structure

D1 Results by fund

General fund refers to all Council activities other than water and sewer. All amounts disclosed in this note are gross i.e. inclusive of internal charges and recoveries made between the funds. Assets and liabilities shown in the water and sewer columns are restricted for use for these activities.

D1-1 Income Statement by fund

\$ '000	General 2023	Water 2023	Sewer 2023
Income from continuing operations			
Rates and annual charges	7,019	2,274	2,308
User charges and fees	1,324	1,015	82
Interest and investment revenue	409	400	115
Other revenues	333	58	44
Grants and contributions provided for operating purposes	11,028	–	–
Grants and contributions provided for capital purposes	4,207	2,143	–
Other income	192	–	–
Total income from continuing operations	24,512	5,890	2,549
Expenses from continuing operations			
Employee benefits and on-costs	8,333	400	339
Materials and services	7,136	1,973	1,116
Borrowing costs	(335)	84	–
Depreciation, amortisation and impairment of non-financial assets	6,314	1,118	1,039
Other expenses	192	250	253
Net losses from the disposal of assets	1,381	2	314
Total expenses from continuing operations	23,021	3,827	3,061
Net operating result for the year	1,491	2,063	(512)
Net operating result for the year before grants and contributions provided for capital purposes	(2,716)	(80)	(512)

D1-2 Statement of Financial Position by fund

\$ '000	General 2023	Water 2023	Sewer 2023
ASSETS			
Current assets			
Cash and cash equivalents	9,487	4,304	1,293
Investments	12,113	12,000	4,000
Receivables	2,404	320	471
Inventories	571	108	12
Other	51	–	–
Total current assets	24,626	16,732	5,776
Non-current assets			
Receivables	(2,575)	–	2,575
Infrastructure, property, plant and equipment	308,733	44,869	48,369
Total non-current assets	306,158	44,869	50,944
Total assets	330,784	61,601	56,720
LIABILITIES			
Current liabilities			
Payables	2,319	326	–
Contract liabilities	1,254	–	–
Borrowings	37	638	–
Employee benefit provision	1,620	–	–
Total current liabilities	5,230	964	–
Non-current liabilities			
Borrowings	(1,125)	4,559	–
Employee benefit provision	663	–	–
Provisions	159	–	–
Total non-current liabilities	(303)	4,559	–
Total liabilities	4,927	5,523	–
Net assets	325,857	56,078	56,720
EQUITY			
Accumulated surplus	95,083	28,351	10,130
Revaluation reserves	230,774	27,727	46,590
Total equity	325,857	56,078	56,720

D1-3 Details of internal loans

Council has the below Internal Loans to disclose in accordance with s410(3) of the *Local Government Act 1993*.

Details of individual internal loans	Loan 395	Loan 390
Borrower (by purpose)	General Fund	Water Fund
Lender (by purpose)	Sewer Fund	Sewer Fund
Sewer Fund to Water Fund - Finley Water Treatment Plant		
Date of Minister's approval	10/09/2019	10/09/2019
Date raised	30/06/2021	30/06/2021
Sewer Fund to General Fund - Tocumwal Foreshore Building		
Term years	10	10
Dates of maturity	30/06/2031	30/06/2031
Rate of interest (%)	1.48	1.48
Amount originally raised (\$'000)	\$1,000	\$2,600

E Risks and accounting uncertainties

E1-1 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 2023	Carrying value 2022	Fair value 2023	Fair value 2022
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	15,084	17,384	15,084	17,384
Receivables	3,195	2,874	3,195	2,874
Investments				
– Debt securities at amortised cost	28,113	26,084	28,113	26,084
Total financial assets	46,392	46,342	46,392	46,342
Financial liabilities				
Payables	2,645	2,174	2,645	2,174
Loans/advances	4,109	4,768	4,109	4,768
Total financial liabilities	6,754	6,942	6,754	6,942

Fair value is determined as follows:

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

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 with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and the Ministerial investment order made subject to Section 265. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis 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 these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by investing only in term deposits, in line with Council's Financial Strategy 2021.

E1-1 Risks relating to financial instruments held (continued)

(a) Market risk – interest rate and price risk

\$ '000	2023	2022
<p>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.</p>		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	281	435
Impact of a 10% movement in price of investments		
– Equity / Income Statement	–	–

E1-1 Risks relating to financial instruments held (continued)

(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.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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

Credit risk profile

Receivables – rates and annual charges

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

\$ '000	Not yet overdue	overdue rates and annual charges < 5 years	≥ 5 years	Total
2023				
Gross carrying amount	–	612	13	625
2022				
Gross carrying amount	–	477	8	485

Receivables - non-rates and annual charges and contract assets

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

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

\$ '000	Not yet overdue	0 - 30 days	Overdue debts			Total
			31 - 60 days	61 - 90 days	> 91 days	
2023						
Gross carrying amount	2,248	220	1	–	101	2,570
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–
2022						
Gross carrying amount	1,938	346	(8)	1	112	2,389
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–

E1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk; that is, 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 by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. Council manages this risk through diversification of borrowing types, maturities and interest rate structures.

The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

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 (refer to Note C2-1(b) for 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 contractual cashflows	Actual carrying values
				1 - 5 Years	> 5 Years		
2023							
Payables	0.00%	326	2,319	–	–	2,645	2,645
Borrowings	2.68%	–	675	2,975	459	4,109	4,109
Total financial liabilities		326	2,994	2,975	459	6,754	6,754
2022							
Payables	0.00%	373	1,801	–	–	2,174	2,174
Borrowings	2.68%	–	743	3,014	1,327	5,084	4,768
Total financial liabilities		373	2,544	3,014	1,327	7,258	6,942

Loan agreement breaches

There have been no breaches to loan agreements during the reporting year.

E2-1 Fair value measurement

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

- Infrastructure, property, plant and equipment
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes. AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

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

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

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

Fair value measurement hierarchy									
\$ '000	Notes	Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2023	2022	2023	2022	2023	2022	2023	2022
Recurring fair value measurements									
Infrastructure, property, plant and equipment C1-6									
Plant and equipment		30/06/23	30/06/22	–	–	3,508	3,212	3,508	3,212
Office equipment		30/06/23	30/06/22	–	–	184	86	184	86
Operational land		30/06/23	30/06/22	8,812	7,853	–	–	8,812	7,853
Community land		30/06/23	30/06/22	–	–	1,336	970	1,336	970
Crown Land		30/06/23	30/06/22	–	–	4,043	2,253	4,043	2,253
Land under roads (post 30/06/08)		30/06/23	30/06/22	–	–	88	88	88	88
Land improvements – depreciable		30/06/23	30/06/15	–	–	–	448	–	448
Buildings – non-specialised		30/06/23	30/06/22	368	699	–	–	368	699
Buildings – specialised		30/06/23	30/06/22	–	–	39,711	37,160	39,711	37,160
Roads		30/06/23	30/06/22	–	–	172,465	154,341	172,465	154,341
Bridges		30/06/23	30/06/22	–	–	7,507	6,952	7,507	6,952
Footpaths		30/06/23	30/06/22	–	–	8,949	4,244	8,949	4,244
Bulk earthworks		30/06/23	30/06/22	–	–	14,204	12,553	14,204	12,553
Stormwater drainage		30/06/23	30/06/22	–	–	24,305	21,229	24,305	21,229
Water supply network		30/06/23	30/06/22	–	–	36,238	34,742	36,238	34,742
Sewer network		30/06/23	30/06/22	–	–	46,876	45,047	46,876	45,047
Swimming pools		30/06/23	30/06/22	–	–	2,262	2,039	2,262	2,039
Open Space		30/06/23	30/06/22	–	–	12,271	8,671	12,271	8,671
Aerodrome		30/06/23	30/06/22	–	–	6,097	7,044	6,097	7,044
Heritage collections		30/06/23	30/06/22	–	–	–	72	–	72
Library books		30/06/23	30/06/18	–	–	78	100	78	100
Other assets		30/06/23	30/06/22	–	–	4,707	3,480	4,707	3,480
Tip assets		30/06/23	30/06/22	–	–	89	181	89	181
Quarry assets		30/06/23	30/06/22	–	–	–	–	–	–
Total infrastructure, property, plant and equipment				9,180	8,552	384,918	344,912	394,098	353,464

Non-recurring fair value measurements

Transfers between level 1 and level 2 fair value hierarchies

Council's policy for determining transfers between fair value hierarchies is at the end of the reporting period.

E2-1 Fair value measurement (continued)

Valuation techniques

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

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

Infrastructure, property, plant and equipment (IPPE)

Plant and Equipment: Major plant (graders, loaders, etc.), fleet vehicles (cars, utes, etc.) and minor plant (chainsaws, mowers etc.)

Valuation technique – “Cost approach”

Inputs used (Level 3) – Fair value is approximated by depreciated historical cost.

Office Equipment: Computers, office furniture

Valuation technique – “Cost approach”

Inputs used (Level 3) – Fair value is approximated by depreciated historical cost.

Operational land: Land under Council offices, depots, libraries, water and sewer treatment plants etc.

Valuation technique – “Market approach”

Inputs used (Level 3) – Land area, rate per square metre, zoning, geographical location, sales of comparable land.

Council’s operational land has been valued at a market value, involving the inspection and analysis of sales evidence and comparisons with the subject property with adjustment for differences between key attributes of the properties.

Council’s operational land assets were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer.

Community land: Land under parks, recreation reserves, public halls etc.

Valuation technique – “Market approach”

Inputs used (Level 3) – Land area, rate per square metre, zoning, geographical location, sales of comparable land

Council’s operational land has been valued at a market value, involving the inspection and analysis of sales evidence and comparisons with the subject property with adjustment for differences between key attributes of the properties.

Council’s community land was valued using the unimproved land value provided by the NSW Valuer General in accordance with Office of Local Government guidance for infrastructure assets.

Land under roads: Land under roads acquired since 1 July 2008

Valuation technique – “Market approach”

Inputs used (Level 3) – Land area, rate per square metre, zoning, geographical location, sales of comparable land.

Council’s operational land has been valued at a market value, involving the inspection and analysis of sales evidence and comparisons with the subject property with adjustment for differences between key attributes of the properties. As the Council’s land under roads assets have no feasible alternate use, significant adjustments to the rate per square meter have been applied to the unobservable inputs and are based on a rate per square metre.

Council’s Land under roads were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer.

Land Improvements - depreciable

Valuation technique – “Cost approach”

Inputs used (Level 3) –, dimensions, specifications. (Level 3) – Unit rates, Condition, Remaining life, Residual value

These assets were valued at depreciated replacement cost. Available market data for recent projects and published cost guides are used to determine the estimated replacement cost of the asset, including preliminaries. A condition assessment is then applied based on factors such as the age of the asset, overall condition and remaining life. In some cases, residual values are factored into the calculation, which is the value at the time the asset is considered to no longer be available.

Council’s Land Improvements were valued at depreciated historical cost as a representation of fair value in accordance with Office of Local Government guidance for infrastructure assets.

E2-1 Fair value measurement (continued)

Buildings (Non-specialised): Residences

Valuation technique – “Market approach”

Inputs used (Level 3) – Sales evidence

Council’s non-specialised buildings have been valued at a market value, involving the inspection and analysis of sales evidence and comparisons with the subject building with adjustment for differences between key attributes of the properties. The land value is then subtracted from the market value of the property to measure the building asset fair value.

Council’s Buildings (non-specialised) were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer.

Buildings (Specialised): Community halls, toilet blocks, Council office, libraries, depot buildings, sheds etc.

Valuation technique – “Cost approach”

Inputs used (Level 3) – Unit rates, dimensions, specifications. (Level 3) – Condition, Remaining life, Residual value

These assets were valued at depreciated replacement cost. Available market data for recent projects and published cost guides are used to determine the estimated replacement cost of the asset, including preliminaries. A condition assessment is then applied based on factors such as the age of the asset, overall condition and remaining life. In some cases, residual values are factored into the calculation, which is the value at the time the asset is considered no longer to be available.

Council’s Buildings (specialised) were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer.

Roads, Bridges, Footpaths: Road surface, pavement, formation, road furniture, bridges, culverts.

Valuation technique – “Cost approach”

Inputs used (Level 3) – Unit rates, useful life, asset condition, specifications.

These assets were valued at depreciated replacement cost. Council’s road infrastructure assets are segmented and componentised into the following categories:

- Seal
- Pavement
- Formation and earthworks
- Culverts
- Road furniture (signs, guideposts, guardrails)

Council has surveyed its entire road network to measure both length and width of pavement and seal.

Council’s roads, bridges and footpath assets were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer.

Bulk earthworks: Levee banks.

Valuation technique – “Cost approach”

Inputs used (Level 3) – Unit rates, dimensions, condition

The unit rates were determined by current replacement cost.

Council’s bulk earthworks were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer.

Stormwater drainage: Kerb and gutter, drainage network, pumps and pump well, retention basins etc.

Valuation technique – “Cost approach”

Inputs used (Level 3) – Unit rates, useful life, asset condition, dimensions and specification

Council has surveyed its entire stormwater drainage network to measure both length and width of pipes and location and depth of pits.

Condition assessments have been applied across the entire drainage network to establish remaining useful lives.

Council’s stormwater drainage were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer.

Water Supply Network: Treatment plants, mains, reservoirs etc.

Valuation technique – “Cost approach”

Inputs used (Level 3) – Unit rates, useful life, asset condition, dimensions and specification

The Council has surveyed its entire sewerage network to measure both length and width of pipes and their location.

E2-1 Fair value measurement (continued)

Unit rates are based on the NSW References Rates Manual: Valuation of Water Supply, Sewerage and Stormwater Assets, including annual indexation.

Condition assessments were applied to individual assets based on inspection programs, including the use of cameras. Where inspections have not been, or are unable to be, made the life of the asset has been used to estimate condition.

Council's water network assets were valued externally by APV Valuers and Asset Management.

Sewerage Network: Sewer pipes, pump stations, treatment plants etc.

Valuation technique – “Cost approach”

Inputs used (Level 3) – Unit rates, useful life, asset condition, dimensions and specification

The Council has surveyed its entire sewerage network to measure both length and width of pipes and location and depth of pits. Unit rates are based on the NSW References Rates Manual: Valuation of Water Supply, Sewerage and Stormwater Assets, including annual indexation.

Condition assessments were applied to individual assets based on inspection programs, including the use of cameras. Where inspections have not been, or are unable to be, made the life of the asset has been used to estimate condition.

Council's sewerage network assets were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer.

Other Assets

Heritage collections:

Valuation technique – “Cost approach”

Inputs used (Level 3) – Fair value is approximated by depreciated historical cost

Library books: Books and other collection items.

Valuation technique – “Cost approach”

Inputs used (Level 3) – Fair value is approximated by depreciated historical cost

Library books are valued as bulk annual purchases and depreciated using a standard useful life.

Other Assets:

Valuation technique – “Cost approach”

Inputs used (Level 3) – Fair value is approximated by depreciated historical cost

Councils other assets were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer.

Tip & Quarry Assets:

Valuation technique – “Cost approach”

Inputs used (Level 3) – Fair value is approximated by depreciated historical cost

Councils tip and quarry assets were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer, and are factored to account for inflation.

Open Space Assets:

Valuation technique – “Cost approach”

Inputs used (Level 3) – Fair value is approximated by depreciated historical cost

Council's open space assets were valued by APV Valuers and Asset Management Pty Ltd, a registered valuer.

Non-current assets classified as ‘held for sale’

Assets previously classified as “Held for Sale” are actively being marketed however as they may not sell within 12 months, or indeed for some considerable time they have been transferred to Inventory assets along with all other land being marketed.

Fair value measurements using significant unobservable inputs (level 3)

The valuation process for level 3 fair value measurements

E2-1 Fair value measurement (continued)

The valuation process/es they use for level 3 fair valuation measurements is to use the market or cost approach (as indicated above) to review fair value, where the relationship of unobservable inputs to Fair Value are affected by any change in component pricing and asset condition. Asset valuations are reviewed annually by the Director Infrastructure and the Finance Manager.

Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment		
Plant & Equipment	Cost Approach	<ul style="list-style-type: none"> • Gross Replacement Cost • Remaining Useful Life
Office Equipment	Cost Approach	<ul style="list-style-type: none"> • Gross Replacement Cost • Remaining Useful Life
Aerodrome	Cost Approach	<ul style="list-style-type: none"> • Gross Replacement Cost • Remaining Useful Life
Operational Land	Market Approach	<ul style="list-style-type: none"> • Price per square metre, Land area, zoning, geographical location, sales of comparable land
Community Land	Market Approach	<ul style="list-style-type: none"> • Price per square metre, Land area, zoning, geographical location, sales of comparable land
Land under Roads (post 30/06/08)	Market Approach	<ul style="list-style-type: none"> • Price per square metre, Land area, zoning, geographical location, sales of comparable land • Alternate Uses
Land Improvements - Depreciable	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Buildings – Non Specialised	Market Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Buildings - Specialised	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Roads	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Bridges	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Footpaths	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Bulk Earthworks	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Stormwater Drainage	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Water Supply Network	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Sewer Network	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Swimming Pools	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life

E2-1 Fair value measurement (continued)

	Valuation technique/s	Unobservable inputs
Heritage Collections	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Library Books	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Other Assets	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life
Tip & Quarry Assets	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful Life

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

\$ '000	Operational Land		Community Land		Crown Land		Depreciable land improvements	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	–	6,424	970	1,026	2,253	2,396	448	501
Total gains or losses for the period								
Other movements								
Transfers from/(to) level 2 FV hierarchy	–	(7,853)	–	–	–	–	–	–
Transfers from/(to) another asset class	–	–	–	–	–	–	(448)	–
Purchases (Gross Book Value)	–	332	–	161	–	–	–	–
Disposals (Written Down Value)	–	(26)	–	–	–	–	–	–
Depreciation and impairment	–	–	–	–	–	–	–	(54)
Revaluation	–	1,123	366	(217)	1,790	(143)	–	–
Rounding	–	–	1	–	–	–	–	1
Closing balance	–	–	1,337	970	4,043	2,253	–	448

\$ '000	Land under roads		Buildings non-specialised		Building specialised		Plant and equipment	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	88	109	–	644	37,160	32,344	3,212	3,612
Total gains or losses for the period								
Other movements								
Transfers from/(to) level 2 FV hierarchy	–	–	–	(699)	–	–	–	–
Purchases (Gross Book Value)	–	–	–	–	321	2,333	1,329	536
Disposals (Written Down Value)	–	–	–	–	(151)	(111)	(32)	(23)
Depreciation and impairment	–	–	–	(9)	(725)	(616)	(1,001)	(915)
Revaluation	–	(21)	–	63	3,106	3,210	–	–
Rounding	–	–	–	1	–	–	–	2
Closing balance	88	88	–	–	39,711	37,160	3,508	3,212

E2-1 Fair value measurement (continued)

\$ '000	Office equipment		Roads		Bridges		Footpaths	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	86	99	154,341	150,706	6,952	7,003	4,244	3,827
Total gains or losses for the period								
Other movements								
Purchases (Gross Book Value)	127	10	2,338	6,027	–	12	861	399
Disposals (Written Down Value)	–	–	(1,247)	(1,000)	–	–	(135)	(51)
Depreciation and impairment	(29)	(23)	(3,063)	(2,636)	(90)	(84)	(152)	(70)
Revaluation	–	–	20,096	1,243	645	20	4,131	138
Rounding	–	–	–	1	–	1	1	1
Closing balance	184	86	172,465	154,341	7,507	6,952	8,950	4,244

\$ '000	Bulk earthworks		Stormwater drainage		Water supply network		Sewerage network	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	12,553	12,195	21,229	19,986	34,742	34,185	45,047	41,536
Total gains or losses for the period								
Other movements								
Purchases (Gross Book Value)	105	–	465	524	460	437	169	817
Disposals (Written Down Value)	–	–	(14)	(6)	(2)	(35)	(314)	(15)
Depreciation and impairment	–	–	(294)	(228)	(1,100)	(833)	(1,036)	(1,007)
Revaluation	1,546	358	2,919	954	2,138	988	3,010	3,715
Rounding	–	–	–	(1)	–	–	(1)	1
Closing balance	14,204	12,553	24,305	21,229	36,238	34,742	46,875	45,047

E2-1 Fair value measurement (continued)

\$ '000	Swimming pools		Heritage collections		Library books		Other assets	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	2,039	1,936	72	68	100	126	12,151	10,858
Total gains or losses for the period								
Other movements								
Transfers from/(to) another asset class	–	–	–	–	–	–	419	(295)
Purchases (Gross Book Value)	–	–	–	–	28	31	839	1,363
Disposals (Written Down Value)	–	–	–	–	(38)	(39)	–	(119)
Depreciation and impairment	(59)	(55)	(1)	(1)	(12)	(18)	(579)	(411)
Revaluation	282	158	(71)	6	–	–	4,148	755
Rounding	–	–	–	(1)	–	–	–	–
Closing balance	2,262	2,039	–	72	78	100	16,978	12,151

\$ '000	Tip and quarry assets		Aerodrome		Total	
	2023	2022	2023	2022	2023	2022
Opening balance	181	350	7,044	6,400	344,912	336,331
Transfers from/(to) level 2 FV hierarchy	–	–	–	–	–	(8,552)
Transfers from/(to) another asset class	–	–	–	295	(29)	–
Purchases (Gross Book Value)	86	–	–	325	7,128	13,307
Disposals (Written Down Value)	–	–	–	–	(1,933)	(1,425)
Depreciation and impairment	(179)	(338)	(141)	(125)	(8,461)	(7,423)
Revaluation	1	169	(805)	149	43,302	12,668
Rounding	–	–	(1)	–	–	6
Closing balance	89	181	6,097	7,044	384,919	344,912

Information relating to the transfers into and out of the level 3 fair valuation hierarchy includes:

There was a transfer out of level 3 and into level 2 for buildings - non-specialised and operational land as these were subject to a comprehensive revaluation as at 30 June 2022.

Highest and best use

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

E3-1 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 standard employer contributions and additional lump sum 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 employee contributions for non-180 Point members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times employee contributions

* For 180 Point Members, Employers are required to contribute 8.0% of salaries for the year ending 30 June 2023 (increasing to 8.5% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2022. 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.

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 2023 was \$79,681.78. The last valuation of the Scheme was performed by Mr Richard Boyfield, FIAA as at 30 June 2022.

E3-1 Contingencies (continued)

Council's expected contribution to the plan for the next annual reporting period is \$34,551.60.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2023 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,290.9	
Past Service Liabilities	2,236.1	102.4%
Vested Benefits	2,253.6	101.7%

* excluding other accumulation accounts and reserves in both assets and liabilities.

The share of any funding surplus or deficit that can be attributed to Council is 0.08%.

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	6.0% per annum
Salary inflation	3.5% per annum
Increase in CPI	6.0% for FY 22/23 2.5% per annum thereafter

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.

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review will be completed by December 2023.

(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.

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

F People and relationships
F1 Related party disclosures
F1-1 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	2023	2022
Compensation:		
Short-term benefits	978	957
Post-employment benefits	108	108
Termination benefits	-	204
Total	1,086	1,269

Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

There are no other disclosures to be made by KMP.

F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2023	2022
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	27	25
Councillors' fees	98	88
Other Councillors' expenses (including Mayor)	91	63
Total	216	176

F2 Other relationships

F2-1 Audit fees

\$ '000	2023	2022
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	71	65
Total Auditor-General remuneration	71	65
Non NSW Auditor-General audit firms		
Total audit fees	71	65

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

\$ '000	2023	2022
Net operating result from Income Statement	3,042	2,125
Add / (less) non-cash items:		
Depreciation and amortisation	8,471	7,423
(Gain) / loss on disposal of assets	1,697	1,120
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	(321)	82
(Increase) / decrease of inventories	(44)	(21)
Increase / (decrease) in payables	421	457
Increase / (decrease) in other accrued expenses payable	85	(9)
Increase / (decrease) in other liabilities	(35)	37
Increase / (decrease) in contract liabilities	303	(113)
Increase / (decrease) in employee benefit provision	35	(578)
Increase / (decrease) in other provisions	(383)	(54)
Net cash flows from operating activities	13,271	10,469

G2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2023	2022
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Levee	89	–
Plant and equipment	549	627
Roadworks	461	71
Sewer Infrastructure	288	–
Water infrastructure	4,616	8,951
Economic Development	129	110
Land & Buildings	375	15
Total commitments	6,507	9,774
These expenditures are payable as follows:		
Within the next year	6,507	9,774
Total payable	6,507	9,774
Sources for funding of capital commitments:		
Unrestricted general funds	324	152
Future grants and contributions	2,001	4,399
Externally restricted reserves	3,385	4,607
Internally restricted reserves	797	616
Total sources of funding	6,507	9,774

G3-1 Events occurring after the reporting date

Council is unaware of any material or significant events that should be disclosed.

G4 Changes from prior year statements

G4-1 Changes in accounting policy

Voluntary changes in accounting policies

Council made no changes in accounting policy during the year 30 June 2023.

G4-2 Changes in accounting estimates

Nature and effect of changes in accounting estimates on current year

Council made no changes to accounting estimates during the year ending 30 June 2023.

G5 Statement of developer contributions as at 30 June 2023

G5-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
S7.11 not under plans	182	46	-	-	-	-	-	228	-
S64 contributions	773	214	-	-	-	-	-	987	-
Total contributions	955	260	-	-	-	-	-	1,215	-

Under the *Environmental Planning and Assessment Act 1979*, Council has obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas.

It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

G5-2 Contributions not under plans

\$ '000	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
CONTRIBUTIONS NOT UNDER A PLAN									
Drainage	76	26	-	-	-	-	-	102	-
Parking	19	-	-	-	-	-	-	19	-
Open space	87	20	-	-	-	-	-	107	-
Total	182	46	-	-	-	-	-	228	-

G5-3 S64 contributions

S64 contributions									
		Cash	Non-cash Land	Non-cash Other	Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
Water	729	214	-	-	-	-	-	943	-
Sewer	44	-	-	-	-	-	-	44	-
Total	773	214	-	-	-	-	-	987	-

G6 Statement of performance measures

G6-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2023	Indicator 2023	Indicators 2022 2021		Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(1,569)	(5.90)%	(2.00)%	4.02%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	26,601				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ^{1,3}	15,573	47.26%	53.26%	50.84%	> 60.00%
Total continuing operating revenue ¹	32,951				
3. Unrestricted current ratio					
Current assets less all external restrictions	18,327	5.22x	3.94x	5.01x	> 1.50x
Current liabilities less specific purpose liabilities	3,514				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	6,651	16.30x	10.15x	15.40x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	408				
5. Rates and annual charges outstanding percentage ³					
Rates and annual charges outstanding ³	625	5.15%	4.13%	4.11%	< 10.00%
Rates and annual charges collectable	12,146				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	43,197	23.01	27.15	25.87	> 3.00
Monthly payments from cash flow of operating and financing activities	1,877	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

(3) These ratios have had the pensioner subsidies removed from the 2018/19 amounts due to changes in the 2019/20 Accounting Code. This change is to ensure comparatives remain consistent.

G6-2 Statement of performance measures by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2023	2022	2023	2022	2023	2022	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1, 2}	(4.81)%	(8.59)%	(2.14)%	27.31%	(20.09)%	(6.43)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions ^{1, 3}	37.85%	38.57%	63.62%	98.20%	100.00%	99.42%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	5.22x	3.94x	17.36x	23.11x	∞	∞	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	15.44x	6.80x	13.36x	22.46x	∞	∞	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates and annual charges outstanding percentage ³							
Rates and annual charges outstanding	8.26%	6.58%	0.00%	0.00%	0.00%	0.00%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	20.03 months	21.92 months	∞	∞	∞	∞	> 3.00 months
Monthly payments from cash flow of operating and financing activities							

(1) - (2) Refer to Notes at Note G6-1 above.

(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

End of the audited financial statements

1. Operating performance ratio



Purpose of operating performance ratio

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

Commentary on 2022/23 result

2022/23 ratio (5.90)%

The operating performance ratio has seen a further decrease in 2023 to -5.90% (2022: -2.00%). This is largely due to ongoing cost increases in materials, contracts and depreciation, Council will need to consider how they fund ongoing increases going forward.

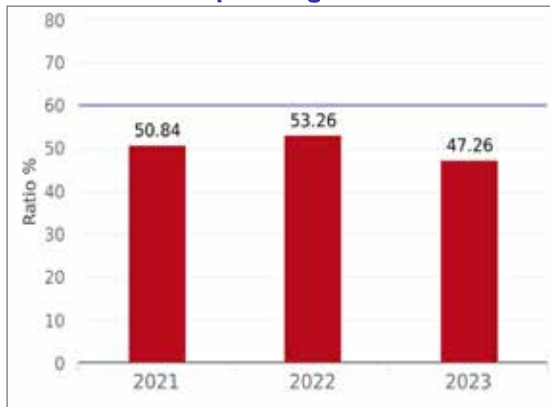
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2022/23 result

2022/23 ratio 47.26%

The own source operating revenue ratio decreased to 47.26% (2022: 53.26%) due to increases in grant funding.

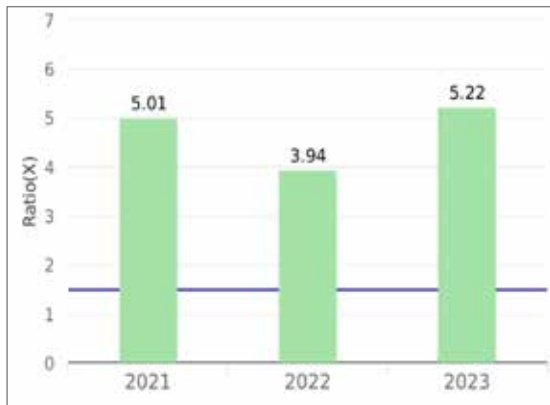
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2022/23 result

2022/23 ratio 5.22x

The unrestricted current ratio has seen an increase in 2023 due to increases in externally restricted cash, cash equivalents and investments.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting

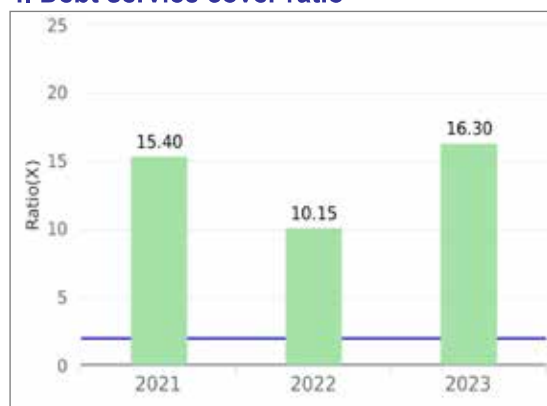
Ratio achieves benchmark

Ratio is outside benchmark

H Additional Council disclosures (unaudited)

H1-1 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Purpose of debt service cover ratio

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

Commentary on 2022/23 result

2022/23 ratio 16.30x

The debt service cover ratio has increased to 16.30% (2022: 10.15%) as Council has continued to pay down loans with no further loan drawdowns this financial year.

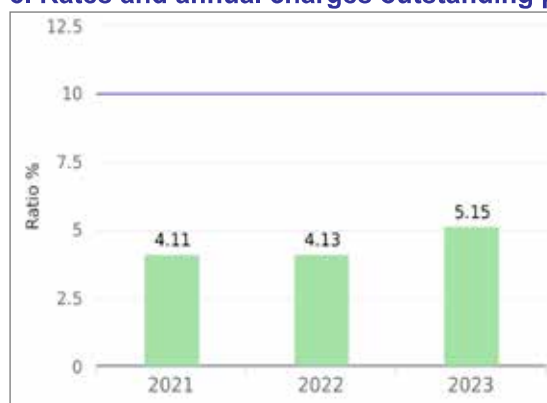
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2022/23 result

2022/23 ratio 5.15%

The rates and annual charges outstanding percentage of 5.15% has increased slightly compared to the prior year (2022: 4.13%) however Council continues to stay well above the benchmark due to another successful year of collections.

Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

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

Commentary on 2022/23 result

2022/23 ratio 23.01 months

Council's cash expenses cover ratio has decreased to 23.01% (2022: 27.15%). Council consistently remains above the benchmark showing a strong financial position.

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark



INDEPENDENT AUDITOR'S REPORT
Report on the general purpose financial statements
Berrigan Shire Council

To the Councillors of Berrigan Shire Council

Opinion

I have audited the accompanying financial statements of Berrigan Shire 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 2023, the Statement of Financial Position as at 30 June 2023, 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 2023, 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).

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

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 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

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

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. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- 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.



Min Lee
Delegate of the Auditor-General for New South Wales

30 October 2023
SYDNEY



Julia McKean
 Mayor
 Berrigan Shire Council
 56 Chanter Street
 BERRIGAN NSW 2712

Contact: Min Lee
 Phone no: 02 9275 7151
 Our ref: R008-16585809-46498

30 October 2023

Dear Mayor

**Report on the Conduct of the Audit
 for the year ended 30 June 2023
 Berrigan Shire Council**





I have audited the general purpose financial statements (GPFS) of the Berrigan Shire Council (the Council) for the year ended 30 June 2023 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 2023 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2023	2022	Variance
	\$m	\$m	%
Rates and annual charges revenue	11.6	11.2	 3.6
Grants and contributions revenue	17.4	12.8	 35.9
Operating result from continuing operations	3.0	2.1	 42.9
Net operating result before capital grants and contributions	(3.3)	(1.6)	 106.3

The Council's operating result from continuing operations (\$3.0 million including depreciation and amortisation expense of \$8.5 million) was \$0.9 million higher than the 2021–22 result mainly due to the \$4.6 million increase of grants and contributions revenue which was partially offset by the \$3.2 million increase in materials and services expenditures.

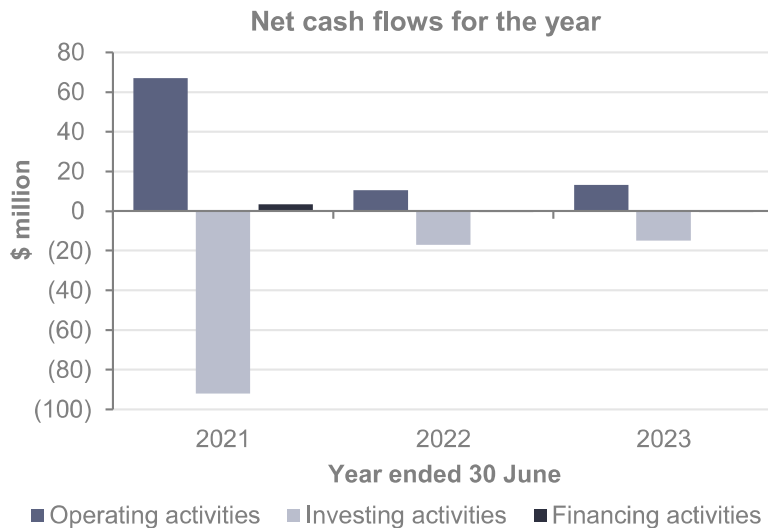
The net operating result before capital grants and contributions of deficit \$3.3 million was \$1.7 million lower than the 2021–22 result. This is due mainly due to \$3.2 million increase in material and services expenses which was partially offset by the \$2 million increase in grants and contributions provided for operating purposes.

Rates and annual charges revenue (\$11.6 million) increased by \$0.4 million (3.6 per cent) in 2022–23 due to 0.9% rate peg increase and increase in annual charges levied during the year.

Grants and contributions revenue (\$17.4 million) increased by \$4.6 million (35.9 per cent) in 2022–23 mainly due to \$1.4 million increase in transport related operational grants and \$1.4 million in transport related capital grants and \$1.1 million increase for Water supplies capital project grants.

STATEMENT OF CASH FLOWS

- The Council's cash and cash equivalents was \$15.1 million at 30 June 2023 (\$17.4 million at 30 June 2022).
- Net cash flows from operating activities has increased by \$2.8 million. This is mainly due to the \$4.7 million increase in grants and contributions cash receipts.
- Net cash flows used in investing activities has decreased by \$7.8 million due to \$14.2 million increase in payments for acquisition of term deposits, \$4.6 million increase in payments for infrastructure, property, plant and equipment and \$10.2 million increase in term deposit redemptions.
- Net cash flows from financing activities remained consistent with the prior year.



FINANCIAL POSITION

Cash and investments

Cash and investments	2021	2020	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	43.1	43.4	<ul style="list-style-type: none"> Externally restricted cash, cash equivalents and investments are restricted in their use by externally imposed requirements. External restrictions have decreased mainly due to \$3.6 million reduction in funds restricted for water fund projects. Internally allocated cash and investments have been restricted in their use by resolution or policy of the Council to reflect identified programs of works and any forward plans identified by the Council. The decrease is mainly due to \$0.5 million reduction in information technology, risk management and aerodrome allocations.
Restricted cash and investments:			
<ul style="list-style-type: none"> External restrictions Internal restrictions 	28.2 2.9	31.8 3.5	

Debt

Council has \$4.1 million in borrowings as at 30 June 2023, \$0.7 million decrease from 2022 due to repayments made during 2023.

PERFORMANCE

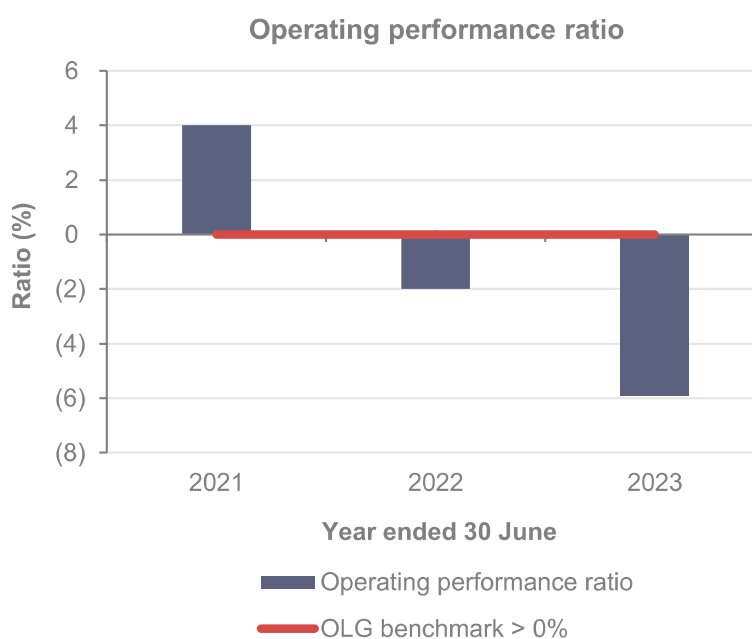
Performance measures

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

Operating performance ratio

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

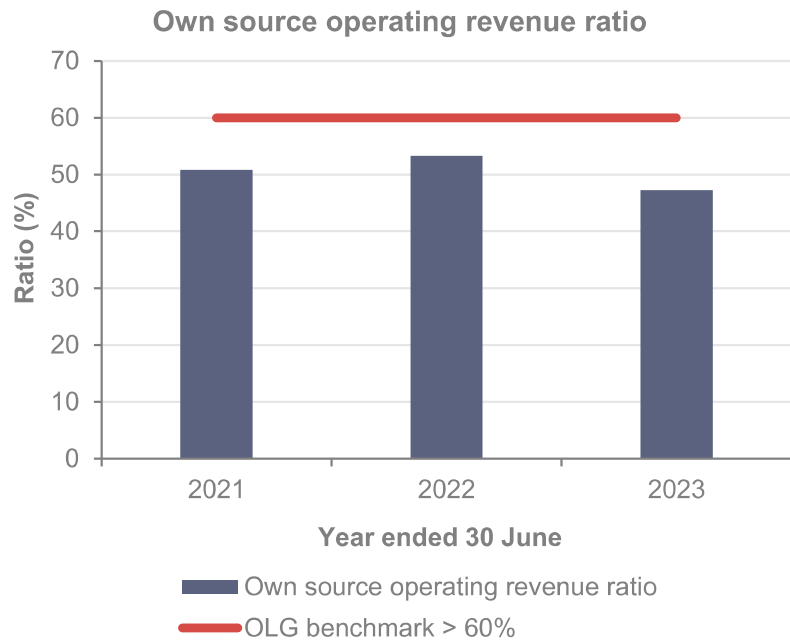
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

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

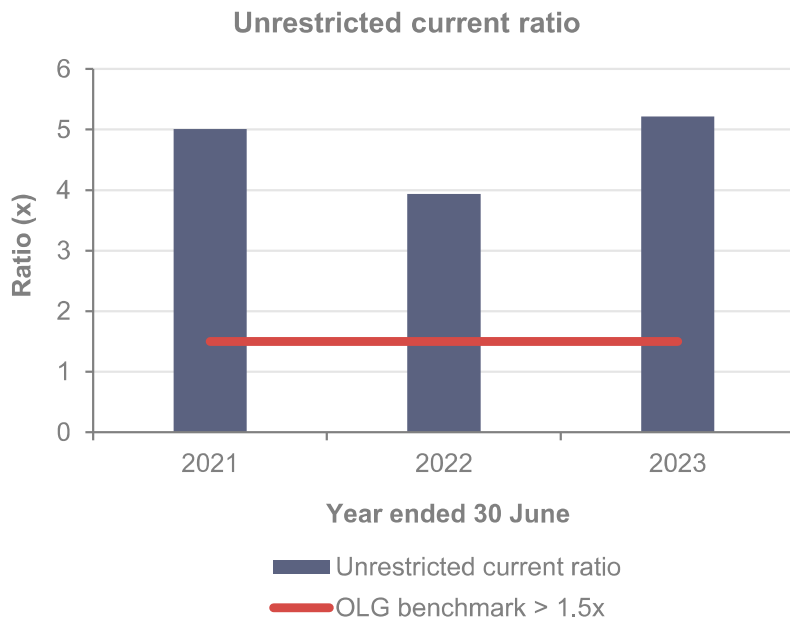
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

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

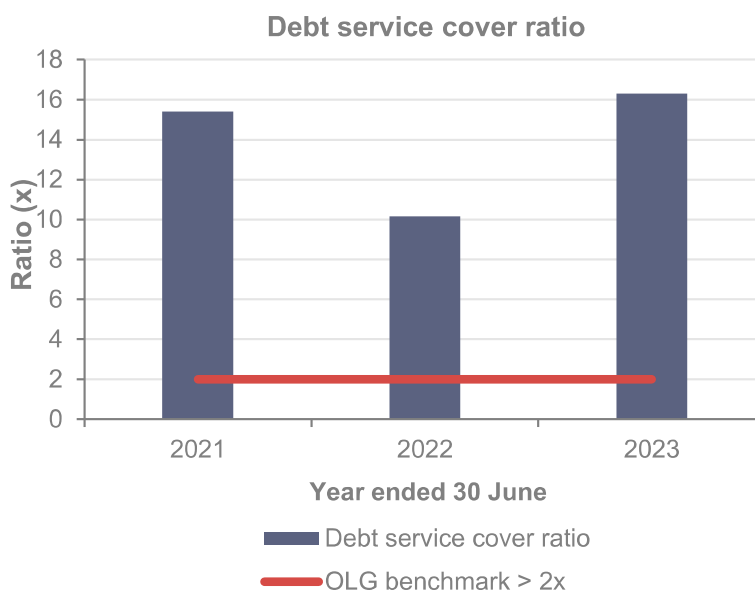
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

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

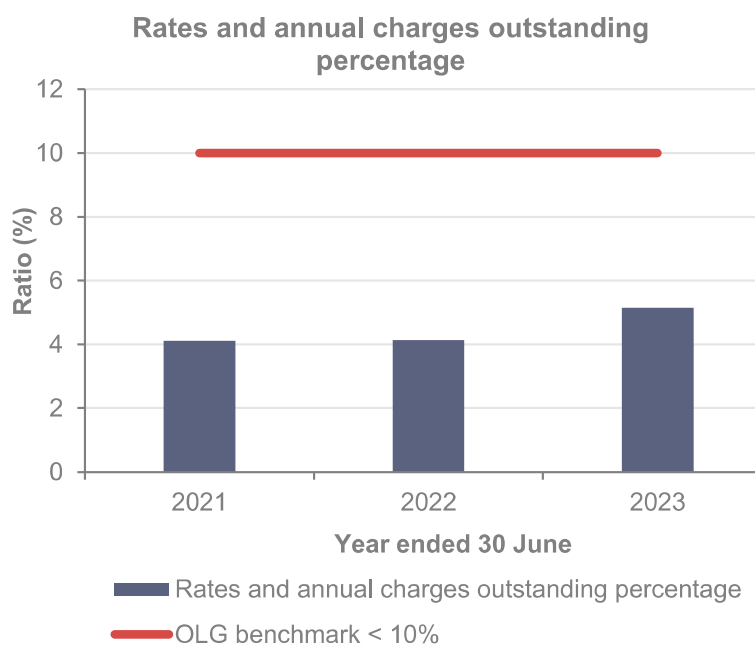
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

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

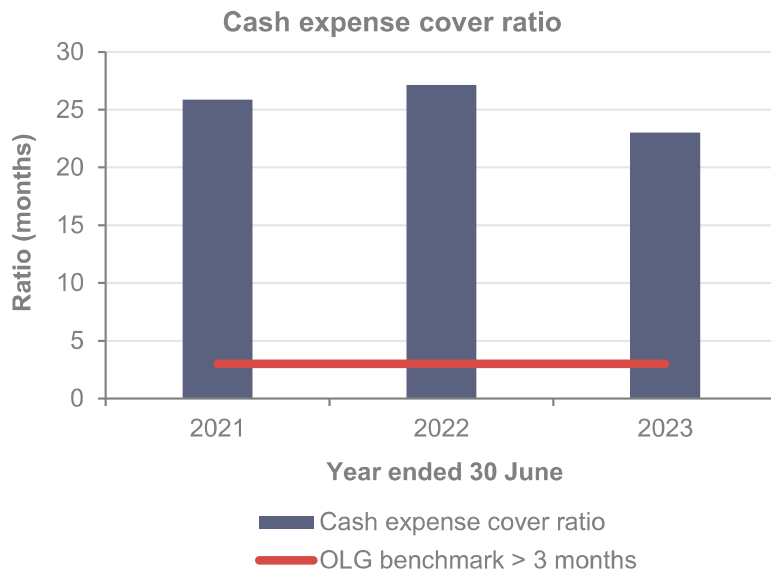
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.



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.



Infrastructure, property, plant and equipment renewals

- The Council renewed \$4 million in fixed assets in the 2022-23 financial and Council renewed \$5.7 million in fixed assets 2021-22. A \$0.8 million reduction in road renewal was the key contributor to the decrease.

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.

Min Lee
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

cc: Ms Karina Ewer, Chief Executive Officer
Mr Matthew Hansen, Deputy Chief Executive Officer
Ms Tahlia Fry, Director Corporate Services

Special Purpose Financial Statements

for the year ended 30 June 2023.

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Income Statement of sewerage business activity	5
Statement of Financial Position of water supply business activity	6
Statement of Financial Position of sewerage business activity	7
Note – Significant Accounting Policies	8
Auditor's Report on Special Purpose Financial Statements	10

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).

Special Purpose Financial Statements

for the year ended 30 June 2023

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;
- accord with Council's accounting and other records; and
- 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 18 October 2023.



Carly Marriott
Deputy Mayor
18 October 2023



Matthew Hannan
Councillor
18 October 2023



Karina Ewer
Chief Executive Officer
18 October 2023



Tahlia Fry
Responsible Accounting Officer
18 October 2023

Income Statement of water supply business activity for the year ended 30 June 2023

\$ '000	2023	2022
Income from continuing operations		
Access charges	2,274	2,174
User charges	964	998
Fees	51	85
Interest and investment income	400	78
Other income	58	862
Total income from continuing operations	3,747	4,197
Expenses from continuing operations		
Employee benefits and on-costs	400	412
Borrowing costs	84	93
Materials and services	1,791	1,321
Depreciation, amortisation and impairment	1,118	850
Water purchase charges	182	140
Net loss from the disposal of assets	2	35
Other expenses	250	200
Total expenses from continuing operations	3,827	3,051
Surplus (deficit) from continuing operations before capital amounts	(80)	1,146
Grants and contributions provided for capital purposes	2,143	77
Surplus (deficit) from continuing operations after capital amounts	2,063	1,223
Surplus (deficit) from all operations before tax	2,063	1,223
Less: corporate taxation equivalent (25%) [based on result before capital]	–	(287)
Surplus (deficit) after tax	2,063	936
Opening accumulated surplus	28,351	27,128
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	–	287
Closing accumulated surplus	30,414	28,351
Return on capital %	0.0%	3.3%
Subsidy from Council	1,800	140
Calculation of dividend payable:		
Surplus (deficit) after tax	2,063	936
Less: capital grants and contributions (excluding developer contributions)	(2,143)	(77)
Surplus for dividend calculation purposes	–	859
Potential dividend calculated from surplus	–	430

Income Statement of sewerage business activity

for the year ended 30 June 2023

\$ '000	2023	2022
Income from continuing operations		
Access charges	2,308	2,211
User charges	–	2
Fees	82	75
Interest and investment income	115	75
Other income	44	46
Total income from continuing operations	2,549	2,409
Expenses from continuing operations		
Employee benefits and on-costs	339	335
Materials and services	1,116	979
Depreciation, amortisation and impairment	1,039	1,010
Net loss from the disposal of assets	314	15
Other expenses	253	225
Total expenses from continuing operations	3,061	2,564
Surplus (deficit) from continuing operations before capital amounts	(512)	(155)
Grants and contributions provided for capital purposes	–	14
Surplus (deficit) from continuing operations after capital amounts	(512)	(141)
Surplus (deficit) from all operations before tax	(512)	(141)
Surplus (deficit) after tax	(512)	(141)
Opening accumulated surplus	10,641	10,782
Plus adjustments for amounts unpaid:		
Less:		
Closing accumulated surplus	10,129	10,641
Return on capital %	(1.1)%	(0.3)%
Subsidy from Council	2,456	1,851
Calculation of dividend payable:		
Surplus (deficit) after tax	(512)	(141)
Less: capital grants and contributions (excluding developer contributions)	–	(14)
Surplus for dividend calculation purposes	–	–
Potential dividend calculated from surplus	–	–

Statement of Financial Position of water supply business activity

as at 30 June 2023

\$ '000	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	4,304	7,865
Investments	12,000	12,044
Receivables	320	254
Inventories	108	103
Total current assets	16,732	20,266
Non-current assets		
Infrastructure, property, plant and equipment	44,869	37,683
Total non-current assets	44,869	37,683
Total assets	61,601	57,949
LIABILITIES		
Current liabilities		
Payables	326	248
Borrowings	638	629
Total current liabilities	964	877
Non-current liabilities		
Borrowings	4,559	5,197
Total non-current liabilities	4,559	5,197
Total liabilities	5,523	6,074
Net assets	56,078	51,875
EQUITY		
Accumulated surplus	28,351	28,351
Revaluation reserves	27,727	23,524
Total equity	56,078	51,875

Statement of Financial Position of sewerage business activity

as at 30 June 2023

\$ '000	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	1,293	508
Investments	4,000	4,000
Receivables	471	433
Inventories	12	9
Total current assets	5,776	4,950
Non-current assets		
Receivables	2,575	2,922
Infrastructure, property, plant and equipment	48,369	46,351
Total non-current assets	50,944	49,273
Total assets	56,720	54,223
Net assets	56,720	54,223
EQUITY		
Accumulated surplus	10,130	10,641
Revaluation reserves	46,590	43,582
Total equity	56,720	54,223

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 2021 (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)

a. Berrigan Shire Council Water Supply

Supply drinking quality water to the towns of Barooga, Berrigan, Finley and Tocumwal

b. Berrigan Shire Council Sewerage Service

Supply of a reticulated sewerage service to the towns of Barooga, Berrigan, Finley and Tocumwal.

Category 2

(where gross operating turnover is less than \$2 million)

NIL

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%.

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

Note – Significant Accounting Policies (continued)

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

The rate applied of 25% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

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 4.02% at 30/6/23.

(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 and sewerage businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

Each dividend must be calculated and approved in accordance with the Department of Industry – Water guidelines and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2023 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Department of Industry – Water guidelines a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the Department of Industry – Water.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Berrigan Shire Council

To the Councillors of Berrigan Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Berrigan Shire Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2023, the Statement of Financial Position of each Declared Business Activity as at 30 June 2023 and Significant accounting policies note.

The Declared Business Activities of the Council are:

- water supply
- sewerage

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2023, and their 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 2022–23 (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).

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

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 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

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

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, appearing to read 'Min Lee', with a stylized, flowing script.

Min Lee
Delegate of the Auditor-General for New South Wales

30 October 2023
SYDNEY

Special Schedules

for the year ended 30 June 2023.

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INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Berrigan Shire Council

To the Councillors of Berrigan Shire Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Berrigan Shire Council (the Council) for the year ending 30 June 2024.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2022–23 (LG Code) and is in accordance with the books and records of the Council.

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 Schedule' 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).

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

I believe that 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 special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the Schedule 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, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2023'.

Permissible income for general rates

\$ '000	Notes	Calculation 2022/23	Calculation 2023/24
Notional general income calculation ¹			
Last year notional general income yield	a	5,573	5,706
Plus or minus adjustments ²	b	23	14
Notional general income	c = a + b	5,596	5,720
Permissible income calculation			
Or rate peg percentage	e	2.00%	3.70%
Or plus rate peg amount	i = e x (c + g)	112	212
Sub-total	k = (c + g + h + i + j)	5,708	5,932
Plus (or minus) last year's carry forward total	l	(2)	–
Sub-total	n = (l + m)	(2)	–
Total permissible income	o = k + n	5,706	5,932
Less notional general income yield	p	5,706	5,932
Catch-up or (excess) result	q = o – p	–	–
Carry forward to next year ⁶	t = q + r + s	–	–

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (6) Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the Act. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.

My opinion on the Schedule 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 and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule 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 Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, 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 Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is 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 Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.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 Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Min Lee
Delegate of the Auditor-General for New South Wales

30 October 2023
SYDNEY

Report on infrastructure assets as at 30 June 2023

Asset Class	Asset Category	Estimated cost			2022/23 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost					
		Estimated cost to bring assets to satisfactory standard \$ '000	Estimated cost to bring assets to agreed level of service set by Council \$ '000	2022/23 Required maintenance ^a \$ '000				1	2	3	4	5	
Buildings	Buildings – non-specialised	–	–	–	368	404	47.0%	36.0%	17.0%	0.0%	0.0%	0.0%	0.0%
	Buildings – specialised	–	–	164	39,712	57,874	47.0%	36.0%	17.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	164	40,080	58,278	47.0%	36.0%	17.0%	0.0%	0.0%	0.0%	0.0%
Roads	Roads	–	–	2,696	172,465	205,422	89.0%	9.0%	2.0%	0.0%	0.0%	0.0%	0.0%
	Bridges	–	–	–	7,507	12,796	4.0%	74.0%	22.0%	0.0%	0.0%	0.0%	0.0%
	Footpaths	–	–	–	8,950	11,167	77.0%	6.0%	10.0%	7.0%	0.0%	0.0%	0.0%
	Bulk earthworks	–	–	–	14,204	14,204	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sub-total	–	–	2,696	203,126	243,589	84.6%	11.8%	3.3%	0.3%	0.0%	0.0%	0.0%	
Water supply network	Water supply network	–	–	860	36,238	57,974	47.0%	8.0%	44.0%	1.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	860	36,238	57,974	47.0%	8.0%	44.0%	1.0%	0.0%	0.0%	0.0%
Sewerage network	Sewerage network	–	–	900	46,876	71,482	52.0%	9.0%	37.0%	2.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	900	46,876	71,482	52.0%	9.0%	37.0%	2.0%	0.0%	0.0%	0.0%
Stormwater drainage	Stormwater drainage	–	–	218	24,305	29,561	75.0%	19.0%	6.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	218	24,305	29,561	75.0%	19.0%	6.0%	0.0%	0.0%	0.0%	0.0%
Open space / recreational assets	Swimming pools	–	–	–	2,262	4,078	7.0%	30.0%	63.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	421	12,271	16,041	51.0%	22.0%	25.0%	2.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	421	14,533	20,119	42.1%	23.6%	32.7%	1.6%	0.0%	0.0%	0.0%
Aerodrome	Aerodrome	–	–	–	6,097	10,047	3.0%	97.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	–	6,097	10,047	3.0%	97.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total – all assets		–	–	5,259	371,255	491,050	67.0%	16.5%	15.9%	0.6%	0.0%	0.0%	0.0%

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

Report on infrastructure assets as at 30 June 2023 (continued)

Infrastructure asset condition assessment 'key'

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

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2023	Indicator 2023	Indicators 2022 2021		Benchmark
Buildings and infrastructure renewals ratio					
Asset renewals ¹	3,981	57.51%	108.52%	141.91%	> 100.00%
Depreciation, amortisation and impairment	6,922				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	–	0.00%	0.00%	0.00%	< 2.00%
Net carrying amount of infrastructure assets	379,125				
Asset maintenance ratio					
Actual asset maintenance	6,018	114.43%	106.31%	123.30%	> 100.00%
Required asset maintenance	5,259				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	–	0.00%	0.00%	0.00%	
Gross replacement cost	491,050				

(*) 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.

Report on infrastructure assets as at 30 June 2023

Buildings and Infrastructure renewals ratio



To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Councils infrastructure network was impacted by flooding which resulted in interruptions and delays to the scheduled works.

Commentary on result
22/23 ratio 57.51%

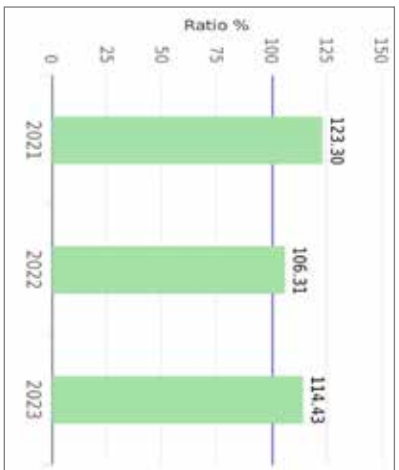
Benchmark: — > 100.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Asset maintenance ratio



Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result
22/23 ratio 114.43%

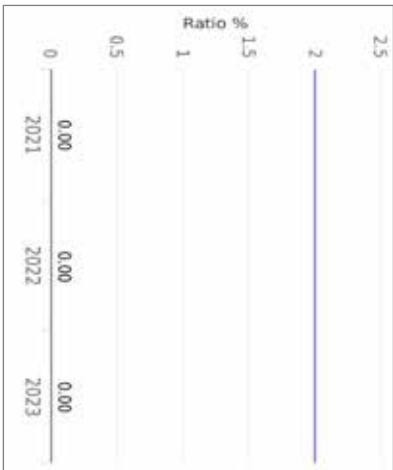
Benchmark: — > 100.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Infrastructure backlog ratio



This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on result
22/23 ratio 0.00%

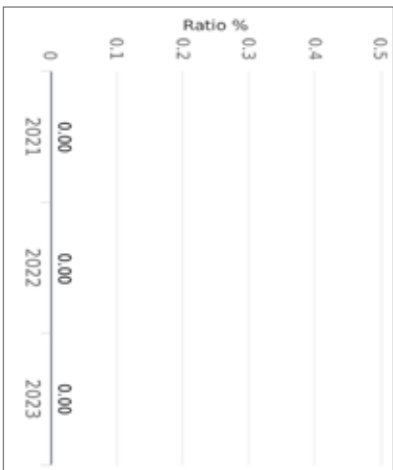
Benchmark: — < 2.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Cost to bring assets to agreed service level



This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result
22/23 ratio 0.00%

All service levels are maintained.

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (by fund)

	General fund		Water fund		Sewer fund		Benchmark
	2023	2022	2023	2022	2023	2022	
\$ '000							
Buildings and infrastructure renewals ratio							
Asset renewals ¹	71.40%	130.74%	37.36%	52.46%	14.77%	80.24%	> 100.00%
Depreciation, amortisation and impairment							
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	< 2.00%
Net carrying amount of infrastructure assets							
Asset maintenance ratio							
Actual asset maintenance	109.95%	98.59%	135.12%	130.75%	112.11%	112.98%	> 100.00%
Required asset maintenance							
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Gross replacement cost							


(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.



BERRIGAN SHIRE
BAROOGA • BERRIGAN • FINLEY • TOCUMWAL



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