



2019-20
ANNUAL REPORT



Further Information

The 2020 Annual Report is intended to provide a snapshot of our activities and achievements during the year. For further information visit:



www.snowymonaro.nsw.gov.au



Snowy Monaro Regional Council



@snowymonaroregionalcouncil



Snowy Monaro Regional Council

Cover Image:

Your Feedback

A copy of this report can be obtained from Council's website www.snowymonaro.nsw.gov.au

We are interested in your thoughts about this report

This report details Council's achievements in implementing the Community Strategic Plan and the progress towards addressing the objectives of the Delivery Program.

Your comments and suggestions are valuable because they highlight opportunities for us to improve the quality of our services, plans and report.

If you would like to comment or require additional information regarding this report please contact us.

Contact Us

Phone: 1300 345 345

Post: PO Box 714 COOMA NSW 2630

Email: council@snowymonaro.nsw.gov.au

Council Offices

Head Office - Cooma

81 Commissioner Street Cooma NSW 2630

Berridale

2 Myack Street Berridale NSW 2628

Bombala

71 Caveat Street Bombala NSW 2632

Jindabyne

2/1 Gippsland Street Jindabyne NSW 2627

Acknowledgement of Country	4	Infrastructure	50
Our Vision and Values	5	Water and Wastewater Services	52
Message from the Mayor	6	Asset Management	54
Message from the General Manager	7	Fleet Services	55
Community Profile	8	Resource and Waste Management	56
Regional Statistics	9	Built and Natural Environment....	57
About our Council	11	Economic Development and Tourism	60
Our Organisational Structure	14	Workforce Management	62
Our Functions, Services and Facilities	15	Community Services	63
Integrated Planning and Reporting	16	Governance	68
Our Achievement on the Objectives of the 2019 Operational Plan	17	Risk Management and Audit Summary	69
Theme One: Community	18	Media and Public Relations	71
Theme Two: Economy	23	Corporate Projects	72
Theme Three: Environment	29	2019 Statutory Reporting	73
Theme Four: Leadership	38	Annual Financial Statements	89
Infrastructure	50		

The 2020 Annual Report

The Annual Report is one of the key components of the Integrated Planning and Reporting (IPR) Framework, and is aligned the requirements of the NSW Local Government Act 1993 and Local Government (General) Regulation, 2005.

The 2019 Annual Report provides an overview of the operations, activities and major projects undertaken by Council for the year 1 July 2019 to 30 June 2020.

The 2020 Annual Report has three components:



PART A – ABOUT COUNCIL AND 2020 ACHIEVEMENTS

A summary of the key achievements against the Operational Plan actions and Delivery Program objectives and an overview of the financial status.



PART B – STATUTORY REPORTING

Council is required to report each year on a list of responsibilities in accordance with Section 428 of the Local Government Act 1993 and Clause 217 of the Local Government (General) Regulations 2005.



PART C – AUDITED FINANCIAL STATEMENTS

The independently audited statements give a detailed insight into the financial management of Council.



Photo: Craig Willsmer

Acknowledgement of Country

Snowy Monaro Regional Council acknowledges the traditional custodians of the Region, the Ngarigo, Walgalu, Ngunnawal, and Bidhawal peoples. We pay our respect to Elders past, present and future.

Thank You to Our Volunteers

Snowy Monaro Regional Council sincerely thank our community volunteers who freely give their time to help make the region a better place to live. Volunteers from all walks of life lend their time, friendship, passion and skills at various locations across the region. Our volunteers contribute through many ways, including assisting in libraries, aged care, community transport, Landcare to name a few and also sit on multiple management and advisory committees, to help manage the regions community halls and recreation grounds.

Thank you.



Multicultural Festival

Community Vision

The Snowy Monaro Region is a welcoming community offering a quality lifestyle beautiful natural environment and is a place of opportunity.

Council Vision

'A trusted community partner'.

Council continually strives to uphold its vision of being a “trusted community partner”. Through providing a transparent, honest and hardworking organisation, Council has fostered important links with the community to establish itself as a trusted partner.

Council Values

SOLUTIONARY

We inspire others by best practice and inventive problem resolution that delivers revolutionary changes and quality outcomes for our customers and our community

TOGETHER

We collaborate and work together in a harmonious and well organised way to support organisational initiatives

ACCOUNTABLE

We own and take responsibility for our decisions and actions that are evidence based and justifiable, and we do what we say

INNOVATIVE

We constantly seek continuous improvement and use creative thinking to look for new ways of doing things, embracing and introducing new and advanced and original ideas, products, methods and systems

CARING

Our service culture is based on caring, displaying kindness and concern deliver



Message from the Mayor

Councillor Peter Beer

On behalf of the Snowy Monaro Regional Council, I am pleased to present our 2019 Annual Report. Our elected Councillors have settled into office, and together we are committed to ensuring Snowy Monaro is a place residents are proud to call home and work, and our visitors feel welcome and return.

For Council, it has been a busy and productive 12 months with many highlights. We continue to build a strong relationship within the community, and our residents have helped shape the future through their participation and input.

One such area of note is the contribution made by our valued volunteers, including the region's community transport services. This year, volunteer drivers clocked up 279,282km of travel. Almost 700 clients accessed community transport with 5,325 volunteer hours contributed. Council adopted the Community Transport Strategy 2019-2022 and in the process, outlined a framework for delivering Council's Community Transport Services.

The last 12-months has also been a busy time for our Project Management Office (PMO). The PMO is responsible for the rollout of the Stronger Communities Fund Major Projects Program. Overall, 58 projects have been completed. The Snowy Monaro's recreational facilities have been enhanced with ten playgrounds improved and built throughout the region.

Our towns and villages now boast improved playground settings with local and visiting families enjoying the play equipment. Each playground has been designed to ensure there are accessible and inclusive items to suit all ages and abilities.

Council's Biosecurity team held a series of well attended workshops, furthering the discussion on how best to manage African Lovegrass.

The workshops also provided landholders the opportunity to give feedback on Council's Local Management Plan for African Lovegrass.

In November 2018, Peter Bascomb officially took over as Snowy Monaro Regional Council General Manager. Peter's experience and expertise in the local government sector is extremely beneficial to Council.

With the community becoming more digitally connected, Council has increased its use of our online engagement platform, Your Say Snowy Monaro.

Our focus on improving information sharing includes ensuring all public exhibition items are placed online at Your Say Snowy Monaro. Each exhibition is accompanied by a survey and/or other feedback option, encouraging the community provide input.

Residents may still write to Council and complete hard copy surveys. The increased use of Council's digital platforms has increased our community consultation and engagement.

The next year also promises to be a productive time for Council as we embark on achieving the actions identified in the 2019-20 Operational Plan. I look forward to Council working closely with the community as we strengthen our service delivery.

With the Mayoral re-election occurring in September 2019, I have decided I will not stand for re-election. As such this will be my last mayoral message for the Annual Report.

I wish the incoming mayor the very best and would like to thank the community and my fellow councillors for their support throughout my two year term.

Peter Beer
Mayor

Message From the Chief Executive Officer

Peter Bascomb



On behalf of the Snowy Monaro Regional Council workforce, I am pleased to present the Annual Report 2019-2020.

In my 25-years' experience in local government, this reporting period has been arguably the most challenging and unpredictable. We have endured devastating bushfires, damaging floods and now the COVID-19 global pandemic. Amidst these tragedies, our community spirit has been tested, but together we remain resilient and defiant.

As the Annual Report 2019-2020 will demonstrate, our organisation has been responsive to the changing needs of our community. Our service delivery has adapted to meet the challenges presented by the bushfire emergency and COVID-19.

The organisation saw dozens of staff work alongside the NSW Rural Fire Service throughout the bushfire period. We had staff assist our Monaro Team RFS at the Fire Control Centre in Polo Flat, Cooma. Staff provided assistance in areas of logistics, planning, communications and administration. We also had staff serve in their roles as RFS volunteer firefighters and members of our emergency services.

Council worked closely with many agencies and organisations during the bushfire period. Our land and property, ranger services, community services and community development teams all played essential roles in providing support to our community.

As the CEO, I was immensely proud of the professional and helpful manner in which staff conducted themselves throughout this challenging time.

Our organisation continues to work hard to meet evolving COVID-19 guidelines. With our face-to-face consultation opportunities postponed, we bolstered our online engagement capabilities to ensure our community had more opportunities to provide feedback on the delivery of our many projects and services.

In April, we announced the appointments of three senior managers to our leadership team. As part of a major organisational review and redesign initiative, the new management structure comprises of five key and strategic, focused positions approved by Council in November 2019. We have embarked on a major organisational redesign with the vision to improve our overall operations and delivery of services significantly, and I am confident we have selected the right expertise and experience to help make that happen.

Our organisation is committed to becoming more flexible and effective across our internal functions so that, in turn, we can better meet and exceed the expectations of the communities we serve. Snowy Monaro Regional Council looks forward to working with our community across the next 12-months.

Peter Bascomb
Chief Executive Officer

Community Profile

The Snowy Monaro Regional Council local Government Area (LGA) has an estimated Resident Population for 2019 is 20,795, with a population density of 0.01 persons per hectare, with the area experiencing a modest population growth over previous years.

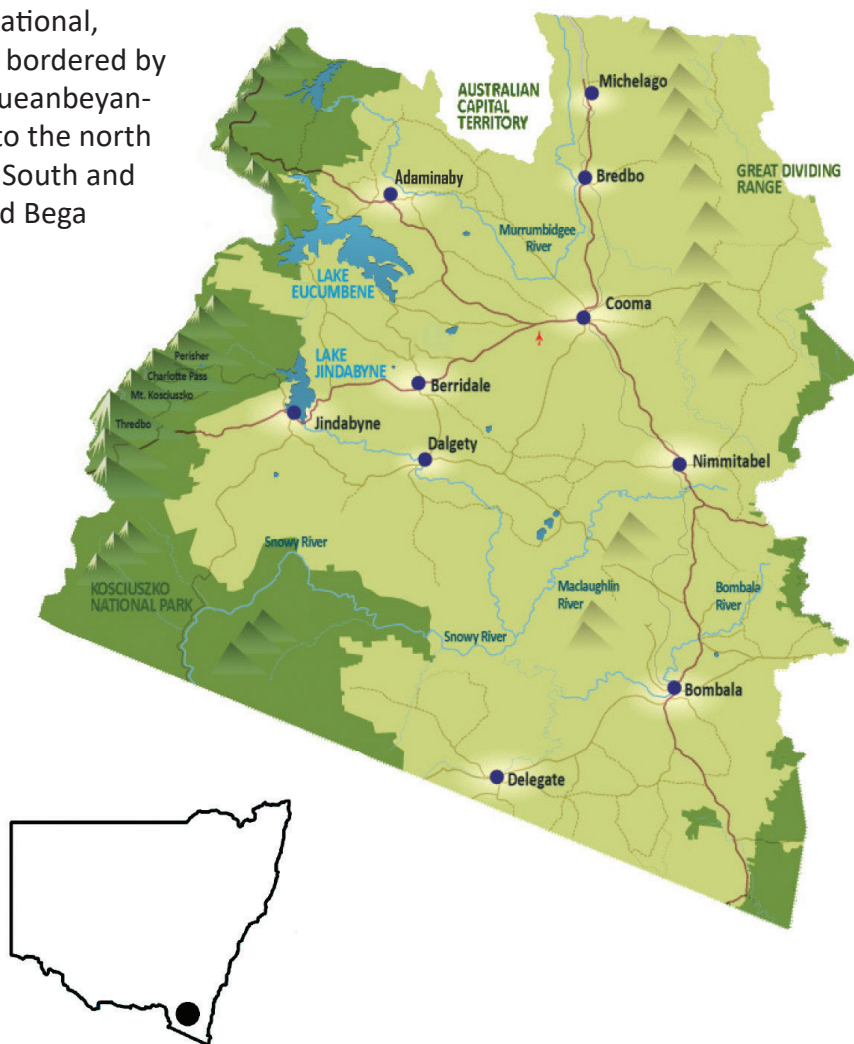
The Snowy Monaro Region Local Government Area (LGA) covers 1,515,815 ha or (15,158 Km²) and is located in south-eastern New South Wales, about 100 kilometres south of the Canberra CBD, and about 400 kilometres south-west of the Sydney CBD.

The Snowy Monaro region is surrounded by rolling plains and mountain ranges, with 28% of the region consisting of national parks or reserves. The region sits at the top of both the Snowy and Murrumbidgee River Catchments. Along with their major tributaries, they offer significant environmental values, as well as a source of fresh water for urban, recreational, irrigation and energy uses. The LGA is bordered by the Australian Capital Territory and Queanbeyan-Palerang in the north, Snowy Valleys to the north and northwest, East Gippsland to the South and southeast, Eurobodalla to the east and Bega valley to the south east.

The connection that the LGA has with its neighbouring councils and adjoining State and Territory areas requires ongoing consideration of its partnerships especially in the area of infrastructure delivery planning.

Cooma is considered the regional centre however, each of the primary townships and smaller villages of the former councils have unique characteristics and offer destination experiences.

In November 2018, Deputy Premier and Minister for Regional NSW John Barilaro and Minister for Planning and Housing Anthony Roberts announced a major planning initiative in the form of a masterplan called Jindabyne 2036, a new plan to revitalise Jindabyne to become known as Australia's premier alpine destination. Council will form part of the working group to oversee the project.



Our Community

Estimated 2019 resident population

20,795

51.7%



48.3%



(Regional NSW 49.2%)

(Regional NSW 50.8%)



86.6%

of residents are Australian citizens
(Regional NSW 82.7%)

2.2%

of residents are Indigenous Australians
(Regional NSW 5.5%)



12.8%

of residents were born overseas
(Regional NSW 11.2%)

Age Groups



Babies, Preschool, Primary
(0 to 11 years)

Snowy Monaro

(Regional NSW)

13.6%

14.7%



Secondary Schooler, Tertiary Education and Independence
(12 to 24 years)

14.6%

15.2%



Young Workforce, Parents and Home Builders, Older Workers and Pre-retirees
(25 to 59 years)

45.9%

42.8%



Empty Nesters and Retirees Seniors, Elderly Aged
(60 to 85+ years)

25.9%

27.2%

Family Structure



Couples with children

Snowy Monaro
(Regional NSW)

21.0%

25.0%


Couples without children

24.6%

27.0%


One parent families

7.4%

11.0%


Lone person household

25.0%

26.0%

Highest Level of Schooling



Year 10

Snowy Monaro
(Regional NSW)

25.9%

3.1%

Year 12

43.1%

21.6%

Advanced Diploma

8.4%

8.2%

Bachelor or Masters

14.9%

14.5%

Employment



Full time employment

Snowy Monaro
(Regional NSW)

62.8%

55.2%

Part time employment

34.9%

36.3%

Unemployed

3.1%

4.8%

Median Age

43

(Regional NSW 43)



Need for assistance with core activities

4.4%

(Regional NSW 6.3%)



Major employment sector
(Accommodation & Food Services) FTE

18.4%

(Regional NSW 7.9%)

Persons ages 15+ who volunteer

25.8%

(Regional NSW 20.8%)





Snowy Monaro Regional Council consists of eleven Councillors, elected in September 2017 by residents for a three-year term.

The next election will be in September 2021 and will be for a four year term. Councillor John Rooney was declared Mayor and Councillor Lynley Miners declared Deputy Mayor for a two year term.

In 2019, Councillor Peter Beer was elected Mayor and Councillor Lynley Miners was declared Deputy Mayor until next election.

Our Councillors



Mayor Peter Beer
Email: Peter.Beer@
snowymonaro.nsw.gov.au



Councillor Lynley Miners
Deputy Mayor
Email: Lynley.Miners@
snowymonaro.nsw.gov.au



Councillor John Rooney
Email: John.Rooney@
snowymonaro.nsw.gov.au



Councillor John Castellari
Email: John.Castellari@
snowymonaro.nsw.gov.au



Councillor Rogan Corbett
Email: Rogan.Corbett@
snowymonaro.nsw.gov.au



Councillor James Ewart
Email: James.Ewart@
snowymonaro.nsw.gov.au



Councillor Sue Haslingden
Email: Sue.Haslingden@
snowymonaro.nsw.gov.au



Councillor John Last
Email: John.Last@
snowymonaro.nsw.gov.au



Councillor Anne Maslin
Email: Anne.Maslin@
snowymonaro.nsw.gov.au



Councillor Brian Old
Email: Brian.Old@
snowymonaro.nsw.gov.au



Councillor Bob Stewart
Email: Bob.Stewart@
snowymonaro.nsw.gov.au

The *Local Government Act 1993* prescribes the role of individual Councillors as follows:

- to be an active and contributing member of the governing body
- to make considered and well informed decisions as a member of the governing body
- to participate in the development of the Integrated Planning and Reporting Framework
- to represent the collective interests of residents, ratepayers and the local community
- to facilitate communication between the local community and the governing body to uphold and represent accurately the policies and decisions of the governing body
- to make all reasonable efforts to acquire and maintain the skills necessary to perform the role of a councillor.

Councillor Training and Professional Development

In accordance with Section 232 of the Local Government Act 1993 a councillor is “to make all reasonable efforts to acquire and maintain the skills necessary to perform the role of a councillor”.

Councils are to provide Councillor Induction and Professional Development programs that address three elements:

- **Pre-election Candidate Sessions** – these are to ensure prospective candidates are aware of what will be expected of them if elected (these are not mandatory but are encouraged)
- **Induction Program** – this aims to equip Mayors and Councillors with the information they need to perform their role effectively over the first few months and has a particular focus on building positive, collaborative relationships between Councillors and with staff
- **Professional Development Program** – this is to be developed in consultation with all councillors and delivered over the term of the council to build the skills, knowledge and personal attributes necessary to be an effective Mayor or Councillor

In 2019-20 year Council facilitated a range of programs to support ongoing councillor development:

Pre-Election Candidate Sessions

Not applicable for 2019-20 as councillor elections were not held.

Induction Program

Not applicable for 2019-20 as councillor elections were not held.

Professional Development

Councillors attended regular development workshops facilitated both by internal and external trainers.

- LGNSW Conference
- Councillor Briefing sessions
- LGNSW Conference Dinner & Workshops
- Countrywide Conference
- Councillor workshops
- CUC Symposium
- LGNSW Planning Webinar

In addition, monthly Councillor briefings were held on topical issues in relation to:

- A range of land use planning, asset utilisation, and community development programs and projects
- Aged Care Update and the new Aged Care Quality Standards
- Roadside Weed Care Program
- Youth Council and Youth Strategy presentation
- Records Management
- Recreational Fishing
- Economic Development

Council adopted a new Code of Conduct and Code of Meeting Practice in 2019.

Conference Attendance

Mayor Beer

Meetings other than Council Meetings =130
Presentations = 47
Opening of facilities with State/Federal reps = 92
Radio/TV interviews = 75
Local Government conferences = 9

Councillor Rooney

Local Government conferences =1

Council Meetings

Council Meetings are held once a month, on the Third Thursday of the month. Eleven ordinary Council Meetings and four Extra-ordinary council meetings have been held in the 2019-20 year.

Ordinary Council meetings were held in regional locations to provide convenience to all members of the public to speak at the meeting. Due to the COVID-19 Pandemic and the restrictions that were in place, Council decided to conduct all the Council meetings from Cooma since March 2020.

Since 14 December 2019, councils have been required to webcast meetings of the council and committees that comprise only of councillors. The Office of Local Government (OLG) has issued a Guide to Webcasting Council and Committee Meetings to assist councils to comply with their webcasting obligations.

On 2 September 2019, Mayor and Deputy Mayor Elections were conducted and Peter Beer was elected as the Mayor and Lynley miner was elected as a deputy mayor.

Local Government elections were to take place in September 2020, however due to the Covid-19 Pandemic the elections have now been postponed to 4 September 2021.

Councillor Names	Attended	Apology	Absent
Clr Peter Beer (Mayor) Sept 19 to date	10	1	0
Clr John Rooney (Mayor) Jul 19 to Sept 19	10	1	0
Clr Lynley Miners (Deputy Mayor)	8	3	0
Clr John Castellari	10	1	0
Clr Rogan Corbett	11	0	0
Clr James Ewart	10	1	0
Clr Sue Haslingden	10	1	0
Clr John Last	9	2	0
Clr Anne Maslin	10	1	0
Clr Brian Old	8	2	1
Clr Bob Stewart	11	0	0

The table above details the attendance of Councillors at Council Meetings during the 2019-20 financial year.

Our Organisational Structure

Council's Executive Leadership Team



Peter Bascomb
Chief Executive Officer



David Rawlings
Chief Strategy Officer



Jeff Morgan
Chief Operating Officer



Gina Woodward
Chief Communications Officer



Beth Barratt-Browne
Chief Workforce Officer



TBC
Chief Financial Officer

Our Functions, Services and Facilities

Council provides a range of functions and services to the community and provides and maintains a range of community assets. Many of these are regulated and whilst may be provided by the Council, are delivered on behalf of State Government. For example, the administration of the NSW Companion Animals Act 1998, which control the management of animal registration and offences under this Act.

The provision of these ongoing functions and services, such as those detailed below, form the considerable basis of what Council delivers to the community, and contributes to the achievement of the desired outcomes expressed in the Snowy Monaro 2040 Community Strategic Plan.

 Information and communication	 Waste management	 Youth support	 Library and information
 Asset maintenance and renewal	 Engineering	 Water, wastewater and sewerage	 Community, social wellbeing and safety
 Community Development	 Residential Aged Care	 Economic development	 Environmental Planning
 Environmental and public health	 Strategic, urban and land use planning	 Development control	 Cultural event management
 Property management	 Survey and design	 Governance	 Parks and Gardens maintenance
 Ranger and emergency services	 Business planning and systems	 Tourism and accommodation management	 Recreation facility construction and maintenance
 Building and construction services and regulatory	 Volunteer attraction, retention and management	 Community and recreational spaces planning and maintenance	 Financial planning, procurement, contract and grant management

Facilities

General

Council Offices	4
Works Depots	5
Visitors Centres	2
Libraries	2
Mobile Library	1

Water and Wastewater

Water Treatment Plants	2
Water Pump Station Intakes	12
Water Distribution Pump Stations	11
Water Reticulation Pipe	330 Km
Supply Reservoirs	39
Supply Dams	1
Wastewater Treatment Facilities	8
Wastewater Pump Stations	28
Wastewater Drainage Pipe	280 Km

Water Management

Landfills	3
Transfer Stations	6

Community and Recreation

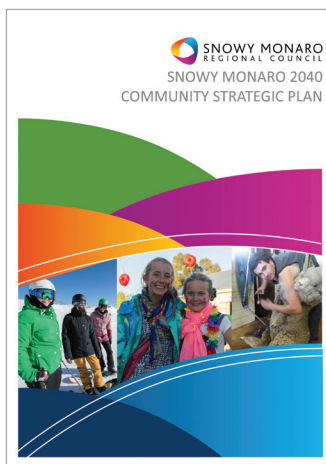
Aged Care Facilities	2
Doctors / Health Centres	3
Child Care	2
Halls	15
Showground	7
Sporting / Recreation Fields	19
Swimming Pools	5
Holiday / Caravan Parks	5
Public Toilets	21
Airports	1
Saleyards	2
Community Centre	2

Integrated Planning and Reporting

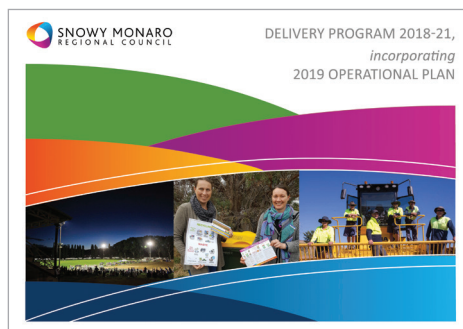
Recognising the important role the community plays in guiding Council in its service delivery, extensive community engagement was undertaken in 2017 as a key part of the 2040 Community Strategic Plan development. The key planning and reporting documents which fall part of Council's Integrated Planning and Reporting Framework are aligned to the overarching community aspirations.



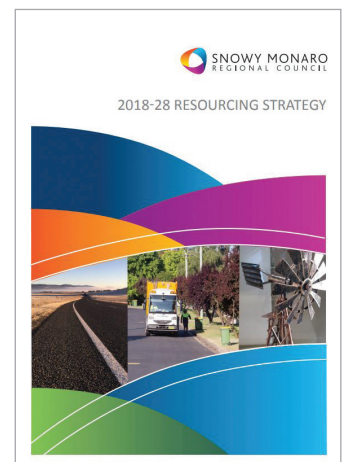
Council's Integrated Suite of Planning Documents



Community Strategic Plan



Delivery Program incorporating Operational Plan



Resourcing Strategy

Our Achievements on the Objectives of the 2020 Operational Plan

The Delivery Program 2018-21 and 2020 Operational Plan is aligned to the Key Themes and Outcomes consistent with the Snowy Monaro 2040 Community Strategic Plan. These are detailed below.


Key Theme 1: Community

Key Theme 2: Economy


Key Theme 3: Environment

Key Theme 4: Leadership


Community Outcomes

	1	Our health and wellbeing needs are met
	2	Our region's diverse cultural identity is preserved, and we foster creative expression and spaces
	3	We are a safe and caring community


Economy Outcomes

	4	Our region is prosperous with diverse industry and opportunities
	5	Our community has access to a range of diverse lifelong learning opportunities
	6	Our residents and visitors connect with our region's welcoming and iconic attractions

Environment Outcomes

	7	Our natural environment is protected and sustainable
	8	Our built infrastructure is attractive and fit for purpose
	9	Our community is connected through efficient transportation networks, technology and telecommunication services

Leadership Outcomes

	10	Our Council is strategic in their planning, decision making and resource allocation
	11	Our Council delivers best value to the community
	12	Our Community is informed and engaged in decision making

The following pages outline Council's progress in achieving those desired outcomes. Whilst there were many highlights completed in the 2019 -20 year, other significant activities and initiatives will take multiple years to be realised. e.g. the construction of major infrastructure projects.

In addition, Council continues to perform and improve considerable 'Business as Usual' work. Highlights on these can be found in section titled 'Highlights from Council's Services'. Refer to the Table of Contents.

How to Read the Following Pages

Example

As a community we have said this is what we want

This is what we need to do to achieve the desired outcomes

1 year Action undertaken by Council to achieve the Objective

Strategic Plan Outcome

Community Strategic Plan Strategy

Proposed 2018 - 21 Delivery Program Objective	Proposed Operational Plan 2018 - 2019 Action	Responsible Officer	KPI	% Achieved
1.1.1	1.1.1.1			
	1.1.1.2			

Objectives are Council's commitments to what it can do to contribute to the Outcomes

COMMUNITY THEME	
Ref. No.	Element
1	CSP Community Outcome
1.1	CSP Community Strategy
1.1.1	3 year Delivery Program Objective
1.1.1.1	1 year Operational Plan Action



THEME ONE COMMUNITY

Our communities are welcoming, inclusive and safe; our lifestyle needs are actively considered and planned for; and opportunities exist to enhance our health and social wellbeing.

1

Our health and wellbeing needs are met

2

Our region's diverse cultural identity is preserved, and we foster creative expression and spaces

3

We are a safe and caring community

THEME ONE – COMMUNITY

Community Outcome One: Our health and wellbeing needs are met

Strategy 1.1 Quality health and well-being services that support the changing needs of the community through all stages of the lifecycle are provided through government and non-government organisations

2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
1.1.2	Water and Sewer Services meet legislative and quality requirements	1.1.2.1	Undertake councilor, executive and community reference groups to create awareness of councils water quality requirements under legislation	Group Manager Water and Wastewater Services	The review completed by June 2020	25%

Strategy 1.2 High quality community support and residential aged care services are available and accessible to residents across the region

2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
1.2.1	Competitive cost-effective aged care and community support services are available within the region	1.2.1.1	Undertake refurbishment at Yallambee Lodge and Snowy River Hostel, subject to adequate funding being sourced	Group Manager Community Support Services and Aged Care	Respond to buzzers within seven (7) minutes of initial call. Improved efficiency of meal preparations. Safer environment to mobilise for residents	50%
1.2.2	Council strategies recognise the growing demand of residential aged care services	1.2.2.1	Implement the recommendations from the Aged Care Review, applicable to the 2020 financial year, subject to funding	Group Manager Community Support Services and Aged Care	Improved financial forecast for Residential Aged Care. Delivered concept drawings of proposed design.	100%
1.2.2	Council strategies recognise the growing demand of residential aged care services	1.2.2.2	Jindabyne Aged Care Project Committee to explore options for a residential aged care facility, in Jindabyne	Group Manager Community Support Services and Aged Care	Identification of land and fundraising committee for Residential Aged Care.	50%

THEME ONE – COMMUNITY

Community Outcome One: Our health and wellbeing needs are met

Strategy 1.3 Recreation, sporting and leisure facilities encourage all ages to live in an active and healthy lifestyle

2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
1.3.1	Regional level recreation facilities that encourage an active lifestyle are planned for and provided in partnership with other government agencies	1.3.1.1	Complete the high-level Facilities Strategy following community survey results	Group Manager Facilities	Drafts for consultation complete	40%
1.3.2	Council has effectively identified community and visitor needs in the development and enhancement of the Region's recreational facilities to ensure sound decision making	1.3.2.1	Undertake a feasibility study into the Monaro Rail Trail	Group Manager Economic Development and Tourism	Monaro Rail Trail Feasibility Study complete	100%
1.3.3	Council's recreational facilities, parks and public open spaces are safe, well managed and accessible	1.3.3.1	Continue development of a region wide inspection schedule of Recreation Facilities	Group Manager Facilities	Drafts for consultation complete	25%

Strategy 1.4 Youth in the region are supported to reach their maximum potential

2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
1.4.2	Activities and recreational infrastructure for children and young people is planned for and promoted to contribute to their active living, health and wellbeing	1.4.2.1	A Regional Youth Development Strategy is prepared	Group Manager Facilities	An SMRC Youth Development Strategy is finalised	100%
		1.4.2.2	Commence preparation of a Recreation Strategy for the region	Group Manager Economic Development and Tourism	Authoring of strategy commenced	70%

THEME ONE – COMMUNITY

Community Outcome Two: Our regions' diverse cultural identity is preserved, and we foster creative expression and spaces						
Strategy 2.1 Our culturally diverse heritage is preserved and celebrated for the richness it brings to our regional identity						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
2.1.1	Council has built stronger relationships with the region's First Peoples	2.1.1.1	Scope a Reconciliation Action Plan.	Group Manager Economic Development and Tourism	Scoping for Reconciliation Action Plan completed.	75%
2.1.2	Council celebrates and enriches the heritage fabric throughout the region	2.1.2.1	Finalise an integrated Heritage Strategy	Group Manager Development and Building Certification	Heritage strategy and community education program completed	90%
		2.1.2.2	Commence preparation of a Community Development Strategy	Group Manager Development and Building Certification	Authoring of Strategy commenced	75%
		2.1.2.3	Provide pre-lodgement advice and specialised heritage assessment of development applications for identified items and for developments within conservation areas.	Group Manager Development and Building Certification	The Heritage Places Grant program is implemented and the community advised on the outcomes.	100%

Strategy 2.2 Support and promote the arts recognising the broad and diverse contribution it makes to community identity and wellbeing						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
2.2.1	A range of regional level arts and cultural activities are delivered and promoted in partnership with the community	2.2.1.1	Progress analysis of Cultural and Arts Facilities in the region with the Arts and Cultural Committee	Group Manager Resource and Waste Management	Begin liaison with community groups on aspirations for region	100%
		2.2.1.2	Continue to support regional level arts/ cultural activities through the provision of reusable materials from waste facilities which have been diverted from landfill.	Group Manager Economic Development and Tourism	The community is advised of the opportunity to be provided materials through a Council communication.	75%

THEME ONE – COMMUNITY

Community Outcome Three: We are a safe and caring community						
Strategy 3.1 Develop, maintain and promote safe spaces and facilities that are enabling, accessible and inclusive for all						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
3.1.1	Public and community spaces are regulated and managed to be safe and equitable for all abilities	3.1.1.1	Identify and implement actions from the Disability Inclusion Action Plan that can be completed in the 2020 financial year	Group Manager Economic Development and Tourism	Actions identified and implemented.	60%
3.1.2	Preventative maintenance programs have been established across Council spaces and facilities that are compliant with current standards	3.1.2.1	Seek funding for upgrading the Bombala truck wash facilities	Group Manager Facilities	Management strategy implement for existing truck wash Submission of grant applications to appropriate funds	15%
		3.1.2.2	Develop a cemetery condition report template for annual maintenance review.	Group Manager Development and Building Certification	Draft and implement template for internal staff use	100%
		3.1.2.3	Monitor and clean out of existing ponds	Group Manager Facilities	Regular inspection for pond level and breaches	50%

Strategy 3.2 Positive social behaviours (including law and order) are fostered and encouraged to maintain our safe, healthy and connected communities						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
3.2.1	Council's public health and regulatory responsibilities are planned for and delivered to facilitate a safe community and raise awareness	3.2.1.1	Develop and implement communication/ observation boards within each cat and dog impounding facility.	Group Manager Environmental Management	Procure whiteboards for each impounding pen.	100%
		3.2.1.2	Develop an education package for operators of On-Site Sewage Management Systems to complement the On-Site Sewage Management Inspection Program	Group Manager Environmental Management	Develop comprehensive package including material to be used at face to face workshops.	100%
3.2.2	Council supports and encourages safety initiatives to promote our connected communities	3.2.2.1	Partner with agencies to ensure emergency management processes and procedures are in place	Group Manager Asset Management and Engineering Services	Coordinate the Snowy Monaro Emergency Management Committee	50%

THEME TWO

ECONOMY

We are a vibrant and prosperous community providing opportunities for growth and learning

1

Our region is prosperous with diverse industry and opportunities

2

Our community has access to a range of diverse lifelong learning opportunities

3

Our residents and visitors connect with our region's welcoming and iconic attractions



THEME TWO – ECONOMY

Community Outcome Four: Our region is prosperous with diverse industry and opportunities

Strategy 4.1 Attract diverse businesses and industries to the region, supporting their establishment and retention

2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
4.1.1	Council's Regional Economic Development Strategy provides a framework that fosters and grows the Region's diverse businesses	4.1.1.1	Work with small business to take advantage of growing tourism and the opportunities presented by Snowy 2.0 to encourage growth and productivity	Group Manager Economic Development and Tourism	Work with TAFE/CUC/State Government to identify education and training that will address current skills shortages and support Snowy 2.0 contractors	60%

Community Outcome Four: Our region is prosperous with diverse industry and opportunities

Strategy 4.3 Capitalise on the region's proximity to Canberra and bordering NSW and Victorian regions to attract industry and investment

2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
4.3.2	Promotion of the Region's commercial facilities through advocacy and discussion with other levels of government and regional local groups has been heightened	4.3.2.1	Utilise results of the sale yard strategic review to finalise the council sale yard management strategy.	Group Manager Facilities	Utilising data from Strategic Review, site inspections and user consultation, Develop priority list of Capital Improvements including costings and funding models	25%
4.3.4	The Region's opportunity for economic growth is enhanced through Council Asset Management Plans and attracting investment	4.3.4.1	Water and sewer services to be aligned with any strategic study to be undertaken for Michelago in conjunction with the regional IWCM (Integrated Water Cycle Management).	Group Manager Water and Wastewater Services	Prepare Regional Integrated Water Cycle Management plan as per the best practice guidelines developed by Department of Primary Industry Water (DPI Water)	75%

Community Outcome Five: Our community has access to a range of diverse lifelong learning opportunities

Strategy 5.1 Advocate for and promote education and lifelong learning opportunities

2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
5.1.2	Council works in partnership with the Region's businesses and tertiary education partners to explore the occupation skills and tertiary options needed for the future for the region	5.1.2.1	Working in partnership Department of Premier and Cabinet to develop a workforce strategy with the 2 Snowy Councils in conjunction with Snowy 2.0.	General Manager	Consult with stakeholders to include regional partnerships in Trainee Framework (1.4.1) and Corporate training programs	Ongoing

THEME TWO – ECONOMY

<i>Strategy 5.2 Promote and provide access and spaces both physical, digital and mobile where people can learn and connect</i>						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
5.2.1	Community infrastructure options are explored that facilitate the expansion, improvement and accessibility of life learning spaces across the region	5.2.1.1	Explore options for joint use facilities with the Department of Education and Training	Group Manager Economic Development and Tourism	Options explored for joint use facilities with the Department of Education and Training	100%

Community Outcome Six: Our residents and visitors connect with our regions welcoming and iconic attractions						
<i>Strategy 6.1 The Snowy Monaro region is a destination that offers a variety of quintessential year – round experiences, attractions and events.</i>						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
6.1.2	Safe and well maintained facilities i.e. parks and reserves; multi-function buildings and community halls and the showground contribute to the region	6.1.2.1	Undertake a condition assessment of specific Council assets to determine life cycle and ongoing maintenance requirements.	Group Manager Facilities	Engage suitable external property condition assessment service provider	5%
6.1.3	Council facilitates and supports and promotes events to highlight the attributes of our towns and villages	6.1.3.1	Develop an SMRC events strategy.	Group Manager Economic Development and Tourism	Exhibit a draft strategy	60%

<i>Strategy 6.2 Encourage and promote vibrant towns and villages, acknowledging and celebrating the unique heritage and character of each town</i>						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
6.2.3	Council celebrates, supports and promotes the uniqueness and heritage characteristics of each town and village	6.2.3.1	Complete a tourism audit of the entire SMRC region including infrastructure, product, services, businesses and organisations and facilities	Group Manager Economic Development and Tourism	Stocktake of current facilities	100%

THEME TWO – ECONOMY

Community Outcome Six: Our residents and visitors connect with our regions welcoming and iconic attractions						
Strategy 6.3 Further promote and develop the regions visitor accommodation, product and recreational infrastructure						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
6.3.1	Businesses are supported in their promotion to encourage and develop our visitor economy	6.3.1.1	Commence preparations to host a Local Tourism Forum for Tourism Operators in the region in late 2020	Group Manager Economic Development and Tourism	Contact stakeholders	100%
6.3.2	The Region's caravan parks, are maintained, upgraded and promoted to attract visitors	6.3.2.1	Undertake a condition assessment of Council assets to determine lifecycle and ongoing maintenance requirements for	Group Manager Facilities	Condition assessment report completed	75%
6.3.3	The Region is marketed to the broader state and national and international community	6.3.3.1	Support the L'Etape cycling event and lobby the State government to continue to support the event in the Snowy Mountains beyond 2019	Group Manager Economic Development and Tourism	Write to State government	100%

THEME THREE

ENVIRONMENT

Our iconic natural environment and heritage is preserved and enhanced for future generations whilst balancing the needs for regional development and growth

1

Our natural environment is protected and sustainable

2

Our built infrastructure is attractive and fit for purpose

3

Our community is connected through efficient transportation networks, technology and telecommunication services



THEME THREE – ENVIRONMENT

Community Outcome Seven: Our natural environment is protected and sustainable						
Strategy 7.1 Protect, value and enhance the existing natural environment						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
7.1.1	The Region's natural environment remains protected through delivery of a range of Council programs and regulatory compliance	7.1.1.1	Implement plant hygiene policy.	Group Manager Development and Building Certification	Develop and Implement Plant Hygiene Procedure	100%
		7.1.1.2	Develop data analysis capabilities to maximise drone surveillance opportunities	Group Manager Development and Building Certification	Develop data analysis capabilities to maximise drone surveillance opportunities	100%
		7.1.1.3	Finalise the development of a new Fire Safety Program	Group Manager Development and Building Certification	The fire safety program is developed and adopted by Council after consultation with the community and key stakeholders.	60%

THEME THREE – ENVIRONMENT

Community Outcome Seven: Our natural environment is protected and sustainable

Strategy 7.1 Protect, value and enhance the existing natural environment - Continued

2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
7.1.2	The significance and protection of the region's natural assets along with the efficient and equitable planning of public services, infrastructure and amenities is provided for in Council's Local Environmental and associated plans	7.1.2.1	Develop, adopt, implement and communicate Waste Management Strategy	Group Manager Resource and Waste Management	Council is presented a report to adopt a Snowy Monaro Regional Council waste strategy.	90%
7.1.3	Council delivers a range of initiatives to the Snowy Monaro community to enhance their awareness and engagement of sustaining our pristine natural environment	7.1.3.1	Investigate non-chemical weed management practices	Group Manager Development and Building Certification	Trial steam weeding and non-chemical herbicides options	55%
		7.1.3.2	Tender and commence construction of Leachate Control Systems for Bombala Landfill	Group Manager Resource and Waste Management	Commence construction to approved design	70%
		7.1.3.3	Implement the Fire Safety Education Program	Group Manager Development and Building Certification	The fire safety education program is developed, adopted by Council and the program delivered to key stakeholders and the wider community	75%
		7.1.3.4	Develop Biosecurity (weeds) Community Engagement Strategy	Group Manager Development and Building Certification	Biosecurity (weeds) Community Engagement Strategy developed and adopted	100%
		7.1.3.5	Complete a cemetery asset schedule for all of the regions cemeteries	Group Manager Environmental Management	Engage Council assets team to inspect each cemetery and identify each depreciable asset	100%
		7.1.3.6	Finalise a 10 year Cemetery Management Plan	Group Manager Environmental Management	Develop a 10 Year Cemetery Management Plan for adoption by Council	55%

THEME THREE – ENVIRONMENT

Community Outcome Seven: Our natural environment is protected and sustainable						
Strategy 7.2 Water, waste, sewer and stormwater management practices are contemporary and efficient						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
7.2.1	Water and sewer management services and operations meet legislative and quality requirements	7.2.1.1	Independent audit by regulatory body and councillor adoption of Water and Sewer Development Services Development Servicing Plan (Section 64 Contributions).	Group Manager Water and Wastewater Management	Completion of Water and Sewer Development Services Development Servicing Plan (Section 64 Contributions) for Independent Audit	50%
		7.2.1.2	Undertake an audit of Liquid Trade Waste (LTW) requirements of commercial premises for the Cooma and Bombala areas.	Group Manager Water and Wastewater Management	Continue the inspection the properties in former Cooma-Monaro and former Bombala Shire Council areas in order to implement	40%
		7.2.1.3	Initiate Integrated Water Cycle Management (IWCM) Plan for Water Supply and Sewerage Services for Snowy Monaro Regional Council.	Group Manager Water and Wastewater Management	Undertake IWCM evaluation study for water and wastewater services	15%
7.2.2	Water and sewer infrastructure is maintained and improved to provide a quality service	7.2.2.1	Continue the options study and concept design of Bombala and Delegate Water Supply System.	Group Manager Water and Wastewater Management	Complete the option study followed by Concept Design for Bombala and Delegate Water Supply systems	75%
		7.2.2.2	Construction of Bombala Sewage Treatment Plant.	Group Manager Water and Wastewater Management	Award the construction contract for the Bombala Sewage Treatment Plant	60%
		7.2.2.3	Detailed design for Adaminaby Sewage Treatment Plant.	Group Manager Water and Wastewater Management	Continue the detailed design for Adaminaby Sewage Treatment Plant	75%

THEME THREE – ENVIRONMENT

Community Outcome Seven: Our natural environment is protected and sustainable

Strategy 7.2 Water, waste, sewer and stormwater management practices are contemporary and efficient - Continued

2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
7.2.3	Innovative solutions and infrastructure supporting waste and recycling operations to reduce landfill have been investigated	7.2.3.1	Implement kerbside collection services Bredbo, Michelago and Nimmitabel, pending Council approval	Group Manager Resource and Waste Management	Kerbside Collection Service commence at Bredbo, Michelago and Nimmitabel	100%
		7.2.3.2	Trial alternative landfill covers for the benefit of cost reduction	Group Manager Resource and Waste Management	The SMRC Waste Committee receives a report on the cost benefit analysis of an alternative landfill cover system	100%
		7.2.3.3	Trial compactable litter bins	Group Manager Resource and Waste Management	The SMRC Waste Committee receives a report on the outcomes of a compactable litter bin trial	100%
		7.2.3.4	Investigate expansion of organic composting and marketing	Group Manager Resource and Waste Management	Council receives a report on the expansion of Organic Composting and marketing arrangements	100%
		7.2.3.5	Investigate future options of Jindabyne Landfill	Group Manager Resource and Waste Management	Council receives a report on the future options of Jindabyne Landfill	100%

Community Outcome Eight: Our built infrastructure is attractive and fit for purpose

Strategy 8.1 Plan for rural, urban and industrial development that is sensitive to the region's natural environment and heritage

2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
8.1.1	New development and land use is facilitated in appropriate locations with areas of environmental value protected	8.1.1.1	Finalise a Snowy Monaro Settlements Strategy	Group Manager Economic Development and Tourism	A Settlement Strategy is completed	100%
8.1.2	Land use is optimised to meet the social, environment and economic needs of the region	8.1.2.1	Finalise a Rural Land Use Strategy	Group Manager Economic Development and Tourism	A Rural Land Use Strategy is completed	100%

THEME THREE – ENVIRONMENT

<i>Strategy 8.2 Improve and maintain our public owned infrastructure and assets and facilities to a high standard</i>						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
8.2.1	Council maximises its Asset utilisation to deliver services today and into the future	8.2.1.1	Condition assessments of roads and buildings completed and consolidated in terms of a single Council view and integration where possible into the new Corporate Information System.	Group Manager Asset Management and Engineering Services	Consolidated Asset register established	100%
8.2.2	Public Infrastructure and Assets are maintained and replaced according to Council's Asset Management Strategy	8.2.2.1	Review and update the Asset Management Strategy (AMS)	Group Manager Environmental Management	10 year Cemetery Management Plan completed and presented to Council	100%

Community Outcome Eight: Our built infrastructure is attractive and fit for purpose						
<i>Strategy 8.2 Improve and maintain our public owned infrastructure and assets and facilities to a high standard - Continued</i>						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
8.2.3	Stronger Communities fund project delivers improved community infrastructure and assets through the Major Projects Program (MPP)	8.2.3.1	Plan, deliver and evaluate success of Roads and Bridges package	Executive Manager Innovation and Business Development	100% grant fund committed and project delivered within schedule	100%
		8.2.3.2	Plan, deliver and evaluate success of Buildings - Upgrades or Modifications package	Executive Manager Innovation and Business Development	100% grant fund committed and project delivered within schedule	100%
8.2.4	Provide quality community and aged care services through assets we deliver	8.2.4.1	Investigate refurbishment grant funding opportunities applicable to Residential Aged Care Facilities	Group Manager Community Support Services and Aged Care	Identify refurbishment opportunities for both residential aged care facilities and apply for grant funding	100%
8.2.6	Council's infrastructure is maintained to meet compliance standards and to deliver high level services	8.2.6.1	Develop a plan for the management of weeds on all Council assets	Group Manager Environmental Management	Budget completed in readiness for 2019 budget proposal	100%

THEME THREE – ENVIRONMENT

Strategy 8.3 Advocate for a range of suitable housing and accommodation that is available for the changing needs of our community						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
8.3.1	Planning policies facilitate options for a range of housing types	8.3.1.1	Council advocate to State and Federal governments for provision of housing that facilitates connecting disadvantaged persons with alternate accommodation	General Manager and Directors	Council has communicated strong advocacy to State and Federal governments for provision of housing that facilitates connecting disadvantaged persons with alternate accommodation	10%

Community Outcome Nine: Our community is connected through efficient transportation networks, technology and telecommunications						
Strategy 9.1 Transportation corridors throughout the region are improved and maintained						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
9.1.1	Management of road corridors is effective and efficient	9.1.1.1	Review and prepare a Strategy of Weed Control Contracts	Group Manager Environmental Management	Review completed with recommendations detailed in a report to Council	90%
		9.1.1.2	Undertake community consultation to determine the frequency of maintenance grading including road prioritisation and methodology	Group Manager Transport Infrastructure Operations	Community consultation to determine the frequency of maintenance grading including road prioritisation and methodology	100%
		9.1.1.3	Deliver a community education paper on road maintenance and scheduling	Group Manager Transport Infrastructure Operations	Community education paper on road maintenance and scheduling	90%
		9.1.1.4	Develop and implement effective processes for managing abandoned vehicles left on public roads and other public spaces.	Manager Built and Natural Environment		100%
		9.1.1.5	Establish a Roadside Vegetation Management Taskforce	Manager Built and Natural Environment		100%
9.1.2	Our local road network is planned, built and repaired to improve movement across the region	9.1.2.1	Conduct a full review of maintenance practices to determine whether sufficient plant, staff and resources exist to deliver councils maintenance strategy	Group Manager Transport Infrastructure Operations	Review of maintenance practices to determine whether sufficient plant, staff and resources exist to deliver councils maintenance strategy	100%

THEME FOUR

LEADERSHIP

We have contemporary civic leadership and governance that fosters trust and efficiency



1

Our Council is strategic in their planning, decision making and resource allocation

2

Our Council delivers best value to the community

3

Our Community is informed and engaged in decision making

THEME FOUR – LEADERSHIP

Community Outcome Ten: Our Council is strategic in their planning, decision making and resource allocation						
Strategy 10.1 Planning and decision making is holistic and integrated and has due regard to the long term and cumulative effects - Continued						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
10.1.4	Harmonisation of policies, procedures and processes deliver customer focused business practices	10.1.4.1	Develop a comprehensive list of all Council legislative reporting deliverables, council policies, procedures and forms, including accountable business unit and calendar showing review dates, and publish on intranet	Group Manager Governance	Policy, Procedure and legislative compliance directory published. Calendar of review dates and compliance dates communicated	90%

Community Outcome Ten: Our Council is strategic in their planning, decision making and resource allocation						
Strategy 10.2 Sound governance practices direct Council business and decision making						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
10.2.1	Independent audit and risk framework drives accountability	10.2.1.1	Undertake the actions to target zero high risk items on the Audit Management Letter, for the 2019 financial year	Chief Financial Officer	Number of high risk items on Audit Management Letter	100%
		10.2.1.2	Develop a Section 355 subcommittee, focused on regulatory compliance in relation to aged care	Group Manager Community Support Services and Aged Care	Develop committee charter and establish membership	100%

THEME FOUR – LEADERSHIP

Community Outcome Ten: Our Council is strategic in their planning, decision making and resource allocation						
Strategy 10.2 Sound governance practices direct Council business and decision making - Continued						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
10.2.2	Councillors are supported to make informed decisions in the best interest of the community and to advocate on behalf of the community	10.2.2.1	Facilitate the Council election with NSW Electoral Commission	Group Manager Governance	Individual training plan documented for each Councillor	100%
10.2.3	Records management practices are contemporary and compliant to legislation	10.2.3.1	Develop a Records Management Framework including, policy, procedures and guidelines	Group Manager Governance	Records Management Framework completed	100%

Strategy 10.4 Council will manage service delivery in an efficient and sustainable way as an employer of choice						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
10.4.1	Council employs an engaged multi-skilled, workforce and encourages staff to take ownership of service delivery in a responsible and efficient manner	10.4.1.1	Develop a Corporate Training Framework	Group Manager People and Culture	Confirmed training budgets aligned with training information from Performance Evaluation System (PES) annual review data. Development of an annual corporate training calendar. Professional Development training activities identified in Performance Evaluation System	100%
		10.4.1.2	Use the results derived from the Performance Evaluation System to inform corporate key performance indicators, corporate training and performance management	Group Manager People and Culture	Key performance indicator and Corporate Training Data analysed and entered into appropriate corporate system	100%

THEME FOUR – LEADERSHIP

Community Outcome Ten: Our Council is strategic in their planning, decision making and resource allocation						
Strategy 10.4 Council will manage service delivery in an efficient and sustainable way as an employer of choice - Continued						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
10.4.2	Council provides a workplace that ensures the health, safety and wellbeing is maintained through the management of potential risk	10.4.2.1	Develop a Work Health Safety Framework and implement	Group Manager People and Culture	Engage consultant to develop framework by September 2018	100%
		10.4.2.2	Review the Working Alone policy and pilot in Transport and Infrastructure Operations to identify opportunities or areas of improvement	Group Manager Transport Infrastructure Operations	Councils Working Alone policy reviewed and report to ELT	100%

Community Outcome Eleven: Our Council delivers the best value to the community						
Strategy 11.1 Public services and processes are delivered reliably and efficiently in response to community needs						
2018 - 21 Delivery Program Objective		2019 Operational Plan Action		Responsible Officer	KPI	% Achieved
11.1.1	Information and communication systems support the business to deliver agile and quality service to the community	11.1.1.1	Continue implementation of consolidated Corporate Information System in line with agreed project plan for 2020 financial year.	Group Manager Governance		100%
11.1.2	Centres of Business/Operational Excellence drive improved organisational efficiency and effectiveness and reduce duplication	11.1.2.1	Develop a plan to establish future service offerings and service levels and ensure that organisation structures are aligned with service levels and integrated ICT systems.	Chief Strategy Officer		100%
		11.1.2.2	Report against target efficiency and savings outcomes associated with workforce reform and actively monitor progress against milestones.	Chief Strategy Officer		100%
11.1.3	Rates, Fees and Charges are rationalised to support community needs and services	11.1.3.2	Harmonisation of commercial waste and recycling charges	Manager Resource and Waste Services		100%

Strategic Outcomes

Strategic Network Analysis

This was reported in Council's annual report for 2018/2019 and, this year the review undertaken by ARRB, was finally completed. A presentation to Councilors, followed by a report for Council consideration, was provided in June 2020

Funding

Announcements in 2019 by John Barilaro MP provided confirmation of successful funding applications for both Bobeyan Road and through the Fixing Local Roads grant funding opportunity that will eventually reduce Council's overall gravel maintenance burden (through sealing gravel roads) by approximately 57 kilometers at a cost of \$37.5M.

Road Classification Review & Transfer

NSW Government released a Road Classification Review & Transfer Information Paper. The aim is to:

- Ensure the road classification frameworks is still fit for purpose and that roads across NSW are appropriately classified; and
- Provide opportunity for Council owned roads to be returned to State management as part of a broader package of support for local councils to better manage and maintain the rural road network.

This review and opportunity for road transfer could enable up to 443 kilometres of Council managed road to be reclassified and (potentially) transferred to State management. In addition, 38 bridges could be transferred as part of this process.

Strategic Transport Network Analysis

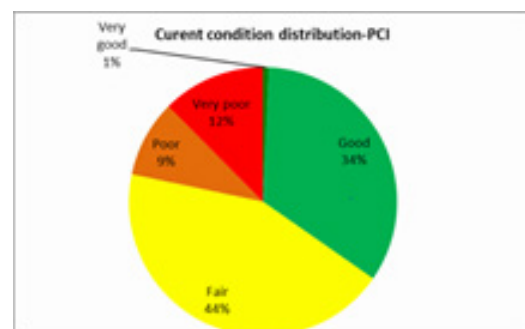
In 2018 Snowy Monaro Regional Council contracted the Australian Road Research Board (ARRB) to conduct a strategic transport network analysis of the transportation network across the Snowy Monaro region.

The aim of the study was to provide an accurate analysis of both sealed and unsealed road networks and then extrapolate network conditions over a 15 to 20 year analysis given various funding criteria.

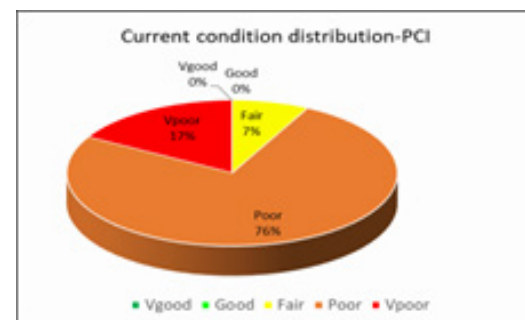
A full investigation of Council's transportation network was completed in 2019 and the analysis reports provided in March 2020 (sealed network) and April 2020 (unsealed network) respectively. The reports provide an accurate assessment of network condition as at 2019. More importantly, the reports outline expenditure requirements over the next 15 years based on the following three (3) scenarios:

- Network performance if current levels of investment continue without change;
- Levels of investment required to maintain the network at existing condition; and
- Levels of investment to improve network condition better aligned with service level agreements and community expectations.

The analysis determined pavement condition in 2019 was as follows:



Pavement Condition Sealed Network



Pavement Condition Unsealed Network

At the June 2020 meeting, Councillors resolved to:

- Commit to engaging the Snowy Monaro Regional Council community in reviewing Service Level Agreements for Road Condition based on the ARRB recommendations; and
- Following consultation with the community, investigate all options for improved funding as per the ARRB recommendations

\$20M for the upgrade of Bobeyan Road

In February 2019 John Barilaro MP, accompanied by Bronnie Taylor MLC announced the NSW State Government had committed “\$20 million to seal the NSW section of Bobeyan Road”. Mr Barilaro went on to say, Bobeyan Road is "a key arterial road for our region, and the quickest way to Canberra, but it is often avoided due to its poor condition. With Bobeyan Road sealed, Adaminaby's tourism, events, visitor numbers and more will prosper."

(Article by Mr John Ellicott – The Land, 24 Feb 19).



In December 2019, Snowy Monaro Regional Council entered into a funding agreement with NSW Government, Transport for New South Wales (TfNSW) that agreed a funding profile for the Bobeyan Road Upgrade that committed \$20M over 3.5 years. The initial breakdown agreed with TfNSW was:

RMS Project Number	Project Description	19-20 Funding	20-21 Funding	21-22 Funding	22-23 Funding
P0046879	Bobeyan Road Resealing	\$1,000,000	\$6,000,000	\$6,000,000	\$7,000,000

Unfortunately the impact from Bushfires and Floods, three (3) of these declared as Natural Disaster events, along with social distancing restrictions resulting from COVID-19, required the release of funding agreement to be reviewed. A new funding arrangement for the Bobeyan Road Upgrade project is:

RMS Project Number	Project Description	19-20 Funding	20-21 Funding	21-22 Funding	22-23 Funding
P0046879	Bobeyan Road Resealing	\$250,000	\$6,000,000	\$6,500,000	\$7,250,000

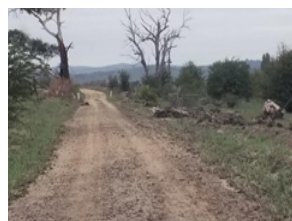
Natural Disaster Events

The 2019/2020 reporting year has been significantly impacted by natural disaster events and the COVID-19 pandemic. Prior to December 2019, the drought affecting Snowy Monaro Region resulted in roads not being maintained due to the inability to transfer water to assist with road maintenance operations. Drought was quickly followed by bushfire with staff and equipment deployed across the region to assist with RFS operations. February 2020 delivered the first (natural disaster) flood event with many roads across the region affected. A series of before & after photographs provide a snapshot of the issues created by flood.

Below Bobundra Road



Below Arable Road



Below Tuross Road



Water and Wastewater Services

This year has been an extremely busy year for Council's Water and Wastewater team, continuing to deliver a 24 hour a day service through drought, bushfires, floods and COVID-19, in addition to a comprehensive program of maintenance, upgrades and future planning.

Several towns were threatened or impacted by bushfire in early 2020. A high level of stress was placed on several supply systems, with demand nearing or exceeding the capacity. In some instances more than the 3 day average water use was drawn in a matter of hours. A huge effort was put in by teams under challenging conditions to ensure the continued supply of water to towns when they most needed it. Council would also like to thank the residents for minimizing non-essential water use during the fires.

In addition to the bushfires, many towns felt the effect of the drought this summer. Some towns being placed on water restrictions over the summer months to ensure the essential needs of the town could be met. The quality of the raw water was often effected by drought and bushfire ash, resulting in hard work by the team to guarantee the quality of the delivered water remained high. Council would like to thank residents for minimizing their outdoor water use during this summer and is actively engaged in looking for ways to improve water security across all towns.

Infrastructure works

Despite the challenges of this year, delivery of Council's 30-year Capital Works Program continued. Newer, modern infrastructure, combined with planned maintenance works, ensures the needs of our growing communities can be met and often deliver better environmental outcomes and lower operating costs.

The augmentation of Bombala Sewage Treatment Plant is progressing well with a large amount of civil construction completed. This project replaces aging infrastructure and will deliver better environmental outcomes and service the needs of Bombala into the future. Work is also beginning on the Timor Street Pump Station and Rising Main renewal in Bombala. Additionally, the design for

the Adaminaby Sewage Treatment plant is nearing completion.

The Water Supply Options Assessment Reports for Bombala and Delegate, which evaluates the current infrastructure and the options to achieve reliable supply and treatment for the next 25 years, are entering their final stage.

This year also saw the completion of the scheduled water mains replacement in Jindabyne and start of the water mains replacement program in Cooma.

Maintenance and upgrade works to deliver cleaner water, better services and protection of our environment

Council's maintenance and upgrade program is part of an overall plan to achieve Council's services and environmental objectives. The Water and Wastewater team balances health-based and environmental priorities with fiscal responsibility to determine the program of works for the year.

In addition to regular maintenance, improvement highlights for the year included:

- Replacement of the East Jindabyne Water Intake trunnion
- Upgrade of the booster system at Bombala Water Treatment plant to improve flow to chlorine injectors and chemical dosing systems
- Replacement of the McLaughlin River raw water intake pump in Nimmitabel
- New chemical dosing pumps at Cooma Water Treatment Plant
- Delivery of a new lab and office for Delegate, enabling more comprehensive water and wastewater testing to be undertaken onsite
- Installation of baffles in the process tank at Berridale Sewage Treatment Plant to improve environmental outcomes
- Flow paced dosing at Jindabyne Sewage Treatment Plant to enable the plant to better deal with variable flows and improve environmental outcomes

- Servicing and cleaning of sewage pump stations

All of these works delivered real improvements to water quality, reliability and performance.



The new lab and office for Delegate arrive onsite



The new inlet works at Bombala Sewage Treatment Plant under construction



East Jindabyne Water Intake trunnion replacement



The booster system at Bombala Water Treatment Plant was unable to supply the required pressure and flow for optimal treatment due to restrictions caused by changes in the size of the pipework (shown left). Council replaced this with new pipework including pressure gauges, valves and flow meters, shown on the right. The booster system is now able to supply the correct flow and pressure to the chlorine injectors and chemical dosing systems. This work was part of an extensive, on-going program to improve the quality of drinking water in Bombala

Local Emergency Management Committee (LEMC)

It has been a very eventful year from the Emergency Management perspective with the major bushfire emergency during December and January and the Covid-19 pandemic in the following months.

The bushfire emergency was especially challenging with the loss of life and property, and the air crash involving the large air tanker in the Peak View area. On the positive side, the emergency saw people from various regions and walks of life coming together to provide support to those affected. This included firefighters and other emergency workers from other parts of the state, firefighters and parks rangers from North America, and vets from New Zealand to name just a few.

Significant numbers of Council staff at all levels also volunteered their services to assist at the Fire Control Centre during the bushfire emergency. Support activities included manning telephones, logistics and admin support and relieving Council staff (such as the Local Emergency Management Officer) already tasked with specific roles.

With the Covid-19 pandemic, a great deal of preparatory work was undertaken, with NSW Health acting as the lead combat agency and the LEMC providing support. The snow season was a major source of concern with the influx of large numbers of visitors having the potential to set off community transmission of the virus. In the event, the region was fortunate not to be affected too badly.

Some of the activities undertaken during the year include:

- Setting up of a Recovery Committee to coordinate post-emergency recovery activities
- Two desktop exercises to assist in formulating an action plan in preparation for the snow season
- Circulation of daily Covid-19 updates from NSW Health

Consolidation of Asset Registers

This year saw all the previous work consolidating asset registers coming to fruition, with a large volume of data checked and ready for the new system going live at the beginning of the 2020/21 financial year. This involved more than 40,000 individual asset records being checked for omissions, duplications, and any errors in dimensions, location and other relevant attributes.

Ground truthing of asset data continues, with asset locations throughout the Local Government Area visited for the assets to be checked, measured and photographed to enhance the quality of data held in the asset register. With the large number of assets and the wide geographic area to be covered, this will be an ongoing process during the coming year.

The organisation restructure has resulted in some minor changes to the team structure and changes in some position titles. Two vacant positions have been filled in the past year, strengthening the team as well as providing backup capacity during staff leave etc.

Engineering surveys continue at a steady pace, albeit with a slight reduction in demand during the organisation restructure as staff took stock of the changes in their respective team structures.

The team continues to conduct road traffic counts with counters being placed at various locations of Council's road network to determine traffic flow to assist with planning and analysis.



Burra Road bridge works

\$3.88M New Assets Supports Council Service Delivery

Council purchased \$3,885,142 of new assets this year consisting of minor ground care to heavy earthmoving plant and equipment.

Council manage approximately 1,250 plant items with a current estimated value of \$15,761,224 comprising;

- Light vehicles
- Heavy vehicles
- Earthmoving plant
- Ground care plant and equipment
- Minor plant

The year has been challenging and complex for Council fleet services with the unprecedented bushfire events and COVID 19.

For a period of approximately six weeks fleet were effectively solely committed to Rural Fire Service vehicle maintenance and repair. Fleet personnel were required at the repair workshops, and on fire ground sites, seven days per week, often outside of normal business hours.



Resource and Waste Management

We have been faced with some big challenges over the past year from natural disasters, coronavirus and an internal restructure. Throughout the year Resource and Waste Services have continued to provide the region with waste management services and educational programs, along with expansion to services and continual improvements to our facilities across the region.



Community Education

The year has also seen Resource and Waste Services adapt to virtual media platforms to engage with our community in times of COVID restrictions. This has led to the team reviewing how we deliver our education plans and identifying community behavioural changes. By adapting to these changes this assists us in shaping any future Strategic Planning and implementing new initiatives in the reduction of resources going to landfill.



Moving Forward

Resource and Waste Services continue to work towards providing strategic outcomes for the community for disposal of waste and recyclable materials. Planning and facility improvements continue to be investigated and implement to ensure the community have facilities and services that are continually aiming towards less waste to landfill.



New regional messaging has also commenced introducing "Your Habits Matter to my Habitat" which is targeting what happens to your rubbish if not disposed of correctly, so do the right thing when you are out and about by putting your rubbish in the bin. This goes a long way to protecting our native wildlife and the environment.



Council’s Built and Natural Environment team continue to see a variety of developments being lodged for assessment across our local government area. This accompanied with the upcoming Snowy 2.0 project is a strong indication of a strong construction industry. The team plays a big part in ensuring projects are assessed in a timely manner, in time with legislative requirements and to meet the growth and demand for new construction in our region.

Provision of new Services

Council recognises that every day a building project is delayed, it costs time and therefore money.

Balancing the needs of all stakeholders is important and as part of Council’s commitment to streamline our services for our customer, the following programs are planned or have been introduced:

- A new CIS platform has been developed and implemented 1 July 2020
- A new DA trailer has been developed for implementation 30 October 2020
- A guide to the Development process has been developed and will be uploaded when adopted by Council onto Council’s webpage.
- Ongoing education initiatives to assist customers submit legislative, compliant applications and more time for late developers at Council offices.
- Development of online digital platform for lodgement of development applications.

Building and Development in the Region

Snowy Monaro continued to see a high number of proposed buildings and developments during the year, with 455 Development Applications assessed, more than 900 site inspections, and actioning of more than 2000 other certificates and requests.

The variety of developers across the range of residential, units and subdivisions, is another indication of the diversity of our residents and their varying dwelling needs.

2019-20 Building Certification Statistics

109	Construction Certificate applications processed
18	Complying Development applications processed
205	Plumbing & drainage OSSM/ Transportable Home applications processed
900	Individual progress construction inspections of development including plumbing and drainage works undertaken
31	Building Information Certificate Applications assessed
6	Swimming Pool Certificate inspections completed
129	Occupation Certificate applications processed

2019-20 Development Assessment Statistics

455	Development Application assessed including site inspections
48	Subdivision certificates issued
1213	10.7 (s149) certificates issued
106	GIPA Application requests actioned
407	Drainage diagram requests actioned
60	Development compliance complaints investigated

Protecting and preserving our historical heritage assets

Council has continued its active heritage preservation program for our community through the Heritage Places Grant Program. The resources allocated to owners through this program has been of great assistance in the enhancement and preserving of important heritage assets in our region. This has provided our community with a greater understanding of why heritage is valuable to the future of our area.

Council has also continued to provide a heritage advisory service to our community free of charge, which has been well received.



The team provides a range of functions that make the Snowy Monaro region a great place to live through responsible pet ownership, food safety, cemeteries management and protecting our natural environment.

Eradicating Invasive Weeds

Dealing with invasive weeds is an ongoing collaborative effort between Council and landowners. The team held a range of programs during the year to deal with the ever increasing impact of weeds on our landscape.

The team also took to the skies with specialised airborne drones to survey and detect weeds, supported by ground-based patrols.



Hawkweed - Beautiful but noxious

Ambitious Safety Inspection Program

700 drinking water samples from 13 supplies were inspected this year, to ensure the quality and safety of our drinking water.

In addition, over 500 properties had septic and sewer inspections conducted to enforce standards and to educate owners on preventing effluent run-off into our waterways.

Since Council also conducted over 350 primary inspections and many follow-ups of food premises, to enforce food safety standards and to recognise quality food outlets.



Benefits of Responsible Pet Ownership

Responsible pet ownership benefits all residents and the community. Council's Ranger Services team are dedicated to pet welfare, protection of our environment, and the safe enjoyment of our community.

A major highlight this year is the number of dogs entering Council pounds has continued to reduce significantly. This is the result of ongoing education of owners, as well as enforcement of registration, ensuring animals are kept on properties, and ranger patrols.

Council finalised the construction of the Bombala Pound. The facilities provide not only a secure location to hold dogs while council locate their owners, it is also fitted with heated pads to maintain a comfortable environment while the dogs are in our care.

** Further information on Companion Animal Management refer to the Statutory Reporting section of this report.*

Maintaining and caring for our cemeteries

Council continues to support our community during their most sensitive time of need through the management of public cemeteries.

In addition to our regular maintenance Council has restored the Prayer Room at the Bombala cemetery, upgraded fences at Boloco cemetery and undertaken repairs caused by wildlife.

Tackling Illegal Dumping

The Environmental Services Team continues to increase its activity to prevent, investigate and prosecute those who would damage our beautiful landscape, including joint patrol and enforcement programs with Environmental Protection Authorities and police.



Australian Water Ski Titles



Economic Development

Amidst a shocking year for economic development and tourism in the region as a result of the summer bushfires and then COVID-19 pandemic, the Economic Development team was still able to accomplish several significant projects and work in the area during the year. Some highlights are below:

Strategic and Use Planning

For the first time in the region's history, a single land use strategy for the entire Snowy Monaro area has now been completed. The Local Strategic Planning Statement (LSPS) provides a high-level strategic planning context for the development of the region over the next 20 years centred around a vision and 12 key planning principles to guide future decision making.



Economic Development

In late 2019 the Deputy Premier announced that the Go Jindabyne masterplan project was evolving into the Snowy Mountains Special Activation Precinct Masterplan. Council has been assisting the Department of Planning, Industry and Environment, to appoint a team of consultants to work on the project and develop a vision for the SAP.

Work continues on the masterplan with a draft expected to be finalised in the first half of 2021.

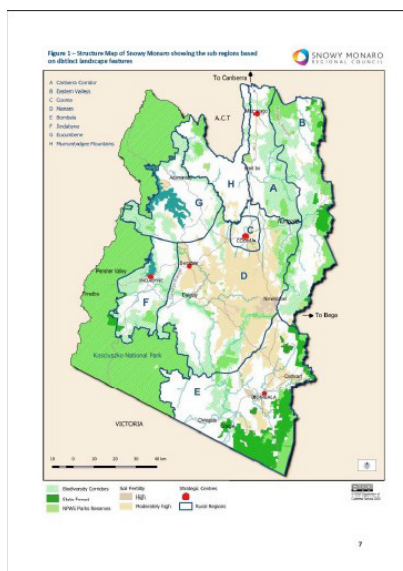


The economic development team also began conducting biannual business and industry surveys and maintaining broader contact with the business community through quarterly e-newsletters. The contacts established through this network helped provide valuable feedback from community into the impacts of the summer bushfires on local business.

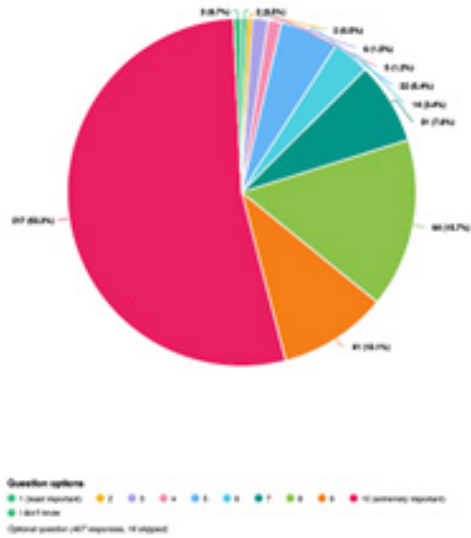
Recreation Planning

Another first in the region's history, a community recreation facilities survey was conducted across the entire local government area to gauge high-level community feedback on recreational and sporting facilities across the region. Walking, swimming, hiking and mountain biking were very popular activities.

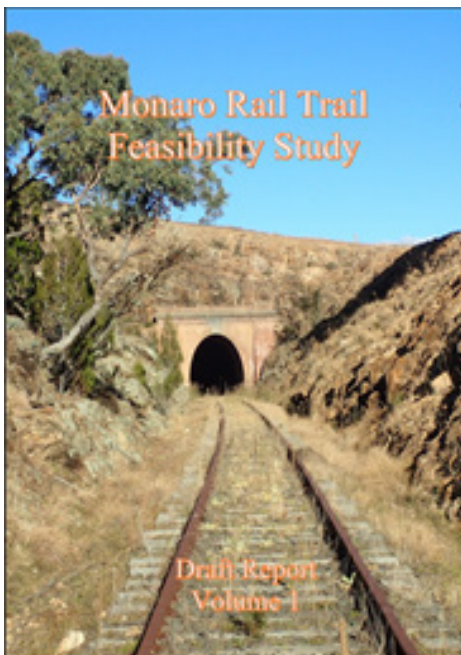
Over half of respondents indicated they would be prepared to travel up to 1 hour to access a weekly sporting competition. The red sector on the pie chart shows over half of the respondents rated access to good recreational activities as extremely important in their decision to live in Snowy Monaro.



8. On a scale of 1 to 10 (1 being least important and 10 being extremely important) how would you rate the importance of access to good recreational facilities in your decision to live in the Snowy Monaro Region?



The feasibility of the Monaro Rail Trail was investigated, and a report prepared which incorporated feedback received from the community during a series of walk-in consultation sessions and surveys. The report found that at a high level, the MRT was a feasible rail-trail proposal and recommended more detailed plans and research be conducted. It also received a high level of community support.



LGNSW Tourism Conference

In March, Council was the host partner for the 2020 Local Government NSW Tourism Conference.

Held at Rydges in Jindabyne, we welcomed local government staff from across NSW and a range of expert presenters who focused on the effects of natural disasters and how councils and operators can rebuild and recover.

Cooma Visitors Centre Upgrade

The Cooma Visitors Centre temporarily relocated to 57 Vale Street whilst upgrades were undertaken to create a modern, fresh and welcoming space for people seeking information when visiting the region. The renovated building opened to the public in time for the June Long Weekend.



Staff in the new building in front of the Wombat print



Completed upgrade of the Cooma Visitors Centre

Workforce Management

Organisation Redesign

An organisational review was undertaken and completed in 2019, which sought to redesign SMRC to strengthen its position and service delivery to better meet community needs and expectations.

The review addressed some significant issues that impacted the organisation's overall flexibility, effectiveness and, importantly, sustainability. The review and subsequent restructuring required a planned and considered approach.

Following an extensive staff consultation process, Council adopted a new structure in November 2019. In April, we welcomed three Chief Officers to their new roles, which marked a significant step in leading and implementing the strategies needed to move Council forward. Following those appointments, the positions reporting to the new Chief Officer roles were transferred or recruited.

The Workforce Management team were front and centre with staff across Council in the implementation of restructuring. Providing support and advice at all levels to transition staff in to new roles and reporting lines, creating new position descriptions, communications and recruitment kept the team on its toes throughout the year.

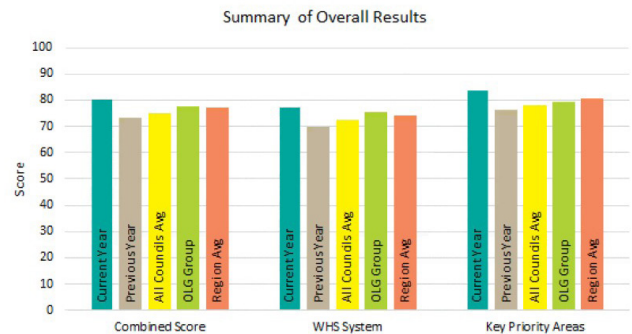
The service reviews required to redesign service areas within each portfolio will commence in a cross unit project, led by the Organisational Development team. Aligned with Australian Business Excellence Framework the same planned and considered approach will underpin the next phases of Organisation Redesign.

Payroll

Staff were transferred to the new Payroll system during the year. The details of over 475 staff, which included more than one hundred casual community care staff, were checked before transfer to the new system and training for staff provided as needed. There were no delays in providing continued payroll services.

Work Health and Safety

Council's insurer StateCover provides an Annual Report summarising Council's performance in a WHS audit each year. The 2020 Audit report recorded pleasing results showing not only an improvement from the previous year, but Council's standing above others in the group.



The safety of Council's customers and staff was enhanced with signage, screens, hand sanitizer and installed across Council offices in line with advice from the Department of Health regarding Covid-19 restrictions.

Council implemented working from home pay procedures and plans to enable those who were able to work safely from home during the lockdown period.

Health and Wellbeing initiatives included offering flu vaccinations to staff in addition to the regular skin-screening program undertaken each year.

Recruitment

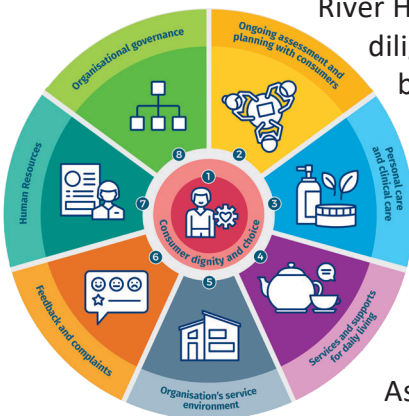
An online recruitment program and improved advertising was implemented realising an increase in the number of applicants for positions at Council from an average of just under 4 applications per vacancy to over 11. Other improvements have realised efficiencies in the time to appoint after advertising, dropping from an average of more than 8 weeks to 4 weeks.

An assessment centre approach was used for the first time to assess a number of candidates simultaneously for multiple vacancies in our Infrastructure team. The process was productive and well regarded by hiring managers.

Residential Aged Care responds to sector reform

The introduction of the new Aged Care Quality Standards that came into effect 1 July 2019 has brought about welcomed change throughout the sector. The Council have spent the past year transitioning aged care operations from a systems and process approach to one that is driven by consumer experience related to all aspects of care. The Royal Commission into Aged Care Quality and Safety has continued throughout this year, which has highlighted failures throughout the sector.

The team across Yallambee Lodge and Snowy River Hostel have worked diligently to activate bushfire plans as well as COVID-19 plans and directives. In a period of such high risk, we are fortunate to have had zero cases of COVID-19 in Councils aged care facilities. As a region, we have responded incredibly well to be in this position.



Despite challenges, Yallambee Lodge was reaccredited against the new Standards with this in place until May 2021. Staff across both facilities continue to work hard to respond to changes and increase in demands that occur throughout the ageing process, ensuring that quality care and services are delivered.

Home Care Package numbers increase despite challenges

Home Care Package numbers have increased this year as more people in our community have required additional support to remain independent. It is common to transition from the Commonwealth Home Support Program to a Home Care Package when an allocation becomes available. The Council is just one of many Home Care Package providers in our region that ensures our community has a great choice in the delivery of their care and services.

The programs could not occur without our strong team of Support Workers, who delivered 8800 hours of service throughout our region, keeping residents safe, supported and able to remain connected to their community. Despite the challenge of bushfires and COVID-19, services have remained constant since March 2020. As a region, we are still experiencing moderate wait periods to receive a Home Care Package allocation, putting pressure on other programs such as the Commonwealth Home Support Program.

Home Care Packages	Consumer Numbers
Level 1	3
Level 2	38
Level 3	17
Level 4	11
Total	69

ComPacks continues to support patient recovery

We have seen an increase in service provision in the area of Compacts this year, with 58 community members being eligible for the six-week package of support to regain their independence in the home following on from a period of hospitalisation. Services provided included: domestic assistance, shopping support, transportation, personal care, meal preparation and social support.

Community Support Programs adapt to change

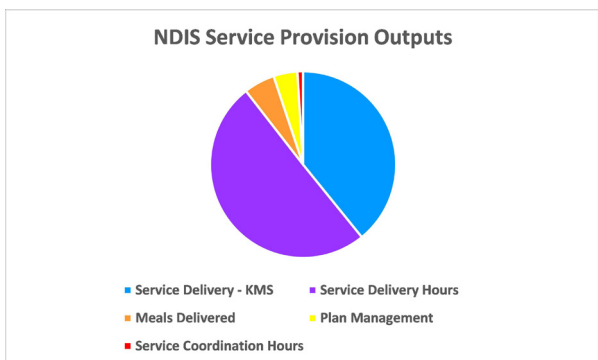
The introduction of the new Aged Care Quality Standards has required that we rethink how care and services are delivered to our community. Alongside the processes of change, we have navigated challenges associated with the bushfires and COVID-19. Without a doubt for service delivery, this has been one of our most challenging years.

Yallambee Lodge new development

Over the past year, we have undertaken site audits and had concept drawings for the new development drafted. The project is on target and is meeting all Department of Health milestones.

National Disability Insurance Scheme (NDIS)

Service requests through the NDIS have increased throughout the year. We have provided support to 42 people with disability throughout the region through a variety of means including home care and plan management. We work collaboratively with other providers who at times, broker our staff to fulfil their clients care needs.



Community Transport Services prevailed

In acknowledging the challenges, we have performed exceptionally well in the delivery of Community Transport throughout the region. Essential trips, including medical appointments, were prioritised when services were required to be scaled down, that provided great relief to the users of our service. A total of 11305 passengers were transported with their trips covering a vast 331109 kilometres. As usual, the program would not be as far-reaching without our fantastic volunteers, that alone provided 3976 hours of their time to service our community, for which we are forever grateful.

Our Community Transport Program received acknowledgement from Transport for New South Wales, for providing emergency transport to evacuation sites during the bushfires. Rob Cash, one of our Community Transport staff, drove our bus to evacuate residents one evening during the emergency.

2019-20 Community Transport Statistics

11,305	Passengers using Community Transport
10,640	Community Transport trips taken
331,109	Kilometres travelled
3,976	No. of Volunteer hours



Volunteer Driver Glenn Robson



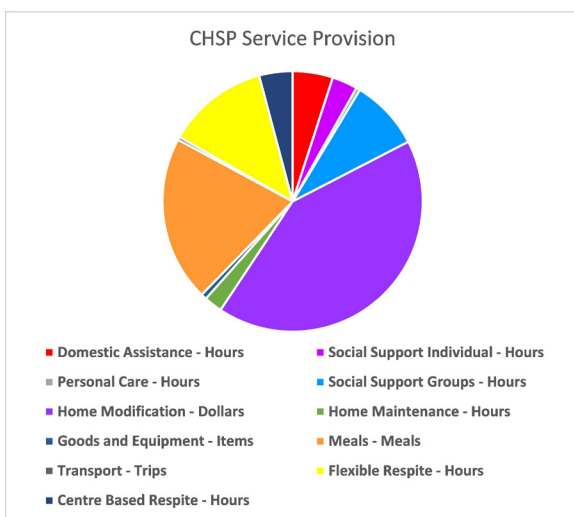
Above and below: Currungo Community Transport trip



Commonwealth Home Support Programme (CHSP)

Despite the number of disruptions this year, our Commonwealth Home Support Programme (CHSP) numbers have remained steady. During the bushfires, staff implemented our emergency response program by providing daily contact support to our most vulnerable residents. When it was required, we provided our vulnerable person list to emergency services for evacuation purposes.

Due to COVID-19 restrictions in March 2020, many programs including social support, ceased. It has been unfortunate that some events have not yet been rescheduled. The staff worked diligently to deliver a range of creative options to our community members to keep them actively involved to minimise social isolation. A hit was the 'Creative Cabin Cartons' that were delivered each week alongside garden produce that our groups had been tending. Social Support Groups maintained contact through Zoom meetings, phone calls and group chats. We were thrilled with how our service users adapted to the changes in communication. During the gloomy months, the groups also produced some fantastic artwork in our trees in the way of 'Yarn Bombing'. It was refreshing to drive up Sharp Street and see a tree bursting with color, a simple reminder that despite the challenging circumstances endured; there is always color to brighten the day! This color in Cooma and Bombala was compliments from our Community Connections groups.



Library Services



VISITS TO OUR LIBRARIES

59,415



ITEMS LOANED

81,167



KMS TRAVELLED BY THE MOBILE LIBRARY

6,283

Community Enablement

Five local women's oral histories were recorded as a tribute to the photographic exhibition 'Celebrating the Snowy Scheme Community 1949-2019' which was launched in October. The permanent display of photos was created in partnership with Snowy Hydro and the National Archives of Australia, and depict community life during construction

Lifelong Learning

We ran book launches, presentations from Dementia Australia as well as for National Stroke week. We continued our very successful Digital Seniors Program, running 'Reading Challenges', providing spinning and weaving workshops and creative crafts for adults.

Places and Spaces

The Libraries provided many programs for school children before COVID shutdowns. Book Club, Lego Club and Games Club were created with high attendance after school. Special events for Book Week created spaces for a photo booth with dress-ups and for Science Week making 'Slime' and 'Ice cream in a bag' were a big hit. Seeing the creative minds at work was fantastic!

Digital Connection

Seven Tech Savvy Senior sessions were run each week, highlighting a different device or online skill. Participants received a proficiency certificate for their learning and were shown how to access the website to utilise other skills.



NAIDOC WEEK

In conjunction with the TRACZ program and Aboriginal artist Cheryl Davison, we exhibited the artworks of local indigenous children during NAIDOC Week. A large gathering saw the launch of the works, which were also supplemented by indigenous Dreamtime Storytelling and craft. Library staff created bookmarks from copied sections of the children's work.

MEMBERS REGISTERED
6,283

LIBRARY PROGRAMS HELD
144



BOMBALA LIBRARY EXTENDS HOURS TO MEET INCREASED DEMAND

The Library extended its opening hours from January 2020 and celebrated with a series of movies, crafts and morning tea, in addition to an official ribbon-cutting by Councillor Anne Maslin.

During the bushfires, the Library also became an Evacuation and Recovery Centre for those affected. Beds were set up; children had access to arts and crafts as well as the TV and computers for games. The computers were in high demand by those who had lost their homes and possessions. Despite the trying times, we enjoyed sharing our Library with those that needed it

ITEMS IN OUR LIBRARIES
51,403

PEOPLE ATTENDED LIBRARY EVENTS
2,670



E-RESOURCES DOWNLOADED
12,537



WI-FI LOGINS
7,052



COMPUTER BOOKINGS
6,633



MAJOR EXHIBITIONS ATTRACT THE NUMBERS

Six different exhibitions were held at the Cooma Library. The Italian Photographic Exhibition by Paolo Totaro was a very popular choice. Cooma Library was the second Library in NSW to host this exhibition. Others included the Yellow and Red Cases from the National Art Gallery and the Oral History Exhibition of five local women.

The 2019-2022 Library Strategy led the direction of this year's library activities, including the focus areas of Lifelong Learning, Community Enablement, Digital Connection and Place and Spaces.

Camping Grounds and Caravan Parks despite challenges, remain open for business

It has been a challenging year in our camping grounds and caravan parks, with the bushfires and then COVID-19. With restrictions in place related to international travel, there has been a greater emphasis on national and regional travel. We look forward to seeing what this brings to our camping grounds and caravan parks over the coming 12 months.

A new camp kitchen was installed at the Delegate Caravan Park, which despite reduced occupancy has been put to great use by locals and visitors to our region. Additionally, Council has been working with the NRMA Jindabyne Holiday Park on upgrades including the addition of Studio Cabins as well as a new Playground.

Swimming Pools

Council has been working closely with a team of pool specialists to provide us with condition reports detailing the health of the region's pools concerning compliance. Issues identified in these reports will be presented to Council later in the year. The pool season had some disruptions due to the bushfires and COVID-19. Fortunately, the downtime was minimal.



New Amenities building in Bombala welcomed by Community

A new amenities building in Bombala was committed through the Stronger Communities Fund and was completed this year. The building that was officially opened by John Barilaro in October 2019, will provide for our community today and well into the future.



Saleyards look to the future

The Saleyards have been quiet due to the drought, bushfires and COVID-19. In collaboration with key stakeholders, we undertook essential planning to deliver services through the Saleyards during COVID-19 safely and fortunately did not have to cease operations. Sales are an integral part of the supply chain, so it was great to have this continue, all be it with some creative measures in place.

Additionally, we are currently looking at funding opportunities to undertake capital improvements at our Cooma Saleyards; consultation with key stakeholders will form an essential part of this process.

Consolidation of BOCO Wind Farm Community Sponsorship Program

The BOCO sponsorship program was a condition of the approval of BOCO Wind Farm, prior, to the former Councils merger.

As such, the community sponsorship is attributed to the 'former' Local Government areas. Former Cooma-Monaro LGA had \$169,091.95 funded to 14 recipients. Former Bombala has \$92,521.39 funded to 7 recipients. The committee met to review and determine the expressions of interest received from the community.



The new Boco Rock Committee

Boco Rock Committee 2020

Mayor Beer	Chairperson
Clr Corbett	SMRC Councillor Representative
Clr Stewart	SMRC Councillor Representative
Peter Bascomb	SMRC Chief Executive Officer
Adam West	CWP Renewables Representative (Boco Rock Wind Farm)
Merrita Coombe	Community Representative (Former Bombala LGA)
Coleen McCoy	Community Representative (Former Bombala LGA)
David Wicks	Community Representative (Former Cooma-Monaro LGA)
Kathy Kelly	Community Representative (Former Cooma-Monaro LGA)

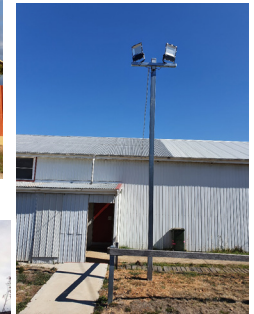
Boco projects that acquitted from last years' funding



Michelago Railway was repainted



Nimmitabel Community Hall recieved a new roof.



Cooma Little Theatre recieved new outdoor lighting

Government Information Public Access Act (GIPA) increases workload

Council received 2 Formal GIPAs and 187 Informal GIPA applications. Council also had to conduct 1 internal review and 2 external reviews of the applications. Due to the Bushfires and Covid-19, there was a decrease in applications by 13% in comparison to last financial year.

Complaints

Governance developed and implemented an interim complaints procedure and register. With offices still working on 3 separate corporate systems, it was identified that maintaining a register of complaints that covered the whole organisation could not operate solely in one system. The register was developed to capture concerns reported by the public. Through the collection of this information Council can analyse that data and identify areas for improvement.

Section 355

The Governance team have been researching and developing a new S355 manual for its S355 committees. This manual will bring all of the existing S355 committees to operate under the one procedure, allowing council to provide consistent advice and information to these committees. This manual is intended to be completed and adopted by the end of 2020.

Council Leading the Way

The 2020 Annual Report presents an account on the work of the maturing Internal Audit and Risk Management Functions of Council. A discussion paper released by the Office of Local Government, in November 2019, on the proposed legislation on risk management and internal audit showed, that Council is already ahead in terms of the suggested changes.

Audit, Risk and Improvement Committee

This Committee was established in June 2016. It is made up of four external members and one councillor who, with an excellent mix of skills and knowledge, demonstrate independence and commitment. The Committee found a dose of good will and humour is needed for a successful Audit, Risk and Improvement Committee.

The Committee notes from its review of policies and from Internal Audit reports that Council has made progress in establishing common policies and systems. The ongoing work of the Committee will overview the bedding down of new policies into BAU practice.

While noting that some progress has occurred, the Committee will continue a focus on Council's Risk Management.

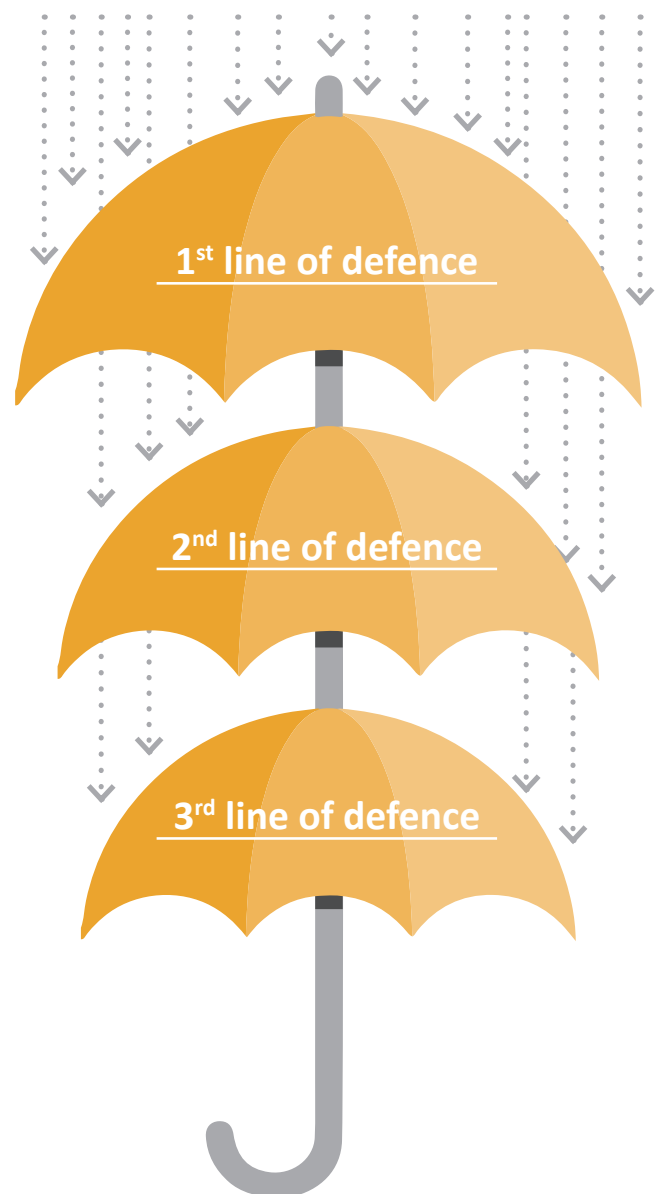
Through Internal Audit, the progress and associated risks with the implementation of Council's new corporate information system will also be monitored.

Risk Management

There is no doubt that Council faces and will continue to face a future which includes complexity and ambiguity.

Central to managing this has been the implementation of an Enterprise Risk Management Framework (ERMF) adopted by the Leadership team in June 2019.

The ERMF is the set of components based on Australian risk management standards that provide the foundation and organisational arrangements for the management of risk.



Adapted from the European Stability Mechanism

These include principles, policy, appetite, processes, methodologies, accountabilities, governance, and resources which facilitate risk assessments, risk treatment, risk reporting and risk conversation.

Continuous evaluation and improvements of risk management through learning and experience offers the best opportunity for ensuring the ERMF is fit for purpose and risk becomes an integral part of all decision making.

Media and Public Relations

Internal Audit

Internal Audit is an activity designed to independently assess, add value and improve an organisation's operations. It is important to recognise that engagement with various functions of Council, especially in the process of merging three legacy systems and organisational cultures, are bound to identify several areas for improvement and offer recommendations.

Throughout 2019-20, there was an increased focus on consulting and advisory activities performed by Council's Internal Audit Function. The table below provides a summary of activities undertaken during and for the previous reporting period:

External Audit

The NSW Audit Office completed Council's external audit this year replacing the previous private contractor arrangement. This approach provides consistency across NSW Councils.

Despite some difficulties presented by the delay in implementing a single finance system and some ongoing issues in respect to asset valuation, this year demonstrated an improvement in the Council's financial statement processes and action was taken or planned to address the NSW Audit Office's recommendations.

Engagement Name	Final Report Date	# of Recommendations
Engagements related to reporting period 2018/19		
Corporate Card Management	9 Aug 2019	10
Platypus Country Visitor Information Centre Follow-up Review	3 Sept 2019	2
OLG Calendar of Compliance	27 Aug 2019	Nil
Government Information Public Access (GIPA) Act Compliance	27 Aug 2019	7
Engagements related to reporting period 2019/20		
Development Assessment	24 Feb 2020	15
Work, Health & Safety Management System	28 Jul 2020	16
Information Technology General Controls	13 Aug 2020	6
Risk Management	1 Sept 2020	5
Delegations Transition through Organisation Redesign Project	Ongoing Consulting Engagement	N/A
Corporate Information System Consulting Engagement	Consulting Engagement	N/A
Engagements related to reporting period 2017/18		
Building Security	4 Sept 2020	24

Engagements completed for the reporting period 2019-20:

- 5 engagements completed
- 1 engagement in progress
- 66 recommendations

The cooperation of Council staff in the internal audit process is commended.

Council's communications team worked closely with all Council business units to inform and educate our community about Council's services, programs and events.

Working with the organisation's business units, the Communications Team coordinated and developed community education programs, consultation plans and ensured Council information was disseminated in a timely, accurate and consistent manner.

Meeting the challenges of COVID-19

Like all of areas of Council, the Communications Team was required to adapt and respond to the challenges of COVID-19. One of the greatest hurdles to overcome was ensuring our community had meaningful opportunities to engage with Council despite many of the regular face-to-face engagements being postponed.

At the time COVID-19 restrictions came into play, Council's Strategic Planning team was midway through their community consultation for the Draft Strategic Land Use Strategy. While their planned community stalls and information sessions were unable to occur, a series of online sessions were arranged. Residents were consulted with online through group and individual sessions.

Snowy Monaro Regional Library took its entire holiday program online where families were able to participate in the activities from the comfort and safety of their homes.

Increasing our digital presence

Council communicates and shares information through a range of digital platforms. We have continued to increase our digital audience over this period, reflecting the evolving nature in which our community receives and seeks Council related information.

Council's website saw 115,523 users visit the platform through this 12-month reporting period. Some of the most frequented pages included: library services, emergency information (due to the December/January bushfires), contact us, waste facilities and employment vacancies.

With COVID-19 reshaping the way Council engages with our community, we have seen a

significant uptake in the number of community members participating in our online consultation engagements via our Your Say Snowy Monaro platform. This has allowed us to connect with more community members. This increased feedback provided has added great value to a number of projects and policy development.

Council uses social media platforms to communicate key messages, educational material and answer customer enquiries for our community.

Our audiences continues to grow on each of the platforms we use, including: Facebook, Instagram and LinkedIn.

Our social media platforms became an important source of regional information during the bushfire period as we provided immediate and accurate information about the changing Council services, opening of evacuation centres and relaying emergency warnings from the NSW Rural Fire Service. Over the last 12 months, we saw an increase of over 3,000 additional Facebook page followers.

Corporate Projects

Stronger Communities Fund Update

Over 100 projects with a total value of \$14 million were funded through the NSW Government.

In 2019-20 Council continued to progress the planning and delivery of these projects with 78 now completed.

This year our community gained further access to better facilities via footpaths, picnic areas additional enhanced family enjoyment from the completion of more upgraded recreational spaces along with the major streetscape programs.

With COVID 19 making its mark, consultation and engagement with residents has still continued throughout the year via Zoom meetings and responsible social distancing measures. The community has continued to assist in the development of individual projects.

Below are the projects completed in the 2019-20 financial year.

- Complete the missing links for shared path in Cooma
- Refurbish the Dalgety Showground pavilion
- Delegate Streetscape project
- Adaminaby Streetscape project
- Bredbo Streetscape Project
- Cathcart Streetscape project
- Dalgety Streetscape Project
- Michelago Streetscape Project
- Nimmitabel Streetscape Project
- Bibbenluke Streetscape Project
- Installation of Banners in Bombala
- Bombala Cemetery works
- Upgrade the foyer and change rooms at the Cooma Basketball and Gymnastics Facility
- Therry Street Bombala
- Myack St intersection Berridale
- Accessibility and footpath upgrades in Bombala and Delegate area
- Accessibility and footpath upgrade in Cooma area
- Accessibility and footpath upgrades in Snowy river area
- Badja picnic area upgrades at Numeralla
- Construction of new toilet facilities in Bombala CBD
- Upgrade to the kiosk facilities at the Bombala Exhibition Ground
- Upgrade to the Cooma Visitors Centre
- Upgrade to Snowy Oval Amenities Building
- Cooma Cemetery works
- Snowy Cemetery works
- Investigate options for the upgrade of the Band Shell Facility in Cooma
- Review of facilities at Jindabyne Pool
- Refurbish the existing toilet facilities at Adaminaby School of Arts
- Renewable energy – Investigate and installation in Snowy River Area
- Finalise project design and approvals for the Bombala Heavy Vehicle Bypass Route
- Undertake project to alignment of road and road reserves in Cooma area
- Undertake project to alignment of road and road reserves in Snowy River area
- Development Jerrara Drive improvement options
- Nijong Oval improvements
- Finalise design and approvals for the shared path from Lions park to Murrumbidgee River Reserve; undertake stage 1 of the works
- Undertake project to alignment of road and road reserves in Bombala area
- Cooma Office painting



Nijong Oval Learner Bike Track. The new learner bike track allows our young children to start learning from an early age the importance of road rules and their safety.



Cooma Visitors Centre upgrade – With Cooma and the Snowy Mountains area becoming a year round travel destination the upgrade to the Cooma Visitors Centre now provides visitors and locals alike with a welcoming information hub to all that the Snowy Monaro area has to offer.



Snowy Oval Amenities Building.

2022 0 2 0 STATUTORY REPORTING

	PAGE 75
Audited Financial Statements	
Rates and Charges Written Off for the Year	
Report on Special Variation	
Legal Proceedings	PAGE 76
Councillor Representation on Committees	PAGE 77
Section 355 Committees	PAGE 78
Payment of Expenses and Provision of Facilities	
Provision of Facilities	
Statement of Total Remuneration of General Manager	
Statement of Total Remuneration of Senior Staff	
Overseas Visits by Staff, Councillors or Other Persons	PAGE 79
Statement of External Bodies	
External Bodies (controlling interest)	
External Bodies (participated in)	
External Bodies (delegated Functions)	PAGE 80
Contracts Awarded	PAGE 81
Financial Assistance Provided Under Section 356	PAGE 82
Statement of Activities to Implement our Equal Employment Opportunity Management Plan	
Report on Compliance with the Carer Recognition Act, 2010	
Government Information Public Access	PAGE 83
Schedule 2 Statistical Information	
Table A: Number of Applications by Type of Applicant and Outcome	
Table B: Number of Applications by Type of Application and Outcome	
Table C: Invalid Applications	PAGE 84
Table D: Conclusive Presumption of Overriding Public Interest against Disclosure	
Table E: Other Public Interest Considerations against Disclosure	
Table F: Timeliness	PAGE 85
Table G: Number of Applications Reviewed under Part 5 of the Act by Type of Review and Outcome	
Table H: Applications for Review under Part 5 of the Act by Type of Applicant	
Table I: Applications Transferred to Other Agencies	
Public Interest Disclosures	PAGE 86
Stormwater Management Services	
Summary of Private Work	
Fisheries Recovery and Threat Abatement Plans	
Environmental upgrade agreements	
Recovery and Threat Abatement Plans	
Inspections of Private Swimming Pools	
Coastal Protection Service Provided	PAGE 87
Companion Animals Act 1998 and Regulation Companion Animals Statement on Activities	PAGE 88
Snowy Monaro Regional Council off Leash Areas	PAGE 89
Disability Inclusion Action Plan Progress	PAGE 90

The information in this section of the annual report addresses the reporting requirements detailed in the Local Government Act 1993 as per section 428 and the Local Government (General) Regulation 2005 as per clause 217 (1) and other relevant legislation.

It serves to complement the information provided in other sections of this report as well as provide increased transparency and accountability to the community.

Audited Financial Statements

The Snowy Monaro Regional Council 2019 Audited Financial Statements and Auditors Report are located in Part C of the 2019 Annual Report

Rates and Charges Written Off for the Year

In accordance with Clause 132 of the Local Government (General) Regulation 2005, Council is required to report on rates and charges that were written off in the 2018-19 financial year.

During the 2018-19 financial year the following bad and doubtful debts were written off:

Expense Type	Amount \$
Movement in Provision for Bad Debts	(\$62,984)
Bad Debts Written Off	\$113,352
Interest Written Off	\$1,351
Total	\$51,719

Report on Special Variation

Under the Special Rate Variation Guidelines, 7.1, Council is required to report any activities funded via a special rate variation of general income.

Council did not apply for any Special Rate Variations during the 2018-19 financial year, as such there are no activities to report.

Legal Proceedings

During the 2018-19 financial year, Council was involved in 4 legal proceedings exceeding \$10,000. Of the 4 proceedings all are on-going as at 30 June 2019.

A summary of all legal costs incurred by Council for the financial year include:

Category	Amount Incurred to 30 June 2019 \$
Roads Management Operations	\$150,548
Planning and Development	\$130,096
Animal Control	\$114,886
Debt Recovery	\$20,521
Other*	\$83,719
Total	\$499,770

**Other includes matters pertaining to Water and Sewer Operations, Corporate Governance and Executive Support*

Councillor Representation on Committees

Council maintains links with a range of community based and other organisations via representation on relevant committees. Such representation is usually by appointment of either members or members of staff as delegates.

External Committees

Name of Committee	Councillor Representative	Alternate Councillor nominated
Aboriginal Liaison Committee	Clr Castellari	No alternate nominated
ANU Medical School - Community Advisory Committee Board	Clr Corbett	No alternate nominated
Canberra Region Joint Organisation of Councils (CBRJO)	Mayor & General Manager	N/A
Cooma Correctional Centre Community Consultative Committee	Mayor	N/A
Community Safety Precinct Committee	Clr Beer	Clr Corbett
District Bush Fire Management Committee	Clr Ewart	No alternate nominated
Monaro Regional Interagency	Clr Castellari	No alternate nominated
Jindabyne Liquor Accord	Clr Beer	Clr Old
Southern Monaro Local Emergency Management Committee (LEMC)	Clr Corbett	No alternate nominated
Southern Monaro Local Emergency Rescue Committee	CEO	N/A
South East Arts	Clr Haslingden	No alternate nominated
Boco Rock Community Fund Committee	Mayor & CEO	N/A
Bundian Way Advisory Committee	Clr Castellari	Clr Maslin, Clr Stewart
Cooma Universities Centre	Clr Maslin	Clr Rooney
Delegate Progress Association	Clr Haslingden	Clr Stewart
Southern Joint Regional Planning Panel	Mayor and CEO	N/A
Monaro Housing Taskforce	Clr Haslingden	No alternate nominated
Snowy Mountains Neighbourhood Centre	Clr Old	No alternate nominated
Upper Murrumbidgee Catchment Co-ordinating Committee	Planning staff	N/A

*Where N/A is listed an alternate is not required for a quorum

Section 355 Committees

In accordance with s355 of the Local Government Act, 1993 Council is able to delegate some of its functions to a committee of Council. Council uses this delegation and appoints members of the community to manage its facilities or functions through a committee or board of management.

Snowy Monaro Regional Council fully acknowledges and appreciates the valuable contribution made by those of the community who serve as members of Council's Community Committees. This is an important role providing a valuable contribution to the respective local communities that we serve.

Section 355 Advisory Committees

Committee	Councillor Representative	Alternate Councillor nominated
Residential Aged Care	Clr Castellari	Clr Haslingden
Community Care Advisory	Clr Castellari	Clr Haslingden
Inclusion Action Committee	Clr Castellari	No alternate nominated
Arts and Culture	Clr Haslingden	No alternate nominated
Snowy Monaro Tourism	Clr Beer	Clr Corbett, Clr Maslin Clr Haslingden
Yamaga Sister City	Clr Rooney	Clr Old
Snowy Monaro Weeds	Clr Stewart	Clr Haslingden
Snowy Monaro Cemeteries	Clr Haslingden	No alternate nominated
Recreational Facilities	Clr Castellari Clr Corbett	Clr Haslingden Clr Ewart
Cooma Sale Yards	Clr Miners	No alternate nominated
Koala Management	Clr Castellari	Clr Rooney

Section 355 Management Committees

Section 355 Management Committees manage facilities on behalf of Council. These Committees are managed by Community Volunteer representation. The following committees were active during the reporting period:

- Adaminaby School of Arts Hall
- Bibbenluke Hall and Sportsground
- Bombala Exhibition Ground Management
- Bombala Racecourse and Recreation Ground
- Bombala Railway Land Development
- Bombala Tennis Club
- Bredbo Hall
- Bungarby Memorial Hall Preservation
- Cathcart School of Arts
- Craigie Hall
- Dalgety Hall Management Committee
- Dalgety Showground (interface)
- Delegate & District Pre-School
- Delegate Early Settlers Hut
- Delegate School of Arts
- Delegate Sportsground
- Jindabyne Memorial Hall
- Jindabyne Shared Trails
- Jindabyne Sportsground and Recreation Areas Management Committee
- Kybeyan Hall
- Michelago Hall
- Mila Country Club
- Nimmitabel Hall
- Nimmitabel Showground Management
- North Ridge Reserve
- Numeralla Hall
- Old Cooma Grasslands Reserve
- Peakview Hall
- Shannons Flat Hall
- Smith's Road Hall
- Numeralla Cemetery
- Bredbo Cemetery
- Nimmitabel Cemetery

Payment of Expenses and Provision of Facilities

Councillor and Administrator Fees, Expenses and Facilities

Payments of Expenses and Provision of Facilities for the Mayor and Councillors are made under the guidance of Council's SMRC2 - Payment of Expenses and Provision of Facilities for Mayor and Councillors Policy, which can be located on Council's website.

Money Expended on Mayor, and Councillor Fees

Council incurred the following fees during the 2019-20 financial year:

Expense Type	Amount \$
Mayoral Fees	\$44,250.00
Councillor Fees	\$223,080.00
Total Amount Expended for Provision of Facilities* (as below)	\$74,831.00
Total	\$342,161.00

Provision of Facilities

*Council incurred the following fees and expenses for the provision of facilities during the 2019-20 financial year:

Section	Expense Type	Amount \$
(i)	Provision of dedicated office equipment allocated to councillors	0
(ii)	Telephone	\$22,705.00
(iii)	Conferences and seminars	\$4,132.00
(iv)	Training and development from prior year	0
(v)	Interstate visits	0
(vi)	Overseas visits	0
(viii)	Child or Family Member Care	0
	Travel (excluding overseas & interstate visits)	\$36,992.00
	Food and Catering	\$7,313.00
	Vehicle Allowance	\$600.00
	Other	\$3,089.00
	Total	\$74,831.00

Statement of Total Remuneration of General Manager

During the 2019-20 Council employed a General Manager. Following is a statement of the total remuneration.

Section LGR 217(B)	Remuneration Component	Amount \$
(i)	Salary	\$272,431
(ii)	Additional payment*	\$134,018
(iii)	Contribution to superannuation	\$23,694
(iv)	Non cash benefits	\$5,363
(v)	Fringe Benefits Tax on Non-Cash Benefits	\$4,042
	Total	\$439,548

* Additional payment - Unused leave payments on termination

Statement of Total Remuneration of Senior Staff

During the 2019-20 Council employed three Directors as Senior Staff. Following is a statement of the combined total remuneration.

Section LGR 217 (C)	Remuneration Component	Amount \$
(i)	Salary	\$597,214
(ii)	Additional payment*	Nil
(iii)	Contribution to superannuation	\$58,853
(iv)	Non cash benefits	\$6,728
(v)	Fringe Benefits Tax on Non-Cash Benefits	
	Total	\$662,795

* Fringe Benefits Tax on leaseback vehicles

Overseas Visits by Staff, Councillors or Other Persons

No overseas visits by staff, Councillors or other persons occurred during the 2019-20 financial year.

Statement of External Bodies

In accordance with the Clause 217 Local Government (general) Regulation 2005, an annual report must include a statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies (whether or not incorporated) in which the council (whether alone or in conjunction with other councils) where SMRC either held a controlling interest; delegated functions, or participated in during the year.

External Bodies (controlling interest)

- Council held no controlling interest during the 2019-20 year.

External Bodies (participated in)

Council continued to be a shareholder in the Southern Phone Company, a telecommunications company covering the south east region of NSW. All former Councils were previously a shareholder of this company. Council was also a member of the following:

- Canberra Region Joint Organisation of Councils
- Rural Fire Service
- Statewide Mutual Liability Scheme, and
- StateCover - workers compensation scheme

External Bodies (delegated functions)

- Aboriginal Liaison Committee
- ANU Medical School - Community Advisory Committee Board
- Canberra Region Joint Organisation of Councils (CRJO)
- Cooma Correctional Centre Community Consultative Committee
- Community Safety Precinct Committee
- Local Traffic Committee
- District Bush Fire Management Committee
- Monaro Regional Interagency
- Jindabyne Liquor Accord
- Southern Monaro Local Emergency Management Committee
- Southern Monaro Local Emergency Rescue Committee
- South East Arts
- Boco Rock Community Fund Committee
- Bundian Way Advisory Committee
- Cooma Universities Centre
- Delegate Progress Association
- Joint Regional Planning Panel
- Monaro Housing Taskforce
- Snowy Mountains Neighbourhood Centre
- Upper Murrumbidgee Catchment Co-ordinating Committee
- Rural Fire Service

Contracts Awarded

Details of Contracts awarded during 2019-20 financial year under the Local Government (General) Regulation 2005 - Clause 217(1)(a2)

Details of each contract awarded by Council during 2019-20 (whether as a result of tender or otherwise) other than contracts for less than \$150,000 or such other amount as may be prescribed by the regulations, including the name of the contractor, the nature of the goods or services supplied by the contractor and the total amount payable to the contractor under the contract.

Name of Contractor	Goods or Services Provided	Total Contract Value (\$)
Spoutvac	Wastewater vacuum truck	\$456,940
Service NSW	Agency Agreement between SMRC & Service NSW for the Council Service Centre at the Bombala office	\$187,702.92 <i>(income)</i>
McMahons Earthmoving Pty Ltd	Green waste processing	\$200,000
McMahons Earthmoving Pty Ltd	Concrete rubble processing	\$200,000
Downer EDI	Jindabyne boat ramp access upgrade - sealing	\$211,453
Raw Strength and Fitness Bombala	Management contract for the Bombala Swimming Pool 18-21 seasons	\$264,693
Civica Pty Ltd	Supply and install of Corporate Information System and consolidation of three separate systems into one	\$3,677,173
Stabilifix Pty Ltd	Heavy patching 2018/2019 program	\$177,874
Utilstra Pty Ltd	Watermain replacement contract	\$277,713
Cooma Steel Pty Ltd	Michelago Rural Fire Brigade shed - shed and site works	\$248,223
McMahons Earthmoving Pty Ltd	Streetscape Package 1 - construction	\$168,741
GHD Pty Ltd	Option assessment and detailed design of wastewater infrastructure	\$154,000
Inquick Bridge RD Miller	Parsonage Creek Bridge components and construction	\$666,900
Illustrious Homes	Dalgety Showground pavilion upgrade Cooma Basketball & Gymnastics Facility upgrade	\$407,375
Davone Construction	Bombala Showground Kiosk	\$442,946
Davone Construction	Delegate Showground pavilion upgrade Bombala Showground Exhibition Hall upgrade	\$273,903
Hartwigs Trucks & All Quip Water Trucks	Supply and delivery of one "Heavy Rigid" 6x4 water cartage truck	(Hartwigs) \$135,036 <u>(All Quip) \$102,106</u> Total \$237,142
CJD Equipment	Supply and delivery of one new PSA Class 3.5 Wheel Loader	\$286,000

Financial Assistance Provided Under Section 356

In accordance with Local Government Regulation 2005 cl217 (1)(a5), an annual report must include details of the total amount contributed or otherwise to financially assist others, in accordance with section 356 of the Local Government Act 1993. During the 2019- financial year Council facilitated cash and in-kind donations and sponsorships to 75 organisations, schools and community groups across the Region.

Name / Organisation Council	Council Approved Amount (\$)
2MNO Community Radio Inc.	\$1,000.00
Action Learning Initiatives Pty Ltd	\$700.00
Action Sports Training	\$1,000.00
Adaminaby Easter Fair	\$676.00
Alpine Uniting Church Op Shop	\$2,500.00
Ando Public Hall	\$759.45
Australia Day Celebrations Committee	\$2,000.00
Australian National Busking Championships	\$2,000.00
Bombala Exhibition Ground Management Committee	\$866.25
Bombala Motorcycle Association	\$1,726.00
Bredbo Community Progress Ass Inc.	\$500.00
Cooma & District Kennel & Obedience Club	\$1,500.00
Cooma Athletics	\$750.00
Cooma Gymnastics Club	\$479.00
Cooma North Primary School	\$483.00
Cooma Swimming Club	\$2,000.00
Cooma United Rugby League Football Club	\$2,000.00
Country Education Foundation - Snowy Monaro	\$1,000.00
CWA Jerangle-Peak View	\$218.69
Delegate and Bombala Public Schools	\$4,000.00
Delegate Presbyterian Church	\$1,000.00
Delegate Progress Association	\$1,360.00
Delegate Public School	\$112.55
Delegate Rodeo Campdraft Inc.	\$1,197.75
Delegate RSL	\$2,435.80
Jennifer Colin School of Dance	\$786.00
Lake Jindabyne Sailing Club	\$979.00
Lake Light Sculpture Inc.	\$5,000.00
Lifegate Foodcare	\$3,997.00
Lions Club of Jindabyne Inc.	\$4,981.00
Management Committee Bombala Exhibition Ground	\$956.00
Michelago Region Community Association	\$500.00
Monaro Committee for Cancer Research	\$4,196.78
Monaro Dance Centre	\$1,000.00
Monaro Early Intervention Service	\$500.00
Monaro Family Support Service	\$3,000.00
Mountain Lodge Bombala #190	\$550.00
Nimmitabel Advancement Group	\$500.00

Name / Organisation Council	Council Approved Amount (\$)
Nimmitabel Chamber of Commerce	\$2,000.00
Peak View Bushfire Brigade	\$560.00
Roll On In Jindabyne Motorcycle Rally	\$2,000.00
Rosie O'Sullivan School of Dance	\$1,400.00
Rotary Club of Bombala	\$2,000.00
Rotary Club of Cooma	\$2000.00
RSPCA NSW Cooma Volunteer Branch	\$2,500.00
Seaside Scavenge	\$2,280.00
Snowy Monaro Arts Council	\$1,500.00
Snowy Mountains Quilt & Craft Group	\$1,078.00
Snowy River RSL	\$2,000.00
Snowy's Place	\$3,500.00
Southern Tablelands CPE Centre	\$1,000.00
The Alpine School	\$2,000.00
The Community Chest Inc.	\$2,000.00
The Disability Trust	\$3,000.00
The Salvation Army Cooma Corps	\$5,000.00
Zone 18 Pony Clubs	\$2,000.00
Total	\$132,642.20

Recurring Donations

Name / Organisation Council	Council Approved Amount (\$)
Australia Day Celebrations - Cooma Lions Club	\$2,933.33
Australia Day Celebrations - Bombala Exhibition Society Committee	\$2,933.33
Australia Day Celebrations - Jindabyne Lions Club	\$2,933.33
Australia Day Celebrations - Bredbo Progress Association	\$200.00
Australia Day Celebrations - Berridale Lions Club	\$200.00
Australia Day Celebrations - Jerangle and District Progress Association	\$200.00
Australia Day Celebrations - Michelago Region Community Association	\$200.00
Australia Day Celebrations - Nimmitabel Lions Club	\$200.00
Australia Day Celebrations - Numeralla Rural Fire Brigade	\$200.00
Adaminaby Public School	\$100.00
Berridale Public School	\$100.00
Bombala High School	\$100.00
Bombala Public School	\$100.00
Bredbo Public School	\$100.00
Cooma North Primary School	\$100.00
Cooma Public School	\$100.00
Dalgety Public School	\$100.00
Delegate Public School	\$100.00
Jerangle Public School	\$100.00
Jindabyne Central School - Junior	\$100.00
Jindabyne Central School - Senior	\$100.00
Michelago Primary School	\$100.00
Monaro High School	\$100.00
Nimmitabel Public School	\$100.00
Snowy Mountains Christian School - Junior	\$100.00
Snowy Mountains Christian School - Senior	\$100.00
Snowy Mountains Grammar School - Junior	\$100.00
Snowy Mountains Grammar School - Senior	\$100.00
St Joseph's Primary School	\$100.00
St Patrick's Parish School - Junior	\$100.00
St Patrick's Parish School - Senior	\$100.00
Dalgety Show Society Inc.	\$2,000.00
Cooma Multicultural Festival	\$2,000.00
Adaminaby Race Day	\$2,000.00
Bombala Race Day	\$2,000.00
Cooma Race Day	\$2,000.00
Bombala Show	\$2,000.00
Cooma Show	\$2,000.00
Dalgety Show	\$2,000.00
Delegate Show	\$2,000.00
Nimmitabel Show	\$2,000.00
CWA Jerangle - Peak View	\$218.69
Delegate RSL - Sub branch	\$2,435.80
Ando Public Hall	\$759.45
Total	\$35,613.93

Statement of Activities to Implement our Equal Employment Opportunity Management Plan

The Equal Employment Opportunity (EEO) Management Plan underpins Council's Equal Employment Opportunity Policy and, as required under the Local Government Act, 1993, outlines the programs by which the principles are to be achieved:

- EEO Management Plan 2012-2021 completed and published on Internet and Intranet
- EEO references are contained within Recruitment Advertising, Position Descriptions and performance review activities and reflected in Council's Vision and Values and induction training.

Report on Compliance with the Carer Recognition Act, 2010

Council's Equal Employment Opportunity Management Plan refers to a workplace that promotes equity referring specifically to Carers.

Council's obligations under the Local Government (State) Award, with regard to carers' leave and flexible arrangements for staff, who are carers, is in accordance with the guidelines of the *Carer Recognition Act, 2010*.

Government Information Public Access

The statement outlined below as Councils reporting requirements under section 125(1) of Government Information (Public Access) Act 2009 (GIPA Act) and clause 7 of the Government Information (Public Access) Regulation (GIPA Regulation).

Council received 2 Formal applications of which 2 were determined under the GIPA Act and the GIPA Regulation for the 2019-20 financial year.

In addition to the formal applications, Council facilitated 173 informal GIPA requests during the 2019/20 Financial Year. This is an increase of 53 applications from the previous fiscal year.

Clause 7B: Total Number of Applications Received

Council received a total number of 157 applications, including any withdrawn applications but not including invalid applications.

Clause 7C: Refused Applications

Council did not refuse any applications during the 2019-20 financial year.

Schedule 2 Statistical Information

Table A: Number of Applications by Type of Applicant and Outcome*

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/ Deny whether Information is Held	Application Withdrawn	Total	% of Total
Media	0	0	0	0	0	0	0	0	0	0%
Members of Parliament	0	0	0	0	0	0	0	0	0	0%
Private Sector Business	0	0	0	0	0	0	0	0	0	0%
Not for Profit Organisations or Community Groups	0	0	0	0	0	0	0	0	0	0%
Members of the public (by legal representative)	0	0	0	0	0	0	0	0	0	0%
Members of the Public (other)	3	0	0	0	0	0	0	0	3	100%
Total	3	0	0	0	0	0	0	0	3	
% of Total	100	0	0	0	0	0	0	0		

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B

Table B: Number of Applications by Type of Application and Outcome

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/ Deny whether Information is Held	Application Withdrawn	Total	% of Total
Personal Information Applications*	2	0	0	0	0	0	0	0	2	67%
Access Applications (Other than personal Information Applications)	1	0	0	2	0	0	0	0	1	33%
Access Applications that are Partly Personal Information Applications and Partly Other	0	0	0	0	0	0	0	0	0	0%
Total	3	0	0	2	0	0	0	0	3	100%
% of Total	100%	0	0	0	0	0	0	0		

* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual)

Table C: Invalid Applications

	Number of Applications	% of Total
Application does not comply with formal requirements (section 41 of the Act)	1	100%
Application is for excluded information of the agency (section 43 of the Act)	0	0%
Application contravenes restraint order (section 110 of the Act)	0	0%
Total number of invalid applications received	1	100%
Invalid applications that subsequently became valid applications	1	100%

Table D: Conclusive Presumption of Overriding Public Interest against Disclosure

	Number of Times Consideration Used*	% of Total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	0	0%
Excluded information	0	0%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%
Total	0	0%

*More than one public interest consideration may apply in relation to a particular access application and if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E

Table E: Other Public Interest Considerations against Disclosure

	Number of Times Consideration Used	% of Total
Responsible and effective government	0	0%
Law enforcement and security	0	0%
Individual rights, judicial processes and natural justice	0	0%
Business interests of agencies and other persons	0	0%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%
Total	0	0%

Table F: Timeliness

	Number of Applications	% of Total
Decided within the Statutory Timeframe (20 Days plus any extensions)	3	100%
Decided after 35 days (by agreement with applicant)	0	0%
Not Decided within time (deemed refusal)	0	0%
Total	3	100%

Table G: Number of Applications Reviewed under Part 5 of the Act by Type of Review and Outcome

	Decision Varied	Decision Upheld	Total	% of Total
Internal review	0	0	0	0%
Review by Information Commissioner*	0	0	0	0%
Internal review following recommendation under Section 93 of Act	0	0	0	0%
Review by NCAT	0	0	0	0%
Total	0	0	0	0%
% of Total	0%	0%		

*The Information Commissioner does not have the authority to vary decisions but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for Review under Part 5 of the Act by Type of Applicant

	Number of Applications for Review	% of Total
Applications by access applicants	0	0%
Applications by persons to whom information the subject of access application relates (see Section 54 of the Act)	0	0%
Total	0	

Table I: Applications Transferred to Other Agencies

	Number of Applications Transferred	% of Total
Agency-Initiated Transfers	0	0%
Applicant - Initiated Transfers	0	0%
Total	0	

Public Interest Disclosures

The following information is provided in accordance with the Public Interest Disclosures Act, 1994 and Regulation 2011.

1. Council Policy SMRC 338 – Public Interest Disclosures (PID) Internal Reporting Policy meets the requirements of internal reporting as required under the Act.
2. Staff are made aware through information distribution via the Executive Management Team.

	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
Number of public officials who made PIDs directly	0	0	0
Number of PIDs received	0	0	0
Of PIDs received, number primarily about:	0	0	0
- Corrupt conduct	0	0	0
- Maladministration	0	0	0
- Serious and substantial waste	0	0	0
- Government information contravention	0	0	0
- Local government pecuniary interest contravention	0	0	0
Number of PIDs finalised	0		

Stormwater Management Services

A Stormwater Levy exists for the Bombala Area that was imposed by the former Bombala Shire Council and inherited by Snowy Monaro Regional Council on amalgamation. However there isn't a Stormwater Levy across the whole of Snowy Monaro Regional Council's LGA.

Work to create Developer Service Plans (DSP) for Stormwater remains ongoing. This will calculate the developer contributions required for future stormwater infrastructure along with what levy can be applied to maintain existing stormwater infrastructure.

Once Stormwater Service Plans have been received, staff will consult with both Council and the community to discuss any Stormwater Levy prior to implementation.

Summary of Private Work

Council undertook access road maintenance for ratepayers including road grading, gravelling and ramp cleaning. All work was undertaken at commercial plant hire rates and not subsidised. All works were undertaken on private land not under the control of Council.

Fisheries Recovery and Threat Abatement Plans

In accordance with section 220ZT of the *Fisheries Management Act 1994* Council was not referenced in any Fisheries Recovery and Threat Abatement Plans during the 2019-20 financial year.

Environmental upgrade agreements

In accordance with of the Local Government Act 1993 Act and Section 54P General Regulation there were no Environmental Upgrade Agreements entered into during the 2019-20 year.

Recovery and Threat Abatement Plans

Council was not referenced in any Recovery and Threat Abatement Plans during the 2019-20 financial year.

Inspections of Private Swimming Pools

Council officers completed inspections of private swimming pools in the Region in accordance with the *Swimming Pools Act, 1992 and Swimming Pools Regulation, 2008*.

Category	Nº of
Inspection of Tourist & Visitor Accommodation	0
Inspections with more than 2 dwellings	0
Inspections that resulted in issuance of certificate of compliance under Section 22D of the Act	6
Inspections that resulted in issuance of certificate of non-compliance under Clause 18BA of Regulation	1

Coastal Protection Service Provided

Council does not have any coastal areas, as such there was no levied services to report.

Companion Animals Act 1998 and Regulation Companion Animals Statement on Activities

Lodgement of Data Relating to Dog Attacks

Pound data has been entered in Companion Animals Register with the Division by Council Rangers. For the 2018-19 financial year:

- 57 dogs were impounded
- 35 were released to the owner
- 5 sold
- 13 released and rehomed with the Cooma Branch RSPCA
- 4 dogs declared as restricted were euthanised.

Lodgement of Data Relating to Dog Attacks

All dog attacks have been entered into the OLG Companion Animal Register with either Menacing or Dangerous Dog Declarations issued.

Companion Animal Community Education Programs

On a regular basis Council posts information on social media and provides guides, factsheets and general information on Councils web page.

Strategies to Promote and Assist the De-Sexing of Dogs and Cats

On a regular basis Council posts information on social media and provides guides, factsheets and general information on Councils web page.

Strategies to Seek Alternatives to Euthanasia for Unclaimed Animals

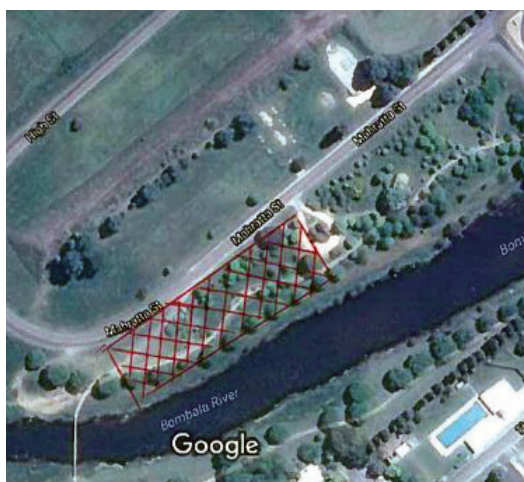
Only restricted dogs that cannot be rehomed are euthanised. All other dogs are rescued by the Cooma RSPCA or other rescue groups such as the Golden Oldies.

Amount of Funding Spent on Companion Animal Management and Activities

Under Section 85 (1A) of the Companion Animals Act, 1998, the following table details the use of fund money used for managing and controlling companion animals across the Region for the 2019-20 financial year.

Expense	Amount \$
Employment Costs	\$194,253
Materials and Contracts	\$7,925
Other Operating Expenses	\$30,815
Depreciation	\$1,495
General Asset Expenses	\$22,039
Internal Plant Charges	\$31,410
Internal Charges	\$178
Internal Payroll Charges	\$80,945
Total	\$369,060

Snowy Monaro Regional Council off Leash Areas



Bombala

Along the reserve of the Bombala River



Berridale

Myack Creek Reserve – on Myack Creek Reserve near Ivy Cottage Estate



Jindabyne

Along the Foreshore, west of the toilet block at the clay pits, to the east of the sailing club



Jindabyne

Pooh Bay – Along Pooh Bay Foreshore, off Cabbon Crescent



Cooma

Yallakool Road – Fenced off area within the Lions Park



Cooma

Church Road - the grassed area which extends along Church Road and is bound on the far side by Cooma Creek. Signs showing boundaries and bins for waste are provided

Disability Inclusion Action Plan Progress

In accordance with section 13 of the Disability Inclusion Act 2014 Council must report on the implementation of its Disability Inclusion Plan.

Outcome Area 1: Building positive attitudes

- Successful International Day of People with Disability events held in Cooma and Jindabyne
- Ongoing engagement with schools has been productive
- Continued direct service provision of NDIS services

Outcome Area 2: Creating liveable communities

- Accessibility upgrades to pedestrian infrastructure during maintenance and as BAU
- Achieved access upgrades to Council facilities e.g. electric door at Head Office, Cooma Visitors Centre upgrades, streetscape projects
- Inclusive and Accessible Community Events policy drafted

Outcome Area 3: Supporting access to meaningful employment

- Information on inclusion and Inclusive Communities made available on staff intranet
- The move to increased working from home and using online platforms has enabled new types of participation for many Council employees

Outcome Area 4: accessible systems, information or processes

- The bushfire season highlighted gaps in communication and information processes for people with disability, older people, and people with vulnerabilities. Our communication actions, in partnership with other stakeholders such as the LEMC, aimed to ensure that information was accurate, timely and accessible. We worked with local service providers to ensure that emergency services were aware of vulnerable people where appropriate, and that additional supports were deployed.
- Through the Health and Wellbeing Recovery Subcommittee, we have capitalised on existing resources for recovery and preparedness such



as the AIDER program and Red Cross RediPlan.

- The shift towards online platforms has expanded on the offering of physical spaces, e.g. library programs. They are now more easily accessible from home and has led to increased engagement with the physical spaces where possible.

How have you determined that you're meeting the needs of people with disability?

- Continued engagement with community groups and networks which include people with disability and service providers
- Consultation with service recipients and their families / carer
- Feedback included in community development scoping documents

Describe your successes in delivering on the DIAP:

Partnerships with service-providing organisations
Increase in positive behaviours and attitudes; more people seeing inclusion as a fundamental principle and actively working towards

Describe your challenges in delivering on the DIAP:

- Staff capacity
- Cost, in particular retrospective accessibility upgrades
- Competing priorities, especially bushfire recovery
- Changing environment, especially COVID related (many events cancelled or postponed e.g. Business Awards)
- Engagement; we were unable to recruit a suitably representative membership for an Inclusion Action Committee so this has been postponed.
- Organisational awareness of the DIAP and its objectives



Snowy Monaro Regional Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2019

General Purpose Financial Statements

for the year ended 30 June 2019

Contents	Page
1. Understanding Council's Financial Statements	3
2. Statement by Councillors & Management	4
3. Primary Financial Statements:	
Income Statement	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
4. Notes to the Financial Statements	10
5. Independent Auditor's Reports:	
On the Financial Statements (Sect 417 [2])	80
On the Financial Statements (Sect 417 [3])	83

Overview

Snowy Monaro Regional Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

81 Commissioner Street
COOMA NSW 2630

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

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

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

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

Snowy Monaro Regional Council

General Purpose Financial Statements

for the year ended 30 June 2019

Understanding Council's Financial Statements

Introduction

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

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2019.

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 2 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.

Snowy Monaro Regional Council

General Purpose Financial Statements

for the year ended 30 June 2019

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

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

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

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

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

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

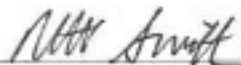
Signed in accordance with a resolution of Council made on 19 September 2019.



Peter Beer
Mayor
21 October 2019



Rogan Corbett
Councillor
21 October 2019



Peter Smith
Acting General Manager
21 October 2019



Matthew Payne
Responsible Accounting Officer
21 October 2019

Income Statement

for the year ended 30 June 2019

Original unaudited budget 2019	\$ '000	Notes	Actual 2019	Actual 2018 ¹
Income from continuing operations				
<u>Revenue:</u>				
30,173	Rates and annual charges	3a	31,546	29,366
14,129	User charges and fees	3b	14,133	15,136
1,759	Interest and investment revenue	3c	2,590	2,898
1,501	Other revenues	3d	1,784	1,828
18,671	Grants and contributions provided for operating purposes	3e,3f	24,262	20,724
5,617	Grants and contributions provided for capital purposes	3e,3f	6,936	3,978
<u>Other income:</u>				
836	Net gains from the disposal of assets	5	139	89
72,686	Total income from continuing operations		81,390	74,019
Expenses from continuing operations				
29,077	Employee benefits and on-costs	4a	30,932	27,486
298	Borrowing costs	4b	249	413
16,990	Materials and contracts	4c	18,418	17,051
18,547	Depreciation and amortisation	4d	20,375	19,880
8,385	Other expenses	4e	9,170	7,690
73,297	Total expenses from continuing operations		79,144	72,520
(611)	Operating result from continuing operations		2,246	1,499
(611)	Net operating result for the year		2,246	1,499
(611)	Net operating result attributable to Council		2,246	1,499
(6,228)	Net operating result for the year before grants and contributions provided for capital purposes		(4,690)	(2,479)

⁽¹⁾ The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*

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

Statement of Comprehensive Income

for the year ended 30 June 2019

\$ '000	Notes	2019	2018 ¹
Net operating result for the year (as per Income Statement)		2,246	1,499
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	9(a)	(1,214)	12,229
Total items which will not be reclassified subsequently to the operating result		(1,214)	12,229
Total other comprehensive income for the year		(1,214)	12,229
Total comprehensive income for the year		1,032	13,728
Total comprehensive income attributable to Council		1,032	13,728

⁽¹⁾ The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*

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

Statement of Financial Position

as at 30 June 2019

\$ '000	Notes	2019	2018 ¹
ASSETS			
Current assets			
Cash and cash equivalent assets	6(a)	11,113	16,259
Investments	6(b)	19,000	37,000
Receivables	7	13,700	15,006
Inventories	8a	1,695	1,570
Other	8b	299	255
Total current assets		45,807	70,090
Non-current assets			
Investments	6(b)	58,219	32,000
Receivables	7	105	123
Infrastructure, property, plant and equipment	9(a)	1,134,113	1,136,977
Intangible assets	10	350	350
Total non-current assets		1,192,787	1,169,450
TOTAL ASSETS		1,238,594	1,239,540
LIABILITIES			
Current liabilities			
Payables	11	10,254	10,707
Income received in advance	11	–	196
Borrowings	11	490	765
Provisions	12	6,688	6,127
Total current liabilities		17,432	17,795
Non-current liabilities			
Borrowings	11	875	2,467
Provisions	12	5,052	5,294
Total non-current liabilities		5,927	7,761
TOTAL LIABILITIES		23,359	25,556
Net assets		1,215,235	1,213,984
EQUITY			
Accumulated surplus	13a	1,189,296	1,187,050
Revaluation reserves	13a	25,720	26,934
Other reserves	13a	219	–
Council equity interest		1,215,235	1,213,984
Total equity		1,215,235	1,213,984

⁽¹⁾ The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*

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 2019

\$ '000	Notes	2019				2018 ¹			
		Accumulated surplus	IPP&E revaluation reserve	Financial assets at FVOCI	Total equity	Accumulated surplus	IPP&E revaluation reserve	Financial assets at FVOCI	Total equity
Opening balance		1,187,050	26,934	–	1,213,984	1,185,551	14,705	–	1,200,256
Adoption of new accounting standards – not retrospective	13b	–	–	219	219	–	–	–	–
Net operating result for the year		2,246	–	–	2,246	1,499	–	–	1,499
Other comprehensive income									
– Gain (loss) on revaluation of IPP&E	9(a)	–	(1,214)	–	(1,214)	–	12,229	–	12,229
Other comprehensive income		–	(1,214)	–	(1,214)	–	12,229	–	12,229
Total comprehensive income		2,246	(1,214)	–	1,032	1,499	12,229	–	13,728
Equity – balance at end of the reporting period		1,189,296	25,720	219	1,215,235	1,187,050	26,934	–	1,213,984

⁽¹⁾ The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*

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 2019

Original unaudited budget 2019	\$ '000	Notes	Actual 2019	Actual 2018
Cash flows from operating activities				
Receipts				
30,680	Rates and annual charges		32,081	28,232
14,293	User charges and fees		15,049	13,015
2,012	Investment and interest revenue received		2,203	2,442
24,683	Grants and contributions		31,756	24,773
–	Bonds, deposits and retention amounts received		480	–
1,527	Other		5,381	3,726
Payments				
(30,556)	Employee benefits and on-costs		(30,199)	(28,043)
(16,658)	Materials and contracts		(19,724)	(17,386)
(298)	Borrowing costs		(162)	(333)
–	Bonds, deposits and retention amounts refunded		–	(199)
(8,374)	Other		(13,558)	(5,144)
17,309	Net cash provided (or used in) operating activities	14b	23,307	21,083
Cash flows from investing activities				
Receipts				
–	Sale of investment securities		11,000	–
836	Sale of infrastructure, property, plant and equipment		920	914
Payments				
–	Purchase of investment securities		(19,000)	(3,016)
(40,002)	Purchase of infrastructure, property, plant and equipment		(19,506)	(13,724)
(39,166)	Net cash provided (or used in) investing activities		(26,586)	(15,826)
Cash flows from financing activities				
Payments				
928	Repayment of borrowings and advances		(1,867)	(788)
928	Net cash flow provided (used in) financing activities		(1,867)	(788)
(20,929)	Net increase/(decrease) in cash and cash equivalents		(5,146)	4,469
84,922	Plus: cash and cash equivalents – beginning of year	14a	16,259	11,790
63,993	Cash and cash equivalents – end of the year	14a	11,113	16,259
Additional Information:				
–	plus: Investments on hand – end of year	6(b)	77,219	69,000
63,993	Total cash, cash equivalents and investments		88,332	85,259

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

Notes to the Financial Statements

for the year ended 30 June 2019

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Basis of preparation	11
2(a)	Council functions/activities – financial information	15
2(b)	Council functions/activities – component descriptions	16
3	Income from continuing operations	17
4	Expenses from continuing operations	24
5	Gains or losses from the disposal, replacement and de-recognition of assets	30
6(a)	Cash and cash equivalent assets	31
6(b)	Investments	31
6(c)	Restricted cash, cash equivalents and investments – details	35
7	Receivables	36
8	Inventories and other assets	38
9(a)	Infrastructure, property, plant and equipment	39
9(b)	Infrastructure, property, plant and equipment – current year impairments	42
10	Intangible assets	43
11	Payables and borrowings	44
12	Provisions	47
13	Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors	50
14	Statement of cash flows – additional information	52
15	Commitments	53
16	Contingencies and other assets/liabilities not recognised	54
17	Financial risk management	57
18	Material budget variations	61
19	Fair Value Measurement	64
20	Related Party Transactions	70
21	Statement of developer contributions	71
22	Financial result and financial position by fund	74
23(a)	Statement of performance measures – consolidated results	76
23(b)	Statement of performance measures – by fund	77
	Additional Council disclosures (unaudited)	
23(c)	Statement of performance measures – consolidated results (graphs)	78

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 21 October 2019. Council has the power to amend and reissue these 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 (NSW)* and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not-for-profit entity.

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

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 18 – Material budget variations

and are clearly marked.

(a) New and amended standards adopted by Council

During the year, Council adopted all standards which were mandatorily effective for the first time at 30 June 2019.

Those newly adopted standards which had an impact on reported position, performance and/or disclosures have been discussed in Note 13.

(b) Historical cost convention

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

(c) Significant accounting estimates and judgements

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

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note 9a
- (ii) estimated tip remediation provisions – refer Note 12
- (iii) employee benefit provisions – refer Note 12.

Significant judgements in applying the council's accounting policies

- (i) Impairment of receivables

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 1. Basis of preparation (continued)

Council has made a significant judgement about the impairment of a number of its receivables – refer Note 7.

Monies and other assets received by Council

(a) The Consolidated Fund

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

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

- General purpose operations
- Water services
- Sewerage services
- Waste services
- Yallambee Lodge
- Monaro Regional Library
- Snowy River Hostel

(b) The Trust Fund

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

Trust monies and property subject to Council's control have been included in these reports.

A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

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 Australian Taxation Office. 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 Australian Taxation Office 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 Australian Taxation Office are presented as operating cash flows.

New accounting standards and interpretations issued not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods (and which have not been early adopted by Council).

Council's assessment of these new standards and interpretations (where they have been deemed as having a material impact on Council's future financial performance, financial position and cash flows) are set out below:

AASB 16 Leases

AASB 16 will result (for YE 19/20 and beyond) in almost all operating leases being recognised on the balance sheet by Council (alongside existing finance leases) with the distinction between operating and finance leases removed.

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 1. Basis of preparation (continued)

Under the new standard, a financial liability (ie. a lease liability) and an asset (ie. a right to use the leased item) will be recognised for nearly all arrangements where Council commits itself to paying a rental fee for the use of a specific asset.

The only exceptions are short-term and low-value leases which are exempt from the accounting (but not disclosure) requirements of AASB 16 - Leases.

Council staff have reviewed all of Council's leasing arrangements over the last 12 months taking into consideration the new lease accounting rules in AASB 16 (applicable from 1/7/19).

AASB 16 will (on the whole) affect Council's accounting for existing operating lease agreements that are in place as at 30/6/19.

At the end of this reporting period, Council has non-cancellable operating lease commitments of \$360,046 (refer Note 15).

Council anticipates it will recognise lease liabilities (on its balance sheet) of \$346,573 (after adjustments for prepayments and accrued lease payments recognised as at 30 June 2019) and also recognise complementary right-of-use assets (on its balance sheet) totalling \$346,573 on 1 July 2019.

From a financial performance standpoint, Council expects that the net operating result will decrease by approximately \$6,988 for the 19/20 financial year as a result of adopting the standard.

Operating cash flows will increase and financing cash flows decrease by approximately \$179,704 as repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities.

Council's activities as a lessor are not material and hence Council does not expect any significant impact on the financial statements. However, some additional disclosures will be required from next year.

AASB 15 Revenue from Contracts with Customers and associated amending standards

AASB15 introduces a five-step process for revenue recognition, with the core principle of the new standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

Accounting policy changes will arise in the timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.

Councils should assess each revenue stream but particular impact is expected for grant income and rates which are paid before the commencement of the rating period.

The changes in revenue recognition requirements in AASB15 may cause changes to the timing and amount of revenue recorded in the financial statements as well as additional disclosures.

Council is currently in the process of determining the potential effects of the implementation of AASB 15 and will reflect accordingly in the 2020 Financial Year.

AASB 1058 Income of NFP Entities

AASB 1058 supersedes all the income recognition requirements relating to councils, previously in AASB 1004 Contributions.

Under AASB 1058 the future timing of income recognition will depend on whether the transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service) related to an asset (such as cash or another asset) received by an entity.

AASB 1058 also applies when a council receives volunteer services or enters into other transactions in which the consideration to acquire an asset is significantly less than the fair value of the asset, and where the council's objective is principally to enable the asset to further the council's objectives.

Upon initial recognition of the asset, this standard requires Council to consider whether any other financial statement elements (called 'related amounts') should be recognised in accordance with the applicable accounting standard, such as:

- (a) contributions by owners
- (b) revenue, or a contract liability arising from a contract with a customer
- (c) a lease liability

Notes to the Financial Statements

for the year ended 30 June 2019

Note 1. Basis of preparation (continued)

- (d) a financial instrument, or
- (e) a provision.

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council (i.e. an in-substance acquisition of a non-financial asset), Council recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. Council will then recognise income as it satisfies its obligations under the transfer similarly to income recognition in relation to performance obligations under AASB 15.

If the transaction does not enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income.

Council is currently in the process of determining the potential effects of the implementation of AASB 1058 and will reflect accordingly in the 2020 Financial Year.

Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2018.

Notes to the Financial Statements

for the year ended 30 June 2019

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

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

\$ '000	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Total assets held (current and non-current)	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Functions or activities										
Governance	4,990	514	1,797	873	3,193	(359)	4,564	64	5	4
Administration	1,836	1,560	12,644	11,945	(10,808)	(10,385)	110	27	138,018	104,894
Public Order and Safety	889	993	2,120	1,685	(1,231)	(692)	777	894	4,048	3,071
Health	189	137	494	463	(305)	(326)	-	-	15	11
Environment	8,171	6,797	8,490	8,108	(319)	(1,311)	740	365	29,900	22,681
Community Services and Education	7,000	6,213	8,180	6,647	(1,180)	(434)	5,424	4,413	14,306	10,852
Housing and Community Amenities	1,432	802	2,766	3,065	(1,334)	(2,263)	43	66	8,966	6,801
Water supplies	9,616	9,485	8,525	7,518	1,091	1,967	-	1,012	132,529	100,530
Sewerage services	10,323	8,787	7,796	6,474	2,527	2,313	350	78	106,822	81,030
Recreation and Culture	3,055	663	5,840	5,387	(2,785)	(4,724)	2,810	444	34,441	26,125
Mining Manufacture and construction	884	508	737	294	147	214	-	-	1,400	1,062
Transport and Communication	8,770	10,309	17,479	17,810	(8,709)	(7,501)	4,461	3,982	757,051	874,264
Economic affairs	1,619	1,157	2,276	2,251	(657)	(1,094)	676	105	11,093	8,415
General Purpose Income	22,616	26,094	-	-	22,616	26,094	6,783	9,286	-	-
Total functions and activities	01,390	74,019	79,144	72,520	2,246	1,499	26,730	20,736	1,230,594	1,239,540

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 2(b). Council functions/activities - component descriptions

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

Governance

Includes costs relating to Council's role as a component of democratic government, including elections, members fees and expenses, subscriptions to local authority associations, meetings of Council and policymaking committees, public disclosure (eg.GIPA) and legislative compliance.

Administration

Includes corporate support and other support services, engineering works and any Council policy compliance.

Public Order and Safety

Includes Council's fire and emergency services levy, fire protection, emergency services, enforcement of regulations and animal control.

Health

Includes food control and health centres etc.

Environment

Includes noxious plants and insect/vermin control, other environmental protection, solid waste management, including domestic waste, other waste management, other sanitation and garbage, street cleaning, drainage and stormwater management.

Community Services and Education

Includes administration and education, social protection (welfare), migrant, Indigenous and other community services and administration (excluding accommodation), youth services, aged and disabled persons services.

Housing and Community Amenities

Includes public cemeteries, public conveniences, street lighting, town planning, other community amenities, including housing development and accommodation for families and children, aged persons, disabled persons, migrants and Indigenous persons.

Water supplies

Includes water supply services such as administration, regulation and operation of potable water supply and future needs assessment of water and water services.

Sewerage services

Includes monitoring, reduction, collection, reticulation or treatment of all waste water, including that intended for reuse or recycling.

Recreation and Culture

Includes public libraries, museums, art galleries, community centres and halls, including public halls and performing arts venues, sporting grounds and venues, swimming pools, parks, gardens, lakes, and other sporting, recreational and cultural services.

Mining Manufacture and construction

Includes building control, quarries and pits and mineral resources.

Transport and Communication

Urban, local and regional sealed and unsealed roads, bridges, footpaths, parking areas and aerodromes.

Economic affairs

Includes camping areas, and caravan parks, tourism and area promotion, industrial development promotion, saleyards and markets, real estate development and other business undertakings.

General Purpose Income

Includes: rates and annual charges (including ex-gratia, excluding water and sewer), non-capital general purpose revenues

Snowy Monaro Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 3. Income from continuing operations

\$ '000	2019	2018
(a) Rates and annual charges		
Ordinary rates		
Residential	8,273	8,189
Farmland	5,044	4,842
Business	2,444	2,361
Less: pensioner rebates (mandatory)	(295)	(185)
Rates levied to ratepayers	15,466	15,207
Pensioner rate subsidies received	165	57
Total ordinary rates	15,631	15,264
Annual charges		
<small>(pursuant to s.496, s.496A, s.496B, s.501 & s.611)</small>		
Domestic waste management services	3,067	2,644
Stormwater management services	15	15
Water supply services	2,736	2,516
Sewerage services	8,464	7,517
Waste management services (non-domestic)	1,550	1,405
Less: pensioner rebates (mandatory)	(288)	(260)
Liquid trade waste	96	95
Onsite sewerage system management	120	59
Annual charges levied	15,760	13,991
Pensioner subsidies received:		
– Water	57	45
– Sewerage	52	42
– Domestic waste management	46	24
Total annual charges	15,915	14,102
TOTAL RATES AND ANNUAL CHARGES	31,546	29,366

Council has used 2016 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy for rates and charges

Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts.

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.

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	2019	2018
(b) User charges and fees		
Specific user charges		
<i>(per s.602 - specific 'actual use' charges)</i>		
Water supply services	5,778	5,187
Sewerage services	183	420
Waste management services (non-domestic)	637	746
Total specific user charges	6,598	6,353
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s.608)		
Planning and building regulation	792	702
Section 10.7 certificates (EP&A Act)	128	127
Regulatory fees	118	96
Section 603 certificates	60	71
Noxious weeds regulation	31	–
Animal control	26	36
Inspection services	23	20
Private works – section 67	23	33
Sewerage inspection and application fees	4	19
Total fees and charges – statutory/regulatory	1,205	1,104
(ii) Fees and charges – other (incl. general user charges (per s.608))		
Waste disposal tipping fees	1,391	1,293
RMS – road maintenance council contract ordered works	1,333	3,112
Aged care	989	1,094
Holiday park fees	521	129
Community services	396	160
RMS – road maintenance council contract routine services	388	418
Cemeteries	262	325
Saleyard dues and rents	238	262
Leaseback fees – Council vehicles	198	145
Lease rentals	182	140
Snowy River Health Centre	99	101
Swimming centres	96	117
Recycling income (non-domestic)	82	78
Sewer connection fees	33	3
Sale from stores	10	3
Water connection fees	7	20
Tourism	–	182
Other	105	97
Total fees and charges – other	6,330	7,679
TOTAL USER CHARGES AND FEES	14,133	15,136

Accounting policy for user charges and fees

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

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	2019	2018
(c) Interest and investment revenue (including losses)		
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	259	232
– Cash and investments	2,276	2,613
– Other	28	27
Dividend income relating to investments held at fair value through other comprehensive income	27	–
Dividend income (other)	–	26
TOTAL INTEREST AND INVESTMENT REVENUE	2,590	2,898

Interest revenue is attributable to:**Unrestricted investments/financial assets:**

Overdue rates and annual charges (general fund)	259	232
General Council cash and investments	1,201	1,782

Restricted investments/funds – external:

Development contributions		
– Section 7.11	48	17
– Section 64	85	27
Water fund operations	447	384
Sewerage fund operations	522	428
Domestic waste management operations	28	28
Total interest and investment revenue	2,590	2,898

Accounting policy for interest and investment revenue

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

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

(d) Other revenues

Quarry sales	624	508
Sales - Landfill	244	–
Rental income – other council properties	165	458
Insurance rebates	151	192
Diesel rebate	148	134
Insurance claims recoveries	148	46
Commissions and agency fees	76	67
Fines – parking	68	50
Reimbursement of expenses	56	36
Sales – general	52	14
Legal fees recovery – rates and charges (extra charges)	21	183
Other	31	140
TOTAL OTHER REVENUE	1,784	1,828

Accounting policy for other revenue

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

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

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

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

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	Operating 2019	Operating 2018	Capital 2019	Capital 2018
(e) Grants				
General purpose (untied)				
Current year allocation				
Financial assistance – general component	3,331	3,289	–	–
Financial assistance – local roads component	1,380	1,347	–	–
Payment in advance - future year allocation				
Financial assistance – general component	3,453	3,376	–	–
Financial assistance – local roads component	1,432	1,385	–	–
Total general purpose	9,596	9,397	–	–
Specific purpose				
Water supplies	–	–	–	966
Sewerage services	–	–	350	35
Aged care	1,689	1,873	500	–
Community care	1,990	1,585	–	–
Economic development	–	55	–	–
Heritage and cultural	102	50	–	–
Library	77	101	15	20
Noxious weeds	261	331	–	–
Recreation and culture	–	–	–	31
Street lighting	43	47	–	–
Transport (roads to recovery)	1,081	2,302	–	–
Transport (other roads and bridges funding)	–	106	388	1,490
Community transport	1,239	922	–	–
Planning and building regulation	171	19	–	–
Rural Fire Services	433	894	–	340
Tourism	–	50	–	–
Youth services	3	33	–	–
Stronger Communities Fund	928	–	1,161	–
Stronger Country Communities Fund	–	–	2,097	–
New council implementation fund	3,500	–	–	–
Other	559	27	555	62
Total specific purpose	12,076	8,395	5,066	2,944
Total grants	21,672	17,792	5,066	2,944
Grant revenue is attributable to:				
– Commonwealth funding	14,964	15,489	650	–
– State funding	6,559	2,293	4,337	2,944
– Other funding	149	10	79	–
	21,672	17,792	5,066	2,944

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	Notes	Operating 2019	Operating 2018	Capital 2019	Capital 2018
(f) Contributions					
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):					
Cash contributions					
S 7.11 – contributions towards amenities/services		–	–	334	256
S 64 – water supply contributions		–	–	585	351
S 64 – sewerage service contributions		–	–	673	407
Total developer contributions – cash		–	–	1,592	1,014
Total developer contributions	21	–	–	1,592	1,014
Other contributions:					
Cash contributions					
Recreation and culture		–	68	–	–
RMS contributions (regional roads, block grant)		2,285	2,300	–	–
Other		104	56	278	–
Community care services		–	311	–	–
Residential aged care		–	–	–	20
Boco Rock Community Fund		201	197	–	–
Total other contributions – cash		2,590	2,932	278	20
Total other contributions		2,590	2,932	278	20
Total contributions		2,590	2,932	1,870	1,034
TOTAL GRANTS AND CONTRIBUTIONS		24,262	20,724	6,936	3,978

Accounting policy for grants and contributions

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

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

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*.

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 the Council may apply contributions according to the priorities established in work schedules.

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	2019	2018
(g) Unspent grants and contributions		
Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:		
Operating grants		
Unexpended at the close of the previous reporting period	2,289	872
Add: operating grants recognised in the current period but not yet spent	1,754	1,471
Add: operating grants received for the provision of goods and services in a future period	38	–
Less: operating grants recognised in a previous reporting period now spent	(1,664)	(427)
Unexpended and held as restricted assets (operating grants)	2,417	1,916
Capital grants		
Unexpended at the close of the previous reporting period	746	316
Add: capital grants recognised in the current period but not yet spent	2,143	952
Add: capital grants received for the provision of goods and services in a future period	500	–
Less: capital grants recognised in a previous reporting period now spent	(503)	(149)
Unexpended and held as restricted assets (capital grants)	2,886	1,119
Contributions		
Unexpended at the close of the previous reporting period	4,890	3,835
Add: contributions recognised in the current period but not yet spent	418	1,055
Add: contributions received for the provision of goods and services in a future period	1,724	–
Add: contributions recognised as income in the current period obtained in respect of a future rating identified by Council for the purpose of establishing a rate	–	–
Less: contributions recognised in a previous reporting period now spent	(349)	–
Unexpended and held as restricted assets (contributions)	6,683	4,890

Notes to the Financial Statements

for the year ended 30 June 2019

Note 4. Expenses from continuing operations

\$ '000	2019	2018
(a) Employee benefits and on-costs		
Salaries and wages	25,421	23,061
Travel expenses	31	58
Employee leave entitlements (ELE)	2,453	1,820
ELE on-costs	138	368
Superannuation	2,582	2,072
Workers' compensation insurance	671	283
Fringe benefit tax (FBT)	33	35
Payroll tax	106	119
Training costs (other than salaries and wages)	276	211
Protective clothing	59	42
Vehicle allowance	131	87
Recruitment expenses	159	100
Other	48	61
Total employee costs	32,108	28,317
Less: capitalised costs	(1,176)	(831)
TOTAL EMPLOYEE COSTS EXPENSED	30,932	27,486
Number of 'full-time equivalent' employees (FTE) at year end	360	340

Accounting policy for employee benefits and on-costs

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

Retirement benefit obligations

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

Superannuation plans

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

Council participates in a defined benefit plan under the Local Government Superannuation Scheme. However, sufficient information to account for the plan as a defined benefit is not available, and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 16 for more information.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	2019	2018
(b) Borrowing costs			
(i) Interest bearing liability costs			
Interest on loans		149	233
Total interest bearing liability costs expensed		149	233
(ii) Other borrowing costs			
Fair value adjustments on recognition of advances and deferred debtors			
– Remediation liabilities	12	100	180
Total other borrowing costs		100	180
TOTAL BORROWING COSTS EXPENSED		249	413

Accounting policy for borrowing costs

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

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 4. Expenses from continuing operations (continued)

\$ '000	2019	2018
(c) Materials and contracts		
Raw materials and consumables	5,581	5,514
Contractors	11,111	9,801
Consultants	787	650
Auditors remuneration ²	116	133
Legal expenses:		
– Legal expenses: planning and development	43	42
– Legal expenses: debt recovery	21	112
– Legal expenses: other	437	417
Operating leases:		
– Operating lease rentals; minimum lease payments ¹	322	304
Other	–	78
Total materials and contracts	18,418	17,051
TOTAL MATERIALS AND CONTRACTS	18,418	17,051

Accounting policy for operating leases

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

1. Operating lease payments are attributable to:

Computers	322	281
Other	–	23
	322	304

2. Auditor remuneration

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

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

Audit and review of financial statements	111	126
Remuneration for audit and other assurance services	111	126
Total Auditor-General remuneration	111	126

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

Audit and review of financial statements	5	7
Remuneration for audit and other assurance services	5	7
Total remuneration of non NSW Auditor-General audit firms	5	7
Total Auditor remuneration	116	133

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	2019	2018
(d) Depreciation, amortisation and impairment of intangible assets and IPP&E			
Depreciation and amortisation			
Plant and equipment		1,575	1,566
Office equipment		282	287
Furniture and fittings		63	64
Land improvements (depreciable)		7	7
Infrastructure:			
– Buildings – non-specialised		1,329	1,099
– Buildings – specialised		1,037	864
– Other structures		509	584
– Roads		6,997	6,933
– Bridges		1,451	1,455
– Footpaths		92	89
– Stormwater drainage		627	627
– Water supply network		3,352	3,283
– Sewerage network		2,391	2,342
– Swimming pools		32	202
– Other open space/recreational assets		55	83
Other assets:			
– Library books		74	75
– Other		188	185
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	9(a),12	313	108
– Quarry assets	9(a),12	1	–
Intangible assets	10	–	27
Total gross depreciation and amortisation costs		20,375	19,880
Total depreciation and amortisation costs		20,375	19,880
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT / REVALUATION DECREMENT FOR INTANGIBLES AND IPP&E		20,375	19,880

Accounting policy for depreciation, amortisation and impairment expenses of intangibles and IPP&E**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 9 for IPPE assets.

Depreciation is capitalised where in-house assets have contributed to new assets.

Impairment of non-financial assets

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

Intangible assets that have an indefinite useful life, or are 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.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 4. Expenses from continuing operations (continued)

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

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 4. Expenses from continuing operations (continued)

\$ '000	2019	2018
(e) Other expenses		
Advertising	167	103
Bad and doubtful debts	52	99
Bank charges	139	85
Contributions/levies to other levels of government		
– NSW fire brigade levy	78	78
– NSW rural fire service levy	761	782
– NSW state emergency services	28	35
– Other contributions/levies	1	–
Councillor expenses – mayoral fee	43	76
Councillor expenses – councillors' fees	218	168
Councillors' expenses (incl. mayor) – other (excluding fees above)	91	59
Donations & Contributions		
– Tourism development	7	–
– SEWOL	53	18
– South east arts	17	16
– Tourism Snowy Mountains	60	40
– Boco rock community grants	296	16
– Community projects (SCF)	929	–
– Other	207	94
Election expenses	–	158
Electricity and heating	1,487	1,414
Insurance	1,288	1,252
Postage	110	83
Printing and stationery	379	347
Street lighting	316	213
Subscriptions and publications	84	89
Telephone and communications	697	662
Valuation fees	131	127
Licence fees – other	108	101
Marketing expenses	76	157
Quality monitoring	69	25
Software licences	987	1,177
Memberships	57	133
Other	234	83
Total other expenses	9,170	7,690
TOTAL OTHER EXPENSES	9,170	7,690

Accounting policy for other expenses

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 5. Gains or losses from the disposal, replacement and de-recognition of assets

\$ '000	Notes	2019	2018
Property (excl. investment property)			
Proceeds from disposal – property		239	429
Less: carrying amount of property assets sold/written off		(184)	(400)
Net gain/(loss) on disposal		55	29
Plant and equipment			
	9(a)		
Proceeds from disposal – plant and equipment		681	485
Less: carrying amount of plant and equipment assets sold/written off		(597)	(425)
Net gain/(loss) on disposal		84	60
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		139	89

Accounting policy for disposal of assets

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

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 6(a). Cash and cash equivalent assets

\$ '000	2019	2018
Cash and cash equivalents		
Cash on hand and at bank	2,558	759
Cash-equivalent assets		
– Deposits at call	8,555	5,000
– Short-term deposits	–	10,500
Total cash and cash equivalents	11,113	16,259

Accounting policy for cash and cash equivalents

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

Note 6(b). Investments

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
Investments				
a. 'Financial assets at fair value through profit and loss'				
b. 'Financial assets at amortised cost' / 'held to maturity' (2018)	19,000	58,000	37,000	32,000
c. 'Financial assets at fair value through other comprehensive income' / 'available for sale financial assets' (2018)	–	219	–	–
Total Investments	19,000	58,219	37,000	32,000
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS	30,113	58,219	53,259	32,000
Financial assets at amortised cost / held to maturity (2018)				
Long term deposits	19,000	58,000	37,000	32,000
Total	19,000	58,000	37,000	32,000
Financial assets at fair value through other comprehensive income / available for sale financial assets (2018)				
Unlisted equity securities	–	219	–	–
Total	–	219	–	–

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 6(b). Investments (continued)

	Fair value at 30/06/19	Dividend income recognised during 1/7/18 – 30/6/19
Financial assets designated as at fair value through other comprehensive income		
Unlisted equity Securities	219	27
Total	219	27

At 1 July 2018, Council designated the investments shown below as financial assets as at fair value through other comprehensive income because these financial assets represent investments that the Council intends to hold for the long-term for strategic purposes. In 2018, these investments were classified as available for sale.

No strategic investments were disposed of during 2019, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

Accounting policy for investments**Accounting policy under AASB 9 – applicable from 1 July 2018**

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

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

Financial assets

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

Classification

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

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

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

Assets measured at amortised cost are financial assets where:

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

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

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

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

Fair value through other comprehensive income – equity instruments

Council has a number of strategic investments in entities over which they do not have significant influence nor control. Council has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 6(b). Investments (continued)

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to accumulated surplus and is not reclassified to profit or loss.

Other net gains and losses excluding dividends are recognised in Other Comprehensive Income Statement.

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.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 6(b). Investments (continued)

Accounting policy under AASB 139 – applicable for 2018 comparatives only**Classification**

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

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are held at fair value with changes in value taken through profit or loss at each reporting period.

(b) Held to maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. Assets in this category are measured at amortised cost.

(d) Available for sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term. Assets in this category are held at fair value with changes in fair value taken to other comprehensive income.

Recognition and de-recognition

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

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

Impairment of financial assets

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset, or group of financial assets, is impaired. A financial asset, or a group of financial assets, is impaired, and impairment losses are incurred, only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset, or group of financial assets, that can be reliably estimated.

Impairment of available for sale investments

In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 6(c). Restricted cash, cash equivalents and investments – details

\$ '000	2019		2018	
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	30,113	58,219	53,259	32,000
attributable to:				
External restrictions	936	58,219	22,697	27,000
Internal restrictions	28,617	–	30,328	5,000
Unrestricted	560	–	236	–
	30,113	58,219	53,259	32,000

\$ '000	2019	2018
---------	------	------

Details of restrictions

External restrictions – other

Developer contributions – general	1,792	1,760
Developer contributions – water fund	2,493	1,857
Developer contributions – sewer fund	1,980	1,273
Specific purpose unexpended grants	5,303	3,035
Water supplies	17,042	13,839
Sewerage services	19,348	17,179
Domestic waste management	4,896	4,360
Stormwater management	–	41
Snowy River Hostel accommodation bonds	919	880
Yallambee Lodge accomodation bonds	3,178	3,460
Crown land reserves	1,284	21
Crown land – holiday parks	–	1,053
Home and community care	458	458
Boco rock community reserve	337	432
Kamoto-cooma friendship scholarship fund	44	41
Other	81	8

External restrictions – other	59,155	49,697
--------------------------------------	---------------	---------------

Total external restrictions	59,155	49,697
------------------------------------	---------------	---------------

Internal restrictions

Plant and vehicle replacement	2,245	3,185
Employees leave entitlement	3,067	3,067
Deposits, retentions and bonds	682	682
Quarry operations	684	96
Uncompleted works	1,801	4,812
Waste management	998	1,023
Yallambee Lodge building/equipment replacement	1,047	1,632
Former Snowy River LGA	731	740
Former Bombala LGA	1,810	3,144
Merger implementation funding	4,460	2,216
Stronger communities fund	11,092	13,509
Other	–	1,220

Total internal restrictions	28,617	35,326
------------------------------------	---------------	---------------

TOTAL RESTRICTIONS	87,772	85,023
---------------------------	---------------	---------------

Notes to the Financial Statements

for the year ended 30 June 2019

Note 7. Receivables

\$ '000	2019		2018	
	Current	Non-current	Current	Non-current
Purpose				
Rates and annual charges	5,611	–	6,164	–
Interest and extra charges	432	–	216	–
User charges and fees	4,738	–	5,892	–
Accrued revenues				
– Interest on investments	1,184	–	1,013	–
– Other income accruals	649	–	36	–
Government grants and subsidies	517	–	1,075	–
Net GST receivable	484	–	498	–
Loans receivable	18	105	17	123
Other debtors	145	–	236	–
Total	13,778	105	15,147	123
Less: provision of impairment				
Rates and annual charges	–	–	(18)	–
User charges and fees	(78)	–	(123)	–
Total provision for impairment – receivables	(78)	–	(141)	–
TOTAL NET RECEIVABLES	13,700	105	15,006	123

\$ '000	2019	2018
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	141	141
Opening impairment allowance calculated under AASB 9	57	–
Movement through provision	(120)	–
Balance at the end of the period	78	141

Accounting policy for receivables

Recognition and measurement

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

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

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

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 7. Receivables (continued)

Impairment

Accounting policy under AASB 9 applicable from 1 July 2018

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

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

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

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

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

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

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

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

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty, and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation, or has entered into bankruptcy proceedings, or when the receivables are over 1 year past due, whichever occurs first.

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

Where the 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.

Accounting policy under AASB 139 – applicable for 2018 comparatives only

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

Collectability of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectable are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that the Council will not be able to collect all amounts due, according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. When a receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the Income Statement.

Rates and annual charges outstanding are secured against the property.

Notes to the Financial Statements for the year ended 30 June 2019

Note 8. Inventories and other assets

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
(a) Inventories				
(i) Inventories at cost				
Real estate for resale	441	–	441	–
Stores and materials	1,254	–	1,129	–
Total inventories at cost	1,695	–	1,570	–
TOTAL INVENTORIES	1,695	–	1,570	–
(b) Other assets				
Prepayments	299	–	255	–
TOTAL OTHER ASSETS	299	–	255	–

Accounting policy for inventories and other assets

Raw materials and stores, work in progress and finished goods

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

Inventory held for distribution

Inventory held for distribution is held at cost, adjusted where applicable for any loss of service potential.

Land held for resale/capitalisation of borrowing costs

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

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 9(a). Infrastructure, property, plant and equipment

\$ '000	as at 30/6/2018			Asset movements during the reporting period								as at 30/6/2019		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount
Capital work in progress	10,298	–	10,298	10,642	–	–	–	(4,201)	–	–	–	16,739	–	16,739
Plant and equipment	24,649	(14,022)	10,627	–	3,300	(597)	(1,575)	–	–	–	–	27,352	(15,597)	11,755
Office equipment	3,410	(2,490)	920	–	–	–	(282)	793	–	–	–	4,203	(2,772)	1,431
Furniture and fittings	1,007	(614)	393	–	139	–	(63)	49	–	–	–	1,195	(677)	518
Land:														
– Operational land	21,049	–	21,049	–	–	–	–	–	–	–	–	21,049	–	21,049
– Community land	11,408	–	11,408	–	–	–	–	–	–	–	–	11,408	–	11,408
Land improvements – depreciable	1,896	(145)	1,751	–	–	–	(7)	–	–	–	–	1,896	(152)	1,744
Infrastructure:														
– Buildings – non-specialised	60,057	(34,114)	25,943	158	–	–	(1,329)	–	–	–	–	60,215	(35,443)	24,772
– Buildings – specialised	57,194	(40,920)	16,274	495	–	(184)	(1,037)	509	3,841	(3,723)	–	58,132	(41,957)	16,175
– Other structures	14,756	(7,063)	7,693	364	–	–	(509)	434	(811)	–	–	14,743	(7,572)	7,171
– Roads	420,816	(165,098)	255,718	1,240	–	–	(6,997)	335	–	–	–	422,391	(172,095)	250,296
– Bridges	113,154	(54,840)	58,314	1,120	–	–	(1,451)	345	–	–	–	114,619	(56,291)	58,328
– Footpaths	16,745	(8,544)	8,201	218	–	–	(92)	122	–	–	–	17,085	(8,636)	8,449
– Bulk earthworks (non-depreciable)	515,602	–	515,602	–	–	–	–	–	–	–	–	515,602	–	515,602
– Stormwater drainage	31,389	(14,973)	16,416	1	–	–	(627)	746	–	–	–	32,136	(15,600)	16,536
– Water supply network	201,185	(109,498)	91,687	651	–	–	(3,352)	320	–	–	1,400	203,556	(112,850)	90,706
– Sewerage network	140,530	(68,068)	72,462	104	–	–	(2,391)	225	–	–	1,109	141,968	(70,459)	71,509
– Swimming pools	13,644	(5,764)	7,880	197	–	–	(32)	–	(2,426)	–	–	11,413	(6,616)	2,997
– Other open space/recreational assets	5,053	(3,149)	1,904	837	–	–	(55)	257	(602)	–	–	5,545	(3,204)	2,341
Other assets:														
– Library books	1,427	(1,095)	332	–	76	–	(74)	65	–	–	–	1,568	(1,169)	399
– Other	4,521	(1,750)	2,771	24	–	–	(188)	1	–	–	–	4,321	(1,713)	2,608
Reinstatement, rehabilitation and restoration assets (refer Note 12):														
– Tip assets	3,566	(1,245)	2,321	–	–	–	(313)	–	(60)	–	–	3,017	(1,069)	1,948
– Quarry assets	38	(5)	33	–	–	–	(1)	–	–	–	–	38	(6)	32
Total Infrastructure, property, plant and equipment	1,873,394	(536,417)	1,136,977	16,051	3,515	(781)	(20,375)	–	(60)	(3,723)	2,509	1,690,191	(556,078)	1,134,113

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 9(a). Infrastructure, property, plant and equipment (continued)

\$ '000	as at 30/6/2017			Asset movements during the reporting period							as at 30/6/2018		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount
Capital work in progress	4,372	-	4,372	6,797	-	-	-	(871)	-	-	10,298	-	10,298
Plant and equipment	23,708	(12,457)	11,251	-	1,358	(426)	(1,566)	10	-	-	24,649	(14,022)	10,627
Office equipment	3,410	(2,203)	1,207	-	-	-	(287)	-	-	-	3,410	(2,490)	920
Furniture and fittings	898	(550)	348	-	109	-	(64)	-	-	-	1,007	(614)	393
Land:													
- Operational land	20,806	-	20,806	14	-	(400)	-	-	(154)	783	21,049	-	21,049
- Community land	11,254	-	11,254	-	-	-	-	-	154	-	11,408	-	11,408
Land improvements - depreciable	1,896	(138)	1,758	-	-	-	(7)	-	-	-	1,896	(145)	1,751
Infrastructure:													
- Buildings - non-specialised	43,468	(25,399)	18,069	-	43	-	(1,099)	-	4,134	4,796	60,057	(34,114)	25,943
- Buildings - specialised	42,997	(24,935)	18,062	-	-	-	(864)	20	(4,134)	3,190	57,194	(40,920)	16,274
- Other structures	14,528	(6,479)	8,049	222	-	-	(584)	6	-	-	14,756	(7,063)	7,693
- Roads	418,722	(158,164)	260,558	1,955	-	-	(6,933)	138	-	-	420,816	(165,098)	255,718
- Bridges	113,154	(53,385)	59,769	-	-	-	(1,455)	-	-	-	113,154	(54,840)	58,314
- Footpaths	16,637	(8,455)	8,182	108	-	-	(89)	-	-	-	16,745	(8,544)	8,201
- Bulk earthworks (non-depreciable)	515,602	-	515,602	-	-	-	-	-	-	-	515,602	-	515,602
- Stormwater drainage	31,389	(14,346)	17,043	-	-	-	(627)	-	-	-	31,389	(14,973)	16,416
- Water supply network	196,222	(104,030)	92,192	842	-	-	(3,283)	-	-	1,936	201,185	(109,498)	91,687
- Sewerage network	138,933	(64,375)	72,558	25	-	-	(2,342)	697	-	1,524	140,530	(66,068)	72,462
- Swimming pools	13,644	(6,639)	7,005	57	-	-	(200)	-	-	-	13,644	(6,784)	6,860
- Other open space/recreational assets	4,997	(3,010)	1,987	-	-	-	(83)	-	-	-	5,063	(3,149)	1,904
Other assets:													
- Library books	1,375	(1,020)	355	-	52	-	(75)	-	-	-	1,427	(1,095)	332
- Other	4,162	(1,565)	2,597	359	-	-	(185)	-	-	-	4,521	(1,750)	2,771
Reinstatement, rehabilitation and restoration assets (refer Note 12):													
- Tip assets	1,804	(1,164)	640	-	-	-	(108)	-	1,789	-	3,566	(1,245)	2,321
- Quarry assets	38	(5)	33	-	-	-	-	-	-	-	38	(5)	33
Total Infrastructure, property, plant and equipment	1,622,016	(490,319)	1,131,697	10,379	1,562	(826)	(19,853)	-	1,789	12,229	1,673,394	(536,417)	1,136,977

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 9(a). Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

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

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

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

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

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

Land is not depreciated. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life, or over the shorter of the asset's useful life and the lease term, if there is no reasonable certainty that the Council will obtain ownership at the end of the lease term. 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	3 to 10	Playground equipment	5 to 15
Office furniture	5 to 30	Benches, seats etc.	5 to 15
Computer equipment	2 to 10		
Vehicles	2 to 8	Buildings	
Heavy plant/road making equipment	5 to 20	Buildings: masonry	50 to 100
Other plant and equipment	5 to 33	Buildings: other	10 to 128
Water and sewer assets		Stormwater assets	
Water Supply Structures	25 to 100	Pipes	70 to 100
Wastewater Structures	40 to 70	Pits	50 to 80
Reticulation pipes: PVC	80	Culverts	60 to 80
Reticulation pipes: other	80	Other	30 to 100
Pumps and telemetry	15 to 20		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	10 to 20	Bulk earthworks	Infinite
Sealed roads: structure	40 to 100	Swimming pools	5 to 100
Unsealed roads	10 to 50	Other open space/recreational assets	5 to 100
Bridge: concrete	80 to 100		
Bridge: other	50 to 100		
Road pavements	40 to 80		
Kerb, gutter and footpaths	50 to 75		

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 9(a). 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 in accordance with AASB 1051 Land Under Roads.

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

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.

Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased, or constructed wholly or from money to the credit of the Fund, is to be vested in the council of the area for, or on behalf of, which the firefighting equipment has been purchased or constructed".

Until such time as discussions on this matter have concluded and the legislation changed, Council will not recognise rural fire service plant and vehicle assets. Land and buildings maintained by Council are recognised as assets of the Council in these financial statements.

Note 9(b). Infrastructure, property, plant and equipment – current year impairments

Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 10. Intangible assets

\$ '000	2019	2018
Intangible assets are as follows:		
Opening values at 1 July		
Gross book value	350	488
Accumulated amortisation	–	(106)
Net book value – opening balance	350	382
Movements for the year		
– Amortisation charges	–	(27)
– Gross book value written off	–	(138)
– Accumulated amortisation charges written off	–	133
Closing values at 30 June		
Gross book value	350	350
<u>TOTAL INTANGIBLE ASSETS – NET BOOK VALUE</u>	<u>350</u>	<u>350</u>
The net book value of intangible assets represents:		
– Hostel bed licences	350	350
	350	350

Notes to the Financial Statements for the year ended 30 June 2019

Note 11. Payables and borrowings

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
Payables				
Goods and services – operating expenditure	2,268	–	3,449	–
Accrued expenses:				
– Borrowings	5	–	18	–
– Salaries and wages	980	–	808	–
– Other expenditure accruals	753	–	527	–
Advances	787	–	784	–
Security bonds, deposits and retentions	1,376	–	896	–
Yallambee Lodge accommodation bonds	3,170	–	3,354	–
Snowy River Hostel accommodation bonds	919	–	864	–
Other	(12)	–	7	–
Total payables	10,254	–	10,707	–
Income received in advance				
Payments received in advance	–	–	196	–
Total income received in advance	–	–	196	–
Borrowings				
Loans – secured ¹	490	875	765	2,467
Total borrowings	490	875	765	2,467
TOTAL PAYABLES AND BORROWINGS	10,744	875	11,668	2,467

⁽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 17.

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
(a) Payables and borrowings relating to restricted assets				
Externally restricted assets				
Water	188	174	157	264
Sewer	16	–	340	1,104
Domestic waste management	269	564	221	843
Yallambee Lodge accommodation bonds	3,178	–	3,354	–
Snowy River Hostel accommodation bonds	919	–	864	–
Payables and borrowings relating to externally restricted assets	4,570	738	4,936	2,211
Total payables and borrowings relating to restricted assets	4,570	738	4,936	2,211
Total payables and borrowings relating to unrestricted assets	6,174	137	6,732	256
TOTAL PAYABLES AND BORROWINGS	10,744	875	11,668	2,467

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 11. Payables and borrowings (continued)

(b) Changes in liabilities arising from financing activities

\$ '000	as at 30/6/2018		Non-cash acquisitions	Non-cash fair value changes	Other non-cash movements	as at 30/6/2019	
	Opening Balance	Cash flows				Closing balance	
Loans – secured	3,232	(1,867)	–	–	–	1,365	
TOTAL	3,232	(1,867)	–	–	–	1,365	

\$ '000	as at 30/6/2017		Non-cash acquisitions	Non-cash fair value changes	Other non-cash movements	as at 30/6/2018	
	Opening Balance	Cash flows				Closing balance	
Loans – secured	4,020	(788)	–	–	–	3,232	
TOTAL	4,020	(788)	–	–	–	3,232	

\$ '000	2019	2018
---------	------	------

(c) Financing arrangements

(i) Unrestricted access was available at balance date to the following lines of credit:

Bank overdraft facilities ¹	300	300
Credit cards/purchase cards	105	75
Total financing arrangements	405	375

Undrawn facilities as at balance date:

– Bank overdraft facilities	300	300
– Credit cards/purchase cards	105	75
Total undrawn financing arrangements	405	375

Additional financing arrangements information

Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

Security over loans

Loans are secured over future cash flows of Council

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

Accounting policy for payables and borrowings

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

The financial liabilities of the Council comprise trade payables, bank and other loans and finance lease liabilities.

Payables

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 11. Payables and borrowings (continued)

Borrowings

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

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

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Finance leases

Leases of property, plant and equipment where Council, as lessee, has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased assets or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 12. Provisions

\$ '000	2019	2019	2018	2018
	Current	Non-current	Current	Non-current
Provisions				
Employee benefits				
Annual leave	2,285	–	2,220	–
Long service leave	3,444	–	3,306	–
Other leave – TIL and flex	452	–	325	–
ELE on-costs	507	–	276	–
Sub-total – aggregate employee benefits	6,688	–	6,127	–
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	5,052	–	5,294
Sub-total – asset remediation/restoration	–	5,052	–	5,294
TOTAL PROVISIONS	6,688	5,052	6,127	5,294

\$ '000	2019	2018
---------	------	------

(a) Current provisions not anticipated to be settled within the next twelve months

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

Provisions – employees benefits	3,154	3,151
	3,154	3,151

(b) Description of and movements in provisions

\$ '000	ELE provisions				Total
	Annual leave	Long service leave	ELE on-costs	Other employee benefits	
2019					
At beginning of year	2,220	3,306	276	325	6,127
Other	65	138	231	127	561
Total ELE provisions at end of period	2,285	3,444	507	452	6,688
2018					
At beginning of year	2,195	3,918	335	264	6,712
Other	25	(612)	(59)	61	(585)
Total ELE provisions at end of period	2,220	3,306	276	325	6,127

Notes to the Financial Statements

for the year ended 30 June 2019

Note 12. Provisions (continued)

\$ '000	Other provisions	
	Asset remediation	Total
2019		
At beginning of year	5,294	5,294
Amounts used (payments)	(342)	(342)
Unwinding of discount	100	100
Total other provisions at end of period	5,052	5,052
2018		
At beginning of year	3,331	3,331
Additional provisions	1,963	1,963
Total other provisions at end of period	5,294	5,294

Accounting policy for provisions

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

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

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

Employee benefits

Short-term obligations

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

Other long-term employee benefit obligations

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

On-costs

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

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

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

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 12. Provisions (continued)

Provisions for close-down and restoration, and environmental clean-up costs – tips and quarries

Restoration

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 costs are estimated on the basis of a closure plan. 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.

Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date, and the cost is charged to the Income Statement.

Provision is made for the estimated present value of the costs of environmental clean-up obligations outstanding at the reporting date. These costs are charged to the Income Statement. Movements in the environmental clean-up provisions are presented as an operating cost, except for the unwinding of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process, and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, 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 property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Close-down and restoration costs are a normal consequence of tip and quarry operations, and the majority of close-down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies, using current restoration standards and techniques.

Contingent Liability

Council is currently reviewing its closed and operating landfill sites to determine the requirements for future rehabilitation works in consultation with the NSW Environmental Protection Agency (EPA). Refer to note 16 Contingencies and other assets/liabilities not recognised 2. (iii) Asset remediation/restoration (future works).

Self-insurance

Council has decided to self-insure for various risks, including public liability and professional indemnity. A provision for self-insurance has been made to recognise outstanding claims. Council also maintains cash and investments to meet expected future claims; refer to Note 8(c).

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 13. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

(a) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

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

Fair value through other comprehensive income reserve (FVOCI)

Changes in the fair value of financial assets are taken through the fair value through other comprehensive income revaluation reserve. The accumulated changes in fair value are transferred to profit or loss when the financial asset is derecognised or impaired.

Available for sale investments revaluation reserve (2018 only)

Changes in fair value are taken to the available-for-sale investments revaluation reserve, amounts are recognised in profit and loss when the associated assets are sold or impaired.

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

During the year, Council adopted a number of new accounting standards. The impact of the adoption and associated transition disclosures are shown below.

The Council has adopted AASB 9 Financial Instruments for the first time in the current year with a date of initial adoption of 1 July 2018. As part of the adoption of AASB 9, the Council adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 Presentation of Financial Statements requires the impairment of financial assets to be presented in a separate line item in the income statement. In prior years, this information was presented as part of other expenses.
- AASB 7 Financial Instruments: Disclosures requires amended disclosures due to changes arising from AASB 9. These disclosures have been provided for the current year.

The key changes to Council's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Changes in accounting policies resulting from the adoption of AASB 9 have been applied retrospectively except Council has not restated any amounts relating to classification and measurement requirements, including impairment, which have been applied from 1 July 2018.

Classification of financial assets

The financial assets of Council have been reclassified into one of the following categories on adoption of AASB 9, based primarily on the business model in which a financial asset is managed and its contractual cash flow characteristics are:

- measured at amortised cost
- fair value through profit or loss
- fair value through other comprehensive income – equity instruments

Measurement of equity instruments

All equity instruments of the Council are measured at fair value under AASB 9 whereas there was a cost exception under AASB 139 that allowed certain unlisted investments to be carried at amortised cost in the absence of a reliable measurement of fair value. Any difference in the previous carrying amount and the fair value is recognised in the opening retained earnings (or other component of equity, as appropriate) at 1 July 2018.

Equity instruments are no longer subject to impairment testing and therefore all movements on equity instruments, classified as fair value through other comprehensive income, are taken to the relevant reserve.

Impairment of financial assets

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost. This has resulted in the earlier recognition of credit loss (bad debt provisions).

Notes to the Financial Statements

for the year ended 30 June 2019

Note 13. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

Statement of Financial Position

\$ '000	Original Balance 1 July, 2018	Impact Increase/ (decrease)	Restated Balance 1 July, 2018
Adjustments to the current year figures for the year ended 30 June 2019			
Unlisted Equity Securities	–	219	219
Total assets	–	219	219
Unlisted Equity Securities	–	219	219
Total equity	–	219	219

Classification of financial assets and financial liabilities

The table below illustrates the classification and measurement of financial assets and liabilities under AASB 9 and AASB 139 at 1 July 2018.

\$ '000	Classific- ation under AASB 139	Classific- ation under AASB 9	Carrying amount under AASB 139	Reclassi- fication	Remeasu- rements	Carrying amount under AASB 9
Financial assets						
Unlisted Equity Securities	Available for sale	FVOCI-equity	–	219	–	219
Receivables	Receivables	Amortised cost	13,742	63	–	13,805
Cash & Cash Equivalents	N/A	N/A	30,113	–	–	30,113
Term Deposits (Investments)	Held to maturity	Amortised cost	58,000	–	–	58,000
Total financial assets under AASB 9 at 1 July 2018			101,855	282	–	102,137
Financial liabilities						
Payables	Other financial liabilities	Other financial liabilities	10,254	–	–	10,254
Loans	Other financial liabilities	Other financial liabilities	1,365	–	–	1,365
Total financial liabilities under AASB 9 at 1 July 2018			11,619	–	–	11,619

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Statement of cash flows - additional information

\$ '000	Notes	2019	2018
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6(a)	11,113	16,259
Balance as per the Statement of Cash Flows		11,113	16,259
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		2,246	1,499
Adjust for non-cash items:			
Depreciation and amortisation		20,375	19,880
Net losses/(gains) on disposal of assets		(139)	(89)
Unwinding of discount rates on reinstatement provisions		100	174
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		1,387	(4,225)
Increase/(decrease) in provision for impairment of receivables		(63)	-
Decrease/(increase) in inventories		(125)	(596)
Decrease/(increase) in other current assets		(44)	(70)
Increase/(decrease) in payables		(1,181)	1,832
Increase/(decrease) in accrued interest payable		(13)	(94)
Increase/(decrease) in other accrued expenses payable		398	545
Increase/(decrease) in other liabilities		147	1,023
Increase/(decrease) in provision for employee benefits		561	(585)
Increase/(decrease) in other provisions		(342)	1,789
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		23,307	21,083

Notes to the Financial Statements

for the year ended 30 June 2019

Note 15. Commitments

\$ '000	2019	2018
---------	------	------

(a) Capital commitments (exclusive of GST)

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

Property, plant and equipment

Transport Infrastructure	2,210	1,209
Plant and equipment	458	900
Water Infrastructure	327	628
Sewer Infrastructure	296	629
Other Infrastructure	1,441	1,518
Corporate Information System	3,343	–
Total commitments	8,075	4,884

These expenditures are payable as follows:

Within the next year	6,961	4,884
Later than one year and not later than 5 years	1,114	–
Total payable	8,075	4,884

Sources for funding of capital commitments:

Externally restricted reserves	7,452	1,257
Internally restricted reserves	623	3,627
Total sources of funding	8,075	4,884

(b) Operating lease commitments (non-cancellable)

a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:

Within the next year	180	–
Later than one year and not later than 5 years	180	–
Total non-cancellable operating lease commitments	360	–

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 16. Contingencies and other assets/liabilities not recognised

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 standard 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 standard employer contribution rates are:

Division B	1.9 x times employee contributions
Division C	2.5% salaries
Division D	1.6 x times employee contributions

The additional lump sum contribution for each Pooled Employer is a share of the total additional contributions of \$40 million per annum from 1 July 2018 to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2018. These past services 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 2019 was \$289,180.08. The last valuation of the Scheme was performed by Mr Richard Boyfield, FIAA on 31 December 2018 and covers the period ended 30 June 2018.

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 16. Contingencies and other assets/liabilities not recognised (continued)

Council's expected contribution to the plan for the next annual reporting period is \$289,027.32.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2019 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	1,798.7	
Past Service Liabilities	1,784.2	100.8%
Vested Benefits	1,792.0	100.4%

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

The share of this surplus that is broadly attributed to Council is estimated to be in the order of 0.43% as at 30 June 2019.

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

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

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

* Plus promotional increases

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

(ii) Statewide Limited

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

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

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

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

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

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

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

(iv) Other guarantees

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 16. Contingencies and other assets/liabilities not recognised (continued)

2. Other liabilities**(i) Third party claims**

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

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

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

(iii) Asset remediation/restoration (future works)

Council is currently reviewing its closed and operating landfill sites to determine the requirements for future rehabilitation works in consultation with the NSW Environmental Protection Agency (EPA).

Council has completed assessments and valuations on 15 closed and 3 active sites based on information available to date. However, negotiations are still in progress with the NSW EPA regarding significant inputs to the valuations and rehabilitation estimates are considered not sufficiently reliable to record the closed site provisions or restate the reported active site provision.

Council is working towards establishing a reliable estimate which is likely to have a significant material impact to the financial statements for the year ended 30 June 2020.

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.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 17. Financial risk management

Risk management

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

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

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

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

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

\$ '000	Carrying value 2019	Carrying value 2018	Fair value 2019	Fair value 2018
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	11,113	16,259	–	–
Receivables	13,805	15,129	–	–
Investments				
– 'Financial assets at amortised cost' / 'held to maturity' (2018)	77,000	69,000	–	–
Fair value through other comprehensive income				
Investments				
– 'Financial assets at fair value through other comprehensive income' / 'available for sale financial assets' (2018)	–	–	219	–
Total financial assets	101,918	100,388	219	–
Financial liabilities				
Payables	10,254	10,707	–	–
Loans/advances	1,365	3,232	–	–
Total financial liabilities	11,619	13,939	–	–

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 mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) 'at fair value through profit and loss' or (ii) 'available-for-sale' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

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 Minister's investment order 625. This policy is regularly reviewed by Council and it's staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 17. Financial risk management (continued)

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.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

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

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

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

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

\$ '000	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2019				
Possible impact of a 10% movement in market values	259	259	(259)	(259)
Possible impact of a 1% movement in interest rates	881	881	(881)	(881)
2018				
Possible impact of a 10% movement in market values	6,900	6,900	(6,900)	(6,900)
Possible impact of a 1% movement in interest rates	690	690	(690)	(690)

Notes to the Financial Statements

for the year ended 30 June 2019

Note 17. Financial risk management (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. Council also encourages ratepayers to pay their rates by the due date through incentives.

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

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

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

\$ '000	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
2019						
Gross carrying amount	1,891	2,073	732	656	259	5,611
2018						
Gross carrying amount	1,456	3,417	670	469	152	6,164

Receivables - non-rates and annual charges

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

The loss allowance provision as at 30 June 2019 is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
2019						
Gross carrying amount	4,909	138	275	2,498	452	8,272
Expected loss rate (%)	0.27%	1.10%	1.37%	1.58%	4.58%	0.94%
ECL provision	13	2	4	39	21	79

Notes to the Financial Statements

for the year ended 30 June 2019

Note 17. Financial risk management (continued)

(c) Liquidity risk

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

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

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

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. 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 and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2019							
Trade/other payables	0.00%	1,376	8,878	–	–	10,254	10,254
Loans and advances	6.49%	–	567	798	–	1,365	1,365
Total financial liabilities		1,376	9,445	798	–	11,619	11,619
2018							
Trade/other payables	0.00%	896	9,811	–	–	10,707	10,707
Loans and advances	6.37%	–	972	2,766	–	3,738	3,232
Total financial liabilities		896	10,783	2,766	–	14,445	13,939

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 18. Material budget variations

Council's original financial budget for 18/19 was adopted by the Council on 28 June 2018 and is unaudited.

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

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

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

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

\$ '000	2019 Budget	2019 Actual	2019 ----- Variance -----	
REVENUES				
Rates and annual charges	30,173	31,546	1,373	5% F
User charges and fees	14,129	14,133	4	0% F
Interest and investment revenue	1,759	2,590	831	47% F
This favourable variance is largely a combination of higher than anticipated term deposit interest rates and extra cash on hand due to lower than anticipated capital works and additional capital grants.				
Other revenues	1,501	1,784	283	19% F
This favourable variance is largely due to internal income relating to Quarry material increasing by \$344k in the 2019 financial year.				
Operating grants and contributions	18,671	24,262	5,591	30% F
Council received the following additional operating grants in the 2019 year;				
- \$3.5mil Merger Implementation Funding				
- \$929k Stronger Communities Funding (Operating)				
- \$135k Additional Financial Assistance Grants				
Other contributing items include increases in funding for community services, vegetation management and planning				
Capital grants and contributions	5,617	6,936	1,319	23% F
Council received the following additional capital grants in the 2019 year;				
- \$500k Department of Health - Yallambee Lodge				
- \$2.1mil Stronger Country Communities Funding (Capital)				
- \$1.7mil Stronger Communities Funding (Capital)				
These were offset by less than anticipated grants for Water and Sewer capital projects by \$3.6m.				
Estimates for capital grants are based on information available during the development of Council's budget and fluctuations are expected as grant opportunities arise.				

Notes to the Financial Statements

for the year ended 30 June 2019

Note 18. Material budget variations (continued)

\$ '000	2019 Budget	2019 Actual	2019 ----- Variance -----	
Net gains from disposal of assets	836	139	(697)	(83)% U
Disposals of plant and fleet for the 2019 resulted in lower than anticipated profit on sale.				
EXPENSES				
Employee benefits and on-costs	29,077	30,932	(1,855)	(6)% U
Borrowing costs	298	249	49	16% F
Early settlement of a loan for Sewerage infrastructure during the 2019 financial year resulted in lower than anticipated borrowing costs.				
Materials and contracts	16,990	18,418	(1,428)	(8)% U
Depreciation and amortisation	18,547	20,375	(1,828)	(10)% U
This variance relates to revaluation increases to the water supply network, buildings and restated landfill assets since the time of setting the depreciation budget values.				
Other expenses	8,385	9,170	(785)	(9)% U

Notes to the Financial Statements

for the year ended 30 June 2019

Note 18. Material budget variations

\$ '000	2019 Budget	2019 Actual	2019 ----- Variance -----	
STATEMENT OF CASH FLOWS				
Net cash provided from (used in) operating activities	17,309	23,307	5,998	35% F
This favourable variance relates to additional grants and contributions received in the 2019 financial year.				
<hr/>				
Net cash provided from (used in) investing activities	(39,166)	(26,586)	12,580	(32)% F
Council's original budget forecasted \$40mil Capital Expenditure, actual Capital Expenditure was \$19.5mil. In addition purchases/sale of term deposit investments are not classified separately in the original cashflow budget.				
<hr/>				
Net cash provided from (used in) financing activities	928	(1,867)	(2,795)	(301)% U
This unfavourable variance is the result of early settlement of a loan for Sewerage infrastructure during the 2019 financial year, offset by lower borrowing cost in this year and future years.				
<hr/>				

Notes to the Financial Statements for the year ended 30 June 2019

Notes 19. 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).

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

2018	Notes	Fair value measurement hierarchy			Total
		Date of latest valuation	Level 1 Quoted prices in active markets	Level 2 Significant observable inputs	
Recurring fair value measurements					
Financial assets					
Investments	8(2)				
- 'Financial assets at fair value through other comprehensive income'		30/06/18	-	219	-
Total financial assets			-	219	219
Infrastructure, property, plant and equipment					
Plant & Equipment	9(1)	13/08/18	-	-	11,755
Office Equipment		13/03/18	-	-	1,431
Furniture & Fittings		13/06/18	-	-	518
Operational Land		30/06/18	-	21,049	-
Community Land		13/08/18	-	-	11,408
Land Improvements		13/05/18	-	-	1,744
Buildings - Specialised		30/06/18	-	-	18,175
Buildings - Non Specialised		30/06/18	-	24,772	-
Other Structures		13/08/18	-	-	7,171
Road Infrastructure		13/05/18	-	-	260,298
Bridges		13/08/18	-	-	58,328
Footpaths		13/03/18	-	-	6,449
Bulk Earthworks		13/08/18	-	-	515,832
Stormwater Drainage		13/03/18	-	-	18,838
Water Supply Network		30/06/17	-	-	80,708
Sewerage Network		30/06/17	-	-	71,809
Rotating Posts		13/08/18	-	-	2,587
Other Open Space/Recreational Assets		13/05/18	-	-	2,341
Library Books		13/08/18	-	-	380
Tip Restoration Asset		30/06/18	-	-	1,848
Quarry Restoration Asset		13/08/18	-	-	32
Other Assets		13/05/18	-	-	2,858
Total Infrastructure, property, plant and equipment			-	45,821	1,071,553

Notes to the Financial Statements

for the year ended 30 June 2019

Note 19. Fair Value Measurement (continued)

2018	Notes	Date of latest valuation	Fair value measurement hierarchy			Total
			Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements						
Infrastructure, property, plant and equipment						
	9(a)					
Plant & Equipment		13/05/16	–	–	10,627	10,627
Office Equipment		13/05/16	–	–	920	920
Furniture & Fittings		13/05/16	–	–	393	393
Operational Land		30/06/18	–	21,049	–	21,049
Community Land		13/05/16	–	–	11,408	11,408
Land Improvements		13/05/16	–	–	1,751	1,751
Buildings – Specialised		30/06/18	–	–	16,274	16,274
Buildings – Non Specialised		30/06/18	–	25,943	–	25,943
Other Structures		13/05/16	–	–	7,693	7,693
Road infrastructure		13/05/16	–	–	255,718	255,718
Bridges		13/05/16	–	–	58,314	58,314
Footpaths		13/05/16	–	–	8,201	8,201
Bulk Earthworks		13/05/16	–	–	515,602	515,602
Stormwater Drainage		13/05/16	–	–	16,416	16,416
Water Supply Network		30/06/17	–	–	91,687	91,687
Sewerage Network		30/06/17	–	–	72,462	72,462
Swimming Pools		13/05/16	–	–	4,860	4,860
Other Open Space/Recreational Assets		13/05/16	–	–	1,904	1,904
Library Books		13/05/16	–	–	332	332
Tip Restoration Asset		30/06/18	–	–	2,321	2,321
Quarry Restoration Asset		13/05/16	–	–	33	33
Other Assets		13/05/16	–	–	2,771	2,771
Total infrastructure, property, plant and equipment			–	46,992	1,079,687	1,126,679

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

(2) Transfers between level 1 and level 2 fair value hierarchies

The following transfers occurred between level 1 and level 2 fair value hierarchies during the year:

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 19. Fair Value Measurement (continued)

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

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

\$ '000	Level 3 I, PP and E
2018	
Opening balance	1,088,450
Purchases (GBV)	5,087
Disposals (WDV)	(426)
Depreciation and impairment	(18,754)
FV gains – other comprehensive income	6,650
WIP transfers	871
Other adjustments and transfers	(2,191)
Closing balance	1,079,687
2019	
Opening balance	1,079,687
Purchases (GBV)	8,766
Disposals (WDV)	(781)
Depreciation and impairment	(19,046)
FV gains – other comprehensive income	(1,214)
WIP transfers	4,201
Other adjustments and transfers	(60)
Closing balance	1,071,553

Notes to the Financial Statements

for the year ended 30 June 2019

Note 19. Fair Value Measurement (continued)

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

\$ '000	Fair value (30/6/19)	Valuation technique/s	Unobservable inputs
c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.			
Infrastructure, property, plant and equipment			
Plant & Equipment	11,755	Historical cost	Cost per unit, useful life, residual value, condition of asset
Office Equipment	1,431	Historical cost	Cost per unit, useful life, residual value, condition of asset
Furniture & Fittings	518	Historical cost	Cost per unit, useful life, residual value, condition of asset
Community Land	11,408	Current replacement cost	Cost per sq metre, Valuer General's Valuation
Land Improvements	1,744	Depreciated replacement cost	Useful life, residual value, condition of asset
Buildings - Specialised	16,175	Depreciated replacement cost	Cost per sq metre, dimensions & specification, pattern of consumption, components, useful life, condition of asset
Other Structures	7,171	Depreciated replacement cost	Cost per unit rates, pattern of consumption, components, useful life, asset condition
Road infrastructure	250,296	Depreciated replacement cost	Cost per sq metre, dimensions & specification, pattern of consumption, components, useful life, condition of asset
Bridges	58,328	Depreciated replacement cost	Cost per sq metre, dimensions & specification, pattern of consumption, components, useful life, condition of asset
Footpaths	8,449	Depreciated replacement cost	Cost per sq metre, pattern of consumption, components, useful life, condition of asset
Bulk Earthworks	515,602	Current replacement cost	Cost per sq metre
Stormwater Drainage	18,536	Depreciated replacement cost	Unit rates, cost per metre, useful life, condition of asset
Water Supply Network	90,706	Depreciated replacement cost	Unit rates, pattern of consumption, components, useful life, asset condition
Sewerage Network	71,509	Depreciated replacement cost	Unit rates, pattern of consumption, components, useful life, asset condition
Swimming Pools	2,597	Depreciated replacement cost	Cost per unit, useful life, condition of asset
Other Open Space/Recreational Assets	2,341	Depreciated replacement cost	Cost per unit, useful life, condition of asset
Library Books	399	Historical cost	Cost per unit, useful life, condition of asset
Tip Restoration Asset	1,948	Depreciated replacement cost	Cost per cubic / square metre, useful life

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2019

Note 19. Fair Value Measurement (continued)

\$ '000	Fair value (30/6/19)	Valuation technique/s	Unobservable inputs
Quarry Restoration Asset	32	Depreciated replacement cost	Cost per cubic / square metre, useful life
Other Assets	2,608	Depreciated replacement cost	Unit rates, asset condition, useful life

d. The valuation process for level 3 fair value measurements

Council uses the following processes for the fair valuation of Level 3 Infrastructure, Property, Plant and Equipment:

Plant & Equipment, Furniture & Fittings, Office Equipment, Other Assets - Actual cost less accumulated depreciation.

Community Land - Land values obtained by the NSW Valuer-General.

Specialised Buildings - Valued at Depreciated Replacement Cost by an independent qualified valuer.

Other Structures - Valued at Depreciated Replacement Cost by qualified Council staff.

Roads infrastructure and stormwater assets - Valued at Depreciated Replacement Cost by a combination of qualified Council staff and independent qualified valuer.

Water Supply Network - Valued at Depreciated Replacement Cost by qualified Council staff.

Sewerage Network - Valued at Depreciated Replacement Cost by qualified Council staff.

Recreational Assets (other than buildings) - Valued at Depreciated Replacement Cost by qualified Council staff.

Depreciated Replacement Cost is calculated from the current replacement value less the accumulated depreciation to account for the consumption of the service potential of the asset. The asset age is determined from the date of acquisition. If the date is not known, the asset age is determined by estimating the remaining life from an assessment of the asset condition, and subtracting the remaining life from the useful life of the asset.

The Current Replacement Value is the cost of a standard modern asset that would be installed if Council were deprived of the existing asset. Where specific estimates are available, these are used to determine the replacement values. In the absence of detailed estimates, unit rates are obtained from a recognised source and are appropriately factored to reflect the regional location of the asset.

Where appropriate, disposal costs are taken into account when calculating the Depreciated Replacement Cost.

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 19. Fair Value Measurement (continued)

(4) Highest and best use

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 20. Related Party Transactions

Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2019	2018
Compensation:		
Short-term benefits	1,428	1,356
Post-employment benefits	83	103
Other long-term benefits	234	34
Total	1,745	1,493

Notes to the Financial Statements

for the year ended 30 June 2019

Note 21. Statement of developer contributions

Under the *Environmental Planning and Assessment Act 1979*, Council has significant 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.

Summary of contributions and levies

\$ '000	as at 30/6/2018		Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	as at 30/6/2019	
	Opening Balance	Cash	Non-cash	Held as restricted asset				Cumulative internal borrowings due/(payable)	
Roads	783	20	-	21	(318)	-	506	-	
Parking	37	-	-	1	-	-	38	-	
Open space	122	10	-	3	-	-	135	-	
Community facilities	29	-	-	1	-	-	30	-	
Public parking	4	-	-	-	-	-	4	-	
Roadworks	261	9	-	7	-	-	277	-	
Open space and public art	23	9	-	1	-	-	33	-	
Sport and recreation facilities	39	6	-	1	-	-	46	-	
Community services and facilities	240	50	-	6	-	-	296	-	
Shared pathways - Jindabyne area	9	5	-	-	-	-	14	-	
Shared trails - Jindabyne area	23	24	-	1	-	-	48	-	
Regional waste management	42	75	-	1	-	-	118	-	
Bushfire services	31	15	-	1	-	-	47	-	
S7.11 contributions – under a plan	1,643	223	-	44	(318)	-	1,592	-	
S7.12 levies – under a plan	22	-	-	1	-	-	23	-	
Total S7.11 and S7.12 revenue under plans	1,665	223	-	45	(318)	-	1,615	-	
S7.11 not under plans	94	111	-	2	(30)	-	177	-	
S64 contributions	3,131	1,257	-	85	-	-	4,473	-	
Total contributions	4,890	1,591	-	132	(348)	-	6,265	-	

Notes to the Financial Statements

for the year ended 30 June 2019

Note 21. Statement of developer contributions (continued)

\$ '000	as at 30/6/2018		Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	as at 30/6/2019	
	Opening Balance	Cash	Non-cash	Held as restricted asset				Cumulative internal borrowings due/(payable)	
S7.11 Contributions – under a plan									
CONTRIBUTION PLAN (former Cooma-Monaro)									
Roads	783	20	-	21	(318)	-	506	-	
Parking	37	-	-	1	-	-	38	-	
Open space	122	10	-	3	-	-	135	-	
Community facilities	29	-	-	1	-	-	30	-	
Total	971	30	-	26	(318)	-	709	-	
CONTRIBUTION PLAN (former Snowy River)									
Public parking	4	-	-	-	-	-	4	-	
Roadworks	261	9	-	7	-	-	277	-	
Open space and public art	23	9	-	1	-	-	33	-	
Sport and recreation facilities	39	6	-	1	-	-	46	-	
Community services and facilities	240	50	-	6	-	-	296	-	
Shared pathways – Jindabyne area	9	5	-	-	-	-	14	-	
Shared trails – Jindabyne area	23	24	-	1	-	-	48	-	
Regional waste management	42	75	-	1	-	-	118	-	
Bushfire services	31	15	-	1	-	-	47	-	
Total	672	193	-	18	-	-	883	-	

Notes to the Financial Statements

for the year ended 30 June 2019

Note 21. Statement of developer contributions (continued)

\$ '000	as at 30/6/2018			Interest earned in year	Expenditure during year	Internal borrowing (to)/from	as at 30/6/2019	
	Opening Balance	Contributions received during the year					Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
S7.12 Levies – under a plan								
CONTRIBUTION PLAN NUMBER 1 (former Bombala)								
Other	22	-	-	1	-	-	23	-
Total	22	-	-	1	-	-	23	-
S7.11 Contributions – not under a plan								
(former Snowy River)								
Community facilities	25	-	-	-	-	-	25	-
Kerb and gutter	29	-	-	1	-	-	30	-
Voluntary payment agreement	40	111	-	1	(30)	-	122	-
Total	94	111	-	2	(30)	-	177	-

Notes to the Financial Statements

for the year ended 30 June 2019

Note 22. Financial result and financial position by fund

\$ '000	General ¹ 2019	Water 2019	Sewer 2019
Income Statement by fund			
Income from continuing operations			
Rates and annual charges	20,250	2,736	8,560
User charges and fees	8,294	5,693	146
Interest and investment revenue	1,527	498	565
Other revenues	1,379	238	167
Grants and contributions provided for operating purposes	24,152	57	53
Grants and contributions provided for capital purposes	5,329	585	1,022
Other income			
Net gains from disposal of assets	135	–	28
Total income from continuing operations	61,066	9,807	10,541
Expenses from continuing operations			
Employee benefits and on-costs	27,274	1,866	1,792
Borrowing costs	184	21	44
Materials and contracts	15,353	1,301	1,764
Depreciation and amortisation	14,421	3,462	2,492
Other expenses	5,071	2,090	2,009
Net losses from the disposal of assets	–	24	–
Total expenses from continuing operations	62,303	8,764	8,101
Operating result from continuing operations	(1,237)	1,043	2,440
Net operating result for the year	(1,237)	1,043	2,440
Net operating result attributable to each council fund	(1,237)	1,043	2,440
Net operating result for the year before grants and contributions provided for capital purposes	(6,566)	458	1,418

NB. All amounts disclosed above are gross – that is, they include internal charges and recoveries made between the funds.

⁽¹⁾ General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

Snowy Monaro Regional Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 22. Financial result and financial position by fund (continued)

\$ '000	General ¹ 2019	Water 2019	Sewer 2019
Statement of Financial Position by fund			
ASSETS			
Current assets			
Cash and cash equivalents	5,959	2,464	2,690
Investments	10,189	4,212	4,599
Receivables	8,129	3,014	2,557
Inventories	1,695	–	–
Other	301	(2)	–
Total current assets	26,273	9,688	9,846
Non-current assets			
Investments	31,321	12,859	14,039
Receivables	–	–	105
Infrastructure, property, plant and equipment	965,862	94,107	74,144
Intangible assets	350	–	–
Total non-current assets	997,533	106,966	88,288
TOTAL ASSETS	1,023,806	116,654	98,134
LIABILITIES			
Current liabilities			
Payables	10,140	98	16
Borrowings	400	90	–
Provisions	6,688	–	–
Total current liabilities	17,228	188	16
Non-current liabilities			
Borrowings	701	174	–
Provisions	5,052	–	–
Total non-current liabilities	5,753	174	–
TOTAL LIABILITIES	22,981	362	16
Net assets	1,000,825	116,292	98,118
EQUITY			
Accumulated surplus	994,626	98,632	96,038
Revaluation reserves	5,980	17,660	2,080
Other reserves	219	–	–
Council equity interest	1,000,825	116,292	98,118
Total equity	1,000,825	116,292	98,118

NB. All amounts disclosed above are gross – that is, they include 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.

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

Notes to the Financial Statements

for the year ended 30 June 2019

Note 23(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2019	Indicator 2019	Prior period 2018	Benchmark
1. Operating performance ratio				
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(4,829)	(6.50)%	(3.67)%	>0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	74,315			
2. Own source operating revenue ratio				
Total continuing operating revenue excluding all grants and contributions ¹	49,733	61.21%	66.36%	>60.00%
Total continuing operating revenue ¹	81,251			
3. Unrestricted current ratio				
Current assets less all external restrictions	39,302	4.05x	4.12x	>1.50x
Current liabilities less specific purpose liabilities	9,708			
4. Debt service cover ratio				
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	15,795	7.46x	14.76x	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	2,116			
5. Rates, annual charges, interest and extra charges outstanding percentage				
Rates, annual and extra charges outstanding	3,701	9.77%	10.64%	<10.00%
Rates, annual and extra charges collectible	37,868			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus all term deposits	88,113	16.14 mths	19.72 mths	>3.00 mths
Monthly payments from cash flow of operating and financing activities	5,459			

(1) Excludes fair value adjustments, reversal of revaluation decrements, net gain on sale of assets, and net loss of interests in joint ventures and associates.

(2) Excludes impairment/revaluation decrements, net loss on sale of assets, and net loss on share of interests in joint ventures and associates.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 23(b). Statement of performance measures – by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2019	2018	2019	2018	2019	2018	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(12.06)%	(0.23)%	4.97%	6.40%	14.94%	20.04%	>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	51.09%	58.36%	93.45%	85.87%	89.77%	94.63%	>60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	4.05x	4.12x	51.53x	85.14x	615.38x	42.70x	>1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	3.85x	13.73x	187.67x	37.24x	89.86x	10.67x	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates, annual charges, interest and extra charges outstanding percentage							
Rates, annual and extra charges outstanding	8.67%	9.20%	12.03%	16.43%	11.17%	13.37%	<10.00%
Rates, annual and extra charges collectible							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	11.11	13.77	36.61	64.57	31.73	49.78	>3.00
Payments from cash flow of operating and financing activities	mths	mths	mths	mths	mths	mths	mths

(1) - (2) Refer to Notes at Note 23a above.

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

END OF AUDITED FINANCIAL STATEMENTS

Notes to the Financial Statements
for the year ended 30 June 2019

Note 23(c). Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

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

Commentary on 2018/19 result

2018/19 ratio (6.50)%

The downward trend in this ratio is more a reflection of the timing of operating grant funding received compared to the year expended rather than a reflection of Council's performance. This includes the additional \$4.5 million received with the reintroduction of prepaid Financial Assistance Grants in 2017. However, Council acknowledges the need to introduce measures to address its operating deficit as part of Long Term Financial Planning.

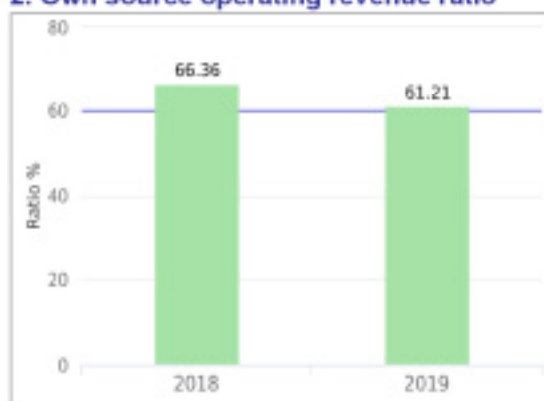
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

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 2018/19 result

2018/19 ratio 61.21%

The shift in this ratio reflects Council's dependence on external (Grant) funding. Council has met the benchmark minimum of 60% in the last two years, however this is largely as a result of Water and Sewer business activities. The general fund own source operating revenue ratio is not meeting this benchmark at 51% down from 58% in 2018 due to additional operating grants received.

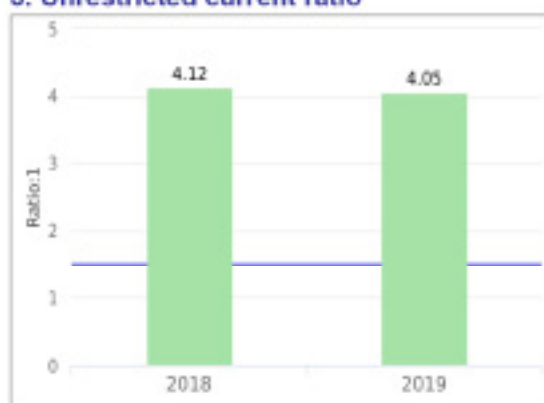
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

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 2018/19 result

2018/19 ratio 4.05x

Council continues to hold sufficient levels of cash to meet short term obligations.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

Ratio achieves benchmark

Ratio is outside benchmark

Notes to the Financial Statements
for the year ended 30 June 2019

Note 23(c). Statement of performance measures – consolidated results (graphs)

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 2018/19 result

2018/19 ratio 7.46x

Council continues to carry low levels of debt and sit above the industry benchmark minimum of 2x. The large reduction in the ratio this year is a result of early settlement of a loan for sewer infrastructure.

Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates, annual charges, interest and extra charges outstanding percentage



Purpose of rates, annual charges, interest and extra charges outstanding

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

Commentary on 2018/19 result

2018/19 ratio 9.77%

This ratio has been adjusted to exclude water and sewer access charges that were not due as at 30th June 2019 and include advanced payments of rates. Council ratio for uncollected rates and annual charges continues to improve on prior years and now meets the industry benchmark of 9.77%.

Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

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 2018/19 result

2018/19 ratio 16.14 mths

Council continues to exceed the benchmark minimum ratio of over >3 times.

Benchmark: — > 3.00mths

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

Ratio achieves benchmark

Ratio is outside benchmark



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Snowy Monaro Regional Council

To the Councillors of the Snowy Monaro Regional Council

Opinion

I have audited the accompanying financial statements of Snowy Monaro Regional Council (the Council), which comprise the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2019, the Statement of Financial Position as at 30 June 2019, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Councillors and Management.

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 presented, 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 2019, 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' (APES 110).

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

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

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

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

Other Information

The Council's annual report for the year ended 30 June 2019 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 except where the Council will be dissolved or amalgamated by an Act of Parliament, or otherwise cease operations.

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.

My opinion does not 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 18 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.



Lawrissa Chan
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

30 October 2019
SYDNEY



Peter Beer
 Mayor
 Snowy Monaro Regional Council
 PO Box 714
 COOMA NSW 2630

Contact: Lawrissa Chan
 Phone no: (02) 9275 7255
 Our ref: D1925065/1787

30 October 2019

Dear Mayor

**Report on the Conduct of the Audit
 for the year ended 30 June 2019
 Snowy Monaro Regional Council**

I have audited the general purpose financial statements (GPFS) of the Snowy Monaro Regional Council (the Council) for the year ended 30 June 2019 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 2019 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

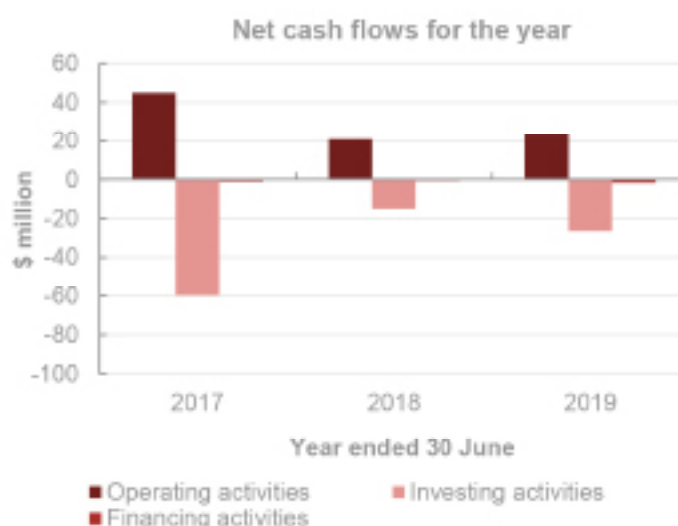
	2019 \$m	2018 \$m	Variance %
Rates and annual charges revenue	31.5	29.4	↑ 7.1
Grants and contributions revenue	31.2	24.7	↑ 26.3
Operating result for the year	2.2	1.5	↑ 46.7
Net operating result before capital grants and contributions	(4.7)	(2.5)	↓ 88

The following comments are made in respect of Council's operating result for the year:

- Rates and annual charges revenue (\$31.5 million) increased by \$2.1 million (7.1 per cent) in 2018–2019. This is mainly due to the permissible rate increase of 2.3 per cent granted by the Minister for Local Government and increase in domestic waste management and sewerage service annual charges.
- Grants and contributions revenue (\$31.2 million) increased by \$6.5 million (26.3 per cent) in 2018–2019 due to:
 - New Council Implementation fund in 2018–19 (\$3.5 million)
 - Stronger Communities and Stronger Country Communities Funds (\$4.1 million).
- Council's operating result was a surplus of \$2.2 million (\$1.5 million surplus for the year ended 30 June 2018). The increase of \$0.7 million was mainly attributed to the Council receiving \$3.5 million in the New Council Implementation fund this year and a total of \$4.1 million in the Stronger Communities and Stronger Country Communities Funds. This was offset by higher expenses, including \$3.4 million in employee expenses as the number of 'full time equivalent' employees increased from 340 in 2018 to 360 in 2019.
- The net operating result before capital grants and contributions was a deficit of \$4.7 million (\$2.5 million deficit for the year ended 30 June 2018). This is mainly due to the increase of \$3.4 million in employee expenses.

STATEMENT OF CASH FLOWS

- Council's cash and cash equivalents was \$11.1 million (\$16.3 million for the year ended 30 June 2018). There was a net reduction in cash and cash equivalents of \$5.2 million at 30 June 2019.
- Net cash provided by operating activities increased by \$2.1 million. This is mainly due to increased cash receipts from grants and contributions.
- Net cash used in investing activities increased by \$10.8 million. This is mainly due to the \$5 million increase in the net sale and purchase of investments securities and the \$5.8 million increase in the purchase of infrastructure, property, plant and equipment.
- Net cash used in financing activities increased by \$1.1 million as there were higher repayments in borrowings and advances.



FINANCIAL POSITION

Cash and investments

Cash and investments	2019	2018	Commentary
	\$m	\$m	
External restrictions	59.2	49.7	• Externally restricted cash and investments are restricted in their use by externally imposed requirements. Council's externally restricted cash and investments have increased by \$9.5 million primarily due to: <ul style="list-style-type: none">- Developer contributions (\$1.4 million)- Specific purpose unexpended grants (\$2.3 million)- Water supplies (\$3.2 million)- Sewerage services (\$2.2 million)
Internal restrictions	28.6	35.3	
Unrestricted	0.6	0.2	
Cash and investments	88.4	85.2	• Internally restricted cash and investments have been restricted in their use by resolution or policy of Council. The \$6.7 million decrease in internally restricted funds are primarily due to: <ul style="list-style-type: none">- Fewer uncompleted works in 2018-19 (\$3 million)- Fewer plant and vehicle replacements (\$0.9 million)
			• Unrestricted cash has remained consistent year on year.

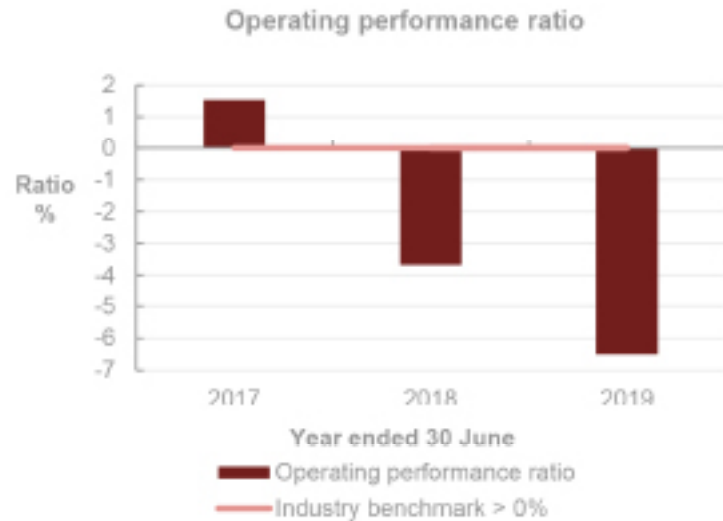
Debt

- Council has \$1.4 million of borrowings as at 30 June 2019 (2018: \$3.2 million).
- Council have an unrestricted overdraft facility of \$300 thousand which was undrawn as at 30 June 2019, as well as \$105 thousand of corporate credit cards facility which is undrawn as at 30 June 2019.

PERFORMANCE

Operating performance ratio

- The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by the former Office of Local Government (OLG) is greater than zero per cent.
- Council's operating performance ratio of -6.5 per cent is below the industry benchmark of greater than 0 per cent.
- The operating performance ratio decreased by 2.83 per cent compared to the prior year due to the higher operating expenses, such as \$3.4 million in employee expenses.



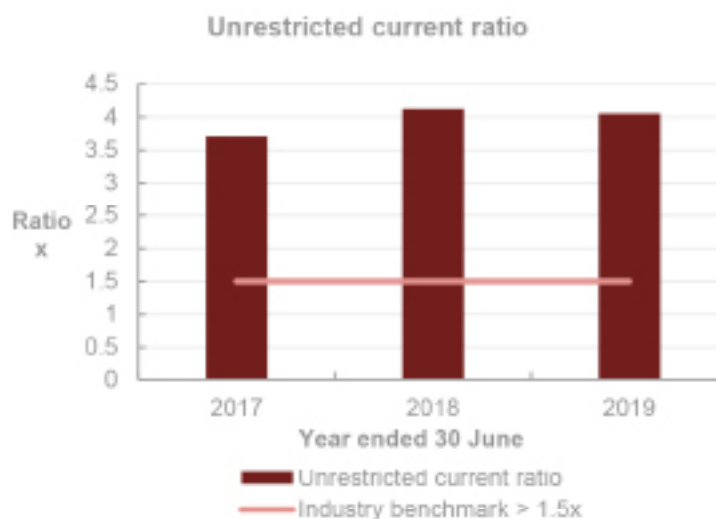
Own source operating revenue ratio

- The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by the former OLG is greater than 60 per cent.
- The Council's own source operating revenue ratio of 61.21 per cent is above the industry benchmark of 60 per cent. This indicates that the Council has a diversified source of income and does not have an overly strong reliance on operating grants and contributions.
- The Council's ratio decreased from the prior year (2018: 66.36 per cent), which was mainly due to the increase in grants and contributions received in the current year.



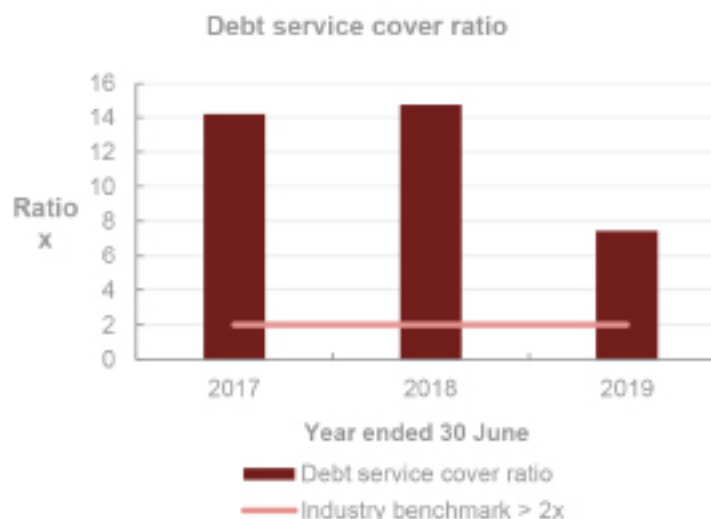
Unrestricted current ratio

- The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by the former OLG is greater than 1.5 times.
- The Council's liquidity ratio of 4.1 times is greater than the industry benchmark minimum of greater than 1.5 times. This indicates that the Council has sufficient liquidity to meet its current liabilities as and when they fall due.
- The Council's unrestricted current ratio has remained steady in comparison to the prior year (2018: 4.1 times)



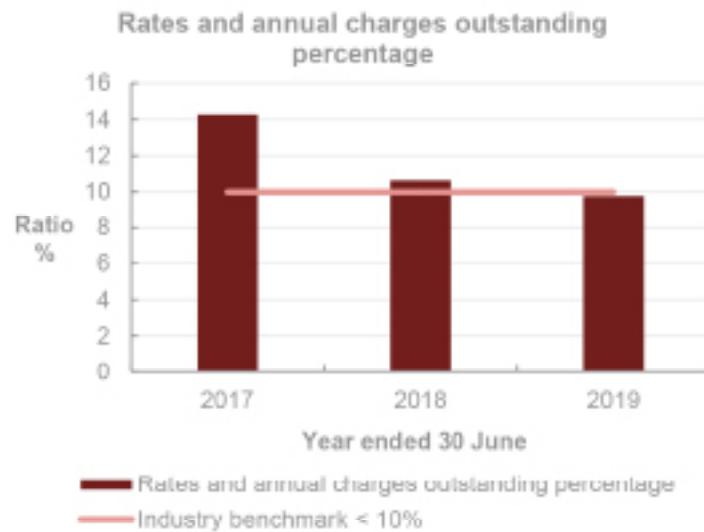
Debt service cover ratio

- The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by the former OLG is greater than two times.
- Council's debt service cover ratio of 7.6 times is higher than the industry benchmark of greater than 2 times.
- The decrease in the ratio compared with prior year (2018: 14.76 times) was due to the early settlement of a loan for sewer infrastructure.



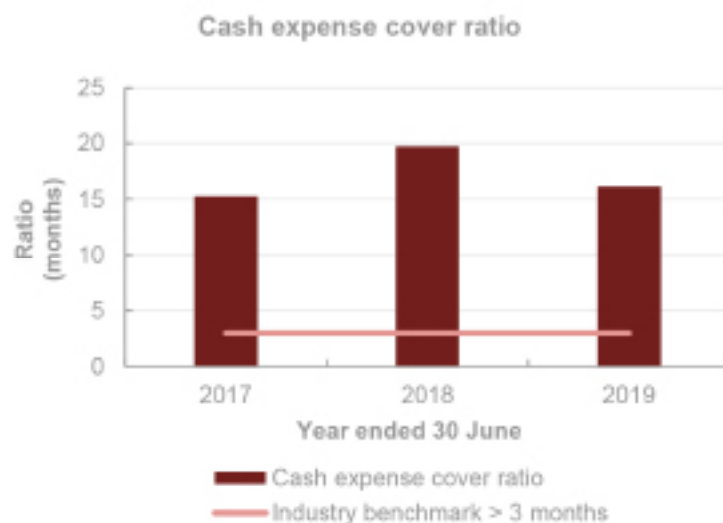
Rates and annual charges outstanding percentage

- The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by the former OLG is less than 10 per cent for regional and rural councils.
- The Council's rates and annual charges outstanding ratio of 9.77 is within the benchmark of less than 10 per cent for regional and rural councils.
- The Council's rates and annual charges outstanding percentage has decreased slightly from the previous year (2018: 10.64 per cent) and is attributed to the improvements in the Council's debt collection procedures.



Cash expense cover ratio

- This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by the former OLG is greater than three months.
- The Council's cash expense cover ratio was 16.1 months, which is above the industry benchmark of greater than 3 months. This indicates that Council had the capacity to cover 16.1 months of operating cash expenditure without additional cash inflows as at 30 June 2019.
- The Council's cash expense cover ratio has decreased by 3.6 months since the prior year due to additional payments for investment securities and infrastructure, property, plant and equipment in 2018–19.



Infrastructure, property, plant and equipment renewals

The Council has renewed \$16.1 million of assets in the 2018–19 financial year, compared to \$10.4 million in the prior year. The increase is primarily due to transport infrastructure projects.

OTHER MATTERS

New accounting standards implemented

Application period	Overview
AASB 9 'Financial Instruments' and revised AASB 7 'Financial Instruments: Disclosures'	
For the year ended 30 June 2019	<p>AASB 9 replaces AASB 139 'Financial Instruments: Recognition and Measurement' and changes the way financial instruments are treated for financial reporting.</p> <p>Key changes include:</p> <ul style="list-style-type: none">• a simplified model for classifying and measuring financial assets• a new method for calculating impairment• a new type of hedge accounting that more closely aligns with risk management. <p>The revised AASB 7 includes new disclosures as a result of AASB 9.</p> <p>Council's disclosure of the impact of adopting AASB 9 is disclosed in Note 13.</p>

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.



Lawrissa Chan
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

cc: Peter Smith, Acting General Manager
Melissa Tooke, Chair of Audit, Risk and Improvement Committee
Jim Betts, Secretary of the Department of Planning, Industry and Environment

Snowy Monaro Regional Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2019

Special Purpose Financial Statements

for the year ended 30 June 2019

Contents	Page
Statement by Councillors & Management	3
Special Purpose Financial Statements	
Income Statement – Water Supply Business Activity	4
Income Statement – Sewerage Business Activity	5
Income Statement – Waste Management	6
Income Statement – Residential Aged Care	7
Statement of Financial Position – Water Supply Business Activity	8
Statement of Financial Position – Sewerage Business Activity	9
Statement of Financial Position – Waste Management	10
Statement of Financial Position – Residential Aged Care	11
Note 1 – Significant Accounting Policies	12
Auditor’s Report on Special Purpose Financial Statements	15

Background

- i. These Special Purpose Financial Statements have been prepared for use by both the 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).

Snowy Monaro Regional Council

Special Purpose Financial Statements

for the year ended 30 June 2019

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

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

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

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

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

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

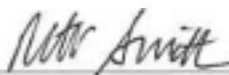
Signed in accordance with a resolution of Council made on 19 September 2019.



Peter Beer
Mayor
21 October 2019



Rogan Corbett
Councillor
21 October 2019



Peter Smith
Acting General Manager
21 October 2019



Matthew Payne
Responsible Accounting Officer
21 October 2019

Income Statement – Water Supply Business Activity

for the year ended 30 June 2019

\$ '000	2019	2018
Income from continuing operations		
Access charges	2,736	2,516
User charges	5,535	5,026
Fees	158	48
Interest	498	401
Grants and contributions provided for non-capital purposes	57	37
Profit from the sale of assets	–	46
Other income	238	190
Total income from continuing operations	9,222	8,264
Expenses from continuing operations		
Employee benefits and on-costs	1,866	1,696
Borrowing costs	21	26
Materials and contracts	1,301	1,056
Depreciation, amortisation and impairment	3,462	3,348
Loss on sale of assets	24	50
Other expenses	2,090	1,552
Total expenses from continuing operations	8,764	7,728
Surplus (deficit) from continuing operations before capital amounts	458	536
Grants and contributions provided for capital purposes	585	1,317
Surplus (deficit) from continuing operations after capital amounts	1,043	1,853
Surplus (deficit) from all operations before tax	1,043	1,853
Less: corporate taxation equivalent (27.5%) [based on result before capital]	(126)	(147)
SURPLUS (DEFICIT) AFTER TAX	917	1,706
Plus accumulated surplus	97,589	95,736
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	126	147
Closing accumulated surplus	98,632	97,589
Return on capital %	0.5%	0.6%
Subsidy from Council	763	1,935
Calculation of dividend payable:		
Surplus (deficit) after tax	917	1,706
Less: capital grants and contributions (excluding developer contributions)	(585)	(966)
Surplus for dividend calculation purposes	332	740
Potential dividend calculated from surplus	166	370

Income Statement – Sewerage Business Activity

for the year ended 30 June 2019

\$ '000	2019	2018
Income from continuing operations		
Access charges	8,560	7,612
User charges	91	323
Fees	55	31
Interest	565	438
Grants and contributions provided for non-capital purposes	53	43
Profit from the sale of assets	–	1
Other income	167	144
Total income from continuing operations	9,491	8,592
Expenses from continuing operations		
Employee benefits and on-costs	1,792	1,783
Borrowing costs	44	99
Materials and contracts	1,764	1,178
Depreciation, amortisation and impairment	2,492	2,403
Loss on sale of assets	(28)	3
Other expenses	2,009	1,327
Total expenses from continuing operations	8,073	6,793
Surplus (deficit) from continuing operations before capital amounts	1,418	1,799
Grants and contributions provided for capital purposes	1,022	442
Surplus (deficit) from continuing operations after capital amounts	2,440	2,241
Surplus (deficit) from all operations before tax	2,440	2,241
Less: corporate taxation equivalent (27.5%) [(based on result before capital)]	(390)	(495)
SURPLUS (DEFICIT) AFTER TAX	2,050	1,746
Plus accumulated surplus	93,598	91,357
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	390	495
Closing accumulated surplus	96,038	93,598
Return on capital %	2.0%	2.6%
Subsidy from Council	–	58
Calculation of dividend payable:		
Surplus (deficit) after tax	2,050	1,746
Less: capital grants and contributions (excluding developer contributions)	(1,022)	(36)
Surplus for dividend calculation purposes	1,028	1,710
Potential dividend calculated from surplus	514	855

Income Statement – Waste Management

for the year ended 30 June 2019

\$ '000	2019 Category 1	2018 Category 1
Income from continuing operations		
Access charges	4,524	3,975
User charges	883	817
Fees	1,476	1,312
Interest	166	122
Grants and contributions provided for non-capital purposes	38	25
Other income	1,659	1,759
Total income from continuing operations	8,746	8,010
Expenses from continuing operations		
Employee benefits and on-costs	2,790	2,650
Borrowing costs	169	263
Materials and contracts	2,485	2,996
Depreciation, amortisation and impairment	817	718
Loss on sale of assets	1	–
Other expenses	1,282	1,165
Total expenses from continuing operations	7,544	7,792
Surplus (deficit) from continuing operations before capital amounts	1,202	218
Grants and contributions provided for capital purposes	87	53
Surplus (deficit) from continuing operations after capital amounts	1,289	271
Surplus (deficit) from all operations before tax	1,289	271
Less: corporate taxation equivalent (27.5%) [based on result before capital]	(331)	(60)
SURPLUS (DEFICIT) AFTER TAX	958	211
Plus accumulated surplus	9,330	9,059
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	331	60
Closing accumulated surplus	10,619	9,330
Return on capital %	14.5%	5.1%

Income Statement – Residential Aged Care

for the year ended 30 June 2019

\$ '000	2019 Category 1	2018 Category 1
Income from continuing operations		
User charges	251	–
Fees	782	1,140
Interest	170	130
Grants and contributions provided for non-capital purposes	1,689	1,883
Other income	–	16
Total income from continuing operations	2,892	3,169
Expenses from continuing operations		
Employee benefits and on-costs	2,550	2,822
Materials and contracts	1,127	533
Depreciation, amortisation and impairment	296	260
Other expenses	199	167
Total expenses from continuing operations	4,172	3,782
Surplus (deficit) from continuing operations before capital amounts	(1,280)	(613)
Grants and contributions provided for capital purposes	500	20
Surplus (deficit) from continuing operations after capital amounts	(780)	(593)
Surplus (deficit) from all operations before tax	(780)	(593)
Less: corporate taxation equivalent (27.5%) [based on result before capital]	–	–
SURPLUS (DEFICIT) AFTER TAX	(780)	(593)
Plus accumulated surplus	6,993	7,586
Plus adjustments for amounts unpaid:		
Closing accumulated surplus	6,213	6,993
Return on capital %	(20.0)%	(9.3)%
Subsidy from Council	1,365	564

Statement of Financial Position – Water Supply Business Activity

as at 30 June 2019

\$ '000	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	2,464	942
Investments	4,212	8,790
Receivables	3,014	3,637
Other	(2)	(2)
Total current assets	9,688	13,367
Non-current assets		
Investments	12,859	5,965
Infrastructure, property, plant and equipment	94,107	94,938
Total non-current assets	106,966	100,903
TOTAL ASSETS	116,654	114,270
LIABILITIES		
Current liabilities		
Payables	98	72
Borrowings	90	85
Total current liabilities	188	157
Non-current liabilities		
Borrowings	174	264
Total non-current liabilities	174	264
TOTAL LIABILITIES	362	421
NET ASSETS	116,292	113,849
EQUITY		
Accumulated surplus	98,632	97,589
Revaluation reserves	17,660	16,260
TOTAL EQUITY	116,292	113,849

Statement of Financial Position – Sewerage Business Activity

as at 30 June 2019

\$ '000	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	2,690	1,107
Investments	4,599	10,333
Receivables	2,557	3,078
Total current assets	9,846	14,518
Non-current assets		
Investments	14,039	7,012
Receivables	105	123
Infrastructure, property, plant and equipment	74,144	74,359
Total non-current assets	88,288	81,494
TOTAL ASSETS	98,134	96,012
LIABILITIES		
Current liabilities		
Payables	16	16
Borrowings	–	324
Total current liabilities	16	340
Non-current liabilities		
Borrowings	–	1,104
Total non-current liabilities	–	1,104
TOTAL LIABILITIES	16	1,444
NET ASSETS	98,118	94,568
EQUITY		
Accumulated surplus	96,038	93,596
Revaluation reserves	2,080	971
TOTAL EQUITY	98,118	94,567

Statement of Financial Position – Waste Management

as at 30 June 2019

\$ '000	2019 Category 1	2018 Category 1
ASSETS		
Current assets		
Cash and cash equivalents	788	5,445
Investments	1,348	111
Receivables	664	619
Total current assets	2,800	6,175
Non-current assets		
Investments	4,115	–
Infrastructure, property, plant and equipment	9,430	9,355
Other	3	3
Total non-current assets	13,548	9,358
TOTAL ASSETS	16,348	15,533
LIABILITIES		
Current liabilities		
Payables	7	8
Borrowings	269	231
Total current liabilities	276	239
Non-current liabilities		
Borrowings	564	832
Provisions	5,013	5,255
Total non-current liabilities	5,577	6,087
TOTAL LIABILITIES	5,853	6,326
NET ASSETS	10,495	9,207
EQUITY		
Accumulated surplus	10,619	9,330
Revaluation reserves	(124)	(123)
TOTAL EQUITY	10,495	9,207

Statement of Financial Position – Residential Aged Care

as at 30 June 2019

\$ '000	2019 Category 1	2018 Category 1
ASSETS		
Current assets		
Cash and cash equivalents	533	–
Investments	3,692	4,948
Receivables	45	71
Total current assets	4,270	5,019
Non-current assets		
Infrastructure, property, plant and equipment	6,410	6,561
Intangible assets	350	350
Total non-current assets	6,760	6,911
TOTAL ASSETS	11,030	11,930
LIABILITIES		
Current liabilities		
Payables	4,097	4,218
Total current liabilities	4,097	4,218
TOTAL LIABILITIES	4,097	4,218
NET ASSETS	6,933	7,712
EQUITY		
Accumulated surplus	6,213	6,992
Revaluation reserves	720	720
TOTAL EQUITY	6,933	7,712

Snowy Monaro Regional Council

Notes to the Special Purpose Financial Statements

for the year ended 30 June 2019

Note 1. Significant Accounting Policies

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

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

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

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the Local Government Act 1993 (NSW), the *Local Government (General) Regulation 2005*, and the Local Government Code of Accounting Practice and Financial Reporting.

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

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

National Competition Policy

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

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

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

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

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

Declared business activities

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

Category 1

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

a. Water Supply

Water supply services

b. Sewerage Service

Sewerage reticulation, treatment and associated activities

c. Waste Management

Collection and disposal of garbage

d. Aged Care Services

Combined services offered at Yallambee Lodge and Snowy River Hostel (previous years reported Yallambee Lodge only)

Snowy Monaro Regional Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2019

Note 1. Significant Accounting Policies (continued)

Category 2

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

Nil

Monetary amounts

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

(i) Taxation equivalent charges

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

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

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

Notional rate applied (%)

Corporate income tax rate – 27.5%

Land tax – the first \$692,000 of combined land values attracts 0%. For the combined land values in excess of \$692,001 up to \$4,231,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$4,231,000 a premium marginal rate of 2.0% applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$850,000.

In accordance with the Department of Industry (DI) – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the DI – Water guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the DI – Water guidelines is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income tax

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

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

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

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

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

The rate applied of 27.5% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Notes to the Special Purpose Financial Statements

for the year ended 30 June 2019

Note 1. Significant Accounting Policies (continued)

Local government rates and charges

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

Loan and debt guarantee fees

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

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

(ii) Subsidies

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

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

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

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

(iii) Return on investments (rate of return)

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

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

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

The rate of return is calculated as follows:

Operating result before capital income + interest expense

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

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 1.32% at 30/6/19.

(iv) Dividends

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

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

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 2019 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
Snowy Monaro Regional Council

To the Councillors of the Snowy Monaro Regional Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Snowy Monaro Regional Council's (the Council) declared business activities, which comprise the Income Statement of each declared business activity for the year ended 30 June 2019, the Statement of Financial Position of each declared business activity as at 30 June 2019, Note 1 Significant accounting policies for the business activities declared by Council, and the Statement by Councillors and Management.

The declared business activities of the Council are:

- Water Supply
- Sewerage Service
- Waste Management
- Aged Care Services.

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 2019, and its financial performance for the year then ended, in accordance with the Australian Accounting Standards described in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting – update number 27 (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' (APES 110).

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

The Council's annual report for the year ended 30 June 2019 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 Note 1 to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it is not appropriate to do so.

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.

My opinion does not 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.



Lawrissa Chan
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

30 October 2019
SYDNEY

Snowy Monaro Regional Council

SPECIAL SCHEDULES
for the year ended 30 June 2019

Special Schedules

for the year ended 30 June 2019

Contents	Page
Special Schedules	
Permissible income for general rates	3
Report on Infrastructure Assets - Values	7

Permissible income for general rates

\$ '000		2019/20 Bombala Council	2019/20 Cooma-Monaro Shire Council	2019/20 Snowy River Shire Council	2019/20 Snowy Monaro Regional	2018/19 Bombala Council	2018/19 Cooma-Monaro Shire Council	2018/19 Snowy River Shire Council	2018/19 Snowy Monaro Regional
Notional general income calculation ¹									
Last year notional general income yield	a	2,426	7,227	6,078	15,731	2,367	7,140	5,892	15,399
Plus or minus adjustments ²	b	4	57	67	128	3	47	53	103
Notional general income	c = a + b	2,430	7,284	6,145	15,859	2,370	7,187	5,945	15,502
Permissible income calculation									
Or rate peg percentage	e	2.70%	2.70%	2.70%		2.30%	2.30%	2.30%	
Or plus rate peg amount	i = e x (c + g)	66	197	166	429	55	165	137	357
Sub-total	k = (c + g + h + i + j)	2,496	7,481	6,311	16,288	2,425	7,352	6,082	15,859
Plus (or minus) last year's carry forward total	l	1	83	14	98	2	(42)	10	(30)
Sub-total	n = (l + m)	1	83	14	98	2	(42)	10	(30)
Total permissible income	o = k + n	2,497	7,564	6,325	16,386	2,427	7,310	6,092	15,829
Less notional general income yield	p	2,495	7,505	6,311	16,311	2,426	7,227	6,078	15,731
Catch-up or (excess) result	q = o - p	1	59	14	74	1	83	14	98
Less unused catch-up ⁵	s	-	-	(10)	(10)	-	-	-	-
Carry forward to next year ⁶	t = v + i + o	1	59	4	64	1	83	14	98

(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.

(5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.

(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 Local Government Act 1993. 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.



INDEPENDENT AUDITOR'S REPORT

Special Schedule - Permissible income for general rates

Snowy Monaro Regional Council

To the Councillors of the Snowy Monaro Regional Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Snowy Monaro Regional Council (the Council) for the year ending 30 June 2020.

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 – update number 27 (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' (APES 110).

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

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

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

I believe 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 2019 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 2019'.

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, unless it is not appropriate to do so.

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/ar6.pdf. The description forms part of my auditor's report.

My opinion does not 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.



Lawrissa Chan
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

30 October 2019
SYDNEY

Report on Infrastructure Assets

as at 30 June 2019

Asset Class	Asset Category	Estimated cost		2018/19 Required maintenance *	2018/19 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
Buildings	Buildings	3,557	2,034	931	792	40,047	118,347	31.0%	11.0%	26.0%	22.0%	10.0%
	Sub-total	3,557	2,034	931	792	40,947	118,347	31.0%	11.0%	26.0%	22.0%	10.0%
Other structures	Other structures	443	233	104	89	7,171	14,743	33.0%	21.0%	35.0%	7.0%	4.0%
	Sub-total	443	233	104	89	7,171	14,743	33.0%	21.0%	35.0%	7.0%	4.0%
Roads	Sealed roads	10,566	4,270	3,178	1,843	116,533	202,768	16.0%	31.0%	42.0%	10.0%	1.0%
	Unsealed roads	11,706	7,538	2,440	2,893	87,136	161,415	16.0%	16.0%	47.0%	20.0%	1.0%
	Bridges	4,465	2,174	701	707	58,328	114,619	13.0%	32.0%	43.0%	4.0%	8.0%
	Footpaths	236	144	91	56	8,449	17,085	16.0%	24.0%	20.0%	40.0%	0.0%
	Other road assets	1,486	789	770	16	46,627	58,208	10.0%	48.0%	36.0%	6.0%	0.0%
	Bulk earthworks	-	-	-	-	515,602	515,602	100.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	28,459	14,915	7,180	5,515	832,675	1,069,697	56.8%	14.7%	21.9%	6.3%	1.3%
Water supply network	Water supply network	12,609	12,609	2,087	1,428	90,706	203,556	12.0%	18.0%	38.0%	32.0%	0.0%
	Sub-total	12,609	12,609	2,087	1,428	90,706	203,556	12.0%	18.0%	38.0%	32.0%	0.0%
Sewerage network	Sewerage network	18,448	18,448	1,455	1,039	71,509	141,968	13.0%	34.0%	32.0%	14.0%	7.0%
	Sub-total	18,448	18,448	1,455	1,039	71,509	141,968	13.0%	34.0%	32.0%	14.0%	7.0%
Stormwater drainage	Stormwater drainage	687	574	247	330	16,536	32,136	9.0%	59.0%	9.0%	17.0%	6.0%
	Sub-total	687	574	247	330	16,536	32,136	9.0%	59.0%	9.0%	17.0%	6.0%
Open space / recreational assets	Swimming pools	1,010	354	137	41	2,597	11,413	15.0%	4.0%	77.0%	3.0%	1.0%
	Other	354	152	45	72	2,341	5,545	24.0%	22.0%	37.0%	15.0%	2.0%
	Sub-total	1,364	506	182	113	4,938	16,958	17.9%	9.9%	63.9%	6.9%	1.4%
	TOTAL - ALL ASSETS	65,567	49,319	12,186	9,306	1,064,482	1,597,405	43.1%	17.5%	25.5%	11.7%	2.2%

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

Infrastructure asset condition assessment 'key'

- 1 **Excellent/very good** No work required (normal maintenance)
 2 **Good** Only minor maintenance work required

Report on Infrastructure Assets - Values (continued)

as at 30 June 2019

3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Report on Infrastructure Assets (continued)

as at 30 June 2019

\$ '000	Amounts 2019	Indicator 2019	Prior period 2018	Benchmark
Infrastructure asset performance indicators (consolidated) ¹				
Buildings and infrastructure renewals ratio ¹				
Asset renewals ²	14,106	78.93%	44.74%	>=100.00%
Depreciation, amortisation and impairment	17,872			
Infrastructure backlog ratio ¹				
Estimated cost to bring assets to a satisfactory standard	65,567	6.16%	6.45%	<2.00%
Net carrying amount of infrastructure assets	1,064,482			
Asset maintenance ratio				
Actual asset maintenance	9,306	76.37%	71.24%	>100.00%
Required asset maintenance	12,186			
Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	49,319	3.09%	3.33%	
Gross replacement cost	1,597,405			

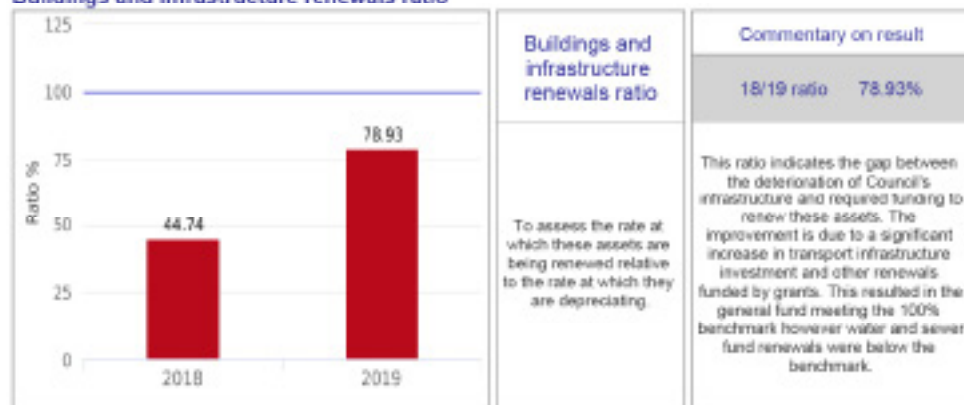
(¹) All asset performance indicators are calculated using classes identified in the previous table.

(¹) Excludes Work In Progress (WIP)

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

Report on Infrastructure Assets (continued)
as at 30 June 2019

Buildings and infrastructure renewals ratio



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.

Commentary on result

18/19 ratio 78.93%

This ratio indicates the gap between the deterioration of Council's infrastructure and required funding to renew these assets. The improvement is due to a significant increase in transport infrastructure investment and other renewals funded by grants. This resulted in the general fund meeting the 100% benchmark however water and sewer fund renewals were below the benchmark.

Benchmark: — $\geq 100.00\%$ Ratio achieves benchmark
 Source of benchmark: Code of Accounting Practice and Financial Reporting #27 Ratio is outside benchmark

Asset maintenance ratio



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

18/19 ratio 76.37%

This indicates the current level of investment in asset maintenance is not sufficient to prevent an increase to the infrastructure backlog.

Benchmark: — $> 100.00\%$ Ratio achieves benchmark
 Source of benchmark: Code of Accounting Practice and Financial Reporting #27 Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

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

Commentary on result

18/19 ratio 6.16%

This ratio is based on bringing assets up to a condition 2 satisfactory standard as required by the CLG. Council is currently reviewing asset management plans and undertaking condition assessments to update these estimates and improve alignment with Long Term Financial Planning.

Benchmark: — $< 2.00\%$ Ratio achieves benchmark
 Source of benchmark: Code of Accounting Practice and Financial Reporting #27 Ratio is outside benchmark

Cost to bring assets to agreed service level



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

18/19 ratio 3.09%

This ratio is based on bringing assets up to a condition 3 standard for all assets except condition 2 for water and sewer infrastructure. Plans to address this cost need to be priorities based on social, economic and environmental factors including risk to the community. Revised condition assessments and asset management plans in progress will better inform this plan.

Report on Infrastructure Assets (continued)

as at 30 June 2019

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2019	2018	2019	2018	2019	2018	
Infrastructure asset performance indicators (by fund)							
Buildings and infrastructure renewals ratio ¹							
Asset renewals ²							
Depreciation, amortisation and impairment	100.80%	52.51%	31.06%	36.77%	35.09%	16.27%	>=100.00%
Infrastructure backlog ratio ¹							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	3.82%	4.15%	13.90%	14.45%	25.80%	25.28%	<2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	79.12%	67.93%	68.42%	74.70%	71.41%	86.05%	>100.00%
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	1.46%	1.71%	6.19%	6.59%	12.99%	13.04%	

(1) Excludes Work In Progress (WIP)

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