



# Coffs Harbour City Council

05 November 2014

## ORDINARY MEETING

The above meeting will be held in the Council Chamber, Administration Building, corner Coff and Castle Streets, Coffs Harbour, on:

**THURSDAY 13 NOVEMBER 2014**

The meeting commences at **5.00pm** and your attendance is requested.

## AGENDA

1. Opening of Ordinary Meeting
2. Acknowledgment of Country
3. Disclosure of Interest
4. Apologies
5. Public Addresses / Public Forum
6. Mayoral Minute
7. Mayoral Actions under Delegated Authority
8. [Confirmation of Minutes of Ordinary Meeting – 23 October 2014](#)
9. [Notices of Motion](#)
10. [General Manager's Reports](#)
11. [Consideration of Officers' Reports](#)
12. Requests for Leave of Absence
13. Matters of an Urgent Nature
14. Questions On Notice
15. Consideration of Confidential Items (if any)
16. Close of Ordinary Meeting.

Steve McGrath  
General Manager



## **COFFS HARBOUR CITY COUNCIL**

### **ORDINARY MEETING**

**COUNCIL CHAMBERS  
COUNCIL ADMINISTRATION BUILDING  
COFF AND CASTLE STREETS, COFFS HARBOUR**

**13 NOVEMBER 2014**

#### **Contents**

<b>ITEM</b>	<b>DESCRIPTION</b>
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#### **NOTICES OF MOTION**

NOM14/17	VALUATION OF SANDY SHORES, NORTH SANDY BEACH
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NOM14/18	PARK BENCHES AT PARK BEACH
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#### **GENERAL MANAGER'S REPORT**

GM14/29	COUNCILLOR EXPENSES AND FACILITIES POLICY
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#### **CITY PLANNING DEPARTMENT REPORTS**

CP14/34	DEVELOPMENT APPLICATION NO. 0155/15 - DEMOLITION OF EXISTING BUILDING AND CONSTRUCTION OF A MEDICAL CENTRE - LOT 2 DP 270006 SP 39709, 9 MINORCA PLACE, TOORMINA
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CP14/35	NORTH BOAMBEE VALLEY (WEST) INVESTIGATION AREA - PLANNING PROPOSAL, DRAFT DEVELOPMENT CONTROL PLAN (COMPONENT E16) AND DRAFT DEVELOPER CONTRIBUTIONS PLAN
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The following item either in whole or in part may be considered in Closed Meeting for the reasons stated.

CP14/36	TENDER: ORARA RIVER REHABILITATION PROJECT BUSH REGENERATION TENDER 2014-15 RFT-675-TO
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A portion of this report is confidential for the reason of Section 10A (2):

- (d) commercial information of a confidential nature that would, if disclosed:
  - (i) prejudice the commercial position of the person who supplied it, or
  - (ii) confer a commercial advantage on a competitor of the council, or
  - (iii) reveal a trade secret.

and in accordance with Section 10A (1) the meeting may be closed to the public.

<b>ITEM</b>	<b>DESCRIPTION</b>
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**CORPORATE BUSINESS DEPARTMENT REPORTS**

CB14/65	ANNUAL FINANCIAL STATEMENTS AND AUDIT 2014
CB14/66	COFFS COAST STATE PARK TRUST AND WOOLGOOLGA BEACH RESERVE TRUST ANNUAL REPORT AND ANNUAL AUDIT 2014
CB14/67	HOLIDAY PARKS TOURIST ACCOMMODATION TARIFFS 2015/2016
CB14/68	ENVIRONMENTAL LEVY PROJECTS QUARTERLY REPORT TO 30 SEPTEMBER 2014
CB14/69	COUNCIL MEETING DATES - 2015

The following item either in whole or in part may be considered in Closed Meeting for the reasons stated.

CB14/70	TENDER: SUPPLY, SERVICE AND LAUNDERING OF LINEN FOR COFFS COAST HOLIDAY PARKS - CONTRACT NO. RFT- 649-TO
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A portion of this report is confidential for the reason of Section 10A (2):

- (d) commercial information of a confidential nature that would, if disclosed:
  - (i) prejudice the commercial position of the person who supplied it, or
  - (ii) confer a commercial advantage on a competitor of the council, or
  - (iii) reveal a trade secret.

and in accordance with Section 10A (1) the meeting may be closed to the public.

**COMMUNITY DEVELOPMENT DEPARTMENT REPORT**

CD14/19	TOURISM MARKETING CONSULTATION FINAL REPORT
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**CITY INFRASTRUCTURE SERVICES DEPARTMENT REPORTS**

CIS14/56	DRAFT COFFS HARBOUR CITY COUNCIL BIKE PLAN 2014-2019
CIS14/57	NATIONAL STRONGER REGIONS FUND
CIS14/58	LEASE - COFFS HARBOUR REGIONAL AIRPORT GROUND LEASE - CHANGE OF APPROVED TERMS

The following item either in whole or in part may be considered in Closed Meeting for the reasons stated.

CIS14/59	CONTRACT NO. RFT-684-TO - KARANGI TO RED HILL WATER MAIN DUPLICATION
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A portion of this report is confidential for the reason of Section 10A (2):

- (d) commercial information of a confidential nature that would, if disclosed:
  - (i) prejudice the commercial position of the person who supplied it, or
  - (ii) confer a commercial advantage on a competitor of the council, or
  - (iii) reveal a trade secret.

and in accordance with Section 10A (1) the meeting may be closed to the public.



## COFFS HARBOUR CITY COUNCIL

### ORDINARY MEETING

23 OCTOBER 2014

**Present:** Councillors D Knight (Mayor), J Arkan, N Cowling, R Degens, G Innes, B Palmer, K Rhoades, M Sultana and S Townley.

**Staff:** General Manager, Director Corporate Business, Director of City Infrastructure Services, Director Planning, Director of Community Development, Team Leader - Planner Development Assessment, Executive Manager Engineering Services, Property Development Manager and Executive Assistant.

The meeting commenced at 5:00pm with the Mayor, Cr D Knight in the chair.

We respectfully acknowledge the Gumbaynggirr Country and the Gumbaynggirr Aboriginal peoples who are traditional custodians of the land on which we meet and their Elders both past and present.

The Mayor reminded the Chamber that the meeting was to be recorded, and that no other recordings of the meeting would be permitted.

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#### DISCLOSURE OF INTEREST

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The General Manager read the following disclosures of interest to inform the meeting:

Councillor	Item	Type of Interest
Cr Palmer	CP14/33 – Development Application No. 0960/14 – Residential Flat Building (34 Units) and Strata Subdivision – Lot 200 DP1069846, 7 Edgar Street, Coffs Harbour	Pecuniary Interest
Cr Palmer	NOM14/16 – Future Use of Pioneer Park	Non-Pecuniary – Less than Significant Conflict

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ORDINARY MEETING

23 OCTOBER 2014



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**PUBLIC ADDRESS**

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Time	Speaker	Item
5.00pm	Jonathan Cassell	NOM14/16 – Future Use of Pioneer Park
5.00pm	Deb McKenzie	CP14/33 – DA 960/14, Residential Flat Building (34 Units) and Strata Subdivision, Lot 200 DP 1069846, 7 Edgar Street, Coffs Harbour

Cr Palmer left the meeting, the time being 5:07pm. Cr Palmer was not present for the Public Address on item CP14/33

Cr Palmer returned to the meeting, the time being 5:19pm.

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**CONFIRMATION OF MINUTES**

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- 286 RESOLVED** (Townley/Sultana) that the minutes of the Ordinary meeting held on 9 October 2014 be confirmed as a true and correct record of proceedings.

Cr Degens requested that it be noted that Question on Notice 14/3 regarding Bulky Goods Collection at the meeting of 9 October 2014 was submitted by him.

**NOTICES OF MOTION**

Councillor Palmer declared a Non Pecuniary – Less Than Significant Conflict in the following item.

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**NOM14/16 FUTURE USE OF PIONEER PARK**

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- 287 RESOLVED** (Townley /Sultana) that:

1. Council's preferred position is to retain Pioneer Park as parkland.
2. That Council consult with the CBD Masterplan Committee further before the next Council Meeting.

## CITY INFRASTRUCTURE SERVICES DEPARTMENT REPORTS

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### CIS14/54 TRAFFIC COMMITTEE NO. 3/2014

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To confirm the Minutes of the Traffic Committee Meeting held on Tuesday, 18 February 2014.

**288 RESOLVED** (Arkan/Sultana):

T.23 - Wheel Chair Bound Drivers Ramp Access – Boronia Street Sawtell (R.501140[3762343])

That approval be given for two accessible parking bays on the northern side of Boronia Street, Sawtell, just west of the First Avenue intersection as per plan T.23 - 2014.

T.24 – Traffic Issues Thompson Road/ Halls Road Coffs Harbour (R.500530,R.500720 [3766076])

That approval be given to install line marking and directional arrows in Thompsons Road Coffs Harbour at the Highway intersection to create left and right only lanes, as per plan T.24 – 2014.

T.25 - No Stopping Park Beach Road/Ocean Parade, Coffs Harbour (R.505680, R.505540 [5322759])

That approval be given to install two No Stopping signs on the intersection of Ocean Parade and Park Beach Road Coffs Harbour (south west corner), as per plan T.25 – 2014.

T.26 - Line Marking – Orara Way Coramba (R.510970[5216088])

That approval be given for the northbound overtaking section be replaced by barrier line and the south bound overtaking section remain in place between 398 and 457 Orara Way Coramba as per plan T.26 - 2014.

T.27 – Traffic and Pedestrian Issues - Beach Way North Sapphire [3414177]

That approval be given for the installation of a No Stopping zone on the west side of North Sapphire Road, North Sapphire, 35m west of the bridge to the entrance to the Community Association driveway (Beachstone café) on Beach Way, North Sapphire, as per plan T.27 - 2014.

T.28 - Road Safety - intersection of Melittas Avenue, Rose Avenue and Pacific Highway Coffs Harbour (R. 505280, R.505630[5250316])

That approval be given for the installation of a BB (Barrier) line at the Melittas Avenue/Pacific Highway end of Rose Avenue Coffs Harbour as per T.28 – 2014.

T.29 - Bus Zone Toormina High School Cavanba Road Toormina (R. 501250[5217350])

That signposting be reviewed and the installation of a Bus Lane Only sign be installed at the entrance of the bus bay at Cavanba Road just west of Armstrong intersection Toormina as per plan T.29 – 2014.

T.30 - Traffic Management – Salamander Street Coffs Harbour Public School (R505860[5244673])

That no action be taken.

T.31 - Traffic Issues – Toormina Road, Minorca Place, Sawtell Road Sawtell (R.502400, R. 502130, R.502390[5302979])

That Council is to continue to monitor the intersection of Toormina Road, Minorca Place, Sawtell Road Sawtell.

T.32 - Wheelchair Ramp for Rear Entrance of Toormina Shopping Centre Wirrabilla Drive Toormina (R502150[5238226])

That approval be given to install a pedestrian access ramp only in Wirrabilla Drive Toormina, as per plan T.32 – 2014.

T.33 - Parking Bays - Castle Street Coffs Harbour (R.504130[3779278])

That no action be taken.

T.34 - Sawtell Super Fun Day 1 January 2015 (R.501520[5288673])

That approval be given for the temporary road closure of First Avenue, Sawtell, between Boronia Street and Second Avenue, from 7.30am to 11.00am on Thursday, 1 January 2015, for the purpose of conducting the street parade associated with the Sawtell Super Fun Day, be advertised and providing no substantive objections are received, the closure be approved subject to a Traffic Control Plan.

- (a) the organisers of the Fun Day liaise with affected traders and obtain traders approval.
- (b) the organisers be responsible for erection of traffic barriers and control of traffic using accredited traffic controllers, in accordance with the Traffic Management Plan.
- (c) the organisers be responsible for all costs associated with the temporary closure and clean up, including advertising.
- (d) a temporary bus zone be established on the east side of First Avenue, Sawtell, north of Second Avenue to enable buses to continue to operate.
- (e) a Traffic Control Plan be submitted.

T.35 – BCU Coffs Tri 7 and 8 March 2015 - Traffic Management (IR 3735190)

That approval be given for the following road closures to conduct the Village Sports 3<sup>rd</sup> Annual BCU Coffs Tri on Saturday 7th March and Sunday 8th March 2015.

Saturday 7th March

- Jordan Esplanade - Marina Drive roundabout to Camperdown Street 7am to 6.30pm
- Jordan Esplanade - Camperdown Street Intersection to the Quarry 2.30pm to 3.15pm
- Jordan Esplanade - Camperdown Street Intersection to the Quarry 3.30pm to 4.15pm

Sunday 8th March

- Jordan Esplanade 4.30am to 2.00pm
- Harbour Drive - Marina Drive to Salamander Street 5.30am to 11.00am
- Hogbin Drive - Rugby Club to Orlando Street 5.30 am to 11.30am

The road closures are subject to the following providing no substantive objections are received:

1. Adverts to warn of traffic delays on all affected roads during the course of the event, particularly access to Hogbin Drive, Harbour Drive and Marina Drive.
2. The organisers of the event liaise with affected traders and obtain traders approval including the local bus companies.
3. The organisers are responsible for erection of traffic barriers and control of traffic using accredited traffic controllers.
4. The organisers are responsible for all costs associated with the temporary closures, including advertising.
5. Copy of current Public Liability Insurance is submitted.
6. Traffic Management Plan and RMS accredited Traffic Control Plans to be submitted for approval.

T.36 - Sawtell Catholic Care request "No Parking" on Marian Place, Toormina

That approval be given to install No Stopping signs at the end of barrier lines in the cul-de-sac in Marian Place, Toormina as per plan T.36 – 2014.

T.37 – Pacific Highway Coffs Harbour Traffic Issues (3627713)

That approval be given for the No Stopping signs to be adjusted on the south bound slip lane exiting the Arthur Street / Mastracolas Road roundabout, Pacific Highway, Coffs Harbour, as per plan T.37 - 2014.

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**CIS 14/55 395 CORAMBA ROAD, COFFS HARBOUR – BENNETTS ROAD  
DETENTION BASIN**

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- 289 RESOLVED** (Knight/Innes) that item CIS14/55 – 395 Coramba Road, Coffs Harbour – Bennetts Road Detention Basin be referred to Closed Session.

**CITY PLANNING DEPARTMENT REPORT**

Cr Palmer declared an interest in item CP14/33 – Development Application No. 0960/14 – Residential Flat Building (34 Units) and Strata Subdivision – Lot 200 DP1069846, 7 Edgar Street, Coffs Harbour, vacated the Chamber and took no part in the discussion or voting, the time being 5:38pm.

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**CP14/33 DEVELOPMENT APPLICATION NO. 0960/14 RESIDENTIAL FLAT  
BUILDING (34 UNITS) AND STRATA SUBDIVISION - LOT 200 DP  
1069846, 7 EDGAR STREET, COFFS HARBOUR**

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The purpose of this report is to present Development Application No. 0960/14 for Council's consideration and determination, which is an application for a Residential Flat Building comprising 34 Units and strata subdivision.

- 290 RESOLVED** (Degens/Arkan):

1. That the objection made pursuant to Clause 4.6 of Coffs Harbour Local Environmental Plan 2013 for the variation to the maximum building height under Clause 4.3(2) of Coffs Harbour Local Environmental Plan 2013 be supported in this particular case.
2. That Development Application No. 0960/14 for a Residential Flat Building and Strata Subdivision at Lot 200, DP 1069846, 7 Edgar Street, Coffs Harbour be approved subject to the conditions in Attachment 4.
3. That persons who made a submission on Development Application No. 0960/14 be informed of Council's decision.

**AMENDMENT**

**MOVED** (Cowling/Townley) that CP 14/33 DA No 0960/14 are deferred until staff have negotiated with the DA applicant on the following matters:

- Parking
- Density of the site
- Height
- Parking by tradesman & suppliers during construction
- Visitor parks
- Reflected glare from the development from windows & roof material

**CP14/32 Development Application No. 0960/14 Residential Flat Building (34 units) and Strata Subdivision - Lot 200 DP 1069846, 7 Edgar Street, Coffs Harbour (Cont)**

- 34 units all less than 100m2 in area
- Car spaces – 3 have 2 car spaces; 3 have no car spaces; 28 have 1 car space.
- Increased traffic flow & people movements;
- Devalue other properties in the area
- LEP allows 5 storeys this does not mean Council have to approve the LEP guidelines. A state wide LEP means one size fits all. Residents must be given a say.
- Noise from the overhanging balconies
- That height markers be applied as requested by the residents
- The site holds a lapsed DA for 18 apartments on the site & is notified on the real estate bunting surrounding the development. This is a direct suggestion that the sites density is compromised.

These are all items that have been issues on the submissions of residents and need clarification before any decision should be actioned.

The **AMENDMENT** on being put to the meeting was **LOST**.

**VOTED FOR**

Cr Cowling  
Cr Townley

**VOTED AGAINST**

Cr Rhoades  
Cr Innes  
Cr Sultana  
Cr Degens  
Cr Arkan  
Cr Knight

The **MOTION** on being put to the meeting was **CARRIED**.

**VOTED FOR**

Cr Rhoades  
Cr Innes  
Cr Sultana  
Cr Degens  
Cr Arkan  
Cr Knight

**VOTED AGAINST**

Cr Cowling  
Cr Townley

Cr Palmer returned to the meeting, the time being 5:56pm.

## CORPORATE BUSINESS DEPARTMENT REPORTS

### CB14/57 QUARTERLY BUDGET REVIEW STATEMENT FOR SEPTEMBER 2014

To provide the quarterly budget review statement and report on the estimated budget position as at 30 September 2014.

**291 RESOLVED** (Sultana/Innes):

1. The Quarterly Budget Review Statements be noted.
2. That the budget adjustments be approved and the current budget position be noted.

Estimated Budget Position as at 30 September 2014:

	General Account \$	Water Account \$	Sewer Account \$
Original Budget adopted 22 May 2014	1,557 (D)	3,237,535 (D)	2,536,225 (D)
Recommended variations for quarter ending 30 September 2014	Nil	Nil	400,000 (D)
Estimated result 2014/2015 as at 30 September 2014	<u>1,557 (D)</u>	<u>3,237,535 (D)</u>	<u>2,936,225 (D)</u>

### CB14/58 BANK BALANCES AND INVESTMENTS FOR SEPTEMBER 2014

To list Council's Bank Balances and Investments as at 30 September 2014.

**292 RESOLVED** (Innes/Sultana):

1. That the bank balances and investments totalling (from loans, Section 94 and other avenues that form the restricted accounts and are committed for future works) one hundred and fifty one million, one hundred and twelve thousand, six hundred and nine dollars (\$151,112,609) as at 30 September 2014 be noted.
2. That the general fund unrestricted cash and investments totalling one hundred and eighty eight thousand dollars (\$188,000) as at 30 September 2014 be noted.

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**CB14/59 CERTIFICATION OF ANNUAL FINANCIAL STATEMENTS 2013/2014**

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Draft financial statements to be certified to meet legislative requirements in relation to the completion and audit of the Annual Financial Statements for 2013/2014.

- 293 RESOLVED** (Sultana/Innes) that the General Purpose Financial Statements – Statement by Councillors and Management and Special Purpose Financial Statements – Statement by Councillors and Management forms for 2013/2014 be approved for completion by the designated signatories.

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**CB14/60 PROPOSED SPECIAL RATE VARIATION - COMMUNITY ENGAGEMENT**

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To propose a Community Engagement Program seeking feedback from the community on a proposed Special Rate Variation (SRV) for 2015/2016. This rate variation represents the two years not approved from Council's previous 2014/2015 SRV application.

- 294 RESOLVED** (Innes/Degens) that Council:

1. Adopt and implement the Community Engagement Strategy for a proposed Special Rate Variation in 2015/2016.
2. Notify IPART (in December 2014) of its intention to apply for a Special Rate Variation, pursuant to Section 508(A) to be staged over a period of two-years to increase Council's Notional General Income by 8.14% for 2015/2016 and 7.75% for 2016/2017 to provide funding for increased expenditure on infrastructure repair and renewal.
3. Consider a report after the end of the community engagement period (February 2015) providing information on the feedback received from the community in regards to the proposed Special Rate Variation for 2015/2016.

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**DIVISION**

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- 295 MOVED** (Degens/Sultana) that a division be called, and those members voting for and against the motion were recorded:

**VOTED FOR**

Cr Rhoades  
Cr Innes  
Cr Sultana  
Cr Townley  
Cr Degens  
Cr Palmer  
Cr Arkan  
Cr Knight

**VOTED AGAINST**

Cr Cowling



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**CB14/61 COMMUNITY CAPITAL INFRASTRUCTURE GRANTS PROGRAM 2014/2015**


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Determination of the 2014/2015 Community Capital Infrastructure Grants Program.

**296 RESOLVED** (Degens/Sultana):

1. That Community Capital Infrastructure Grants Program for 2014/2015 as set out below, totalling \$150,000.00 be adopted.

Organisation	Proposed Project	Cost of Project	Funding Recommended
Sawtell & District BMX Club	'Operation Black Berms' – BMX Track Upgrade	\$49,962	\$24,000
Sawtell Cricket Club Inc.	Replacement of Synthetic Cricket Pitches at Forsyth Park, Toormina Oval, Jetty Oval, Toormina Nets and Richardson Park Nets	\$16,541	\$7,000
Woolgoolga District Netball Association	Upgrade of Woolgoolga Netball Courts	\$56,948	\$26,000
Coffs United Football Club	Upgrade to Field Lighting at Forsyth Park, Maclean Street, Coffs Harbour	\$101,000	\$31,000
Sawtell Toormina Sports & Recreation Inc	Construction of an awning at Rugby Park	\$48,896	\$12,500
Nana Glen Memorial Hall & Community Centre Inc.	'Boundary Beauty' – Replacement of Fencing at Nana Glen Hall.	\$12,103	\$4,500
Coffs Harbour Regional Conservatorium	Construction of a Performance Space including portable seating	\$80,000	\$30,000
Eastern Dorrigo (Ulong) Showground & Hall Management Committee	Construction of a Playground	\$14,500	\$4,000
Coffs Harbour Baseball Association	Relocation of Baseball Safety Nets from Bray Street to Stadium Drive	\$29,818	\$1,500
Coffs Harbour & District Amateur Radio Club Inc.	Removal & Replacement of Wall Lining and Painting	\$7,606	\$2,500
Englands Park Tennis Club Inc.	Amenities Upgrade at Englands Park	\$28,876	\$7,000
Total:			\$150,000

2. That Council note the amendments to the adopted program guidelines, as listed in the Issues section.

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**CB14/62 DEVELOPER CONTRIBUTIONS PLAN REVIEW - MOONEE  
RELEASE AREA AND HEARNES LAKE / SANDY BEACH RELEASE  
AREA**

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To present to Council a draft Moonee Release Area Developer Contributions Plan 2014 and a draft Hearnese Lake/Sandy Beach Release Area Developer Contributions Plan 2014. This report recommends that the draft Plans be adopted.

- 297 RESOLVED** (Sultana/Palmer) that the Draft Moonee Release Area Developer Contributions Plan 2014 and the Draft Hearnese Lake / Sandy Beach Release Area Developer Contributions Plan 2014 be adopted.

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**CB14/63 DEVELOPER CONTRIBUTIONS PLAN REVIEW - OPEN SPACE AND  
ADMINISTRATION LEVY**

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To present to Council a draft Open Space Developer Contributions Plan 2014 and a draft Administration Levy Developer Contributions Plan 2014. This report recommends that the draft plans be adopted.

- 298 RESOLVED** (Palmer/Sultana) that the Draft Open Space Developer Contributions Plan 2014 and the Draft Administration Levy Developer Contributions Plan 2014 be adopted.

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**CB14/64 TENDER RFT-685-TO CONSULTANCY SERVICES -  
TRANSFORMATION TO SUSTAINABILITY PROGRAM SUPPORT**

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To report to Council on Tenders received for RFT-685-TO Consultancy Services to support the Transformation to Sustainability (T2S) Program. Specifically the tender calls for the provision of support in the following areas:

- Leadership development program;
- T2S Program Management Office; and
- Business process reengineering.

**299 RESOLVED (Palmer/Innes):**

1. That Council accept the tender of LKS Quaero Pty Ltd ABN 67 164 270 491 for Contract No. RFT-685-TO, Provision of Consultancy Services to Support the Transformation to Sustainability (T2S) Program for the Lump Sum amount of \$539,108.00 including GST, on the basis that:
  - 1.1. The tender is the most advantageous tender following the application of Council's Tender Value Selection System
  - 1.2. The Tenderer has the necessary experience in similar works and his ability and performance are satisfactory
  - 1.3. The Tenderer's financial capacity is acceptable.
2. That the contract documents be executed under the Seal of Council.

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**REQUESTS FOR LEAVE OF ABSENCE**

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No requests for leave of absence.

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**MATTERS OF AN URGENT NATURE**

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**MUN14/15 Apology - Councillor Palmer**

Councillor Palmer gave a public apology for his failure to declare a Non- Pecuniary, Less Than Significant Interest, at the Meetings held on 8<sup>th</sup> and 22<sup>nd</sup> May 2014.

**MUN14/16 Expression of Interest for Sandy Shores**

Councillor Palmer requested that Council enter an Expression of Interest (EOI) in order to commence negotiations for the purchase of land for sale at Sandy Shores, stating that the EOI period closes on 12 November 2014.

The General Manager advised that he would be reluctant to commit to do anything without a full Council resolution but suggested that Council could submit an EOI showing some level of interest and request an immediate response in order to have adequate time to report back to Council.

**MUN14/17 Pedestrian Crossing - Harbour Drive**

Councillor Sultana requested that urgent action be taken in relation to the safety on the pedestrian crossing at the Intersection of Harbour Drive and Earl Street, near the Skate Park and Coles, as he considers it is very dangerous.

**MUN14/18 Bonville Golf Resort - Local Government Conference Dinner**

Councillor Innes asked that Coffs Harbour City Council write a letter to Bonville Golf Resort congratulating them on the wonderful job they did at showcasing Coffs Harbour to the delegates of the LG Conference on Monday night.

**MUN14/19 Coffs Harbour Water Supply**

Councillor Cowling advised of an email received about the quality of water supply to Coffs Harbour.

The General Manager advised that the matter is being dealt with as a matter of urgency.

**MUN14/20 Keep NSW Beautiful Litter Campaign - Take the Pledge**

Councillor Cowling advised that Keep NSW Beautiful is running a campaign on Saturday 1<sup>st</sup> November 2014 at Jetty Beach to clean up litter, and pledge an allegiance not to litter the beach in future.

Cr Arkan left the meeting, the time being 6:40pm.

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#### QUESTIONS ON NOTICE

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No questions on notice.

Cr Arkan returned to the meeting, the time being 6:45pm.

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#### CLOSED SESSION – SECTION 10(A)

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The Mayor requested a motion to close the meeting to consider a confidential report as outlined in the meeting agenda, the time was 6:50pm.

- 300 RESOLVED** (Sultana/Innes) that the meeting be closed to the press and public during consideration of the following item for the reasons as stated:

CIS14/55 - 395 Coramba Road, Coffs Harbour - Bennetts Road Detention Basin

A portion of these reports are confidential for the reason of Section 10A (2):

- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege, and in accordance with Section 10A (1) the meeting may be closed to the public

The press and public vacated the chamber.

- 301 RESOLVED** (Rhoades/Innes) that the Closed Session be recorded.

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#### **CIS14/55      395 CORAMBA ROAD, COFFS HARBOUR - BENNETTS ROAD DETENTION BASIN**

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To update Council on the progress of property acquisition issues at 395 Coramba Road, Coffs Harbour.

#### **MOTION**

**MOVED** (Cowling/Sultana) that Barry & Norma Mackay be offered the sum of \$25.14 per sq. mtr for an easement on their property plus the cost agreed for relocating plant and equipment outside of the inundation area of \$53,824. With the full total being \$510,000 plus \$53,824.

#### **AMENDMENT**

**MOVED** (Degens) that Barry & Norma Mackay be offered the sum of \$11.50 per sq. mtr for an easement on their property plus the cost agreed for relocating plant and equipment outside of the inundation area of \$53,824. With the full total being \$287,274 Including the amount held in trust on behalf of the Mackays being approx. \$130,000.

Cr Knight left the meeting, the time being 6:55pm. Cr Townley assumed the Chair.

Cr Knight returned to the meeting, the time being 6:57pm.

The **AMENDMENT** lapsed for want of a seconder.

#### **AMENDMENT**

**MOVED** (Arkan/Degens) that Barry & Norma Mackay be offered the sum of \$11.50 per sq. mtr for an easement on their property plus the cost agreed for relocating plant and equipment outside of the inundation area of \$53,824. At a total cost of \$233,450 plus \$53,824.

Councillor Innes gave notice of a Foreshadowed Amendment.

The **AMENDMENT** on being put to the meeting was **LOST**.

Councillor Innes' Foreshadowed Amendment was brought forward, as follows:

#### **AMENDMENT**

- 302** **MOVED** (Innes/Rhoades) that Council withdraw its offer and not proceed with the acquisition of the land affected by the easement for inundation shown on DP 1177880 over the Mackay property being Lot 1 DP 134234.

Councillor Cowling gave notice of a Foreshadowed Amendment.

- 303** **RESOLVED** (Rhoades/Sultana) that the **AMENDMENT** be put to the meeting.

The **AMENDMENT** on being put to the meeting was **CARRIED**. The **AMENDMENT** then became the **MOTION**.

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**DIVISION**

---

- 304** **MOVED** (Cowling/Innes) that a division be called, and those members voting for and against the amendment were recorded:

**VOTED FOR**

Cr Rhoades  
Cr Innes  
Cr Degens  
Cr Palmer  
Cr Knight

**VOTED AGAINST**

Cr Cowling  
Cr Townley  
Cr Arkan  
Cr Sultana

Councillor Cowling's Foreshadowed Amendment was brought forward as follows:

**AMENDMENT**

**MOVED** (Cowling/Arkan) that Council defer the decision on this matter until the Councilors have been informed of legal information regarding arbitration and that the matter be brought back to the next meeting of Council.

The **AMENDMENT** on being put to the meeting was **LOST**.

---

**DIVISION**

---

- 305** **MOVED** (Rhoades/Innes) that a division be called, and those members voting for and against the amendment were recorded:

**VOTED FOR**

Cr Cowling  
Cr Townley  
Cr Arkan  
Cr Sultana

**VOTED AGAINST**

Cr Rhoades  
Cr Innes  
Cr Degens  
Cr Palmer  
Cr Knight

The **MOTION** on being put to the meeting was declared **CARRIED**.

---

**OPEN MEETING**

---

The Mayor requested an appropriate motion to enable the meeting to resolve into Open Meeting the time being 8:05pm

- 306 RESOLVED** (Sultana/Arkan) that the Closed Session now move into Open Meeting.

The General Manager read to the meeting the resolution of the Closed Session.

This concluded the business and the meeting closed at 8:06 pm.

Confirmed: 13 November 2014.

.....  
Denise Knight  
Mayor



---

## VALUATION OF SANDY SHORES, NORTH SANDY BEACH

---

### **Purpose:**

Councillor Bob Palmer has given notice of his intention to move the following:

That Council's Property Valuer prepares a report for Council with an estimated purchase value for the land known as Sandy Shores, North Sandy Beach.

That the report contains a valuation for the land identified in Map 2, pg 4, Hearnese Lake / Sandy Beach DCP Master Plan as suitable for Residential Low density development.

That Council enter into discussion regarding contributory funding options from the relevant State and Federal Government departments such as the NSW Roads & Maritime Services, Office of Environment and Heritage, North Coast Land Services, Environmental Trust and others.

### **Rationale:**

Council meeting 27 August 2009 adopted City Services Department Report S41, (EN20) being the draft Hearnese Lake Estuary Management Study and Plan 2009 states:

"For Hearnese Lake specifically, one of the greatest challenges for future management is maintaining the Lake's natural features whilst accommodating increased pressure for urban development. The underdeveloped, natural state of the Lake and its environs is valued very highly by the community. The scientific assessment also suggests that maintenance of the Lake's ecosystems should receive priority above development, if aiming to achieve long term sustainability of both the environment and economy of Hearnese Lake. Careful management to preserve the existing natural features, in terms of their ecological benefit as well as their aesthetic appeal, will be needed".

Once developed these lands would be forever lost to our ecosystem.

The adopted Hearnese Lake Estuary Management Study and Plan 2009 recommends the following:

#### **6 STRATEGIES FOR ESTUARY MANAGEMENT**

##### **6.1.2.1 Planning, management and conservation of land**

##### ***PMC-1. Acquire and preserve foreshore land.***

As part of future lot redevelopment, acquire land around the Hearnese Lake foreshore that is inappropriate for development and is considered necessary to protect the lake from development impacts. This land should include, as a minimum, all lands within a 50 metre landward buffer of the RL 3.5m AHD contour (refer Section 9.4)<sup>1</sup>. The acquired land should be rezoned to environmental protection. This would require amendment to the existing Hearnese Lake Developer Contributions Plan, or a Regional Contributions Plan.

Land within 50 metres of the RL 3.5m AHD contour is shown in Figure 6-1.

Timeframe: Medium term (3 – 5 years).

1 A 50m buffer from the 3.5m AHD contour will result in a much larger buffer (up to 200m) from the future MHW level within the lake (assuming a 0.9m sea level rise), particularly around the southern portion of the lake.

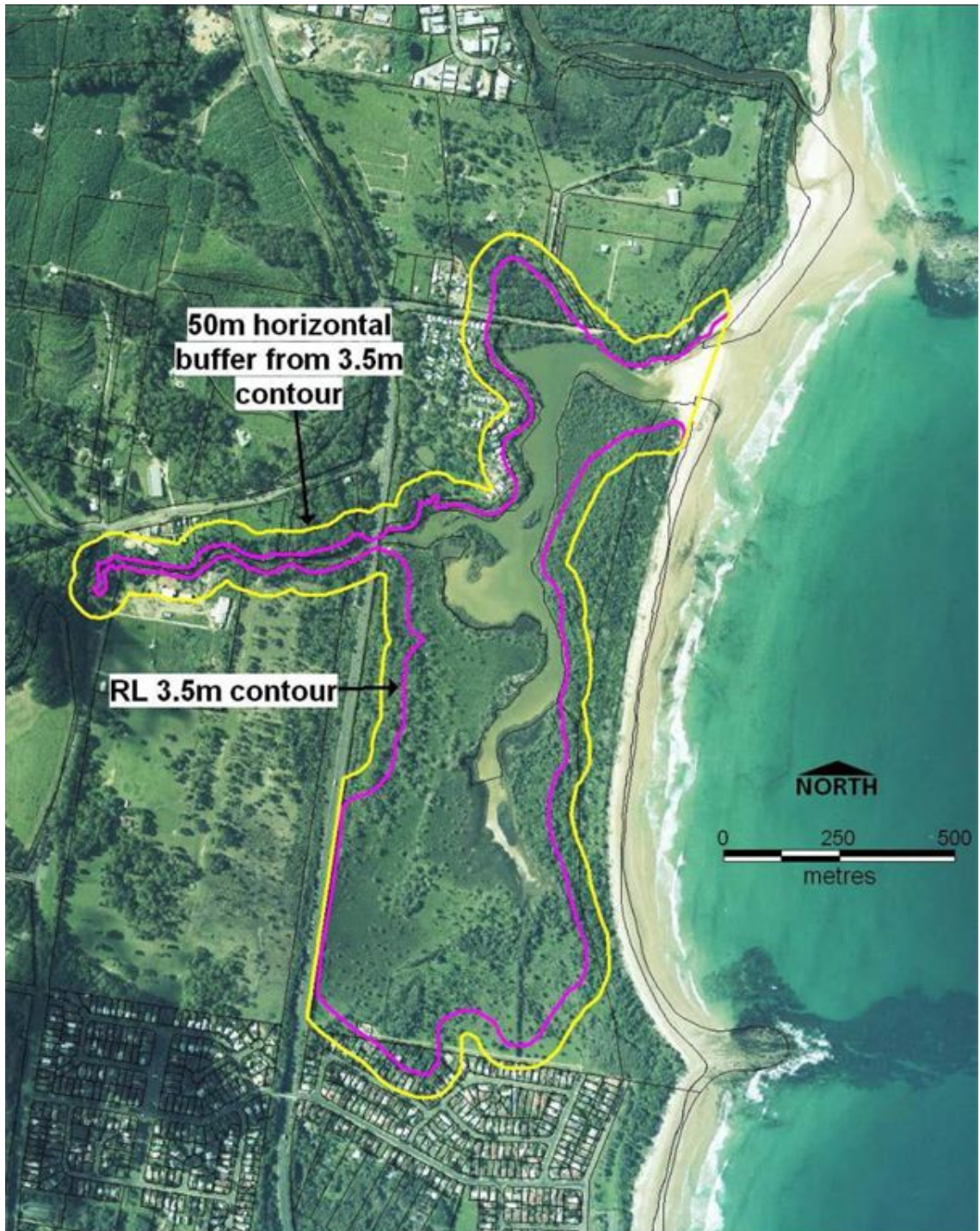


Figure 6-1 Buffer from future development (50m from RL 3.5m AHD contour)

*When taking into consideration the draft Coastal Hazard Area Planning Policy that was presented in our briefing 27-10-14, this strategy would seem to increase in importance.*

***PMC-2. Incorporate foreshore and coastal buffers into CCRP.***

Following acquisition of foreshore land as part of PMC-1, the foreshore buffer should be incorporated into the Coffs Coast Regional Park to enable pro-active management by both Council and DECC. The buffer along the coast as well as the existing Crown land dune between Hearn's Lake and Willis Creek (which contain the gazetted SEPP-26 Littoral Rainforest) should also be incorporated to the Coffs Coast Regional Park to provide connectivity of the park along the coast.

Timeframe: Medium term (3 – 5 years).

The inclusion of this land into the Coffs Coast Regional Park would decrease council's ongoing maintenance cost though our co-management agreement with the OEH and the Regional Park Trust.

24 April 2014 Notice of Motion - Cr Degans

"That a report be brought back to council to investigate the establishment of an account for the purpose of land acquisition with the intent to improve the conditions for the protection of Biodiversity.

*That the report considers a contribution from the environmental levy on an annual basis."*

This report when presented to Council can consider an annual contribution from the environmental levy toward loan repayments should Council require to borrow funds to purchase the Sandy Shores

**Staff Comment:**

The proposal can be completed by Council's qualified Valuer in-house and costs would accord with staff time only. It is envisaged that a number of weeks would be required to complete the valuation and prepare a report for Council.

Consideration would need to be given to funding sources should Council decide to proceed with a proposal to purchase the land.

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## **PARK BENCHES AT PARK BEACH**

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### **Purpose:**

Councillor Nan Cowling has given notice of her intention to move:

That two park benches be installed in the parkland between Park Beach Plaza and the Northside Shopping Centre. Also that the paths through this park be made free of trip hazards, that have been marked for correction for some months and that they be corrected within two months. That the finance for this work to be drawn from the Insurance rebate that was received at the Local Government Conference dinner.

### **Rationale**

The Park Beach area has many elderly residents that use this path through the park to do their shopping, and a rest to and from the shops would make a huge difference to their lives. These small things can make a huge difference in many people's lives. In particular a 92 year old lady frequents this park using a walking stick and the trip hazards are not conducive to her safe passage. It is also a lovely shaded park for workers to use for lunch breaks and it is not a good look for them to be seen using overturned shopping trolleys for their seats.

### **Staff comment**

There are no funding programs in Council's current budget for the benches. Supply and installation of two benches and concrete slab would require a specific allocation, estimate is \$4,000.

The 'trip hazards' in question were identified as far back as February 2013, however only as a medium-low risk, ie there are a large number of defects identified across the entire network of footpaths in the local government area, and these are addressed in order of priority based on risk as resources permit, and in such a way as to maximise the efficiency of repair. This approach to risk based assessment and prioritisation is guided by Council's legislative obligations under the Civil Liabilities Act, 2002.

The defects will be repaired in the next program of 'grinding' operations where the step between slabs is ground down. This will be before Christmas, and funding for this work is available within current footpath maintenance allocations.

Council has recently received \$179,697 (excluding GST) from Council's insurers Statewide Mutual representing Council's claims experience discount, a return to Council as a member of the mutual, and funds to support risk mitigation initiatives. An amount of \$100,500 was expected to be received and included in the 2014/15 budget. Therefore, the surplus of \$79,197 will be identified in the next monthly budget review and allocated to the priority list of risk mitigation projects.

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## COUNCILLOR EXPENSES AND FACILITIES POLICY

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### **Purpose:**

For Council to adopt the Councillor Expenses and Facilities Policy.

### **Description of Item:**

The purpose of this policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred by Councillors. The policy also ensures that the facilities provided to assist Councillors to carry out their civic duties are reasonable and meet the expectations of the local community.

### **Sustainability Assessment:**

- **Environment**

This is not applicable to this report.

- **Social**

This is not applicable to this report.

- **Civic Leadership**

The purpose of Council policies is to ensure transparency and accountability in local government. The implementation enables Council to identify and respond to the community. This is consistent with the *Coffs Harbour 2030 Community Strategic Plan strategy LC3.1 Council supports the delivery of high quality, sustainable outcomes for Coffs Harbour.*

- **Economic**

The budget includes allocations to account for the expenses included within the policy. If Council requires any amendments to the policy relating to payment of expenses, the impact of these changes on the 2014/15 adopted budget will need to be considered.

### **Broader Economic Implications**

There are no broad economic impacts associated with the implementation of the recommendations.

### **Delivery Program/Operational Plan Implications**

The ongoing development and review of Council policies and plans are accommodated within Council's budget structure. This expenditure is monitored through Council's monthly and quarterly budget reviews.

### **Risk Analysis:**

This is not applicable to this report.

**Consultation:**

As per section 253 of the *Local Government Act 1993*, and following the Council meeting of 28 August 2014, the draft Councillor Expenses and Facilities Policy was on public exhibition for a period of 28 days. At the conclusion of the exhibition period nil (0) submissions were received.

**Related Policy and / or Precedents:**

This is not applicable to this report.

**Statutory Requirements:**

This policy is made under the *Local Government Act 1993*, in accordance with sections 252 and 253, as well as clause 403 of the Local Government (General) Regulation 2005.

In accordance with Section 252 of the Local Government Act 1993, (the Act) Council is required within five months of the end of each financial year to adopt a policy concerning the payment of expenses incurred by, and the provision of facilities to, the Mayor and Councillors in relation to discharging the functions of civil office.

A copy of this policy must be submitted to the Office of Local Government by 30 November each year.

**Issues:**

The absence of submissions indicates that there were no issues with the draft policy.

**Implementation Date / Priority:**

Implementation is immediate.

**Recommendation:**

**That Council adopts the Councillor Expenses and Facilities Policy.**



Locked Bag 155,  
Coffs Harbour, NSW 2450  
ABN 79 126 214 487

## COFFS HARBOUR CITY COUNCIL



### Councillor Expenses and Facilities Policy

#### Policy Statement:

Councillor expenses and facilities policies allow for Councillors to receive adequate and reasonable expenses and facilities to enable them to carry out their civic duties as elected representatives of the residents and ratepayers of the City of Coffs Harbour. All expenses incurred by Councillors are to relate to the performance and carrying out of their civic duties.

#### Director or Manager Responsible for Communication, Implementation and Review:

General Manager

#### Related Legislation, Division of Local Government Circulars or Guideline:

- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*
- DLG 'Guidelines for the payment of expenses and the provision of facilities to mayors and Councillors'. October 2009
- Code of Conduct Policy
- ICAC publication 'No excuse for Misuse'

#### Does this document replace an existing policy?

Yes

Councillors Expenses and Facilities Policy  
As adopted by Council 20 November 2013

#### Other Related Council Policy or Procedure:

Nil

#### Application:

It is mandatory for all Councillors to comply with this policy.

#### Distribution:

This policy and guidelines are available on Council's website under Council policies.  
Copies distributed to all Councillors.

☒ Internet ☒ Intranet ☐ Email ☐ Noticeboard ☒ ECM

#### Approved by:

Executive Team:

Council :

Resolution No: GM

#### Signature:

\_\_\_\_\_  
*General Manager*

Council Branch Responsible:  
Governance & Legal Services

Date of next Review: September 2015

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## **PART 1 - PRELIMINARY**

### **1. Objective**

The purpose of this policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred, or to be incurred by the Mayor and Councillors.

To ensure that the fees paid, civic expenses reimbursed and facilities provided to the Mayor and Councillors are appropriate and reasonable to the importance of the Office.

To ensure that the Mayor and Councillors do not suffer financial hardship by meeting their Civic responsibilities as a member of the governing body of the Council or as an elected person.

### **2. Introduction**

In accordance with the provisions of the Local Government Act 1993, the Council is required to adopt a policy concerning the payment of fees and expenses and the provision of facilities to the Mayor and other Councillors in relation to their roles as elected persons and members of the governing body of the Council.

Councillors, in carrying out their civic responsibilities, are required to attend a variety of functions in their capacity as a representative of Council i.e., Council meetings, Committee meetings, and as delegates.

Councillors will also be expected to attend a variety of functions in a capacity where they may not directly represent Council, but attendance is relevant to their effectiveness as Councillors, i.e., attendance at community functions.

### **3. Legislative Provision**

The *Local Government Act 1993* recognises this obligation and makes provision (Division 5 of Chapter 9) for payment of fees (s.248 and s.249); payment of expenses (s.252) and provision of facilities (s.252).

### **4. Basis of Providing Facilities**

Unless otherwise provided, the facilities which may be provided to the Mayor and Councillors under this policy, shall be provided without reduction of the annual fees payable to the Mayor and Councillors, as determined by the Council, under Section 248-254A inclusive of the Act.

### **5. Reporting Requirements**

Clause 217 of the Local Government (General) Regulation 2005 requires Council to include detailed information in its Annual Report about the payment of expenses and facilities to Councillors.

An annual report is to include the following information:

- Details (including the purpose) of overseas visits undertaken during the year by Councillors, Council staff or other persons while representing the Council (including visits sponsored by other organisations).

## Attachment

- Details of the total cost during the year of the payment of the expenses of, and the provision of facilities to Councillors in relation to their civic functions (as paid by the Council, reimbursed to the Councillor or reconciled with the Councillor), including separate details on the total cost of each of the following:
  - The provision during the year of dedicated office equipment allocated to Councillors on a personal basis, such as iPads and mobile telephones (including equipment and data plan costs but not including call costs).
  - Telephone calls made by Councillors, including calls made from mobile telephones provided by Council and from landline telephones.
  - The attendance of Councillors at conferences and seminars.
  - The training of Councillors and the provision of skill development for Councillors.
  - Interstate visits undertaken during the year by Councillors while representing the Council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses.
  - Overseas visits undertaken during the year by Councillors while representing the Council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses.
  - The expenses of any spouse, partner (whether of the same or the opposite sex) or other person who accompanied a Councillor in the performance of his or her civic functions, being expenses payable in accordance with the *Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors for Local Councils in NSW* prepared by the Director-General from time to time.
  - Expenses involved in the provision of care for a child of, or an immediate family member of, a Councillor, to allow the Councillor to undertake his or her civic functions.

Council's Annual Report must also incorporate a copy of this policy.

### 6. Misuse of Council Resources

Councillors should have a clear understanding of their responsibilities in using Council's resources. Councillors must:

- Not use his or her official position to accept or acquire an unauthorised personal profit or financial advantage (other than of a token kind as defined by Coffs Harbour City Council's Adopted Code of Conduct).
- Not use Council resources for private purposes unless such use is lawfully authorised and proper payment is made where appropriate.
- Not convert to his or her own use any property of the Council.
- Not use Council's facilities, equipment and services to produce election material or for any other political purpose.
- Ensure that council property, including intellectual property, official services and facilities are not misused by any other person or body.

Additional guidance can be found in Council's Code of Conduct, the Independent Commission Against Corruption publication "No excuse for misuse - preventing the misuse of council resources" and the Department of Local Government's 'Guideline for the Payment of Expenses and the Provision of facilities to Mayors and Councillors' for Local Councils in NSW.

## **7. General Expense Allowances**

In accordance with clause 403 of the Regulation there is no provision for a general expense allowance for Councillors. A general expense allowance is a sum of money paid by council to a Councillor to expend on an item or a service that is not required to be receipted and/or otherwise reconciled according to a set procedure and within a specific timeframe.

## **8. Approval and Dispute Resolution Processes**

Approval arrangements for the payment of expenses for Councillor attendance at conferences will be:

- (a) The Council, through resolution duly passed at a Council Meeting;
- (b) The Mayor and General Manager, where such conferences are in accordance with this policy (Part 4, section 5);
- (c) If the Mayor requires approval, this can be done jointly by the Deputy Mayor or another Councillor and the General Manager.

The Mayor, in consultation with the General Manager, is responsible for authorising payment of expenses and the provision of facilities (not relating to attendance at conferences as above) in accordance with this policy.

The Deputy Mayor, or another Councillor, and the General Manager are responsible for authorising payment of expenses and the provision of facilities for the Mayor in accordance with this policy.

Should a dispute arise about the provision of expenses and facilities, or when an expense claim is not approved by the Mayor and General Manager, then the disputed decision is to be reviewed by the external members of the Governance and Audit Committee.

## **9. Monetary Limits**

Monetary limits are mentioned throughout this policy. (Appendix A) provides a table listing all monetary limits.

Any expenses incurred in excess of the limits within this policy should be reported to Council and approval obtained, where possible, prior to the expenses being incurred.

## **10. Private Benefit**

Councillors (incl Mayor) should not obtain private benefit from the provision of equipment and benefit from the provision of equipment and facilities, nor from travel bonuses such as 'frequent flyer' schemes or any other loyalty programs while on council business. It is acknowledged that incidental use of council equipment and facilities may occur from time to time. Such incidental private use is not subject to a compensatory payment back to council. Anything other than incidental private use should be reimbursed to council at the recognised cost.

## PART 2 - FACILITIES FOR MAYOR AND COUNCILLORS

### 11. Councillors

To assist the Councillors, including the Mayor in carrying out the duties of their office, they are if they request such, entitled to receive the benefits of the following facilities for use in connection with their civic duties, without reduction (unless otherwise stated) of the fees payable under Section 248 of the Act:

- 11.1 A copy of the Electoral Rolls for the whole Council area and access to Council policies, relevant Acts and Regulations.
- 11.2 Access to a Councillors' Room in the Coffs Harbour City Council Administration Building, suitably equipped with access to telephone, computer terminal connection, copying and printing facilities.
- 11.3 Secretarial service including typing, photocopying, printing and postage for the following purposes:
  - 11.3.1 Initiating correspondence to, and answering correspondence received from, residents/ratepayers, Members of Parliament, Government Departments, statutory authorities/bodies, other local authorities, other Councillors, local government related bodies and organisations, the media or the general public in relation to the business of the Council or local government subject to a response to petitions received by Councillors will only be made to the principal person who lodges the petition and not all signatories.
  - 11.3.2 Replying to invitations to attend functions/gatherings received in their capacity as a Councillor;
  - 11.3.3 Communications to Councillors and Council's staff on official business;
 

Provided that under no circumstances will the Council permit the facilities provided to be used for the initiation or issue of circular type letters or election material / letters.
- 11.4 Suitable meals associated with Council and Council Committee meetings, and meetings of Councillors with Parliamentary representatives, visiting dignitaries and other delegations.
- 11.5 Suitable stationery supplies.
  - 11.5.1 Councillor business cards, name badges and Council promotional apparel, e.g., scarf, tie, cuff-links, etc.
  - 11.5.2 Stationery - use of Council letterhead and envelopes for Council business.
  - 11.5.3 Postage - official Councillor correspondence – This is to be directed through the Council's own mail system.

## Attachment

- 11.6 Access to Information - Councillors can obtain copies of Council information, if the information is required to enable a Councillor to undertake their role as defined under S232 of the Local Government Act 1993.

When seeking information on policy issues and day to day matters, in the exercise of their statutory role as a member of the Council, Councillors must contact the General Manager, Director, or an officer nominated by the Director.

- 11.7 Preparation of media material except material for an election campaign - professional advice and assistance from officers in preparing media material (other than election campaign material) relevant to the Councillor's role subject, in each case, to the approval of the General Manager.
- 11.8 Recognition of Service - Council will provide a plaque and suitable gift as recognition of service to former Councillors and Mayors who have served a minimum of one (1) term.
- 11.9 Access to a suitable vehicle or vehicles (if available) provided by the Council for use on official duties connected with the office of Councillor. If required, Councillors are also issued with a cab charge card. Cab charge cards are for Council business, when a Council vehicle is not reasonably available to provide such transport, or the provision of a vehicle would not be economical in the circumstances.
- 11.10 Provision of four car parking reserved spaces at the Coffs Harbour City Council Administration Building for the specific use of Councillors on Council business during business hours.
- 11.11 The following furniture and/or equipment which shall remain the property of the Council, subject to the conditions specified and subject to the immediate return of such furniture and/or equipment to the Council in good operational order and condition upon ceasing to be an elected member of the Council:
- 11.11.1 Three (3) drawer filing cabinet if specifically required.
- 11.11.2 A mobile phone – with blue tooth installed in the Councillor's private vehicle if required.
- An appropriate call plan will be entered into, whereby Council meets the cost of the monthly service and access fees and individual Councillors meet the cost of any additional private calls.
  - The Councillor's business mobile phone number is to be made available to the public.
  - Council's current telecommunication plan covers Council related calls and includes 1GB of data
  - Councillors will receive an email notification when data usage reaches 80% of the allowable.
  - The cost (as charged by Council's provider) of personal calls and data in excess of 1GB is to be reimbursed by the Councillor.

## Attachment

11.11.3 An iPad or other form of electronic system and software to enable processing of correspondence and access to Council business papers, minutes, policies and other Council records if such are distributed to Councillors in electronic data form.

- Computer software training - Councillors will be provided with computer software training where necessary to undertake Councillor duties. Course fees and software will be met by Council.
- Council's current telecommunication plan includes 4GB of data
- Councillors will receive an email notification when data usage reaches 80% of the allowable.
- Council's telecommunication plan provider issues warnings to the user advising that usage is approaching data limits.
- The cost (as charged by Council's provider) of data in excess of 4GB is to be reimbursed by the Councillor.

11.11.4 Security Key - Councillors are to be provided with a security key for access to building and a key to access the Councillors Room.

11.11.5 Corporate clothing and protective clothing and equipment when required.

## 12. Additional Facilities for the Mayor

The Mayor shall, in carrying out the duties of that office, be entitled to receive the benefit of the following facilities without reduction of the fees payable under Section 248 and/or 249 of the Act:

A similar facility shall be available to the Deputy Mayor at any time he or she is required to act as the Mayor in accordance with Section 231 of the Act.

- 12.1 Suitable furnished office accommodation within the Coffs Harbour City Council Administration Building.
- 12.2 Secretarial services including typing, photocopying, printing, postage, email, facsimile and telephone facilities.
- 12.3 Administrative assistance associated with any Council function, meetings, publications and the like.
- 12.4 Office refreshments for entertainment purposes.
- 12.5 The provision of a suitable and appropriate vehicle fully serviced and maintained for both civic and private use. In the event of the vehicle being used for private use Council shall set any contribution level from time to time. The current contribution rate is nil, subject to the following clause:

## Attachment

A fuel card is provided for refuelling from Council authorised facilities, however, during periods of private use any refuelling occurring outside a 200km radius from the Council administrative centre, must be paid for by the Mayor.

At any time the Deputy Mayor is required to act as the Mayor, in accordance with Section 231 of the Act. "the provision of a suitable and appropriate vehicle fully serviced and maintained for use for all official, executive and social duties connected with the office shall be made available."

- 12.6 The provision of an allocated parking space at Council's Administration Building.
- 12.7 The provision of expenses and facilities for the Mayor and/or partner to attend on behalf of Council in the office of the Mayor on official or legal occasions. As a guide the amounts payable for accommodation and meals will be the maximum reasonable travel and meal expense amounts determined by the Australian Taxation Office (ATO), as stated on the ATO website, currently TD2014/19 – Table 3. (see link at 22.2)  
  
If the Mayor is attending a conference and accommodation is available at the conference venue, Council will pay for a standard double room at the venue. Council will pay for the night before and/or after the conference where this is necessary because of travel and/or conference timetables.
- 12.8 Mobile/car communication technology, including charges for rental, calls, etc related to civic duties. Any calls of a personal nature are to be reimbursed to council.
- 12.9 Stationery, including Mayoral letterhead, envelopes and stationery generally.
- 12.10 If the Mayor so chooses, provision of a corporate purchase card to be used for official Council business and expenditures provided under the annual allocation for discretionary expenditure for the office of Mayor. The corporate purchase card is to be used in situations where it is not reasonably possible to go through the Council's normal procedures for the ordering and/or payment for goods or services.
- 12.11 Ceremonial clothing including Mayoral robes and Chain of Office.

## PART 3 - REIMBURSEMENT AND ACQUISITION OF EQUIPMENT

### 13. Reimbursement

- 13.1 Councillors will receive a regular copy of their mobile phone account. Calls not used for council business are to be reimbursed to Council.
- 13.2 Postage of official Councillor correspondence - Councillors will be reimbursed where expenses can be verified and where it is impractical to use the Council's own mail system.

**Attachment**

- 13.3 Councillors seeking reimbursement for sustenance expenses should provide receipts in accordance with Goods and Services Tax (GST) requirements.

**14. Acquisition of Equipment**

Upon ceasing the position of Councillor or Mayor all equipment must be returned to Council or Councillors may purchase equipment at either trade-in-value or the price Council would obtain for its disposal or particular items may be purchased at current written down value.

**PART 4 - EXPENSES FOR COUNCILLORS**

**15. Payment of expenses for spouses, partners and accompanying persons.**

There may be limited instances where certain costs incurred by the Councillor on behalf of their spouse, partner or accompanying person are properly those of the Councillor in the performance of his or her functions (hence they are properly incurred by, and reimbursable to the Councillor). An accompanying person is a person who has a close personal relationship with the Councillor and/ or provides carer support to the Councillor.

As a consequence, meeting the reasonable costs of spouses and partners or an accompanying person for attendance at official council functions that are of a formal and ceremonial nature, is considered appropriate when accompanying Councillors within the local government area. Such functions would be those that a Councillor's spouse, partner or accompanying person could be reasonably expected to attend. Examples could include but not be limited to, Australia Day award ceremonies, Citizenship ceremonies, civic receptions and charitable functions for charities formally supported by council.

Limited expenses of spouses, partners or accompanying persons associated with attendance at the Local Government and Shires Associations' annual conferences could be met by councils. These expenses should be limited to the cost of registration and the official conference dinner. Travel expenses, any additional accommodation expenses, and the cost of partner/ accompanying person tours etc. should be the personal responsibility of individual Councillors.

Consideration should also be given to the payment of expenses for the spouse, partner or accompanying person of a mayor, or a Councillor when they are representing the mayor, when they are called on to attend an official function of council or carry out an official ceremonial duty while accompanying the mayor outside the council's area, but within the State. Examples could include charitable functions to which the mayor has been invited and award ceremonies and other functions to which the mayor is invited to represent the council.

The above circumstances should be distinguished from spouses, partners of accompanying persons who accompany a Councillor at any event or function outside the council area, including interstate and overseas, where the costs and expenses of the spouse or partner or accompanying person should not be paid by council (with the exception of attendance at the Local Government and Shires Associations annual conferences, as noted above).



## Attachment

The above examples should also be distinguished from circumstances where spouses, partners or accompanying persons accompany Councillors at seminars and conferences and the like. In these situations all costs, including any additional accommodation costs, must be met by the Councillor or the spouse/ partner/ accompanying person.

The payment of expenses for spouses, partners or accompanying persons for attending appropriate functions as permitted above should be confined specifically to the ticket, meal and/ or the direct cost of attending the function. Peripheral expenses incurred by spouses, partners or accompanying persons such as grooming, special clothing and transport are not considered reimbursable expenses.

### 16. Care Expenses

- 16.1 Council will reimburse Councillors for the cost of care services incurred while on authorised Council business. This includes childcare, eldercare, disability care and care of ill or injured relatives when provided by a registered carer. Expense claims for reimbursement are to be accompanied by an itemised receipt and a maximum of \$18.50 per hour per caree applying. This will be paid to a maximum of \$2200 annually.
- 16.2 Council will give consideration to the payment of other related expenses associated with the special requirements of Councillors with disability and access needs, including reasonable transportation provisions for those unable to drive a vehicle, to allow them to perform their normal civic duties and responsibilities. Costs could include accommodation, meals and travel expenses for carers, accompanying a Councillor where required.

## **PART 5 - TRAVEL COSTS - USE OF COUNCILLORS PRIVATE VEHICLES**

### **17. Councillors**

17.1 Councillors, subject to the Councillor's private vehicle being currently registered and covered by Compulsory Third Party Insurance, may claim a kilometre allowance for use of private vehicles when used to travel (including return) between their place of residence and:

17.1.1 Attending Council, Committee or Sub Committee meetings as a Councillor or delegate of the Council, engagements, appointments and attending to the transaction of Council business;

17.1.2 Inspections listed on the Council Meeting Agenda, undertaken in compliance with a resolution of the Council or at the request of a resident;

17.1.3 Attending public meetings and civic functions convened by the Council or other community meetings where a Councillor has been invited to attend;

Any conference as defined in the policy.

17.2 Kilometre rates for such travel will be paid at the rate set by the 'ATO cents per kilometre rates' at the date of travel. Such rate shall be deemed to cover and include any claims for accidental damage or repairs to the Councillor's own vehicle, and any loss of no claim bonus and any excess not covered by insurance.

17.3 Payment is subject to a formal claim on the prescribed voucher form being lodged by the Councillor not later than three (3) months after the travel occurred.

17.4 Costs of traffic or parking fines incurred while travelling in vehicles on Council business are the responsibility of the driver.

## **PART 6 - CONFERENCES HELD IN AUSTRALIA**

In this part Conference means conferences, seminars, congresses, forums, workshops, courses, meetings, deputations, information and training sessions, events, etc related to the industry of local government and held within Australia.

### **18. Who may attend Conferences:**

18.1 Any Councillor may be nominated and authorised to attend conferences.

18.2 The Mayor may authorise a substitute Councillor to attend any conference in lieu of the Mayor.

### **19. What Conferences may be Attended:**

The conferences to which this policy applies shall generally be confined to:

- Local Government Association (LGA) and Australian Local Government Association (ALGA) Conferences.
- Special "one-off" conferences called or sponsored by or for the LGA and/or ALGA on important issues.
- Annual conferences of the major Professions in Local Government
- Australian Sister Cities Conferences.
- Regional Organisation of Council's Conferences.
- Conferences, which further training and development efforts of the Council and of Councillors, or which relate to or impact upon the Council's functions.
- Any meetings, conferences, organisations or bodies on which a Councillor of the Council may be elected, or appointed to be, a delegate or member of the Council or the LGA.

### **20. Councillors' Attendance**

20.1 That Councillors attending either conferences or seminars funded by Council be required to attend at least 90% of scheduled sessions.

20.2 That, other than in the most exceptional circumstances, where Councillors fail to comply with this policy, they be required to show cause why they should not reimburse any Council costs incurred.

### **21. Local Government and Shires Association Councillor Professional Development Program and Other Local Government Conference and Seminar Programs**

21.1 That the Mayor and General Manager be delegated the right to approve Councillors' applications to attend any workshop sessions or seminars as part of the Local Government Professional Development Program and other affiliated programs.

21.2 That Councillors report in writing within one month of attendance to an open session of Council on the outcome of Local Government program sessions.

## Attachment

**22. Conference Costs**

The following shall apply for Councillors authorised and/or appointed as delegates under this policy to attend Conferences (as defined above):

**22.1 Registration**

The Council will pay all normal registration costs for Councillors/delegates which are charged by organisers, including those relating to official luncheons, dinners and tours/inspections which are relevant to the interests of the Council.

**22.2 Accommodation and Meals**

As a guide the amounts payable for accommodation and meals will be in line with the maximum reasonable travel and meal expense amounts determined by the Australian Taxation Office, as stated on the ATO website, currently TD 2014/19 table 3.

<http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD201419/NAT/ATO/00001>

Excerpt taken from table 3 shown below:

	<b>Accommodation and Meals \$</b>
<b>Sydney</b>	<b>265.00</b>
<b>Breakfast</b>	<b>32.55</b>
<b>Lunch</b>	<b>46.10</b>
<b>Dinner</b>	<b>64.60</b>

If accommodation is available at the conference venue, Council will pay for a standard double room at the venue. Council will pay for the night before and/or after the conference where this is necessary because of travel and/or conference timetables.

**22.3 Travel**

22.3.1 All reasonable travel costs for Councillors/delegates to and from the conference location and venue will be met by the Council. Where appropriate, travel will be provided by air (economy class). Depending upon the location or circumstances, it may be more appropriate for travel to be undertaken by car or train.

22.3.2 Where trains are used the Council will provide first class travel, including sleeping berths where available.

22.3.3 Where travel by motor vehicle is used it should be undertaken by Council vehicle where available, or by private vehicle subject to prior approval of the General Manager.

22.3.4 Councillors using private vehicles in accordance with this policy may claim the "kilometre" allowance at the date of travel as per Clause 3.2, but subject to such cost not exceeding economy class air fares to and from the particular destination.

**Attachment**

- 22.3.5 Costs of vehicle hire, taxi fares and parking which are reasonably required and incurred in attending conferences, will be reimbursed by the Council.
- 22.3.6 Costs of traffic or parking fines incurred while travelling in private or Council vehicles on Council business are the responsibility of the driver.

**23. Conference Costs - Incidental Expenses**

- 23.1 So that Councillors, as delegates of the Council attending conferences are not financially disadvantaged, each Councillor attending in pursuance of a Council resolution or Mayoral authority, shall be entitled to reimbursement of incidental expenses.
- 23.2 The amount of the payment under Clause 9.1 shall be equal to reasonable costs substantiated by a tax invoice receipt or statutory declaration to the effect that the expenditure was incurred, subject to daily limits specified in Appendix A.
- 23.3 Such payment shall be made to cover all incidental expenses associated with the conference attendance such as:
  - 23.3.1 All telephone or facsimile calls. Council will meet the cost of telephone calls from the delegate to his/her family and to Council during the period of the conference. Other telephone expenses are to be paid for by the delegate;
  - 23.3.2 Laundry - Council will meet the cost of reasonable laundry or dry cleaning services, if necessary;
  - 23.3.3 Any optional activity in a conference program;
  - 23.3.4 Gifts taken - If it is appropriate that gifts be required for presentations, Council will provide items as determined by the General Manager;
  - 23.3.5 Gifts received - Council's Code of Conduct should be adhered to at all times. Any gifts received should be declared on return.
- 23.4 The following Incidental expenses will not be met by Council:
  - 23.4.1 Bar fridge – Council will not meet the cost of any expenses incurred from the use of the bar fridge provided in the hotel room.
  - 23.4.2 Bar service – Council will not meet the cost of any expenses incurred at the bar located within the hotel other than where special guests have been invited for drinks at the request of the Mayor or leader of the Council's delegation.
- 23.5 A cash payment for incidental expenses under this clause may be paid to a Councillor in advance, subject to any portion being refundable to the Council within seven (7) days of the conclusion of the conference if the actual period of attendance is less than that upon which the allowance was assessed.

**Attachment**

**24. Conference Costs - Payment in Advance**

- 24.1 The Council will normally pay registration fees, accommodation costs and airline/train tickets direct to conference organisers/travel agent in advance. Where this is not appropriate or possible a cash allowance or cheque equivalent thereto may be paid in advance to the attendee for payment to the appropriate party.
- 24.2 Any advance payments must be properly accounted for on the prescribed voucher form within one (1) month after such conference.

**25. Conference Costs - Councillors'/Delegates' Accompanying Person**

- 25.1 Where the Councillor is accompanied at a conference all costs for, or incurred by, the accompanying person, including travel, breakfast, meals, registration and/or participation in any conference programs, are to be borne by the Councillor/accompanying person and not by the Council. Accompanying person's registration, or accompanying person's program fees, is to be paid to the conference organiser, etc. and paid at the time of registration. The Council is prepared to receive such registration and payments and to forward them on to the conference organiser, etc with any Council delegates' registration.
- 25.2 Where the Council meets, on account, any expenditure or cost on behalf of an accompanying person attending a conference, such expenditure must be repaid to the Council by the Councillor/accompanying person within seven (7) days of being invoiced for such expenditure following the conclusion of the conference.

Note: Reference should also be made to section 2.14 Payment of Expenses for spouses, partners and accompanying persons.

**PART 7 - CONFERENCES OVERSEAS****26. Attendance at Overseas Conferences**

Proposals for overseas travel by Councillors and staff on Council business will be documented in the annual Operational Plan, outlining the direct and tangible benefits to Council and the community for the proposed trip. The plan will be widely circulated in the community. Community input about the proposed visit can therefore be considered as part of the Operational Plan review and budget finalisation process.

Overseas travel must be approved by a meeting of the full council prior to a Councillor undertaking the trip. Travel must be approved on an individual trip basis. Retrospective reimbursement of overseas travel expenses is not permitted, unless prior authorisation of the travel has been obtained.

Travel proposals should be included in the council business papers. The use of a mayoral minute to obtain council approval for travel is not appropriate as it is not consistent with principles of openness and transparency.

A detailed report should be given in the Annual Report for the year in which the visit took place, outlining how the objectives were met and what quantifiable benefits will flow into the community.

Overseas conferences, seminars and courses - reimbursement of costs associated will be in accordance with the conditions applying for conferences held in Australia except:

- 26.1 The terms "conference" and "delegation" as occurring in this policy include visits of cultural exchange between Council and other Local Government areas as part of Council's Business of Local Government;
- 26.2 Accommodation expenses incurred for conference and/or other travel/delegation etc. will be paid, including for the night prior to and following such conference or delegation, depending upon travel schedules, as expressly authorised by Council prior to such travel being incurred.
- 26.3 Accommodation that may be required in transit to overseas conferences should equate to an Australian 4 star ranking.
  - 26.3.1 Travel costs for both air and ground charges will be met by Council as follows:
  - 26.3.2 Airfares will be at business class standard if flight is more than ten hours
  - 26.3.3 Any travel by train will be first class, including sleeping berths where necessary
  - 26.3.4 Road transport will be by taxi or hire car having regard to distance and the constraints of time.

## PART 8 - LEGAL ASSISTANCE FOR COUNCILLORS

### 27. Legal and Representation Costs - Enquiries, Investigations, Hearings, etc

That in the event of:

27.1 Any enquiry, investigation or hearing by any of:

- the Independent Commission Against Corruption;
- the Office of the Ombudsman;
- the Department of Local Government;
- the Police;
- the Director of Public Prosecutions; or
- the Local Government Pecuniary Interest Tribunal,

Into the conduct of a Councillor; or

27.2 Legal proceedings being taken against a Councillor, arising out of or in connection with the Councillor's performance of his or her civic duties or exercise of his or her functions as a Councillor, Council shall reimburse such Councillor, at the conclusion of such enquiry, investigation, hearing or proceeding, for all legal expenses properly and reasonably incurred, given the nature of the enquiry, investigation, hearing or proceeding, on a solicitor/client basis, PROVIDED THAT:

27.2.1 The amount of such reimbursement shall be reduced by the amount of any monies that may be or are recouped by the Councillor on any basis;

27.2.2 The Councillor's performance or exercise of the civic duty or function was in the opinion of Council bona fide and/or proper, and the Councillor acted in good faith as required under Section 731 of the Local Government Act.

27.2.3 The amount of such reimbursement shall be limited to the extent that only fees charged at a rate equivalent to the average hourly rate then being charged by Council's Solicitors will be paid, i.e., any portion of the expenses representing any hourly charge rate higher than the hourly charge rate of Council's Solicitor will not be reimbursed;

27.2.4 For proceedings before the Local Government Pecuniary Interest and Disciplinary Tribunal or an investigative body provided the subject of the proceedings arises from the performance in good faith of a function under the Act and the Tribunal or investigative body makes a finding substantially favourable to the Councillor

27.2.5 If a Councillor is defending an action in defamation the statements complained of were made in good faith in the course of exercising a function under the Act

27.2.6 The Council is not the plaintiff in the action; and

27.2.7 The proceedings were not initiated by the Councillor



**Attachment**

- 27.3 Legal advice relating to a pecuniary interest, conflict of interest or matter governed by the Code of Conduct which in the opinion of the General Manager is necessary to clarify the particular Councillor's responsibilities in the performance of his/her duties as a Councillor will be provided and paid for by Council.
- 27.4 Council will not meet the costs of a councillor (or council employee) seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation.
- 27.5 Legal expenses incurred in relation to proceedings arising out of the performance by a councillor of his or her functions under the Act should be distinguished from expenses incurred in relation to proceedings arising merely from something that a councillor has done during his or her term in office. An example of the latter is expenses arising from an investigation as to whether a councillor acted corruptly by using knowledge of a proposed rezoning for private gain. This latter type of expense would not be covered by council.

If there is doubt as to whether the matter was a result of a Councillors duty or function under the Act, the matter would be referred for initial assessment to council's legal or insurance representatives to determine. When this determination is received it should then be reported to Council.

**PART 9 - INSURANCE AND HEALTH MAINTENANCE AND ASSESSMENT PROGRAMS****28. Insurance - Councillors**

The Council will insure, or will provide for the insurance of Councillors for:

**28.1 Personal Accident and Travel**

28.1.1 Personal injury whilst ever engaged in or on any Council activity, worldwide, covering bodily injury caused by accidental, violent, external and visible means up to a sub-limit for death determined by the Council and also covering permanent disablement, temporary total disability and temporary partial disability. The cover does not include medical expenses as medical expenses cannot be included due to the provisions set down in the Health Act. The Council shall determine the distribution of any benefits arising from such insurance to the Councillor or his/her beneficiaries.

28.1.2 Councillors are to receive the benefit of insurance cover for:

Personal Accident and Travel

Benefits	Cover
Death Benefit	Elected Members \$500,000
Weekly Benefits	<ul style="list-style-type: none"> <li>▪ 100% of average weekly income up to a maximum of \$4000 per week</li> <li>▪ Aggregate Period - 156 weeks</li> <li>▪ Temporary Partial Disablement benefits shall be limited to 75% of average weekly income up to a maximum of \$3000 per week, indexed annually by CPI from the date of claim.</li> </ul>
Personal Liability	\$10,000,000
<i>Note: Full details of coverage available on request.</i>	

**28.2 Professional Indemnity/Public Liability**

28.2.1 Public Liability.

28.2.2 Professional Indemnity - For matters arising out of Councillors' performance of civic duties or exercise of their functions as Councillors provided the performance or exercise of the relevant civic duty or function is in the opinion of Council bona fide and/or proper and is carried out in good faith, as required under section 731 of the Local Government Act, BUT subject to any limitation or conditions set out in the policy of insurance, which is, at the direction of Council, taken out.

28.2.3 Professional Indemnity - For matters arising out of Councillors' performance of civic duties or exercise of their functions as Councillors, carried out in good faith BUT subject to any limitations or conditions set out in the policy of insurance which is, at the direct of Council, taken out.

**Attachment**

28.3 To indemnify each insured person(s) (Councillors) for all costs, charges, expenses and defence costs **but** excluding **fines** and **penalties** incurred in relation to any **prosecution** (criminal or otherwise) of any insured person(s), attendance by any insured person(s) at any official investigation, examination, inquiry or other proceedings ordered or commissioned during the period of insurance by any official body or institution that is empowered to investigate the affairs of the Council by reason of any wrongful act wherever or whenever committed or allegedly committed by the insured person(s) in their capacity as insured person(s), BUT subject to any limitations or conditions set out in the policy of insurance which is, at the direction of the Council.

28.4 Councillors and Officers Liability - Councillors and Officers Liability Insurance provides limited financial protection to Councillors and staff in circumstances where they may be named as an individual to a claim, and the normal protections under the Local Government Act or Council's General and Professional Liability insurance are not available.

The protection provided covers the liability to pay civil damages, the claimants legal costs, and the Councillors or staff member's costs incurred in the claim (policy limit \$1million). The protection extends to the estate and heirs of a deceased Councillor or staff member.

The policy specifically excludes protection for claims brought by a Councillor or staff members against another.

**PART 10 - ANNUAL FEES - MAYOR AND COUNCILLORS****29. Fees Payable to Councillors**

Pursuant to Section 248 of the Act, the Council shall, prior to 30th June each year, set by resolution, the annual fees to be paid to a Councillor for the following year commencing 1st July, provided that such fee shall be within the range for the Council determined annually by the Local Government Remuneration Tribunal. Such payment shall be subject to Section 254A of the Regulations and any specific resolution of the Council under Section 254A.

**30. Fees Payable to the Mayor**

Pursuant to Section 249 of the Act, the Council shall, prior to 30th June each year, set by resolution, the annual fee to be paid to the Mayor for the following year commencing 1st July provided that such fee shall be within the range for the Council determined annually by the Local Government Remuneration Tribunal.

**31. Sacrificing Annual Councillors Fees to Complying Superannuation Funds**

In accordance with the Australian Taxation Office Interpretative Decision 2007/205, Council may enter into an arrangement with a Councillor under which the Councillor agrees to forego all or part of their annual fee in exchange for the Council making contributions to a complying superannuation fund on their behalf.

## Appendix A - MONETARY LIMITS FOR EXPENSES

Policy Ref No.	Expense Type	Limit Amount	Comment
Part 6	Attendance at workshops and training Courses	Enrolment fee, including official luncheons, dinners & tours.	
Part 6	Attendance at dinners and other civic related Functions	Cost of service/function	
Part 6 22.2	Accommodation - If accommodation is available at conference or training venue, Council will pay for a standard double room at the venue where the overnight cost exceeds current ATO guideline.	As per ATO guidelines for reasonable travel allowance expenses for current financial year, currently maximum amount (Sydney-\$265 per night)	As per ATO guidelines for current financial year and destination <a href="#">TD 2014/19</a> table 3
Part 6 22.2	Meals	Breakfast \$32.55 Lunch \$46.10 Dinner \$64.60	As per ATO guidelines for reasonable travel allowance expenses for current financial year <a href="#">TD 2014/19</a> table 3
Part 6 23.1	Incidental expenses associated with attendance at seminars and training courses	\$26.75 daily	Actual expense up to current ATO limit daily. Examples: car parking, road tolls.
Part 6 22.3	Air Travel	Actual Fare	
Part 6 22.3	Rail Travel	Actual Fare	
Part 6 22.3	Bus Travel	Actual Fare	
Part 5 17.1 – 17.4	Use of private motor vehicle	Per km allowance as defined by the ATO rates per business km + car parking at venue	Engine capacity Rate per km: Up to 1600cc \$0.65 1601 -2600cc \$0.76 2600cc & over \$0.77
Part 2 11.11.2	Telephone call costs and related expenses	Council's current telecommunications plan	Covers Council related calls and includes 1GB of data per month
Part 2 11.11.3	Internet Access	Council's current telecommunications plan	Up to 4 GB of data per month
Part 4 16	Carer expenses	Up to \$2340per annum	Hourly rate \$19.50.
Part 2 11.5.3	Postage	Reasonable postage – to be processed through Council's mail system	

## Attachment

Coffs Harbour  
City Council  
Locked Bag 155  
Coffs Harbour, NSW 2450  
ABN 79 126 214 487

### Coffs Harbour City Council Claim for Reimbursement of Expenses by Mayor / Councillors



Name of Claimant: \_\_\_\_\_

**Travel Costs - Use of private vehicle while on official Council business**      Engine capacity: \_\_\_\_\_ cc

Date	Purpose of Travel (e.g. to and from Council meeting)	Distance (km)

Total distance travelled : \_\_\_\_\_ km @ \_\_\_\_\_ cents per km      Total claim \$ \_\_\_\_\_  
(office use) (office use)

#### Other Expenses

(Must be approved by the Mayor and General Manager and relate to your role as a Councillor)

Date	Description of Incurred Expense	Claim amount

Total claim \$ \_\_\_\_\_  
(office use)

**I attach the relevant receipts and declare that the above expenses were incurred by me and are payable under the provisions of Coffs Harbour City Council's Councillor Expenses and Facilities Policy.**

Signature of Councillor: \_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_ Office Use Only \_\_\_\_\_

Total payable \$ \_\_\_\_\_

Payment Authorised : \_\_\_\_\_ General Manager      Date: \_\_\_\_\_

Payment Authorised : \_\_\_\_\_ Mayor (if applicable)      Date: \_\_\_\_\_

Title	Doc No	Version	Author	Reviewer	Approver	Approval Date
FRM- 155						

Uncontrolled when printed

Page 1 of 1

## DEVELOPMENT APPLICATION NO. 0155/15 - DEMOLITION OF EXISTING BUILDING AND CONSTRUCTION OF A MEDICAL CENTRE - LOT 2 DP 270006 SP 39709, 9 MINORCA PLACE, TOORMINA

### Purpose:

The purpose of this report is to present Development Application No. 155/15 for Council's determination, which is an application for the demolition of an existing commercial building and construction of a three (3) storey medical centre.

The following locality plan illustrates the existing development site.



At its meeting of 22 August 2013, Council resolved:

*That development applications for approval involving substantial aspects of the following elements be referred to Council for determination:*

- *Significant public interest and community input;*
- *Substantial non-compliance with relevant strategic controls;*
- *Significant land use;*
- *Major environmental issue(s).*

In accordance with this resolution and Department of Planning Circular PS08-014 "Reporting Variations to Development Standards", the application is reported to Council for determination, as the proposal includes a variation of greater than 10%, to the maximum floor space ratio required by clause 4.4 of Coffs Harbour Local Environmental Plan 2013.

The development application is recommended for approval subject to conditions.

#### **Description of Item:**

- **The Site**

The development site forms part of a community title subdivision which comprises a number of commercial activities including shops, offices, a veterinary clinic and hotel. A common car parking area services the combined development, that is accessed from Minorca Place and connected to the 'Toormina Gardens' (Centro) car park. Existing commercial development on the site consists of a single storey vacant shop and real estate office.

- **The Development**

The proposed development involves:

- Demolition of the existing single storey commercial building.
- Construction of a three (3) storey medical centre, comprising reception area, office, waiting rooms, GP consulting rooms, treatment rooms, pharmacy, allied health rooms for physiotherapy and radiology, staff and public amenities and car parking.

The development has an estimated construction value of \$2,000,000.

Plans of the proposed development are included in this report as Attachment 2.

#### **Sustainability Assessment:**

- **Environment**

The site is within an established commercial centre and forms part of the broader commercial precinct servicing Sawtell and Toormina. The natural environmental constraints on the site are limited to managing waste and erosion and sediment control, resulting from demolition and construction works.

Appropriate waste management and sediment and erosion controls will be implemented during construction.



- **Social**

The proposed development will make a positive contribution to the provision of essential health care services for the residents of Sawtell and Toormina, in a central and accessible location.

- **Civic Leadership**

The proposed development is considered consistent with the aims and objectives of the Coffs Harbour 2030 Community Strategic Plan. In particular, it is considered that the development is consistent with Council's "Looking after our Community" relating to the provision of health care services.

<b>Objective – LC2 We lead healthy lives</b>	
<b>Strategic Plan 2030 Principle</b>	<b>Proposed development response</b>
LC 2.2 Seek to provide a full range of quality health care services for all.	The proposal will result in an integrated health care facility, providing a range of services in an accessible and central location.

- **Economic**

**Broader Economic Implications**

The proposed development will have a positive economic impact by providing employment during construction and operation of the facility and contributing to the provision of essential health care services.

**Delivery Program/Operational Plan Implications**

There are no implications for Council's Delivery Program/adopted Operational Plan.

**Risk Analysis:**

A risk analysis has been undertaken and it is considered that approval of the development application as recommended does not pose a significant risk to Council.

**Consultation:**

The application was publicly exhibited and notified to nearby and adjoining property owners from 3 October to 17 October 2014. No submissions were received in response to notification of the application.

- **Internal Consultation**

The application has been reviewed by Council's Engineering Services, Building Services, Waste Services, Environmental Services and Finance divisions. Advice received from all internal divisions of Council, has been incorporated into the assessment of the development and informs the recommended conditions of development consent (Attachment 3).

- **Statutory Consultation**

The application was not required to obtain general terms of approval or concurrence from any external authority.

The NSW Police Force Crime Management Unit conducted a *Safer by Design Crime Risk Evaluation* of the proposal and raised no concerns with the development that warranted any specific conditions.

**Related Policy and / or Precedents:**

There are no related policy and/or precedents that require consideration in respect of the application.

**Statutory Requirements:**

Section 79C of the Environmental Planning and Assessment Act 1979 specifies the matters which a consent authority must consider when determining a development application.

A section 79C evaluation is provided as Attachment 1.

• **Relevant Statutory Instruments**

- State Environmental Planning Policy No 55 – Remediation of Land
- State Environmental Planning Policy No 64 - Advertising and Signage
- State Environmental Planning Policy No 71 - Coastal Protection
- State Environmental Planning Policy (Infrastructure) 2008
- Coffs Harbour Local Environmental Plan 2013
- Coffs Harbour Development Control Plan 2013

Each of these relevant statutory instruments is considered in detail in the Section 79C assessment appended to this report.

**Issues:**

• **Floor Space Ratio**

The floor space ratio (FSR) development standard defines the allowable development density of a site, as a ratio of the gross floor area of a building to the site area of the land on which the building is proposed. Clause 4.4 of Coffs Harbour Local Environmental Plan 2013, stipulates a maximum FSR of 1:1 for the site. In this instance, the proposed building is three (3) storeys and has a gross floor area of 826.3m<sup>2</sup>. The site area of the land is 364.2m<sup>2</sup>, resulting in the proposed development having an FSR of 2.2:1.

A variation request under Clause 4.6 of the Coffs Harbour LEP 2013 has been submitted and detailed consideration of the variation is provided in the Section 79C assessment appended to this report.

In summary, it is noted that the building complies with Council's height, setbacks and car parking requirements. The proposed development is a high quality and modern design that makes optimum use of a small site for the provision of essential health care services. The building design is consistent with other large scale commercial development and the non-compliance with the FSR will not result in any adverse impacts in the locality.

It is considered that the height, bulk and scale of the building is acceptable, having regard to Council's strategic and statutory planning framework and it is recommended that Council agree to the request by the proponent to allow a variation to the FSR for the development.

**Implementation Date / Priority:**

In the event that Council adopts the recommendation, a formal notice of determination will be issued for the development application and persons who made a submission will also be notified. A formal notice of determination is valid for five years and the applicant can act on the development consent at any time within that period, subject to meeting any relevant conditions of the consent.

**Recommendation:**

- 1. That the objection made pursuant to Clause 4.6 of Coffs Harbour Local Environmental Plan 2013 for the variation to the maximum Floor Space Ratio under Clause 4.4 of Coffs Harbour Local Environmental Plan 2013, be supported in this particular case.**
- 2. That Development Application No. 0155/15 for demolition of existing building and construction of a Medical Centre at Lot 2 DP 270006 S/P 39709, 9 Minorca Place Toormina, be approved subject to the conditions on Attachment 3.**

**Section 79C Evaluation  
Development Application 0155/15**

**a. the provisions of,**

**i. any environmental planning instrument, and**

**• *State Environmental Planning Policy No 55—Remediation of Land***

The state policy requires that the consent authority must not consent to the carrying out of any development unless it has considered whether the land is contaminated.

The land is zoned commercial and has been used historically for commercial activities. The proponent has undertaken a preliminary site assessment which concluded that there is minimal likelihood of any previous potentially contaminating land uses and it is reasonable to consider that the land is not contaminated and is suitable for its intended use.

**• *State Environmental Planning Policy (SEPP) No 64 - Advertising and Signage***

The state policy contains assessment criteria for advertising signage. A building identification sign of approximately 2.5sqm in area, is proposed to be mounted flush with the front facade of the building. The proposed sign satisfies the relevant assessment criteria, is appropriately sited and is consistent with other business identification signage in the locality.

**• *State Environmental Planning Policy (SEPP) No 71 - Coastal Development***

The proposed development is considered to be consistent with the aims of the policy and satisfies the relevant matters for consideration and development control provisions. Clauses of particular relevance are discussed further below:

- The proposed development does not have frontage to a beach, estuary, coastal lake, headland, and cliff or rock platform. The proposed development will therefore have minimal impact on these locations.
- The proposed development does not change, impede or diminish public access to or along the coastal foreshore.
- The development is considered suitable given its type, location and design and its relationship with the surrounding area.
- The proposed development will not result in a detrimental impact on the amenity or scenic qualities of the coastal foreshore, including significant overshadowing of the coastal foreshore and no significant loss of views from a public place to the coastal foreshore. There is no expected impact on existing wildlife corridors, the animal, fish or plants and their inhabitants.
- The proposed development is not affected by coastal processes or coastal hazards. The proposed development will not result in potential for conflict between land-based and water-based coastal activities.
- It is not known whether items of heritage, archaeological, Aboriginal or historic significance exists on the site. A condition will be imposed however requiring building/excavation works to cease should any Aboriginal artefacts be discovered and the Office of Environment and Heritage be contacted immediately.
- The proposed development will be connected to Council's sewer.

## Attachment 1

- The proposed development will discharge stormwater into Council's stormwater system and consequently not discharge untreated stormwater into the sea, a beach, estuary, coastal lake, coastal creek or other similar body of water, or onto a rock platform.

- **Coffs Harbour Local Environmental Plan (LEP) 2013**

### **Zoning**

The land is zoned B2 Local Centre under Coffs Harbour LEP 2013. The proposed development is defined as a 'medical centre' which is permissible with consent in the B2 zone.

### **Clause 4.3 Height of buildings**

The maximum building height for the site is 15.5m under clause 4.3 of Coffs Harbour LEP 2013. The proposed height of the new building is 13m and therefore complies with this requirement.

### **Clause 4.4 Floor Space Ratio**

The maximum FSR for the site is 1:1 under clause 4.4 of Coffs Harbour LEP 2013 and 'Floor Space Ratio map'. The proposed FSR of the new building is 2.2:1

The Proponent has requested a variation to the FSR under Clause 4.6 of the Coffs Harbour LEP 2013.

### **Clause 4.6 Exception to Development Standards**

The Proponent has provided the following justification in support of their variation request:

- *The area of the site is only 364.2m<sup>2</sup> and is of insufficient area to provide enough floor space for a large modern integrated medical centre incorporating allied health rooms.*
- *The FSR does not match the intention of the height of building control (15.5m) when applied to small lot areas.*
- *There is no opportunity to amalgamate adjoining lots to create a larger lot. The adjoining lot to the north is occupied by the Toormina Hotel and Bottle shop and the adjoining lot to the east is occupied by shops and is of an unsuitable lot shape for amalgamation.*
- *Both adjoining lots are improved. The capital value of the hotel would be significantly greater than the value of the site for acquisition and amalgamation.*
- *The lot configuration of the adjoining row of shops to the east (Lot 8 DP 270006) is unsuitable for amalgamation.*
- *The community lot (Lot 1) adjoins the western and southern boundaries and is not suitable for amalgamation.*
- *Three floors of less than 300m<sup>2</sup> GFA per floor are necessary to provide adequate space to co-locate allied health with the proposed medical centre to provide a single destination for patients.*

## Attachment 1

In conclusion, the request to vary the development standard has been assessed and it is considered that compliance with the development standard is unreasonable or unnecessary and there are sufficient planning grounds to justify varying the development standard. While it is acknowledged that the variation to the FSR standard is substantial, it is considered that the opportunities for site amalgamation are limited in the circumstances. The variation request has demonstrated that the proposed development will be in the public interest and will be consistent with the objections of the particular standard and the objectives for development within the land use zone. It is therefore recommended that Council use its delegation under Clause 4.6 to vary the development standard as requested.

### ***Clause 5.5 Development within the coastal zone***

The matters under this clause have been addressed under State Environmental Planning Policy 71 – Coastal Development

### ***Clause 7.1 Acid Sulfate Soils***

The site is identified as being Acid Sulfate Soils Level 5. The proposal does not involve extensive excavation works for construction of the building. Further assessment in relation impacts on acid sulfate soils is not warranted in this instance.

### ***Clause 7.11 Essential services***

All services that are essential for the development are available and adequate as required by this provision.

### ***Clause 7.12 Design excellence***

The clause only applies to development in certain zones, including the B2 Local Centre zone. The design of the building addresses this provision including the following aspects:

- the architectural design, materials and detailing to the building type,
- the form, external appearance and the public domain,
- impacts on view corridors,
- the requirements of the Coffs Harbour DCP,
- the suitability of the land for development,
- existing and proposed uses and use mix,
- heritage issues and streetscape constraints,
- the relationship of the development with other development
- bulk, massing and modulation of buildings,
- street frontage heights,
- environmental impacts such as sustainable design, overshadowing, solar access, wind and reflectivity,
- the principles of ecologically sustainable development,
- pedestrian, cycle, vehicular and service access, circulation and requirements,
- impact on, and improvements to, the public domain.

**Attachment 1**

The proposed development will exhibit design excellence that makes a positive contribution to the public domain. A high standard of architectural design and material finishes will be achieved. The proposed development will not adversely affect solar access, privacy or view corridors and will not have a negative impact on the amenity of other surrounding development.

**7.13 Central business district**

This clause requires the primacy of the Coffs Harbour CBD to be considered. The proposed development will primarily provide health services to the residents of Toormina and Sawtell and will maintain the primacy of the CBD as the principal business, office and retail hub of the Coffs Harbour City.

- ii. **any proposed instrument that is or has been the subject of public consultation under this Act and that has been notified to the consent authority (unless the Director-General has notified to the consent authority (unless the Director-General has notified the consent authority that the making of the proposed instrument has been deferred indefinitely or has been approved),**

No draft planning instruments are applicable to the development.

- iii. **any Development Control Plan (DCP)**

- **Component A2 Notification and Public Participation**

The application was publicly exhibited and notified to nearby and adjoining property owners in accordance with the DCP. No submissions were received in response to notification of the application.

- **Component B3 Business Development Requirements**

The proposal complies with the development controls under the DCP in relation to building design, setbacks, parking and access, services and landscaping.

- **Component C2 Access, Parking and Servicing Requirements DCP**

A Car Parking Study was prepared by a consulting engineer on behalf of the proponent and reviewed by Councils Engineering Services Section. The Study concluded that existing carparking arrangements were sufficient for the proposed development, no additional parking was required, but provision should be made for on-site bicycle parking. Council staff have accepted the recommendations of the Car Parking Study.

- **Component C3 Landscaping Requirements**

A landscape plan has been submitted with the development application in accordance with the DCP and is considered acceptable.

- **Component C4 Signage Requirements**

The proposed signage is business identification signage, satisfies the relevant assessment criteria and is appropriately sited and consistent with other business identification signage in the locality.

**Attachment 1**

- **Component C7 Waste Management Requirements**

A waste management plan has been submitted in accordance with the DCP. The proposed development contains a suitably designed waste enclosure to ensure that medical waste is appropriately secured and not able to be accessed by the general public.

- **Component D1 Erosion And Sediment Control Requirements**

The provision of an appropriate erosion and sediment control plan is required by a condition of development consent which satisfies the requirements of the DCP.

**iii(a) any planning agreement that has been entered into under section 93F, or any draft planning agreement that a developer has offered to enter into under section 93F, and**

There are no planning agreements that relate to the proposed development and would require consideration under this section.

**iv. the regulations (to the extent that may prescribe matters for the purposes of this paragraph), that apply to the land to which the development application relates,**

Clause 92 of the Environmental Planning and Assessment Regulations 2000 requires that the NSW Coastal Policy 1997 and certain demolition controls be considered in the determination of development applications. The development is consistent with the goals, objectives and strategic actions outlined in the Coastal Policy. Appropriate conditions will be applied to the consent covering demolition works. Objective 3.2 of this Policy is "*to design and locate development to complement the surrounding environment and to recognise good aesthetic qualities*". The proposal satisfies this objective.

**v. any coastal zone management plan (within the meaning of the [Coastal Protection Act 1979](#)), that apply to the land to which the development application relates,**

Council at its meeting of the 14 February 2013 adopted the Coffs Harbour Coastal Zone Management Plan. The proposed development is consistent with the plan.

**b. the likely impacts of that development, including environmental impacts, on both the natural and built environments, and social and economic impacts in the locality,**

**1. The natural and built environment**

The development site is within an established commercial area and the proposed development will not cause any adverse impact on the natural environment.

The proposed development is a modern, architecturally designed building that will exhibit design excellence and make a positive contribution to the urban environment.

The development meets safer by design principles for minimising crime risk, by providing opportunities for surveillance, access control, territorial reinforcement and space management.

**2. Social and economic impacts**

The development will have the positive impact of providing employment and increasing the availability of essential health services to meet emerging demographic trends of an aging and growing population. The development will also contribute a substantial amount of developer contributions, which will assist Council in its provision of public infrastructure.



**Attachment 1**

**c. the suitability of the site for the development,**

The development site is centrally located within an established commercial precinct that offers a range of integrated commercial services and activities. The medical centre will be easily accessible for pedestrians and has the advantage of being in close proximity to public transport options and availability of car parking.

The development will support the Toormina commercial precinct and established commercial businesses. The modern and functional design of the building, has the potential to revitalize the precinct and set a high standard for future development within the area.

**d. any submissions made in accordance with this Act or the regulations,**

The application was publicly exhibited and no submissions were received.

**e. the public interest,**

The development has been assessed against Councils strategic and statutory planning framework and is considered acceptable. Where appropriate, conditions of consent are recommended to mitigate impacts resulting from the development. It is considered that the development is in the public interest and conditional approval is recommended.

**Proposed Conditions Development Application No. 0155/15DA****Schedule of Conditions****ADMINISTRATIVE CONDITIONS****Development Description:**

1. Development consent is granted only to carrying out the development described in detail below:
  - ***Demolition of existing building and construction of medical centre***

**Prescribed Conditions:**

2. The proponent shall comply with the prescribed conditions of development approval under Clauses 97A, 98, 98A - E of Environmental Planning and Assessment Regulation 2000 as are of relevance to this development.

**Development is to be in accordance with approved plans:**

3. The development is to be implemented in accordance with the plans set out in the following table except where modified by any conditions of this consent (Development Consent No.0155/15DA).

<b>Plan No. / Supporting Document(s)</b>	<b>Prepared by</b>	<b>Dated</b>
Location Plan, Drawing No. B001	Aetch Design	18 May 2014
Site Plan, Drawing No. B010	Aetch Design	18 May 2014
Ground Floor Plan, Drawing No. D100	Aetch Design	8 October 2014
First Floor Plan, Drawing No. B110	Aetch Design	18 May 2014
Second Floor Plan, Drawing No. B120	Aetch Design	18 May 2014
North Elevation, Drawing No. B200	Aetch Design	18 May 2014
West Elevation, Drawing No. B201	Aetch Design	18 May 2014
South Elevation, Drawing No. B202	Aetch Design	18 May 2014
East Elevation, Drawing No. D203	Aetch Design	17 October 2014
Landscape Plan, Drawing No. B500	Aetch Design	18 May 2014

In the event of any inconsistency between conditions of this development consent and the plans referred to above, the conditions of this development consent prevail.

The approved plans and supporting documents endorsed with the Council stamp and authorised signature must be kept on site at all times while work is being undertaken.

**Development Application No. 0155/15DA**

**Schedule of Conditions**

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**PRIOR TO ISSUE OF CONSTRUCTION CERTIFICATE**

**Construction Certificate:**

4. No building work is to commence on site until a Construction Certificate has been issued for the work and Council has been notified that a Principal Certifying Authority has been appointed.

Note: Separate Construction Certificates are to be obtained for the **building works** and any **civil works**.

**Equitable Access:**

5. Access for people with disabilities being provided in accordance with the *Disability (Access to Premises - Buildings) Standards 2010* and the Building Code of Australia.

Details indicating compliance must be submitted and approved by the certifying authority **prior to the issue of a Construction Certificate**.

**Trade Waste:**

6. An *Application for Approval to Discharge Liquid Trade Waste* under Section 68 of the Local Government Act, being submitted and approved by *Coffs Harbour Water* **prior to release of the Construction Certificate**.

All trade waste discharges are to conform with effluent acceptance criteria as stipulated in Coffs Harbour Water's Trade Waste Policy (Schedule A) and or any standards applied by the Environment Protection Authority for the discharge.

Please Note: Depending upon your individual circumstances, some trade waste pre-treatment equipment may need to be incorporated into the building work.

Coffs Harbour Water (Trade Waste Section) should be contacted for the issue of a Liquid Trade Waste Application Form. Please note once all the relevant information has been supplied, up to 30 days is required for approval.

**240 Litre Bins – Storage:**

7. Provision being made on the site for the storage of garbage/recycling and green waste bins. Storage areas are to be suitably screened from the street and common areas, with details being submitted and approved by Council **prior to issue of the Construction Certificate**

The bin storage area is to contain a dry basket arrestor on the drain and tap for cleaning.

- 3 -

**Development Application No. 0155/15DA****Schedule of Conditions****Water Management Act 2000:**

8. **The Construction Certificate not being released** until a Certificate of Compliance pursuant to Division 5 of Part 2 of Chapter 6 of the Water Management Act 2000 evidencing that adequate arrangements have been made for the provision of water and sewerage services to and within the development is produced to Council.

The current contribution rate is:

		<b>Total \$</b>
Works to satisfy increased demand within the area a commercial development – medical centre – 5.5 ET's		
Water		54,086.56
Sewer		51,722.07
<b>Sub Total</b>		<b>105,808.63</b>
	<b>Amount/m<sup>2</sup> \$</b>	<b>Total \$</b>
Works to satisfy increased demand within the area for 67.5 square metres of commercial development - shop		
Water	29.50	1,991.25
Sewer	28.21	1,904.18
<b>Sub Total</b>		<b>3,895.43</b>
Less credit for existing use		21,019.37
<b><u>TOTAL AMOUNT PAYABLE</u></b>		<b><u>88,684.69</u></b>

**PRIOR TO COMMENCEMENT OF WORKS****Site Notice:**

9. Prior to commencement of works a site notice(s) shall be prominently displayed at the boundaries of the site for the purposes of informing the public of the development details including but not limited to:
- (1) Details of the Principal Contractor and Principal Certifying Authority for all stages of the development;
  - (2) The approved hours of work;
  - (3) The name of the site/project manager, the responsible managing company (if any), its address and 24 hour contact phone number for any inquiries, including construction noise complaints are to be displayed on the site notice; and
  - (4) To state that unauthorised entry to the site is not permitted.

**Development Application No. 0155/15DA****Schedule of Conditions**

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**Demolition Works:**

10. All works including (where relevant) the handling and disposal of materials containing asbestos, are to be undertaken in accordance with the relevant requirements of WorkCover NSW, the Work Health and Safety Act 2011 and Australian Standard AS 2601-2001 "The Demolition of Structures".

Prior to demolition all services are to be disconnected and capped off. Disconnection of any sewer drainage lines shall be sealed to prevent ingress of water and debris into the sewerage system.

Where water and sewerage services are no longer required the required fee for disconnection being paid to Coffs Harbour Water prior to the commencement of any demolition work.

**Sanitary Plumbing and Draining:**

11. A separate application is to be made to Council by the licensed plumber and drainer prior to the commencement of any sanitary plumbing and drainage work on site.

**DURING CONSTRUCTION****Waste and Contamination:**

12. **The** exportation of waste (including fill or soil) from the site must be in accordance with the provisions of the *Protection of the Environment Operations Act 1997* and the Office of Environment and Heritage "*Waste Classification Guidelines*".

Any new information that comes to light during remediation, demolition or construction works which has the potential to alter previous conclusions about site contamination must be immediately notified to the Council and the Principal Certifying Authority.

**Hours of Work:**

13. The hours of construction for all stages of the development, including delivery of materials to the site, shall be restricted as follows:
  - (1) Between 7:00am and 6:00pm , Mondays to Fridays inclusive;
  - (2) Between 7:00am and 1:00pm, Saturdays if inaudible from adjoining residential properties, otherwise between 8.00 a.m. and 1.00 p.m;
  - (3) No construction work on Sundays and Public Holidays.

Works may be undertaken outside these hours where:

- (1) The delivery of materials is required by the Police or other authorities; and/or
- (2) It is required in an emergency to avoid the loss of life, damage to property and/or to prevent environmental harm; and/or
- (3) The work is approved through the Construction Noise and Vibration Management Plan; and
- (4) Residents likely to be affected by the works are notified of the timing and duration of these works at least 48 hours prior to the commencement of works.

**Development Application No. 0155/15DA**

**Schedule of Conditions**

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**Cultural Heritage:**

14. In the event that future works during any stage of the development disturb Aboriginal Cultural materials, works at or adjacent to the material must stop immediately. Temporary fencing must be erected around the area and the material must be identified by an independent and appropriately qualified archaeological consultant. The Office of Environment and Heritage (OEH), Northern Aboriginal Heritage Unit and the Aboriginal Stakeholder groups must be informed. These groups are to advise on the most appropriate course of action to follow. Works must not resume at the location without the prior written consent of the OEH and Northern Aboriginal Heritage Unit and the Aboriginal Stakeholder groups.

**PRIOR TO ISSUE OF OCCUPATION CERTIFICATE OR COMMENCEMENT OF USE**

**Landscaping Works:**

15. **Prior to the issue of an Occupation Certificate** a works as executed plan is to be submitted to the Principal Certifying Authority certifying that all landscape works have been carried out in accordance with the approved plan.

**Occupation Certificate:**

16. A person must not commence occupation or use of the new building **prior to obtaining an Occupation Certificate** from the Principal Certifying Authority.

**Liquid Trade Waste Approval:**

17. **Certification** from the Trade Waste Section that a Liquid Trade Waste Approval has been granted and the pre-treatment equipment has been installed in accordance with the conditions of the approval is to be provided to the Principal Certifying Authority **prior to issue of the Occupation Certificate**.

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## **NORTH BOAMBEE VALLEY (WEST) INVESTIGATION AREA - PLANNING PROPOSAL, DRAFT DEVELOPMENT CONTROL PLAN (COMPONENT E16) AND DRAFT DEVELOPER CONTRIBUTIONS PLAN**

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### **Purpose:**

The purpose of this report is to present for Council's consideration a Planning Proposal (PP) (Attachment 1), draft Development Control Plan (DCP) (Attachment 2) and draft Developer Contributions Plan (CP) (Attachment 3) for the North Boambee Valley (NBV) (West) Investigation Area, with a view to rezoning parts of the Investigation Area in accordance with the findings of the supporting documents of the Planning Proposal.

To achieve this, Council should request a Gateway Determination from NSW Planning and Environment (P&E), to progress zoning amendments to Coffs Harbour Local Environmental Plan (LEP) 2013.

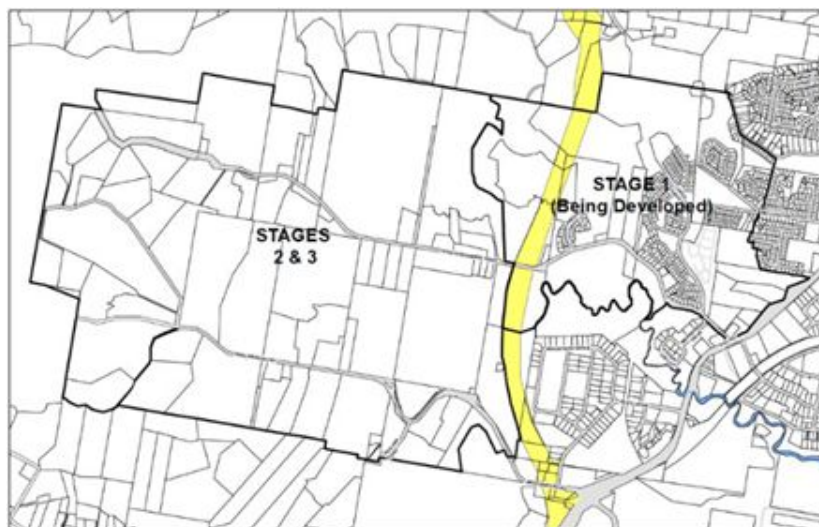
Council has undertaken Planning Studies to support the PP for the NBV (West) Investigation Area, while also preparing the draft Boambee-Newports Creek Flood Risk Management Plan (FRMP). The findings of the Planning Studies and the draft FRMP have been critical to the progress of the NBV (West) PP.

### **Background:**

The NBV locality has been the subject of numerous environmental planning studies and urban planning investigations since 1982. Council has prepared several draft Local Environmental Plans (LEPs) to rezone the land for urban purposes. These draft plans, prepared between 1983 and 1988 were not supported by the State Government on the basis of preserving existing prime agricultural land to protect the banana growing industry.

In 1990, Council engaged the University of New England (UNE) to undertake a study to investigate land use conflict (agriculture versus urban development potential) of NBV Investigation Area. This study stated that "non-agricultural development should no longer be precluded from NBV on agriculturally based rationale such as prime agricultural land and/or the economic significance of the banana industry (UNE, 1990)".

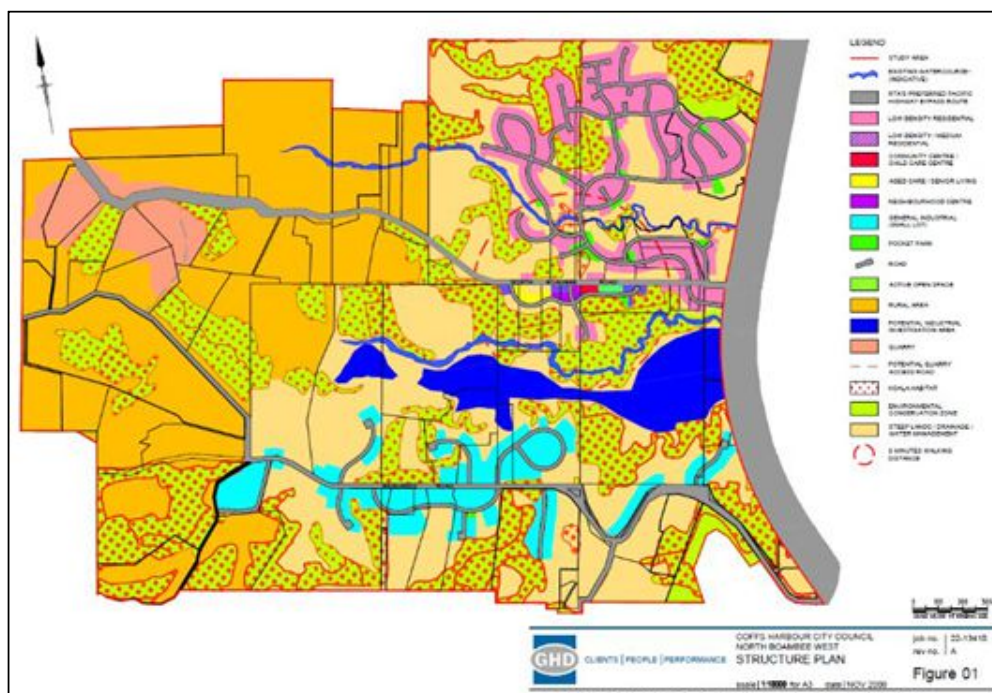
In the mid-1990s, Council prepared a Masterplan for the NBV, which was included as an urban investigation area in Council's 1996 Urban Development Strategy. The NBV was divided into three precinct stages, as shown below:



Stage 1 of the NBV was rezoned for residential development in 1997. This area is currently known as NBV (East).

In December 2004, the Roads and Traffic Authority (now Roads and Maritime Services referred to hereafter as RMS) announced its preferred route of the future Coffs Harbour Pacific Highway Bypass. This route severed Stages 2 and 3 from the Stage 1 residential area. In 2006, Council resolved to review Council's NBV Information Sheet, to reformat that document into a DCP for Stage 1, and a Structure Plan for Stages 2 and 3. Stages 2 and 3 became known as NBV (West), the subject of this report.

The NBV (West) Structure Plan, after exhibition, was adopted by Council in 2009. A map of this area follows:





In its Operational Plan of 2011-2012, Council allocated \$110,000 for the purpose of funding Planning Studies for NBV (West). Council was approached by landowners in NBV (West) to supplement funding for the project and \$100,000 was pledged by private landowners for this purpose.

On 10 May 2012, Council engaged de Groot and Benson Pty Ltd to prepare the Planning Proposal:

- 1. Council accepts the conforming tender of de Groot and Benson Pty Ltd for Contract RFT-522-TO (Provision of Planning Studies for North Boambee Valley (West), for an upper consultancy fee limit of \$218,465 (including GST) as tendered.*
- 2. The contract documents be completed under Seal of Council.*
- 3. Council increase funding from general revenue to finance the project's budget shortfall of \$8,465 to fund Contract RFT-522-TO.*

Council in February 2013, also commissioned a comprehensive Floodplain Risk Management Plan (FRMP) for the Boambee - Newports Creek catchment. The Boambee - Newports Creek catchment includes parts of the NBV (West) Investigation Area and areas downstream, east of the existing Pacific Highway including Coffs Harbour Health Campus.

At its meeting of 13 February 2014, Council was presented with a report providing an update on the status of the PP. The report acknowledged that the findings of the Boambee-Newports Creek FRMP was critical to the recommendations of the PP, and that construction of a flood mitigation detention basin will be required before any development in NBV (West) can be undertaken. Council resolved at that meeting:

- 1. Council defer the progression of the North Boambee Valley (West) Planning Proposal until the outcomes of the Boambee - Newports Creek Flood Risk Management Plan and further consultation with RMS on Pacific Highway traffic impacts have been considered.*
- 2. A further report be presented to Council following the finalisation of the Boambee - Newports Creek Flood Risk Management Plan, concerning the progression of the North Boambee Valley (West) Planning Proposal.*
- 3. Landowners in the North Boambee Valley (West) Planning Proposal area be informed of Council's decision.*

Following the resolution of 13 February 2014, the preparation of the draft Boambee-Newports Creek FRMP was being undertaken by consultants GHD. GHD have reviewed the Flood Study prepared by de Groot and Benson for the PP, in the wider context of the whole catchment.

The flood modeling to inform the Boambee-Newports Creek FRMP has progressed to the stage where options for the location of detention basins in NBV (West) have been identified. The PP has three proposed locations for detention basins consisting of 2 smaller and 1 larger basin. The 2 smaller basins provide detention suitable to offset possible impacts associated with proposed rezoning and development. The larger basin has the potential to also offset impacts of rezoning plus provide additional flood mitigation benefits downstream. The three basin option provides flexibility with development of NBV as the smaller basins will be funded through Section 94 contributions (will require forward funding) and can be constructed as required. The larger basin will be significantly more expensive and would most likely require grant funding to proceed and allocation of significant Council funds.

This report presents the PP which includes land proposed to be used for the proposed detention basins which are critical to any future development of land in NBV (West).

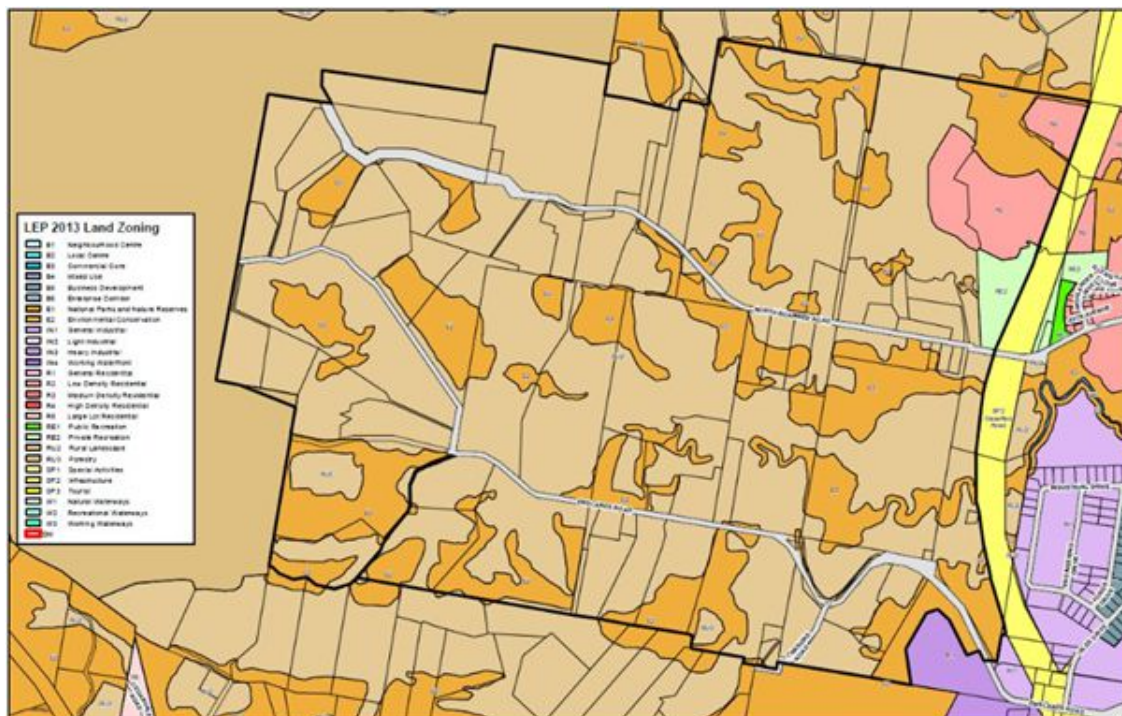
**Description of Item:**

An aerial photograph of the NBV (West) Investigation Area is shown below:

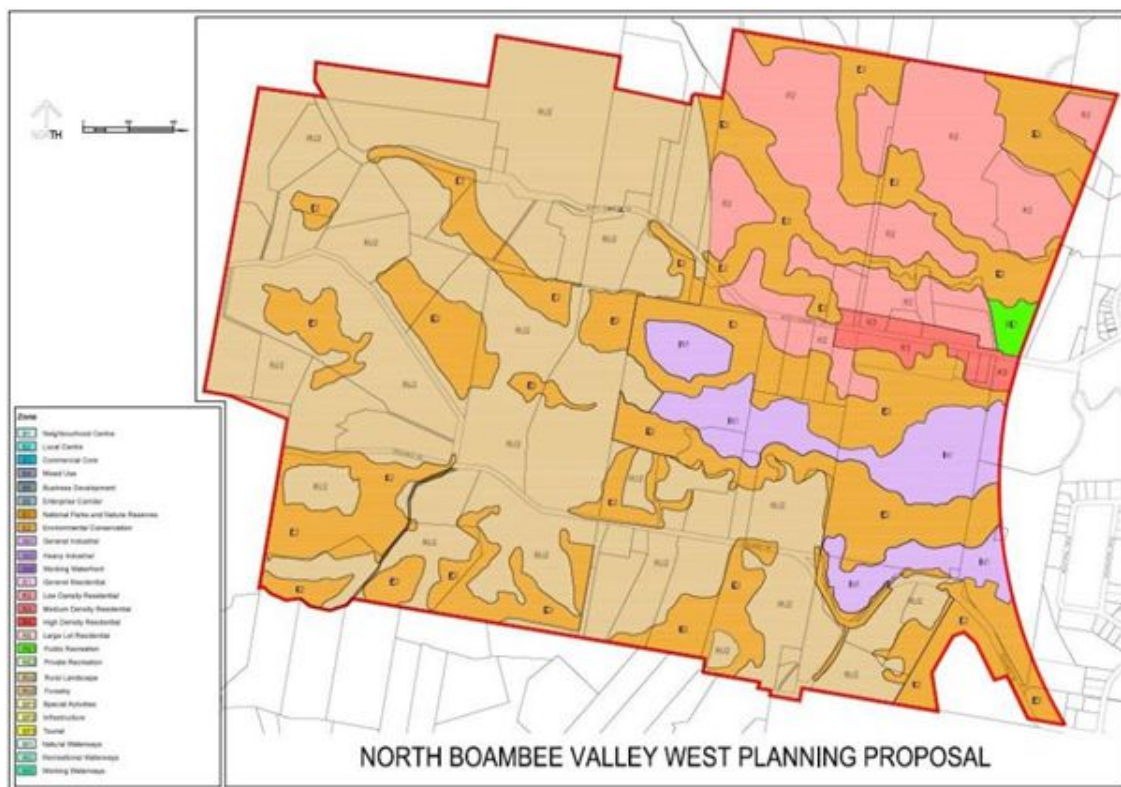


The subject land is approximately 585 hectares in area and is situated approximately four kilometres south-west of Coffs Harbour Central Business District. The eastern extent of the land is bounded by the proposed Pacific Highway bypass. The western boundary of the land adjoins Boambee State Forest.

Land use in the area is mainly agriculture; there are also smaller rural allotments (one to two hectares in area) which are used primarily for residential purposes. An operational quarry is located in the north-west corner of the investigation area. There are also small pockets of undeveloped urban residential and open space land. Environmentally sensitive land (e.g. significant vegetation, koala habitat, riparian corridors) are zoned for environmental conservation. A map of the current zoning of the land under Coffs Harbour LEP 2013 is shown below:



A map of the proposed zoning of the land, as per the recommendations of the PP, is shown below:



The rationale for the proposed rezoning will be addressed in detail in the “Issues” section of this report.

### **Sustainability Assessment:**

#### **• Environment**

Environmental sustainability issues are addressed by the NBV (West) Planning Studies including:

- Flora and Fauna Assessment;
- Acid Sulfate Soils Analysis;
- Geotechnical Assessment;
- Bushfire Hazard Management Report;
- Flood Prone Land Assessment;
- Visual and Acoustic Analysis;
- Contaminated Land Assessment; and
- Archaeology (Indigenous and Post-settlement).

#### **• Social**

Social sustainability issues are addressed by the NBV (West) Planning Studies and include:

- provision of water and sewer services;
- visual and acoustic analysis;
- provision of public open space;
- opportunities for employment; and
- new residential areas being located in close proximity to existing centres and services.



- **Civic Leadership**

Civic leadership is demonstrated in this report by the Planning Studies addressing the following objectives and strategies of Coffs Harbour 2030 Community Strategic Plan:

- ***Looking After Our Environment***

- Maintain biodiversity in a changing climate.
- Our natural environment and wildlife are conserved for future generations.
- We reduce our impact on the environment.
- Manage land use to conserve the region's unique environmental and biodiversity values.

- ***Moving Around***

- We have a system of well-maintained and safe roads for all users.
- Promote increased public transport, pedestrian and cycle usage.

- ***Places for Living***

- Provide infrastructure that supports sustainable living and is resilient to climatic events.
- Our infrastructure and urban development is designed for sustainable living.
- Our public spaces are enjoyed by all our people.

- **Economic**

**Broader Economic Implications**

The recommendations of the NBV (West) Structure Plan and the subsequent Planning Studies anticipate a significant increase in infrastructure provision to NBV (West) which, if rezoned and development occurs, will be funded by developer contributions.

**Delivery Program/Operational Plan Implications**

This PP is included in Council's Operational Plan. There will be no immediate impact on Council's Operational Plan, however if the PP progresses, infrastructure works will be required to facilitate development.

**Risk Analysis:**

NBV (West) is a key precinct for future development. The project is likely to require funding for major infrastructure including:

- Quarry Haulage Road;
- Stormwater Management.

The function of the likely quarry haulage route is to divert quarry trucks away from the existing and possibly future residential areas (according to the Structure Plan):

- improve visual amenity;
- reduce noise and dust;
- facilitate an appropriate road network in the residential areas; and
- connectivity with the Pacific Highway and existing/proposed industrial areas.

Stormwater management issues are addressed in order to:

- facilitate the establishment of any proposed industrial area;
- provide a flood-free environment for the proposed residential, proposed quarry road and industrial areas; and
- enhance flooding protection for developed areas downstream (Pacific Highway, Isles Industrial Estate and the Health Campus).

The construction of significant infrastructure (the detention basins) is required before development can take place. Financing this infrastructure will require forward funding from Council, with monies to be recovered through levying Section 94 contributions and possibly seeking future Government grants. Should Council borrow funds for infrastructure, the borrowings will include a component for interest. Borrowing to facilitate the provision of infrastructure is considered high risk as the timing for income streams from contributions to meet loan repayments is unknown.

Infrastructure requirements are addressed by the Draft NBV (West) Developer Contributions Plan.

#### **Consultation:**

The PP, draft DCP and draft CP were referred to all relevant Council departments and input has been received from those departments.

Should Council resolve to progress the PP, all documents will be required to be exhibited under the terms of the Gateway Determination, and the provisions of the Environmental Planning and Assessment (EP&A) Act 1979.

#### **Related Policy and / or Precedents:**

The following policies and statutory documents are relevant to this report:

- Coffs Harbour LEP 2013;
- Coffs Harbour DCP 2013;
- Our Living City Settlement Strategy 2009;
- North Boambee Valley (West) Structure Plan 2010;
- Coffs Harbour Industrial Lands Strategy (2009);
- Planning for Bush Fire Protection 2006;
- Mid North Coast Regional Strategy and Growth Area Maps;
- Environmental Planning and Assessment Act 1979 and Regulations;
- Coffs Harbour 2030 Plan;
- Land Use Conflict in Rural Areas;
- Coffs Harbour City Koala Plan of Management; and
- Section 117 Ministerial Directions.

#### **Statutory Requirements:**

The Planning Studies and the Planning Proposal have been prepared in accordance with the EP&A Act 1979 and Regulations.

**Issues:**

- **Rationale of Proposed Amendments to Zones: Summary**

- **Low Density Residential (R2)**

Approximately 80 hectares of land in the north east part of NBV (West) is suitable for residential development. Areas of high environmental value such as remnant bushland, riparian corridors and steep land have been separated from the residential areas so that their environmental function is not compromised.

The R2 zone has been applied to many similar precincts in the Local Government Area. A minimum lot size of 400m<sup>2</sup> and a maximum building height of 8.5 metres will be applied.

- **Medium Density Residential (R3)**

A Medium Density Residential zone is proposed for lands which are adjacent to North Boambee Road, which enables increased densities on the main road, near the proposed public recreation land.

Land on the southern side of North Boambee Road adjacent to the medium density residential area and near to the proposed recreation areas was identified in the 2009 Structure Plan as suitable for neighbourhood scale retail and community uses. Neighbourhood shops, childcare centres and community facilities are permitted in the R3 zone and the State Environmental Planning Policy (SEPP) (Infrastructure) provides for schools and health services facilities in the R3 zone. This means that it is not necessary to zone this area specifically for business purposes to achieve these outcomes.

- **Environmental Conservation (E2)**

The Planning Studies informing this PP have reviewed the environmentally sensitive areas of the NBV (West) Investigation Area.

Council has recently undertaken updated vegetation mapping which has been reflected within this PP. The PP enhances the environmental values of the Investigation Area through reinforcement and/or creation of habitat and riparian connections and corridors. These areas are proposed to be zoned E2 Environmental Conservation.

- **General Industrial (IN1)**

Council's Industrial Lands Strategy (2009) has identified the NBV (West) Investigation Area as a key location for significant industrial development, consistent with the Mid North Coast Regional Strategy (2009) and Council's "Our Living City" Settlement Strategy (2009).

The proposed industrial area is approximately 37 hectares and is located between North Boambee Road and Englands Road. This road will cater for largely industrial traffic from the existing quarry and the proposed industrial (employment) area. The main benefit of this road will be a significant reduction in heavy transport on North Boambee Road and the western extent of Englands Road.

– **Public Recreation (RE1)**

Approximately 2.6 hectares of land is proposed to be zoned RE1 Public Recreation. This land is located in close proximity to the NBV (East) precinct. This land is of a sufficient size to accommodate a range of structured and passive recreational activities.

– **Additional Attribute Mapping**

The proposed rezoning will necessitate updating the following Attribute Maps in Coffs Harbour LEP 2013:

- Lot Size Map (LSZ);
- Height of Building Map (HOB); and
- Terrestrial Biodiversity (CL2).

These Attribute Maps form part of the proposed rezoning and will be exhibited accordingly should Council resolve to progress the PP and P&E endorse the exhibition via its Gateway Determination.

• **Provision of Infrastructure**

The location of the proposed detention basins in NBV (West) has been identified in the Draft DCP and Draft CP. It is proposed that the land which has been identified for detention basins be acquired and/or easements gained by Council. Council will negotiate suitable land tenure and/or acquisition arrangements with the relevant landholder(s) at such a time when the land is required for that purpose.

The proposed haulage road (cited in the Draft DCP as Link Road 1) will be funded by Section 94 contributions. It is intended to be constructed as development proceeds.

• **Flooding and Mitigation**

Council is currently undertaking the preparation of a FRMP for the Boambee - Newports Creek catchment. This catchment includes the NBV (West) Investigation Area, which will influence the type and size of any proposed detention basins which are required in NBV (West).

The FRMP catchment extends eastwards of the NBV (West) area, including Isles Drive Industrial Estate and Coffs Harbour Health Campus plus Boambee Creek and Cordwell's Creek catchments. The Boambee - Newports Creek FRMP will include recommendations for flood mitigation over the whole catchment.

While completion of the Boambee-Newports Creek FRMP is scheduled for early 2015, modeling of flood mitigation options has been undertaken and the large detention basin proposed for the NBV will most likely be a recommended flood mitigation option but not the highest priority. The three detention basins in the PP provide options and flexibility. Construction of the smaller basins can facilitate the rezoning and development of the NBV and when land acquisition and funding issues are resolved then construction of the larger basin can be undertaken that can provide broader floodplain benefits.



- **Traffic and Transport**

The NBV (West) PP has been prepared giving consideration to likely traffic impacts on the Pacific Highway. RMS has completed reconstruction of the Pacific Highway/North Boambee Road intersection which will improve levels of service for traffic using North Boambee Road. An allowance for increased traffic volume from the North Boambee Valley locality has been considered in the design of the upgraded intersection. The RMS will be consulted as one of the terms of the Gateway Determination should Council resolve to progress this PP.

The concept Masterplan which is part of the PP includes a heavy vehicle haulage road which will divert heavy traffic, currently using North Boambee Road, away from the proposed residential areas. This haulage road will provide a link between the existing quarry, the proposed employment lands and Isles Industrial area, while improving the visual and acoustic amenity of North Boambee Road and the proposed residential and recreational areas.

#### **Draft Coffs Harbour Development Control Plan 2013 Component E16**

An additional component of Coffs Harbour DCP which applies to NBV (West) has been prepared to assist proponents to prepare Development Applications in the precinct. The Draft DCP shows a Concept Masterplan and planning requirements including:

- Environmental buffers and habitat links;
- Servicing requirements;
- Visual amenity provisions;
- Open space requirements; and
- Concept Plan for land acquisitions.

This component is to be used in conjunction with other current relevant components of Coffs Harbour DCP 2013.

#### **Draft North Boambee Valley (West) Developer Contributions Plan 2014**

A Draft CP has been prepared which outlines funding of proposed development and provision or extension of public infrastructure that will, or is likely to be required, in the course of development in NBV (West).

Other purposes of the CP are to:

- i. Ensure that an adequate level of public infrastructure is provided within the NBV (West) Release Area as development occurs.
- ii. Ensure that the existing community is not burdened by the provision of public facilities required as a result of future development.
- iii. Provide a comprehensive strategy for the assessment, collection, expenditure, accounting and review of development contributions on an equitable basis throughout the NBV (West) Release Area.
- iv. Enable Council to recoup funds that it has spent in the provision of public facilities and infrastructure resulting from future development.

The Draft CP is based on a projected population increase of approximately 2,400 persons in the proposed residential area and 37 hectares of industrial land. A summary of the contribution rates is as follows:

Service / Facility	Net Cost to be Levied	Per Small Dwelling 1.9 per/lot	Per Large Dwelling/lot 2.7 per/lot	Per SEPP Seniors Living Dwelling (self-care) 1.5 per/lot	Per 1,000 m <sup>2</sup> of Industrial Lot area
	\$	\$	\$	\$	\$
Open Space	793,500	628.20	892.70	332.13	-
Transport and Traffic Management	6,267,948	4,962.135	7,051.455	2,613.16	-
	4,709,912	-	-	-	16,241.08
	<b>10,977,861</b>				
Stormwater Management	6,974,396	5,521.4	7,846.2	2,907.5	-
	2,450,463	-	-	-	8,449.89
	<b>9,424,859</b>				
Urban Planning	188,559	149.283	212.139	80.07	-
	61,441	-	-	-	211.86
	<b>250,000</b>				
<b>Total</b>	<b>21,446,220</b>	<b>11,261.02</b>	<b>16,002.50</b>	<b>5,932.85</b>	<b>24,902.82</b>

It is proposed that the Draft DCP and Draft CP will be placed on public exhibition concurrently with the Planning Proposal, pending endorsement by NSW Planning and Environment under the terms of the Gateway Determination.

#### Implementation Date / Priority:

Should Council resolve to progress this PP, it will be forwarded to P&E requesting the Gateway Determination as soon as possible.

The timeframe for completion of a PP/rezoning is governed by the EP&A Act 1979. The timeframe commences on the date that the PP is forwarded to P&E.

#### Recommendation:

1. That Council endorse and forward the subject Planning Proposal to NSW Planning and Environment seeking a "Gateway Determination" for the rezoning of parts of the North Boambee Valley (West) Investigation Area as shown in Attachment 1 to this report.
2. That subject to the "Gateway Determination" from NSW Planning and Environment, Council place the Planning Proposal on public exhibition.
3. That subject to the "Gateway Determination" from NSW Planning and Environment, Council place the Draft Coffs Harbour Development Control Plan (Component E16) North Boambee Valley (West) (Attachment 2 to this report) on public exhibition.
4. That subject to the "Gateway Determination" from NSW Planning and Environment, Council place the Draft North Boambee Valley (West) Developer Contribution Plan (Attachment 3 to this report) on public exhibition.
5. That a further report be considered by Council, concerning the outcome of the public exhibition.
6. That landowners in the North Boambee Valley (West) Investigation Area be informed of Council's decision.

## COFFS HARBOUR DEVELOPMENT CONTROL PLAN 2013

## DRAFT COMPONENT E16

NORTH BOAMBEE VALLEY  
(WEST)**Applies to**

Land in North Boambee Valley, west of the Coffs Harbour Pacific Highway Bypass route, under draft Coffs Harbour Local Environmental Plan 2013 as shown in Map 1.  
(Coffs Harbour City LEP 2013 Amendment No. **X**)

**Date adopted by Council**

Day Month 2013

**Effective Date**

Effective upon adoption by Coffs Harbour City Council.

**Amendments**

Date and description of amendments

**Disclaimer**

The hyperlinks to various State or Federal Government legislation have been included in this Development Control Plan in good faith and were current at the time that this document was prepared.

Applicants, landowners and any person(s) using the hyperlinks should ensure that the relevant legislation or policy is the most up-to-date version. This information may be obtained from the relevant government authority administering the legislation.

*This Component provides detailed planning controls for land in North Boambee Valley (west) Urban Release Area, west of the Coffs Harbour Pacific Highway Bypass route.*

Development within North Boambee Valley (West) will be encouraged to be environmentally sustainable and respond sympathetically to the natural setting and existing range of land uses that occur in the area.

North Boambee Valley west Vision Statement:

***North Boambee Valley (west) will develop in a manner that is sensitive to the distinct rural and bushland character of the valley and that maintains the high scenic amenity of the valley and its views. North Boambee Valley (west) should be a contemporary Coffs Harbour suburb that is integrated with the valley setting and that embraces its bushland as part of a comprehensive network of 'green spaces' and recreational areas."***

## DCP COMPONENTS

**PART A - INTRODUCTORY AND GENERAL INFORMATION**

COMPONENT A1 ADMINISTRATION  
COMPONENT A2 NOTIFICATION AND PUBLIC PARTICIPATION

**PART B - LAND USE SPECIFIC INFORMATION**

COMPONENT B1 SUBDIVISION REQUIREMENTS  
COMPONENT B2 RESIDENTIAL DEVELOPMENT REQUIREMENTS  
COMPONENT B3 BUSINESS DEVELOPMENT REQUIREMENTS  
COMPONENT B4 INDUSTRIAL DEVELOPMENT REQUIREMENTS  
COMPONENT B5 RURAL DEVELOPMENT REQUIREMENTS  
COMPONENT B6 POST EUROPEAN HERITAGE REQUIREMENTS  
COMPONENT B7 BIODIVERSITY REQUIREMENTS

**PART C - ISSUE SPECIFIC INFORMATION**

COMPONENT C1 DESIGN REQUIREMENTS  
COMPONENT C2 ACCESS, PARKING AND SERVICING REQUIREMENTS  
COMPONENT C3 LANDSCAPING REQUIREMENTS  
COMPONENT C4 ADVERTISING SIGNS REQUIREMENTS  
COMPONENT C5 SEX SERVICES PREMISES REQUIREMENTS  
COMPONENT C6 MINOR EARTHWORKS REQUIREMENTS  
COMPONENT C7 WASTE MANAGEMENT REQUIREMENTS  
COMPONENT C8 INTEGRATED (NATURAL) WATER CYCLE MANAGEMENT REQUIREMENTS

**PART D - HAZARD MANAGEMENT INFORMATION**

COMPONENT D1 EROSION AND SEDIMENT CONTROL REQUIREMENTS

**PART E - LOCALITY BASED SPECIAL INFORMATION**

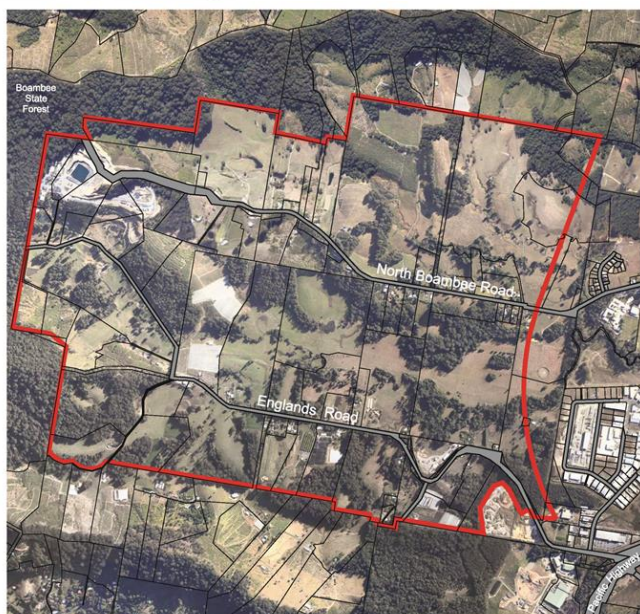
COMPONENT E1 COFFS HARBOUR REGIONAL AIRPORT  
COMPONENT E2 BOAMBEE CREEK  
COMPONENT E3 COFFS HARBOUR CITY CENTRE  
COMPONENT E4 HEARNES LAKE / SANDY BEACH  
COMPONENT E5 KORORA LARGE LOT RESIDENTIAL  
COMPONENT E6 MOONEE  
COMPONENT E7 NORTH BOAMBEE VALLEY (EAST)  
COMPONENT E8 NORTH BONVILLE  
COMPONENT E9 SAWTELL VILLAGE PRECINCT  
COMPONENT E10 ..... SOUTH COFFS  
COMPONENT E11 ..... WEST COFFS  
COMPONENT E12 ..... WEST WOOLGOOLGA  
COMPONENT E13 ..... PACIFIC HIGHWAY DEVELOPMENT SETBACK AREA  
COMPONENT E14 ..... HALLS ROAD BUSINESS PRECINCT  
COMPONENT E15 TOURIST DEVELOPMENT PRECINCTS

**PART F - GLOSSARY AND APPENDIX**

COMPONENT F1 GLOSSARY  
COMPONENT F2 APPENDIX 1

**MAP1 - LOCALITY****LEGEND**

— site boundary

**LEGEND**

— site boundary

□ land parcel

**E16.1 PLANNING STRATEGY****E16.1.1 Objective**

1. To create a contemporary Coffs Harbour suburb that is visually sympathetic to the

surrounding natural and semi-rural scenic amenity.

2. To provide a development framework for a community that is sustainable, safe, vibrant and reflects the area's bushland character and rural heritage.
3. To provide an overall plan that is legible and will enable the coordination of public and private development.
4. To ensure that development occurs logically to enable flood mitigation works and the construction of a quarry haul road.
5. To maintain the high scenic amenity of the area.
6. Ensure that development has regard to land form, environmental conditions, the surrounding local road network, and the relationship with adjoining residential and employment land areas (refer to Map 2).
7. To provide a mix of residential and employment land that is well connected and appropriately buffered.
8. To provide additional controls guiding lower density housing in the upper areas of the precinct and medium density housing (seniors housing and multi-unit housing) in the areas closer to the neighbourhood centre and recreation areas.
9. To protect the hard rock quarry from sterilisation or hindrance by encroachment of incompatible adjacent development.
10. To support the primacy of the Coffs Harbour central business area.

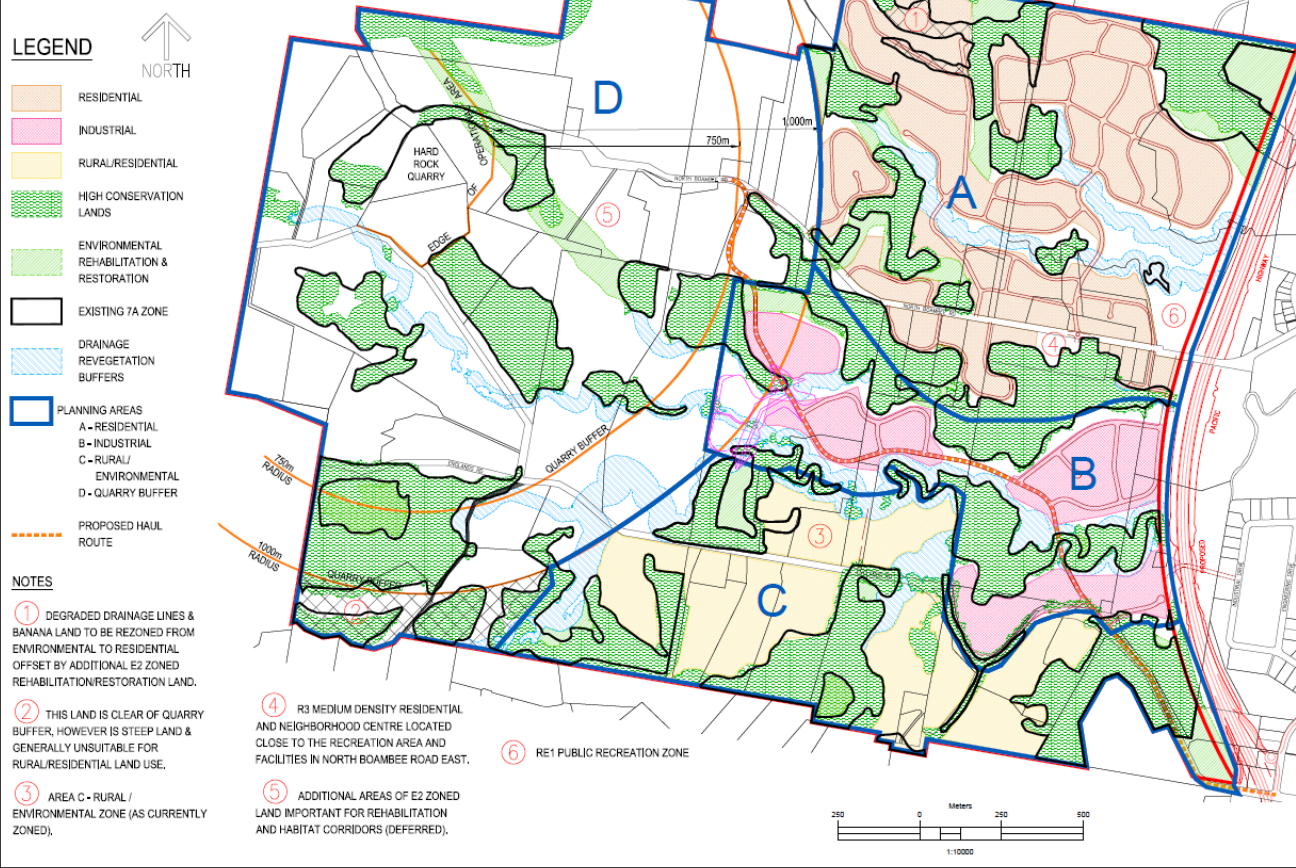
**E16.1.2 Masterplan**

- i) Provide for an additional population of approximately 2,400 persons.
- ii) Ensure flood mitigation measures are constructed concurrently with industrial and residential development.
- iii) Make provision for a public recreation area off North Boambee Road.



**MAP 2 – MASTERPLAN**

ILLUSTRATION 7.1 - PLANNING AREAS



housing options, in recognition of any constraints that may exist on the land.

- iv) Make provision for a new road to act primarily as a haul route from the hard rock quarry to the Pacific Highway.
- v) To mitigate visual impacts arising from new development to the scenic quality of the area.
- vi) To provide for corridor linkages, habitat restoration and rehabilitation in areas identified on MAP 5.
- vii) To provide for riparian buffers as identified on MAP 5.
- viii) Development is to be consistent with the principles of ecologically sustainable development by conserving and enhancing the ecological integrity, biodiversity, wildlife corridors, aquatic habitats, water quality, and environmental significance of North Boambee Valley (West).
- ix) Development is to encourage the provision of accessible, diverse and affordable
- x) Proponents of development are to provide a street network that is generally consistent with the road network provided in the Masterplan.
- xi) Alternative road layouts are to provide appropriate linkages to residential and employment areas and must be justified in terms of bushfire and flood safety.
- xii) Road networks must provide a high degree of amenity, connectivity and permeability for pedestrians and cyclists.
- xiii) Development is to maintain and enhance passive and vehicular connection between residential, employment lands, recreation/community uses and the B1 Neighbourhood Centre zoned land.
- xiv) Development is to ensure an open space network is based on clear and accessible

connections and promotes equality of access and opportunity.

- xv) Development is to ensure that new dwellings support environmentally sensitive design principles and maintain the natural beauty of the area by retaining natural landforms, minimising land excavation and

fill, and by minimising erosion and pollution that may impact on the landscape.

- xvi) Utilise best practice water sensitive urban design strategies to reduce nutrient loading, sedimentation and chemical contamination of local waterways.

### **E16.3 MATTERS FOR CONSIDERATION**

---

#### **E16.3.1 Objectives**

1. To ensure the release area is developed to its full potential but within its environmental capacity.
2. To ensure development only occurs when appropriate services are available to the release area and in a timely manner.
3. To ensure water quality is maintained at acceptable levels in the release area by adopting best practice policies.
4. To ensure adequate protection of all forms of cultural heritage in the release area.
5. To protect and enhance riparian areas and conservation linkages environmental protection areas from future development.
6. To implement visual mitigation measures to protect the scenic values of the area.
7. To ensure any adverse noise impacts arising from the RMS Pacific Highway Preferred Bypass route are adequately addressed and appropriate ameliorative measures put in place.
8. To ensure the integrity of the designated haul route road corridor.
9. To provide appropriate flood mitigation measures concurrently with new development.
10. To ensure a high level of road design and good access arrangements for the release area.

11. To ensure road design for bus access is adequate and of an acceptable standard to meet the needs of the community.
12. To provide for the active recreational needs of the community as development occurs.

#### **E16.3.2 Controls**

##### **a) Timing of Development**

- i) No residential or industrial development is to occur until adequate road access and reticulated water and sewerage services are available to the land.

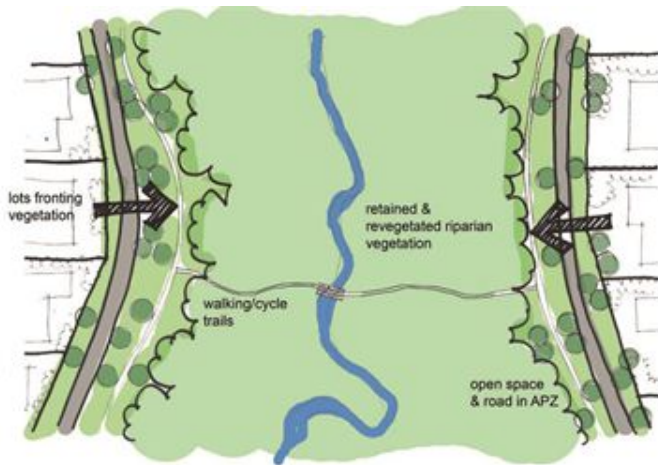
##### **b) Lot Layout**

- i) Residential development utilising 'gated' street formats is strongly discouraged.

##### **c) Visual Mitigation**

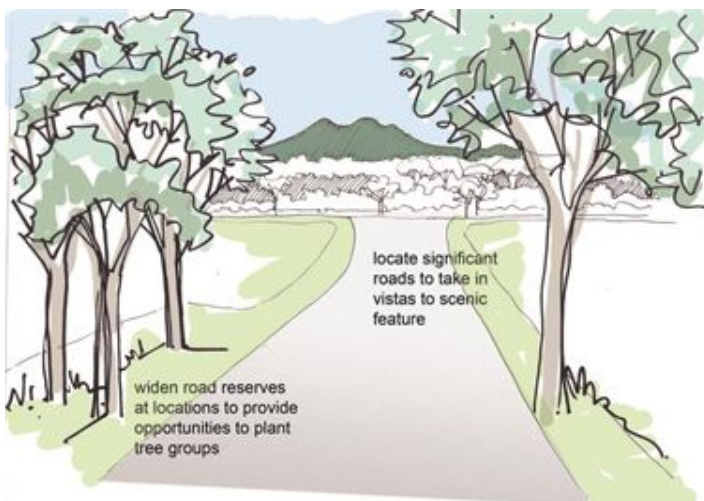
- i) Protect and enhance remnant bushland areas in North Boambee Valley (west) as a landscape feature with high scenic value.
- ii) Design future development to have strong and embracing relation to retained bushland as shown below:

**Attachment 2**



**Figure: Future development to front remnant vegetation**

- iii) Minimise visual fragmentation by strengthening riparian corridors with revegetation planting. MAP 5 identifies locations for revegetation to provide 'green linkages' and recreational links between development areas.
- iv) Road networks, lot layouts and public open spaces should have strong visual links to landscape features as shown below.



**Figure: Roads to have vistas of landmarks and areas of remnant vegetation.**

- v) Retain scattered trees and roadside vegetation as landscape features to new development.

- vi) Retain Fig trees and Hoop Pines trees located within Lot 1 DP 190579 and Lot 2 DP 711234.
- vii) At Englands Road, retain the existing road side vegetation to screen views to future development and to maintain the rural character of Englands Road.
- viii) Incorporate locally indigenous species into landscaping to future development.
- ix) Incorporate visual interest and rural aesthetic to architectural form through the inclusion of awnings, pergolas, decks, extended eaves and wide overhangs for new buildings.
- x) Fencing is to be low and open with open front yards to create active street frontages and encourage community interaction. Maintain setbacks of 6m to allow for landscaping to the fronts of properties.
- xi) In the neighbourhood centre, recreation areas and employment lands, minimise advertising signage to avoid visual clutter of the landscape.

**d) Open Space**

- i) Proposed plans of subdivision for open space are to be prepared in accordance with the Masterplan (MAP 2).
- ii) Identified Open Space land is to be dedicated to Council at the time of subdivision.
- iii) Development which surrounds open space areas is encouraged to be orientated towards the park to offer casual surveillance.

**e) Natural and Habitat Areas**

- i) Environmental rehabilitation and restoration areas identified on MAP 5 are to be protected and enhanced.
- ii) Development proposals are to maximise the restoration, retention and

**Attachment 2**

preservation of indigenous trees, shrubs and groundcovers, as well as natural features, including rock features and watercourses.

- iii) All development is to incorporate soil conservation measures to minimise soil erosion during and following completion of development.
- iv) Development should incorporate habitat protection measures to protect primary koala browse trees and, where possible, other trees utilised by koalas in high activity areas.

- ii) These buffer areas are to be rehabilitated and revegetated using endemic species, in accordance with a detailed plan approved by Council.

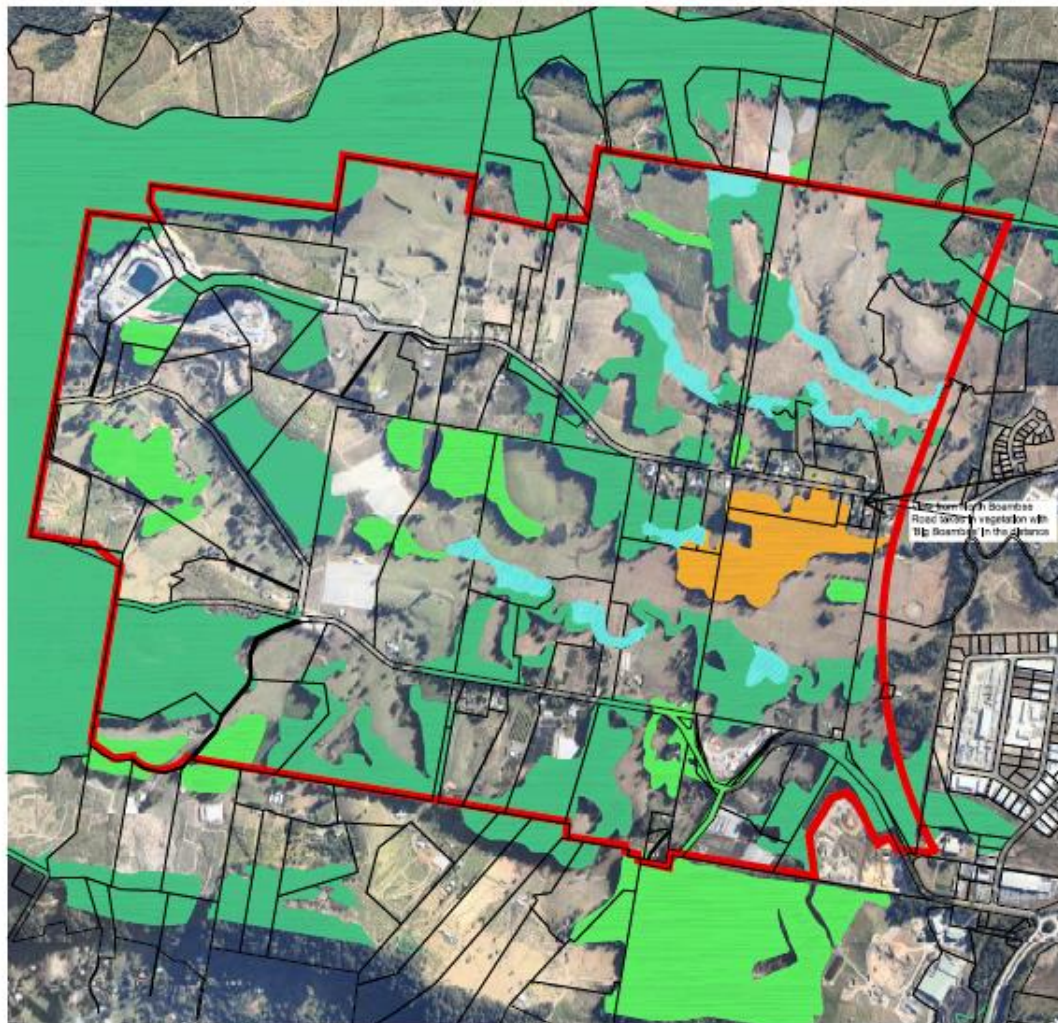
- iii) DAs for subdivision are to be accompanied by water quality modelling to assess the impact of development on water quality compared to the water quality targets identified in Council's **Water Sensitive Urban Design Policy**.

**f) Water Quality**

- i) Drainage buffers shown at MAP 5 are to be provided to ensure protection of water quality.



MAP 4 SCENIC VALUE OF VEGETATION

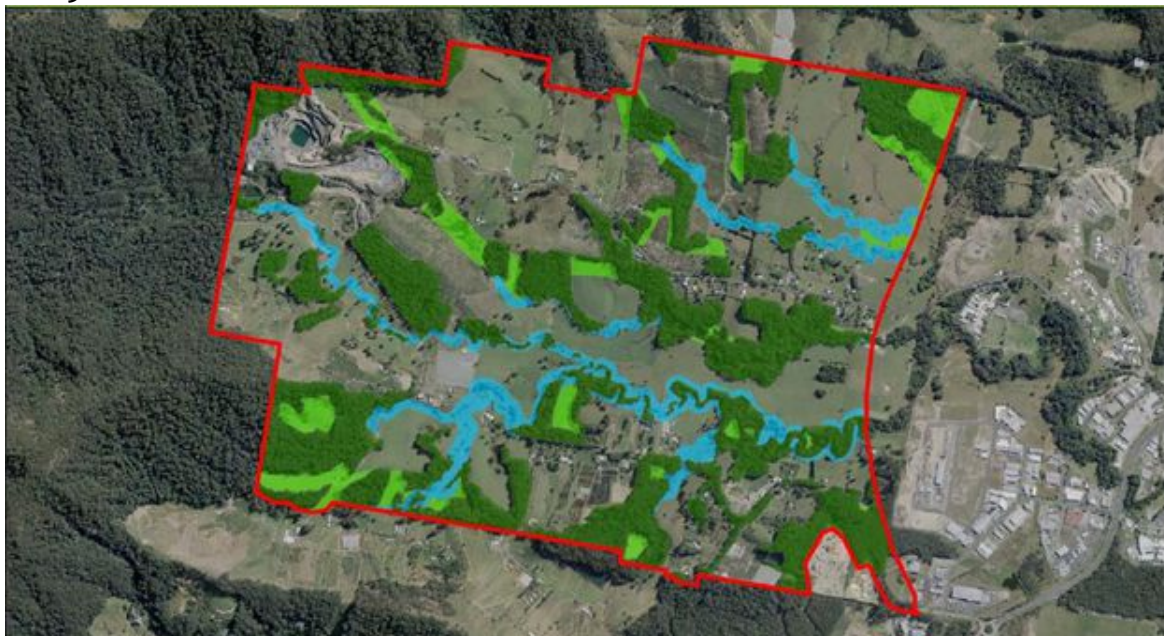


LEGEND

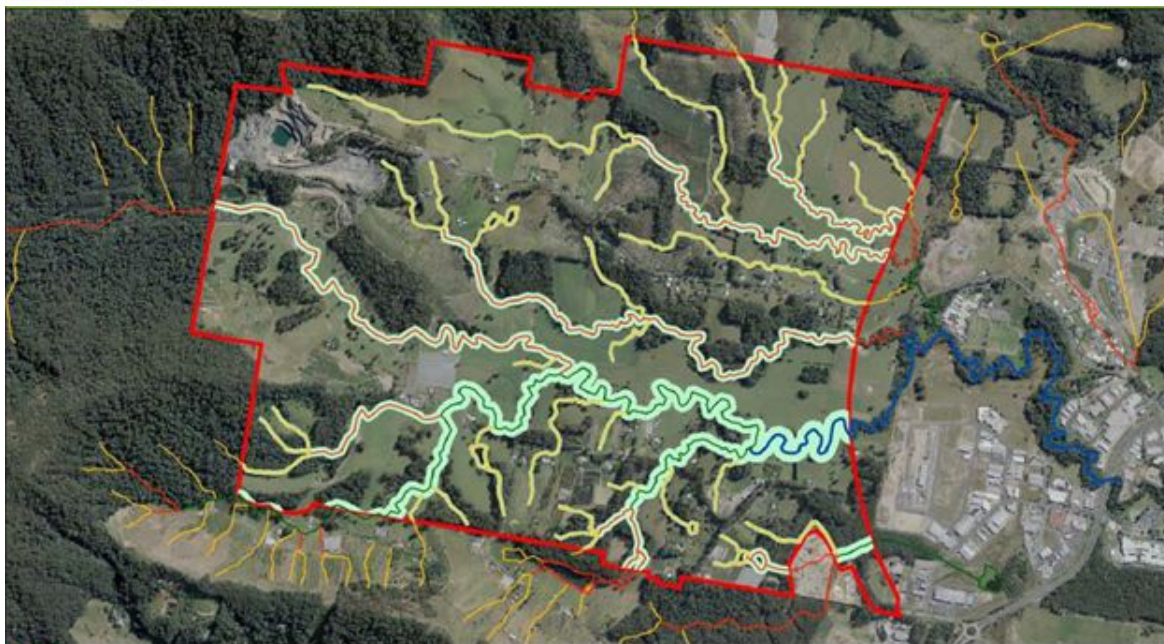
- site boundary
- vegetation with high scenic value  
(added significance as visible scenic feature when approaching North Boambee Valley from North Boambee Road)
- vegetation with high scenic value
- vegetation with medium scenic value
- revegetation to establish scenic corridor



MAP 5- CONSERVATION LINKAGES AND DRAINAGE BUFFERS



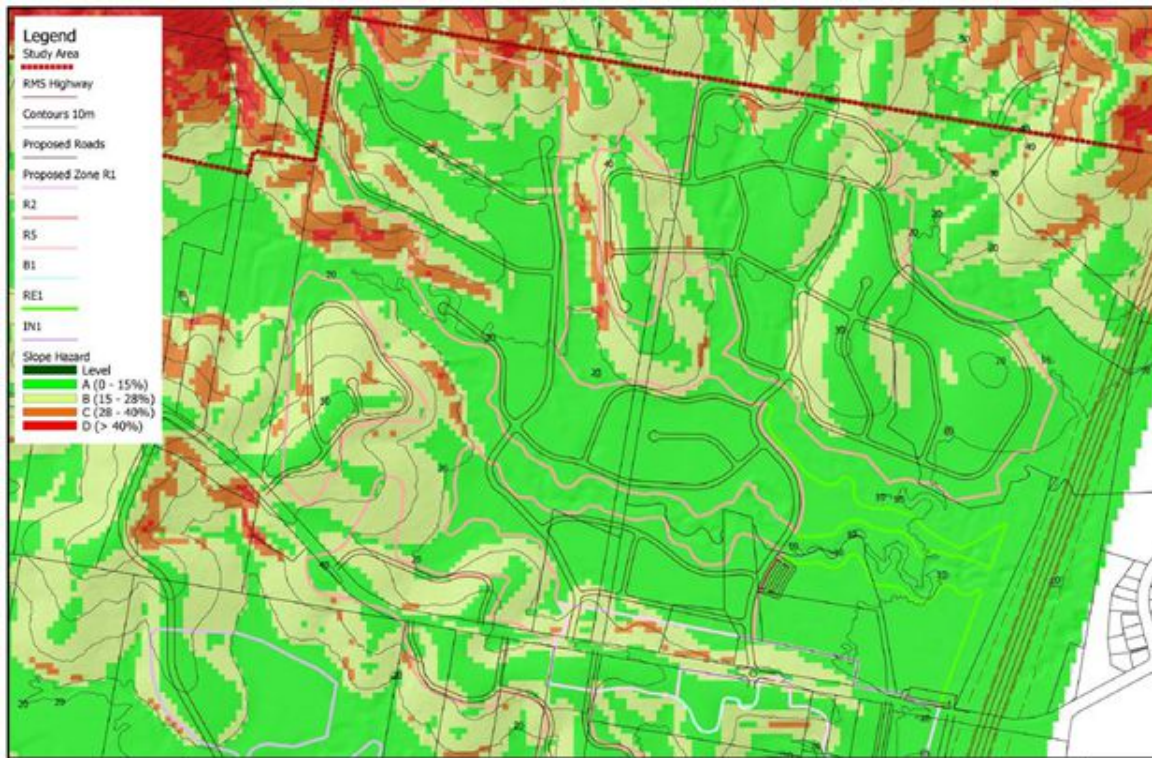
- Study Area
- Category 2 - High conservation lands
- Category 3 - Drainage revegetation buffers
- Category 3 - Environmental rehabilitation and restoration



- |  |   |
|--|---|
| <span style="border: 2px solid red; display: inline-block; width: 15px; height: 10px; margin-right: 5px;"></span> Study Area             | <b>Drainage- Stream Order</b>   |
| <span style="display: inline-block; width: 15px; height: 10px; background-color: lightgreen; margin-right: 5px;"></span> Drainage Buffer | <span style="display: inline-block; width: 15px; height: 2px; background-color: yellow; margin-right: 5px;"></span> 1 |
|  | <span style="display: inline-block; width: 15px; height: 2px; background-color: brown; margin-right: 5px;"></span> 2  |
|  | <span style="display: inline-block; width: 15px; height: 2px; background-color: green; margin-right: 5px;"></span> 3  |
|  | <span style="display: inline-block; width: 15px; height: 2px; background-color: blue; margin-right: 5px;"></span> 4   |



**MAP 6 SLOPE HAZARD  
NORTH**



**SOUTH**



**g) Soils and Slope**

- i) Bulk earthworks during subdivision shall be undertaken in accordance with AS3798. All fill under buildings and roadways shall be placed with compact control, testing and reporting. Fill plans, reports and provisional site classifications are required.
- ii) Land slope categories are based on Australian Geomechanics Society (AGS) classification and are shown on MAP 6.
- iii) Class D (AGS) Land - a detailed slope assessment will be required for any works in or within 10 metres of class D land.
- iv) No structures shall be permitted in Class D (slope > 40%) Land being areas identified as having a high likelihood of slope instability.

**h) Road Hierarchy and Access Control**

- i) New subdivisions are to ensure the integrity of the designated 'Haul Route' shown in the Master Plan at MAP 2. The 'Haul Route' road reserve is to be dedicated to Council as public road.
- ii) Streets are to be designed in accordance with the street hierarchy identified in MAP 7 and shall have regard to function.
- iii) New roads in residential areas are to utilise minimum pavement widths to maximise verge areas.
- iv) Roads that cross natural drainage channels are to be constructed of bridges with piered approaches in preference to culverts in order to maintain stream corridor function and be fish friendly.
- v) Design intersections and crossings along dedicated cycle routes are to prioritise cyclists' safety and convenience.
- vi) Local feeder bus routes through the area and bus shelters are to be provided as per the Master Plan.

**i) Compatibility with Adjoining Land Uses**

- i) Guidelines for development of land that will be potentially in conflict with rural lands are outlined in the Rural Land Use Conflicts Information Sheet.

**j) Lands to Be Acquired/Dedicated**

- i) Lands to be purchased by Council are identified on the land acquisitions (MAP 7).
- ii) Land that is unable to be developed due to significant environmental constraints or that is of public benefit may be dedicated to Council via a voluntary planning agreement or other suitable arrangement in accordance with Council's Dedication of Land Policy (unless otherwise specified in the North Boambee Valley (West) Developer Contributions Plan).

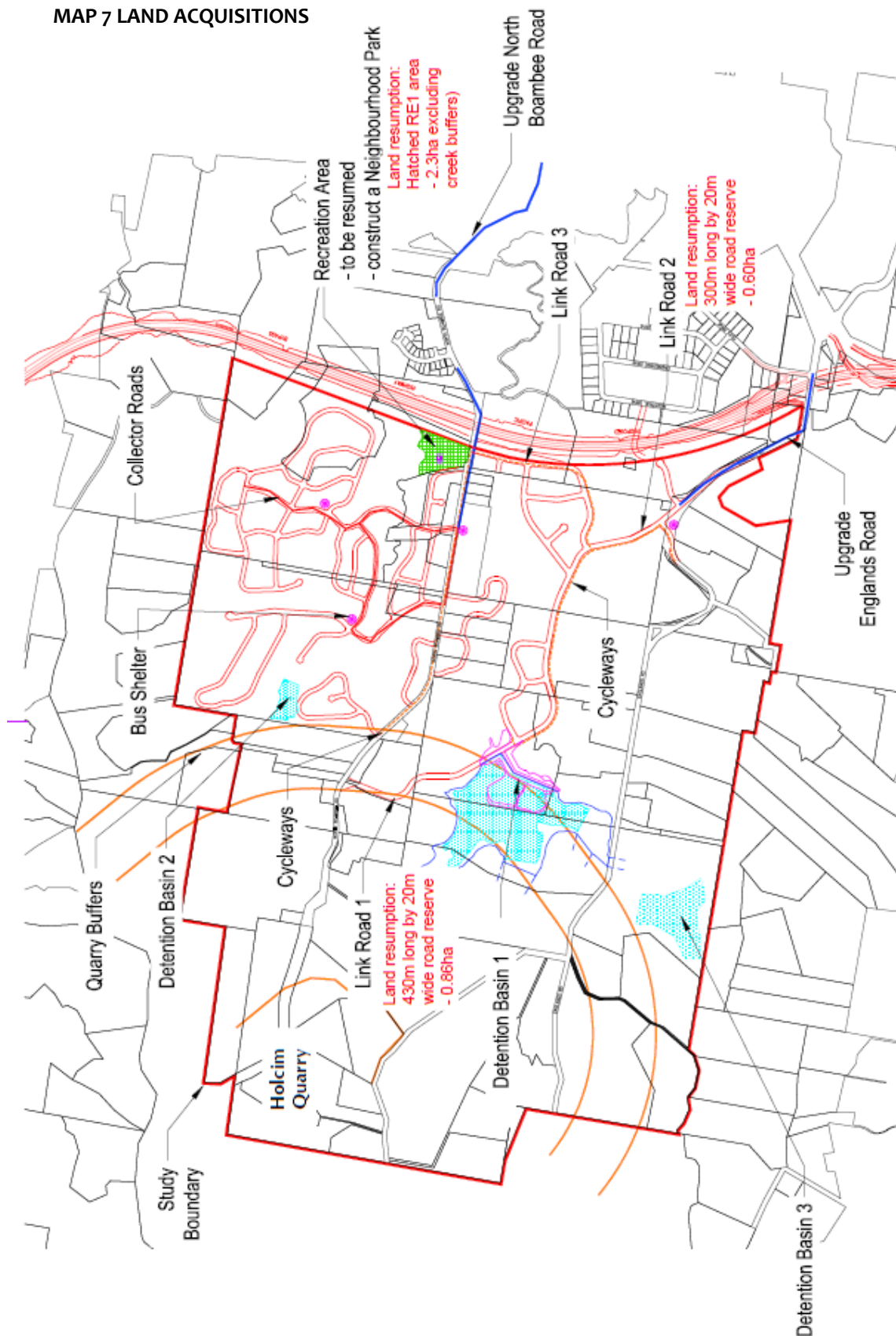
**k) Flood Mitigation**

- i) A detailed flood mitigation study has been prepared for the NBVw study area. The strategy includes significant filling of areas of flood plain and the construction of a large detention basin.
- ii) Proponents should contact Council for a copy of the flood study and for advice regarding flood mitigation in the study area.

**l) Additional Information**

Detailed environmental assessments were carried out for the NBVw study area. Proponents may contact Council for a copy of the *North Boambee Valley West Planning Proposal* (deGroot and Benson, 2014).

## MAP 7 LAND ACQUISITIONS







# **NORTH BOAMBEE VALLEY (WEST) RELEASE AREA**

**Developer Contributions  
Plan 2014**



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## PART A – SUMMARY SCHEDULES

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### EXECUTIVE SUMMARY

This contributions plan enables Coffs Harbour City Council to levy contributions under Section 94 of the *Environmental Planning and Assessment Act 1979 (EPAA)* for development within the North Boambee West (NBVw) release area that will or is likely to increase the demand for public facilities.

NBVw has been identified as an urban growth area and has recently been rezoned for residential and industrial development. It is expected that future development in the release area will result in between 800 to 850 new residential lots accommodating approximately 2,400 additional people and an additional 37 ha of industrial land.

As a consequence of this anticipated development and having regard to the level of facilities currently available and the expected profile of the new population, it will be necessary to provide:

- open space and recreation facilities;
- transport and traffic facilities;
- community facilities and services; and
- environmental conservation and management areas;
- flood mitigation works.

It is noted that this plan does not provide for land purchase of environmental zoned land. This land will typically be dedicated to Council at no cost at subdivision stage.

Detailed urban planning has occurred to support the rezoning of land in the NBVw release area in the form of a detailed Planning Proposal at significant cost to Council.

### SUMMARY OF WORKS

A schedule of works and estimated commencement/staging of works is provided at Table 1.

### SUMMARY OF CONTRIBUTION RATES

Table 2 summarises the contribution rates applying to the different forms of development in North Boambee Valley (West).

### DATE OF COMMENCEMENT OF THE PLAN

This contributions plan came into operation on (to be inserted) 2014.

### AMENDMENTS

Nil to date.



**Table 1 - Schedule of Works, Commencement, Staging and Expenditures**

<b>Future Works</b>	<b>Commencement /Staging</b>	<b>Capital Cost \$</b>
<b>Open Space &amp; Recreation (OS&amp;R)</b>		
Neighbourhood Park	As development proceeds	600,000
Survey & Design (15%)	Upfront	90,000
Contingency (15%)	In Parallel	103,500
<b>Total – OS&amp;R Works</b>		<b>793,500</b>
<b>Transport and Traffic Management</b>		
Link Road 1	As development proceeds	1,168,690
Cycleways	Conjunctional	700,000
Bus Shelters	Conjunctional	100,000
Nth Boambee Rd Upgrade	As development proceeds	3,058,000
Englands Road Upgrade	Industrial Start	960,000
Link Road 2	Industrial Start	1,712,550
Link Road 3	Industrial Start	601,600
Survey & Design (15%)	Upfront	1,245,126
Contingency (15%)	In Parallel	1,431,895
<b>Total - T&amp;TM Works</b>		<b>10,977,861</b>
<b>Stormwater Management / Flood Mitigation Works</b>		
<b>Detention Basins - NBV</b>		
Detention Basins - NBV (Either Basins 2 and 3 or contribution to Basin 1) (Refer Flood Study) including Detailed Flood Planning Study and Land Acquisitions for Easements and Dam Wall	Required for any Industrial Development	3,830,000
<u>Sub-Total</u>		3,830,000
Survey & Design (15%)	In Parallel	574,500
Contingency (15%)	In Parallel	660,675
<b>Sub-Total – SM Works</b>		<b>5,065,175</b>
Interest (7% over 20 years)		4,359,685
<b>Total – SM / FM Works</b>		<b>9,424,860</b>
<b>Urban Planning</b>		
Planning Proposal Costs & CHCC internal costs	Upfront	<b>250,000</b>
<b>Total – All Works</b>		<b>\$21,446,221</b>

Note:

Applicants are to forward fund any works required ahead of Council's Servicing Plans

**Table 2 - North Boambee Valley (West) Contribution Rates**

Service / Facility	Net Cost to be Levied	Per Person	Per Small Dwelling	Per Large Dwelling / lot	Per SEPP Seniors Living Dwelling (self-care)	Per 1,000 m <sup>2</sup> of Industrial Lot area
			1.9 per/lot	2.7 per/lot	1.5 per/lot	
	\$	\$	\$	\$	\$	\$
Open Space	793,500	330.63	628.20	892.70	332.13	-
Transport and Traffic Management	6,267,948	2611.65	4962.135	7051.455	2613.15	-
	4,709,912	-	-	-	-	16241.08
	10,977,861					
Stormwater Management (See Note 6)	6,974,396	2906.00	5521.4	7846.2	2907.5	-
	2,450,463	-	-	-	-	8449.87
	9,424,859					
Urban Planning	188,559	78.57	149.283	212.139	80.07	-
	61,441	-	-	-	-	211.86
	250,000					
<b>Total</b>	<b>21,446,220</b>	<b>5,926.85</b>	<b>11,261.02</b>	<b>16,002.50</b>	<b>5,932.85</b>	<b>24,902.82</b>

**Notes:**

**Contribution rates will be applied as follows:**

1. *The first lot in a residential subdivision is exempt from contributions*
2. *The first dwelling on a residential lot is exempt from contributions*
3. *The contribution rate for a dual occupancy, villa, townhouse or residential flat development is the number of dwellings multiplied by the appropriate dwelling rate minus one lot rate.*
4. *A small dwelling is deemed to be any dwelling with a floor area less than 100 square metres (excluding garages and balcony areas).*
5. *The lot rate/large dwelling rate applies to all types of dwelling with a floor area equal to or exceeding 100 square metres of floor area (excluding garages and balcony areas).*
6. *For Stormwater management, 74% of the costs are allocated to the residential component and 26% to the Industrial component*
7. *In addition to the Contribution Rates shown in Table 2 above, the relevant contribution rates for :*
  - a. *Regional, District Neighbourhood Open Space and Community Facilities,*
  - b. *Surf Rescue Equipment,*
  - c. *Coffs Harbour Road Network, and*
  - d. *Other possible future plans**will also apply.*
8. *SEPP Seniors Living occupancy rates refers to developments approved under the State Environmental Planning Policy (Seniors Living) 2004.*
9. *Industrial lots will pay Developer Contributions on a land area rate - per 1,000 m<sup>2</sup> of industrial lot area at subdivision stage.*
10. *Coffs Harbour Water Supply and Wastewater Development Services are also in addition to costs identified in this Plan.*
11. *Additional contribution rates for various other types of development are included in this plan at Appendix "B".*

## PART B – ADMINISTRATION AND ACCOUNTING

### NAME OF THE PLAN

This contributions plan has been prepared in accordance with the provisions of Section 94 of the *Environmental Planning and Assessment Act 1979* and Part 4 of the *Environmental Planning and Assessment Regulation 2000* and may be referred to as the North Boambee Valley (West) Release Area Developer Contributions Plan 2013.

### PURPOSE OF THE PLAN

The primary purpose of this plan is to satisfy the requirements of the Environmental Planning and Assessment Act and Regulation to enable Council to require a contribution towards the provision, extension or augmentation of public services that will, or are likely to be required as a consequence of development in the area or that have been provided in anticipation of or to facilitate such development.

Other purposes of the plan are to:

- i. Ensure that an adequate level of public infrastructure is provided within the North Boambee Valley (West) (NBVw) release area as development occurs.
- ii. Ensure that the existing community is not burdened by the provision of public facilities required as a result of future development.
- iii. Provide a comprehensive strategy for the assessment, collection, expenditure, accounting and review of development contributions on an equitable basis throughout the NBVw Release Area.
- iv. Enable Council to recoup funds that it has spent in the provision of public facilities and infrastructure in anticipation of likely future development.

### THE AREA TO WHICH THE PLAN APPLIES

This plan applies to the land zoned residential and industrial within the NBVw study area shown on Map 1.

MAP 1:



## HOW THE PLAN OPERATES

In determining a development application Council may impose a condition requiring the payment of a monetary contribution and/or the dedication of land in accordance with the provisions of this Plan.

## RELATIONSHIP TO OTHER PLANS AND POLICIES

This plan supplements the Coffs Harbour Local Environmental Plan 2013 and the NBVw Release Area Development Control Plan. This contributions plan should be read in conjunction with the Regional, District and Neighbourhood Facilities Developer Contributions Plan, The Coffs Harbour Road Network Developer Contributions Plan, the Surf Rescue Equipment Contributions Plan, the Coffs Harbour Development Servicing Plan for Water Supply, the Coffs Harbour Development Servicing Plan for Wastewater, and other plans that may apply to the Release Area.

This plan does not include contributions under Section 306 of the Water Management Act 2000 for water and sewerage services.

Please contact Council for current rates of contributions for these services.

## FORMULA FOR DETERMINING CONTRIBUTIONS

The formula to be used for the calculation of contributions under Section 94 of the *Environmental Planning and Assessment Act* is as set out below:

Contribution per Person for Residential =

$$\frac{\text{Cost for Residential Category}}{P}$$

Or

Contribution per 1,000 m<sup>2</sup> of Industrial Lot =

$$\frac{\text{Cost for Industrial Category}}{A}$$

Where:

**Cost** = Total cost of related works

**P** = Future population of catchment

And

**A** = Area per 1,000 m<sup>2</sup> in Industrial Land Release Area

## TIMING OF PAYMENT OF CONTRIBUTIONS

Payment of financial contributions should be finalised at the following stages:

- **development consents involving subdivisions** – prior to release of the Subdivision Certificate.
- **development consents involving building work** – prior to the release of the Construction Certificate.
- **development consents where no construction certificate is required** – at the time of issue of the notification of consent, or prior to the commencement of approved development as may be determined by Council.

## DEFERRED OR PERIODIC PAYMENTS

Where the applicant can demonstrate that the settlement of the contribution, in terms of the above, is unreasonable in the circumstances of the case, the Council may accept deferred or periodic settlement. In such a case, the applicant needs to make a written request and satisfy Council in accordance with the following:

- there are valid reasons for deferred or periodic payment;
- no prejudice will be caused to the community deriving benefits from the public facilities required by the proposed development;
- no prejudice will be caused to the operation of this plan;
- the provision of the public facility or service in accordance with the adopted work schedule will not be adversely affected.

Applications for deferment of payments will be subject to the following conditions:

- the deferment will be for a fixed period not exceeding six months from the date the contribution becomes due;
- the applicant must agree to pay the Council interest on contributions or on so much thereof as shall remain outstanding from time to time computed from the date that the contribution becomes due at the **appropriate rate of interest**;
- payment of the contributions and the interest must be secured by delivery to the Council of a guarantee in writing issued by an **appropriate institution**;
- Deferments will not be granted based on progressive land sales.

**Note: For the purposes of this provision, “appropriate rate of interest” means the 6 month bank bill rate applicable from time to time, and “appropriate institution” means a licensed bank or other institution where securities comprise authorised investments under the *Trustee Act 1925*.**

## WORKS IN KIND

Council may accept an applicant's offer to make a contribution by way of a works in kind contribution (for an item included on the works schedule) or a material public benefit (for an item not included on the works schedule) as referred to in Section 94 (5B) of the *Environmental Planning and Assessment Act*.

Applicants should consult Councils current Works in Kind Policy prior to making an application for the undertaking of Works in Kind.

Council may accept the offer of a works in kind contribution if the applicant, or any other person entitled to act upon the relevant consent, satisfies the consent authority that:

- (a) payment of the contribution in accordance with the provisions of the plan is unreasonable or unnecessary in the circumstances of the case; and
- (b) the in kind contribution will not prejudice the timing or the manner of the provision of the public facility for which the contribution was required; and

- (c) the value of the works to be undertaken are at least equal to the value of the contribution assessed in accordance with this plan.

## POOLING OF FUNDS

This plan expressly authorises monetary S94 contributions paid for different purposes to be pooled and applied (progressively or otherwise) for those purposes.

## EXEMPTIONS

Council may consider exempting developments, or components of developments from the requirement for a contribution for developments that include aged care accommodation where the residents require in house care, and developments that are specifically exempted under directions that may be made from time to time by the NSW Minister for Planning.

## INDEXING OF CONTRIBUTION RATES

Council will review the contribution rates to ensure that the monetary contributions reflect the costs associated with the provision of the public facility.

The contribution rates will be reviewed on the basis of movements in the Consumer Price Index, All Groups Sydney, as published by the Australian Bureau of Statistics in accordance with the following formula:

$$RC = \frac{C \times \text{Current index}}{\text{Previous index}}$$

where

RC = Revised contribution rate per ET applicable at the time of payment

C = Previous contribution rate

ET = Equivalent Tenement

*Current index* is the Consumer Price Index at the date of review of the contribution

*Previous index* is the Consumer Price index as listed in Appendix "A" or applicable at the time of issue of the consent.

From time to time, Council may also review and/or amend the works schedule, the estimate of costs of the various public facilities and services, population projections, land acquisition costs or other aspects relating to the contribution plan.

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## PART C – STRATEGY PLANS

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### RELATIONSHIP BETWEEN EXPECTED DEVELOPMENT AND DEMAND FOR ADDITIONAL PUBLIC FACILITIES

The following documents provide the basis for establishing the relationship (nexus) between the expected types of development in the area and the demand for additional public facilities to meet that development.

**The Coffs Harbour Land Capacity Assessment 2004, and the Our Living City (OLC)**

**Settlement Strategy** establishes the level of existing development and estimates a population of 99,000 in Coffs Harbour by the year 2031. The estimates are based on the Department of Planning's Mid North Coast Regional Strategy population projections. The OLC Strategy identifies the preferred location of future development within the Coffs Harbour local Government Area and specifically identifies NBVw as a special investigation area requiring additional studies. The OLC identified 84.9 ha of residential land (849 possible dwellings and 73.5 ha of industrial land to be released as a short term priority "1" in 2006 to 2011.

**Coffs Harbour City Council's Social and Community Strategic Plan 2006-2010** provides information on strategies for the provision of community facilities.

**Coffs Harbour City Council Open Space Strategy 2010** identifies the passive open space facilities required by future population, The Strategy was prepared following extensive community consultation and a review of current and future demographic patterns and an assessment of issues relevant to all these factors.

**The North Boambee Valley (West) Development Control Plan** sets out guidelines for development in the NBVw release area. It provides for a range of land uses including industrial and predominantly low density residential. A small area of medium density land has been zoned nearby the future recreation area and neighbourhood centre zoned land. It is expected that the dominant form of development will be low density detached dwellings. The DCP also allocates land for recreation, open space, environmental protection purposes, industrial land uses and stormwater detention.

### Causal Nexus

The anticipated increase in population in the NBVw release area will place greater demands on existing public facilities and require the provision of new public facilities which are not currently available.

Table 1 in this plan lists the community infrastructure and facilities to be provided in the NBVw release area.

### Physical Nexus

The location of facilities has been determined having regard to the area of increased demand, accessibility to the identified public facilities and the manner in which such need may be satisfied.

### Temporal Nexus

The public facilities will be provided in a timely manner to benefit those who contributed towards them.

## EXISTING AND FUTURE DEVELOPMENT IN NORTH BOAMBEE VALLEY (WEST)

Existing development within the NBVw release area is predominantly rural.

Future development within the area will include low density residential development with a smaller area of medium density development nearby the neighbourhood centre zoned land and proposed district sporting fields.

Approximately 37 ha of land will be zoned for industrial development adjacent to the proposed quarry haul route link road as shown in Map 2.

### Projected Population

Based on the NBVw Planning Areas Map, (Map 2), it is expected that a total of approximately 2,400 people, will ultimately reside within the release area.

### Projected Lot Yield

Environmental constraints, prevailing market conditions and household structure will together influence lot yield and ultimately dwelling yield.

The vision statement for the NBVw release area is:

***“NBVw will develop in a manner that is sensitive to the distinct rural and bushland character of the valley and that maintains the high scenic amenity of the valley and its views. NBVw should be a contemporary Coffs Harbour suburb that is integrated with the valley setting and that embraces its bushland as part of a comprehensive network of ‘green spaces’ and recreational areas.”***

On this basis, it is likely that the combination of environmental constraints and a market preference for large low density lots will lead to relatively low lot yields within the release area.

Project lot yields have been estimated at 10 lots per hectare within the R2 Low Density Residential zoned land and 12 lots per hectare within the R3 Medium Density Residential zoned land.

The dwelling yield for the residential areas of the NBVw release area have been calculated based on the Australian Bureau of Statistics 2011 Census Data average dwelling occupancy rate of 2.7 persons for the Coffs Harbour area.

Therefore, the following calculations have been applied:

Zone R2 Low Density Residential – 80.4 ha – 10 lots / ha – 804 lots – 2,170 people.

Zone R3 Medium Density Residential – 7.2 ha – 12 lots / ha – 86 lots – 232 people.

**Residential – approximately 2,400 people.**



## Occupancy Rate

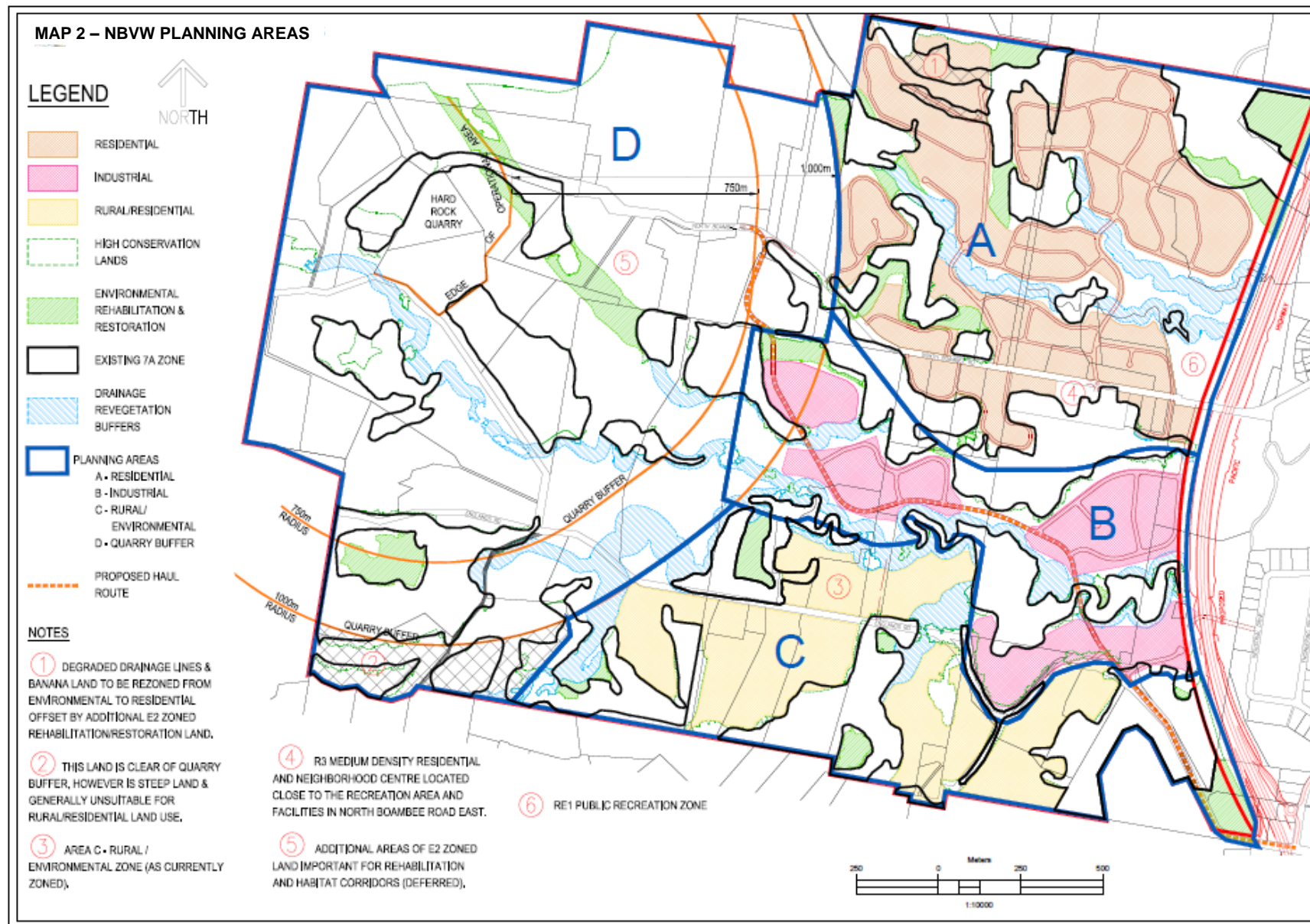
Anticipated occupancy rates for differing types of residential development are shown in Table 3.

**Table 3 - Occupancy Rates**

Dwelling Type	Occupancy Rate
Lot/Large Dwelling	2.7
Small Dwelling	1.9
Seniors Living SEPP dwelling (Self-care)	1.5

**Notes:**

- 1. A small dwelling is deemed to be any dwelling with a floor area less than 100 m<sup>2</sup> (excluding garages and balcony areas).*
- 2. The lot rate/large dwelling rate applies to all types of dwelling with a floor area equal to or exceeding 100 square metres (excluding garages and balcony areas).*



## PROPOSED PUBLIC FACILITIES

Map 3 – Contribution Items shows the schematic locations of the Proposed Public Facilities to be funded by this Section 94 Contributions Plan.

## OPEN SPACE AND RECREATION (OS&R) – RESIDENTIAL ONLY

### District

District sporting fields are provided for by a different Contributions Plan.

### Local

Local open space comprises neighbourhood parks, children's playground areas, passive reserves and drainage reserves.

Local open space is used primarily by children, and these facilities should be provided within walking distance of residential development. A reasonable walking distance to a neighbourhood park is considered to be 500 metres which represents, on average, a seven minute walk.

Local open space has been identified in the NBVw release area in two areas:

1. RE1 zoned land identified above as the district sporting fields. This area will also serve as local open space.
2. E2 zoned land along the creek/stream/drainage line buffers. This land will be suitable for cycle and walking tracks and will contribute to local passive recreation areas. All such land will be dedicated to Council free of cost.

### Proposed Works

Neighbourhood Park	\$ 600,000 (R)
Survey & Design (15%)	\$ 90,000 (R)
Contingency (15%)	\$ 103,500 (R)
<b>Total – OS&amp;R Works</b>	<b>\$ 793,500 (R)</b>

### Calculation of contribution rate

#### Local OS&R Facilities

#### Residential

$$\begin{aligned} \text{Contribution} &= \frac{\text{Cost OS\&R}}{P} \\ &= \frac{\$793,500}{2,400} \end{aligned}$$

**Contribution OS&R = \$330.63 per person**

## TRANSPORT AND TRAFFIC MANAGEMENT – RESIDENTIAL AND INDUSTRIAL

### Existing Facilities

Principal access to the release area is via North Boambee Road and Englands Road with a proposed haul route (Link Road 1) linking the quarry at the western end of North Boambee Road with the proposed Pacific Highway bypass corridor.

A road network system within the NBVw study area has been developed, as follows:

#### Main Access Roads:

North Boambee Road and Englands Road.

Local roads, bridges and culverts on local roads are to be at the expense of the developer.

### Public Transport

Opportunities for public transport within the release area are limited to the provision of a bus service.

To provide for a safe, comfortable and efficient bus service, certain basic facilities are required, including bus shelters, and bus bays. The location of bus shelters are shown on Map 3.

### Pedestrian and Cycleways

The provision of pedestrian and bicycle facilities in residential areas can provide an important alternative transport route for both recreational and functional journeys. The proposed routes are identified in Map 3 – Contribution Items have been designed to relate to the need for access to schools, recreation facilities, neighbourhood shops, and the employment area for those residing in the release area. Cycle routes are provided for both commuter cyclists and recreational cyclists with the former provided with a faster more direct route and the latter with safer, traffic free routes generally within open space areas.

Pedestrian and cycle routes are provided in the form of on-road footpaths/ cycleways on lower order local roads and off-road footpaths/cycleways on the Collector Roads. Future cycleways through reserves where no development fronts the road only are included in this plan.

### Proposed Facilities

The following table summarises the traffic and transport facilities which will be funded using Section 94 contributions on the basis of the local and district facilities.

**Table 4 – Cost of Traffic and Transport Facilities**

<b>Proposed Works</b>	
Link Road 1	\$1,168,690(R, I)
Cycleways	\$ 700,000 (R)
Bus Shelters	\$ 100,000 (R)
Nth Boambee Rd Upgrade	\$3,058,000 (R)
Englands Road Upgrade	\$ 960,000 (I)
Link Road 2	\$1,712,550 (I)
Link Road 3	\$ 601,600 (I)
Survey & Design (15%)	\$1,245,126 (R, I)
Contingency (15%)	\$1,431,895 (R, I)
<b><u>TOTAL T&amp;TM WORKS</u></b>	<b><u>\$10,977,861 (R, I)</u></b>

**Calculation of contribution rates:****Residential**

Residential Lots: 890 Total Lots

$$\begin{aligned} \text{Contribution} &= \frac{\text{Cost of T\&TM for R}}{P} \\ &= \frac{\$6,267,948}{2,400} \end{aligned}$$

**Contribution T&TM = \$2,611.65 per person**

**Industrial**

Industrial Lots: The Area zoned industrial is 37ha. After allowing for road reserves, the net industrial land area is 29ha. This equates to an "A" of 290

$$\begin{aligned} \text{Contribution Per 1000 m}^2 &= \frac{\text{Cost of T\&TM for I}}{A} \\ &= \frac{\$4,709,912}{290} \end{aligned}$$

**Contribution T&TM = \$16,241.08 per 1,000 m<sup>2</sup> of lot area**

**STORMWATER MANAGEMENT****Existing Facilities**

NBVw forms part of the catchment of Newport Creek. It is important to minimise the impact of new development upon the receiving waters of Newport Creek.

Works that are an integral part of the subdivision, such as kerb inlet pits and piping, are considered as part of the initial land development.

**Identified Needs****Water Quality**

The principle adopted in relation to water quality is that the export of nutrients from the urbanisation of the Valley does not exceed the levels existing prior to urbanisation.

Water quality measures for the release area have been determined using stormwater management models based on the anticipated settlement pattern of the Valley.

## Drainage

The release area is located upstream of existing urban development. It is necessary to provide a flow retarding basin to maintain the 1% AEP flood discharge from the development area at the rate it was prior to urban development.

The proposed development requires the construction of flood detention basins so that it does not adversely impact on flood behaviour elsewhere. Three possible sites were identified, being basins 1, 2 and 3.

The site for basin 1 suits the construction of a large detention basin that would not only compensate for the proposed development, but would also provide substantive additional benefit downstream. Basin 1 however does not suit the construction of a smaller basin sized to just compensate for the proposed development. Basins 2 and 3 are more economic at providing such compensation. The construction only cost for basin 2 is \$1.2m, while that for basin 3 is \$1.1m (in 2012\$).

If considering the proposed NBV as a whole, then only one basin, either 2 or 3, is required to ensure no adverse flood impact downstream. However, the NBV development zone is divided into two catchments with basin 2 being at the head of the northern, residential catchment and basin 3 above the southern industrial catchment. To ensure that there is no adverse impact both downstream of the development zones and locally within the valleys, then the construction of both basins is preferable, albeit they can be slightly reduced in size. Such a reduction would see a slight reduction in the combined construction only cost to approximately, \$2.0m.

As the detention is needed at the start of the development process, it will be necessary for Council to forward this component of the project. As such, the calculations for the contributions for the basin include both the principal and interest components of the costs.

## Proposed Works

Embankment, related culverts & outlet structures and easements and acquisitions	3,680,000
Detailed Flood Planning Study	150,000
<u>Sub-Total</u>	3,830,000
Survey & Design (15%)	574,500
Contingency (15%)	660,675
<b>Sub-Total – SM Works</b>	<b>5,065,175</b>
Interest (7% over 20 years)	4,359,685
<b>Total – SM Works</b>	<b>9,424,860</b>

**Total S94 SM Works      \$9,424,875 (R, I)**

## Calculation of Contribution Rate

### Residential (74%)

$$\begin{aligned} \text{Contribution} &= \frac{\text{Cost of SM for R}}{P} \\ &= \frac{\$9,424,860 \times 74\%}{2,400} \end{aligned}$$

**Contribution SM =      \$2,906.00 per person**

**Industrial (26%)**

$$\begin{aligned} \text{Contribution per 1000 m}^2 &= \frac{\text{Cost of SM for I}}{A} \\ &= \frac{\$9,424,860 \times 26\%}{290} \end{aligned}$$

**Contribution SM = \$8,449.87 per 1,000 m<sup>2</sup> of lot area**

**URBAN PLANNING****Plans and Studies**

Section 94 of the EPAA allows recoupment of the costs for the preparation of the NBVw Development Control Plan, related plans and studies and this Contributions Plan. The cost of past strategic studies and plans is \$250,000.

**Calculation of Contribution Rate****Residential**

$$\begin{aligned} \text{Contribution} &= \frac{\text{Cost of UP for R}}{P} \\ &= \frac{\$250,000 \times 890 / (890 + 290)}{2,400} \end{aligned}$$

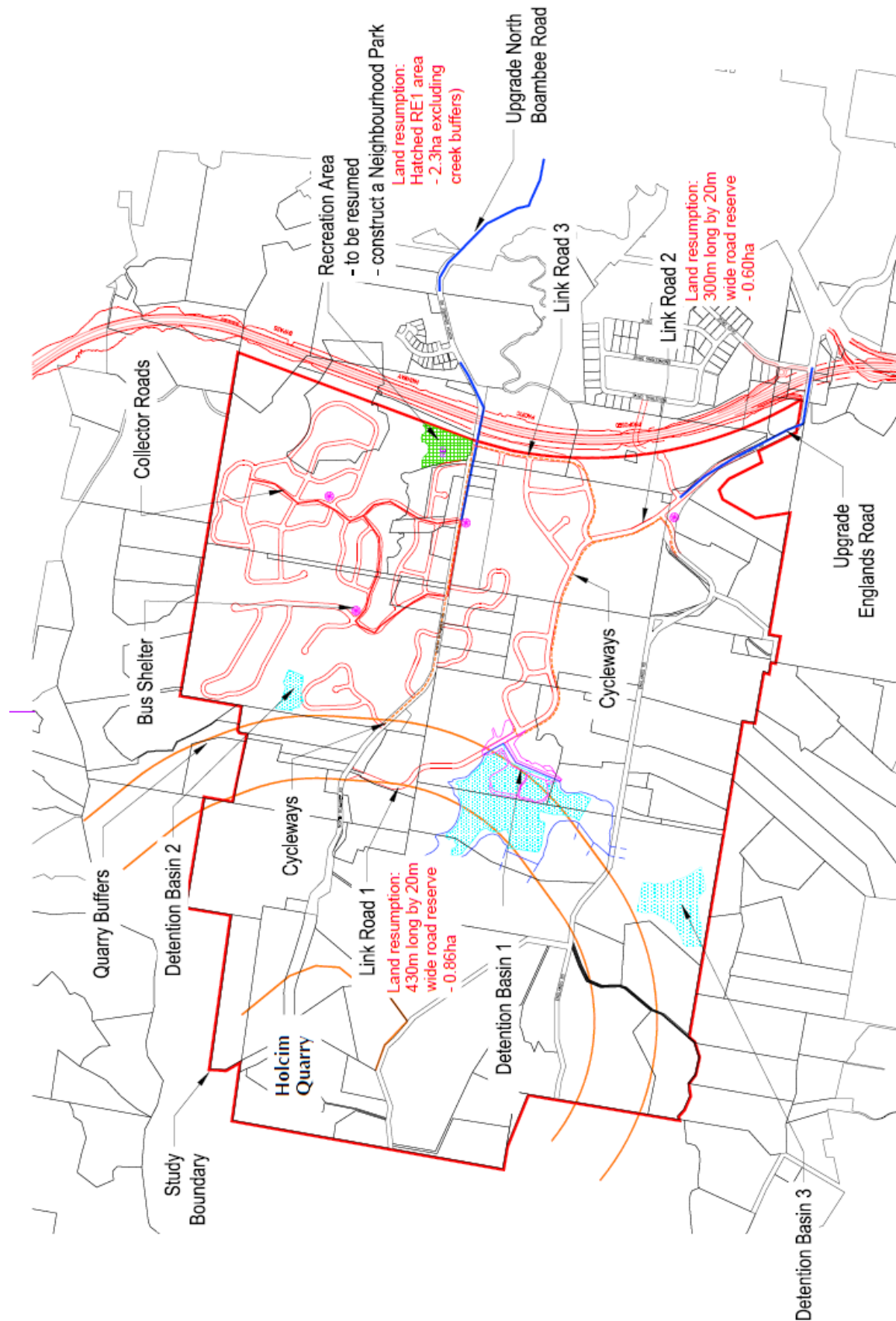
**Contribution UP = \$78.56 per person**

**Industrial**

$$\begin{aligned} \text{Contribution} &= \frac{\text{Cost of UP for I}}{A} \\ &= \frac{\$250,000 \times 290 / (890 + 290)}{290} \end{aligned}$$

**Contribution UP = \$211.86 per 1,000 m<sup>2</sup> of industrial lot area**

Map 3 – Contribution Items





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## APPENDIX A - INDICES APPLYING TO CONTRIBUTIONS IN NORTH BOAMBEE VALLEY (West)

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Contribution Type	Index	Date Applied	Indexation Basis
Roads/Traffic Management	102.7	March 2013	Consumer Price Index – All Groups (A) for Sydney
Buildings/Embellishment	102.7	March 2013	Consumer Price Index – All Groups (A) for Sydney
Land Acquisition	102.7	March 2013	Consumer Price Index – All Groups (A) for Sydney
Stormwater Management	102.7	March 2013	Consumer Price Index – All Groups (A) for Sydney
Urban Planning	102.7	March 2013	Consumer Price Index – All Groups (A) for Sydney

## APPENDIX B – STANDARD EQUIVALENT TENEMENT FIGURES

CLASSIFICATION	Unit Rate per ET Section 94 Contribution Plans	Unit Rate per ET Water DSP	Unit Rate per ET Waste Water DSP
<b>RESIDENTIAL</b>			
Subdivision lot	1	1	1
Small Dwelling*	0.7 per dwelling	0.7 per dwelling	0.7 per dwelling
Large Dwelling**	1 per dwelling	1 per dwelling	1 per dwelling
Boarding House	0.35 per bed	0.35 per bed	0.35 per bed
Seniors Living (SEPP)	0.55 per dwelling	0.55 per dwelling	0.55 per dwelling
Nursing Home	0.35 per bed	0.35 per bed	0.35 per bed
Self Care retirement unit	0.55 per unit	0.55 per unit	0.55 per unit
Granny Flats (Affordable Rental Housing SEPP)	0.4 per dwelling	0.4 per dwelling	0.4 per dwelling
Hostel	0.35 per bed	0.35 per bed	0.35 per bed
Group Home	0.35 per bed	0.35 per bed	0.35 per bed
<b>TOURIST AND VISITOR ACCOMMODATION</b>			
Motel / hotel / resort room	0.35 per room	0.35 per room	0.35 per room
Serviced apartments	0.35 per room	0.35 per room	0.35 per room
Backpackers accommodation per room	0.2 per room	0.2 per room	0.2 per room
Bed & Breakfast Accommodation	0.35 per room	0.35 per room	0.35 per room
Guest House/Hostel	0.35 per room	0.35 per room	0.35 per room
Caravan/Camp/cabin site - Permanent	0.6 per site	0.6 per site	0.6 per site
Caravan/ Cabin site temporary	0.35 per site	0.35 per site	0.35 per site
Camp/Tent Site temporary	0.25 per site	0.25 per site	0.25 per site
<b>BUSINESS PREMISES</b>			
Shop	N/A	0.3 per 100m2	0.3 per 100m2
General Store	N/A	0.3 per 100m2 GFA	0.3 per 100m2 GFA
Convenience Store	N/A	0.3 per 100m2 GFA	0.3 per 100m2 GFA
Supermarket	N/A	0.3 per 100m2 GFA	0.3 per 100m2 GFA
Bulky Goods Premises	N/A	0.2 per 100m2	0.2 per 100m2
Hairdressing/beauty salon	N/A	0.5 per 100m2	0.5 per 100m2
Laundromat	N/A	0.5 per machine	0.5 per machine
Office Premises	N/A	0.65 per 100m2 GFA	0.65 per 100m2 GFA
Warehouse/distribution centre	N/A	0.1 per 100m2 GFA	0.1 per 100m2 GFA
Industrial Premise***	N/A	0.1 per 100m2 GFA	0.1 per 100m2 GFA
Self Storage Premises***	N/A	0.1 per 100m2 GFA (admin area )	0.1 per 100m2 GFA (admin area )
Car Wash	N/A	Determined on Application	Determined on Application
Plant nursery	N/A	Determined on Application	Determined on Application
Service Station	N/A	0.6 per lane	0.6 per lane
Car Sales Showroom ( indoor)	N/A	Determined on Application	Determined on Application
Car Sales Showroom ( outdoor)	N/A	Determined on Application	Determined on Application

	Unit Rate per ET	Unit Rate per ET	Unit Rate per ET
	Section 94		
CLASSIFICATION	Contribution Plans	Water DSP	Waste Water DSP
<b>FOOD AND DRINK PREMISES</b>			
Café / Coffee Shop	N/A	1.0 per 100m2 GFA	1.0 per 100m2 GFA
Convenience Store	N/A	0.3 per 100m2 GFA	0.3 per 100m2 GFA
Fast Food/Snack Bar No amenities	N/A	1.0 per 100m2 GFA	1.0 per 100m2 GFA
Fast Food/Snack Bar with amenities	N/A	1.5 per 100m2 GFA	1.5 per 100m2 GFA
Restaurant	N/A	1.0 per 100m2 GFA	1.0 per 100m2 GFA
Hotel Public Bar	N/A	1.4 per 100m2 GFA	1.4 per 100m2 GFA
Lounge/beer garden	N/A	1.3 per 100m2 GFA	1.3 per 100m2 GFA
Registered Club - Licensed	N/A	0.6 per 100m2 GFA	0.6 per 100m2 GFA
Registered Club - Unlicensed	N/A	0.3 per 100m2 GFA	0.3 per 100m2 GFA
<b>COMMUNITY FACILITIES</b>			
Child care without Laundry - per child	N/A	0.04 per child	0.04 per child
Child care with Laundry - per child	N/A	0.07 per child	0.07 per child
Marina per berth -	N/A	Determined on Application	Determined on Application
Place of worship	N/A	1 per 80 seats (pro-rata)	1 per 80 seats (pro-rata)
Cultural Establishment	N/A	0.3 per 100m2 GFA	0.3 per 100m2 GFA
Correctional Centre	N/A	0.5 per bed	0.5 per bed
<b>Educational Establishment</b>			
- Primary/Secondary School	N/A	.04 per student	.04 per student
- Tertiary	N/A	.04 per student	.04 per student
- Boarding School	0.35 per resident student	0.35 per resident student	0.35 per resident student
Eco Tourism facility			
Passenger Transport Terminal	N/A	0.15 per 100m2 GFA	0.15 per 100m2 GFA
<b>HEALTH SERVICE FACILITIES</b>			
Hospital	N/A	1 per bed	1 per bed
Medical Centre	N/A	0.5 per consultancy room	0.5 per consultancy room
Dental Surgery	N/A	0.5 per consultancy room	0.5 per consultancy room
Veterinary Clinic	N/A	0.5 per consultancy room	0.5 per consultancy room
<b>ENTERTAINMENT</b>			
Bowling Alley	N/A	0.2 per alley	0.2 per alley
Brothel	N/A	0.4 per room	0.4 per room
Swimming Pool - Commercial	N/A	7 per ML	7 per ML
Recreational centre - indoor	N/A	0.3 per 100m2	0.3 per 100m2
Function/Conference Centre	N/A	0.3 per 100m2	0.3 per 100m2

*\*A small dwelling is deemed to be any dwelling with a floor area less than 100 square metres (excluding garages and balcony areas).*

*\*\*The lot rate/large dwelling rate applies to all types of dwelling with a floor area equal to or exceeding 100 square metres of floor area (excluding garages and balcony areas).*

*\*\*\* For onsite caretaker facilities refer to the residential rate applicable*

**Coffs Harbour City Council  
Cnr Coff and Castle Streets  
(Locked Bag 155)  
COFFS HARBOUR NSW 2450**

**Telephone: (02) 6648 4000**

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## **TENDER: ORARA RIVER REHABILITATION PROJECT BUSH REGENERATION TENDER 2014-15 RFT-675-TO**

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### **Purpose:**

To report to Council on tenders received for the Contract RFT-675-TO Orara River Rehabilitation Project Bush Regeneration Tender 2014-15 and recommend acceptance of tenders for a single Tier 1 (full service) contractor and two Tier 2 (part service) contractors.

### **Description of Item:**

The Orara River Rehabilitation Project has received funding from Council's Environmental Levy and the North Coast Local Land Services and are required to expended by 30 June 2015. Up to \$180,000 is available in the current budget for these works, which includes funds received from additional grants.

Contract RFT-637-TO was originally tendered for in April 2014 and accepted by Council on 8 May 2014, however it was terminated at Council's meeting of 10 July 2014 due to inconsistencies in the tendering process.

Selective Tenders were invited electronically via Council's TenderLink portal and advertised in the Sydney Morning Herald on 2 September 2014 and the Coffs Coast Advocate on 3 September 2014 for a Schedule of Rates contract. The proposed contract is non-exclusive, so more than one contractor can be awarded parts of the work. A panel of recognised contractors can then be established to undertake regeneration work to meet project requirements at various stages and within various timeframes. The contractors who tendered for the original contract were directly informed about the new tender.

Assessment Criteria used by the Assessment Panel, as listed in the Tender document were:

- Tender Price;
- Core Bush Regeneration Work Experience;
- Landholder and Project Manager Liaison Experience; and
- Work Plan and Reporting Experience.

Tenders were received from the following entities:

1. Biodiversity Australia Pty Ltd;
2. Coffs Harbour Bushland Regeneration Group Pty Ltd;
3. EnVITE Environment Inc;
4. Mt Coramba Nursery; and
5. Phil Santos.

Evaluation of the tender submissions, and the nomination of a recommended contractor, is included in the 'confidential' section of this report.

The contractor recommended as the successful tenderer has demonstrated that they have the required skills and experience to carry out the project effectively.

### **Sustainability Assessment:**

- **Environment**

The Orara River Rehabilitation Project aims to improve the condition of the river through the exclusion of stock from the riparian zone, erosion control, weed control, regeneration, and site maintenance. Project sites form vegetation corridors within the Orara Valley which link with forested hill slopes under National Park and State Forest tenures.

- **Social**

The tender contains a landholder liaison component which requires the successful tenderer to encourage landholder participation in project activities and an ongoing commitment by landholders to site maintenance. This is intended to build landholder capacity to manage environmental impacts, actively participate in the project and be involved in long term site maintenance.

- **Civic Leadership**

The tender process is undertaken by the use of tendering policy guidelines and requirements which is considered open, transparent and equitable.

The Tender Selection Panel consisted of a representative of the Orara Valley RiverCare Groups Management Committee, contributing to Objective LC2.2 of the plan to welcome civic leadership. The Orara River Rehabilitation Project contributes to Objective LE2.2 of the plan to have active programs to restore and improve the environment.

- **Economic**

#### **Broader Economic Implications**

Bush regeneration businesses have significant local knowledge of the physical requirements of project sites and understand the need for positive relationships with landholders. The tender funding continues to support local employment and drive micro-economic benefits into rural areas.

#### **Delivery Program/Operational Plan Implications**

Expenditure for the contract has been allocated out of Environmental Levy funds, and from external grant funding from the Northern Rivers Local Land Services and the NSW Environmental Trust. There is up to \$180,000 available in the current budget to conduct Orara River Rehabilitation Project Bush Regeneration.

The tendered amount is inclusive of GST, which is not a net cost to Council.

### **Risk Analysis:**

All successful tenderers are registered with BNG Conserve, the contractor risk management system which Council uses. The Tender Selection panel was comprised of a member of the Orara Valley RiverCare Groups Management Committee which oversees the project, as well as the Orara River Rehabilitation Project Officer and the Biodiversity Team Leader as Council representatives. All panel members completed Conflict of Interest declarations and Confidentiality agreement forms before undertaking the selection process. Selection criteria and their weightings were fully discussed by the selection panel and included in the Council Tender Selection Matrix and registered in Council's Enterprise Content Management (ECM) system. The risk was determined to be low due to diligent adherence to the Coffs Harbour City Council tender selection process and requirements for the engagement of contractors.

**Consultation:**

In accordance with Council's tender selection process, all tenders remained confidential and were assessed independently by each member of the Selection Panel.

**Related Policy and / or Precedents:**

Tendering procedures were carried out in accordance with Council policy. Council's Tender Value Selection System was applied to tenders capable of being considered under the Local Government (General) Regulations 2005. Council's policy is that the tender with the highest weighted score becomes the recommended tender.

**Statutory Requirements:**

The calling, receiving and reviewing of selective tenders was carried out in accordance with Part 7 Tendering of the Local Government (General) Regulations 2005 to establish a panel of recognised contractors.

**Issues:**

All tenderers met the selection criteria, with the scoring differences apportioned to price, core bush regeneration experience, landholder liaison and work plan and reporting.

**Implementation Date / Priority:**

A contract can be awarded upon Council's resolution to accept a Tender. Failing any unforeseen events it is expected that the works will be completed by 30 June 2015.

**Recommendation:**

1. That Council considers tenders received for Orara River Rehabilitation Project Bush Regeneration Contract 2014-15 RFT-675-TO and move the motion as detailed in the confidential attachment.

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## ANNUAL FINANCIAL STATEMENTS AND AUDIT 2014

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### **Purpose:**

Consideration of the audited financial statements for the year ended 30 June 2014.

### **Description of Item:**

The audited financial statements for the year ended 30 June 2014 are attached.

The financial statements and auditor's reports will be presented at the meeting in conjunction with this report as required under S 419(1) of the Local Government Act.

Council's auditor, Mr Adam Bradfield, will address the Councillors and executive staff prior to this meeting in relation to Council's financial statements and the auditor's report.

The financial statements consist of three distinct sections:

1. The General Purpose Financial Statements
2. The Special Purpose Financial Statements
3. The Special Schedules.

The General Purpose Financial Statements and Special Purpose Financial Statements are the statements required to be produced by the Australian International Financial Reporting Standards whilst the Special Schedules contain additional information required for the Local Government Grants Commission, NSW Office of Water and Office of Local Government.

Local government annual reporting is similar to commercial reporting. In fact under the requirements of National Competition Policy (which are disclosed in the Special Purpose Financial Statements) comparisons between Council's business activities (i.e. water, sewer, telecommunications and new technology, and airport) and similar private sector activities can be performed.

It should be recognised that the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, and Statement of Cash Flows of the General Purpose Statements provide a consolidated picture of a council's operation and financial position and excludes transactions between General, Water and Sewer funds, eg water charges met by Parks and Gardens are reversed. For a multi-purpose council, such as Coffs Harbour City Council, the results achieved by each traditional fund (General, Water and Sewerage) are disclosed in Note 21.

The sections of the financial statements are set out below:

1. General Purpose Financial Statements

In relation to the specific statements included in the General Purpose Financial Statements, the following comments are made:



a) Statement by Councillors and Management.

The statement requires Councillors and Management to declare that the financial statements are neither false nor misleading in any way and present fairly Council's operating result and financial position for the year. The statement was approved by Council for signature 23 October 2014.

b) Income Statement

More specific comments in relation to components of the Income Statement are made later in this report when the Notes are covered.

It should be recognised that the operating result cannot be directly compared to the result as reported to Council on 25 September 2014 in relation to the June 2014 Budget Review Actual Funds Deficit. This fact should also be considered when reading Note 16 of the General Purpose Financial Statements. The factors impacting such a comparison include:

- (i) The consolidated approach to the General Purpose Financial Statements (excluding Note 21).
- (ii) Capital expenditure is included in the Balance Sheet (not part of the operating result).
- (iii) The elimination of internal transactions in the General Purpose Financial Statements (excluding Note 21).
- (iv) The impact of revotes does not reflect in the financial statements other than in terms of the expenditure levels and funds on hand.
- (v) The treatment of various non-cash items.

To assist in further understanding the different accounting treatments between the General Purpose Financial Statements and Council's current budgeting approach, a reconciliation is presented below of the Budget Review Actual Funds Deficit to the Net Operating Result for the year.

	<b>\$'000</b>
<b>Budget Review Actual Funds Deficit</b>	<b>(58,030)</b>
<b>Add: Net Balance Sheet Items</b>	
Capital Expenditure	37,501
Loan Funds Received	(4,800)
Loan Repayments – Principal Only	18,834
	<u>51,535</u>
<b>Add: Amounts Not Included In Budget</b>	
Developer Contributions Cash Income	1,771
Recoveries – Program 900	920
	<u>2,691</u>
<b>Add: Net Non-Cash Items</b>	
Depreciation Reconciliation Budget to Actual	(3,831)
Disposal of Non-Current Assets – Written Down Value	(3,596)
Developer Contributions In Kind Income	(1,809)
Asset Dedications Income	1,588
Amortisation of Landfill Rehabilitation Costs	(216)
Investment Property Revaluation Income	207
Other Items	(766)
	<u>(8,423)</u>
<b>Net Operating Result for the Year</b>	<b><u>(12,227)</u></b>

c) Statement of Comprehensive Income

The Statement of Comprehensive Income is a financial report detailing the change in an organisation's net assets during a specific period of time. A statement of comprehensive income differs from a typical income statement, which details profits and losses, but may omit changes in net assets due to asset revaluations (\$76.532 million increase in equity for 2013/14) and transfers for fair value movements in equity to the income statement for available for sale investments (\$0.263 million reduction in equity for 2013/14).

d) Statement of Financial Position

For a further break up of information on the Statement of Financial Position refer to the specific 'Notes' to the financial statements.

The Statement of Financial Position sets out Council's assets, liabilities and equity. Equity represents the stakeholders (ratepayers) net funds tied up in the consolidated Council business. In theory, if the Council was disbanded and all the assets and liabilities were disposed of, the net funds available would represent the equity balance, which would be distributed to the stakeholders. There may be some difficulty in selling some of the infrastructure assets though, e.g., parks, reserves, roads, drainage and bridges.

e) Statement of Changes in Equity

This statement shows the change in Equity for the year as reflected in the 'Statement of Financial Position', ie from a commencing balance of \$1,862,230,000 to a closing balance of \$1,920,870,000. The increase of \$58,640,000 relates to the following:

- (i) Revaluation increases of \$76.532 million in Infrastructure / Property / Plant and Equipment assets at fair value as at 30 June 2014 - major movements include:
  - Roads \$25.090 million increase,
  - Bulk Earthworks \$9.634 million increase,
  - Water network \$7.607 increase
  - Sewerage network \$11.991 million increase.
  - Storm Water Drainage \$6.337 million increase, and
  - Operational Land \$7.274 million increase.
- (ii) Corrections of \$5.402 million for prior period errors relating to asset valuations for Storm Water Drainage which decreases equity
- (iii) Operating deficit from continuing operations of \$12.227 million for the 2013/14 financial year which decreases equity, and
- (iv) Fair Value movements through equity for investments of \$0.263 million which decreases equity.

## f) Statement of Cash Flows

This statement shows the movements in cash for the year. The movements are broken down into operating, investing (asset) and financing (borrowing's and advances) activities. Non cash movements or accruals are recorded at the time a transaction occurs regardless of whether cash has been paid or received. These transactions are excluded in the Statement of Cash Flows (as this note only reports on a transaction when cash has been paid or received), and this difference in accounting can be seen by comparing the 'Cash Flows from Operating Activities' with the 'Income Statement', which is set out below:

*Operating Activity:*

	<b>Income Statement (Revenue/ Expenses based on accruals) \$'000</b>	<b>Statement of Cash Flows (Receipts/ Payments based on cash) \$'000</b>
<b>Revenue/Receipts</b>		
Rates and Annual Charges	75,971	75,664
User Charges and Fees	30,878	30,737
Interest and investment revenue	9,449	8,546
Grants and Contributions	24,076	25,648
Other Revenues	7,386	13,853
	<hr/> 147,760	<hr/> 154,448
<b>Expenses/Payments</b>		
Employee Costs	39,128	38,680
Materials and Contracts	46,569	53,615
Borrowing Costs	15,316	15,221
Depreciation and Amortisation	44,941	-
Bonds and Deposits Refunded	-	153
Other Operating Payments	11,203	13,085
Net Loss from Disposals	2,830	-
	<hr/> 159,987	<hr/> 120,754
<b>(Net Deficit)/ Net Cash provided by Operating Activities</b>	<hr/> <b>(12,227)</b>	<hr/> <b>33,694</b>

The 'Statement of Cash Flows', being a 'cash' statement, reconciles to the cash on hand.

Note 11(b), 'Reconciliation of Net Operating Result to Cash provided from Operating Activities', provides a reconciliation of net operating result to cash provided from operating activities, and additional details, in particular the variations which contributed to the 'cash' view as compared to the accrued view as reflected in the 'Income Statement'.

- g) 'Notes', most of which can be related by number to entries in the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, and Statement of Cash Flows.

Comments in relation to some of the 'notes' are set out below:

(i) Note 1

Provides a summary of the significant accounting policies complied with and other matters of note affecting the financial statements. It is important to read this note as it provides background information that contributes to the understanding of the principles behind the preparation of the statements.

(ii) Note 2

Provides a functional break up, based on Council's Delivery Program, of the sources of operating revenues and expenditures, grants and total assets on hand. It should be noted that the 'Original Budget' figures, whilst of interest, bear little resemblance to the 'Actual' figures in many instances due to the time gap in their preparation.

(iii) Notes 3 and 4

These Notes show a more comprehensive break up of expenditure and income to that reflected in the 'Income Statement'.

(iv) Note 5

This note shows gain or loss on disposal of Council assets

(v) Note 6

The 'Restricted Cash, Cash Equivalents and Investments Summary' part of this note requires explanation. 'External Restrictions' are restrictions due to regulation, that is, they are compulsory. They include unexpended loans, developer contributions on hand, specific purpose grants not spent and the balance of water supply, sewerage and domestic waste funds. 'Internal Restrictions' are restrictions imposed at the option of Council for long term planning reasons.

The total unrestricted cash and investments has increased from \$0.142 million in 2012/13 to \$0.188 million in 2013/14.

(vi) Note 7

Outlines current and non-current receivables (debtors). Total debts have increased from \$21.206 million in 2012/13 to \$21.65 million in 2013/14. This increase has been largely attributable to an increase in GST receivable from the Australian Taxation Office (ATO) of \$0.552 million between 2012/13 and 2013/14.

(vii) Note 8

Shows inventories and other assets have decreased from \$2.293 million in 2012/13 to \$2.216 million in 2013/14, due largely to an increase prepaid expenses.

(viii) Note 9

Shows total infrastructure, property, plant and equipment on hand (Note 9a) and restricted infrastructure property, plant and equipment on hand (Note 9b).

The total carrying value of infrastructure, property, plant and equipment has increased by \$58 million from \$1.861 billion in 2012/13 to \$1.919 billion in 2013/14. This increase is largely attributable to; \$0.748 million decrease in Plant and Equipment, \$4.144 million increase in Operational Land, \$1.53 million decrease in Land Improvements – depreciable, \$21.803 million increase in Roads, \$2.664 million increase in Bridges, \$2.394 million increase in Footpaths, \$9.869 million increase in Bulk Earthworks, \$2.718 million increase in Water Network, \$9.375 million increase in Sewerage Network, \$0.685 million increase in Non Specialised Buildings, \$3.606 million increase in Specialised Buildings, \$1.544 million decrease in Storm Water Drainage and an increase in Works in Progress at 30 June 2014 of \$5.549 million.

The restricted assets relate to the water supply, sewerage and domestic waste services.

(ix) Note 10

The 'Total Borrowings' section of this Note shows that loan liabilities decreased by \$14.034 million from \$227.082 million in 2012/13 to \$213.048 million in 2013/14, which was primarily due to existing loans approaching maturity (principal repayments increasing).

(x) Note 11

See comments above regarding the Statement of Cash Flows.

(xi) Note 12

The purpose of this disclosure is to show firm commitments under capital expenditure contracts that do not meet the criteria for recognition as liabilities.

(xii) Note 13

Includes prescribed ratios prepared in relation to the General Purpose Financial Statements. Comments on each ratio are set out below:

*Operating Performance Ratios:*

This ratio measures a Council's achievement of containing operating expenditure within operating revenue. It is important to distinguish that this ratio is focusing on operating performance and hence capital grants and contributions, fair value adjustments and reversal of revaluation decrements are excluded. The benchmark is greater than 0%.

Council's operating performance ratio has deteriorated from -15.42% in 2012/13 to -16.46% in 2013/14. This deterioration was largely due to increased materials and contract costs in 2013/14.

*Own Source Operating Revenue Ratios:*

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. A Council's financial flexibility improves the higher the level of its own source revenue. The benchmark is greater than 60%.

Council's own source operating revenues ratio has increased from 80.22% in 2012/13 to 83.60% in 2013/14. This increase was largely due to increased rates and charges income of \$4.541 million and increased user charges of \$4.385 million between 2012/13 and 2013/14.

*Unrestricted Current Ratios:*

This ratio reflects the ability of an organisation to pay its way with externally restricted assets not included i.e., the current asset dollars available to meet each current liability dollar. This ratio in the Financial Statements really reflects the General Fund position. The benchmark is greater than 1.5.

The Unrestricted Current ratio has increased from 1.42:1 in 2012/13 to 1.95:1 in 2013/14. This movement has been attributable to a decrease in externally restricted cash related to funding of sewer capital works in 2013/14.

A detailed evaluation by fund of the current ratio is outlined in Note 13b of the General Purpose Financial Statements.

*Debt Service Cover Ratio:*

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments. The benchmark is greater than 2.

The ratio has decreased from 1.22 in 2012/13 to 1.11 in 2013/14, which is a unfavourable movement and is reflective of decreased operating income largely attributable to a \$5,970,000 decrease in Interest and Investment Revenue (during 2012-13 Council received insurance payments for Dante Series CDO's which it held totaling \$2,576,000).

*Rates, Annual Charge, Interest and Extra Charges Outstanding Percentage:*

To assess the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts. The precise figures for 2012/13 and 2013/14 are 6.48% and 6.49% respectively.

*Cash Expenses Cover Ratio:*

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow. The benchmark is greater than 3 months.

Council's cash expenses cover ratio has decreased from 9.67 months in 2012/13 to 9.2 months in 2013/14. This decrease was largely due to increased payments from cash flows for operating activities of \$5.938 million between 2012/13 and 2013/14, largely attributable to increased materials and contracts payments.

(xiii) Note 14

This note shows the movement in fair value of investment property held by council, the basis of the valuations for investment property and rental income generated from investment property during 2012/13 and 2013/14. There was a \$207,000 increase in fair value for investment property between 2012/13 and 2013/14 and a transfer to investment property of \$1.72 million from Operational Land and \$0.189 million from Non Specialised Buildings.

(xiv) Note 15

This note shows the interest rate risk exposure related to 'Financial' assets (cash, investments and receivables) and 'Financial' liabilities (trade creditors and borrowings) for the current and previous years.

Council's only real credit risk exposure is related to loans to community organisations.

(xv) Note 16

Examines significant variations of actual results by the Income Statement compared to the original budget for 2013/14 year.

(xvi) Note 17

Provides details of Developer Contributions on Hand.

(xvii) Note 18

Shows the nature of contingencies, or assets and liabilities not recognised in the Balance Sheet for year ended 30 June 2014.

(xviii) Note 19

Shows that Council has no interest in any Controlled Entities, Associated Entities or Joint Ventures as at 30 June 2014.

(xix) Note 20

Shows the movement in Revaluation Reserves and Retained Earnings during 2012/13 and 2013/14.

(xx) Note 21

Shows the Financial Result and Financial Position by Fund i.e. Water, Sewer and General Funds.

(xxi) Note 22

Provides a statement of any non-current assets or liabilities classified as 'Held for Sale'.

(xxii) Note 23

Provides a statement regarding the impacts of events occurring after 30 June 2014.

(xxiii) Note 24

Shows that Council has no Discontinued Operations as at 30 June 2014.

(xxiv) Note 25

Provides a statement regarding the movements in value of intangible assets that Council holds for the year ended 30 June 2014. Intangible assets in Council's statements relate to the Regional Water Supply Scheme, in particular a license to pump bulk raw water in perpetuity from this scheme, and computer software assets.

(xxv) Note 26

Provides a statement regarding Council's legal/public obligations to restore, rehabilitate or reinstate assets at a future date. The liability in this report relates solely to the future rehabilitation of the Waste Facility site.

(xxvi) Note 27

Lists amounts for each fair value hierarchy level required under AASB 13 for Financial Assets Designated at Fair Value on Recognition, Investment Properties and Infrastructure Property Plant and Equipment.

Disclosure is also required for the valuation techniques for each Level 2 and Level 3 asset class, a reconciliation of Level 3 movements for 2013-14, and a listing of the unobservable inputs and their sensitivities for each AASB 13 asset class.

(xxvii) Note 28

Lists various contact details pertaining to Coffs Harbour City Council and its auditors.

h) Auditor's Reports.

The auditor's 'Report on the Conduct of the Audit' provides comment in relation to:

- (i) Auditors Responsibilities
- (ii) Operating Result
- (iii) Balance Sheet
- (iv) Performance Indicators
- (v) Other Matters

2. Special Purpose Financial Statements

- a) Statement by Councillors and Management.
- b) Income Statement of Business Activities

These Statements show the operating result for 2013/14 of Council's Business Activities (Water, Sewer, Telecommunications and New Technology, and Airport) as required under National Competition Policy (NCP) guidelines. The statement includes internal transactions between business activities and Council's General fund, and also shows notional transactions required under NCP (i.e. Imputation Payments, Corporate Taxation Equivalent and Notional Subsidies from Council).



c) Balance Sheet by Business Activities

This statement sets out the assets, liabilities and equity of Council's Business Activities (Water, Sewer, Telecommunications and New Technology, and Airport) as required under National Competition Policy (NCP) guidelines. The statement includes internal transactions between business activities and Council's General fund.

d) Note 1

Outlines the significant accounting policies complied with and other matters of note affecting the financial statements such as the National Competition Policy Imputation Payments utilised. It is important to read this note as it provides background information that contributes to the understanding of the principles behind the preparation of the statements.

e) Note 2 and Note 3

Outlines tax equivalent payments, the dividends from operating surpluses that would be payable if the Best Practice Management Guidelines have been met and requirements for the Best Practice Management Guidelines to be met for Water and Sewer operations. Income Statement by Business Activity.

f) Auditor's Reports.

3. Special Schedules

These schedules provide additional information required for the NSW Grants Commission, the Australian Bureau of Statistics, the NSW Department of Primary Industries (NSW Office of Water) and the Office of Local Government and also support data included in the Special Purpose Financial Statements. The data is also used in the allocation of Financial Assistance Grants, incorporation in national statistics, monitoring of loan approvals, allocation of borrowing rights and monitoring of financial activities of specific services. The auditor is not required to audit the Special Schedules.

- a) Special Schedule 1 - Net Cost of Services (by function)
- b) Special Schedule 2 - Statement of Long Term Debt
- c) Special Schedule 3 - Water Supply Operations
- d) Special Schedule 4 - Water Supply – Net Assets Committed
- e) Special Schedule 5 - Sewerage Service Operations
- f) Special Schedule 6 - Sewerage Services – Net Assets Committed
- g) Special Schedule 7 - Condition of Public Works.

Special Schedule 7 also includes the following Infrastructure Asset performance indicators:

(i) *Building and Infrastructure Renewals Ratio:*

The purpose of this ratio is to assess the rate at which these assets are being renewed against the rate at which they are depreciating.

Council's building and infrastructure renewals ratio has increased from 21.21% in 2012/13 to 39.99% in 2013/14. This increase was largely due to airport runway rejuvenation works of \$6.9 million in 2013/14.

(ii) *Infrastructure Backlog Ratio:*

The purpose of this ratio is to show what proportion the backlog is against the total value of a Council's infrastructure.

Council's infrastructure backlog ratio has decreased from 0.06 in 2012/13 to 0.05 in 2013/14. This increase was largely due to airport runway rejuvenation works of \$6.9 million in 2013/14 which reduce estimated costs to bring to a satisfactory condition, and also due to increases in written down values for bulk earth works and sewer network assets.

(iii) *Asset Maintenance Ratio:*

The purpose of this ratio is to compare actual versus required annual asset maintenance. A ratio of above 1.0 indicates that the Council is investing enough funds within the year to stop the Infrastructure Maintenance Backlog from growing. The benchmark is greater than 1.0.

Council's asset maintenance ratio has decreased from 0.92 in 2012/13 to 0.90 in 2013/14. This decrease was largely due to actual asset maintenance increasing by 32% compared to required asset maintenance increasing by 34% between 2012/13 and 2013/14.

(iv) *Capital Expenditure Ratio:*

The purpose of this ratio is to indicate the extent to which Council is forecasting to expand its asset base with capital expenditure spent on both new assets, and replacement and renewal of existing assets. The benchmark is greater than 1.1.

Council's capital expenditure ratio has increased from 0.61 in 2012/13 to 0.75 in 2013/14. This increase was largely due to an increase in capital expenditure (airport runway \$6.9 million and sewer network \$9.4 million) in 2013/14, and depreciation expense for sewer network assets decreasing in 2013/14 by \$0.858 million (related to decommissioning of Sawtell Treatment Plant).

- h) Special Schedule 8 - Financial Projections.
- i) Special Schedule 9 – Permissible Income.

**Summary:**

The General Fund continues to be in a poor financial position, having minimal untied revenues to allocate to new or expanded operational programs and to capital works.

The Sewerage Fund for 2013/14 had an operating deficit of \$1.018 million and the Water Fund had an operational deficit \$1.071 million after deducting capital grants and contributions. Both Water and Sewer funds in line with the financial model are expected to incur deficits over the next one to two years as cash reserves are eroded to meet loan repayments related to major augmentation works, which have been completed for the Water Fund and are nearing completion for the Sewer Fund. The operational results of the Water and Sewer Funds are expected to improve significantly over the next two years, primarily due to reducing loan repayments. The use of cash reserves to meet these deficits has enabled the annual rates and charges increases to be held at reasonable levels.

**Sustainability Assessment:**

- **Environment**

There are no perceived current or future environmental impacts.

- **Social**

There are no perceived current or future social impacts.

- **Civic Leadership**

There are no civic leadership impacts as a result of the recommendations in this report.

- **Economic**

**Broader Economic Implications**

There are no perceived current or future broader economic implications.

**Delivery Program/Operational Plan Implications**

The operational plan process through budget reviews have reflected the financial results achieved in Council's Annual Financial Statements.

**Risk Analysis:**

A risk analysis is not applicable in this instance.

**Consultation:**

The New South Wales Office of Local Government through the Code of Accounting Practice Update number 22 and Thomas Noble & Russell (Council's auditors) have provided advice to assist Council in the preparation of the Annual Financial Statements.

**Related Policy and / or Precedents:**

Financial statements are prepared and presented on an annual basis as per statutory and regulatory requirements.

**Statutory Requirements:**

The financial statements have been prepared in accordance with:

1. The Local Government Act 1993 and amendments
2. Local Government Regulations
3. Australian Accounting Standards (AASB's).
4. The "Local Government Code of Accounting Practice and Financial Reporting" published by the Office of Local Government.
5. The "Asset Accounting Manual" published by the Office of Local Government.
6. Instructions issued in circulars released by the Office of Local Government.
7. NSW Government Policy Statement 'Application of National Competition Policy to Local Government'.
8. Office of Local Government guidelines "Pricing & Costing for Council Businesses: A guide to Competitive Neutrality".

Council is required to conduct a public meeting under Section 419 of the Local Government Act for the consideration and adoption of its financial statements.

As is normal practice, the public meeting will be incorporated with the Council meeting and held during consideration of this item.

**Issues:**

The operating deficit result for 2013/14 has increased by \$5.401 million from 2012/13 to \$12.227 million; however, this is easily explained by one-off items such as the timing difference in the Financial Assistance Grants in 2014 (\$3.400 million) and the CDO insurance payments in 2012/13, which impacted the fair value adjustment of investments (\$2.576 million). Other Income Statement movements largely offset each other and are as expected.

Depreciation expense has also stabilized this year; however, Council needs to close its operating deficit position to be able to fully fund the depreciation and provide sufficiently for infrastructure asset renewals long term.

Council is tackling the operating deficit through its Financial Sustainability Strategies. The Transformation to Sustainability (T2S) Program has commenced and is estimated to yield a \$3.2 million in ongoing annual savings after three years. Council has implemented a Special Rate Variation in 2014/15 to increase General Fund rate revenue by \$2.0 million to directly fund infrastructure maintenance and renewal. Community engagement will shortly commence for the further two years of the original Special Rate Variation to close the remaining asset renewal gap of \$4.2 million.

The implementation of these strategies are particularly important in light of the State Government's Local Government Reform Agenda, 'Fit for the Future'. Council needs to continue to be proactive in addressing its financial management to ensure it can meet in the future the State Government requirements.

**Implementation Date / Priority:**

Under Section 416(1) of the Local Government Act 1993, Council's financial statements for a year must be prepared and audited within the period of 4 months after the end of that year i.e. by 31 October and submitted to the Office of Local Government by 7 November. The financial statements for 2014 were completed and audited on 31 October 2014 and lodged with the Office of Local Government on 3 November 2014.

**Recommendation:**

**That the report be noted and the attached audited financial statements be received and adopted.**

As reported to Council Meeting 13 November 2014

Attachment

# Coffs Harbour City Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2014

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“Coffs Harbour - the Healthy City, the Smart  
City, the Cultural City for a Sustainable Future”



## Coffs Harbour City Council

### General Purpose Financial Statements

for the financial year ended 30 June 2014

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#### Overview

- (i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Coffs Harbour City Council.
- (ii) Coffs Harbour City Council is a body politic of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

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

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

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

- (iii) All figures presented in these financial statements are presented in Australian Currency.
- (iv) These financial statements were authorised for issue by the Council on 31 October 2014. Council has the power to amend and reissue these financial statements.
-

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

## Understanding Council's Financial Statements

### Introduction

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

### What you will find in the Statements

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

The format of the financial statements is standard across all NSW Councils and complies with both the accounting & 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 & ownership of the financial statements.

### About the Primary Financial Statements

The financial statements incorporate 5 "primary" financial statements:

#### 1. The Income Statement

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

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

#### 2. The Statement of Comprehensive Income

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

#### 3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its Assets, Liabilities & "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 5 primary financial statements.

### About the Auditor's Reports

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

In NSW, the Auditor provides 2 audit reports:

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

### Who uses the Financial Statements ?

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

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

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

## Coffs Harbour City Council

### General Purpose Financial Statements

for the financial year ended 30 June 2014

### Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the Local Government Act 1993 (as amended)

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

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

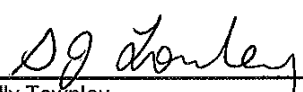
**To the best of our knowledge and belief, these Financial Statements:**


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

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

**Signed in accordance with a resolution of Council made on 23 October 2014.**

  
\_\_\_\_\_  
Denise Knight  
MAYOR

  
\_\_\_\_\_  
Sally Townley  
COUNCILLOR

  
\_\_\_\_\_  
Steve McGrath  
GENERAL MANAGER

  
\_\_\_\_\_  
Dale Allen  
RESPONSIBLE ACCOUNTING OFFICER



## Coffs Harbour City Council

## Income Statement

for the financial year ended 30 June 2014

Budget <sup>1</sup> 2014	\$ '000	Notes	Actual 2014	Actual 2013
<b>Income from Continuing Operations</b>				
<b>Revenue:</b>				
76,928	Rates & Annual Charges	3a	75,971	71,430
28,292	User Charges & Fees	3b	30,878	26,493
6,835	Interest & Investment Revenue	3c	9,449	15,419
4,873	Other Revenues	3d	7,386	7,365
14,209	Grants & Contributions provided for Operating Purposes	3e,f	12,198 <sup>2</sup>	17,388
17,061	Grants & Contributions provided for Capital Purposes	3e,f	11,878	11,143
<b>Other Income:</b>				
-	Net gains from the disposal of assets	5	-	-
-	Net Share of interests in Joint Ventures & Associated Entities using the equity method	19	-	-
<b>148,198</b>	<b>Total Income from Continuing Operations</b>		<b>147,760</b>	<b>149,238</b>
<b>Expenses from Continuing Operations</b>				
28,353	Employee Benefits & On-Costs	4a	39,128	37,716
15,224	Borrowing Costs	4b	15,316	16,355
60,655	Materials & Contracts	4c	46,569	43,314
40,296	Depreciation & Amortisation	4d	44,941	45,479
-	Impairment	4d	-	-
5,980	Other Expenses	4e	11,203	10,781
-	Net Losses from the Disposal of Assets	5	2,830	2,419
<b>150,508</b>	<b>Total Expenses from Continuing Operations</b>		<b>159,987</b>	<b>156,064</b>
<b>(2,310)</b>	<b>Operating Result from Continuing Operations</b>		<b>(12,227)</b>	<b>(6,826)</b>
<b>Discontinued Operations</b>				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
<b>(2,310)</b>	<b>Net Operating Result for the Year</b>		<b>(12,227)</b>	<b>(6,826)</b>
(2,310)	Net Operating Result attributable to Council		(12,227)	(6,826)
-	Net Operating Result attributable to Non-controlling Interests		-	-
<b>(19,371)</b>	<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>		<b>(24,105)</b>	<b>(17,969)</b>

<sup>1</sup> Original Budget as approved by Council - refer Note 16<sup>2</sup> Financial Assistance Grants for 13/14 are lower, reflecting a timing difference due to a change in how the grant is paid - refer Note 3 (e)

## Coffs Harbour City Council

## Statement of Comprehensive Income

for the financial year ended 30 June 2014

\$ '000	Notes	Actual 2014	Actual 2013
<b>Net Operating Result for the year</b> (as per Income statement)		<b>(12,227)</b>	<b>(6,826)</b>
<b>Other Comprehensive Income:</b>			
<i>Amounts which will not be reclassified subsequently to the Operating Result</i>			
Gain (loss) on revaluation of I,PP&E	20b (ii)	76,532	82,009
Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	96
<b>Total Items which will not be reclassified subsequently to the Operating Result</b>		<b>76,532</b>	<b>82,105</b>
<i>Amounts which will be reclassified subsequently to the Operating Result when specific conditions are met</i>			
Realised (gain) loss on available-for-sale investments recognised in P&L	20b (ii)	(263)	-
Gain (loss) on revaluation of available-for-sale investments	20b (ii)	-	157
<b>Total Items which will be reclassified subsequently to the Operating Result when specific conditions are met</b>		<b>(263)</b>	<b>157</b>
<b>Total Other Comprehensive Income for the year</b>		<b>76,269</b>	<b>82,262</b>
<b>Total Comprehensive Income for the Year</b>		<b>64,042</b>	<b>75,436</b>
Total Comprehensive Income attributable to Council		64,042	75,436
Total Comprehensive Income attributable to Non-controlling Interests		-	-

## Coffs Harbour City Council

## Statement of Financial Position

as at 30 June 2014

\$ '000	Notes	Actual 2014	Actual 2013
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	6a	12,032	11,827
Investments	6b	32,510	39,578
Receivables	7	19,367	18,979
Inventories	8	1,578	1,512
Other	8	638	781
Non-current assets classified as "held for sale"	22	1,487	77
<b>Total Current Assets</b>		<b>67,612</b>	<b>72,754</b>
<b>Non-Current Assets</b>			
Investments	6b	104,247	114,423
Receivables	7	2,283	2,227
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	1,918,612	1,861,262
Investments accounted for using the equity method	19	-	-
Investment Property	14	3,712	1,596
Intangible Assets	25	67,607	66,656
<b>Total Non-Current Assets</b>		<b>2,096,461</b>	<b>2,046,164</b>
<b>TOTAL ASSETS</b>		<b>2,164,073</b>	<b>2,118,918</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	10	10,332	10,474
Borrowings	10	18,688	18,618
Provisions	10	12,965	12,450
<b>Total Current Liabilities</b>		<b>41,985</b>	<b>41,542</b>
<b>Non-Current Liabilities</b>			
Payables	10	787	644
Borrowings	10	194,360	208,464
Provisions	10	6,071	6,038
<b>Total Non-Current Liabilities</b>		<b>201,218</b>	<b>215,146</b>
<b>TOTAL LIABILITIES</b>		<b>243,203</b>	<b>256,688</b>
<b>Net Assets</b>		<b>1,920,870</b>	<b>1,862,230</b>
<b>EQUITY</b>			
Retained Earnings	20	1,179,041	1,196,670
Revaluation Reserves	20	741,829	665,560
Council Equity Interest		1,920,870	1,862,230
Non-controlling Interests		-	-
<b>Total Equity</b>		<b>1,920,870</b>	<b>1,862,230</b>

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

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## Coffs Harbour City Council

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

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non-controlling Interest	Total Equity
<b>2014</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		1,196,670	665,560	<b>1,862,230</b>	-	<b>1,862,230</b>
a. Correction of Prior Period Errors	20 (c)	(5,402)	-	<b>(5,402)</b>	-	<b>(5,402)</b>
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance</b> (as at 1/7/13)		<b>1,191,268</b>	<b>665,560</b>	<b>1,856,828</b>	-	<b>1,856,828</b>
<b>c. Net Operating Result for the Year</b>		<b>(12,227)</b>	-	<b>(12,227)</b>	-	<b>(12,227)</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	76,532	<b>76,532</b>	-	<b>76,532</b>
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	(263)	<b>(263)</b>	-	<b>(263)</b>
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
<b>Other Comprehensive Income</b>		-	<b>76,269</b>	<b>76,269</b>	-	<b>76,269</b>
<b>Total Comprehensive Income</b> (c&d)		<b>(12,227)</b>	<b>76,269</b>	<b>64,042</b>	-	<b>64,042</b>
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>1,179,041</b>	<b>741,829</b>	<b>1,920,870</b>	-	<b>1,920,870</b>
<b>2013</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		1,140,510	583,298	<b>1,723,808</b>	-	<b>1,723,808</b>
a. Correction of Prior Period Errors	20 (c)	62,986	-	<b>62,986</b>	-	<b>62,986</b>
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance</b> (as at 1/7/12)		<b>1,203,496</b>	<b>583,298</b>	<b>1,786,794</b>	-	<b>1,786,794</b>
<b>c. Net Operating Result for the Year</b>		<b>(6,826)</b>	-	<b>(6,826)</b>	-	<b>(6,826)</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	82,009	<b>82,009</b>	-	<b>82,009</b>
- Revaluations: Other Reserves	20b (ii)	-	157	<b>157</b>	-	<b>157</b>
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	96	<b>96</b>	-	<b>96</b>
<b>Other Comprehensive Income</b>		-	<b>82,262</b>	<b>82,262</b>	-	<b>82,262</b>
<b>Total Comprehensive Income</b> (c&d)		<b>(6,826)</b>	<b>82,262</b>	<b>75,436</b>	-	<b>75,436</b>
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>1,196,670</b>	<b>665,560</b>	<b>1,862,230</b>	-	<b>1,862,230</b>

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

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## Coffs Harbour City Council

## Statement of Cash Flows

for the financial year ended 30 June 2014

Budget 2014	\$ '000	Notes	Actual 2014	Actual 2013
<b>Cash Flows from Operating Activities</b>				
<b>Receipts:</b>				
76,236	Rates & Annual Charges		75,664	71,161
28,292	User Charges & Fees		30,737	27,722
6,835	Investment & Interest Revenue Received		8,546	11,144
31,269	Grants & Contributions		25,648	23,263
-	Bonds, Deposits & Retention amounts received		-	88
4,873	Other		13,853	10,231
<b>Payments:</b>				
(28,353)	Employee Benefits & On-Costs		(38,680)	(37,169)
(57,247)	Materials & Contracts		(53,615)	(47,004)
(15,337)	Borrowing Costs		(15,221)	(17,027)
-	Bonds, Deposits & Retention amounts refunded		(153)	-
(8,696)	Other		(13,085)	(14,868)
<b>37,872</b>	<b>Net Cash provided (or used in) Operating Activities</b>	11b	<b>33,694</b>	<b>27,541</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts:</b>				
33,431	Sale of Investment Securities		88,874	90,188
1,707	Sale of Infrastructure, Property, Plant & Equipment		677	796
37	Deferred Debtors Receipts		36	35
<b>Payments:</b>				
-	Purchase of Investment Securities		(70,904)	(85,144)
(55,691)	Purchase of Infrastructure, Property, Plant & Equipment		(38,103)	(22,212)
-	Deferred Debtors & Advances Made		(35)	(167)
<b>(20,516)</b>	<b>Net Cash provided (or used in) Investing Activities</b>		<b>(19,455)</b>	<b>(16,504)</b>
<b>Cash Flows from Financing Activities</b>				
<b>Receipts:</b>				
-	Proceeds from Borrowings & Advances		4,800	5,000
<b>Payments:</b>				
(18,798)	Repayment of Borrowings & Advances		(18,834)	(17,582)
<b>(18,798)</b>	<b>Net Cash Flow provided (used in) Financing Activities</b>		<b>(14,034)</b>	<b>(12,582)</b>
<b>(1,442)</b>	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>205</b>	<b>(1,545)</b>
5,125	plus: <b>Cash &amp; Cash Equivalents - beginning of year</b>	11a	11,827	13,372
<b>3,683</b>	<b>Cash &amp; Cash Equivalents - end of the year</b>	11a	<b>12,032</b>	<b>11,827</b>
Additional Information:				
	plus: <b>Investments on hand - end of year</b>	6b	136,757	154,001
	<b>Total Cash, Cash Equivalents &amp; Investments</b>		<b>148,789</b>	<b>165,828</b>

Please refer to Note 11 for additional cash flow information

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

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n/a - not applicable

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASBs), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

### (a) Basis of preparation

#### (i) Background

These financial statements are general purpose financial statements which have been prepared in accordance with;

- Australian Accounting Standards and Australian Accounting Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act (1993) & Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

#### (ii) Compliance with International Financial Reporting Standards (IFRSs)

Because AASBs are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's, or
- (b) specifically exclude application by Not for Profit entities.

Accordingly in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the Local Government Act (LGA), Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with AASBs.

#### (iii) New and amended standards adopted by Council

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

- AASB 13 Fair Value Measurement
- AASB 119 Employee Benefits

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

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

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

AASB 119 Employee Benefits introduced revised definitions for short-term employee benefits.

The Council has reviewed the annual leave liability to determine the level of annual leave which is expected to be paid more than 12 months after the end of the reporting period.

Council continues to measure long term benefits using present values that take account of future salary increases and therefore the changes to AASB 119 Employee Benefits have had no impact.

#### (iv) Early adoption of Accounting Standards

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

Refer further to paragraph (ab) relating to a summary of the effects of Standards with future operative dates.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 1. Summary of Significant Accounting Policies

### (v) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for:

- (i) certain financial assets and liabilities at fair value through profit or loss and available-for-sale financial assets which are all valued at fair value,
- (ii) the write down of any Asset on the basis of Impairment (if warranted) and
- (iii) certain classes of non-current assets (e.g. Infrastructure, Property, Plant & Equipment and Investment Property) that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

### (vi) Changes in Accounting Policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

There have also been no changes in accounting policies when compared with previous financial statements unless otherwise stated [refer Note 20(d)].

### (vii) Critical Accounting Estimates

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASBs).

Accordingly this 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 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 are set out below:

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

#### **Critical judgements in applying Council's accounting policies**

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

### (b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to it and specific criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

#### **Rates, Annual Charges, Grants and Contributions**

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

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



## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

rateable property or, where earlier, upon receipt of the rates.

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

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

Revenue from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, **(i)** it is probable that the economic benefits comprising the contribution will flow to the Council and **(ii)** the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of S94 of the EPA Act 1979.

Whilst Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon their physical 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 detailed Note relating to developer contributions can be found at Note 17.

#### User Charges, Fees and Other Income

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

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

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

#### Sale of Infrastructure, Property, Plant and Equipment

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

#### Interest and Rents

Rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Interest Income from Cash & Investments is accounted for using the Effective Interest method in accordance with AASB 139.

#### Other Income

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

#### (c) Principles of Consolidation

These financial statements incorporate **(i)** the assets and liabilities of Council and any entities (or operations) that it **controls** (as at 30 June 2014) and **(ii)** all the related operating results (for the financial year ended the 30th June 2014).

The financial statements also include Council's share of the assets, liabilities, income and expenses of any **Jointly Controlled Operations** under the appropriate headings.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

### Note 1. Summary of Significant Accounting Policies

In the process of reporting on Council's activities as a single unit, all inter-entity year end balances and reporting period transactions have been eliminated in full between Council and its controlled entities.

#### (i) The Consolidated Fund

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

The Consolidated Fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

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

- *General Purpose Operations*
- *Water Supply*
- *Sewerage Service*
- *Airport Operations*

Due to their immaterial value and nature, the following Committees, Entities & Operations have been excluded from consolidation:

- *Sportz Central Management Committee*
- *Woolgoolga Community Village Management Committee*
- *Nana Glen Sport, Rec. & Equestrian Centre Management Committee*
- *Bayldon Community Centre Management Committee*
- *Eastern Dorrigo Showground Management Committee*
- *Ayrshire Park Management Committee*
- *Lower Bucca Community Centre Management Committee*
- *Coramba Hall Management Committee*

The (i) total income and expenditure from continuing operations and (ii) the net assets held by these excluded Committees & Operations is as follows:

<b>Total income from continuing operations</b>	\$373,446
<b>Total expenditure from continuing operations</b>	\$321,300

**Total net assets held (ie Equity)** \$451,250

#### Note:

Where actual figures are not known, best estimates have been applied.

#### (ii) The Trust Fund

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

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

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these statements.

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

#### (iii) Joint Ventures

Council has no interest in any Joint Venture Entities, Assets or Operations.

#### Jointly Controlled Entities

Any interests in Joint Venture Entities & Partnerships are accounted for using the equity method and is carried at cost.

Under the equity method, the share of the profits or losses of the partnership is recognised in the income statement, and the share of movements in retained earnings & reserves is recognised in the Statement of Financial Position.

#### (iv) Associated Entities

Where Council has the power to participate in the financial and operating decisions (of another entity), ie. where Council is deemed to have "significant influence" over the other entities operations but neither controls nor jointly controls the entity, then Council accounts for such interests using the equity method of accounting – in a similar fashion to Joint Venture Entities & Partnerships.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

Such entities are usually termed Associates.

##### (v) County Councils

Council is not a member of any County Councils.

##### (vi) Additional Information

Note 19 provides more information in relation to Joint Venture Entities, Associated Entities and Joint Venture Operations where applicable.

##### (d) Leases

All Leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

##### Finance Leases

Leases of property, plant and equipment where the Council 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 lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed 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.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

##### Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

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

##### (e) Cash and Cash Equivalents

For Statement of Cash Flows (and Statement of Financial Position) presentation purposes, cash and cash equivalents includes;

- cash **on hand**,
- deposits held **at call** with financial institutions,
- other short-term, highly liquid investments **with original maturities of three months or less** that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are incorporated into Cash & Cash Equivalents for presentation of the Cash Flow Statement.

##### (f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss**,
- **loans and receivables**,
- **held-to-maturity investments**, and
- **available-for-sale financial assets**.

Each classification depends on the purpose/intention for which the investment was acquired & at the time it was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

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

Financial assets at fair value through profit or loss include financial assets that are "held for trading".

A financial asset is classified in the "held for trading" category if it is acquired principally for the purpose of selling in the short term.

Derivatives are classified as held for trading unless they are designated as hedges.

Assets in this category are primarily classified as current assets as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

##### (ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

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

##### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

In contrast to the "Loans & Receivables" classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

If Council were to sell other than an insignificant amount of held to maturity financial assets, the

whole category would be tainted and reclassified as available for sale.

##### (iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be 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.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

##### Financial Assets – Reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term.

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 1. Summary of Significant Accounting Policies

reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

### General Accounting & Measurement of Financial Instruments:

#### (i) Recognition & Derecognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at "fair value through profit or loss", directly attributable transactions costs

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

#### (ii) Subsequent Measurement

**Available-for-sale financial assets** and **financial assets at fair value through profit and loss** are subsequently carried at fair value.

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

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as "**fair value through profit or loss**" category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as "**available-for-sale**" are recognised in equity in the available-for-sale investments revaluation reserve.

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

### Impairment

Council assesses at each balance date 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.

If there is evidence of impairment for any of Council's financial assets carried at amortised cost (eg. loans and receivables), the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

#### (iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.



## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations.

##### (g) Fair value estimation

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

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

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

##### (h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in accordance with Council's policy.

A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

##### (i) Inventories

###### Raw Materials and Stores, Work in Progress and Finished Goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 1. Summary of Significant Accounting Policies

costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for 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.

### (j) Infrastructure, Property, Plant and Equipment (I,PP&E)

#### Acquisition of assets

Council's non current assets are continually revalued (over a 5 year period) in accordance with the fair valuation policy as mandated by the Office of Local Government.

At balance date, the following classes of I,PP&E were stated at their Fair Value;

- **Investment Properties** – refer Note 1(p),
- **Water and Sewerage Networks**  
(External Valuation except for Dams which have been valued internally)
- **Operational Land** (External Valuation)
- **Buildings – Specialised/Non Specialised**  
(External Valuation)

- **Plant and Equipment**  
(as approximated by depreciated historical cost)
- **Roads Assets incl. roads, bridges & footpaths**  
(Internal Valuation)
- **Drainage Assets** (Internal Valuation)
- **Bulk Earthworks** (Internal Valuation)
- **Community Land** (External Valuation)
- **Land Improvements**  
(as approximated by depreciated historical cost)
- **Other Structures**  
(as approximated by depreciated historical cost)
- **Other Assets**  
(as approximated by depreciated historical cost)
- **Swimming Pools**  
(as approximated by depreciated historical cost)
- **Other Open Space/Recreational Assets**  
(as approximated by depreciated historical cost)

#### Initial Recognition

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

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (ie. date of exchange) of the asset to arrive at fair value.

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

### Note 1. Summary of Significant Accounting Policies

#### Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

#### Asset Revaluations (including Indexation)

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- Increases in the combined carrying amounts of asset classes arising on revaluation are credited to the asset revaluation reserve.
- To the extent that a net asset class increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss.
- Net decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water - Rates Reference Manual.

For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5 year cycle.

#### Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

<b>Land</b>	
- council land	100% Capitalised
- open space	100% Capitalised

<b>Plant &amp; Equipment</b>	
Office Furniture	> \$2,000
Office Equipment	> \$2,000
Office Equipment - Communications	> \$1,000
Other Plant & Equipment	> \$2,000

<b>Buildings &amp; Land Improvements</b>	
Park Furniture & Equipment	> \$5,000

<b>Building</b>	
- construction/extensions	100% Capitalised
- renovations	> \$10,000
Other Structures	> \$10,000

<b>Water &amp; Sewer Assets</b>	
Reticulation extensions	> \$5,000
Other	> \$5,000

<b>Stormwater Assets</b>	
Drains & Culverts	> \$5,000
Other	> \$5,000

<b>Transport Assets</b>	
Road construction & reconstruction	> \$5,000
Reseal/Re-sheet & major repairs:	> \$5,000
Bridge construction & reconstruction	> \$5,000

<b>Library Assets</b>	
Reference Collection in its entirety	> \$1,000,000
Heritage Items	> \$5,000

Note common use library items will be expensed.

#### Depreciation

Depreciation on Plant and Equipment, Office Equipment, Furniture and Fittings, and Water and Sewer Network Assets is calculated using the straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life. All other Infrastructure, Property, Plant and Equipment assets have been depreciated on a condition based method.



## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

### Note 1. Summary of Significant Accounting Policies

Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

#### Plant & Equipment

- Office Equipment	3 to 7 years
- Office furniture	5 to 25 years
- Computer Equipment	3 years
- Vehicles	5 to 8 years
- Heavy Plant/Road Making equip.	5 to 8 years
- Other plant and equipment	5 to 15 years

#### Other Equipment

- Playground equipment	15 to 20 years
- Benches, seats etc	10 to 20 years

#### Buildings

- Buildings	25 to 50 years
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#### Stormwater Drainage

- Drains	80 to 100 years
- Pipes, Pits & Culverts	60 to 80 years
- Gross Pollutant Traps	30 years

#### Transportation Assets

- Sealed Roads: Surface	18-22 years
- Sealed Roads: Structure	40 years
- Unsealed roads	20 years
- Bridge: Concrete	50 to 100 years
- Bridge: Other	60 years
- Road Pavements	40 years
- Kerb, Gutter & Paths	60 years

#### Water Assets

- Pump Stations	58 years
- Mains	66 to 81 years
- Treatment Plants	33 to 71 years
- Dams & Reservoirs	96 to 100 years
- Telemetry	20 to 26 years

#### Sewer Assets

- Pumping Stations	41 to 51 years
- Mains	34 to 80 years
- Ancillary	16 to 18 years
- Treatment Works	30 to 50 years

#### Other Infrastructure Assets

- Bulk earthworks	Infinite
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All asset residual values and useful lives are reviewed and adjusted (if appropriate), at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1(s) on Asset Impairment.

#### Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

#### (k) Land

Land (other than Land under Roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either Operational or Community.

This classification of Land is disclosed in Note 9(a).

#### (l) 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 acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment.

#### (m) Intangible Assets

##### IT Development and Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

through revenue generation and/or cost reduction are capitalised to software and systems.

Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on the project.

Amortisation is calculated on a straight line bases over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where Council has an intention and ability to use the asset.

#### Goodwill

Goodwill arising from business combinations is included in Intangibles on the Balance Sheet. It has an infinite useful life and is initially measured at cost, being the excess of the cost of the acquisition over the fair value of the net identifiable assets acquired as at the date of acquisition. Council's goodwill has arisen from the acquisition of the Airport Security Car Park. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

#### (n) 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 the reserves are recognised within Council's Income Statement.

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

#### (o) Rural Fire Service assets

Under section 119 of the Rural Fires Act 1997, *"all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed"*.

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to incorporate the assets, their values and depreciation charges within these financial statements.

#### (p) Investment property

Investment property comprises land &/or buildings that are principally held for long-term rental yields, capital gains or both that is not occupied by Council.

Investment property is carried at fair value, representing a desk top valuation undertaken by external valuers in 2014.

Annual changes in the fair value of Investment Properties are recorded in the Income Statement as part of "Other Income".

Full revaluations are carried out every five years with an appropriate index utilised each year in between the full revaluations.

The last full revaluation for Council's Investment Properties was dated 30/06/13.

#### (q) Provisions for close down, restoration and for environmental clean up costs – including Tips and Quarries

Close down, Restoration and Remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

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.

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, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, Restoration and Remediation 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.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4(b).

Other movements in the provisions for Close down, Restoration and Remediation 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.

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 balance sheet 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 balance sheet 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 unwind 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.

Specific Information relating to Council's provisions relating to Close down, Restoration and Remediation costs can be found at Note 26.

#### **(r) Non-Current Assets (or Disposal Groups) "Held for Sale" & Discontinued Operations**

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non Current Assets under the classification of Infrastructure, Property,

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of Council that has been disposed of or is classified as "held for sale" and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

#### (s) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

Non-financial assets (other than goodwill) that suffered a prior period impairment are reviewed for possible reversal of the impairment at each reporting date.

Goodwill & other Intangible Assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

#### (t) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

#### (u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

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

#### (v) Borrowing costs

Borrowing costs are expensed.

#### (w) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

- Council has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

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.

#### (x) Employee benefits

##### (i) Short Term Obligations

Short term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave expected to be wholly settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

All other short-term employee benefit obligations are presented as payables.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages & salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

##### (ii) Other Long Term Obligations

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be wholly settled within the 12 months after the reporting period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made 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 then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 4 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

##### (iii) 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.



## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 1. Summary of Significant Accounting Policies

### Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the "Local Government Superannuation Scheme – Pool B"

This Scheme has been deemed to be a "multi employer fund" for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

The Local Government Superannuation Scheme has advised member councils that, as a result of the global financial crisis, it has a significant deficiency of assets over liabilities.

As a result, they have asked for significant increases in future contributions to recover that deficiency.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

### Defined Contribution Plans

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

### (iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/6/14.

### (y) Self insurance

Council does not self insure.

### (z) Allocation between current and non-current assets & liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

### Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

In the case of inventories that are "held for trading", these are also classified as current even if not expected to be realised in the next 12 months.

##### (aa) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

##### Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Cash Flow Statement are on a gross basis, ie. they are inclusive of GST where applicable.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

##### (ab) New accounting standards and interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not

mandatory for reporting periods ending 30 June 2014.

**Council has not adopted any of these standards early.**

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

##### Applicable to Local Government with implications:

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

AASB 9 Financial Instruments addresses the classification, measurement and de-recognition of financial assets and financial liabilities.

The standard is not applicable until 1 January 2015 but is available for early adoption.

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

Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss although there is currently a proposal by the IASB to introduce a Fair value through Other Comprehensive Income category for debt instruments.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such material liabilities.

The de-recognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

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

**Applicable to Local Government but no implications for Council;**

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

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

**Applicable to Local Government but not relevant to Council at this stage;**

***AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective for 30 June 2015 Financial Statements for not-for-profit entities)***

This suite of five new and amended standards address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities.

The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities.

It focuses on the need to have both power and rights or exposure to variable returns.

Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both.

Control exists when the investor can use its power to affect the amount of its returns.

There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements.

The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement.

Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture.

Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted.

Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard.

AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules.

As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128.

Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of



## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Summary of Significant Accounting Policies

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ownership changes where a joint venture becomes an associate, and vice versa.

The amendments also introduce a “partial disposal” concept.

Council is still assessing the impact of these amendments.

Council does not expect to adopt the new standards before their operative date.

They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2015.

#### **Not applicable to Local Government per se;**

None

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

#### **(ac) Rounding of amounts**

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

#### **(ad) Comparative Figures**

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

#### **(ae) Disclaimer**

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

# Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

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

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget 2014	Actual 2014	Actual 2013	Original Budget 2014	Actual 2014	Actual 2013	Original Budget 2014	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013
Governance	-	-	-	1,413	1,381	1,241	(1,413)	(1,381)	(1,241)	-	-	-	-
Corporate Planning	3	11	11	728	864	983	(725)	(853)	(972)	-	(1)	2	8
Community Facilities	1,861	1,902	1,814	423	440	415	1,438	1,462	1,399	25	-	880	9
CBD Masterplan Works	724	732	-	135	41	-	589	691	-	-	-	258	-
Jetty Foreshores	-	-	-	-	79	-	-	(79)	-	-	-	-	-
Coffs Coast Tourism and Marketing	671	671	995	1,925	1,641	2,191	(1,254)	(970)	(1,196)	-	20	26	33
Sustainable and Precinct Planning	9	443	108	1,625	2,188	1,160	(1,616)	(1,745)	(1,052)	377	35	61	34
Development Assessment and Building Services	1,845	1,870	1,803	2,693	2,548	2,330	(848)	(678)	(527)	(2)	99	86	52
Environmental Services	230	346	608	1,069	1,188	2,179	(839)	(842)	(1,571)	36	361	668	689
Public Health and Safety	180	218	192	1,229	1,219	1,204	(1,049)	(1,001)	(1,012)	-	-	92	87
Ranger Services	461	531	463	850	857	824	(389)	(326)	(361)	-	-	19	20
Domestic Waste Management	15,487	15,387	13,671	14,785	14,314	13,906	702	1,073	(235)	7	1	17,837	17,500
Non Domestic Waste Management	5,427	5,022	4,756	5,614	4,819	4,742	(187)	203	14	251	441	11	409
Commercial Property	-	1,725	2,030	517	264	478	(517)	1,461	1,552	-	-	44,047	40,092
Property Assets	1,286	1,280	1,376	2,278	2,551	2,301	(992)	(1,271)	(925)	-	(100)	101,184	99,562
Swimming Pools	-	22	-	591	605	462	(591)	(583)	(462)	-	-	2,664	124
Airport	5,121	5,377	5,791	3,543	4,266	3,595	1,578	1,111	2,196	-	-	86,043	72,948
Sports Unit	505	508	536	2,221	1,886	1,955	(1,716)	(1,378)	(1,419)	-	-	8,994	8,892
Administration	39	70	52	1,025	969	1,034	(986)	(899)	(982)	-	-	1,081	1,305
Legal and Audit Services	97	102	223	1,840	2,382	1,698	(1,743)	(2,280)	(1,475)	-	-	-	-
Rural Fire Services	2,620	800	1,528	1,495	1,726	1,436	1,125	(926)	92	799	1,525	5,768	5,427
Corporate Information Services	18	11	10	3,825	3,758	3,348	(3,807)	(3,747)	(3,338)	-	-	937	1,230
Telecommunications and New Technology	1,397	2,202	1,587	1,122	1,951	1,582	275	251	5	-	-	1,624	1,491
Finance	385	512	460	3,959	3,921	3,680	(3,574)	(3,409)	(3,220)	-	-	69,968	69,543

Financial Statements 2014

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

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

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget 2014	Actual 2014	Actual 2013	Original Budget 2014	Actual 2014	Actual 2013	Original Budget 2014	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013
Plant	575	950	1,013	5,860	6,145	5,713	(5,285)	(5,195)	(4,700)	-	-	8,940	9,820
Program Support	82	-	-	192	171	158	(110)	(171)	(158)	-	-	-	-
Human Resources and Organisational Development	55	225	254	1,435	1,610	1,553	(1,380)	(1,385)	(1,299)	1	7	172	557
City Infrastructure Support	-	-	-	674	623	565	(674)	(623)	(565)	-	-	6	8
Asset Systems	-	-	-	348	298	448	(348)	(298)	(448)	-	-	3	6
Library	225	224	418	1,735	1,945	1,798	(1,510)	(1,721)	(1,380)	181	381	145	144
Community Services	280	614	591	2,544	2,309	2,226	(2,264)	(1,695)	(1,635)	107	75	20,540	19,540
Enterprise Coffs	210	377	391	939	983	1,078	(729)	(606)	(687)	109	137	18	18
Environmental Laboratory	480	404	399	492	494	507	(12)	(90)	(108)	-	-	193	184
City Services Operational Administration	22	38	35	930	884	819	(908)	(846)	(784)	-	-	2,861	2,798
Recreational Services	718	1,952	2,699	8,218	7,853	8,843	(7,500)	(5,901)	(6,144)	113	648	43,621	44,527
Regional Roads	1,207	2,561	2,476	2,197	3,261	3,266	(990)	(700)	(790)	2,512	2,446	65,407	99,013
Local Roads	896	2,647	2,724	12,826	14,398	13,588	(11,930)	(11,751)	(10,864)	1,357	1,439	480,351	417,300
Bridges	822	870	896	790	958	1,281	32	(88)	(385)	48	101	62,255	59,182
Footpaths, Cycleways and Bus Shelters	25	290	24	815	903	843	(790)	(613)	(819)	278	7	28,949	29,431
Parking	-	276	154	1,042	1,093	1,010	(1,042)	(817)	(856)	-	-	25,068	24,347
Quarries	214	-	(33)	214	245	147	-	(245)	(180)	-	-	148	283
Street and Toilet Cleaning	-	-	-	840	709	668	(840)	(709)	(668)	-	-	-	-
Drainage	2,580	4,030	3,473	3,823	5,183	3,961	(1,243)	(1,153)	(488)	1,056	193	176,055	188,150
Harbour and Jetty	-	-	7	197	147	119	(197)	(147)	(112)	-	15	-	7
City Works Private Works	283	4,038	2,721	515	3,128	1,581	(232)	910	1,140	-	-	166	678

Coffs Harbour City Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget 2014	Actual 2014	Actual 2013	Original Budget 2014	Actual 2014	Actual 2013	Original Budget 2014	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013
Survey and Design	95	772	362	1,971	2,217	1,989	(1,876)	(1,445)	(1,627)	494	180	1,145	967
Street Lighting	151	148	148	907	885	840	(756)	(737)	(692)	148	148	148	-
Contracts and Subdivisions	107	245	53	508	492	351	(401)	(247)	(298)	-	-	8	4
General Fund Untied Funding	45,874	34,865	38,801	93	121	169	45,781	34,744	38,632	4,245	7,665	-	-
Water Supplies	22,668	21,724	22,213	19,769	20,048	21,130	2,899	1,676	1,083	253	250	387,491	387,735
Sewer Services	32,263	30,703	31,321	25,729	27,886	29,314	6,534	2,817	2,007	1,248	764	518,133	514,764
Oncost Recoveries	-	65	84	-	(860)	(645)	-	925	729	-	-	-	-
<b>Total Functions &amp; Activities</b>	<b>148,198</b>	<b>147,760</b>	<b>149,238</b>	<b>150,508</b>	<b>159,987</b>	<b>156,064</b>	<b>(2,310)</b>	<b>(12,227)</b>	<b>(6,826)</b>	<b>13,643</b>	<b>16,837</b>	<b>2,164,073</b>	<b>2,118,918</b>
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	-	-	-	-	-	-	-	-	-	-	-
General Purpose Income <sup>1</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Operating Result from Continuing Operations</b>	<b>148,198</b>	<b>147,760</b>	<b>149,238</b>	<b>150,508</b>	<b>159,987</b>	<b>156,064</b>	<b>(2,310)</b>	<b>(12,227)</b>	<b>(6,826)</b>	<b>13,643</b>	<b>16,837</b>	<b>2,164,073</b>	<b>2,118,918</b>

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

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

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

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

#### **GOVERNANCE**

Costs relating to the Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance.

#### **CORPORATE PLANNING**

Sister City Exchange programs, naturalisations, donations to community groups, Australia Day Committee, Web and Media Services, Election Expenses, Civic Receptions, Elected Member Expenses.

#### **COMMUNITY FACILITIES**

Provision of major infrastructure i.e. regional roads, jetty structure, from special rate variation funding.

#### **CBD MASTERPLAN WORKS**

Upgrading of amenities, lighting, street and landscaping within Council's Central Business District.

#### **JETTY FORESHORES**

Upgrading of amenities, walkways, drainage, parking, lighting, street and landscaping within the Jetty Foreshores area.

#### **COFFS COAST TOURISM AND MARKETING**

Trade Exhibitions, Travel Shows, Tourism Promotion, Advertising and Promotions

#### **SUSTAINABLE AND PRECINT PLANNING**

Local Environment Plan reviews, heritage programs, planning studies.

#### **DEVELOPMENT ASSESSMENT AND BUILDING SERVICES**

Compliance for construction and development. Drainage diagrams, sewer inspections, building inspections.

#### **ENVIRONMENTAL SERVICES**

Domestic Sewage supervision and administration, water quality monitoring, sustainability services, environmental levy projects, parks and street litter bins contract.

#### **PUBLIC HEALTH AND SAFETY**

Beach patrols, sullage collection, public pools inspection.

#### **RANGER SERVICES**

Rangers, stray animal management, parking inspectors.

#### **DOMESTIC WASTE MANAGEMENT**

Recycling, waste collection and processing, tip facilities.

#### **NON DOMESTIC WASTE MANAGEMENT**

Recycling, waste collection and processing, tip facilities, hazardous material disposal, concrete crushing, Clean Up Australia Day, tip fees.

#### **COMMERCIAL PROPERTY**

Valuation Services, land acquisition and development.

#### **PROPERTY ASSETS**

Maintenance, repair and operation of Council buildings. Management of leased facilities.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

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

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

##### **SWIMMING POOLS**

Contractor costs for operation of swimming pools, pumps and equipment maintenance and repair.

##### **AIRPORT**

Maintenance, repair, operation and development of Regional Passenger Terminal, General Aviation Area and Aerodrome facilities.

##### **SPORTS UNIT**

Stadium Operations, Sports Facilities and Ovals Maintenance, Sports Events.

##### **ADMINISTRATION**

Provision of administration services, office equipment, furniture and fittings.

##### **LEGAL AND AUDIT SERVICES**

Internal audit, legal advice, insurance services.

##### **RURAL FIRE SERVICES**

Hazard reduction, brigade station operations, fire attendances.

##### **CORPORATE INFORMATION SERVICES**

Hardware and software acquisition and maintenance, rural house numbering, information technology conference, geographical information services, records management.

##### **TELECOMMUNICATIONS AND NEW TECHNOLOGY**

Telemetry Switchboard construction and sales, optical fibre provision, CCTV installation, and consultancy

##### **FINANCE**

Procurement, customer services, accounts payable, accounts receivable, investment management, asset accounting, water meter reading and billing, rates management, tax management.

##### **PLANT**

Fleet management, plant hire, mechanical workshop operations.

##### **PROGRAM SUPPORT**

Developer Contributions administration, environmental levy administration, budgeting.

##### **HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT**

Payroll services, training, selection, recruitment, induction, Occupational Health and Safety, Workers Compensation management, health and wellbeing program.

##### **CITY INFRASTRUCTURE SUPPORT**

Two way radio operations, SES contributions.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

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

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

##### ASSET SYSTEMS

Development of asset management plans and strategies. Recording, monitoring and reviewing all assets disposed and acquired.

##### LIBRARY SERVICES

Development, maintenance, and operation of library facilities. Collection processing.

##### COMMUNITY SERVICES

Museum, Theatre, Art Gallery and Community Centre operations. Aboriginal services and youth projects.

##### ENTERPRISE COFFS

Marketing, Buskers Festival, Farmers Markets, Investment Attraction, Business Development.

##### ENVIRONMENTAL LABORATORY

Water, waste water, soil, swimming pool testing for public and private sectors.

##### CITY SERVICES OPERATIONAL ADMINISTRATION

Works depots operations, development, maintenance and repairs.

##### RECREATIONAL SERVICES

Reserves, street trees and gardens maintenance. Noxious weeds control, cemeteries operations, nursery operations, tree farm operations, environmental levy projects, playgrounds, footbridges and boardwalks.

##### REGIONAL ROADS

Development and maintenance of regional roads, RTA block grant funding.

##### LOCAL ROADS

Urban Roads, rural roads sealed and unsealed maintenance, reseals, resheeting and rehabilitation. Roads and traffic Signs, transfer bins, kerb and gutter repairs.

##### BRIDGES

Maintenance and repair of concrete and timber bridges.

##### FOOTPATHS, CYCLEWAYS AND BUS SHELTERS

Footpaths, cycleways, bus shelters and street furniture construction, maintenance and repairs.

##### PARKING

Multi level and ground level car park construction, maintenance and repairs.

##### QUARRIES

Extraction, production and distribution of quarry materials.

##### STREET AND TOILET CLEANING

Street and toilet cleaning (including Marina public toilets).

##### DRAINAGE

Stormwater drainage improvement and nuisance flooding construction, maintenance and repair.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

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

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

##### **HARBOUR AND JETTY**

Boat ramp dredging and maintenance. Historical jetty maintenance and repair.

##### **CITY WORKS PRIVATE WORKS**

External works undertaken to return a profit to the community by way of investment in local infrastructure and services.

##### **SURVEY AND DESIGN**

Road safety officer program, flood mitigation and stormwater works, coastal hazard and estuary studies, traffic safety works, private footpath crossings, road surveys.

##### **STREET LIGHTING**

Operations of street lighting.

##### **CONTRACTS AND SUBDIVISION**

Contracts management, supervision of subdivision works.

##### **GENERAL FUND UNTIED FUNDING**

General rates, environmental levy, investment, financial assistance grants and pensioner subsidy income.

##### **WATER SUPPLIES**

Maintenance, operation and construction of dams, reservoirs, pump stations, mains, chlorination plants, fluoridation plants, telemetry, regional water supply, standpipes and meters. Water quality monitoring & public awareness campaigns.

##### **SEWER SERVICES**

Maintenance, operation and construction of treatment works, pumping stations, sewers, sullage collection, reclaimed water, ocean outfall, biosolids disposal and reuse management. Public awareness campaigns.

##### **ONCOST RECOVERIES**

Employee Leave Entitlements, Workers Compensation Insurance, Superannuation Contributions.



## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2014	Actual 2013
<b>(a) Rates &amp; Annual Charges</b>			
<b>Ordinary Rates</b>			
Residential		24,823	23,861
Farmland		1,176	1,144
Business		6,485	6,299
<b>Total Ordinary Rates</b>		<b>32,484</b>	<b>31,304</b>
<b>Special Rates</b>			
Environmental		1,120	1,080
<b>Total Special Rates</b>		<b>1,120</b>	<b>1,080</b>
<b>Annual Charges</b> (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		14,699	12,497
Stormwater Management Services		672	667
Water Supply Services		3,872	3,736
Sewerage Services		21,510	20,759
Waste Management Services (non-domestic)		1,473	1,254
Other		141	133
<b>Total Annual Charges</b>		<b>42,367</b>	<b>39,046</b>
<b>TOTAL RATES &amp; ANNUAL CHARGES</b>		<b>75,971</b>	<b>71,430</b>

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

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
<b>(b) User Charges &amp; Fees</b>			
<b>Specific User Charges</b> (per s.502 - Specific "actual use" charges)			
Water Supply Services		13,217	12,040
Sewerage Services		2,372	2,145
Waste Management Services (non-domestic)		2,842	2,523
Other		101	95
<b>Total User Charges</b>		<b>18,532</b>	<b>16,803</b>
<b>Other User Charges &amp; Fees</b>			
<b>(i) Fees &amp; Charges - Statutory &amp; Regulatory Functions</b> (per s.608)			
Building Regulation		1,022	853
Construction Certificates		242	53
Domestic Sewerage System Approval		227	187
Private Works - Section 67		3,584	1,108
Section 149 Certificates (EPA Act)		162	143
Section 603 Certificates		133	110
Town Planning		685	594
Other		148	219
<b>Total Fees &amp; Charges - Statutory/Regulatory</b>		<b>6,203</b>	<b>3,267</b>
<b>(ii) Fees &amp; Charges - Other (incl. General User Charges)</b> (per s.608)			
Aerodrome		4,173	3,803
Cemeteries		236	240
Community Village Income		84	64
Laboratory Income		362	352
RMS (formerly RTA) Charges (State Roads not controlled by Council)		120	-
Sports Stadium		113	213
Trade Waste Application Fee		8	13
Water Supply Recovery Charges		156	146
Watermain Connections		265	191
Back Feed Water Charges - Clarence Valley Council		60	1,001
Other		566	400
<b>Total Fees &amp; Charges - Other</b>		<b>6,143</b>	<b>6,423</b>
<b>TOTAL USER CHARGES &amp; FEES</b>		<b>30,878</b>	<b>26,493</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
<b>(c) Interest &amp; Investment Revenue (incl. losses)</b>			
<b>Interest &amp; Dividends</b>			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		374	393
- Interest earned on Investments (interest & coupon payment income)		8,012	9,280
- Interest on Deferred Debtors		18	16
<b>Fair Value Adjustments</b>			
- Fair Valuation movements in Investments (at FV/Held for Trading) *		726	4,818
<b>Available for Sale Revaluation Reserves realised on Investment sale</b>		263	-
<b>Fair Valuation of Financial Liabilities on recognition</b>			
- Interest Free (or favourable) Loans & Advances Received		56	912
<b>TOTAL INTEREST &amp; INVESTMENT REVENUE</b>		<b>9,449</b>	<b>15,419</b>

**\* Significant Item**

During 2012-13 Council received insurance payments for some CDO's which were previously written down to fair value. The net total of these payments amounted to \$2,576,000.

**Interest Revenue is attributable to:****Unrestricted Investments/Financial Assets:**

Overdue Rates & Annual Charges (General Fund)	374	393
General Council Cash & Investments	436	1,048

**Restricted Investments/Funds - External:**

Development Contributions		
- Section 94	739	1,121
- Section 64	12	12
Water Fund Operations	1,995	3,177
Sewerage Fund Operations	3,321	5,326
Domestic Waste Management operations	48	55
Local Infrastructure Renewal Scheme - Interest Subsidy	56	912
Other Externally Restricted Assets	1	1

**Restricted Investments/Funds - Internal:**

Internally Restricted Assets	2,467	3,374
<b>Total Interest &amp; Investment Revenue Recognised</b>	<b>9,449</b>	<b>15,419</b>

**(d) Other Revenues**

Fair Value Adjustments - Investment Properties	14	207	163
Rental Income - Investment Properties	14	62	61
Rental Income - Other Council Properties		1,588	1,668
Fines		389	333
Airport Paking		552	131
Banana Sales from Reuse Trial		134	135
Commissions & Agency Fees		170	207
Conferences		551	624
ICT Projects & Consultancy		839	412
Jetty Theatre Income		216	233
Nursery Sales		157	226

(continued on the next page...)

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
<b>(d) Other Revenues (continued)</b>			
Optical Fibre Lease		152	81
Recoverable Rates Legals		91	133
Reimbursements		192	949
Sale of Switchboards		1,116	1,093
Sports Stadium Food & Drink		330	368
Other		640	548
<b><u>TOTAL OTHER REVENUE</u></b>		<b><u>7,386</u></b>	<b><u>7,365</u></b>

\$ '000	2014 Operating	2013 Operating	2014 Capital	2013 Capital
<b>(e) Grants</b>				
<b>General Purpose (Untied)</b>				
Financial Assistance	3,400	6,828	-	-
Pensioners' Rates Subsidies - General Component	845	837	-	-
<b><u>Total General Purpose</u></b>	<b><u>4,245</u></b>	<b><u>7,665</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

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

#### Specific Purpose

##### Pensioners' Rates Subsidies:

- Water	253	250	-	-
- Sewerage	246	245	-	-
- Domestic Waste Management	2	1	-	-
Sewerage Services	-	-	1,002	519
Bushfire & Emergency Services	556	609	243	917
Community Care	54	60	34	(100)
Footpaths & Cycleways	-	-	278	-
Economic Development	-	137	-	-
Environmental Protection	529	789	87	27
Flood Studies & Mitigation Works	39	45	1,040	(177)
Heritage & Cultural	13	12	(10)	1
Library	131	136	50	245
Natural Disaster	1,319	2,266	-	192
Noxious Weeds	186	131	-	-
Orara River Health	112	30	-	-
Street Lighting	148	148	-	-
Transport (Roads to Recovery)	-	-	896	896
Transport (Other Roads & Bridges Funding)	1,098	1,020	740	543
Other	134	173	218	57
<b><u>Total Specific Purpose</u></b>	<b><u>4,820</u></b>	<b><u>6,052</u></b>	<b><u>4,578</u></b>	<b><u>3,120</u></b>
<b><u>Total Grants</u></b>	<b><u>9,065</u></b>	<b><u>13,717</u></b>	<b><u>4,578</u></b>	<b><u>3,120</u></b>
<b>Grant Revenue is attributable to:</b>				
- Commonwealth Funding	102	236	931	816
- State Funding	8,960	13,481	3,642	2,304
- Other Funding	3	-	5	-
	<b><u>9,065</u></b>	<b><u>13,717</u></b>	<b><u>4,578</u></b>	<b><u>3,120</u></b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 3. Income from Continuing Operations (continued)

\$ '000	2014 Operating	2013 Operating	2014 Capital	2013 Capital
<b>(f) Contributions</b>				
<b>Developer Contributions:</b>				
<b>(s93 &amp; s94 - EP&amp;A Act, s64 of the LGA):</b>				
S 94 - Contributions towards amenities/services	-	-	1,856	1,550
S 64 - Water Supply Contributions	-	-	1,819	1,405
S 64 - Sewerage Service Contributions	-	-	1,738	1,342
<b>Total Developer Contributions</b>	17	-	<b>5,413</b>	<b>4,297</b>
<b>Other Contributions:</b>				
Caravan Parks	125	129	-	-
Contributions to Works	2,336	2,926	-	-
Diesel Fuel Rebate	98	108	-	-
Kerb & Gutter	-	-	-	29
Section 355 Committee - Payroll Processing	18	18	-	-
Subdivider Dedications (other than by S94)	-	-	1,516	2,508
Vehicle Lease Payments	416	371	-	-
Watermain Relocation	-	-	-	1,046
Optical Fibre Contribution	-	-	113	-
Arrawarra Boat Ramp Stage 2	-	-	126	3
Other	140	119	132	140
<b>Total Other Contributions</b>	<b>3,133</b>	<b>3,671</b>	<b>1,887</b>	<b>3,726</b>
<b>Total Contributions</b>	<b>3,133</b>	<b>3,671</b>	<b>7,300</b>	<b>8,023</b>
<b>TOTAL GRANTS &amp; CONTRIBUTIONS</b>	<b>12,198</b>	<b>17,388</b>	<b>11,878</b>	<b>11,143</b>

\$ '000	Actual 2014	Actual 2013
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**(g) Restrictions relating to Grants and Contributions**

**Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:**

Unexpended at the Close of the Previous Reporting Period	22,358	25,946
add: Grants & contributions recognised in the current period but not yet spent:	6,158	10,201
less: Grants & contributions recognised in a previous reporting period now spent:	(11,031)	(13,789)

**Net Increase (Decrease) in Restricted Assets during the Period** **(4,873)** **(3,588)**

**Unexpended and held as Restricted Assets** **17,485** **22,358**

**Comprising:**

- Specific Purpose Unexpended Grants	2,880	5,661
- Developer Contributions	12,554	13,885
- Other Contributions	2,051	2,812
	<b>17,485</b>	<b>22,358</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2014	Actual 2013
<b>(a) Employee Benefits &amp; On-Costs</b>			
Salaries and Wages		29,085	27,846
Travelling		51	80
Employee Leave Entitlements (ELE)		5,742	5,668
Superannuation - Defined Contribution Plans		2,405	2,267
Superannuation - Defined Benefit Plans		1,460	1,531
Workers' Compensation Insurance		1,414	1,433
Fringe Benefit Tax (FBT)		64	62
Payroll Tax		480	476
Training Costs (other than Salaries & Wages)		897	903
Protective Clothing		190	162
Other		155	56
<b>Total Employee Costs</b>		<b>41,943</b>	<b>40,484</b>
less: Capitalised Costs		(2,815)	(2,768)
<b>TOTAL EMPLOYEE COSTS EXPENSED</b>		<b>39,128</b>	<b>37,716</b>
Number of "Equivalent Full Time" Employees at year end		<b>503</b>	<b>521</b>
<b>(b) Borrowing Costs</b>			
<b>(i) Interest Bearing Liability Costs</b>			
Interest on Loans		14,962	16,003
<b>Total Interest Bearing Liability Costs Expensed</b>		<b>14,962</b>	<b>16,003</b>
<b>(ii) Other Borrowing Costs</b>			
Discount adjustments relating to movements in Provisions (other than ELE)			
- Remediation Liabilities	26	216	212
Interest applicable on Interest Free (& favourable) Loans to Council		138	140
<b>Total Other Borrowing Costs</b>		<b>354</b>	<b>352</b>
<b>TOTAL BORROWING COSTS EXPENSED</b>		<b>15,316</b>	<b>16,355</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
<b>(c) Materials &amp; Contracts</b>			
Raw Materials & Consumables		13,732	12,523
Contractor & Consultancy Costs		32,026	30,320
Auditors Remuneration <sup>(1)</sup>		91	70
Legal Expenses:			
- Legal Expenses: Planning & Development		280	164
- Legal Expenses: Other		416	194
Operating Leases:			
- Operating Lease Rentals: Minimum Lease Payments <sup>(2)</sup>		24	43
<b><u>TOTAL MATERIALS &amp; CONTRACTS</u></b>		<b><u>46,569</u></b>	<b><u>43,314</u></b>

**1. Auditor Remuneration**

During the year, the following fees were incurred for services provided by the Council's Auditor (& the Auditors of other Consolidated Entities):

**(i) Audit and Other Assurance Services**

- Audit & review of financial statements: Council's Auditor	91	70
<b>Remuneration for audit and other assurance services</b>	<b>91</b>	<b>70</b>
<b>Total Auditor Remuneration</b>	<b>91</b>	<b>70</b>

**2. Operating Lease Payments are attributable to:**

Buildings	24	39
Other	-	4
	<b>24</b>	<b>43</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2014	Actual 2013	Actual 2014	Actual 2013
(d) Depreciation, Amortisation & Impairment					
Plant and Equipment		-	-	3,901	3,921
Office Equipment		-	-	346	546
Furniture & Fittings		-	-	177	221
Land Improvements (depreciable)		-	-	1,598	2,245
Buildings - Non Specialised		-	-	469	601
Buildings - Specialised		-	-	371	338
Other Structures		-	-	24	27
Infrastructure:					
- Roads		-	-	13,786	12,917
- Bridges		-	-	774	737
- Footpaths		-	-	1,343	1,266
- Stormwater Drainage		-	-	2,985	3,028
- Water Supply Network		-	-	6,034	5,859
- Sewerage Network		-	-	10,466	11,324
- Swimming Pools		-	-	84	84
- Other Open Space/Recreational Assets		-	-	636	654
Other Assets					
- Other		-	-	209	212
Asset Reinstatement Costs	9 & 26	-	-	924	770
Intangible Assets	25	-	-	997	906
<b>Total Depreciation &amp; Impairment Costs</b>		<b>-</b>	<b>-</b>	<b>45,124</b>	<b>45,656</b>
less: Capitalised Costs		-	-	(183)	(177)
<b>TOTAL DEPRECIATION &amp; IMPAIRMENT COSTS EXPENSED</b>		<b>-</b>	<b>-</b>	<b>44,941</b>	<b>45,479</b>



## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
<b>(e) Other Expenses</b>			
Other Expenses for the year include the following:			
Bad & Doubtful Debts		62	1
Bank Charges		290	250
Contributions/Levies to Other Levels of Government			
- NSW Fire Brigade Levy		436	426
- NSW Rural Fire Service Levy		562	446
- Contributions to State Parks		1,055	982
- Contributions to Regional Parks		147	217
- Other Contributions/Levies		145	189
Councillor Expenses - Mayoral Fee		37	37
Councillor Expenses - Councillors' Fees		154	149
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		41	41
Donations, Contributions & Assistance to other organisations (Section 356)		1,087	952
Electricity & Heating		3,499	3,612
Insurance		2,214	2,111
Street Lighting		884	846
Telephone & Communications		335	346
Other		255	176
<b><u>TOTAL OTHER EXPENSES</u></b>		<b><u>11,203</u></b>	<b><u>10,781</u></b>

#### Note 5. Gains or Losses from the Disposal of Assets

<b>Property</b> (excl. Investment Property)			
Proceeds from Disposal - Property		-	140
less: Carrying Amount of Property Assets Sold / Written Off		-	(143)
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>(3)</b>
<b>Plant &amp; Equipment</b>			
Proceeds from Disposal - Plant & Equipment		677	656
less: Carrying Amount of P&E Assets Sold / Written Off		(1,050)	(672)
<b>Net Gain/(Loss) on Disposal</b>		<b>(373)</b>	<b>(16)</b>
<b>Infrastructure</b>			
Proceeds from Disposal - Infrastructure		-	-
less: Carrying Amount of Infrastructure Assets Sold / Written Off		(2,457)	(2,400)
<b>Net Gain/(Loss) on Disposal</b>		<b>(2,457)</b>	<b>(2,400)</b>
<b><u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u></b>		<b><u>(2,830)</u></b>	<b><u>(2,419)</u></b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

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

	2014	2014	2013	2013
	Actual	Actual	Actual	Actual
\$ '000	Current	Non Current	Current	Non Current
Cash & Cash Equivalents (Note 6a)				
Cash on Hand and at Bank	7,221	-	2,700	-
Cash-Equivalent Assets <sup>1</sup>				
- Deposits at Call	4,811	-	1,027	-
- Short Term Deposits	-	-	8,100	-
<b>Total Cash &amp; Cash Equivalents</b>	<b>12,032</b>	<b>-</b>	<b>11,827</b>	<b>-</b>
Investments (Note 6b)				
- Long Term Deposits	25,500	69,534	29,800	66,079
- Floating Rate Term Deposits	2,000	1,500	4,000	3,500
- NCD's, FRN's (with Maturities > 3 months)	5,010	18,196	3,752	35,999
- Constant Protection Portfolio Notes	-	-	995	-
- Fixed Coupon Bonds	-	10,859	1,004	6,718
- Other Long Term Financial Assets	-	4,158	27	2,127
<b>Total Investments</b>	<b>32,510</b>	<b>104,247</b>	<b>39,578</b>	<b>114,423</b>
<b>TOTAL CASH ASSETS, CASH EQUIVALENTS &amp; INVESTMENTS</b>	<b>44,542</b>	<b>104,247</b>	<b>51,405</b>	<b>114,423</b>

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

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

**Cash & Cash Equivalents**

<b>a. "At Fair Value through the Profit &amp; Loss"</b>	<b>12,032</b>	<b>-</b>	<b>11,827</b>	<b>-</b>
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**Investments****a. "At Fair Value through the Profit & Loss"**

- "Held for Trading"	6(b-i)	-	-	2,236	-
- "Designated at Fair Value on Initial Recognition"	6(b-i)	5,010	33,213	2,547	44,844
<b>b. "Held to Maturity"</b>	6(b-ii)	27,500	71,034	33,800	69,579
<b>c. "Available for Sale"</b>	6(b-iv)	-	-	995	-

<b>Investments</b>	<b>32,510</b>	<b>104,247</b>	<b>39,578</b>	<b>114,423</b>
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Refer to Note 27 - Fair Value Measurement for information regarding the fair value of investments held.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 6b. Investments (continued)

\$ '000	2014 Actual Current	2014 Actual Non Current	2013 Actual Current	2013 Actual Non Current
<b>Note 6(b-i)</b>				
<b>Reconciliation of Investments classified as "At Fair Value through the Profit &amp; Loss"</b>				
Balance at the Beginning of the Year	4,783	44,844	7,072	62,172
Revaluations (through the Income Statement)	-	726	1	755
Additions	-	15,304	-	29,944
Disposals (sales & redemptions)	(4,790)	(22,644)	(6,469)	(43,848)
Transfers between Current/Non Current	5,017	(5,017)	4,179	(4,179)
<b>Balance at End of Year</b>	<b>5,010</b>	<b>33,213</b>	<b>4,783</b>	<b>44,844</b>
<b>Comprising:</b>				
- NCD's, FRN's (with Maturities > 3 months)	5,010	18,196	3,752	35,999
- Other Long Term Financial Assets	-	15,017	1,031	8,845
<b>Total</b>	<b>5,010</b>	<b>33,213</b>	<b>4,783</b>	<b>44,844</b>
<b>Note 6(b-ii)</b>				
<b>Reconciliation of Investments classified as "Held to Maturity"</b>				
Balance at the Beginning of the Year	33,800	69,579	25,667	56,084
Additions	32,100	23,500	23,900	31,300
Disposals (sales & redemptions)	(59,900)	(545)	(34,866)	-
Transfers between Current/Non Current	21,500	(21,500)	17,805	(17,805)
<b>Balance at End of Year</b>	<b>27,500</b>	<b>71,034</b>	<b>32,506</b>	<b>69,579</b>
<b>Comprising:</b>				
- Long Term Deposits	25,500	69,534	29,800	66,079
- Floating Rate Term Deposits	2,000	1,500	4,000	3,500
<b>Total</b>	<b>27,500</b>	<b>71,034</b>	<b>33,800</b>	<b>69,579</b>
<b>Note 6(b-iii)</b>				
<b>Reconciliation of Investments classified as "Available for Sale"</b>				
Balance at the Beginning of the Year	995	-	4,879	964
Revaluation - transfer gain (loss) to ARR in Equity	-	-	157	-
Disposals (sales & redemptions)	(995)	-	(5,005)	-
Transfers between Current/Non Current	-	-	964	(964)
<b>Balance at End of Year</b>	<b>-</b>	<b>-</b>	<b>995</b>	<b>-</b>
<b>Comprising:</b>				
- Constant Protection Portfolio Notes	-	-	995	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>995</b>	<b>-</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

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

\$ '000	2014	2014	2013	2013
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
<b>Total Cash, Cash Equivalents and Investments</b>	<b>44,542</b>	<b>104,247</b>	<b>51,405</b>	<b>114,423</b>
<b>attributable to:</b>				
External Restrictions (refer below)	34,822	64,986	45,638	65,055
Internal Restrictions (refer below)	9,532	39,261	5,625	49,368
Unrestricted	188	-	142	-
	<b>44,542</b>	<b>104,247</b>	<b>51,405</b>	<b>114,423</b>

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

## Details of Restrictions

## External Restrictions - Included in Liabilities

Specific Purpose Unexpended Loans-Water (A)	23,990	-	-	23,990
Specific Purpose Unexpended Loans-Sewer (A)	37,588	-	(7,707)	29,881
<b>External Restrictions - Included in Liabilities</b>	<b>61,578</b>	<b>-</b>	<b>(7,707)</b>	<b>53,871</b>

## External Restrictions - Other

Developer Contributions - General (D)	13,757	2,098	(3,603)	12,252
Developer Contributions - Water Fund (D)	67	1,840	(1,657)	250
Developer Contributions - Sewer Fund (D)	61	1,753	(1,762)	52
Water Supplies (G)	12,202	5,325	(8,262)	9,265
Sewerage Services (G)	22,442	23,955	(23,861)	22,536
Domestic Waste Management (G)	527	15,442	(14,451)	1,518
Other	59	10	(5)	64
<b>External Restrictions - Other</b>	<b>49,115</b>	<b>50,423</b>	<b>(53,601)</b>	<b>45,937</b>
<b>Total External Restrictions</b>	<b>110,693</b>	<b>50,423</b>	<b>(61,308)</b>	<b>99,808</b>

**A** Loan moneys which must be applied for the purposes for which the loans were raised.

**D** Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

**G** Water, Sewerage, Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

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

2014 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
<b>Internal Restrictions</b>				
Plant & Vehicle Replacement	6,146	8,391	(7,705)	6,832
Employees Leave Entitlement	3,790	16,838	(15,357)	5,271
General Fund Revotes	4,489	2,377	(4,489)	2,377
EDP Equipment	149	646	(36)	759
Non Domestic Waste Management	1,349	5,083	(5,331)	1,101
Other Contributions	2,812	2	(763)	2,051
Airport	5,747	11,318	(17,056)	9
RTA Contributions - Pacific Highway Garden Works	151	8	(49)	110
Unexpended Loans	10,584	-	(1,190)	9,394
Unexpended Grants	5,661	1,717	(4,498)	2,880
Open Space Land	460	14	(425)	49
Jetty M&R	218	13	-	231
Asset Replacement	400	241	(116)	525
Rural Fire Services	15	1	-	16
Future Road Network	1,241	708	-	1,949
Environmental Levy	380	1,255	(1,400)	235
Community Facilities	977	3,100	(2,663)	1,414
Moonee Beach Road Upgrade	177	10	(187)	0
Environmental Laboratory	643	730	(547)	826
Car Parking Upgrade	2,328	129	(333)	2,124
Future Fund	962	853	(411)	1,404
Business Development	1,212	1,587	(1,540)	1,259
Project Contingency	1,074	63	-	1,137
RTA Contributions - Pine Creek Hand Over	565	178	-	743
Projects - Private Works Funding	1,077	2,889	(2,482)	1,484
Flood Mitigation Works	2,204	885	-	3,089
Technology Group	183	2,202	(2,034)	351
CBD Masterplan	-	1,296	(122)	1,174
<b>Total Internal Restrictions</b>	<b>54,993</b>	<b>62,534</b>	<b>(68,734)</b>	<b>48,793</b>
<b>TOTAL RESTRICTIONS</b>	<b>165,686</b>	<b>112,957</b>	<b>(130,042)</b>	<b>148,601</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 7. Receivables

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
<b>Purpose</b>					
Rates & Annual Charges		3,610	906	3,427	782
Interest & Extra Charges		304	453	309	433
User Charges & Fees		2,028	35	1,762	47
Private Works		2,693	14	113	2
Accrued Revenues					
- Interest on Investments		2,204	-	2,361	-
- User Charges & Fees		1,890	-	1,621	-
- Other Income Accruals		-	-	1	-
Government Grants & Subsidies		1,714	554	4,286	679
Deferred Debtors		38	264	37	266
Net GST Receivable		945	-	393	-
Airport Landing Charges		920	42	777	-
Caravan Parks		923	-	615	-
Economic Development Unit		5	-	4	1
Environmental Lab		77	-	41	-
Lease Rentals		10	-	235	5
Tip Charges		393	-	399	2
Workers Comp. Premium reduction		112	-	509	-
Switchboard Sales		699	-	688	-
Back Feed Water Charges		56	-	377	-
Other Debtors		821	15	1,039	10
<b>Total</b>		<b>19,442</b>	<b>2,283</b>	<b>18,994</b>	<b>2,227</b>
<b>less: Provision for Impairment</b>					
Other Debtors		(75)	-	(15)	-
<b>Total Provision for Impairment - Receivables</b>		<b>(75)</b>	<b>-</b>	<b>(15)</b>	<b>-</b>
<b>TOTAL NET RECEIVABLES</b>		<b>19,367</b>	<b>2,283</b>	<b>18,979</b>	<b>2,227</b>
<b>Externally Restricted Receivables</b>					
<b>Water Supply</b>					
- Specific Purpose Grants		-	-	60	-
- Rates & Availability Charges		180	61	176	55
- Other		3,502	18	3,315	26
<b>Sewerage Services</b>					
- Specific Purpose Grants		-	-	989	-
- Rates & Availability Charges		965	324	940	292
- Other		1,080	46	891	51
<b>Domestic Waste Management</b>		<b>680</b>	<b>240</b>	<b>590</b>	<b>190</b>
<b>Stormwater Management</b>		<b>23</b>	<b>17</b>	<b>22</b>	<b>16</b>
- Other - Environmental Levy		60	43	58	42
<b>Total External Restrictions</b>		<b>6,490</b>	<b>749</b>	<b>7,041</b>	<b>672</b>
<b>Internally Restricted Receivables - Nil</b>					
<b>Unrestricted Receivables</b>		<b>12,877</b>	<b>1,534</b>	<b>11,938</b>	<b>1,555</b>
<b>TOTAL NET RECEIVABLES</b>		<b>19,367</b>	<b>2,283</b>	<b>18,979</b>	<b>2,227</b>

## Notes on Debtors above:

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

## Coffs Harbour City Council

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

## Note 8. Inventories &amp; Other Assets

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
<b>Inventories</b>					
Stores & Materials		1,193	-	1,336	-
Trading Stock		385	-	176	-
<b>Total Inventories</b>		<b>1,578</b>	<b>-</b>	<b>1,512</b>	<b>-</b>
<b>Other Assets</b>					
Prepayments		638	-	781	-
<b>Total Other Assets</b>		<b>638</b>	<b>-</b>	<b>781</b>	<b>-</b>
<b>TOTAL INVENTORIES / OTHER ASSETS</b>		<b>2,216</b>	<b>-</b>	<b>2,293</b>	<b>-</b>
<b>Externally Restricted Assets</b>					
<b>Water</b>					
Stores & Materials		245	-	237	-
<b>Total Water</b>		<b>245</b>	<b>-</b>	<b>237</b>	<b>-</b>
<b>Sewerage</b>					
Nil					
<b>Domestic Waste Management</b>					
Prepayments		283	-	253	-
<b>Total Domestic Waste Management</b>		<b>283</b>	<b>-</b>	<b>253</b>	<b>-</b>
<b>Other</b>					
Nil					
<b>Total Externally Restricted Assets</b>		<b>528</b>	<b>-</b>	<b>490</b>	<b>-</b>
<b>Total Internally Restricted Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Unrestricted Assets</b>		<b>1,688</b>	<b>-</b>	<b>1,803</b>	<b>-</b>
<b>TOTAL INVENTORIES &amp; OTHER ASSETS</b>		<b>2,216</b>	<b>-</b>	<b>2,293</b>	<b>-</b>

## Other Disclosures

## Inventory Write Downs

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

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

# Agenda - Ordinary Meeting 13 November 2014 - CORPORATE BUSINESS DEPARTMENT REPORTS

Attachment

Coffs Harbour City Council

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

## Note 9a. Infrastructure, Property, Plant & Equipment

\$ '000	as at 30/6/2013					Asset Movements during the Reporting Period										as at 30/6/2014				
	At	At	Accumulated	Carrying	Asset Additions	Reinstatement Costs for Impaired Assets	WDV of Asset Disposals	Depreciation Expense	WIP Transfers	Adjustments & Transfers	Other Movements (Prior Period Error)	Tfrs from/(to) "Held for Sale" category	Tfrs from/(to) Inv. Properties	Revaluation Increments to Equity (ARR)		At	At	Accumulated	Carrying	
	Cost	Fair Value	Dep'n	Impairment												Cost	Fair Value	Dep'n	Impairment	
Capital Work in Progress	12,122	-	-	-	12,122	13,147	-	-	(7,598)	-	-	-	-	-	-	17,671	-	-	-	17,671
Plant & Equipment	-	35,519	17,392	-	18,127	3,920	-	(773)	(3,901)	-	6	-	-	-	-	-	37,608	20,229	-	17,379
Office Equipment	-	3,139	2,040	-	1,099	170	-	-	(346)	-	8	-	-	-	-	-	3,458	2,527	-	931
Furniture & Fittings	-	3,487	1,447	-	2,040	25	-	-	(177)	-	-	-	-	-	-	-	3,512	1,624	-	1,888
Land:																				
- Operational Land	-	113,360	-	-	113,360	-	-	-	-	-	-	(1,410)	(1,720)	7,274	-	-	117,504	-	-	117,504
- Community Land	-	36,774	-	-	36,774	255	-	-	-	-	-	-	-	-	-	-	37,029	-	-	37,029
- Land under Roads (post 30/6/08)	-	1,598	-	-	1,598	382	-	-	-	-	-	-	-	-	-	-	1,980	-	-	1,980
Land Improvements - depreciable	-	16,452	11,221	-	5,231	262	-	(214)	(1,598)	20	-	-	-	-	-	-	16,462	12,761	-	3,701
Buildings - Non Specialised	-	57,182	10,784	-	46,398	64	-	-	(469)	-	(7)	-	(189)	1,286	-	-	57,686	10,603	-	47,083
Buildings - Specialised	-	50,064	4,654	-	45,410	3,099	-	-	(371)	-	-	-	-	878	-	-	53,703	4,687	-	49,016
Other Structures	-	1,222	458	-	764	-	-	(68)	(24)	42	16	-	-	-	-	-	1,212	482	-	730
Infrastructure:																				
- Roads	-	514,300	145,881	2,593	365,826	8,087	2,593	(316)	(13,786)	350	(215)	-	-	25,090	-	-	535,883	148,254	-	387,629
- Bridges	-	64,602	5,449	-	59,153	316	-	(111)	(774)	-	-	-	-	3,233	-	-	67,343	5,526	-	61,817
- Footpaths	-	48,298	8,800	-	39,498	558	-	(23)	(1,343)	-	-	-	-	3,202	-	-	47,939	6,047	-	41,892
- Bulk Earthworks (non-depreciable)	-	206,317	-	-	206,317	235	-	(124)	-	3	121	-	-	9,634	-	-	216,186	-	-	216,186
- Stormwater Drainage	-	226,921	40,394	-	186,527	323	-	(907)	(2,985)	1,038	52	(5,402)	-	6,337	-	-	237,895	52,912	-	184,983
- Water Supply Network	-	395,425	120,644	-	274,781	1,336	-	(367)	(6,034)	176	-	-	-	7,607	-	-	407,444	129,945	-	277,499
- Sewerage Network	-	599,814	170,203	-	429,611	2,239	-	(217)	(10,466)	5,828	-	-	-	11,991	-	-	624,291	185,305	-	438,986
- Swimming Pools	-	4,210	1,562	-	2,648	-	-	-	(84)	-	-	-	-	-	-	-	4,210	1,646	-	2,564
- Other Open Space/Recreational Assets	-	10,591	4,823	-	5,768	268	-	(122)	(636)	59	-	-	-	-	-	-	10,604	5,267	-	5,337
Other Assets:																				
- Other	-	6,314	1,807	-	4,507	38	-	(265)	(209)	82	25	-	-	-	-	-	6,186	2,008	-	4,178
Reinstatement, Rehabilitation & Restoration Assets (refer Note 26):																				
- Tip Assets	-	5,257	1,554	-	3,703	-	-	-	(924)	-	(150)	-	-	-	-	-	5,107	2,478	-	2,629
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIP.</b>	<b>12,122</b>	<b>2,400,846</b>	<b>549,113</b>	<b>2,593</b>	<b>1,861,262</b>	<b>34,724</b>	<b>2,593</b>	<b>(3,507)</b>	<b>(44,127)</b>	<b>-</b>	<b>(144)</b>	<b>(5,402)</b>	<b>(1,410)</b>	<b>(1,909)</b>	<b>76,532</b>	<b>17,671</b>	<b>2,493,242</b>	<b>592,301</b>	<b>-</b>	<b>1,918,612</b>

Additions to Buildings & Infrastructure Assets are made up of Asset Renewals (\$14,774,000) and New Assets (\$6,937,000).  
Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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



## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

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

\$ '000 Class of Asset	Actual 2014				Actual 2013			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
<b>Water Supply</b>								
WIP	818	-	-	818	621	-	-	621
Plant & Equipment	-	3,569	2,008	1,561	-	3,466	1,798	1,668
Office Equipment	-	224	221	3	-	224	217	7
Land								
- Operational Land	-	4,657	-	4,657	-	4,375	-	4,375
Infrastructure	-	407,444	129,945	277,499	-	395,425	120,644	274,781
<b>Total Water Supply</b>	<b>818</b>	<b>415,894</b>	<b>132,174</b>	<b>284,538</b>	<b>621</b>	<b>403,490</b>	<b>122,659</b>	<b>281,452</b>
<b>Sewerage Services</b>								
WIP	9,971	-	-	9,971	8,609	-	-	8,609
Plant & Equipment	-	3,659	2,126	1,533	-	3,268	1,923	1,345
Office Equipment	-	42	28	14	-	42	18	24
Furniture & Fittings	-	78	78	-	-	78	73	5
Land								
- Operational Land	-	12,744	-	12,744	-	11,916	-	11,916
Infrastructure	-	624,291	185,304	438,987	-	599,814	170,203	429,611
<b>Total Sewerage Services</b>	<b>9,971</b>	<b>640,814</b>	<b>187,536</b>	<b>463,249</b>	<b>8,609</b>	<b>615,118</b>	<b>172,217</b>	<b>451,510</b>
<b>Domestic Waste Management</b>								
Plant & Equipment	-	314	229	85	-	314	201	113
Land								
- Operational Land	-	10,932	-	10,932	-	10,253	-	10,253
Buildings	-	1,921	218	1,703	-	1,898	216	1,682
Other Structures/ Open Space Assets	-	5,414	2,628	2,786	-	5,564	1,701	3,863
Other Assets	-	408	31	377	-	546	23	523
<b>Total DWM</b>	<b>-</b>	<b>18,989</b>	<b>3,106</b>	<b>15,883</b>	<b>-</b>	<b>18,575</b>	<b>2,141</b>	<b>16,434</b>
<b>TOTAL RESTRICTED I,PP&amp;E</b>	<b>10,789</b>	<b>1,075,697</b>	<b>322,816</b>	<b>763,670</b>	<b>9,230</b>	<b>1,037,183</b>	<b>297,017</b>	<b>749,396</b>

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

\$ '000	Notes	Actual 2014	Actual 2013
(i) Reversals of Impairment Losses previously recognised direct to Equity (ARR):			
- Amenities buildings		-	96
<b>Total Impairment Reversals</b>		<b>-</b>	<b>96</b>
<b>IMPAIRMENT of ASSETS - DIRECT to EQUITY (ARR)</b>	20 (ii)	<b>-</b>	<b>96</b>

# Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

### Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		3,844	-	4,285	-
Goods & Services - capital expenditure		863	-	1,810	-
Payments Received In Advance		2,462	-	1,116	-
Accrued Expenses:					
- Borrowings		1,880	-	2,001	-
- Salaries & Wages		342	-	232	-
- Other Expenditure Accruals		30	526	20	551
Security Bonds, Deposits & Retentions		108	261	429	93
Government Grants and Subsidies		185	-	354	-
Waste Levy		485	-	67	-
Other		133	-	160	-
Total Payables		10,332	787	10,474	644
Borrowings					
Loans - Secured <sup>1</sup>		18,688	194,360	18,618	208,464
Total Borrowings		18,688	194,360	18,618	208,464
Provisions					
Employee Benefits;					
Annual Leave		2,894	-	3,322	-
Sick Leave		255	-	283	-
Long Service Leave		7,913	1,546	6,858	1,668
Accrued Leave		118	-	125	-
ELE On-Costs		1,785	251	1,862	162
Sub Total - Aggregate Employee Benefits		12,965	1,797	12,450	1,830
Asset Remediation/Restoration (Future Works)	26	-	4,274	-	4,208
Total Provisions		12,965	6,071	12,450	6,038
Total Payables, Borrowings & Provisions		41,985	201,218	41,542	215,146

#### (i) Liabilities relating to Restricted Assets

	2014		2013	
	Current	Non Current	Current	Non Current
<b>Externally Restricted Assets</b>				
Water	7,114	77,069	8,291	82,942
Sewer	10,460	92,887	10,242	101,559
Domestic Waste Management	485	4,274	67	4,208
<b>Liabilities relating to externally restricted assets</b>	<b>18,059</b>	<b>174,230</b>	<b>18,600</b>	<b>188,709</b>
<b>Internally Restricted Assets - Nil</b>				
<b>Total Liabilities relating to restricted assets</b>	<b>18,059</b>	<b>174,230</b>	<b>18,600</b>	<b>188,709</b>
<b>Total Liabilities relating to Unrestricted Assets</b>	<b>23,926</b>	<b>26,988</b>	<b>22,942</b>	<b>26,437</b>
<b>TOTAL PAYABLES, BORROWINGS &amp; PROVISIONS</b>	<b>41,985</b>	<b>201,218</b>	<b>41,542</b>	<b>215,146</b>

<sup>1</sup>. Loans are secured over the General Rating Income of Council

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

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 10a. Payables, Borrowings &amp; Provisions (continued)

	Actual 2014	Actual 2013
<b>\$ '000</b>		

## (ii) Current Liabilities not anticipated to be settled within the next 12 months

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

Provisions - Employees Benefits	10,685	9,171
	<b>10,685</b>	<b>9,171</b>

## Note 10b. Description of and movements in Provisions

Class of Provision	2013	2014				Closing Balance as at 30/6/14
	Opening Balance as at 1/7/13	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	3,322	2,373	(2,801)	-	-	2,894
Sick Leave	283	1,175	(1,203)	-	-	255
Long Service Leave	8,526	1,996	(1,063)	-	-	9,459
Other Leave (enter deta	125	235	(242)	-	-	118
ELE On-Costs	2,024	12	-	-	-	2,036
Asset Remediation	4,208	(150)	-	216	-	4,274
<b>TOTAL</b>	<b>18,488</b>	<b>5,641</b>	<b>(5,309)</b>	<b>216</b>	<b>-</b>	<b>19,036</b>

- a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- b. Asset Remediation, Reinstatement & Restoration Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore & remediate assets &/or activities as a result of past operations.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2014	Actual 2013
<b>(a) Reconciliation of Cash Assets</b>			
Total Cash & Cash Equivalent Assets	6a	12,032	11,827
Less Bank Overdraft	10	-	-
<b>BALANCE as per the STATEMENT of CASH FLOWS</b>		<b>12,032</b>	<b>11,827</b>
<b>(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities</b>			
<b>Net Operating Result from Income Statement</b>		<b>(12,227)</b>	<b>(6,826)</b>
Adjust for non cash items:			
Depreciation & Amortisation		44,941	45,479
Net Losses/(Gains) on Disposal of Assets		2,830	2,419
Non Cash Capital Grants and Contributions		(1,920)	(3,539)
Investment Income relating to "Available for Sale" Investments sold		(263)	-
Losses/(Gains) recognised on Fair Value Re-measurements through the P&L:			
- Investments classified as "At Fair Value" or "Held for Trading"		(726)	(4,818)
- Investment Properties		(207)	(163)
Amortisation of Premiums, Discounts & Prior Period Fair Valuations			
- Interest Exp. on Interest Free Loans received by Council (previously Fair Valued)		194	(772)
Unwinding of Discount Rates on Reinstatement Provisions		216	212
<b>+/- Movement in Operating Assets and Liabilities &amp; Other Cash Items:</b>			
Decrease/(Increase) in Receivables		(505)	(3,308)
Increase/(Decrease) in Provision for Doubtful Debts		60	(3)
Decrease/(Increase) in Inventories		(66)	(11)
Decrease/(Increase) in Other Assets		143	(113)
Increase/(Decrease) in Payables		(441)	(74)
Increase/(Decrease) in accrued Interest Payable		(121)	(112)
Increase/(Decrease) in other accrued Expenses Payable		95	79
Increase/(Decrease) in Other Liabilities		1,359	(1,439)
Increase/(Decrease) in Employee Leave Entitlements		482	677
Increase/(Decrease) in Other Provisions		(150)	(147)
<b>NET CASH PROVIDED FROM/(USED IN)</b>		<b>33,694</b>	<b>27,541</b>
<b>OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS</b>		<b>33,694</b>	<b>27,541</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 11. Statement of Cash Flows - Additional Information (continued)

\$ '000	Notes	Actual 2014	Actual 2013
<b>(c) Non-Cash Investing &amp; Financing Activities</b>			
Bushfire Grants		179	812
Other Dedications (Developer)		1,516	2,508
Future Reinstatement Costs Re-measurement		216	212
Artworks Donated		9	7
<b>Total Non-Cash Investing &amp; Financing Activities</b>		<b>1,920</b>	<b>3,539</b>

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

Credit Cards / Purchase Cards	1,200	1,200
Loan Facilities	213,048	227,082
<b>Total Financing Arrangements</b>	<b>214,248</b>	<b>228,282</b>
<b>Amounts utilised as at Balance Date:</b>		
- Credit Cards / Purchase Cards	269	226
- Loan Facilities	213,048	227,082
<b>Total Financing Arrangements Utilised</b>	<b>213,317</b>	<b>227,308</b>

**(ii) Secured Loan Liabilities**

Loans are secured by a mortgage over future years Rate Revenue only.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2014	Actual 2013
<b>(a) Capital Commitments (exclusive of GST)</b>			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
<b>Property, Plant &amp; Equipment</b>			
Plant & Equipment		1,157	441
Sewer Network		2,134	455
Transport Assets		961	6,114
Water Network		2,168	-
Stormwater Drainage		1,889	-
Other		31	-
<b>Total Commitments</b>		<b>8,340</b>	<b>7,010</b>
<b>These expenditures are payable as follows:</b>			
Within the next year		8,340	7,010
<b>Total Payable</b>		<b>8,340</b>	<b>7,010</b>
<b>Sources for Funding of Capital Commitments:</b>			
Unrestricted General Funds		992	-
Internally Restricted Reserves		1,157	1,555
Unexpended Loans		6,191	5,455
<b>Total Sources of Funding</b>		<b>8,340</b>	<b>7,010</b>

**(b) Finance Lease Commitments**

Nil

**(c) Operating Lease Commitments (Non Cancellable)**

Nil

**(d) Investment Property Commitments**

Nil

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 13a(i). Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts	Indicator	Prior Periods	
	2014	2014	2013	2012
<b>Local Government Industry Indicators - Consolidated</b>				
<b>1. Operating Performance Ratio</b>				
Total continuing operating revenue <sup>(1)</sup>				
(excl. Capital Grants & Contributions) - Operating Expenses	<u>(22,208)</u>	-16.46%	-15.42%	-8.71%
Total continuing operating revenue <sup>(1)</sup>	<u>134,949</u>			
(excl. Capital Grants & Contributions)				
<b>2. Own Source Operating Revenue Ratio</b>				
Total continuing operating revenue <sup>(1)</sup>				
(less ALL Grants & Contributions)	<u>122,751</u>	83.60%	80.22%	75.75%
Total continuing operating revenue <sup>(1)</sup>	<u>146,827</u>			
<b>3. Unrestricted Current Ratio</b>				
Current Assets less all External Restrictions <sup>(2)</sup>	<u>25,772</u>	1.95 : 1	1.42	1.29
Current Liabilities less Specific Purpose Liabilities <sup>(3, 4)</sup>	<u>13,241</u>			
<b>4. Debt Service Cover Ratio</b>				
Operating Result <sup>(1)</sup> before capital excluding interest and depreciation / impairment / amortisation (EBITDA)	<u>38,049</u>	1.11	1.22	1.28
Principal Repayments (from the Statement of Cash Flows)	<u>34,150</u>			
+ Borrowing Interest Costs (from the Income Statement)				
<b>5. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>				
Rates, Annual and Extra Charges Outstanding	<u>5,273</u>	6.49%	6.48%	6.52%
Rates, Annual and Extra Charges Collectible	<u>81,296</u>			
<b>6. Cash Expense Cover Ratio</b>				
Current Year's Cash and Cash Equivalents including All Term Deposits	<u>107,066</u>	9.20	9.67	8.78
Payments from cash flow of operating and financing activities	<u>11,632</u>			

#### Notes

<sup>(1)</sup> Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and net share of interests in joint ventures.

<sup>(2)</sup> Refer Notes 6-8 inclusive.

Also excludes any Real Estate & Land for resale not expected to be sold in the next 12 months

<sup>(3)</sup> Refer to Note 10(a).

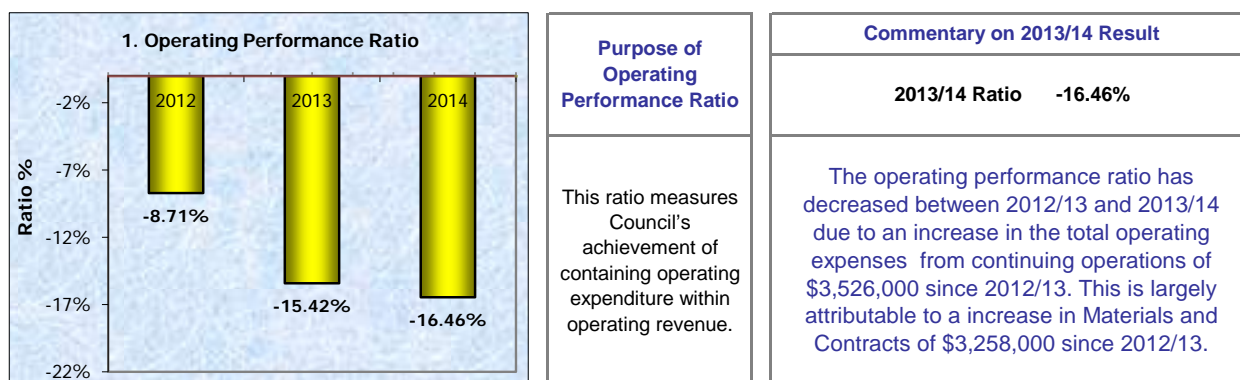
<sup>(4)</sup> Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

## Coffs Harbour City Council

## Notes to the Financial Statements

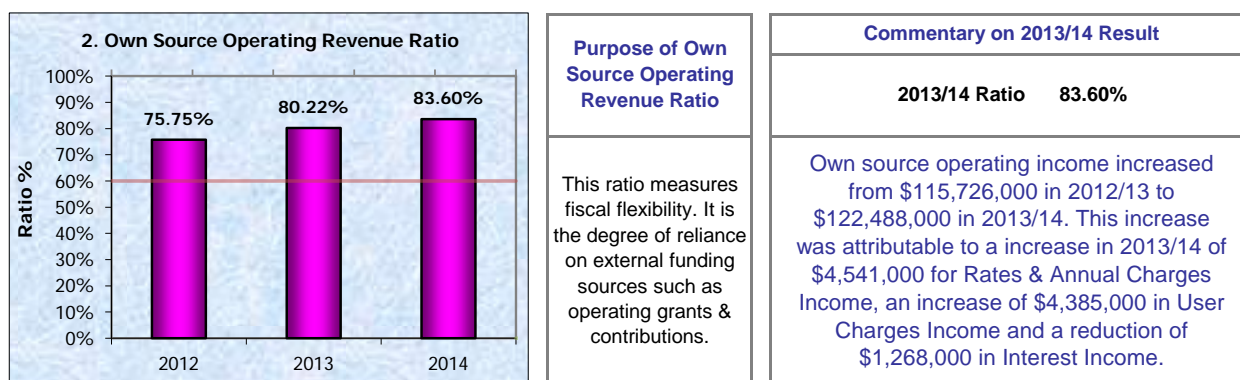
for the financial year ended 30 June 2014

## Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



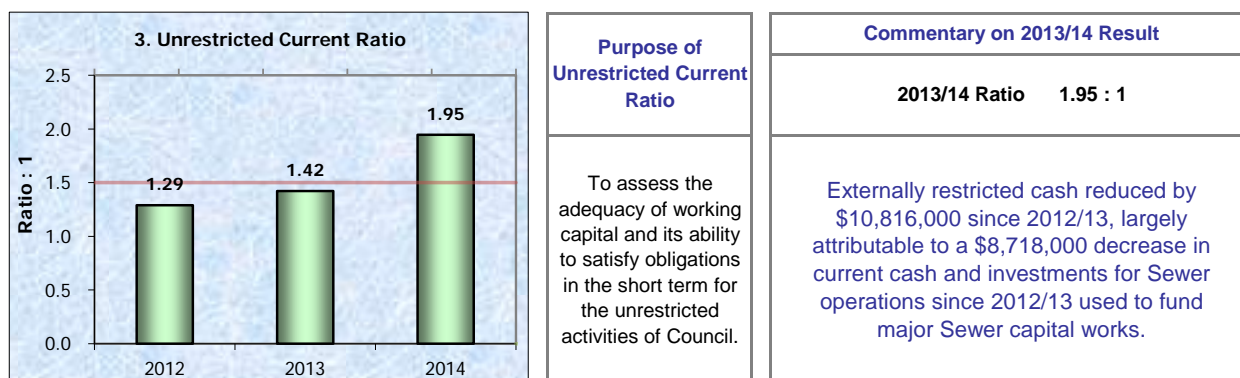
Minimum 0.00%

Source for Benchmark: Code of Accounting Practice and Financial Reporting



Minimum 60.00%

Source for Benchmark: Code of Accounting Practice and Financial Reporting



Minimum 1.50

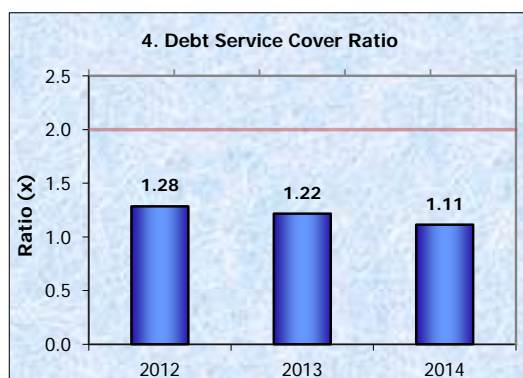
Source for Benchmark: Code of Accounting Practice and Financial Reporting



## Coffs Harbour City Council

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

## Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



— Minimum 2.00

Source for Benchmark: NSW Treasury Corporation

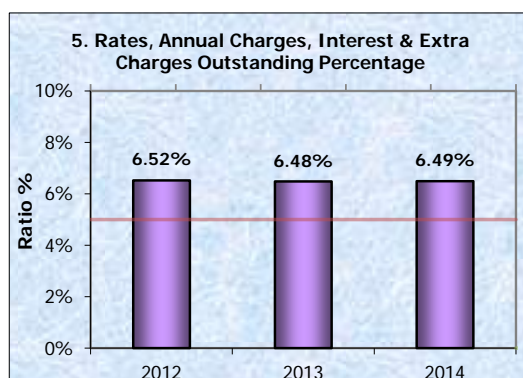
**Purpose of Debt Service Cover Ratio**

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

**Commentary on 2013/14 Result**

**2013/14 Ratio 1.11**

The debt service cover ratio has decreased between 2012/13 and 2013/14 due to a decrease in the operating result before capital excluding interest and depreciation of \$3,492,000. The decrease is largely attributable to a decreased in investment income since 2012/13 of \$5,970,000.



— Maximum 5.00%

Source for Benchmark: Office of Local Govt - Comparative Information (10/11)

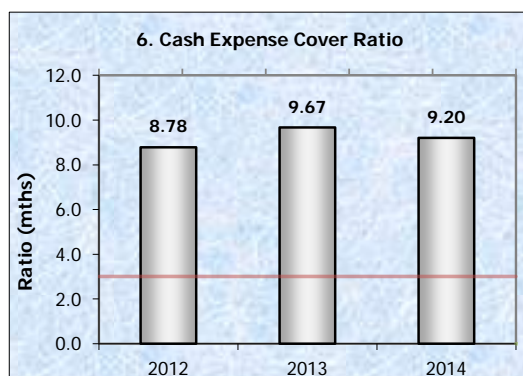
**Purpose of Rates & Annual Charges Outstanding Ratio**

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

**Commentary on 2013/14 Result**

**2013/14 Ratio 6.49%**

The Rates Outstanding ratio is comparable between the 2012/13 and 2013/14 financial years.



— Minimum 3.00

Source for Benchmark: Code of Accounting Practice and Financial Reporting

**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 Result**

**2013/14 Ratio 9.20**

The Cash Expense Cover ratio has slightly increased since 2012/13, attributable to a \$200,000 decrease in payments from cash flows of operating and financing activities since 2012/13.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 13b. Statement of Performance Measurement - Indicators (by Fund)

\$ '000	Water 2014	Sewer 2014	General <sup>5</sup> 2014
<b>Local Government Industry Indicators - by Fund</b>			
<b>1. Operating Performance Ratio</b>			
Total continuing operating revenue <sup>(1)</sup>			
(excl. Capital Grants & Contributions) - Operating Expenses			
<u>Total continuing operating revenue<sup>(1)</sup></u>	<b>-13.79%</b>	<b>-14.12%</b>	<b>-16.43%</b>
(excl. Capital Grants & Contributions)			
prior period:	-5.42%	-20.72%	-16.28%
<b>2. Own Source Operating Revenue Ratio</b>			
Total continuing operating revenue <sup>(1)</sup>			
(less ALL Grants & Contributions)			
<u>Total continuing operating revenue<sup>(1)</sup></u>	<b>88.98%</b>	<b>87.34%</b>	<b>82.61%</b>
prior period:	82.73%	90.30%	76.24%
<b>3. Unrestricted Current Ratio</b>			
Current Assets less all External Restrictions <sup>(2)</sup>			
<u>Current Liabilities less Specific Purpose Liabilities<sup>(3, 4)</sup></u>	<b>1.01 : 1</b>	<b>0.44 : 1</b>	<b>1.95 : 1</b>
prior period:	2.08	2.87	1.42
<b>4. Debt Service Cover Ratio</b>			
Operating Result <sup>(1)</sup> before capital excluding interest			
and depreciation / impairment / amortisation (EBITDA)			
<u>Principal Repayments (from the Statement of Cash Flows)</u>	<b>0.72</b>	<b>0.85</b>	<b>2.35</b>
+ Borrowing Interest Costs (from the Income Statement)			
prior period:	0.86	0.83	3.10
<b>5. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>			
Rates, Annual and Extra Charges Outstanding			
<u>Rates, Annual and Extra Charges Collectible</u>	<b>6.12%</b>	<b>5.95%</b>	<b>6.72%</b>
prior period:	6.07%	5.89%	6.74%
<b>6. Cash Expense Cover Ratio</b>			
Current Year's Cash and Cash Equivalents			
including All Term Deposits			
<u>Payments from cash flow of operating and</u> x12	<b>11.11</b>	<b>13.68</b>	<b>7.14</b>
financing activities			
prior period:	4.42	6.07	18.63

## Notes

(1) - (4) Refer to Notes at Note 13a(i) above.

(5) General Fund refers to all of Council's activities except for its Water &amp; Sewer activities which are listed separately.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 14. Investment Properties

\$ '000	Notes	Actual 2014	Actual 2013
<b>(a) Investment Properties at Fair value</b>			
<u>Investment Properties on Hand</u>		<u>3,712</u>	<u>1,596</u>
<b>Reconciliation of Annual Movement:</b>			
Opening Balance		1,596	1,433
- Net Gain/(Loss) from Fair Value Adjustments		207	163
- Transfers from/(to) Owner Occupied (Note 9)		1,909	-
<b>CLOSING BALANCE - INVESTMENT PROPERTIES</b>		<b><u>3,712</u></b>	<b><u>1,596</u></b>

#### (b) Valuation Basis

The basis of valuation of Investment Properties is Fair Value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

The 2014 revaluations were based on desk top valuations made by:  
APV Valuers and Asset Management

#### (c) Leasing Arrangements

Details of leased Investment Properties are as follows;

Future Minimum Lease Payments receivable under non-cancellable  
Investment Property Operating Leases not recognised in the  
Financial Statements are receivable as follows:

Within 1 year	122	58
Later than 1 year but less than 5 years	2	58
Later than 5 years	-	-
<b>Total Minimum Lease Payments Receivable</b>	<b><u>124</u></b>	<b><u>116</u></b>

#### (d) Investment Property Income & Expenditure - summary

<b>Rental Income from Investment Properties:</b>		
- Minimum Lease Payments	62	61
<b>Direct Operating Expenses on Investment Properties:</b>		
- that generated rental income	(6)	(7)
<b>Net Revenue Contribution from Investment Properties</b>	<b><u>56</u></b>	<b><u>54</u></b>
plus:		
<b>Fair Value Movement for year</b>	<b><u>207</u></b>	<b><u>163</u></b>
<b>Total Income attributable to Investment Properties</b>	<b><u>263</u></b>	<b><u>217</u></b>

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

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 15. Financial Risk Management

\$ '000

## Risk Management

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

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

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

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2014	2013	2014	2013
<b>Financial Assets</b>				
Cash and Cash Equivalents	12,032	11,827	12,032	11,827
Investments				
- "Held for Trading"	-	2,236	-	2,236
- "Designated At Fair Value on Initial Recognition"	38,223	47,391	38,223	47,391
- "Held to Maturity"	98,534	103,379	98,534	103,379
- "Available for Sale"	-	995	-	995
Receivables	21,650	21,206	21,650	21,206
<b>Total Financial Assets</b>	<b>170,439</b>	<b>187,034</b>	<b>170,439</b>	<b>187,034</b>
<b>Financial Liabilities</b>				
Payables	8,657	10,002	8,657	10,002
Loans / Advances	213,048	227,082	225,952	240,824
<b>Total Financial Liabilities</b>	<b>221,705</b>	<b>237,084</b>	<b>234,609</b>	<b>250,826</b>

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) **"at fair value through profit & loss"** or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of financial assets & liabilities

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 15. Financial Risk Management (continued)

\$ '000

(a) Cash & Cash Equivalents, Financial assets 'at fair value through the profit & Loss'  
"Available-for-sale" financial assets & "Held-to-maturity" Investments

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

Council's Finance area manages the Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and its staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

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

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

Council also seeks advice from independent advisers before placing any funds in Cash Equivalents & Investments.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
<b>2014</b>				
Possible impact of a 10% movement in Market Values	-	3,822	-	(3,822)
Possible impact of a 1% movement in Interest Rates	1,368	-	(1,368)	-
<b>2013</b>				
Possible impact of a 10% movement in Market Values	-	5,062	-	(5,062)
Possible impact of a 1% movement in Interest Rates	1,530	-	(1,530)	-

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 15. Financial Risk Management (continued)

\$ '000

## (b) Receivables

Council's major receivables comprise (i) Rates & Annual charges and (ii) User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

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

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

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

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

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

A profile of Council's receivables credit risk at balance date follows:

	2014 Rates & Annual Charges	2014 Other Receivables	2013 Rates & Annual Charges	2013 Other Receivables
<b>(i) Ageing of Receivables - %</b>				
Current (not yet overdue)	0%	87%	0%	71%
Overdue	100%	13%	100%	29%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>(ii) Ageing of Receivables - value</b>				
Current (not yet overdue)	-	17,000	-	12,079
Past due by more than 90 days	4,516	209	4,209	4,933
	<b>4,516</b>	<b>17,209</b>	<b>4,209</b>	<b>17,012</b>
<b>(iii) Movement in Provision for Impairment of Receivables</b>			2014	2013
Balance at the beginning of the year			15	18
+ new provisions recognised during the year			61	-
- amounts provided for but recovered during the year			(1)	(3)
<b>Balance at the end of the year</b>			<b>75</b>	<b>15</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 15. Financial Risk Management (continued)

\$ '000

## (c) Payables &amp; Borrowings

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

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

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

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the maturity table below:

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2014									
Trade/Other Payables	369	10,224	526	-	-	-	-	11,119	8,657
Loans & Advances	-	32,946	30,796	26,145	25,247	24,795	177,296	317,225	213,048
Total Financial Liabilities	369	43,170	31,322	26,145	25,247	24,795	177,296	328,344	221,705
2013									
Trade/Other Payables	522	10,045	551	-	-	-	-	11,118	10,002
Loans & Advances	-	33,673	32,094	29,871	25,219	24,321	196,827	342,005	227,082
Total Financial Liabilities	522	43,718	32,645	29,871	25,219	24,321	196,827	353,123	237,084

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

The following interest rates were applicable to Council's Borrowings at balance date:

	2014		2013	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	8,657	0.0%	10,002	0.0%
Loans & Advances - Fixed Interest Rate	213,048	6.8%	227,082	6.8%
	<u>221,705</u>		<u>237,084</u>	

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 13/14 was adopted by the Council on 13 June 2013.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

**Note that for Variations\* of Budget to Actual :**

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

**F** = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2014 Budget	2014 Actual	2014 ----- Variance* -----		
<b>REVENUES</b>					
<b>Rates &amp; Annual Charges</b>	<b>76,928</b>	<b>75,971</b>	<b>(957)</b>	(1%)	<b>U</b>
<b>User Charges &amp; Fees</b>	<b>28,292</b>	<b>30,878</b>	<b>2,586</b>	9%	<b>F</b>
<b>Interest &amp; Investment Revenue</b>	<b>6,835</b>	<b>9,449</b>	<b>2,614</b>	38%	<b>F</b>
Increases in market values of investment securities and deferral of major capital works are attributable to this out performance.					
<b>Other Revenues</b>	<b>4,873</b>	<b>7,386</b>	<b>2,513</b>	52%	<b>F</b>
Increased sales of switchboards, CCTV systems, ICT projects, consultancy services and additional airport security capark income.					
<b>Operating Grants &amp; Contributions</b>	<b>14,209</b>	<b>12,198</b>	<b>(2,011)</b>	(14%)	<b>U</b>
Financial Assistance Grant budgeted to receive 4 payments but 2 payments were received in advance in previous □ year, reducing amount to be received in current year by \$3,760,000. \$1,386,000 of grants approved during year that were unknown at time the budgets were formulated. □					
<b>Capital Grants &amp; Contributions</b>	<b>17,061</b>	<b>11,878</b>	<b>(5,183)</b>	(30%)	<b>U</b>
Subdivision dedications \$6,333,000 less received than budgeted. Optical fibre installation contribution \$108,000 greater than budgeted, Arrawarra Boat Ramp Contribution nil budgeted \$126,000 received. Spagnolo's Road detention basin grant of \$1,000,000 received, nil budgeted.					



## Coffs Harbour City Council

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

#### Note 16. Material Budget Variations (continued)

\$ '000	2014 Budget	2014 Actual	2014 Variance*	
<b>EXPENSES</b>				
<b>Employee Benefits &amp; On-Costs</b>	<b>28,353</b>	<b>39,128</b>	<b>(10,775)</b>	<b>(38%) U</b>
During the year Council employees are engaged in both maintenance and capital works, the proportions of which may vary from year to year. Costs in relation to the capital works are excluded from the income statement, and it is not Council's practice to make detailed calculations for this as part of its budgeting procedures.				
<b>Borrowing Costs</b>	<b>15,224</b>	<b>15,316</b>	<b>(92)</b>	<b>(1%) U</b>
<b>Materials &amp; Contracts</b>	<b>60,655</b>	<b>46,569</b>	<b>14,086</b>	<b>23% F</b>
During the year Council employees are engaged in both maintenance and capital works, the proportions of which may vary from year to year. Costs in relation to the capital works are excluded from the income statement, and it is not Council's practice to make detailed calculations for this as part of its budgeting procedures. The variance to budget has also resulted from items for operational projects largely being budgeted as Material and Contracts rather than Other Expenses.				
<b>Depreciation &amp; Amortisation</b>	<b>40,296</b>	<b>44,941</b>	<b>(4,645)</b>	<b>(12%) U</b>
Budgeted figures were based on 2012/13 actual costs and therefore do not take into account new assets purchased in 2012/13 and depreciated for the first time in 2013/14 nor does it include depreciation based on revalued assets as at 30 June 2013.				
<b>Other Expenses</b>	<b>5,980</b>	<b>11,203</b>	<b>(5,223)</b>	<b>(87%) U</b>
The variance to budget in other expenses has resulted from items for operational projects largely being budgeted as Materials and Contracts rather than Other Expenses. There were also increases in expenditure compared to budget attributable to private works.				
<b>Net Losses from Disposal of Assets</b>	<b>-</b>	<b>2,830</b>	<b>(2,830)</b>	<b>0% U</b>
Council does not budget for losses from disposal of assets				

#### Budget Variations relating to Council's Cash Flow Statement include:

<b>Cash Flows from Operating Activities</b>	<b>37,872</b>	<b>33,694</b>	<b>(4,178)</b>	<b>(11.0%) U</b>
Financial Assistance Grant budgeted to receive 4 payments but 2 payments were received in advance in previous year reducing amount to be received in current year by \$3,760,000. There were also increases in expenditure compared to budget attributable to private works.				
<b>Cash Flows from Investing Activities</b>	<b>(20,516)</b>	<b>(19,455)</b>	<b>1,061</b>	<b>(5.2%) F</b>
Purchases and sales of investment securities are not budgeted for.				
<b>Cash Flows from Financing Activities</b>	<b>(18,798)</b>	<b>(14,034)</b>	<b>4,764</b>	<b>(25.3%) F</b>
\$4,800,000 Borrowings for purchase of commercial operations in 2013/14 that were not budgeted.				

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 17. Statement of Developer Contributions

\$ '000

Council recovers contributions, raises levies & enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in their future use.

## SUMMARY OF CONTRIBUTIONS &amp; LEVIES

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	1,671	35	-	101	(28)	-	1,779	2,750	(4,538)	(9)	-
Roads	3,924	813	-	181	(2,124)	(1,001)	1,793	38,793	(40,465)	121	(1,001)
Traffic Facilities	14	-	-	1	-	-	15	42	(57)	-	-
Parking	435	244	-	32	(1)	-	710	4,168	(4,872)	6	-
Open Space	4,937	562	-	254	(1,763)	1,001	4,991	18,269	(22,885)	375	1,001
Community Facilities	1,340	71	-	78	(27)	-	1,462	1,562	(3,630)	(606)	-
Other	813	141	-	48	(134)	-	868	3,062	(3,393)	537	-
<b>S94 Contributions - under a Plan</b>	<b>13,134</b>	<b>1,866</b>	<b>-</b>	<b>695</b>	<b>(4,077)</b>	<b>-</b>	<b>11,618</b>	<b>68,646</b>	<b>(79,840)</b>	<b>424</b>	<b>-</b>
<b>Total S94 Revenue Under Plans</b>	<b>13,134</b>	<b>1,866</b>	<b>-</b>	<b>695</b>	<b>(4,077)</b>	<b>-</b>	<b>11,618</b>				<b>-</b>
S94 not under Plans	622	(10)	-	28	(7)	-	633	-	(507)	91	-
S93F Planning Agreements	1	-	-	-	-	-	1				
S64 Contributions	128	3,557	-	12	(3,395)	-	302				
<b>Total Contributions</b>	<b>13,885</b>	<b>5,413</b>	<b>-</b>	<b>735</b>	<b>(7,479)</b>	<b>-</b>	<b>12,554</b>	<b>68,646</b>	<b>(80,347)</b>	<b>515</b>	<b>-</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 17. Statement of Developer Contributions (continued)

\$ '000

## S94 CONTRIBUTIONS - UNDER A PLAN

## City Centre Car Parking

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Parking	191	220	-	17	-	-	428	3,674	(4,102)	-	-
<b>Total</b>	<b>191</b>	<b>220</b>	<b>-</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>428</b>	<b>3,674</b>	<b>(4,102)</b>	<b>-</b>	<b>-</b>

The following contribution plans have been adopted by Council and are available for public inspection free of cost:

- |  |   |
|--|---|
| a. Regional, District & Neighbourhood Facilities & Services      | k. Water Supply Developer Services Plan                           |
| b. Local Roads, Trunk Drainage & Mines and Extractive Industries | l. Waste Water Treatment & Carrier System Developer Services Plan |
| c. West Coffs Harbour  | m. Surf Rescue Facilities   |
| d. North Boambee Valley (East)                                   | n. West Woolgoolga  |
| e. Moonee  | o. Hearn's Lake/Sandy Beach                                       |
| f. City Centre Car Parking                                       | p. Corindi  |
| g. Woolgoolga Car Parking  | q. Park Beach   |
| h. Coffs Harbour Road Network                                    | r. South Coffs.   |
| i. North Bonville  | s. Jetty Area Car Parking   |
| j. Korora Rural Residential                                      |   |

Coffs Harbour City Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

Coffs Harbour Road Network

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	453	283	-	19	(536)	-	219	1,781	(1,900)	100	-
<b>Total</b>	<b>453</b>	<b>283</b>	<b>-</b>	<b>19</b>	<b>(536)</b>	<b>-</b>	<b>219</b>	<b>1,781</b>	<b>(1,900)</b>	<b>100</b>	<b>-</b>

Corindi

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	308	5	-	11	(225)	-	99	-	(98)	1	-
Open Space	7	-	-	1	-	-	8	-	(8)	-	-
Community Facilities	412	4	-	24	-	-	440	-	(439)	1	-
<b>Total</b>	<b>727</b>	<b>9</b>	<b>-</b>	<b>36</b>	<b>(225)</b>	<b>-</b>	<b>547</b>	<b>-</b>	<b>(545)</b>	<b>2</b>	<b>-</b>

Hearnes Lake / Sandy Beach

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	59	42	-	5	-	-	106	5,678	(6,045)	(261)	-
Open Space	41	30	-	3	-	-	74	537	(701)	(90)	-
Other	-	3	-	-	(3)	-	-	62	(68)	(6)	-
<b>Total</b>	<b>100</b>	<b>75</b>	<b>-</b>	<b>8</b>	<b>(3)</b>	<b>-</b>	<b>180</b>	<b>6,277</b>	<b>(6,814)</b>	<b>(357)</b>	<b>-</b>

Coffs Harbour City Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

Jetty Area Car Parking

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Parking	112	11	-	7	-	-	130	226	(355)	1	-
<b>Total</b>	<b>112</b>	<b>11</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>130</b>	<b>226</b>	<b>(355)</b>	<b>1</b>	<b>-</b>

Korora Rural Residential Release Area

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	1	33	-	1	-	-	35	3,094	(3,268)	(139)	-
Open Space	326	16	-	23	-	-	365	-	-	365	-
Other	37	5	-	2	(3)	-	41	283	(124)	200	-
<b>Total</b>	<b>364</b>	<b>54</b>	<b>-</b>	<b>26</b>	<b>(3)</b>	<b>-</b>	<b>441</b>	<b>3,377</b>	<b>(3,392)</b>	<b>426</b>	<b>-</b>

Mines and Extractive Industries

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	110	5	-	6	-	-	121	-	(114)	7	-
<b>Total</b>	<b>110</b>	<b>5</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>121</b>	<b>-</b>	<b>(114)</b>	<b>7</b>	<b>-</b>

Coffs Harbour City Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

Moonee Release Area

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	55	1	-	3	-	-	59	19	(76)	2	-
Roads	1,281	385	-	49	(1,248)	(1,001)	(534)	15,505	(14,969)	2	(1,001)
Open Space	547	237	-	16	(777)	1,001	1,024	6,961	(8,042)	(57)	1,001
Community Facilities	182	28	-	11	-	-	221	840	(1,301)	(240)	-
Other	-	5	-	-	(5)	-	-	156	(193)	(37)	-
<b>Total</b>	<b>2,065</b>	<b>656</b>	<b>-</b>	<b>79</b>	<b>(2,030)</b>	<b>-</b>	<b>770</b>	<b>23,481</b>	<b>(24,581)</b>	<b>(330)</b>	<b>-</b>

North Boambee Valley (East)

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	267	2	-	17	-	-	286	711	(1,100)	(103)	-
Roads	8	1	-	1	-	-	10	566	(326)	250	-
Open Space	97	-	-	7	-	-	104	140	(155)	89	-
Community Facilities	33	1	-	2	-	-	36	420	(516)	(60)	-
Other	11	2	-	1	-	-	14	928	(1,107)	(165)	-
<b>Total</b>	<b>416</b>	<b>6</b>	<b>-</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>450</b>	<b>2,765</b>	<b>(3,204)</b>	<b>11</b>	<b>-</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 17. Statement of Developer Contributions (continued)

\$ '000

## S94 CONTRIBUTIONS - UNDER A PLAN

## North Bonville

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	82	3	-	9	-	-	94	270	(411)	(47)	-
Roads	129	11	-	(1)	-	-	139	875	(632)	382	-
Open Space	160	2	-	9	-	-	171	80	(197)	54	-
Other	-	1	-	-	(1)	-	-	10	-	10	-
<b>Total</b>	<b>371</b>	<b>17</b>	<b>-</b>	<b>17</b>	<b>(1)</b>	<b>-</b>	<b>404</b>	<b>1,235</b>	<b>(1,240)</b>	<b>399</b>	<b>-</b>

## North Coffs

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	-	-	-	-	-	-	-	4,846	(4,846)	-	-
Other	-	-	-	-	-	-	-	172	(172)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,018</b>	<b>(5,018)</b>	<b>-</b>	<b>-</b>

## Park Beach

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Traffic Facilities	14	-	-	1	-	-	15	42	(57)	-	-
Parking	10	29	-	1	-	-	40	168	(208)	-	-
Open Space	94	-	-	4	(53)	-	45	278	(322)	1	-
<b>Total</b>	<b>118</b>	<b>29</b>	<b>-</b>	<b>6</b>	<b>(53)</b>	<b>-</b>	<b>100</b>	<b>488</b>	<b>(587)</b>	<b>1</b>	<b>-</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 17. Statement of Developer Contributions (continued)

\$ '000

## S94 CONTRIBUTIONS - UNDER A PLAN

## Regional, District and Neighbourhood Facilities and Services

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Open Space	3,514	270	-	182	(929)	-	3,037	9,733	(12,872)	(102)	-
Community Facilities	14	32	-	1	(27)	-	20	-	(24)	(4)	-
Other	329	87	-	19	(120)	-	315	302	(640)	(23)	-
<b>Total</b>	<b>3,857</b>	<b>389</b>	<b>-</b>	<b>202</b>	<b>(1,076)</b>	<b>-</b>	<b>3,372</b>	<b>10,035</b>	<b>(13,536)</b>	<b>(129)</b>	<b>-</b>

## South Coffs

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	-	-	-	-	-	-	-	1,621	(1,621)	-	-
Open Space	-	-	-	-	-	-	-	135	(135)	-	-
Other	-	-	-	-	-	-	-	165	(165)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,921</b>	<b>(1,921)</b>	<b>-</b>	<b>-</b>

## Surf Rescue Facilities

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Other	32	16	-	2	(1)	-	49	87	(129)	7	-
<b>Total</b>	<b>32</b>	<b>16</b>	<b>-</b>	<b>2</b>	<b>(1)</b>	<b>-</b>	<b>49</b>	<b>87</b>	<b>(129)</b>	<b>7</b>	<b>-</b>



Coffs Harbour City Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

West Coffs

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	1,267	29	-	72	(28)	-	1,340	1,750	(2,951)	139	-
Roads	1,114	48	-	67	(11)	-	1,218	1,190	(2,600)	(192)	-
Open Space	132	7	-	8	(4)	-	143	289	(308)	124	-
Community Facilities	699	6	-	40	-	-	745	302	(1,350)	(303)	-
Other	377	22	-	22	(1)	-	420	756	(650)	526	-
<b>Total</b>	<b>3,589</b>	<b>112</b>	<b>-</b>	<b>209</b>	<b>(44)</b>	<b>-</b>	<b>3,866</b>	<b>4,287</b>	<b>(7,859)</b>	<b>294</b>	<b>-</b>

West Woolgoolga

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	461	-	-	23	(104)	-	380	3,637	(4,046)	(29)	-
Open Space	19	-	-	1	-	-	20	116	(145)	(9)	-
Other	27	-	-	2	-	-	29	141	(145)	25	-
<b>Total</b>	<b>507</b>	<b>-</b>	<b>-</b>	<b>26</b>	<b>(104)</b>	<b>-</b>	<b>429</b>	<b>3,894</b>	<b>(4,336)</b>	<b>(13)</b>	<b>-</b>

Woolgoolga Car Parking

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Parking	122	(16)	-	7	(1)	-	112	100	(207)	5	-
<b>Total</b>	<b>122</b>	<b>(16)</b>	<b>-</b>	<b>7</b>	<b>(1)</b>	<b>-</b>	<b>112</b>	<b>100</b>	<b>(207)</b>	<b>5</b>	<b>-</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 17. Statement of Developer Contributions (continued)

\$ '000

## S94 CONTRIBUTIONS - NOT UNDER A PLAN

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	131	-	-	8	-	-	139	-	(139)	-	-
Roads	5	-	-	-	-	-	5	-	(6)	(1)	-
Open Space	9	-	-	-	(7)	-	2	-	(2)	-	-
Community Facilities	178	-	-	10	-	-	188	-	(187)	1	-
Other	264	(10)	-	10	-	-	264	-	(173)	91	-
<b>Total</b>	<b>587</b>	<b>(10)</b>	<b>-</b>	<b>28</b>	<b>(7)</b>	<b>-</b>	<b>598</b>	<b>-</b>	<b>(507)</b>	<b>91</b>	<b>-</b>

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

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

### LIABILITIES NOT RECOGNISED:

#### 1. Guarantees

##### (i) Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member Councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme was able to provide Council with a broadly attributable share of the net deficit estimated to be in the order of \$2,509,204 as at June 2014. This deficit does not qualify for recognition as a liability under AASB 119 as it is not a reliable estimate.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable - similar to the accounting for Defined Contributions Plans.

##### (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 Councils 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) State Cover Limited

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

State Cover 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.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

##### 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) S94 Plans

Council levies Section 94/94A Contributions upon various development across the Council area through the required Contributions Plans.

As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Councils intention to spend funds in the manner and timing set out in those Plans.

##### (iii) 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.

##### (iii) Potential Land Acquisitions due to Planning Restrictions imposed by Council (continued)

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 (& subsequent land asset) from such potential acquisitions has not been possible.

##### (iv) Legal Issues

Council can defend actions in Land & Environment Court. It is not practical to estimate the amount, if any, for which the Council could be liable thereof.

##### 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 & including 30/6/08.

##### (ii) Infringement Notices/Fines

Fines & Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau.

Councils 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.

#### Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

Council has no interest in any Controlled Entities, Associated Entities or Joint Ventures.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

### Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2014	Actual 2013
<b>(a) Retained Earnings</b>			
<b>Movements in Retained Earnings were as follows:</b>			
Balance at beginning of Year (from previous years audited accounts)		1,196,670	1,140,510
a. Correction of Prior Period Errors	20 (c)	(5,402)	62,986
b. Net Operating Result for the Year		(12,227)	(6,826)
<b>Balance at End of the Reporting Period</b>		<b>1,179,041</b>	<b>1,196,670</b>

### (b) Reserves

#### (i) Reserves are represented by:

- Infrastructure, Property, Plant & Equipment Revaluation Reserve	741,829	665,297
- "Available for Sale" Financial Investments Revaluation Reserve	-	263
<b>Total</b>	<b>741,829</b>	<b>665,560</b>

#### (ii) Reconciliation of movements in Reserves:

##### Infrastructure, Property, Plant & Equipment Revaluation Reserve

- Opening Balance	665,297	583,192
- Revaluations for the year	9(a) 76,532	82,009
- (Impairment of revalued assets) / Impairment reversals	9(a),(c) -	96
<b>- Balance at End of Year</b>	<b>741,829</b>	<b>665,297</b>

##### "Available for Sale" Financial Investments Revaluation Reserve

- Opening Balance	263	106
- Unrealised Gain (Loss) in value for the year	-	157
- Transfer of "Available for Sale" values to the P&L for disposals	(263)	-
<b>- Balance at End of Year</b>	<b>-</b>	<b>263</b>

#### **TOTAL VALUE OF RESERVES**

<b>741,829</b>	<b>665,560</b>
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#### (iii) Nature & Purpose of Reserves

##### Infrastructure, Property, Plant & Equipment Revaluation Reserve

- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.

##### "Available for Sale" Financial Investments Revaluation Reserve

- The "Available for Sale" Financial Investments Revaluation Reserve is used to account for the Fair Value movements in all financial assets so classified that remain on hand at year end.

Upon sale, amounts in Reserves are recognised in the Income Statement (in full) by way of transfer from the Reserve.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2014	Actual 2013
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## (c) Correction of Error/s relating to a Previous Reporting Period

**Correction of errors made in 2014 for 12/13 errors:**

During 2013/14 assets were discovered in the following Note 9 categories (written down values disclosed) as a result of migrating relevant data to Council's corporate asset register:

- Stormwater Drainage	4,389
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During 2013/14 it was discovered through a data migration process that accumulated depreciation for assets added to the following Note 9 categories had been omitted as the data was unavailable at the time of finalising the annual financial reports.

- Stormwater Drainage	(8,835)
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During 2013/14 inspections and collection of updated GIS data had been undertaken for selected Stormwater Drainage assets which resulted in improved attributes information (i.e. lengths, diameters etc).

(956)
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**Correction of errors made in 2013 for 11/12 errors:**

Council had revalued the following asset classes as at 30 June 2013:

- Buildings
- Operational Land

As part of the 2013 Buildings revaluation process, it was discovered that some buildings had been omitted in the previous valuation. The impact of recognising these additional assets was an increase to Opening Equity and an adjustment to Note 9 written down values, for the following asset categories:

Buildings:

- Specialised	1,318
- Non Specialised	265

During 2012/13 assets were discovered in the following Note 9 categories (written down values disclosed) as a result of migrating relevant data to Council's corporate asset register:

- Bulk Earthworks	818
- Depreciable Land Improvements	627
- Other Structures	165
- Other Assets	697
- Roads, Bridges and Footpaths	8,146
- Water Network (for more detail see below)	12,409
- Sewer Network (for more detail see below)	25,328

The impact of these changes was an increase to Opening Equity.

(continued on the next page...)

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2014	Actual 2013
<b>(c) Correction of Error/s relating to a Previous Reporting Period</b>			
<b>(continued)</b>			
During the migration of data from the 2011/12 Water Network revaluation process to Council's corporate asset register, it was discovered that Water Service Mains assets had been omitted from the 2011/12 Valuation. These assets had a fair value at 30 June 2012 of \$18,388,000 and Accumulated Depreciation of \$5,979,000.			
During the reconciliation process of the 2011/12 Sewer Network valuation data to Council's separate Sewer Network asset register it was discovered that Sewer Rising mains had been omitted from the data provided to the valuers in 2011/12. These assets had a fair value at 30 June 2012 of \$37,991,000 and Accumulated Depreciation of \$12,663,000.			
During 2012/13 inspections and collection of updated GIS data had been undertaken for selected Stormwater Drainage assets which resulted in improved attributes information (i.e. lengths, diameters etc).			
In addition there were also a number of discovered assets.			13,567
Council deemed it impracticable to restate comparative information. Adjustments were made to the opening balances in the current financial year.			
As at 30 June 2012 Council had recorded land as Non-current assets classified as "held for sale" in Note 22 of the Annual Financial Statements. A subsequent review of this land stock discovered that 2 land parcels were sold in the 2010/2011 financial year. To correct this error a decrease to Opening Equity was required of:			
			(354)
<b>In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.</b>			
<b>These amounted to the following Equity Adjustments:</b>			
- Adjustments to Opening Equity - 1/7/12			
(relating to adjustments for the 30/6/12 reporting year end and prior periods)		-	62,986
- Adjustments to Closing Equity - 30/6/13			
(relating to adjustments for the 30/6/13 year end)		(5,402)	-
<b>Total Prior Period Adjustments - Prior Period Errors</b>		<b>(5,402)</b>	<b>62,986</b>

#### (d) Voluntary Changes in Accounting Policies

Council made no material voluntary changes in any accounting policies during the year.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 21. Financial Result &amp; Financial Position by Fund

Income Statement by Fund \$ '000	Actual 2014	Actual 2014	Actual 2014
<b>Continuing Operations</b>	<b>Water</b>	<b>Sewer</b>	<b>General<sup>1</sup></b>
<b>Income from Continuing Operations</b>			
Rates & Annual Charges	3,922	21,653	50,520
User Charges & Fees	13,814	2,708	16,152
Interest & Investment Revenue	2,004	3,324	4,121
Other Revenues	79	155	7,167
Grants & Contributions provided for Operating Purposes	306	484	16,641
Grants & Contributions provided for Capital Purposes	2,124	3,495	7,356
<b>Other Income</b>			
Net Gains from Disposal of Assets	-	-	-
Share of interests in Joint Ventures & Associates using the Equity Method	-	-	-
<b>Total Income from Continuing Operations</b>	<b>22,249</b>	<b>31,819</b>	<b>101,957</b>
<b>Expenses from Continuing Operations</b>			
Employee Benefits & on-costs	3,037	4,702	31,389
Borrowing Costs	5,977	7,277	2,062
Materials & Contracts	3,572	4,753	39,105
Depreciation & Amortisation	7,043	10,836	27,062
Impairment	-	-	-
Other Expenses	3,324	5,052	10,231
Net Losses from the Disposal of Assets	367	217	2,246
<b>Total Expenses from Continuing Operations</b>	<b>23,320</b>	<b>32,837</b>	<b>112,095</b>
<b>Operating Result from Continuing Operations</b>	<b>(1,071)</b>	<b>(1,018)</b>	<b>(10,138)</b>
<b>Discontinued Operations</b>			
Net Profit/(Loss) from Discontinued Operations	-	-	-
<b>Net Operating Result for the Year</b>	<b>(1,071)</b>	<b>(1,018)</b>	<b>(10,138)</b>
<b>Net Operating Result attributable to each Council Fund</b>	<b>(1,071)</b>	<b>(1,018)</b>	<b>(10,138)</b>
<b>Net Operating Result attributable to Non-controlling Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>(3,195)</b>	<b>(4,513)</b>	<b>(17,494)</b>

<sup>1</sup> General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal charges &amp; recoveries made between the Funds.



## Coffs Harbour City Council

## Notes to the Financial Statements

as at 30 June 2014

## Note 21. Financial Result &amp; Financial Position by Fund (continued)

Statement of Financial Position by Fund \$ '000	Actual 2014	Actual 2014	Actual 2014
<b>ASSETS</b>	<b>Water</b>	<b>Sewer</b>	<b>General<sup>1</sup></b>
<b>Current Assets</b>			
Cash & Cash Equivalents	1,600	941	9,491
Investments	11,325	16,951	4,234
Receivables	3,683	2,045	13,639
Inventories	245	-	1,333
Other	-	-	638
Non-current assets classified as 'held for sale'	-	-	1,487
<b>Total Current Assets</b>	<b>16,853</b>	<b>19,937</b>	<b>30,822</b>
<b>Non-Current Assets</b>			
Investments	20,580	34,577	49,090
Receivables	78	370	1,835
Inventories	-	-	-
Infrastructure, Property, Plant & Equipment	284,538	463,249	1,170,825
Investments Accounted for using the equity method	-	-	-
Investment Property	-	-	3,712
Intangible Assets	65,442	-	2,165
<b>Total Non-Current Assets</b>	<b>370,638</b>	<b>498,196</b>	<b>1,227,627</b>
<b>TOTAL ASSETS</b>	<b>387,491</b>	<b>518,133</b>	<b>1,258,449</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	1,241	1,788	7,303
Borrowings	5,873	8,672	4,143
Provisions	-	-	12,965
<b>Total Current Liabilities</b>	<b>7,114</b>	<b>10,460</b>	<b>24,411</b>
<b>Non-Current Liabilities</b>			
Payables	-	-	787
Borrowings	77,069	92,887	24,404
Provisions	-	-	6,071
<b>Total Non-Current Liabilities</b>	<b>77,069</b>	<b>92,887</b>	<b>31,262</b>
<b>TOTAL LIABILITIES</b>	<b>84,183</b>	<b>103,347</b>	<b>55,673</b>
<b>Net Assets</b>	<b>303,308</b>	<b>414,786</b>	<b>1,202,776</b>
<b>EQUITY</b>			
Retained Earnings	178,756	289,691	710,594
Revaluation Reserves	124,552	125,095	492,182
<b>Total Equity</b>	<b>303,308</b>	<b>414,786</b>	<b>1,202,776</b>

<sup>1</sup> General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal receivables &amp; payables between the Funds.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 22. "Held for Sale" Non Current Assets &amp; Disposal Groups

\$ '000	2014	2014	2013	2013
	Current	Non Current	Current	Non Current
<b>(i) Non Current Assets &amp; Disposal Group Assets</b>				
<b>Non Current Assets "Held for Sale"</b>				
Land	1,487	-	77	-
<b>Total Non Current Assets "Held for Sale"</b>	<b>1,487</b>	<b>-</b>	<b>77</b>	<b>-</b>
<b>Disposal Group Assets "Held for Sale"</b>				
None				
<b><u>TOTAL NON CURRENT ASSETS CLASSIFIED AS "HELD FOR SALE"</u></b>	<b><u>1,487</u></b>	<b><u>-</u></b>	<b><u>77</u></b>	<b><u>-</u></b>

**(ii) Details of Assets & Disposal Groups**

All land parcels currently classified as held for sale are expected to be sold during the 2013/14 financial year.

**(iii) Disposal Group Liabilities****Disposal Group Related Liabilities "Held for Sale"**

Nil

\$ '000	Assets "Held for Sale"	
	2014	2013
<b>(iv) Reconciliation of Non Current Assets "Held for Sale" &amp; Disposal Groups - i.e. Discontinued Operations</b>		
<b>Opening Balance</b>	77	431
<b>Balance still unsold after 12 months:</b>	77	431
less: Assets no longer classified as "Held for Sale"	(77)	-
<b>plus New Transfers in:</b>		
- Assets "Held for Sale"	1,487	-
Adjustment for Prior Period Error (see Note 20 (c))	-	(354)
<b>Closing Balance of "Held for Sale"</b>	<b>1,487</b>	<b>77</b>
<b>Non Current Assets &amp; Operations</b>	<b>1,487</b>	<b>77</b>

Refer to Note 27 - Fair Value Measurement for fair value measurement information.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 23. Events occurring after the Reporting Date

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**\$ '000**

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Events that occur between the end of the reporting period (ending 30 June 2014) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 31/10/14.

Events that occur after the Reporting Period represent one of two types:

##### **(i) Events that provide evidence of conditions that existed at the Reporting Period**

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2014.

##### **(ii) Events that provide evidence of conditions that arose after the Reporting Period**

These financial statements (& figures therein) do not incorporate any "non-adjusting events" that have occurred after 30 June 2014 and which are only indicative of conditions that arose after 30 June 2014.

**Council is aware of the following "non-adjusting events" that merit disclosure;**

#### Note 24. Discontinued Operations

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Council has not classified any of its Operations as "Discontinued".

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 25. Intangible Assets

\$ '000	Actual 2014	Actual 2013
Intangible Assets represent identifiable non-monetary asset without physical substance.		
Intangible Assets are as follows;		
<b>Opening Values:</b>		
Gross Book Value (1/7)	73,679	73,399
Accumulated Amortisation (1/7)	(7,023)	(6,117)
Accumulated Impairment (1/7)	-	-
<b>Net Book Value - Opening Balance</b>	<b>66,656</b>	<b>67,282</b>
<b>Movements for the year</b>		
- Purchases	1,948	280
- Amortisation charges	(997)	(906)
- Gross Book Value written off	(141)	-
- Accumulated Amortisation charges written off	141	-
<b>Closing Values:</b>		
Gross Book Value (30/6)	75,486	73,679
Accumulated Amortisation (30/6)	(7,879)	(7,023)
Accumulated Impairment (30/6)	-	-
<b><u>TOTAL INTANGIBLE ASSETS - NET BOOK VALUE</u><sup>1</sup></b>	<b><u>67,607</u></b>	<b><u>66,656</u></b>

<sup>1</sup>. The Net Book Value of Intangible Assets represent:

- Software	245	501
- Regional Water Supply Scheme (right to receive water from Clarence Valley Council)	65,442	66,155
- Goodwill on purchase of commercial operation	1,920	-
	<b>67,607</b>	<b>66,656</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 26. Reinstatement, Rehabilitation &amp; Restoration Liabilities

\$ '000

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

Asset/Operation	Estimated year of restoration	NPV of Provision	
		2014	2013
Waste Facility	2019	4,274	4,208
Balance at End of the Reporting Period	10(a)	<u>4,274</u>	<u>4,208</u>

Under AASB 116 - Property, Plant & Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 - Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Specific uncertainties relating to the final costs and the assumptions made in determining the amounts of provisions include:

## Reconciliation of movement in Provision for year:

Balance at beginning of year	4,208	4,143
Amounts capitalised to new or existing assets:		
Effect of a change in other calculation estimates used	(150)	(147)
Amortisation of discount (expensed to borrowing costs)	216	212
<b>Total - Reinstatement, rehabilitation and restoration provision</b>	<b><u>4,274</u></b>	<b><u>4,208</u></b>

## Amount of Expected Reimbursements

Of the above Provisions for Reinstatement, Rehabilitation and Restoration works, those applicable to Garbage Services & Waste Management are able to be funded through future charges incorporated within Council's Annual Domestic Waste Management Charge.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

### Note 27. Fair Value Measurement

\$ '000

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

- Infrastructure, Property, Plant and Equipment
- Investment Property
- Financial Assets & Liabilities

During a reporting period Council will measure non-current assets classified as held for sale at fair value on a non-recurring basis if their carrying amount is higher than their fair value and therefore the assets needs to be writt down to fair value. They are measured at the lower of their carrying amount and fair value less costs to sell. During the current reporting period, there were no assets measured at fair value on a non-recurring basis. Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

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

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

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

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

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

(1) The following table presents all assets and liabilities that have been measured & recognised at fair values:

2014	Fair Value Measurement Hierarchy			Total
	Level 1	Level 2	Level 3	
	Quoted prices in active mkts	Significant observable inputs	Significant unobservable inputs	
<b>Recurring Fair Value Measurements</b>				
<b>Financial Assets</b>				
Investments				
- "Designated At Fair Value on Initial Recognition"	27,929	10,294	-	38,223
<b>Total Financial Assets</b>	<b>27,929</b>	<b>10,294</b>	<b>-</b>	<b>38,223</b>
<b>Investment Properties</b>				
Buildings	-	268	122	390
Land	-	3,322	-	3,322
<b>Total Investment Properties</b>	<b>-</b>	<b>3,590</b>	<b>122</b>	<b>3,712</b>

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

\$ '000

(1) The following table presents all assets and liabilities that have been measured & recognised at fair values (continued):

2014	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 (cont'd)				
Infrastructure, Property, Plant & Equipment				
Plant & Equipment	-	-	17,379	17,379
Office Equipment	-	-	931	931
Furniture & Fittings	-	-	1,888	1,888
Operational Land	-	-	117,504	117,504
Community Land	-	-	37,029	37,029
Land under Roads (post 30/6/08)	-	-	1,980	1,980
Land Improvements - depreciable	-	-	3,701	3,701
Buildings - Non Specialised	-	901	46,182	47,083
Buildings - Specialised	-	-	49,016	49,016
Other Structures	-	-	730	730
Roads	-	-	387,629	387,629
Bridges	-	-	61,817	61,817
Footpaths	-	-	41,892	41,892
Bulk Earthworks (non-depreciable)	-	-	216,186	216,186
Stormwater Drainage	-	-	184,983	184,983
Water Supply Network	-	-	277,499	277,499
Sewerage Network	-	-	438,986	438,986
Swimming Pools	-	-	2,564	2,564
Other Open Space/Recreational Assets	-	-	5,337	5,337
Other Assets	-	-	4,178	4,178
Tip Asset	-	-	2,629	2,629
Total Infrastructure, Property, Plant & Equipment	-	901	1,900,040	1,900,941
Non-recurring Fair Value Measurements				
Non Current Assets classified as "Held for Sale"				
Operating land	-	1,487	-	1,487
Total NCA's classified as "Held for Sale"	-	1,487	-	1,487

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 27. Fair Value Measurement (continued)

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##### (2) Valuation techniques used to derive Level 2 and Level 3 Fair Values

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

The Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are listed as follows.

##### Infrastructure, Property, Plant & Equipment

###### Community Land

Assets within the "Community Land" class are:

- Council owned land and
- Care Control Management land [Crown] of which Council derives current and future economic benefits arising from the use of the land asset.

Council's community land is valued on the Unimproved Capital Value (UCV), provided by the Valuer-General. Currently all Council assets in this asset class are based on UCV. Additional assets are recorded at replacement cost. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

###### Operational Land

Council's operational land includes all of Council's land classified as operational land under Local Government Act1993. The total area of land at the time of the last valuation was 10,319,898 m2.

Council's operational land is valued on an annual basis with a comprehensive valuation completed and revalued every five years. APV Valuers Pty Ltd completed the last valuation in June 2013.

Council's operational land was valued at market value (highest and best use) after identifying all elements that would be taken into account by buyers and sellers in setting the price, including but not limited to zoning, topography, location, size, shape, access, exposure to traffic and businesses.

Remaining useful life, condition of asset, future cash flow from the use of asset is also considered when determining the fair value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

###### Land Under Roads (post 30/6/08)

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

This asset class is classified as Level 3 asset as significant inputs used in the valuation methodology are unobservable. Valuation techniques remained the same for this reporting period.



## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 27. Fair Value Measurement (continued)

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##### **Land Improvements Depreciable**

The land improvements asset class consists of recreational surfaces across different playgrounds and parks, Council values these land improvements internally using replacement cost, asset condition, the remaining useful life and residual value. Replacement costs (unit rates) and useful lives of Council's land improvement assets were determined using technical knowledge from council staff (engineers and asset management) and contractor information. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, pattern of consumption, dimensions and residual value.

The condition of each asset was determined by completing field inspections using the ratings 1 (Excellent) to 5 (Very Poor).

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

##### **Stormwater Drainage**

The stormwater drainage asset class consists of Council's pits and pipes. Council staff completed the valuation of these assets internally using replacement cost approach and the last valuation was completed in June 2010.

Replacement costs (unit rates from NSW Office of Water reference rates) and useful lives for stormwater drainage assets were determined through a combination of historic data, survey through GPS and technical knowledge of Council staff, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on asset location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, pattern of consumption, and residual value. The asset condition of 1 (Excellent) to 5 (Very Poor) was determined by assumptions based on age and CCTV investigations undertaken across a representative selection of Council's drainage network.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

##### **Recreational Assets**

The jetties, viewing platforms, ramps, fences, shade-sails, stairs, pontoons and parks and sport shelters fall under other structures.

Replacement costs (unit rate) and useful lives were determined using technical knowledge from council staff. Other significant inputs considered in the valuation of these assets are condition rating, remaining useful life, patterns of consumption, dimensions, components and residual value.

The condition of each asset was determined by completing field inspections using the 1 (Excellent) to 5 (Very Poor).

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Valuation techniques remained the same for this reporting period.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 27. Fair Value Measurement (continued)

##### **Buildings - Non specialised and Specialised**

Council engaged APV Valuers Pty Ltd. to value all buildings and shelters in 2013. The valuation methodology adopted was dependent on whether a market exists to substantiate the value of the asset. Council's buildings are separated into commercial, community and operational assets.

##### **Specialised Buildings**

Specialised buildings were valued using the cost approach using professionally qualified registered valuers. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres could be supported from market evidence other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value.

As such these assets were classified as having been valued using level 3 valuation inputs.

Valuation techniques remained the same for this reporting period.

##### **Non Specialised Buildings**

Commercial buildings have been generally derived using a combination of sales direct comparison approach and capitalisation of income approach. Fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach are rental yields and price per square metre.

The residential properties fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

Valuation techniques remained the same for this reporting period.

##### **Bulk Earthworks**

This asset class is major earth works undertaken at the initial construction of road assets and is the formation component of a road segment. Bulk earthworks are non-depreciable and are re-valued to fair value on the same 5 year cycle as road assets.

The cost approach was adopted to value council's road formations with the replacement costs (based on unit rates) determined by preparing estimates of typical road constructions using Council's cost estimating principles. As bulk earthworks have an infinite remaining useful life the most significant input into this valuation approach are the dimensions of the asset.

This asset class is categorised as Level 3 as the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Valuation techniques remained the same for this reporting period.

##### **Roads**

Council's roads are componentised into pavement and surface and further separated into segments for inspection and valuation. The full revaluation of road assets is undertaken on a 5 year cycle.

The valuation, which is completed by Council's Asset and Pavement Engineers, was completed in June 2010. The Cost approach was adopted to value Council roads. The replacement costs (based on unit rates), useful

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 27. Fair Value Measurement (continued)

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lives and conditions were determined by preparing estimates of typical road constructions using Council's cost estimating principles. These rates have been benchmarked against known recent subdivision construction rates and also compared with rates from other sources including Rawlinson's Australian Construction Rates.

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components, residual value and type of road.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Valuation techniques remained the same for this reporting period.

##### **Bridges**

Council's bridges register consists of all pedestrian and vehicle access bridges. The bridges were inspected and valued by an independent consultant in June 2011 - in order to apply fair valuation and condition based depreciation.

The calculation of unit rates for bridges has been based on a series of project construction costs (estimated or actual). A sample of 5 projects was taken which represent a range of bridge sizes and construction types (concrete and timber). The costs used in the analysis were based on figures derived from Council 'Job Cost' system or from estimates provided by Council's bridge construction supervisor.

For both the timber and concrete bridges the total cost and area for each component were used to derive an average unit cost for the component.

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components, residual value and type of road.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Valuation techniques remained the same for this reporting period.

##### **Footpaths**

Council's footpath and cycleway networks consist of on-road and off-road paths which may be sealed or unsealed. For the purpose of asset accounting, on-road paths are considered part of the road network. Off-road paths are the subject of this section. Unit rates for concrete paths have been developed based on actual construction costs. For both unsealed and sealed paths - Rawlinson's rates have been adopted.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Valuation techniques remained the same for this reporting period.

##### **Swimming Pool**

Swimming pools include all assets located within the facility. APV Valuers Pty Ltd valued the building components of the swimming pools in June 2013.

These were valued using the cost approach using professionally qualified registered valuers. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres could be supported from market evidence, other inputs (such as estimates of residual value, useful life, pattern

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 27. Fair Value Measurement (continued)

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of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value.

As such these assets were classified as having been valued using level 3 valuation inputs.

Valuation techniques remained the same for this reporting period.

##### **Plant & Equipment, Office Equipment and Furniture & Fittings**

This asset category includes:

- Plant & Equipment – Motor vehicles, trucks, mowers, earthmoving equipment
- Office Equipment – Computer equipment
- Furniture & Fittings – Chairs, desks, cabinets, display systems

These assets are valued at cost in Council's books and reported at fair value due to the nature of the items. The cost of these assets are based on current invoices and contracts, which are based on observable inputs, however the remaining useful life and residual value is based on internal factors which are unobservable in the market therefore placing these assets in Level 3.

Valuation techniques remained the same for this reporting period.

##### **Water Network**

The water network includes all water supply related assets located within the council area. The assets were described by the valuers as complex and non- separable meaning that they cannot function independently.

The valuation of these assets was carried out by CPE Associates in the June 2012. The assets were valued based on depreciated replacement cost approach based on the NSW Reference Rates Manual of Water, Supply, Sewerage and Stormwater published by Ministry of Energy and Utilities in July 2003. The tables were updated in July 2012.

As much of the data was taken from data sources such as the 2007 valuation, GIS files and detailed schedules for only recently constructed treatment plants there has been estimation involved. The approach which estimated the replacement cost for each asset required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as Level 3.

##### **Sewer Network**

The sewer network includes all sewer related assets located within the council area. The assets were described by the valuers as complex and non- separable meaning that they cannot function independently.

The valuation of these assets was carried out by CPE Associates in the June 2012. The assets were valued based on depreciated replacement cost approach based on the NSW Reference Rates Manual of Water, Supply, Sewerage and Stormwater published by Ministry of Energy and Utilities in July 2003. The tables were updated in July 2012.

As much of the data was taken from data sources such as the 2007 valuation, GIS files and detailed schedules for only recently constructed treatment plants there has been estimation involved. The approach which estimated the replacement cost for each asset required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as Level 3.

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 27. Fair Value Measurement (continued)

##### **Tip Asset**

Council has one operational landfill site at present, being the England's Road Waste Management Facility. Council undertakes 6 monthly surveys of the landfill and have undertaken some volume calculations of sections and total landfill capacity. The estimated time of rehabilitation remains difficult to determine due to:

- The dynamic nature of the site and waste generation rates/management in the region
- The operational performance of the Coffs Coast Resource Recovery Facility (operated under contract by Biomass Solutions (Coffs Harbour) Pty Ltd) also remains dynamic
- Other landfilling reduction projects are currently under consideration. At current landfilling rates we estimate that the landfill may require rehabilitation by 2018/19 Financial Year.

Funds for rehabilitation are provisioned on an ongoing basis from 2012/13 due to the commencement of final capping. In August 2012, a consultant prepared a report for Council which more fully defines the Council's preferred 'final capping plan' which is the major component of the rehabilitation of the site.

The costs as provided in 2006, indexed to CPI (or construction index) can be considered appropriate at this time. Whilst Council received a consultant's costing report with regard to final capping costs in August 2012 that report relies on assumptions including that the NSW Environment Protection Authority agrees to Council's request for a Licence Variation to amend the proposed 'final capping plan'.

The approach estimated the replacement cost for each asset required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using Level 3.

##### **Other Structures**

Council's Other Structures consist of fencing and viewing platforms. The last valuation for other structures was carried out in June 2011. The calculation of Unit Rates for Other Structures has been based on a series of project construction costs (estimated or actual).

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components, residual value and type of road. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

##### **Others (Artwork & Sculptures)**

Council engaged APV Valuers Pty Ltd to value all artwork, memorabilia and monuments in June 2011.

This information was updated into Council's public art register. The valuation was based on Mark IV advisory ISR insurance policy wording issued by Insurance Council of Australia. The insurable value is the assessment of value which would indemnify the council in the event of a loss.

Where a depth in the market could be identified we have assessed the value was assessed in accordance with AASB 116.

This asset class is categorised as Level 3 as some of the above mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Valuation techniques remained the same for this reporting period.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

**(3). Fair value measurements using inputs other than quoted prices (Level 2) and significant unobservable inputs (Level 3).****The following tables present the changes in Level 2 and Level 3 Fair Value Asset Classes.****Infrastructure, Property, Plant & Equipment**

	<b>Community Land</b>	<b>Land Under Roads (post 30/6/08)</b>	<b>Land Improvements Depreciable</b>	<b>Stormwater Drainage</b>	<b>Total</b>
Adoption of AASB 13	36,774	1,598	5,231	186,527	230,130
Adjustments & Transfer from/(to) another class	-	-	20	(4,312)	(4,292)
Purchases/Disposals (GBV)	255	382	48	(584)	101
Depreciation and Impairment	-	-	(1,598)	(2,985)	(4,583)
Revaluation Increments to Equity (ARR)	-	-	-	6,337	6,337
Closing Balance 30/6/14	37,029	1,980	3,701	184,983	

	<b>Other Structure</b>	<b>Buildings Specialised</b>	<b>Buildings Non Specialised</b>	<b>Other Assets</b>	<b>Total</b>
Adoption of AASB 13	764	45,410	46,398	4,507	97,079
Adjustments & Transfer from/(to) another class	18	-	(196)	25	(153)
Purchases/Disposals (GBV)	(28)	3,099	64	(145)	2,990
Depreciation and Impairment	(24)	(371)	(469)	(209)	(1,073)
Revaluation Increments to Equity (ARR)	-	878	1,286	-	2,164
Closing Balance 30/6/14	730	49,016	47,083	4,178	

## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

#### Note 27. Fair Value Measurement (continued)

	<b>Roads</b>	<b>Bridges</b>	<b>Footpaths</b>	<b>Bulk Earthworks</b>	<b>Total</b>
Adoption of AASB 13	365,826	59,153	39,498	206,317	670,794
Adjustments & Transfer from/(to) another class	135	-	-	124	259
Purchases/Disposals (GBV)	10,364	205	535	111	11,215
Depreciation and Impairment	(13,786)	(774)	(1,343)	-	(15,903)
Revaluation Increments to Equity (ARR)	25,090	3,233	3,202	9,634	41,159
Closing Balance 30/6/14	387,629	61,817	41,892	216,186	

	<b>Water Network</b>	<b>Sewer Network</b>	<b>Swimming Pools</b>	<b>Recreational Assets</b>	<b>Total</b>
Adoption of AASB 13	274,781	429,611	2,648	5,768	712,808
Adjustments & Transfer from/(to) another class	-	5,828	-	59	5,887
Purchases/Disposals (GBV)	1,145	2,022	-	146	3,313
Depreciation and Impairment	(6,034)	(10,466)	(84)	(636)	(17,220)
Revaluation Increments to Equity (ARR)	7,607	11,991	-	-	19,598
Closing Balance 30/6/14	277,499	438,986	2,564	5,337	

	<b>Office Equipment</b>	<b>Plant and Equipment</b>	<b>Furniture and Fittings</b>	<b>Tip Asset</b>	<b>Total</b>
Adoption of AASB 13	1,099	18,127	2,040	3,703	24,969
Adjustments & Transfer from/(to) another class	8	6	-	(150)	(136)
Purchases/Disposals (GBV)	170	3,147	25	-	3,342
Depreciation and Impairment	(346)	(3,901)	(177)	(924)	(5,348)
Revaluation Increments to Equity (ARR)	-	-	-	-	-
Closing Balance 30/6/14	931	17,379	1,888	2,629	

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

		Operating Land	Total
Adoption of AASB 13		113,360	113,360
Adjustments & Transfer from/(to) another class		(3,130)	(3,130)
Purchases/Disposals (GBV)		-	-
Depreciation and Impairment		7,274	7,274
Revaluation Increments to Equity (ARR)		-	-
Closing Balance 30/6/14		117,504	117,504

## (4). The Valuation Process for Level 3 Fair Value Measurements

Class	Fair Value 30/6/14 \$'000	Unobservable Inputs	Range of Inputs(incl. probable)	Relationship of unobservable Inputs to Fair Value
Community Land	37,029	Unimproved Capital Value per square metre provided by Valuer General  Cost of newly acquired assets	Unit rates	Increase / Decrease in the price per square metre will result in change in fair value.
Land Under Roads	1,980	Unimproved Capital Value per square metre provided by Valuer General  Englobo Valuation Basis	Unit Rates	Increase/Decrease in the price per square metre will result in changes in fair value.



## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

Class	Fair Value 30/6/14 \$'000	Unobservable Inputs	Range of Inputs(incl. probable)	Relationship of unobservable Inputs to Fair Value
Operational Land	117,504	Rate per square metre	Cost to replace existing land in the open market.	Increase/decrease in price per square metre will change fair value.
Furniture and Fittings, Office Equipment and Plant and Equipment.	20,198	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Replacement cost	Increase /decrease in the cost of the asset will increase/decrease in Fair value.  Asset Condition will also affect the fair value.
Buildings (Specialised & Non Specialised)	96,099	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  2-100 years  40-80%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

Class	Fair Value 30/6/14 \$'000	Unobservable Inputs	Range of Inputs(incl. probable)	Relationship of unobservable Inputs to Fair Value
Other Structures	730	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  2-100 years  0-70%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Roads	387,629	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  18-60 years  0 to 100%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Bridges	61,817	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  2-100 years  40%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

Class	Fair Value 30/6/14 \$'000	Unobservable Inputs	Range of Inputs(incl. probable)	Relationship of unobservable Inputs to Fair Value
Footpaths	41,892	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  2-60 years  0 to 50%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Stormwater Drainage	184,983	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  2-80 years  0 to 50%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Water Supply Network	277,499	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  2-100 years  0 to 50%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

Class	Fair Value 30/6/14 \$'000	Unobservable Inputs	Range of Inputs(incl. probable)	Relationship of unobservable Inputs to Fair Value
Sewer Network	438,986	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  2-100 years  0 to 50%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Tip Asset	2,629	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  5 years  0	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Swimming Pools	2,564	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  average to excellent  10-50 years  0 to 50%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

Class	Fair Value 30/6/14 \$'000	Unobservable Inputs	Range of Inputs(incl. probable)	Relationship of unobservable Inputs to Fair Value
Recreational Assets	5,337	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  2-100 years  0 to 50%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Bulk Earthworks	216,186	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  Infinite  Nil	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Land Improvements - Depreciable	3,701	Gross replacement cost  Asset condition  Remaining useful life  Residual value	Industry cost indexes, council and contractor construction rates  poor to excellent  50-60 years  0 to 20%	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

Class	Fair Value 30/6/14 \$'000	Unobservable Inputs	Range of Inputs(incl. probable)	Relationship of unobservable Inputs to Fair Value
Other Assets	4,178	Insurance Values (Artworks, Sculptures)  <u>Non artworks/sculp tures:</u>  Gross replacement cost  Asset condition  Remaining useful life  Residual value	Replacement cost varies from asset to asset.  Replacement cost varies from asset to asset  Poor to excellent  30 years  0	Significant changes in the gross replacement value, asset condition and/or pattern of consumption affecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

## Investment Properties

Class	Fair Value 30/6/14 \$'000	Valuation Techniques	Unobservable Inputs	Level	Relationship of unobservable Inputs to Fair Value
Buildings	268	Commercial buildings have been generally derived using a combination of capitalisation of income approach and a sales comparison approach.	Long term rental yields in a potentially volatile market.	2	Fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach are rental yields and price per square metre.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

Class	Fair Value 30/6/14 \$'000	Valuation Techniques	Unobservable Inputs	Level	Relationship of unobservable Inputs to Fair Value
Buildings	122	Specialised buildings were valued using the cost approach using professionally qualified Registered Valuers. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.	Long term rental yields in a potentially volatile market	3	The level of evidence used to support the critical assumptions of some commercial buildings was considered to be highly variable due to high levels of variability in the market for rental yields and future demand.
Land	3,322	Level 2 valuation inputs were used to value land held in freehold title as well as land used for special purposes which is restricted in use under current zoning rules.	Sales prices of comparable land sites. Price per square metre.	2	Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

## Coffs Harbour City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2014

## Note 27. Fair Value Measurement (continued)

## Non-Current Assets classified as "Held for Sale"

Class	Fair Value 30/6/14 \$'000	Valuation Techniques	Unobservable Inputs	Level	Relationship of unobservable Inputs to Fair Value
Land	1,487	Level 2 valuation inputs were used to value land held in freehold title as well as land used for special purposes which is restricted in use under current zoning rules.	Replacement cost	2	Changes in the replacement cost would affect the fair value of the asset.

\*\* Rigby House is at Level 3 while all other Market Value buildings are at Level 2. All other Non- Market value buildings are at Level 3 as well

## (5). Highest and best use

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



## Coffs Harbour City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2014

### Note 28. Council Information & Contact Details

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**Principal Place of Business:**

Corner Coff & Castle Streets  
Coffs Harbour NSW 2450

**Contact Details**

**Mailing Address:**

Locked Bag 155  
Coffs Harbour NSW 2450

**Opening Hours:**

8:30am to 4:30pm  
Monday to Friday

**Telephone:** 02 6648 4000

**Facsimile:** 02 6648 4199

**Internet:** [www.coffsharbour.nsw.gov.au](http://www.coffsharbour.nsw.gov.au)

**Email:** [coffs.council@chcc.nsw.gov.au](mailto:coffs.council@chcc.nsw.gov.au)

**Officers**

**GENERAL MANAGER**

Steve McGrath

**RESPONSIBLE ACCOUNTING OFFICER**

Dale Allen

**PUBLIC OFFICER**

Lisa Garden

**AUDITORS**

Thomas Noble Russell  
Level 2  
26 Bounty Street  
Lismore NSW 2480

**Elected Members**

**MAYOR**

Denise Knight

**COUNCILLORS**

Garry Innes  
John Arkan  
Bob Palmer  
Sally Townley  
Rodney Degens  
Keith Rhoades  
Mark Sultana  
Nan Cowling

**Other Information**

**ABN:** 79 126 214 487



**COFFS HARBOUR CITY COUNCIL  
GENERAL PURPOSE FINANCIAL STATEMENTS  
INDEPENDENT AUDIT REPORT**

***Report on the Financial Statements***

We have audited the accompanying financial statements of Coffs Harbour City Council ("the Council"), which comprises the statement of financial position as at 30 June 2014, the income statement, statement of comprehensive income, 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.

***Council's Responsibility for the Financial Statements***

The Council is 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 Council determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

Our audit responsibility does not extend to the original budget information included in the income statement, statement of cash flows, Note 2(a), Note 16 budget variation explanations and Note 17 forecast information, and accordingly, we do not express an opinion on such. In addition, our audit did not include an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

31 Keen Street (PO Box 106) Lismore NSW 2480	Email: enquiries@tnr.com.au Phone: Business Services +61 (0)2 6621 8544 Audit & Assurance +61 (0)2 6626 3000	Website: www.tnr.com.au Facsimile: +61 (0)2 6621 9035
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Thomas Noble & Russell is a member of  International. A world-wide organization of accounting firms and business advisers



### **Independence**

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

### **Opinion**

In our opinion:

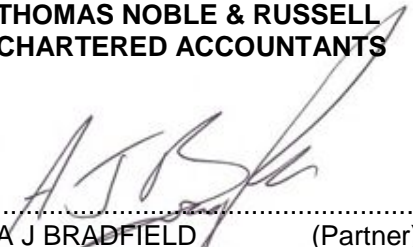
- a) The Council's accounting records have been kept in accordance with the requirements of the *Local Government Act, 1993*, Chapter 13, Part 3, Division 2;
- b) The financial statements:
  - i. Have been prepared in accordance with the requirements of this Division;
  - ii. Are consistent with the Council's accounting records;
  - iii. Present fairly, in all material respects, the Council's financial position as at 30 June 2014, and of its performance and its cash flows for the year then ended; and
  - iv. Are in accordance with applicable Accounting Standards;
- c) All information relevant to the conduct of the audit has been obtained; and
- d) There are no material deficiencies in the accounting records or financial report that have come to light in the course of the audit.

### **Matters Relating to the Electronic Presentation of the Audited Financial Statements**

This auditor's report relates to the general purpose financial statements of Coffs Harbour City Council for the financial year ended 30 June 2014 included on Council's website. The Council is responsible for the integrity of the Council's website. We have not been engaged to report on the integrity of this website. The auditor's report refers only to the financial statements identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial statements. If users of the financial statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements to confirm the information contained in this website version of the financial statements.

Dated at Lismore this 31<sup>st</sup> day of October 2014

**THOMAS NOBLE & RUSSELL  
CHARTERED ACCOUNTANTS**

  
.....  
A J BRADFIELD (Partner)  
Registered Company Auditor

## Coffs Harbour City Council

### Report to Council under s417 of the Local Government Act 1993

30 June 2014



**BRW.**  
CLIENT  
CHOICE  
AWARDS  
**2013**  
australia's best professional service firms  
**WINNER**

**BRW.**  
CLIENT  
CHOICE  
AWARDS  
**2014**  
australia's best professional service firms  
**WINNER**



Thomas  
Noble &  
Russell

Accountants | Auditors | Business Advisers



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We are pleased to advise that we have completed the audit of Council's financial statements for the year ended 30 June 2014, in accordance with Section 415 of the *Local Government Act 1993*. The financial statements that have been subject to independent audit are the:

- General purpose financial statements; and
- Special purpose financial statements.

Unmodified audit reports have been issued for the Council for the 2014 year and further commentary as required by the Office of Local Government is provided in this report.

## 1. THE AUDITOR'S ROLE & RESPONSIBILITY

Council's annual financial audit engagement has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements comply with Australian Accounting Standards as well as other statutory requirements and are free of material misstatement.

Our audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our professional judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Council's preparation and fair presentation of the financial reports in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

Our independent audit report is attached to each financial report.

This report should be read in conjunction with our audit opinion on the general purpose financial statements provided under Section 417(2) of the *Local Government Act 1993*.

### Reporting on the Conduct of the Audit

Section 417(3) of the *Local Government Act 1993* requires us to consider and provide comment on the material items affecting the general purpose and special purpose financial statements and other matters pertinent to the audit. These observations are set out below.



## 2. INCOME STATEMENT

### 2.1 Consolidated Operating Result

Council's consolidated deficit from all activities for 2014 was \$12,227,000. This compares to a deficit in 2013 of \$6,826,000. This result can be summarised as follows:

Consolidated Operating Result	2014 \$'000	2013 \$'000	2012 \$'000
Revenues from continuing operations	135,100	132,365	127,679
Expenses from continuing operations	(112,078)	(108,026)	(100,882)
<b>Result from continuing operations before depreciation</b>	<b>23,022</b>	<b>24,339</b>	<b>26,797</b>
Less: depreciation expense	(44,941)	(45,479)	(37,781)
<b>Operating deficit after depreciation &amp; before capital revenue and other significant items</b>	<b>(21,919)</b>	<b>(21,140)</b>	<b>(10,984)</b>
<i><b>Significant items impacting the operating result</b></i>			
Fair value movements on investments and interest free loans	644	5,590	460
Gain/(Loss) on disposal of assets	(2,830)	(2,419)	17
<b>Operating deficit before capital revenue</b>	<b>(24,105)</b>	<b>(17,969)</b>	<b>(10,507)</b>
Capital grants and contributions	11,878	11,143	16,809
<b>Result from all activities</b>	<b>(12,227)</b>	<b>(6,826)</b>	<b>6,302</b>

The result from continuing operations after depreciation & before capital revenue and other items has deteriorated from a deficit of \$21,140,000 in the 2013 financial year to a deficit of \$21,919,000 in the 2014 financial year. Significant changes in this result include:



Account	Increase / (Decrease) \$'000	Reason for Increase / Decrease
<b>Revenue</b>		
Ordinary Rates	1,180	Ordinary rates have increased due to a rate pegged increment of 3.4%. In addition there was a special rate variation increment of 2.03% for city centre business assessments, to fund CBD masterplan works.
Annual Charges	3,321	Domestic waste management service charges have increased by \$2,202,000 largely due to a 16% increment in the 'Domestic Waste – Occupied' service charge per assessment from \$460 in 2012/2013 to \$534 in 2013/2014.  There were also incremental increases to Water supply and Sewer charges in-line with Council's pricing strategy.
User Charges & Fees	4,385	Private Works – section 67 increased by \$2,476,000 mainly due to construction works carried out by Council in alliance with RMS on the Cook Drive / Pacific Highway intersection upgrade.  Water and sewer user charges increased by \$1,177,000 and \$227,000 respectively due to changes in Council's pricing schedule.
Operating Grants & Contributions	(5,190)	Total revenue from the Financial Assistance Grant decreased from \$6,828,000 in 2012/13 to \$3,400,000 in 2013/14. This reflects a one off reduction due to the fact the grant is no longer being paid in advance and does not represent a loss of income but is instead a timing difference.  Total revenue received for natural disaster funding decreased from \$2,266,000 in 2012/13 to \$1,319,000 in 2013/2014. This reflects more funding received in 2012/2013 to repair damage related to major flooding events in prior periods.





Account	Increase / (Decrease) \$'000	Reason for Increase / Decrease
<b>Expenses</b>		
Employee Benefits & On-Costs	1,412	This was largely attributable to a salaries and wages increase of \$1,239,000 which included an award increase of 3.25%.
Borrowing Costs	(1,039)	Principal repayments on existing loans have decreased Council borrowing costs during the year.
Materials and Contracts	3,255	Materials and contracts expenses have increased mainly due to annual increases from suppliers.



## 2.2 Operating Result by Fund

The consolidated operating result comprises the surpluses and deficits associated with Council's general, water and sewer funds. Note 21 to the general purpose financial statements provide the results of each fund on a gross basis. The results of each fund are provided below:

Operating Result by Fund	General 2014 \$'000	General 2013 \$'000	Water 2014 \$'000	Water 2013 \$'000	Sewer 2014 \$'000	Sewer 2013 \$'000
Revenues from continuing operations	94,601	96,183	20,125	20,818	28,324	29,348
Expenses from continuing operations	(82,787)	(81,766)	(15,910)	(16,164)	(21,784)	(21,604)
<b>Result from continuing operations before depreciation</b>	<b>11,814</b>	<b>14,417</b>	<b>4,215</b>	<b>4,654</b>	<b>6,540</b>	<b>7,744</b>
Less: depreciation expense	(27,062)	(26,930)	(7,043)	(6,873)	(10,836)	(11,676)
<b>Operating deficit after depreciation &amp; before capital revenue</b>	<b>(15,248)</b>	<b>(12,513)</b>	<b>(2,828)</b>	<b>(2,219)</b>	<b>(4,296)</b>	<b>(3,932)</b>
<b>Other significant items impacting the operating result</b>						
Loss on disposal of assets	(2,246)	(3)	(367)	(1,056)	(217)	(545)
<b>Operating deficit before capital revenue</b>	<b>(17,494)</b>	<b>(12,516)</b>	<b>(3,195)</b>	<b>(3,275)</b>	<b>(4,513)</b>	<b>(4,477)</b>
Capital grants and contributions	7,356	7,218	2,124	3,768	3,495	2,456
<b>Surplus/(Deficit) from all activities</b>	<b>(10,138)</b>	<b>(5,298)</b>	<b>(1,071)</b>	<b>493</b>	<b>(1,018)</b>	<b>(2,021)</b>

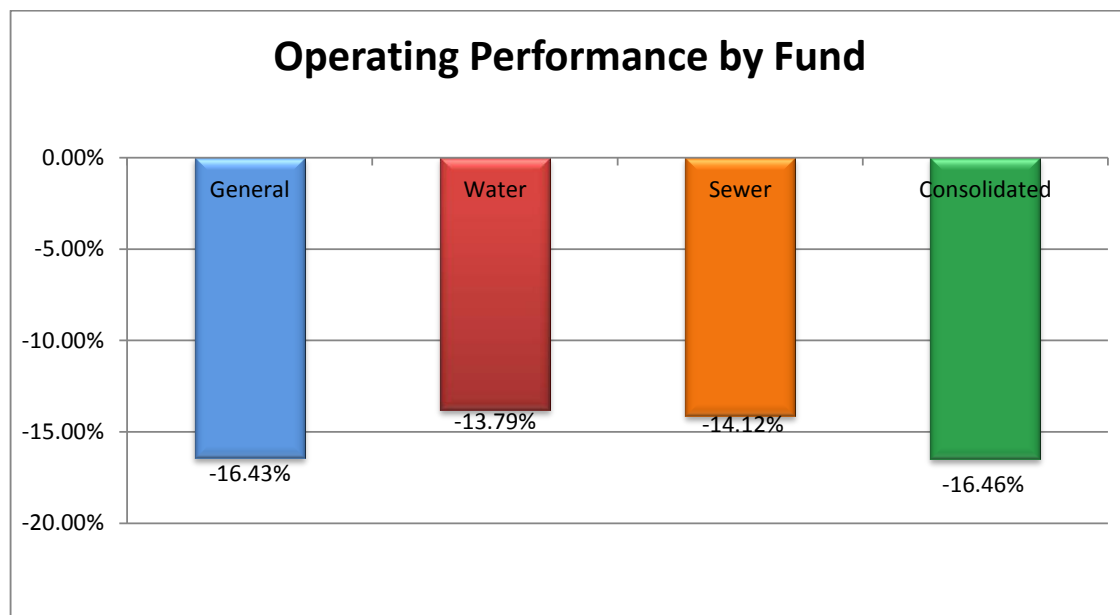
### Operating Performance

The NSW Office of Local Government has introduced a ratio that measures a Council's achievement of containing operating expenditure within operating revenue (achieving a surplus after depreciation but before capital revenue).

It is important to distinguish that this ratio is focusing on operating performance and hence capital grants and contributions, fair value adjustments and reversal of revaluation decrements are excluded. The benchmark for this ratio is greater than 0%, that is, Council should not be recording recurring operating deficits but should contain operating expenditure within operating revenue.



Attachment



The table above indicates that Council's General, Water and Sewer Fund operating results are in deficit for 2014.

Council is not generating sufficient revenue and controlling its expenditure to fund annual depreciation expense. Council will need to review its Long Term Financial plan results in accordance with the Fit for the Future reforms proposed by the NSW Office of Local Government. It is noted that Council has a transformation to sustainability program currently in progress.

## 2.3 Capital Grants & Contributions – All Funds

Capital grants and contributions received during the year amounted to \$11,878,000. Council receives capital grants and contributions from various sources each financial year to renew existing assets as well as construct new assets. Capital contributions include developer contributions as well as dedications received by Council on the finalisation of a development.

The table below provides an understanding of the nature and quantum of contributions received during the financial year.

Capital Grants & Contributions	2014 \$'000	2013 \$'000	2012 \$'000
Section 94 contributions - cash	1,856	1,550	1,101
Section 64 contributions - cash	3,557	2,747	2,443
Other contributions	371	1,218	484
Non-cash developer infrastructure dedications	1,516	2,508	6,981
Specific purpose capital grants	4,578	3,120	5,800
	<b>11,878</b>	<b>11,143</b>	<b>16,809</b>

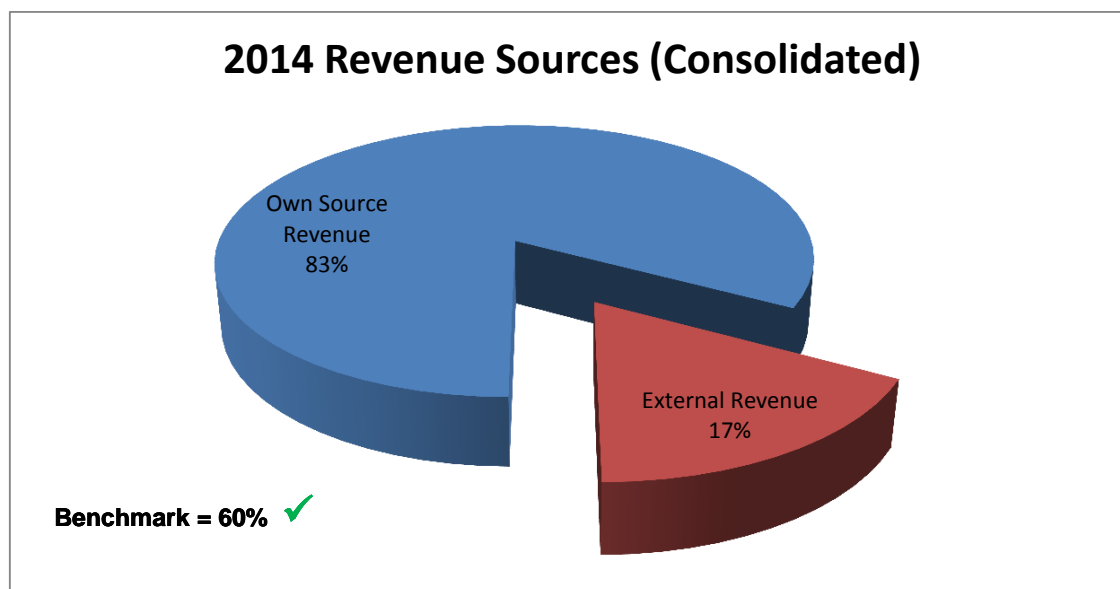


Capital grants totalling \$4,578,000 were received which included funding of \$1,040,000 for the construction of a flood detention basin at Spagnoles Road as part of Council's flood mitigation program. It also included funding of \$1,002,000 for stage 3 of the new water reclamation plant and additional funding of \$896,000 for various road repairs under the roads to recovery program.

Local Government performance benchmarking now analyses the ability of Council to generate its own revenue sources rather than over-reliance on grants and contributions (capital and operating) received from external sources.

The Own Source Operating Revenue ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. A Council's financial flexibility improves the higher the level of its own source revenue. The NSW Office of Local Government stipulates a benchmark of greater than 60% is recommended.

The graph below illustrates that Council sources 83% of its consolidated revenue from rates, annual charges, user charges, interest etc. which exceeds industry benchmarks.



This ratio can be subject to significant fluctuations, depending on the level of development, that is revenues from Section 94 and Section 64 developer contributions, as well as the level of general user fees and charges raised.



Attachment

### 3. STATEMENT OF FINANCIAL POSITION

Council's Statement of Financial Position (Balance Sheet) is summarised below:

	2014 \$'000	2013 \$'000	2012 \$'000
Current Assets	67,612	72,754	69,996
Non-Current Assets	2,096,461	2,046,164	1,922,435
<b>Total Assets</b>	<b>2,164,073</b>	<b>2,118,918</b>	<b>1,992,431</b>
Current Liabilities	41,985	41,542	40,158
Non-Current Liabilities	201,218	215,146	228,465
<b>Total Liabilities</b>	<b>243,203</b>	<b>256,688</b>	<b>268,623</b>
<b>Equity</b>	<b>1,920,870</b>	<b>1,862,230</b>	<b>1,723,808</b>

We provide commentary on some of the material assets and liabilities appearing on Council's statement of financial position as at 30 June 2014 together with related NSW Office of Local Government benchmark data.

#### 3.1 Assets

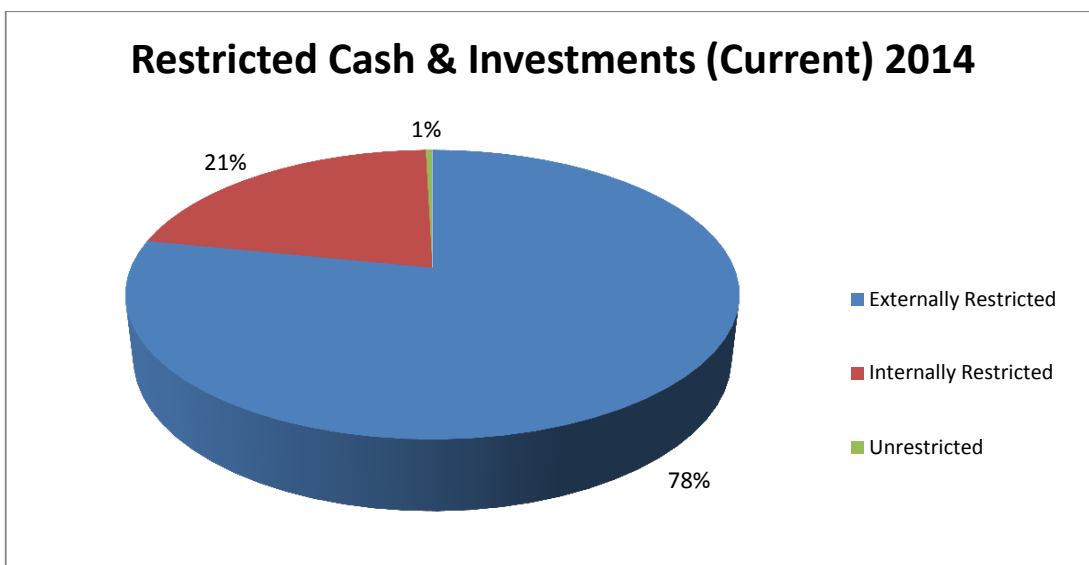
##### 3.1.1 Cash & Cash Equivalents

Included in Council's net current assets are cash and investments which are restricted in their use as follows:

	2014 \$'000	2013 \$'000	2012 \$'000
<b>Externally Restricted (Current)</b> Monies can only be spent in accordance with legislation, grant agreement or developer contribution plan specifications	34,822	45,638	43,723
<b>Internally Restricted (Current)</b> Money set aside for special projects via Council resolution	9,532	5,625	5,181
<b>Unrestricted (Current)</b> Funds forming part of working capital used for day-to-day Council operations	188	142	2,085
<b>Total Current Cash &amp; Investments</b>	<b>44,542</b>	<b>51,405</b>	<b>50,989</b>



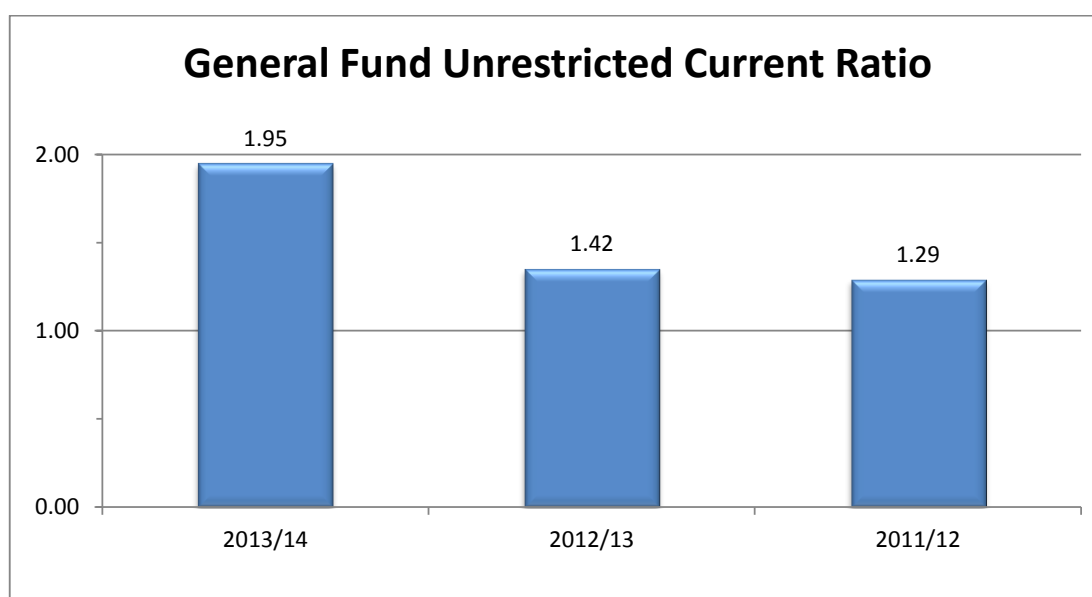
Council is managing its investment portfolio in accordance with the Minister's Investment Order which is applicable to all local government authorities.



#### Unrestricted Net Current Assets & Ratio

Council's unrestricted current asset position provides a measure of the organisation's capacity / liquidity to meet its commitments from current assets net of externally restricted cash, investments and receivables.

The unrestricted current ratio measures Council's net unrestricted current asset position. The NSW Office of Local Government considers that this ratio should be in the range of 1.5 – 2.0.





At 30 June 2014 Council has \$1.95 in liquid current assets for every \$1 of current liabilities. The trending of this ratio over the last three years illustrates Council's improved short-term financial position.

### Internally Restricted Cash & Cash Equivalents

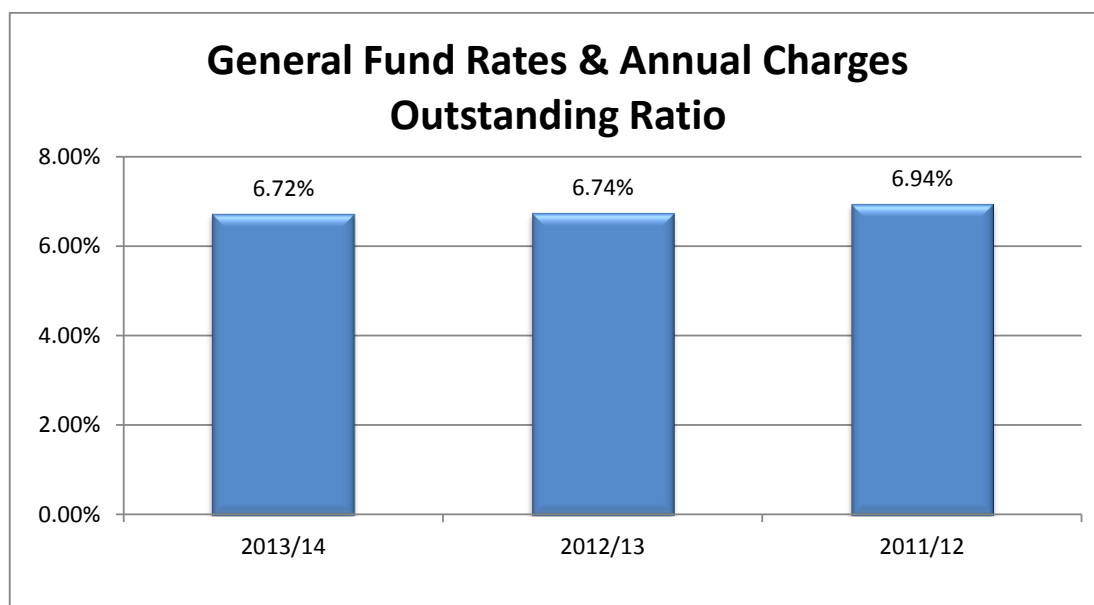
The table below illustrates Council's efforts to fund important projects and create reserves to assist absorption of any unforeseen financial shocks. Internal special purpose reserves include:

	2014 \$'000	2013 \$'000	2012 \$'000
Plant & Vehicle Replacement	6,832	6,146	4,338
Employees Leave Entitlement	5,271	3,790	4,281
General Fund Revotes	2,377	4,489	2,580
EDP Equipment	759	149	154
Non Domestic Waste Management	1,101	1,349	1,312
Other Contributions	2,051	2,812	3,205
Airport	9	5,747	1,714
RTA Contributions - Pacific Highway			
Garden Works	110	151	183
Unexpended Loans	9,394	10,584	12,895
Unexpended Grants	2,880	5,661	8,521
Open Space Land	49	460	307
Jetty M&R	231	218	201
Asset Replacement	525	400	183
Rural Fire Services	16	15	14
Future Road Network	1,949	1,241	1,041
Environmental Levy	235	380	496
Community Facilities	1,414	977	563
Moonee Beach Road Upgrade	-	177	163
Environmental Laboratory	826	643	471
Car Parking Upgrade	2,124	2,328	2,144
Future Fund	1,404	962	564
Business Development	1,259	1,212	1,065
Project Contingency	1,137	1,074	955
RTA Contributions - Pine Creek Hand Over	743	565	303
Projects - Private Works Funding	1,484	1,077	994
Flood Mitigation Works	3,089	2,204	1,159
Technology Group	351	183	-
CBD Masterplan	1,174	-	-
<b>Total Current &amp; Non-Current Internally Restricted Cash &amp; Cash Equivalents</b>	<b>48,793</b>	<b>54,993</b>	<b>49,806</b>



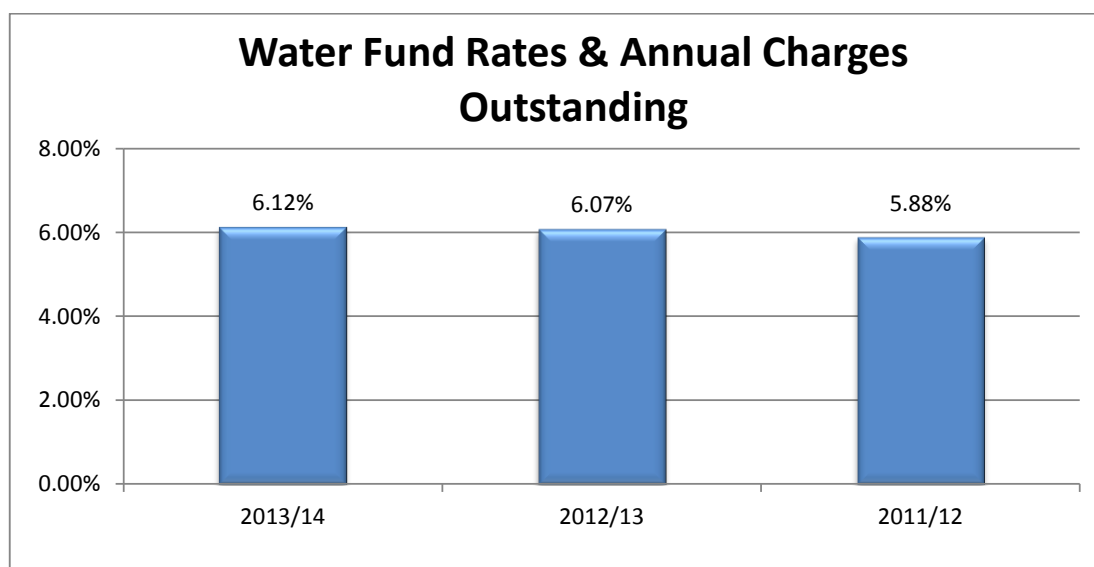
### 3.1.2 Rates and Annual Charges Outstanding Percentage

This indicator assesses the effectiveness of Council's revenue collection processes.



Council's General Fund rates and annual charges outstanding ratio is 6.72% as at 30 June 2014 which is comparable to the prior year. The NSW Office of Local Government benchmark is <5% for urban and coastal Council's and <10% for rural Council's.

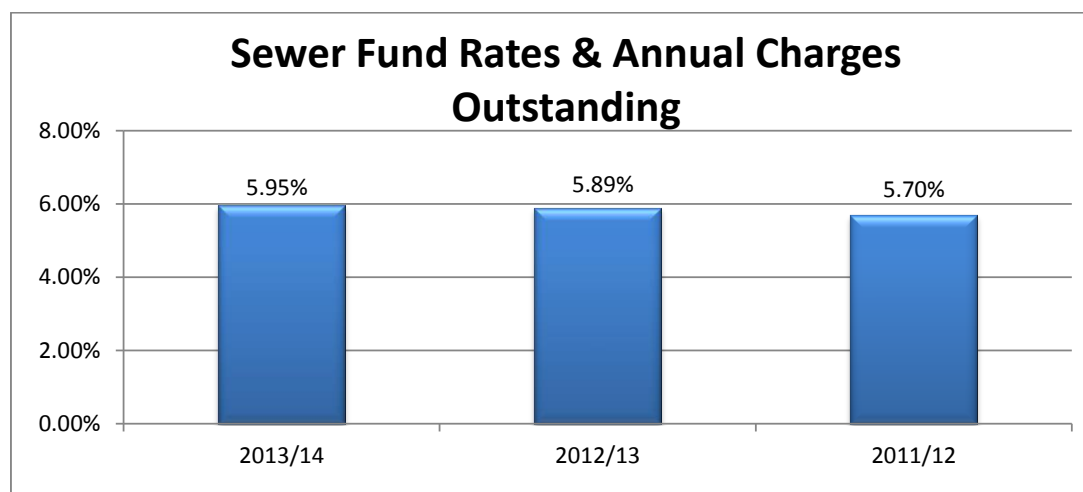
Councils Water Fund and Sewer Fund rates and annual charges outstanding ratio also meet the NSW Office of Local Government benchmark as illustrated below.







Attachment



## 3.2 Non-Current Assets

### 3.2.1 Infrastructure, Property, Plant and Equipment (I,P,P&E)

The largest asset or liability appearing on Council's statement of financial position is in relation to I,P,P&E. Note 9 to the general purpose financial statements provides an understanding of Council's I,P,P&E and illustrates that Council is responsible for maintaining and improving assets with a written down value of approximately \$1.9 billion.

The following table illustrates the impact of annual depreciation across various asset classes during the year:

#### Depreciation & Amortisation

	Cost to Replace 2014 \$'000	WDV 2014 \$'000	DEP'N EXP 2014 \$'000	WDV as a % of Cost %	Depr as a % of Cost %
Plant & Equipment	44,578	20,198	4,424	45%	10%
Land	156,513	156,513	-	100%	0%
Land Improvements	16,462	3,701	1,598	22%	10%
Buildings	111,389	96,099	840	86%	1%
Other Structures	1,212	730	24	60%	2%
Tip Assets	5,107	2,629	924	51%	18%
<b>Infrastructure:</b>					
- Roads, Bridges, Footpaths	651,165	491,338	15,903	75%	2%
- Bulk Earthworks (non-dep)	216,186	216,186	-	100%	0%
- Stormwater Drainage	237,895	184,983	2,985	78%	1%
- Water Supply Network	407,444	277,499	6,034	68%	1%
- Sewerage Network	624,291	438,986	10,466	70%	2%
- Other / Open Space Assets	21,000	12,079	929	58%	4%
Capital Work in Progress	17,671	17,671	-	100%	0%
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>	<b>2,510,913</b>	<b>1,918,612</b>	<b>44,127</b>		



### Council Constructed / Purchased Additions

The following table illustrates Council's capitalisation of asset additions across the various asset classes during the year:

	2014 \$'000	2013 \$'000	2012 \$'000
<i>Non-Cash Grants / Contributions</i>			
Bushfire Grants	179	812	664
Developer Dedications	1,516	2,508	6,981
Artworks Donated	9	7	-
	<b>1,704</b>	<b>3,327</b>	<b>7,645</b>
<i>Council Constructed / Purchased Assets</i>			
Work in Progress	13,147	7,670	9,498
Plant and Equipment	3,936	1,910	4,038
Land and Buildings	4,062	4,803	1,699
Roads and Drainage Network	7,768	7,710	3,205
Water Supply Network	1,336	3,170	1,537
Sewerage Network	2,239	1,653	4,932
Bulk Earthworks	235	129	-
Other Structures & Assets	297	415	1,061
	<b>33,020</b>	<b>27,460</b>	<b>25,970</b>
<b>Total Asset Additions</b>	<b>34,724</b>	<b>30,787</b>	<b>33,615</b>

### Asset Revaluations 2014

The NSW Office of Local Government has mandated that all infrastructure assets including land and buildings are to be recognised in Council's financial records at their fair value. Fair value represents the written-down replacement cost of each asset using modern day equivalent materials, design and capacity. During the year, Council revalued the following material asset classes:

#### *Water & Sewer Infrastructure Revaluation*

Water and sewer infrastructure assets were indexed by 2.8% in accordance with the NSW Office of Water guidelines, resulting in an increase in fair value of \$7,607,000 for water infrastructure and \$11,991,000 for sewer infrastructure assets.

#### *Transport Infrastructure Revaluation*

Transport infrastructure assets were indexed by between 4.7% for Roads/Bulk Earthworks, 4.4% for Bridges and 4.6% for Footpaths in accordance with the IPWEA NSW Local Road Construction Costs guidelines.



### 3.2.2 Asset Management Performance Indicators

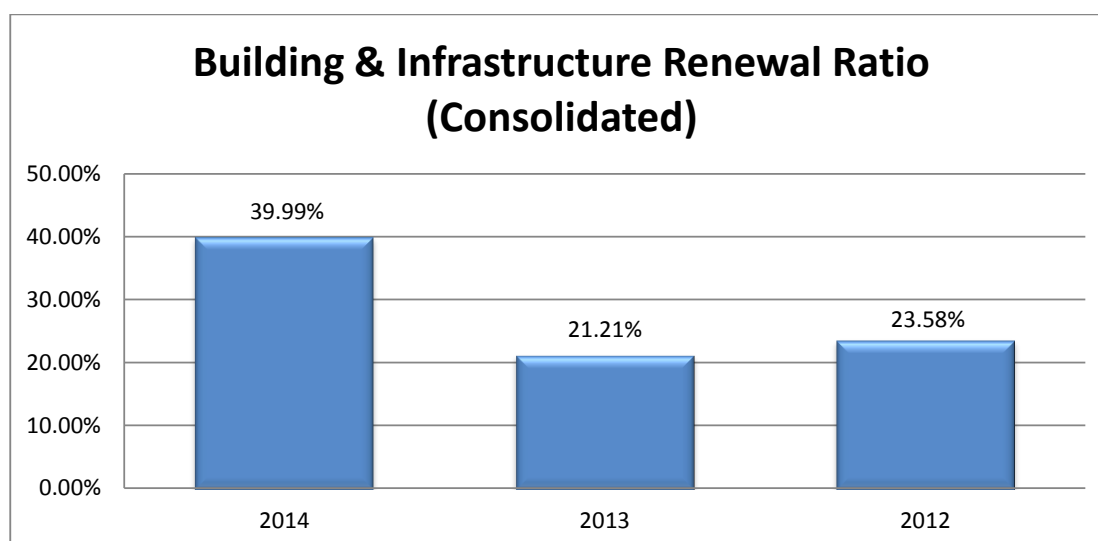
The Council is responsible for managing a large infrastructure and asset portfolio. The NSW Office of Local Government has introduced several performance indicators designed to provide Council with measures of asset management. These ratios are not subject to audit and are included in Special Schedule 7.

#### *Buildings & Infrastructure Renewals Ratio*

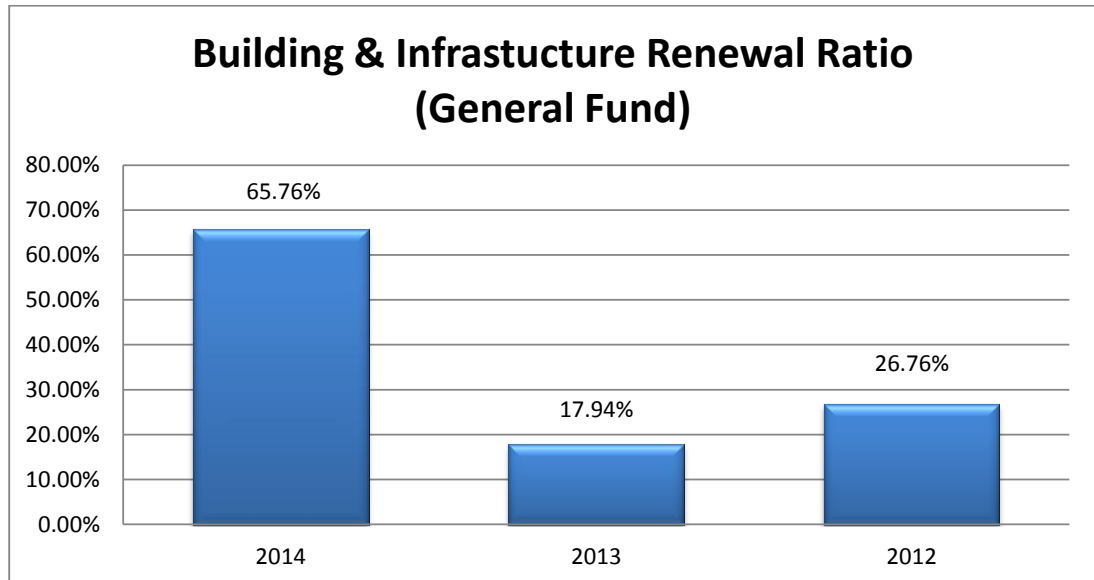
Assessing the rate at which buildings and infrastructure assets are being renewed against the rate at which they are depreciating (being consumed) is measured using the buildings and infrastructure renewals ratio.

	Renewals Expenditure \$'000	Depreciation Expense \$'000	Renewals Shortfall \$'000	Asset Renewals Ratio %
General Fund	13,446	20,448	7,002	66%
Sewer Fund	361	10,466	10,105	3%
Water Fund	967	6,034	5,067	16%
<b>Total</b>	<b>14,774</b>	<b>36,948</b>	<b>22,174</b>	<b>40%</b>

The ratio is calculated based on replacement of existing assets with assets of equivalent capacity or performance as opposed to the acquisition of new assets or adding capacity to existing assets. Expenditure incurred to add capacity to existing assets is excluded from this ratio. Industry benchmarking recommends that asset renewals equate to the related depreciation expense or be in the range of 90-100%.



Council is not spending sufficient funds on asset renewals and is substantially below the recommended benchmark of the OLG.

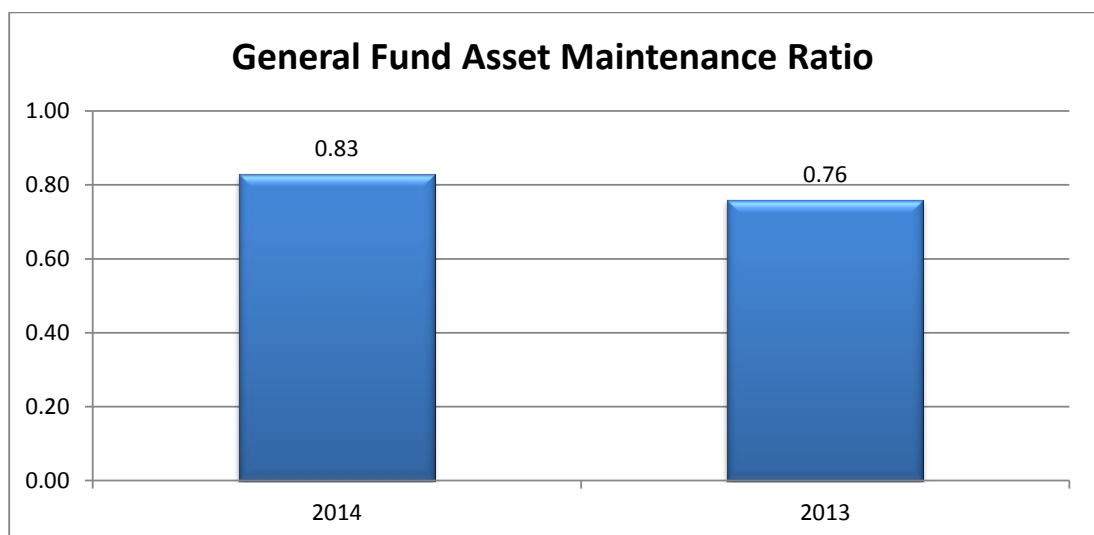


The challenge facing all local government authorities is to improve this ratio to satisfy this industry benchmark continuously, particularly in the general fund, which is subject to rate pegging limits or special rate variations, if Council has applied for such.

#### **Asset Maintenance Ratio**

This ratio compares actual versus required (as estimated by Council staff) annual asset maintenance. A ratio of above 1.0 indicates that the Council is investing enough funds within the year to stop the Infrastructure Backlog from growing. This ratio is highly dependent on accurate and consistent required maintenance and quantified infrastructure backlog calculations.

The benchmark for this ratio is greater than 1.0.



Currently Council is not spending sufficient funds on asset maintenance to ensure their condition does not deteriorate below a satisfactory level.



Creating financial capacity to fund asset maintenance, renewals and new capital projects is one of the most difficult issues facing the Local Government industry in Australia. The ability to satisfy the industry parameters for asset renewals is a key goal for any local government authority which will only be achieved by:

- having asset management and financial systems that accurately identify and record renewals expenditure throughout each year,
- ensuring that the depreciation expense disclosed in the financial report reflects the actual consumption of each asset,
- ensuring policies and procedures are updated so that Council personnel have sound guidance on capital v maintenance and renewals v new capital works,
- accurately recording renewals expenditure where projects include replacing an existing asset with greater capacity, and
- constantly reviewing Council's operations so that the maximum available resources can be directed toward asset renewal.

### Asset Management

As Council auditors, we have provided advice and assistance to management in relation to various asset related matters throughout the 2014 financial year. Council needs to ensure that adequate resources are allocated to asset information systems to facilitate best practice processes for asset management (including asset revaluations) being adopted and adhered to into the future.

### Audit of Asset Management Information

In 2015 Council's special schedule 7 will be subject to independent audit. Special schedule 7 contains asset management ratios, costs to bring assets to a satisfactory standard and information relating to actual and required maintenance expenditure levels. As this information has not been subject to independent review in prior years, it is important that Council:

- Review the information contained in special schedule 7 to ensure it is accurate;
- Have policies and procedures supporting the compilation of information that is included in special schedule 7 so that asset management ratios are calculated accurately; and
- Aligns asset data collection to allow efficient compilation of the information contained in special schedule 7.



## 3.2 Liabilities

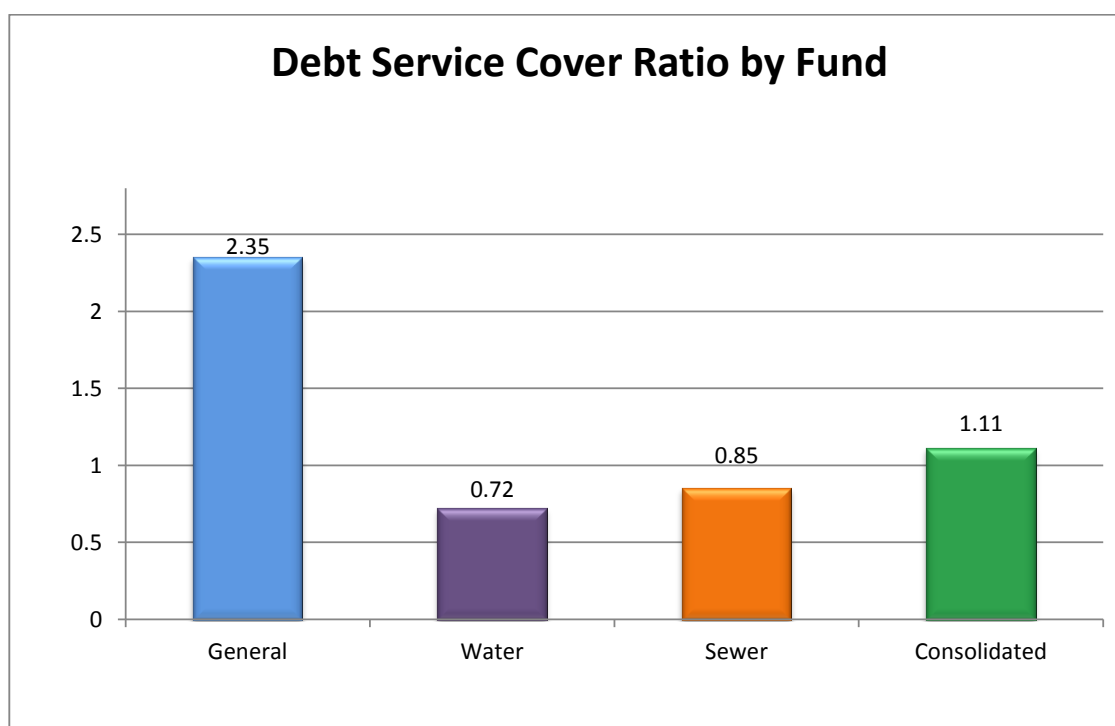
### 3.2.1 Loans Liability

	2014 \$'000	2013 \$'000	2012 \$'000
Current Loan Liability	18,688	18,618	17,312
Non-Current Loan Liability	194,360	208,464	222,352
<b>Total Loan Liability</b>	<b>213,048</b>	<b>227,082</b>	<b>239,664</b>
<b>By Fund</b>			
General Fund	28,547	27,483	25,995
Water Fund	82,942	89,972	96,536
Sewer Fund	101,559	109,627	117,133
<b>Total Loan Liability</b>	<b>213,048</b>	<b>227,082</b>	<b>239,664</b>

#### *Debt Service Cover Ratio*

This year the Local Government Code of Accounting Practice and Financial Reporting introduced the "Debt Service Cover Ratio". This ratio measures the operating result before capital, excluding interest and depreciation/impairment/amortisation (commercially known as EBITDA), against loan principal repayments and borrowing interest costs.

The benchmark for the new ratio is greater than 2.





The Council's consolidated Debt Service Cover ratio for 2014 is 1.11 (2013: 1.22) and the ratio for the general fund for 2014 is 2.35 (2013: 3.10).

The ratio for Water and Sewer Funds is below the industry benchmark due to the substantial infrastructure works and related borrowing that occurred in prior years. We recommend that Council review this ratio as part of the Fit for the Future review to improve the performance over the medium to long term.

## 4. OTHER MATTERS

### 4.1 Internal Control Environment

We did not become aware of the existence of items comprising material error, sufficient to cause us to issue a modified audit opinion.

Subject to the foregoing comments the books of account and records of the Council were maintained in good order and condition and the information and explanations required during the course of our work were readily supplied by the General Manager and his staff.

Yours faithfully

**THOMAS NOBLE & RUSSELL**  
**CHARTERED ACCOUNTANTS**

  
A J BRADFIELD (Partner)

# Coffs Harbour City Council

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2014

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“Coffs Harbour - the Healthy City, the Smart  
City, the Cultural City for a Sustainable Future”





## Coffs Harbour City Council

### Special Purpose Financial Statements

for the financial year ended 30 June 2014

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#### Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.

- (ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- (iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and **(b)** those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

- (iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).
-

## Coffs Harbour City Council

### Special Purpose Financial Statements for the financial year ended 30 June 2014

#### Statement by Councillors and Management

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

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

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality".
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

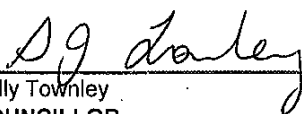
**To the best of our knowledge and belief, these Financial Statements:**


- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

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

**Signed in accordance with a resolution of Council made on 23 October 2014.**

  
Denise Knight  
MAYOR

  
Sally Townley  
COUNCILLOR

  
Steve McGrath  
GENERAL MANAGER

  
Dale Allen  
RESPONSIBLE ACCOUNTING OFFICER

## Coffs Harbour City Council

### Income Statement of Council's Water Supply Business Activity

for the financial year ended 30 June 2014

\$ '000	Actual 2014	Actual 2013
<b>Income from continuing operations</b>		
Access charges	3,922	3,789
User charges	13,442	12,239
Fees	372	1,255
Interest	2,004	3,184
Grants and contributions provided for non capital purposes	306	290
Profit from the sale of assets	-	-
Other income	79	61
<b>Total income from continuing operations</b>	<b>20,125</b>	<b>20,818</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	3,037	2,999
Borrowing costs	5,977	6,448
Materials and contracts	3,572	3,588
Depreciation and impairment	7,043	6,873
Water purchase charges	-	-
Loss on sale of assets	367	1,056
Calculated taxation equivalents	30	33
Debt guarantee fee (if applicable)	829	900
Other NCP Imputation Payments	6	6
Other expenses	3,294	3,096
<b>Total expenses from continuing operations</b>	<b>24,155</b>	<b>24,999</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>(4,030)</b>	<b>(4,181)</b>
Grants and contributions provided for capital purposes	2,124	3,768
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>(1,906)</b>	<b>(413)</b>
Surplus (deficit) from discontinued operations	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>(1,906)</b>	<b>(413)</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>(1,906)</b>	<b>(413)</b>
plus Opening Retained Profits	179,827	166,925
plus/less: Prior Period Adjustments	-	12,409
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	30	33
- Debt guarantee fees	829	900
- Other NCP Imputation Payments	6	6
- Corporate taxation equivalent	-	-
less:		
- Tax Equivalent Dividend paid	(30)	(33)
<b>Closing Retained Profits</b>	<b>178,756</b>	<b>179,827</b>
<b>Return on Capital %</b>	<b>0.7%</b>	<b>0.8%</b>
<b>Subsidy from Council</b>	<b>n/a</b>	<b>n/a</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	(1,906)	(413)
less: Capital grants and contributions (excluding developer contributions)	(305)	(2,363)
<b>Surplus for dividend calculation purposes</b>	<b>-</b>	<b>-</b>
<b>Potential Dividend calculated from surplus</b>	<b>-</b>	<b>-</b>

## Coffs Harbour City Council

## Income Statement of Council's Sewerage Business Activity

for the financial year ended 30 June 2014

\$ '000	Actual 2014	Actual 2013
<b>Income from continuing operations</b>		
Access charges	21,653	20,913
User charges	2,233	2,047
Liquid Trade Waste charges	467	422
Fees	8	13
Interest	3,324	5,331
Grants and contributions provided for non capital purposes	484	451
Profit from the sale of assets	-	-
Other income	155	171
<b>Total income from continuing operations</b>	<b>28,324</b>	<b>29,348</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	4,702	4,499
Borrowing costs	7,277	7,795
Materials and contracts	4,753	4,406
Depreciation and impairment	10,836	11,676
Loss on sale of assets	217	545
Calculated taxation equivalents	188	189
Debt guarantee fee (if applicable)	1,016	1,096
Other NCP Imputation Payments	10	9
Other expenses	4,976	4,829
<b>Total expenses from continuing operations</b>	<b>33,975</b>	<b>35,044</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>(5,651)</b>	<b>(5,696)</b>
Grants and contributions provided for capital purposes	3,495	2,456
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>(2,156)</b>	<b>(3,240)</b>
Surplus (deficit) from discontinued operations	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>(2,156)</b>	<b>(3,240)</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>(2,156)</b>	<b>(3,240)</b>
plus Opening Retained Profits	290,709	267,402
plus/less: Prior Period Adjustments	-	25,328
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	188	189
- Debt guarantee fees	1,016	1,096
- Other NCP Imputation Payments	10	9
- Corporate taxation equivalent	-	-
less:		
- Tax Equivalent Dividend paid	(76)	(75)
<b>Closing Retained Profits</b>	<b>289,691</b>	<b>290,709</b>
<b>Return on Capital %</b>	<b>0.4%</b>	<b>0.5%</b>
<b>Subsidy from Council</b>	<b>n/a</b>	<b>n/a</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	(2,156)	(3,240)
less: Capital grants and contributions (excluding developer contributions)	(1,757)	(1,114)
<b>Surplus for dividend calculation purposes</b>	<b>-</b>	<b>-</b>
<b>Potential Dividend calculated from surplus</b>	<b>-</b>	<b>-</b>

## Coffs Harbour City Council

## Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2014

	Telecommunications and New Technology Category 1		Airport Category 1	
\$ '000	Actual 2014	Actual 2013	Actual 2014	Actual 2013
<b>Income from continuing operations</b>				
Access charges	-	-	-	-
User charges	-	-	4,179	3,807
Fees	-	-	-	-
Interest	-	-	158	1,380
Grants and contributions provided for non capital purposes	-	-	-	-
Profit from the sale of assets	-	-	-	-
Other income	2,220	1,632	1,040	604
<b>Total income from continuing operations</b>	<b>2,220</b>	<b>1,632</b>	<b>5,377</b>	<b>5,791</b>
<b>Expenses from continuing operations</b>				
Employee benefits and on-costs	356	203	615	604
Borrowing costs	-	-	668	551
Materials and contracts	1,487	1,226	1,430	1,262
Depreciation and impairment	-	-	1,433	1,271
Loss on sale of assets	-	-	34	-
Calculated taxation equivalents	-	-	250	253
Debt guarantee fee (if applicable)	-	-	115	79
Other NCP Imputation Payments	-	-	5	5
Other expenses	44	13	677	527
<b>Total expenses from continuing operations</b>	<b>1,887</b>	<b>1,442</b>	<b>5,227</b>	<b>4,552</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>333</b>	<b>190</b>	<b>150</b>	<b>1,239</b>
Grants and contributions provided for capital purposes	-	-	-	-
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>333</b>	<b>190</b>	<b>150</b>	<b>1,239</b>
Surplus (deficit) from discontinued operations	-	-	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>333</b>	<b>190</b>	<b>150</b>	<b>1,239</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(100)	(57)	(45)	(372)
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>233</b>	<b>133</b>	<b>105</b>	<b>867</b>
plus Opening Retained Profits	1,436	1,246	41,383	33,627
plus/less: Prior Period Adjustments	-	-	-	6,445
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	-	-	250	253
- Debt guarantee fees	-	-	115	79
- Other NCP Imputation Payments	-	-	5	5
- Corporate taxation equivalent	100	57	45	372
add:				
- Subsidy Paid/Contribution To Operations	-	-	-	-
less:				
- Dividend paid	(167)	-	(283)	(265)
<b>Closing Retained Profits</b>	<b>1,602</b>	<b>1,436</b>	<b>41,620</b>	<b>41,383</b>
Return on Capital %	156.3%	53.5%	1.0%	2.7%
Subsidy from Council	-	-	2,078	684

## Coffs Harbour City Council

Statement of Financial Position - Council's Water Supply Business Activity  
as at 30 June 2014

\$ '000	Actual 2014	Actual 2013
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	1,600	824
Investments	11,325	12,721
Receivables	3,683	3,551
Inventories	245	237
Other	-	-
Non-current assets classified as held for sale	-	-
<b>Total Current Assets</b>	<b>16,853</b>	<b>17,333</b>
<b>Non-Current Assets</b>		
Investments	20,580	22,714
Receivables	78	81
Inventories	-	-
Infrastructure, property, plant and equipment	284,538	281,452
Investments accounted for using equity method	-	-
Investment property	-	-
Other	65,442	66,155
<b>Total non-Current Assets</b>	<b>370,638</b>	<b>370,402</b>
<b>TOTAL ASSETS</b>	<b>387,491</b>	<b>387,735</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank Overdraft	-	-
Payables	1,241	1,261
Interest bearing liabilities	5,873	7,030
Provisions	-	-
<b>Total Current Liabilities</b>	<b>7,114</b>	<b>8,291</b>
<b>Non-Current Liabilities</b>		
Payables	-	-
Interest bearing liabilities	77,069	82,942
Provisions	-	-
<b>Total Non-Current Liabilities</b>	<b>77,069</b>	<b>82,942</b>
<b>TOTAL LIABILITIES</b>	<b>84,183</b>	<b>91,233</b>
<b>NET ASSETS</b>	<b>303,308</b>	<b>296,502</b>
<b>EQUITY</b>		
Retained earnings	178,756	179,827
Revaluation reserves	124,552	116,675
Council equity interest	303,308	296,502
Non-controlling equity interest	-	-
<b>TOTAL EQUITY</b>	<b>303,308</b>	<b>296,502</b>

## Coffs Harbour City Council

## Statement of Financial Position - Council's Sewerage Business Activity

as at 30 June 2014

\$ '000	Actual 2014	Actual 2013
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	941	792
Investments	16,951	25,819
Receivables	2,045	2,820
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
<b>Total Current Assets</b>	<b>19,937</b>	<b>29,431</b>
<b>Non-Current Assets</b>		
Investments	34,577	33,480
Receivables	370	343
Inventories	-	-
Infrastructure, property, plant and equipment	463,249	451,510
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
<b>Total non-Current Assets</b>	<b>498,196</b>	<b>485,333</b>
<b>TOTAL ASSETS</b>	<b>518,133</b>	<b>514,764</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank Overdraft	-	-
Payables	1,788	2,174
Interest bearing liabilities	8,672	8,068
Provisions	-	-
<b>Total Current Liabilities</b>	<b>10,460</b>	<b>10,242</b>
<b>Non-Current Liabilities</b>		
Payables	-	-
Interest bearing liabilities	92,887	101,559
Provisions	-	-
<b>Total Non-Current Liabilities</b>	<b>92,887</b>	<b>101,559</b>
<b>TOTAL LIABILITIES</b>	<b>103,347</b>	<b>111,801</b>
<b>NET ASSETS</b>	<b>414,786</b>	<b>402,963</b>
<b>EQUITY</b>		
Retained earnings	289,691	290,709
Revaluation reserves	125,095	112,254
Council equity interest	414,786	402,963
Non-controlling equity interest	-	-
<b>TOTAL EQUITY</b>	<b>414,786</b>	<b>402,963</b>

## Coffs Harbour City Council

## Statement of Financial Position - Council's Other Business Activities

as at 30 June 2014

	Telecommunications and New Technology Category 1		Airport Category 1	
\$ '000	Actual 2014	Actual 2013	Actual 2014	Actual 2013
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	350	82	16	5,747
Investments	-	-	-	-
Receivables	699	860	2,200	910
Inventories	362	152	-	-
Other	-	42	-	-
Non-current assets classified as held for sale	-	-	-	-
<b>Total Current Assets</b>	<b>1,411</b>	<b>1,136</b>	<b>2,216</b>	<b>6,657</b>
<b>Non-Current Assets</b>				
Investments	-	-	-	-
Receivables	-	-	554	679
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	213	355	81,353	65,612
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	1,920	-
<b>Total Non-Current Assets</b>	<b>213</b>	<b>355</b>	<b>83,827</b>	<b>66,291</b>
<b>TOTAL ASSETS</b>	<b>1,624</b>	<b>1,491</b>	<b>86,043</b>	<b>72,948</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Bank Overdraft	-	-	-	-
Payables	21	55	129	99
Interest bearing liabilities	-	-	3,714	1,037
Provisions	-	-	-	-
<b>Total Current Liabilities</b>	<b>21</b>	<b>55</b>	<b>3,843</b>	<b>1,136</b>
<b>Non-Current Liabilities</b>				
Payables	-	-	-	-
Interest bearing liabilities	-	-	9,991	6,897
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>9,991</b>	<b>6,897</b>
<b>TOTAL LIABILITIES</b>	<b>21</b>	<b>55</b>	<b>13,834</b>	<b>8,033</b>
<b>NET ASSETS</b>	<b>1,603</b>	<b>1,436</b>	<b>72,209</b>	<b>64,915</b>
<b>EQUITY</b>				
Retained earnings	1,603	1,436	41,620	41,383
Revaluation reserves	-	-	30,589	23,532
Council equity interest	<b>1,603</b>	<b>1,436</b>	<b>72,209</b>	<b>64,915</b>
Non-controlling equity interest	-	-	-	-
<b>TOTAL EQUITY</b>	<b>1,603</b>	<b>1,436</b>	<b>72,209</b>	<b>64,915</b>



## Coffs Harbour City Council

### Special Purpose Financial Statements

for the financial year ended 30 June 2014

#### Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	10
2	Water Supply Business Best Practice Management disclosure requirements	13
3	Sewerage Business Best Practice Management disclosure requirements	15

## Coffs Harbour City Council

### Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Office of Local Government.

For the purposes of these statements, the Council is not a reporting not-for-profit entity.

The figures presented in these special purpose financial statements, unless otherwise stated, have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB) &
- Australian Accounting Interpretations.

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

- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

#### National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & Costing for Council Businesses A Guide to Competitive Neutrality" issued by the Office of Local Government in July 1997 has also been adopted.

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

#### Declared Business Activities

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

##### Category 1

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

##### a. Coffs Harbour City Council Water Supplies

*Water supply activity servicing the Coffs Harbour local government area*

##### b. Coffs Harbour City Council Sewerage Service

*Sewerage reticulation & treatment activity servicing the Coffs Harbour local government area*

##### c. Coffs Harbour Regional Airport

*Airport activities carried out by Council in its own name*

##### d. Coffs Harbour Telecommunications and New Technology

*Telemetry switchboard construction and sales, optical fibre provision, CCTV installation, and consultancy income.*

##### Category 2

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

**Nil**

#### Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of some figures disclosed in Note 2 (Water Supply Best Practice Management Disclosures) and Note 3 (Sewerage Best Practice Management Disclosures).

## Coffs Harbour City Council

### Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Significant Accounting Policies

As required by the NSW Office of Water (Department of Primary Industries) the amounts shown in Notes 2 and Note 3 are disclosed in whole dollars.

Supply and Sewerage is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

##### (i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all council nominated business activities (this does not include council's non-business activities):

##### Notional Rate Applied %

##### Corporate Income Tax Rate – 30%

Land Tax – The first **\$412,000** of combined land values attracts **0%**. From \$412,001 to \$2,519,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$2,519,000, a premium marginal rate of **2.0%** applies.

Payroll Tax – **5.45%** on the value of taxable salaries and wages in excess of \$750,000.

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from Water Supply and Sewerage Business activities.

The payment of taxation equivalent charges, referred in the Best Practice Management of Water Supply and Sewerage Guides to as a "Dividend for Taxation equivalent", may be applied for any purpose allowed under the Local Government Act, 1993.

Achievement of substantial compliance against the guidelines for Best Practice Management of Water

##### Income Tax

An income tax equivalent has been applied on the profits of each reported Business Activity.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

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

Since this taxation equivalent is notional - that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

##### Local Government Rates & Charges

A calculation of the equivalent rates and charges payable on all Category 1 businesses has been applied to all land assets owned or exclusively used by the Business Activity.

##### Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face "true" commercial borrowing costs in line with private sector competitors.

## Coffs Harbour City Council

### Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2014

#### Note 1. Significant Accounting Policies

In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities.

##### (ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported Business Activity.

##### (iii) Return on Investments (Rate of Return)

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

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The Rate of Return on Capital is calculated as follows:

**Operating Result before Capital Income + Interest Expense**

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**Written Down Value of I,PP&E as at 30 June**

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.56% at 30/6/14.

The actual rate of return achieved by each Business Activity is disclosed at the foot of each respective Income Statement.

##### (iv) Dividends

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

Local Government Water Supply and Sewerage Businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

The dividend, calculated and approved in accordance with the Best Practice Management Guidelines, must not exceed either:

- (i) 50% of this surplus in any one year, or
- (ii) the number of water supply or sewerage assessments at 30 June 2014 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the NSW Office of Water prior to making the dividend and only after it has approved the payment.



## Coffs Harbour City Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2014Note 2. Water Supply Business  
Best Practice Management disclosure requirements (continued)

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Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2014


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**National Water Initiative (NWI) Financial Performance Indicators**

<b>NWI F1</b>	Total Revenue (Water) Total Income (w13) - Grants for the Acquisition of Assets (w11a) - Interest Income (w9) - Aboriginal Communities W&S Program Income (w10a)	\$'000	20,239
<b>NWI F4</b>	Revenue from Residential Usage Charges (Water) Income from Residential Usage Charges (w6b) x 100 divided by the sum of [Income from Residential Usage Charges (w6a) + Income from Residential Access Charges (w6b)]	%	74.97%
<b>NWI F9</b>	Written Down Replacement Cost of Fixed Assets (Water) Written down current cost of system assets (w47)	\$'000	282,974
<b>NWI F11</b>	Operating Cost (OMA) (Water) Management Expenses (w1) + Operational & Maintenance Expenses (w2)	\$'000	9,857
<b>NWI F14</b>	Capital Expenditure (Water) Acquisition of fixed assets (w16)	\$'000	1,668
<b>NWI F17</b>	Economic Real Rate of Return (Water) [Total Income (w13) - Interest Income (w9) - Grants for acquisition of assets (w11a) - Operating Costs (NWI F11) - Current Cost Depreciation (w3)] x 100 divided by [Written Down Current Cost of System Assets (w47) + Plant & Equipment (w33b)]	%	1.18%
<b>NWI F26</b>	Capital Works Grants (Water) Grants for the Acquisition of Assets (w11a)	\$'000	-

Notes: 1. References to w (eg. w12) refer to item numbers within Special Schedules No. 3 & 4 of Council's Annual Financial Statements.

2. The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

## Coffs Harbour City Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2014Note 3. Sewerage Business  
Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

## 1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	1,204,000
(ii)	No of assessments multiplied by \$3/assessment	75,936
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	75,936
(iv)	Amounts actually paid for Tax Equivalents	75,936

## 2. Dividend from Surplus

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	-
(ii)	No. of assessments x (\$30 less tax equivalent charges per assessment)	683,424
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2014, less the cumulative dividends paid for the 2 years to 30 June 2013 & 30 June 2012	(8,518,000)

2014 Surplus	(3,913,000)	2013 Surplus	(4,354,000)	2012 Surplus	(251,000)
		2013 Dividend	-	2012 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	n/a
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-

## 3. Required outcomes for 4 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	YES
(ii)	Pricing with full cost-recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	Complying charges (a) Residential [Item 2(c) in Table 1]	YES
	(b) Non Residential [Item 2(c) in Table 1]	YES
	(c) Trade Waste [Item 2(d) in Table 1]	YES
	DSP with Commercial Developer Charges [Item 2(e) in Table 1]	YES
	Liquid Trade Waste Approvals & Policy [Item 2(f) in Table 1]	YES
(iii)	Complete Performance Reporting Form (by 15 September each year)	YES
(iv)	a. Integrated Water Cycle Management Evaluation	YES
	b. Complete and implement Integrated Water Cycle Management Strategy	YES



## Coffs Harbour City Council

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

#### Note 3. Sewerage Business Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2014

##### National Water Initiative (NWI) Financial Performance Indicators

<b>NWI F2</b>	Total Revenue (Sewerage) Total Income (s14) - Grants for Acquisition of Assets (s12a) - Interest Income (s10) - Aboriginal Communities W&S Program Income (w10a)	\$'000	27,493
<b>NWI F10</b>	Written Down Replacement Cost of Fixed Assets (Sewerage) Written down current cost of system assets (s48)	\$'000	461,702
<b>NWI F12</b>	Operating Cost (Sewerage) Management Expenses (s1) + Operational & Maintenance Expenses (s2)	\$'000	14,359
<b>NWI F15</b>	Capital Expenditure (Sewerage) Acquisition of Fixed Assets (s17)	\$'000	8,638
<b>NWI F18</b>	Economic Real Rate of Return (Sewerage) [Total Income (s14) - Interest Income (s10) - Grants for acquisition of Assets (s12a) - Operating cost (NWI F12) - Current cost depreciation (s3)] x 100 divided by [Written down current cost (ie. WDCC) of System Assets (s48) + Plant & Equipment (s34b)]	%	0.50%
<b>NWI F27</b>	Capital Works Grants (Sewerage) Grants for the Acquisition of Assets (12a)	\$'000	1,002

##### National Water Initiative (NWI) Financial Performance Indicators Water & Sewer (combined)

<b>NWI F3</b>	Total Income (Water & Sewerage) Total Income (w13 + s14) + Gain/Loss on disposal of assets (w14 + s15) minus Grants for acquisition of assets (w11a + s12a) - Interest Income (w9 + s10)	\$'000	47,154
<b>NWI F8</b>	Revenue from Community Service Obligations (Water & Sewerage) Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	1.06%
<b>NWI F16</b>	Capital Expenditure (Water & Sewerage) Acquisition of Fixed Assets (w16 + s17)	\$'000	10,306
<b>NWI F19</b>	Economic Real Rate of Return (Water & Sewerage) [Total Income (w13 + s14) - Interest Income (w9 + s10) - Grants for acquisition of assets (w11a + s12a) - Operating Cost (NWI F11 + NWI F12) - Current cost depreciation (w3 + s3)] x 100 divided by [Written down replacement cost of fixed assets (NWI F9 + NWI F10) + Plant & equipment (w33b + s34b)]	%	0.75%
<b>NWI F20</b>	Dividend (Water & Sewerage) Dividend paid from surplus (2(v) of Note 2 + 2(v) of Note 3)	\$'000	-
<b>NWI F21</b>	Dividend Payout Ratio (Water & Sewerage) Dividend (NWI F20) x 100 divided by Net Profit after tax (NWI F24)	%	0.00%



## Coffs Harbour City Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2014Note 3. Sewerage Business  
Best Practice Management disclosure requirements (continued)

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Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2014


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National Water Initiative (NWI) Financial Performance Indicators  
Water & Sewer (combined)

<b>NWI F22</b>	Net Debt to Equity (Water & Sewerage)	%	13.72%
	Overdraft (w36 + s37) + Borrowings (w38 + s39) - Cash & Investments (w30 + s31) x 100 divided by [Total Assets (w35 + s36) - Total Liabilities (w40 + s41)]		
<b>NWI F23</b>	Interest Cover (Water & Sewerage)		1
	Earnings before Interest & Tax (EBIT) divided by Net Interest		
	Earnings before Interest & Tax (EBIT):		5,640
	Operating Result (w15a + s16a) + Interest expense (w4a + s4a) - Interest Income (w9 + s10) - Gain/Loss on disposal of assets (w14 + s15) + Miscellaneous Expenses (w4b + w4c + s4b + s4c)		
	Net Interest:		7,926
	Interest Expense (w4a + s4a) - Interest Income (w9 + s10)		
<b>NWI F24</b>	Net Profit After Tax (Water & Sewerage)	\$'000	(3,197)
	Surplus before dividends (w15a + s16a) - Tax equivalents paid (Note 2-1(iv) + Note 3-1(iv))		
<b>NWI F25</b>	Community Service Obligations (Water & Sewerage)	\$'000	499
	Grants for Pensioner Rebates (w11b + s12b)		

- Notes:
- References to w (eg. s12) refer to item numbers within Special Schedules No. 5 & 6 of Council's Annual Financial Statements.
  - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.



**COFFS HARBOUR CITY COUNCIL  
SPECIAL PURPOSE FINANCIAL STATEMENTS  
INDEPENDENT AUDIT REPORT**

***Report on the Financial Statements***

We have audited the accompanying financial statements, being special purpose financial statements, of Coffs Harbour City Council ("the Council"), which comprises the statement of financial position as at 30 June 2014, the income statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by Councillors' and Management.

***Council's Responsibility for the Financial Statements***

The Council is responsible for the preparation and fair presentation of the financial statements and has determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Local Government Act 1993* and meet the needs of the NSW Office of Local Government. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

Our audit responsibility does not extend to the best practice management disclosures in note 2 and note 3, and accordingly, we do not express an opinion on such. In addition, our audit did not include an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Thomas Noble & Russell is a member of  International. A world-wide organization of accounting firms and business advisers



### ***Independence***

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

### ***Opinion***

In our opinion, the special purpose financial statements of Coffs Harbour City Council:

- a) Have been prepared in accordance with the requirements of those applicable Australian Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting;
  - i. Are consistent with the Council's accounting records;
  - ii. Present fairly, in all material respects, the financial position of Council's nominated Business Activities as at 30 June 2014 and the results of their operations for the year then ended;
- b) All information relevant to the conduct of the audit has been obtained; and
- c) There are no material deficiencies in the accounting records or financial statements that we have become aware of in the course of the audit.

### ***Basis of Accounting***


Without modifying our opinion, we 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 financial reporting requirements of the NSW Office of Local Government. As a result, the financial statements may not be suitable for another purpose.

### ***Matters Relating to the Electronic Presentation of the Audited Financial Statements***

This auditor's report relates to the special purpose financial statements of Coffs Harbour City Council for the financial year ended 30 June 2014 included on Council's website. The Council is responsible for the integrity of the website. We have not been engaged to report on the integrity of this website. The auditor's report refers only to the financial statements identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial statements. If users of the financial statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements to confirm the information contained in this website version of the financial statements.

Dated at Lismore this 31<sup>st</sup> day of October 2014

**THOMAS NOBLE & RUSSELL**  
**CHARTERED ACCOUNTANTS**



.....  
A J BRADFIELD (Partner)  
Registered Company Auditor

# Coffs Harbour City Council

SPECIAL SCHEDULES  
for the year ended 30 June 2014

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“Coffs Harbour - the Healthy City, the Smart  
City, the Cultural City for a Sustainable Future”



## Coffs Harbour City Council

### Special Schedules

for the financial year ended 30 June 2014

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<sup>1</sup> Special Schedules are not audited (with the exception of Special Schedule 9).

### Background

(i) These Special Schedules have been designed to meet the requirements of special purpose users such as;

- the NSW Grants Commission
- the Australian Bureau of Statistics (ABS),
- the NSW Office of Water (NOW), and
- the Office of Local Government (OLG).

(ii) The financial data is collected for various uses including;

- the allocation of Financial Assistance Grants,
- the incorporation of Local Government financial figures in national statistics,
- the monitoring of loan approvals,
- the allocation of borrowing rights, and
- the monitoring of the financial activities of specific services.

# Coffs Harbour City Council

## Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2014

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
<b>Governance</b>	<b>1,381</b>	-	-	<b>(1,381)</b>
<b>Administration</b>	<b>23,566</b>	<b>8,996</b>	<b>108</b>	<b>(14,462)</b>
<b>Public Order and Safety</b>				
Fire Service Levy, Fire Protection, Emergency Services	1,681	1,249	243	<b>(189)</b>
Beach Control	622	24	-	<b>(598)</b>
Enforcement of Local Govt. Regulations	1,075	343	-	<b>(732)</b>
Animal Control	413	188	-	<b>(225)</b>
Other	11	190	-	<b>179</b>
<b>Total Public Order &amp; Safety</b>	<b>3,802</b>	<b>1,994</b>	<b>243</b>	<b>(1,565)</b>
<b>Health</b>	<b>4</b>	-	-	<b>(4)</b>
<b>Environment</b>				
Noxious Plants and Insect/Vermin Control	258	231	-	<b>(27)</b>
Other Environmental Protection	854	1,764	47	<b>957</b>
Solid Waste Management	19,608	20,259	48	<b>699</b>
Street Cleaning	378	-	-	<b>(378)</b>
Drainage	6,514	153	1,085	<b>(5,276)</b>
Stormwater Management	-	672	-	<b>672</b>
<b>Total Environment</b>	<b>27,612</b>	<b>23,079</b>	<b>1,180</b>	<b>(3,353)</b>
<b>Community Services and Education</b>				
Administration & Education	953	56	36	<b>(861)</b>
Social Protection (Welfare)	888	130	81	<b>(677)</b>
Aged Persons and Disabled	-	-	-	<b>-</b>
Children's Services	53	2	-	<b>(51)</b>
<b>Total Community Services &amp; Education</b>	<b>1,894</b>	<b>188</b>	<b>117</b>	<b>(1,589)</b>
<b>Housing and Community Amenities</b>				
Public Cemeteries	241	253	-	<b>12</b>
Public Conveniences	639	-	63	<b>(576)</b>
Street Lighting	885	148	-	<b>(737)</b>
Town Planning	1,557	317	13	<b>(1,227)</b>
Other Community Amenities	10	-	-	<b>(10)</b>
<b>Total Housing and Community Amenities</b>	<b>3,332</b>	<b>718</b>	<b>76</b>	<b>(2,538)</b>
<b>Water Supplies</b>	<b>21,237</b>	<b>19,858</b>	<b>1,866</b>	<b>487</b>
<b>Sewerage Services</b>	<b>29,578</b>	<b>27,959</b>	<b>2,745</b>	<b>1,126</b>

## Coffs Harbour City Council

## Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2014

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
<b>Recreation and Culture</b>				
Public Libraries	2,141	174	50	(1,917)
Museums	24	(4)	-	(28)
Art Galleries	95	53	-	(42)
Community Centres and Halls	1,163	347	-	(816)
Performing Arts Venues	431	213	-	(218)
Other Performing Arts	-	-	-	-
Other Cultural Services	36	35	(1)	(2)
Sporting Grounds and Venues	3,692	493	40	(3,159)
Swimming Pools	620	22	-	(598)
Parks & Gardens (Lakes)	4,975	1,116	562	(3,297)
Other Sport and Recreation	1,389	-	214	(1,175)
<b>Total Recreation and Culture</b>	<b>14,566</b>	<b>2,449</b>	<b>865</b>	<b>(11,252)</b>
<b>Fuel &amp; Energy</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Agriculture</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Mining, Manufacturing and Construction</b>				
Building Control	2,326	1,735	-	(591)
Other Mining, Manufacturing & Construction	442	4	-	(438)
<b>Total Mining, Manufacturing and Const.</b>	<b>2,768</b>	<b>1,739</b>	<b>-</b>	<b>(1,029)</b>
<b>Transport and Communication</b>				
Urban Roads (UR) - Local	9,900	97	1,246	(8,557)
Urban Roads - Regional	2,012	1,120	312	(580)
Sealed Rural Roads (SRR) - Local	3,770	424	968	(2,378)
Sealed Rural Roads (SRR) - Regional	1,254	951	-	(303)
Unsealed Rural Roads (URR) - Local	1,259	6	-	(1,253)
Unsealed Rural Roads (URR) - Regional	-	-	-	-
Bridges on UR - Local	277	-	-	(277)
Bridges on SRR - Local	426	-	-	(426)
Bridges on URR - Local	115	48	-	(67)
Bridges on Regional Roads	187	-	-	(187)
Parking Areas	1,149	32	244	(873)
Footpaths	909	95	278	(536)
Aerodromes	4,266	5,274	-	1,008
Other Transport & Communication	816	349	166	(301)
<b>Total Transport and Communication</b>	<b>26,340</b>	<b>8,396</b>	<b>3,214</b>	<b>(14,730)</b>
<b>Economic Affairs</b>				
Camping Areas & Caravan Parks	1,877	301	-	(1,576)
Other Economic Affairs	2,030	894	1,464	328
<b>Total Economic Affairs</b>	<b>3,907</b>	<b>1,195</b>	<b>1,464</b>	<b>(1,248)</b>
<b>Totals – Functions</b>	<b>159,987</b>	<b>96,571</b>	<b>11,878</b>	<b>(51,538)</b>
<b>General Purpose Revenues <sup>(2)</sup></b>		<b>39,311</b>		<b>39,311</b>
<b>Share of interests - joint ventures &amp; associates using the equity method</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>NET OPERATING RESULT <sup>(1)</sup></b>	<b>159,987</b>	<b>135,882</b>	<b>11,878</b>	<b>(12,227)</b>

(1) As reported in the Income Statement

(2) Includes: Rates &amp; Annual Charges (incl. Ex Gratia, excl. Water &amp; Sewer), Non Capital General Purpose Grants, Interest on Investments (excl. Ext. Restricted Assets) &amp; Interest on overdue Rates &amp; Annual Charges

## Coffs Harbour City Council

## Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)

for the financial year ended 30 June 2014

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
<b>Loans (by Source)</b>											
Commonwealth Government	-	-	-	-	-	-	-	-	-	-	-
Treasury Corporation	-	-	-	-	-	-	-	-	-	-	-
Other State Government	60	1,764	1,824	-	60	-	-	-	114	1,650	1,764
Public Subscription	-	-	-	-	-	-	-	-	-	-	-
Financial Institutions	18,558	206,700	225,258	4,800	18,774	-	-	14,962	18,574	192,710	211,284
Other	-	-	-	-	-	-	-	-	-	-	-
<b>Total Loans</b>	<b>18,618</b>	<b>208,464</b>	<b>227,082</b>	<b>4,800</b>	<b>18,834</b>	<b>-</b>	<b>-</b>	<b>14,962</b>	<b>18,688</b>	<b>194,360</b>	<b>213,048</b>
<b>Other Long Term Debt</b>											
Ratepayers Advances	-	-	-	-	-	-	-	-	-	-	-
Government Advances	-	-	-	-	-	-	-	-	-	-	-
Finance Leases	-	-	-	-	-	-	-	-	-	-	-
Deferred Payments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Long Term Debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Debt</b>	<b>18,618</b>	<b>208,464</b>	<b>227,082</b>	<b>4,800</b>	<b>18,834</b>	<b>-</b>	<b>-</b>	<b>14,962</b>	<b>18,688</b>	<b>194,360</b>	<b>213,048</b>

Notes: Excludes (i) Internal Loans &amp; (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).



## Coffs Harbour City Council

## Special Schedule No. 3 - Water Supply Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
<b>A Expenses and Income Expenses</b>		
<b>1. Management expenses</b>		
a. Administration	2,407	2,299
b. Engineering and Supervision	1,189	1,133
<b>2. Operation and Maintenance expenses</b>		
<b>- Dams &amp; Weirs</b>		
a. Operation expenses	414	410
b. Maintenance expenses	376	280
<b>- Mains</b>		
c. Operation expenses	701	698
d. Maintenance expenses	1,555	1,590
<b>- Reservoirs</b>		
e. Operation expenses	224	197
f. Maintenance expenses	221	297
<b>- Pumping Stations</b>		
g. Operation expenses (excluding energy costs)	44	51
h. Energy costs	296	272
i. Maintenance expenses	24	31
<b>- Treatment</b>		
j. Operation expenses (excluding chemical costs)	1,128	1,050
k. Chemical costs	469	404
l. Maintenance expenses	284	281
<b>- Other</b>		
m. Operation expenses	329	345
n. Maintenance expenses	138	205
o. Purchase of water	58	56
<b>3. Depreciation expenses</b>		
a. System assets	6,749	6,572
b. Plant and equipment	294	301
<b>4. Miscellaneous expenses</b>		
a. Interest expenses	5,977	6,448
b. Revaluation Decrements	-	-
c. Other expenses	43	83
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	3	1
g. Tax Equivalents Dividends (actually paid)	30	33
<b>5. Total expenses</b>	<b>22,953</b>	<b>23,037</b>

## Coffs Harbour City Council

## Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.

for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
<b>Income</b>		
<b>6. Residential charges</b>		
a. Access (including rates)	3,291	3,187
b. Usage charges	9,855	9,137
<b>7. Non-residential charges</b>		
a. Access (including rates)	631	602
b. Usage charges	3,587	3,102
<b>8. Extra charges</b>	18	14
<b>9. Interest income</b>	2,004	3,184
<b>10. Other income</b>	427	1,296
<b>10a. Aboriginal Communities Water and Sewerage Program</b>	6	6
<b>11. Grants</b>		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	253	250
c. Other grants	-	-
<b>12. Contributions</b>		
a. Developer charges	1,819	1,405
b. Developer provided assets	47	235
c. Other contributions	311	2,168
<b>13. Total income</b>	<b>22,249</b>	<b>24,586</b>
<b>14. Gain (or loss) on disposal of assets</b>	(367)	(1,056)
<b>15. Operating Result</b>	<b>(1,071)</b>	<b>493</b>
<b>15a. Operating Result (less grants for acquisition of assets)</b>	(1,071)	493

## Coffs Harbour City Council

## Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.

for the financial year ended 30 June 2014

	Actuals 2014	Actuals 2013
<b>\$'000</b>		
<b>B Capital transactions</b>		
<b>Non-operating expenditures</b>		
<b>16. Acquisition of Fixed Assets</b>		
a. New Assets for Improved Standards	192	488
b. New Assets for Growth	129	509
c. Renewals	1,135	2,173
d. Plant and equipment	212	223
<b>17. Repayment of debt</b>		
a. Loans	7,030	6,563
b. Advances	-	-
c. Finance leases	-	-
<b>18. Transfer to sinking fund</b>	-	-
<b>19. Totals</b>	<b>8,698</b>	<b>9,956</b>
<b>Non-operating funds employed</b>		
<b>20. Proceeds from disposal of assets</b>	30	-
<b>21. Borrowing utilised</b>		
a. Loans	-	294
b. Advances	-	-
c. Finance leases	-	-
<b>22. Transfer from sinking fund</b>	-	-
<b>23. Totals</b>	<b>30</b>	<b>294</b>
<b>C Rates and charges</b>		
<b>24. Number of assessments</b>		
a. Residential (occupied)	23,895	23,646
b. Residential (unoccupied, ie. vacant lot)	868	981
c. Non-residential (occupied)	1,622	1,608
d. Non-residential (unoccupied, ie. vacant lot)	90	96
<b>25. Number of ETs for which developer charges were received</b>	189 ET	150 ET
<b>26. Total amount of pensioner rebates (actual dollars)</b>	\$ 252,903	\$ 249,993

## Coffs Harbour City Council

### Special Schedule No. 3 - Water Supply Cross Subsidies

for the financial year ended 30 June 2014

\$'000	Yes	No	Amount
<b>D Best practice annual charges and developer charges*</b>			
<b>27. Annual charges</b>			
<b>a.</b> Does Council have best-practice water supply annual charges and usage charges*?	<input type="checkbox"/>	<input type="checkbox"/>	
If Yes, go to 28a.			
If No, please report if council has removed <b>land value</b> from access charges (ie rates)?			
	<input type="checkbox"/>	<input type="checkbox"/>	
<b>NB.</b> Such charges for both residential customers and non-residential customers comply with section 3.2 of Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
<b>b.</b> Cross-subsidy <b>from</b> residential customers using less than allowance (page 25 of Guidelines)			<input type="text"/>
<b>c.</b> Cross-subsidy <b>to</b> non-residential customers (page 24 of Guidelines)			<input type="text"/>
<b>d.</b> Cross-subsidy <b>to</b> large connections in unmetered supplies (page 26 of Guidelines)			<input type="text"/>
<b>28. Developer charges</b>			
<b>a.</b> Has council completed a water supply Development Servicing** Plan?	<input type="checkbox"/>	<input type="checkbox"/>	
<b>b.</b> Total cross-subsidy in water supply developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
<b>29. Disclosure of cross-subsidies</b>			
<b>Total of cross-subsidies (27b +27c + 27d + 28b)</b>			<input type="text" value="-"/>

\* Councils which have not yet implemented best practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice pricing and is phasing in such pricing over a period of 3 years.

## Coffs Harbour City Council

## Special Schedule No. 4 - Water Supply Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
as at 30 June 2014

\$'000	Actuals Current	Actuals Non Current	Actuals Total
<b>ASSETS</b>			
<b>30. Cash and investments</b>			
a. Developer charges	250	-	250
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	9,438	14,552	23,990
e. Sinking fund	-	-	-
f. Other	3,237	6,028	9,265
<b>31. Receivables</b>			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	180	61	241
c. User Charges	3,253	18	3,271
d. Other	249	-	249
<b>32. Inventories</b>	245	-	245
<b>33. Property, plant and equipment</b>			
a. System assets	-	282,974	282,974
b. Plant and equipment	-	1,564	1,564
<b>34. Other assets</b>	-	65,442	65,442
<b>35. Total assets</b>	<b>16,852</b>	<b>370,639</b>	<b>387,491</b>
<b>LIABILITIES</b>			
<b>36. Bank overdraft</b>	-	-	-
<b>37. Creditors</b>	1,241	-	1,241
<b>38. Borrowings</b>			
a. Loans	5,873	77,069	82,942
b. Advances	-	-	-
c. Finance leases	-	-	-
<b>39. Provisions</b>			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
<b>40. Total liabilities</b>	<b>7,114</b>	<b>77,069</b>	<b>84,183</b>
<b>41. NET ASSETS COMMITTED</b>	<b>9,738</b>	<b>293,570</b>	<b>303,308</b>
<b>EQUITY</b>			
<b>42. Accumulated surplus</b>			178,756
<b>43. Asset revaluation reserve</b>			124,552
<b>44. TOTAL EQUITY</b>			<b>303,308</b>
<b>Note to system assets:</b>			
<b>45. Current replacement cost</b> of system assets			412,919
<b>46. Accumulated current cost</b> depreciation of system assets			(129,945)
<b>47. Written down current cost</b> of system assets			282,974

## Coffs Harbour City Council

## Special Schedule No. 5 - Sewerage Service Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
<b>A Expenses and Income Expenses</b>		
<b>1. Management expenses</b>		
a. Administration	3,075	2,903
b. Engineering and Supervision	1,673	1,384
<b>2. Operation and Maintenance expenses</b>		
<b>- Mains</b>		
a. Operation expenses	345	365
b. Maintenance expenses	1,072	928
<b>- Pumping Stations</b>		
c. Operation expenses (excluding energy costs)	1,035	1,096
d. Energy costs	530	578
e. Maintenance expenses	906	1,056
<b>- Treatment</b>		
f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	1,316	1,212
g. Chemical costs	315	227
h. Energy costs	1,268	1,310
i. Effluent Management	313	330
j. Biosolids Management	1,054	871
k. Maintenance expenses	1,034	1,072
<b>- Other</b>		
l. Operation expenses	323	280
m. Maintenance expenses	100	44
<b>3. Depreciation expenses</b>		
a. System assets	10,466	11,324
b. Plant and equipment	370	352
<b>4. Miscellaneous expenses</b>		
a. Interest expenses	7,277	7,795
b. Revaluation Decrements	-	-
c. Other expenses	72	78
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalents Dividends (actually paid)	76	75
<b>5. Total expenses</b>	<b>32,620</b>	<b>33,280</b>

## Coffs Harbour City Council

## Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.

for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
<b>Income</b>		
<b>6. Residential charges</b> (including rates)	19,140	18,467
<b>7. Non-residential charges</b>		
a. Access (including rates)	2,513	2,446
b. Usage charges	2,131	1,937
<b>8. Trade Waste Charges</b>		
a. Annual Fees	101	95
b. Usage charges	366	327
c. Excess mass charges	-	14
d. Re-inspection fees	-	-
<b>9. Extra charges</b>	-	-
<b>10. Interest income</b>	3,324	5,331
<b>11. Other income</b>	265	280
<b>11a. Aboriginal Communities Water &amp; Sewerage Program</b>	-	-
<b>12. Grants</b>		
a. Grants for acquisition of assets	1,002	519
b. Grants for pensioner rebates	246	245
c. Other grants	-	-
<b>13. Contributions</b>		
a. Developer charges	1,738	1,342
b. Developer provided assets	5	452
c. Other contributions	988	349
<b>14. Total income</b>	<b>31,819</b>	<b>31,804</b>
<b>15. Gain (or loss) on disposal of assets</b>	(217)	(545)
<b>16. Operating Result</b>	<b>(1,018)</b>	<b>(2,021)</b>
<b>16a. Operating Result (less grants for acquisition of assets)</b>	(2,020)	(2,540)

## Coffs Harbour City Council

## Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
<b>B Capital transactions</b>		
<b>Non-operating expenditures</b>		
<b>17. Acquisition of Fixed Assets</b>		
a. New Assets for Improved Standards	7,269	612
b. New Assets for Growth	-	1,450
c. Renewals	739	2,245
d. Plant and equipment	630	782
<b>18. Repayment of debt</b>		
a. Loans	8,068	7,505
b. Advances	-	-
c. Finance leases	-	-
<b>19. Transfer to sinking fund</b>	-	-
<b>20. Totals</b>	<b>16,706</b>	<b>12,594</b>
<b>Non-operating funds employed</b>		
<b>21. Proceeds from disposal of assets</b>	95	-
<b>22. Borrowing utilised</b>		
a. Loans	7,706	4,831
b. Advances	-	-
c. Finance leases	-	-
<b>23. Transfer from sinking fund</b>	-	-
<b>24. Totals</b>	<b>7,801</b>	<b>4,831</b>
<b>C Rates and charges</b>		
<b>25. Number of assessments</b>		
a. Residential (occupied)	22,904	22,649
b. Residential (unoccupied, ie. vacant lot)	825	934
c. Non-residential (occupied)	1,484	1,469
d. Non-residential (unoccupied, ie. vacant lot)	99	104
<b>26. Number of ETs for which developer charges were received</b>	189 ET	149 ET
<b>27. Total amount of pensioner rebates (actual dollars)</b>	\$ 245,827	\$ 244,715



## Coffs Harbour City Council

### Special Schedule No. 5 - Sewerage Cross Subsidies for the financial year ended 30 June 2014

\$'000	Yes	No	Amount
<b>D Best practice annual charges and developer charges*</b>			
<b>28. Annual charges</b>			
a. Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	<input type="checkbox"/>	<input type="checkbox"/>	
If Yes, go to 29a.			
If No, please report if council has removed <b>land value</b> from access charges (ie rates)?			
<input type="checkbox"/>			
<b>NB.</b> Such charges for both residential customers and non-residential customers comply with section 4.2 & 4.3 of the Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy to non-residential customers (page 45 of Guidelines)			<input type="text"/>
c. Cross-subsidy to trade waste discharges (page 46 of Guidelines)			<input type="text"/>
<b>29. Developer charges</b>			
a. Has council completed a sewerage Development Servicing** Plan?	<input type="checkbox"/>	<input type="checkbox"/>	
b. Total cross-subsidy in sewerage developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
<b>30. Disclosure of cross-subsidies</b>			
<b>Total of cross-subsidies (28b + 28c + 29b)</b>			<input type="text" value="-"/>

\* Councils which have not yet implemented best practice sewer pricing & liquid waste pricing should disclose cross-subsidies in items 28b and 28c above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice sewerage and liquid waste pricing and is phasing in such pricing over a period of 3 years.

## Coffs Harbour City Council

## Special Schedule No. 6 - Sewerage Service Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.

as at 30 June 2014

\$'000	Actuals Current	Actuals Non Current	Actuals Total
<b>ASSETS</b>			
<b>31. Cash and investments</b>			
a. Developer charges	52	-	52
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	15,304	14,577	29,881
e. Sinking fund	-	-	-
f. Other	2,536	20,000	22,536
<b>32. Receivables</b>			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	965	324	1,289
c. User Charges	640	11	651
d. Other	440	35	475
<b>33. Inventories</b>	-	-	-
<b>34. Property, plant and equipment</b>			
a. System assets	-	461,702	461,702
b. Plant and equipment	-	1,547	1,547
<b>35. Other assets</b>	-	-	-
<b>36. Total Assets</b>	<b>19,937</b>	<b>498,196</b>	<b>518,133</b>
<b>LIABILITIES</b>			
<b>37. Bank overdraft</b>	-	-	-
<b>38. Creditors</b>	1,788	-	1,788
<b>39. Borrowings</b>			
a. Loans	8,672	92,887	101,559
b. Advances	-	-	-
c. Finance leases	-	-	-
<b>40. Provisions</b>			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
<b>41. Total Liabilities</b>	<b>10,460</b>	<b>92,887</b>	<b>103,347</b>
<b>42. NET ASSETS COMMITTED</b>	<b>9,477</b>	<b>405,309</b>	<b>414,786</b>
<b>EQUITY</b>			
<b>42. Accumulated surplus</b>			289,691
<b>44. Asset revaluation reserve</b>			125,095
<b>45. TOTAL EQUITY</b>			<b>414,786</b>
<b>Note to system assets:</b>			
<b>46. Current replacement cost of system assets</b>			647,006
<b>47. Accumulated current cost depreciation of system assets</b>			(185,304)
<b>48. Written down current cost of system assets</b>			<b>461,702</b>

## Coffs Harbour City Council

### Notes to Special Schedule No.'s 3 & 5

for the financial year ended 30 June 2014

#### Administration <sup>(1)</sup>

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.
- Meter reading.
- Bad and doubtful debts.
- Other administrative/corporate support services.

#### Engineering and supervision <sup>(1)</sup>

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.
- Other technical and supervision staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.

**Operational expenses** (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

**Maintenance expenses** (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

**Other expenses** (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

**Revaluation decrements** (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

**Impairment Losses** (item 4d & 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

**Aboriginal Communities Water and Sewerage Program** (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

**Residential charges** <sup>(2)</sup> (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b Usage Charges.

**Non-residential charges** <sup>(2)</sup> (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b Usage Charges.

**Trade waste charges** (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a Annual Fees, 8b Usage Charges and 8c Excess Mass Charges and 8d Re-inspection Fees.

**Other income** (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

**Other contributions** (items 12c and 13c of Special Schedules 3 and 5 respectively) incl. capital contributions for water supply or sewerage services received by Council under Section 565 of the Local Government Act.

#### Notes:

<sup>(1)</sup> Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

<sup>(2)</sup> To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

Coffs Harbour City Council

Special Schedule No. 7 - Report on Infrastructure Assets

as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard <sup>(1)</sup>	Required Annual Maintenance <sup>(2)</sup>	Actual Maintenance 2013/14 <sup>(3)</sup>	Written Down Value (WDV) <sup>(4)</sup>	Assets in Condition as a % of WDV <sup>(4), (5)</sup>				
						1	2	3	4	5
Buildings	Council Offices / Administration Centres	237	245	190	9,199	1%	95%	3%	1%	0%
	Council Works Depot	238	27	22	2,678	82%	6%	5%	7%	0%
	Council Public Halls	101	38	93	1,818	72%	4%	21%	3%	0%
	Libraries	-	10	34	1,848	100%	0%	0%	0%	0%
	Cultural Facilities	273	31	17	2,200	30%	13%	29%	28%	0%
	Other Buildings	5,455	1,174	358	61,628	38%	37%	18%	7%	0%
	Specialised Buildings	548	370	454	16,728	73%	4%	21%	2%	0%
	<b>sub total</b>	<b>6,852</b>	<b>1,895</b>	<b>1,168</b>	<b>96,099</b>	<b>43.4%</b>	<b>34.1%</b>	<b>16.7%</b>	<b>5.8%</b>	<b>0.0%</b>
Other Structures	Other Structures	1,259	72	-	730	40%	19%	28%	1%	12%
	<b>sub total</b>	<b>1,259</b>	<b>72</b>	<b>-</b>	<b>730</b>	<b>40.0%</b>	<b>19.0%</b>	<b>28.0%</b>	<b>1.0%</b>	<b>12.0%</b>
Roads	Sealed Roads Surface	6,997	1,500	1,452	88,434	59%	29%	10%	2%	0%
	Sealed Roads Structure	35,120	2,000	1,151	250,180	21%	54%	19%	5%	1%
	Unsealed Roads	9,432	850	850	5,638	3%	21%	38%	35%	3%
	Bridges	267	100	141	61,817	95%	3%	2%	0%	0%
	Footpaths & Cycleways	2,061	200	176	41,892	71%	11%	16%	2%	0%
	Kerb and Gutter	3,539	100	35	17,396	35%	23%	37%	5%	0%
	Other Road Assets	534	150	165	25,981	52%	29%	14%	4%	1%
	<b>sub total</b>	<b>57,950</b>	<b>4,900</b>	<b>3,970</b>	<b>491,338</b>	<b>43.3%</b>	<b>36.6%</b>	<b>15.6%</b>	<b>3.9%</b>	<b>0.6%</b>

Coffs Harbour City Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)

as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard <sup>(1)</sup>	Required Annual Maintenance <sup>(2)</sup>	Actual Maintenance 2013/14 <sup>(3)</sup>	Written Down Value (WDV) <sup>(4)</sup>	Assets in Condition as a % of WDV <sup>(4), (5)</sup>				
						1	2	3	4	5
Water Supply Network	Dams/Weirs	-	450	443	49,911	0%	100%	0%	0%	0%
	Mains	-	1,500	1,527	129,579	45%	33%	17%	5%	0%
	Reservoirs	-	350	339	22,252	71%	23%	6%	0%	0%
	Pumping Station/s	-	350	364	4,145	29%	70%	1%	0%	0%
	Treatment	-	2,000	1,887	71,460	87%	13%	0%	0%	0%
	Other	-	2	2	152	0%	100%	0%	0%	0%
	sub total	-	4,652	4,562	277,499	49.5%	39.7%	8.4%	2.3%	0.0%
Sewerage Network	Mains	2,439	1,000	776	243,879	55%	15%	21%	8%	1%
	Pumping Station/s	-	2,500	2,403	47,783	0%	76%	22%	2%	0%
	Treatment	-	4,500	4,686	144,631	73%	0%	27%	0%	0%
	Other	-	25	23	2,693	87%	8%	5%	0%	0%
	sub total	2,439	8,025	7,888	438,986	55.1%	16.7%	23.0%	4.7%	0.6%

## Coffs Harbour City Council

## Special Schedule No. 7 - Report on Infrastructure Assets (continued)

as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard <sup>(1)</sup>	Required Annual Maintenance <sup>(2)</sup>	Actual Maintenance 2013/14 <sup>(3)</sup>	Written Down Value (WDV) <sup>(4)</sup>	Assets in Condition as a % of WDV <sup>(4), (5)</sup>				
						1	2	3	4	5
Stormwater Drainage	Retarding Basins	-	10	-	11,067	56%	40%	4%	0%	0%
	Stormwater Conduits	1,375	300	318	150,530	34%	54%	12%	0%	0%
	Inlet and Junction Pits	290	30	-	18,995	61%	27%	12%	0%	0%
	Head Walls	175	6	-	3,419	23%	44%	32%	1%	0%
	Other - Gross Pollutant Traps	44	55	-	972	90%	4%	6%	0%	0%
	<b>sub total</b>	<b>1,884</b>	<b>401</b>	<b>318</b>	<b>184,983</b>	<b>38.2%</b>	<b>49.9%</b>	<b>11.9%</b>	<b>0.0%</b>	<b>0.0%</b>
Open Space/ Recreational Assets	Swimming Pools	1,363	100	96	2,564	0%	77%	23%	0%	0%
	Other	2,149	5,500	5,102	5,337	18%	37%	27%	10%	8%
	<b>sub total</b>	<b>3,512</b>	<b>5,600</b>	<b>5,198</b>	<b>7,901</b>	<b>12.2%</b>	<b>50.0%</b>	<b>25.7%</b>	<b>6.8%</b>	<b>5.4%</b>
<b>TOTAL - ALL ASSETS</b>		<b>73,896</b>	<b>25,545</b>	<b>23,104</b>	<b>1,497,536</b>	<b>47.2%</b>	<b>32.9%</b>	<b>16.1%</b>	<b>3.5%</b>	<b>0.4%</b>

## Notes:

- Satisfactory is defined as "satisfying expectations or needs, leaving no room for complaint, causing satisfaction, adequate".  
The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset to ensure that it is in a satisfactory standard.  
This estimated cost should not include any planned enhancements (ie.to heighten, intensify or improve the facilities).
- Required Annual Maintenance is "what should be spent to maintain assets in a satisfactory standard.
- Actual Maintenance is what has been spent in the current year to maintain the assets.  
Actual Maintenance may be higher or lower than the required annual maintenance due to the timing of when the maintenance actually occurs.
- Written Down Value is in accordance with Note 9 of Council's General Purpose Financial Statements
- Infrastructure Asset Condition Assessment "Key"**

1	<b>Excellent</b>	No work required (normal maintenance)
2	<b>Good</b>	Only minor maintenance work required
3	<b>Average</b>	Maintenance work required

4	<b>Poor</b>	Renewal required
5	<b>Very Poor</b>	Urgent renewal/upgrading required

## Coffs Harbour City Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)  
for the financial year ended 30 June 2014

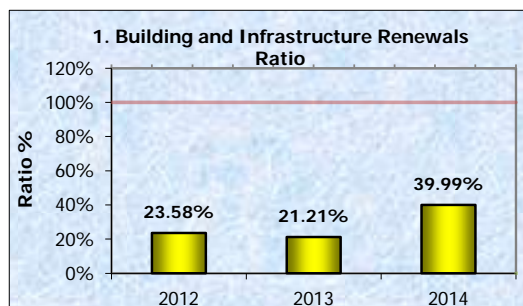
\$ '000	Amounts 2014	Indicator 2014	Prior Periods 20132012	
Infrastructure Asset Performance Indicators Consolidated				
1. Building and Infrastructure Renewals Ratio				
Asset Renewals (Building and Infrastructure) <sup>(1)</sup>	14,774	39.99%	21.21%	23.58%
Depreciation, Amortisation & Impairment	36,948			
2. Infrastructure Backlog Ratio				
Estimated Cost to bring Assets to a Satisfactory Condition	73,896	0.05	0.06	0.06
Total value <sup>(2)</sup> of Infrastructure, Building, Other Structures & depreciable Land Improvement Assets	1,501,237			
3. Asset Maintenance Ratio				
Actual Asset Maintenance	23,104	0.90	0.92	0.91
Required Asset Maintenance	25,545			
4. Capital Expenditure Ratio				
Annual Capital Expenditure	33,810	0.75	0.61	0.86
Annual Depreciation	44,941			

## Notes

<sup>(1)</sup> Asset Renewals represent the replacement &/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. Asset Renewals include building and infrastructure assets only.

<sup>(2)</sup> Written down value

## Coffs Harbour City Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)  
for the financial year ended 30 June 2014

Minimum 100.00%

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)

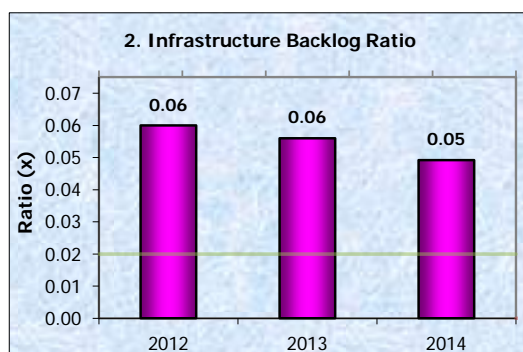
**Purpose of Asset Renewals Ratio**

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

**Commentary on 2013/14 Result**

**2013/14 Ratio 39.99%**

The infrastructure renewals has increased by almost double as there was \$6.9 million spent on the renewal of the airport runway, reversing its impairment and bringing it back up to a condition 1 rating.



Maximum 0.02

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)

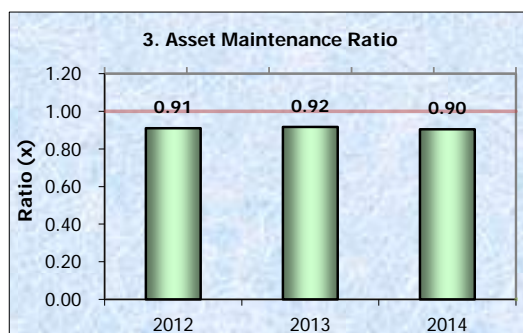
**Purpose of Infrastructure Backlog Ratio**

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

**Commentary on 2013/14 Result**

**2013/14 Ratio 0.05 x**

With increased capital expenditure in 2013/14 (which includes a \$6.9m renewal of the airport runway), there has been a drop in estimated costs to bring assets to a satisfactory condition. This has also had an effect on the denominator with an increase of the total Written Down Value of \$21.803 million for road assets, \$9.869 million for bulk earthworks assets and \$9.375 million for sewer infrastructure assets.



Minimum 1.00

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)

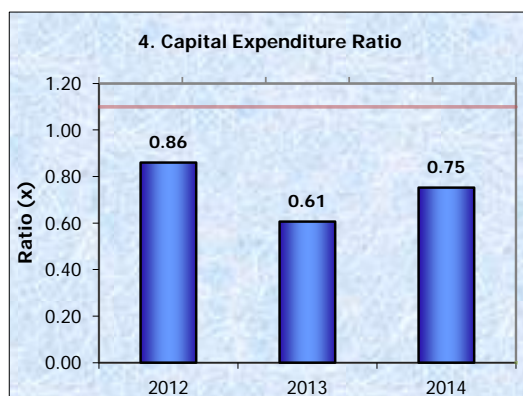
**Purpose of Asset Maintenance Ratio**

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 2013/14 Result**

**2013/14 Ratio 0.90 x**

There was a decrease in the asset maintenance ratio due to continual budget constraints combined with the ever increasing costs of materials to maintain the assets. Although there was \$5.6 million more spent on maintenance compared to 2012/13, the required maintenance costs have increased as well, as council's asset base increases.



Minimum 1.10

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)

**Purpose of Capital Expenditure Ratio**

To assess the extent to which a Council is expanding its asset base thru capital expenditure on both new assets and the replacement and renewal of existing assets.

**Commentary on 2013/14 Result**

**2013/14 Ratio 0.75 x**

There was an \$8.9 million increase in capital expenditure from 2012/13 to 2013/14, with \$9.4m in capital expenditure on sewer infrastructure, \$6.9 million for the airport runway and decreases in capital expenditure of \$3.5 million for stormwater drainage, \$3m for operational land and \$1.7 million for the water network. There was also a decrease in depreciation in the Sewer Network of \$0.858 million, related to the decommissioning of the Sawtell Treatment Plant.



## Coffs Harbour City Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)  
for the financial year ended 30 June 2014

\$ '000	Water 2014	Sewer 2014	General <sup>(1)</sup> 2014
<b>Infrastructure Asset Performance Indicators By Fund</b>			
<b>1. Building and Infrastructure Renewals Ratio</b>			
Asset Renewals (Building and Infrastructure) <sup>(1)</sup>	<b>16.03%</b>	<b>3.45%</b>	<b>65.76%</b>
Depreciation, Amortisation & Impairment			
prior period:	37.09%	19.83%	17.94%
<b>2. Infrastructure Backlog Ratio</b>			
Estimated Cost to bring Assets to a Satisfactory Condition			
Total value <sup>(3)</sup> of Infrastructure, Building, Other Structures & Depreciable Land Improvement Assets	<b>0.00</b>	<b>0.01</b>	<b>0.09</b>
prior period:	0.00	0.00	0.11
<b>3. Asset Maintenance Ratio</b>			
Actual Asset Maintenance			
Required Asset Maintenance	<b>0.98</b>	<b>0.98</b>	<b>0.83</b>
prior period:	0.99	1.06	0.76
<b>4. Capital Expenditure Ratio</b>			
Annual Capital Expenditure			
Annual Depreciation	<b>0.18</b>	<b>0.78</b>	<b>0.89</b>
prior period:	0.34	0.39	0.77

## Notes

<sup>(1)</sup> General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

<sup>(2)</sup> Asset Renewals represent the replacement &/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. Asset Renewals include building and infrastructure assets only.

<sup>(3)</sup> Written down value

# Coffs Harbour City Council

## Special Schedule No. 8 - Financial Projections

as at 30 June 2014

\$'000	Actual <sup>(1)</sup> 13/14	Forecast <sup>(3)</sup> 14/15	Forecast <sup>(3)</sup> 15/16	Forecast <sup>(3)</sup> 16/17	Forecast <sup>(3)</sup> 17/18	Forecast <sup>(3)</sup> 18/19	Forecast <sup>(3)</sup> 19/20	Forecast <sup>(3)</sup> 20/21	Forecast <sup>(3)</sup> 21/22	Forecast <sup>(3)</sup> 22/23	Forecast <sup>(3)</sup> 23/24
<b>(i) OPERATING BUDGET</b>											
Income from continuing operations	147,760	138,543	143,476	147,369	152,418	157,327	162,844	167,370	173,376	179,707	185,489
Expenses from continuing operations	159,987	142,964	146,570	149,014	152,617	156,842	161,294	165,866	170,737	175,988	181,446
<b>Operating Result from Continuing Operations</b>	<b>(12,227)</b>	<b>(4,421)</b>	<b>(3,094)</b>	<b>(1,645)</b>	<b>(199)</b>	<b>485</b>	<b>1,550</b>	<b>1,504</b>	<b>2,639</b>	<b>3,719</b>	<b>4,043</b>
<b>(ii) CAPITAL BUDGET</b>											
New Capital Works <sup>(2)</sup>	19,865	32,941	24,749	18,136	15,366	14,722	25,141	15,965	16,610	15,718	14,932
Replacement/Refurbishment of Existing Assets	20,085	10,840	10,917	10,954	11,073	10,836	12,015	11,743	11,489	12,357	12,066
<b>Total Capital Budget</b>	<b>39,950</b>	<b>43,781</b>	<b>35,666</b>	<b>29,090</b>	<b>26,439</b>	<b>25,558</b>	<b>37,156</b>	<b>27,708</b>	<b>28,099</b>	<b>28,075</b>	<b>26,998</b>
<b>Funded by:</b>											
– Loans	15,456	9,129	2,541	246	251	261	265	271	278	285	295
– Asset sales	587	2,271	1,832	1,522	1,177	1,299	2,477	1,369	1,362	1,141	1,140
– Reserves	9,971	5,957	6,256	4,245	3,735	3,092	9,164	4,259	3,892	3,593	3,009
– Grants/Contributions	5,078	19,206	18,052	15,801	14,138	13,694	18,133	15,337	15,969	16,343	15,893
– Recurrent revenue	6,265	7,218	6,985	7,276	7,138	7,212	7,117	6,472	6,598	6,713	6,661
– Other	-	-	-	-	-	-	-	-	-	-	-
	<b>37,357</b>	<b>43,781</b>	<b>35,666</b>	<b>29,090</b>	<b>26,439</b>	<b>25,558</b>	<b>37,156</b>	<b>27,708</b>	<b>28,099</b>	<b>28,075</b>	<b>26,998</b>

### Notes:

(1) From 13/14 Income Statement.

(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.

(3) Financial projections should be in accordance with Council's Integrated Planning and Reporting framework.

## Coffs Harbour City Council

### Special Schedule No. 9 - Permissible Income Calculation

for the financial year ended 30 June 2015

\$'000		Calculation 2013/14	Calculation 2014/15
<b>Notional General Income Calculation <sup>(1)</sup></b>			
Last Year Notional General Income Yield	a	34,748	36,016
Plus or minus Adjustments <sup>(2)</sup>	b	101	179
<b>Notional General Income</b>	c	<b>34,849</b>	<b>36,195</b>
<b>Permissible Income Calculation</b>			
Special variation percentage <sup>(3)</sup>	d	5.43%	7.90%
or Rate peg percentage	e	0.00%	0.00%
or Crown land adjustment incl. rate peg percentage	f	0.00%	0.00%
less expiring Special variation amount	g	(669)	-
plus Special variation amount	$h = (c + g) * d$	1,856	2,859
or plus Rate peg amount	$i = c * e$	-	-
or plus Crown land adjustment and rate peg amount	$j = c * f$	-	-
<b>sub-total</b>	$k = (c + g + h + i + j)$	<b>36,036</b>	<b>39,054</b>
plus (or minus) last year's Carry Forward Total	l	7	20
less Valuation Objections claimed in the previous year	m	-	-
<b>sub-total</b>	$n = (l + m)$	<b>7</b>	<b>20</b>
<b>Total Permissible income</b>	$o = k + n$	<b>36,043</b>	<b>39,074</b>
less Notional General Income Yield	p	36,016	39,059
<b>Catch-up or (excess) result</b>	$q = o - p$	<b>27</b>	<b>15</b>
plus Income lost due to valuation objections claimed <sup>(4)</sup>	r	-	-
less Unused catch-up <sup>(5)</sup>	s	(7)	-
<b>Carry forward to next year</b>	$t = q + r - s$	<b>20</b>	<b>15</b>

#### Notes

- <sup>1</sup> 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.
- <sup>2</sup> 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.
- <sup>3</sup> The Special Variation Percentage is inclusive of the Rate Peg percentage and where applicable crown land adjustment.
- <sup>4</sup> Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- <sup>5</sup> 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.



**Thomas Noble & Russell**  
Accountants | Auditors | Business Advisers

**COFFS HARBOUR CITY COUNCIL  
SPECIAL SCHEDULE NO 9  
INDEPENDENT AUDITORS' REPORT**

**REPORT ON SPECIAL SCHEDULE NO 9**

We have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 9) of Coffs Harbour City Council for the year ending 30 June 2015.

**Responsibility of Council for Special Schedule No. 9**

The Council is responsible for the preparation and fair presentation of Special Schedule No. 9 in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 22. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Special Schedule No. 9 that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' Responsibility**

Our responsibility is to express an opinion on Special Schedule No. 9 based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether Special Schedule No. 9 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Special Schedule No. 9. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Special Schedule No. 9, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule No. 9.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule No. 9 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Ref: Z.18

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### **Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

### **Audit Opinion**

In our opinion, Special Schedule No. 9 of Coffs Harbour City Council for 2014/15 is properly drawn up in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.

### **Basis of Accounting**

Without modifying our opinion, we advise that this schedule has been prepared for distribution to the Office of Local Government for the purposes of confirming that Council's reconciliation of Council's total permissible general income is presented fairly. As a result, the schedule may not be suitable for another purpose.

### **THOMAS NOBLE & RUSSELL CHARTERED ACCOUNTANTS**

Per:

A handwritten signature in blue ink, appearing to read 'A. J. Bradfield', written over a dotted line.

A J BRADFIELD (Partner)

Dated at Coffs Harbour this 28<sup>th</sup> day of October 2014.

---

## COFFS COAST STATE PARK TRUST AND WOOLGOOLGA BEACH RESERVE TRUST ANNUAL REPORT AND ANNUAL AUDIT 2014

---

### Purpose:

To report on the Annual Audit and performance of the Coffs Coast State Park Trust and Woolgoolga Beach Reserve Trust operations for the period 1 July 2013 to 30 June 2014.

### Description of Item:

The Coffs Coast State Park Trust and Woolgoolga Beach Reserve Trust holiday park operations continued to perform well as indicated by the following table.

Park	Revenue Change 2012/13 – 2013/14	Expenditure Change 2012/13 – 2013/14	Operating Surplus Change	Employee Cost % Change
Park Beach Holiday Park	+7.2%	+2.0%	+67.7%	-1.7%
Sawtell Beach Holiday Park	+9.7%	+4.6%	34.5%	-0.4%
Woolgoolga Beach Holiday Park	+8.7%	+3.0%	+43.6%	-0.6%
Lakeside Holiday Park	+10.3%	+8.0%	+6.2%	-3.9%

All Parks returned strong revenue growth whilst continuing to control costs. Expenditure cost increases at Lakeside are attributed to substantial capital improvements impacting depreciation. Increases at Sawtell are attributed to increased staff costs directly relating to long term employee leave entitlement payouts upon retirement. Expenditure increases at Park Beach and Woolgoolga Beach are within forecasted limits.

The Holiday Park operations contributed to strong overall performance across the two Trusts with Coffs Coast State Park Trust revenue growing by 5.8% with expenditure growing by 0.5%, resulting in an operating surplus of \$241,898 (up \$402,473 on last financial year). Woolgoolga Beach Reserve Trust revenue grew by 9.2% with expenditure rising by 4.7%. The Trust's operating surplus grew by 60.1% (\$72,534) on last financial year.

A review of the audited performances for the Trusts is as follows:

### COFFS COAST STATE PARK TRUST

#### *Park Beach Holiday Park*

	2013/14	2012/13
<b>Revenue</b>		
<b>User Charges</b>	4,148,717	3,891,685
<b>Interest</b>	(6,367)	(26,647)
<b>Other Income</b>	0	0
<b>Total Revenue</b>	<b>4,142,350</b>	<b>3,865,038</b>

<b>Expenditure</b>		
<b>Employee Costs</b>	1,682,727	1,634,639
<b>Materials and Contracts</b>	468,267	493,007
<b>Depreciation</b>	584,235	579,813
<b>Other Expenses</b>	882,464	840,499
<b>Total Expenditure</b>	<b>3,617,693</b>	<b>3,547,958</b>
<b>Disposal of P&amp;E</b>	2,490	(2,708)
<b>Operating Surplus/Deficit</b>	<b>527,147</b>	<b>314,369</b>
<b>Operating Surplus/Deficit %</b>	<b>12.7%</b>	<b>8.1%</b>

***Sawtell Beach Holiday Park***

	<b>2013/14</b>	<b>2012/13</b>
<b>Revenue</b>		
<b>User Charges</b>	2,544,091	2,303,328
<b>Interest</b>	56,237	68,148
<b>Other Income</b>	0	
<b>Total Revenue</b>	<b>2,600,328</b>	<b>2,371,476</b>
<b>Expenditure</b>		
<b>Employee Costs</b>	977,943	900,327
<b>Materials and Contracts</b>	291,621	292,602
<b>Depreciation</b>	254,164	276,370
<b>Other Expenses</b>	540,486	503,290
<b>Total Expenditure</b>	<b>2,064,214</b>	<b>1,972,589</b>
<b>Disposal of P&amp;E</b>	485	0
<b>Operating Surplus/Deficit</b>	<b>536,599</b>	<b>398,887</b>
<b>Operating Surplus/Deficit %</b>	<b>20.6%</b>	<b>16.8%</b>

***State Park Operations***

	<b>2013/14</b>	<b>2012/13</b>
<b>Revenue</b>		
<b>User Charges</b>	103,183	95,297
<b>Interest</b>	5,394	6,469
<b>Other Income</b>	1,009,896	1,089,606
<b>Total Revenue</b>	<b>1,118,473</b>	<b>1,191,372</b>
<b>Expenditure</b>		
<b>Employee Costs</b>	0	0
<b>Materials and Contracts</b>	163,091	214,866
<b>Depreciation</b>	377,095	369,841
<b>Other Expenses</b>	1,400,133	1,480,498
<b>Total Expenditure</b>	<b>1,940,319</b>	<b>2,065,205</b>
<b>Disposal of P&amp;E</b>	0	0
<b>Operating Surplus/Deficit</b>	<b>(821,846)</b>	<b>(873,833)</b>
<b>Operating Surplus/Deficit %</b>	<b>(73.5%)</b>	<b>(73.3%)</b>

**Coffs Coast State Park Trust Consolidated**

	2013/14	2012/13
<b>Revenue</b>		
<b>User Charges</b>	6,795,991	6,290,310
<b>Interest</b>	55,263	47,970
<b>Other Income</b>	1,009,896	1,089,650
<b>Total Revenue</b>	<b>7,861,151</b>	<b>7,427,886</b>
<b>Expenditure</b>		
<b>Employee Costs</b>	2,660,670	2,534,967
<b>Materials and Contracts</b>	922,980	1,000,476
<b>Depreciation</b>	1,215,494	1,226,024
<b>Other Expenses</b>	2,823,084	2,824,286
<b>Total Expenditure</b>	<b>7,622,228</b>	<b>7,585,753</b>
<b>Disposal of P&amp;E</b>	2,975	(2,708)
<b>Operating Surplus/Deficit</b>	<b>241,898</b>	<b>(160,575)</b>
<b>Operating Surplus/Deficit %</b>	<b>3.1%</b>	<b>(2.2%)</b>

**WOOLGOOLGA BEACH RESERVE TRUST**
**Woolgoolga Beach Holiday Park**

	2013/14	2012/13
<b>Revenue</b>		
<b>User Charges</b>	1,133,329	1,047,952
<b>Interest</b>	14,823	8,585
<b>Other Income</b>	4,910	4,028
<b>Total Revenue</b>	<b>1,153,063</b>	<b>1,060,565</b>
<b>Expenditure</b>		
<b>Employee Costs</b>	387,534	363,194
<b>Materials and Contracts</b>	183,318	178,515
<b>Depreciation</b>	117,186	117,498
<b>Other Expenses</b>	234,985	236,681
<b>Total Expenditure</b>	<b>923,024</b>	<b>895,888</b>
<b>Disposal of P&amp;E</b>	0	(4,482)
<b>Operating Surplus/Deficit</b>	<b>230,039</b>	<b>160,195</b>
<b>Operating Surplus/Deficit %</b>	<b>20.0%</b>	<b>15.1%</b>

**Woolgoolga Lakeside Holiday Park**

	2013/14	2012/13
<b>Revenue</b>		
<b>User Charges</b>	483,575	435,122
<b>Interest</b>	(4346)	-581
<b>Other Income</b>	0	0
<b>Total Revenue</b>	<b>479,229</b>	<b>434,541</b>



<b>Expenditure</b>		
<b>Employee Costs</b>	241,344	234,454
<b>Materials and Contracts</b>	59,285	54,034
<b>Depreciation</b>	104,277	72,890
<b>Other Expenses</b>	112,469	117,776
<b>Total Expenditure</b>	<b>517,375</b>	<b>479,154</b>
<b>Disposal of P&amp;E</b>	0	3,962
<b>Operating Surplus/Deficit</b>	<b>(38,146)</b>	<b>(40,650)</b>
<b>Operating Surplus/Deficit %</b>	<b>(8.0%)</b>	<b>(9.4%)</b>

### ***Woolgoolga Beach Reserve Trust Consolidated***

	<b>2013/14</b>	<b>2012/13</b>
<b>Revenue</b>		
<b>User Charges</b>	1,616,731	1,483,075
<b>Interest</b>	10,477	8,004
<b>Other Income</b>	4,910	4,028
<b>Total Revenue</b>	<b>1,632,118</b>	<b>1,495,107</b>
<b>Expenditure</b>		
<b>Employee Costs</b>	628,227	597,648
<b>Materials and Contracts</b>	242,429	232,550
<b>Depreciation</b>	221,463	190,387
<b>Other Expenses</b>	347,919	354,457
<b>Total Expenditure</b>	<b>1,440,039</b>	<b>1,375,042</b>
<b>Disposal of P&amp;E</b>	0	(520)
<b>Operating Surplus/Deficit</b>	<b>192,079</b>	<b>119,545</b>
<b>Operating Surplus/Deficit %</b>	<b>11.8%</b>	<b>8.0%</b>

### **2013/14 Capital Investments:**

#### ***Park Beach Holiday Park***

- Teen playground
- BBQ Area
- Water and sewer Infrastructure
- Pool shade structure
- Park vehicles
- Landscaping
- Villa refurbishments
- New villa installations (planning)
- Electrical Infrastructure upgrade
- Laundry equipment.

#### ***Sawtell Beach Holiday Park***

- Workshop upgrade
- Park vehicles
- Villa refurbishments
- New villa installations (planning)
- Laundry equipment.

### ***Woolgoolga Beach and Lakeside Holiday Parks***

- Roadworks and Signage
- Villa refurbishments
- Manager's residence and office (Lakeside)
- Landscaping
- Electrical infrastructure
- Demolition works.

#### **Sustainability Assessment:**

- **Environment**

Park guests consume resources whilst in the Coffs Harbour local government area (LGA) however this is offset by the fact that they are not consuming resources at their place of residence. Revenue generated within the State Park and Woolgoolga Beach Reserve is put back into the reserve system including the environmental management of the locations. All parks are committed to environmental initiatives aimed at reducing their impact upon the environment.

- **Social**

Holiday Parks and Caravan Parks are an important resource in meeting the recreational needs of the greater community. Funds generated through the parks contribute to the development of social and recreational facilities within the reserve system.

- **Civic Leadership**

The performances of the two Trusts achieved the outcomes set down in the Coffs Harbour 2030 Community Strategic Plan, and were consistent with the following strategies:

- LP1.1 - Develop markets around renewable energy, sustainable tourism, sustainable agriculture and fisheries, local produce, creative and clean industries
- LP1.3 - Support innovation and leadership in sustainable business practices
- LP2.2 – Encourage the provision of facilities and services which attract, create and support career opportunities for young people
- PL2.2 - Protect and expand public spaces and facilities and ensure they are accessible and safe for all.

- **Economic**

#### **Broader Economic Implications**

The holiday parks and caravan parks are important tourist facilities drawing visitors to the region. Flow on effect of visitation is deemed to have a generally positive impact upon the economic performance of the region.

#### **Delivery Program/Operational Plan Implications**

The State Park and Woolgoolga Beach Reserve generate funds that are used within the reserves and contribute to the management and upkeep of the locations, reducing the demand on alternate fund sources.

**Risk Analysis:**

Under current operating conditions the Holiday Parks remain a sustainable business model that is well equipped to provide ongoing financial contributions to the wider reserve system.

**Consultation:**

The operation of the Parks is a team effort with the enthusiastic support of all Council Departments being pivotal in their success. Regular consultation is also undertaken with Trade & Investment, Crown Lands.

**Related Policy and / or Precedents:**

Council is Corporate Manager of the Coffs Coast State Park Trust and the Woolgoolga Beach Reserve Trust under the provisions of the Crown Lands Act.

**Statutory Requirements:**

Council is Corporate Manager of the Coffs Coast State Park Trust and the Woolgoolga Beach Reserve Trust under the provisions of the Crown Lands Act.

**Issues:**

The financial audits for the two Trusts, conducted by DKM Group, revealed no concerns within the scope of the audit and the financial reports were free of material misstatement. There was only one auditor's recommendation for each Trust regarding the benefit of using a formalised asset management system. The Trust is considering switching to the Council asset system for this purpose. A copy of the Coffs Coast State Park and Woolgoolga Beach Reserve Trust audits are included in the attachment.

**Recommendation:**

1. That Council, as Corporate Manager of the Coffs Coast State Park Trust note the Annual Audit for year ended 30 June 2014
2. That Council, as Corporate Manager of the Woolgoolga Beach Reserve Trust, note the Annual Audit for year ended 30 June 2014



**Davies Knox  
Maynards**

"Helping you create and  
manage your wealth"

30 September 2014

Mr J Bailey  
Coffs Coast Holiday Parks  
1 Ocean Parade  
Coffs Harbour NSW 2450

**COFFS COAST STATE PARK**

Dear Jason

I enclose with this letter our audit management letter detailing possible control improvements noted during the audit and four copies of your 2014 financial report.

If you have any questions in relation to these documents, please contact me on 1800 629 029.

Yours sincerely,

**MARK DAVIES**  
PARTNER  
*Encl.*

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30 September 2014

Mr J Bailey  
Coffs Coast Holiday Parks  
1 Ocean Parade  
COFFS HARBOUR NSW 2450

Dear Board Members

### Independence discussions

We confirm that for the audit of the financial report of Coffs Coast State Park Trust for the year ending 30 June 2014, we have maintained our independence in accordance with requirements of Davies Knox Maynards, with the provisions of Professional Statement F1, and with the provisions of the *Corporations Act 2001*.

In the spirit of this confirmation, we have prepared the following comments to facilitate discussion and enable you to have a clear understanding of the issue.

### Other services

We have not carried out any engagements for Coffs Coast State Park Trust that would impair our firm's professional independence as auditor.

Any services provided are subject to our own and the profession's strict rules and policies regarding auditor independence, as well also certain statutory requirements. We enforce these rules and policies in order to maintain objectivity and to be free of interest when discharging our professional responsibilities.

These other services include:

- Assistance with the preparation of the Financial Report based on information in the trial balance.

Our appointment as service provider for these engagements has been subject to Coffs Coast State Park Trust's corporate governance procedures encompassing the selection of service providers and the setting of their remuneration.

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Some of the safeguards we follow with regard to auditor independence in relation to the provision of these services ensuring:

- the services have not involved partners or staff acting in a managerial or decision-making capacity, or being involved in the processing or originating of transactions;
- the services have only been provided where we are satisfied that the related function or process will not have a material bearing on our planned audit procedures and would not involve us auditing our own work;

the partners and staff involved in the provision of non-audit services have not participated in Coffs Coast State Park Trust's associated approval or authorisation processes; and

Based on the above safeguards, we are satisfied that the provision of other services has not in any way compromised our independence as external auditor of Coffs Coast State Park Trust.

#### **Unresolved disagreements**

We have not had any unresolved disagreements with management about matters that individually or in aggregate could be significant to the financial report. Furthermore, management has not sought to influence our views on matters relevant to our opinion.

#### **Other relationships**

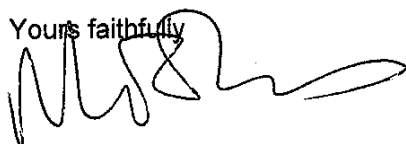
We are not aware of any situations where a spouse or close relative of a partner or staff members are involved in the audit occupies a position as a director or executive of Coffs Coast State Park Trust that is significant to the audit.

We are not aware of any situations where a partner or staff member has accepted a position of employment with Coffs Coast State Park Trust in a senior executive or managerial capacity during or since the end of the financial year.

This report is intended solely for the use of the Audit Committee, the Board of Directors, management and others within Coffs Coast State Park Trust and should not be used for any other purpose.

We look forward to discussing with you the matters addressed in this letter, as well as other matters that may be of interest to you, at the forthcoming Board meeting.

Yours faithfully



**Mark Davies**  
Partner



**Davies Knox  
Maynards**

"Helping you create and  
manage your wealth"

Coffs Harbour Office  
COF1134401  
Aud/14

30 September 2014

Mr J Bailey  
Coffs Coast Holiday Parks  
1 Ocean Parade  
Coffs Harbour NSW 2450

# **COFFS COAST STATE PARK TRUST**

Dear Jason

## **Management Letter on the Audit For Year Ended 30 June 2014**

I advise we have completed the audit relating to financial statements for the year ended 30 June 2014.

Audit procedures have been primarily designed to achieve audit objectives related to forming an opinion on the financial statements for the year ended 30 June 2014. In order to meet these objectives in a cost-effective and efficient manner, our approach has concentrated on areas of materiality and high risk. Consequently, this letter only includes matters which have come to our attention as a result of these audit procedures and therefore does not necessarily confirm the effectiveness of all the internal controls operated by the organisation for achieving all management objectives.

In seeking to achieve an efficient audit we have also taken into account, to the relevant extent, the internal control structure, consisting of:

- the control environment, incorporating management's policies, procedures and related actions; and
- Internal controls, being those policies and procedures which management has established to provide reasonable assurance that specific objectives will be achieved.

From the conduct of the audit, we have been able to note the following specific areas that provide a cost-effective opportunity for management to improve the reliability of information and to reduce risks. I would like to take this opportunity to thank Breana, Leigha, Sean, and Jason for their assistance during the audit process.

- Asset Management System

(Appendix 1)

**South Bank**  
Level 4, 179 Grey Street  
PO Box 3685  
South Brisbane BC QLD 4101  
Phone 07 3340 3800  
Facsimile 07 3340 3700  
Email southbank@dkm.com.au

**Beenleigh**  
71 York Street  
PO Box 165  
Beenleigh QLD 4207  
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Email beenleigh@dkm.com.au

**Grafton**  
50 Skinner Street  
PO Box 148  
South Grafton NSW 2460  
Phone 02 6643 3000  
Facsimile 02 6643 3250  
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**Coffs Harbour**  
10 Moonee Street  
PO Box 525  
Coffs Harbour NSW 2450  
Phone 02 6650 5959  
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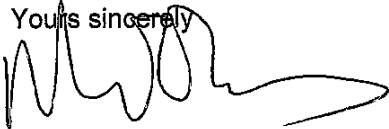
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Accounting    Taxation    Audit & Assurance    Superannuation    Financial Planning & Investment Advice  
Business Advisory    Insurance    Risk Management    Valuations    Finance

If you would like to discuss further any of the matters raised in this letter, please contact me on 1800 629 029.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Mark Davies', with a stylized, flowing script.

**MARK DAVIES**  
Partner

Enc



## **APPENDIX 1**

### **ASSET MANAGEMENT SYSTEM**

#### **OBSERVATIONS**

As previously stated currently your plant and equipment is being maintained using an excel spreadsheet. This method may have been sufficient in the past, but the value and number of assets in your business has grown resulting in this method becoming cumbersome and perhaps prone to error.

#### **RECOMMENDATIONS**

It is recommended that you investigate the feasibility of purchasing an "Asset Management System" and that a full review of assets owned by the entity is performed to ensure the accuracy of data prior to its implementation.

#### **MANAGEMENT COMMENTS**

**Coffs Coast State Park Trust**  
**Special Purpose Financial Reports**  
**for the year ended 30th June 2014**

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## Coffs Coast State Park Trust

### INCOME STATEMENT for the year ended 30th June 2014

	Notes	Actual 2014	Actual 2013
<b>INCOME</b>			
<b>Revenue:</b>			
User Charges & Fees	2	6,795,991	6,290,310
Investment Revenues	2	55,264	47,970
Other Revenues	2	1,009,896	1,089,606
<b>Other Income:</b>			
Profit from Disposal of Assets	4	2,975	(2,708)
<b>Revenues from Continuing Operations</b>		<b>7,864,126</b>	<b>7,425,178</b>
<b>EXPENSES</b>			
Employee Costs	3	2,660,670	2,534,967
Materials & Contracts		922,981	1,037,082
Depreciation, Amortisation & Impairment	3	1,215,494	1,226,023
Other Expenses	3	2,823,084	2,787,681
Loss from Disposal of Assets	4	-	-
<b>Expenses from Continuing Operations</b>		<b>7,622,228</b>	<b>7,585,752</b>
<b>NET OPERATING RESULT FOR YEAR</b>		<b>241,898</b>	<b>(160,575)</b>
Attributable to:			
Coffs Coast State Park Trust		241,898	(160,575)
		<b>\$ 241,898</b>	<b>\$ (160,575)</b>

This Statement is to be read in conjunction with the attached Notes.

# Coffs Coast State Park Trust

## BALANCE SHEET as at 30 June 2014

	Notes	Actual 2014	Actual 2013
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	3,800,387	1,631,717
Receivables	6	104,550	123,841
Inventories - realisable < 12 months	7	50,210	49,570
Other	7	7,653	27,448
<b>TOTAL CURRENT ASSETS</b>		<b>3,962,800</b>	<b>1,832,577</b>
<b>NON-CURRENT ASSETS</b>			
Receivables	6	-	-
Infrastructure, Property, Plant & Equipment	8	27,962,145	28,405,436
Other	7	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>27,962,145</b>	<b>28,405,436</b>
<b>TOTAL ASSETS</b>		<b>31,924,945</b>	<b>30,238,012</b>
<b>CURRENT LIABILITIES</b>			
Payables	9	1,402,107	1,389,462
Borrowings	9	150,000	-
Provisions - payable < 12 months	9	296,110	374,445
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,848,217</b>	<b>1,763,908</b>
<b>NON-CURRENT LIABILITIES</b>			
Payables	9	-	-
Borrowings	9	1,350,000	-
Provisions	9	21,942	11,216
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>1,371,942</b>	<b>11,216</b>
<b>TOTAL LIABILITIES</b>		<b>3,220,159</b>	<b>1,775,123</b>
<b>NET ASSETS</b>	\$	<b>28,704,786</b>	<b>28,462,889</b>
<b>EQUITY</b>			
Accumulated Surplus		18,412,075	18,170,178
Asset Revaluation Reserve		10,292,711	10,292,711
<b>Council Equity Interest</b>		<b>28,704,786</b>	<b>28,462,889</b>
<b>TOTAL EQUITY</b>	\$	<b>28,704,786</b>	<b>28,462,889</b>

This Statement is to be read in conjunction with the attached Notes

**Coffs Coast State Park Trust**  
**STATEMENT OF CHANGES IN EQUITY**  
for the year ended 30th June 2014

	2014					2013						
	Accum Surplus	Asset Reval	Other Reserves	Council Equity	Outside Equity	Total	Accum Surplus	Asset Reval	Other Reserves	Council Equity	Outside Equity	Total
Balance at beginning of the reporting period	18,170,177	10,292,711	-	28,462,888	-	28,462,888	18,330,753	10,292,711	-	28,623,464	-	28,623,464
Change in Net Assets recognised in the Statement of Financial	241,898	-	-	241,898	-	241,898	(160,575)	-	-	(160,575)	-	(160,575)
Balance at end of the reporting period	18,412,075	10,292,711	-	28,704,786	-	28,704,786	18,170,178	10,292,711	-	28,462,889	-	28,462,889

**This Statement is to be read in conjunction with the attached Notes**

# COFFS COAST STATE PARK TRUST

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The trust management have prepared the financial statements on the basis that the trust is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of the Department of Lands.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**a. Income Tax**

The trust is not subject to income tax under the Crown Lands Act 1989.

**b. Property, Plant and Equipment**

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the trust commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**c. Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in the income and expenditure statement.

**d. Employee Benefits**

Provision is made for the trust's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

**e. Provisions**

Provisions are recognised when the trust has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**f. Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2014

**Note 1 - Significant Accounting Policies (cont)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**g. Revenue and Other Income**

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

All revenue is stated net of the amount of goods and services tax (GST).

**h. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). 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 ATO is included with other receivables or payables in the statement of financial position.

**i. Accounts Payable and Other Payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**Coffs Coast State Park Trust****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30th June 2014****Note 2 - REVENUES FROM ORDINARY ACTIVITIES**

	2014	2013
<b>USER CHARGES &amp; FEES</b>		
<u>User Charges</u>		
Short Term Accommodation	5,671,473.34	5,193,127.22
Long Term Accommodation	696,590.12	657,580.86
Electricity Receipts	58,405.92	59,443.20
Shop & Residence Receipts		
Shop Takings	203,136.12	205,682.62
Laundry Receipts	80,731.61	77,599.04
Sundry Receipts	85,653.94	96,876.77
Other Income		
	<u>6,795,991.05</u>	<u>6,290,309.71</u>
<b>INVESTMENT REVENUES</b>		
Interest	55,263.85	47,969.97
<b>Total Investment Revenues</b>	<u>55,263.85</u>	<u>47,969.97</u>
<b>OTHER REVENUES</b>		
Grants and Contributions	10,499.99	50,000.00
Council Contribution	999,396.31	1,039,605.95
<b>Total Other Revenues</b>	<u>1,009,896.30</u>	<u>1,089,605.95</u>



## Coffs Coast State Park Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 3 - EXPENSES FROM ORDINARY ACTIVITIES

	2014 \$	2013 \$
<b>EMPLOYEE COSTS</b>		
Salaries and Wages	2,294,880.34	2,210,569.95
Employee Leave Entitlements	208,264.29	162,974.97
Superannuation - defined contribution plan contributions	90,387.52	90,888.91
Workers' Compensation Insurance	49,702.49	50,007.43
Fringe Benefits Tax	-	(16.51)
Training Costs (excluding Salaries)	5,438.79	11,215.72
Uniforms & PPE	11,997.01	9,326.08
<b>Total Operating Employee Costs</b>	<u>2,660,670.44</u>	<u>2,534,966.55</u>
<b>Total Number of Employees</b>	<b>25</b>	<b>27</b>
<i>(Full time equivalent at end of reporting period)</i>		
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>		
Plant and Equipment	34,708.00	32,620.57
Office Equipment	13,541.93	15,266.62
Buildings	688,571.80	722,167.18
Other Structures	12,940.33	12,679.60
Infrastructure		
- roads, bridges & footpaths	62,329.40	47,416.94
- stormwater drainage	26,306.92	26,031.57
- water supply network not elsewhere included		
- sewerage network not elsewhere included		
Other assets		
- Jetty	344,963.16	345,511.09
- Botanical Gardens	32,132.29	24,329.51
<b>Total Depreciation, Amortisation &amp; Impairment</b>	<u>1,215,493.83</u>	<u>1,226,023.08</u>
	<b>2014 \$</b>	<b>2013 \$</b>
<b>OTHER EXPENSES</b>		
Advertising	118,607.94	123,395.76
Auditor's remuneration		
- Audit Services	8,574.9	11,990.64
Bad and Doubtful Debts	200.00	23.32
Bank Fees & Interest Charges	32,473.58	32,391.76
Botanical Gardens	383,800.00	372,500.00
Crown Land Reserve Maintenance	965,798.73	982,155.58
Dept of Lands	337,633.25	279,693.78
Discounts		
Foreshores Maintenance	9,090.91	100,000.00
Garbage	106,855.00	98,224.02
Insurances	53,280.31	45,667.56
Interest Expense	1.75	19,338.09
Electricity	338,377.15	359,332.03
Other	90,417.73	
Payments to other levels of Government	38,400.00	48,699.83
Refunds	590.59	565.39
Stationery	15,265.73	13,316.97
Swimming Pool Access/Tennis Access	13,761.48	12,943.88
Telephone and Communications	47,686.91	55,119.81
Top Tourist Membership Cards	7,463.64	10,354.55
Water & Sewerage	254,803.97	221,967.72
<b>Total Other Expenses</b>	<u>2,823,083.57</u>	<u>2,787,680.69</u>

## Coffs Coast State Park Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 4 - GAIN OR LOSS ON DISPOSAL OF ASSETS

	2014	2013
<b>DISPOSAL OF PLANT &amp; EQUIPMENT</b>		
Proceeds from disposal	6,149.60	135.00
Less: Carrying amount of assets sold	<u>3,174.62</u>	<u>2,842.99</u>
<b>Gain (Loss) on disposal</b>	<u><b>2,974.98</b></u>	<u><b>(2,707.99)</b></u>
 <b>TOTAL GAIN (LOSS) ON DISPOSAL OF ASSETS</b>	 <u><b>2,974.98</b></u>	 <u><b>(2,707.99)</b></u>

## Coffs Coast State Park Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 5 - CASH & INVESTMENTS

	2014		2013	
	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
<b>CASH &amp; CASH EQUIVALENTS</b>				
Cash on Hand and at Bank	<u>3,800,386.94</u>		<u>1,631,717.37</u>	
<b>Total Cash &amp; Equivalents</b>	<u><u>3,800,386.94</u></u>		<u><u>1,631,717.37</u></u>	

## Coffs Coast State Park Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 6 - RECEIVABLES

	2014		2013	
	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
Trade Debtors	16,913.73		40,461.00	
GST Paid	60,691.46		79,655.64	
Other Debtors	27,035.52		3,814.55	
Total	<u>104,640.71</u>	-	<u>123,931.19</u>	-
Less: Allowance for Doubtful Debts				
User Charges & Fees	90.55		90.55	
Other				
<b>Total Receivables</b>	<u><b>104,550.16</b></u>	-	<u><b>123,840.64</b></u>	-

## Coffs Coast State Park Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 7 - INVENTORIES & OTHER ASSETS

	2014		2013	
	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
<b>INVENTORIES</b>				
Stores & Materials	32,135.06		28,770.81	
Trading Stock	18,075.33		20,799.63	
<b>Total Inventories</b>	<u>50,210.39</u>	-	<u>49,570.44</u>	-
<b>OTHER ASSETS</b>				
Prepayments	7,652.88	-	27,448.21	
<b>Total Other Assets</b>	<u>7,652.88</u>	-	<u>27,448.21</u>	-

Coffs Coast State Park Trust												
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS												
for the year ended 30th June 2014												
Note 8 - PROPERTY, PLANT & EQUIPMENT												
	2013					CARRYING AMOUNT MOVEMENTS DURING YEAR						
	AT COST	AT FAIR VALUE	ACCUM DEPN	CARRYING AMOUNT	Asset Purchases	Council Restructure	Asset Disposals	Depreciation	Impairment	Blank	Adjustment	AT COST
Plant & Equipment	445,848.59	-	(286,131.22)	159,717.37	105,495.61	-	(29,539.33)	(34,708.00)	-	-	(1.40)	494,983.58
Office Equipment	162,200.38	-	(102,105.90)	60,094.48	5,900.00	-	-	(13,541.93)	-	-	-	168,100.38
Buildings	14,009,693.87	9,575,600.00	(10,379,626.81)	13,209,667.06	520,083.88	-	-	(698,650.22)	-	-	-	14,492,843.68
Other Structures	408,772.57	-	(202,048.94)	207,723.73	54,835.92	-	-	(12,940.33)	-	-	-	464,608.49
Infrastructure	1,968,794.72	-	(657,578.37)	1,311,216.35	-	-	-	(52,250.86)	-	-	-	1,968,794.72
- Roads, bridges, footpaths	-	-	-	-	-	-	-	-	-	-	-	-
- Bulk earthworks (non-deprec)	-	-	-	-	-	-	-	-	-	-	-	-
- Stormwater drainage	1,678,314.55	-	(741,856.02)	936,458.53	5,639.48	-	-	(26,306.92)	-	-	-	1,683,954.03
- Water Supply Network	-	-	-	-	-	-	-	-	-	-	-	-
- Sewerage Network	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	13,670,866.32	-	-	-	-	-	-	-	-	-	-	-
- Jetty	13,670,866.32	-	(1,413,640.58)	12,257,225.74	10,340.06	-	-	(344,963.16)	-	-	(0.01)	13,681,206.38
- Botanical Gardens	321,310.52	-	(80,477.19)	240,833.33	33,597.58	-	-	(32,132.29)	-	-	-	354,908.10
Capital works in progress	23,500.00	-	-	23,500.00	68,150.14	-	-	-	-	-	-	89,650.14
Totals	32,690,301.52	9,575,600.00	(19,863,465.93)	28,405,435.59	802,043.68	-	(29,539.33)	(1,215,493.91)	-	-	(1.50)	33,399,048.50
Asset acquisitions were apportioned between:												27,962,144.63
												(15,015,904.87)

## Coffs Coast State Park Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 9 - LIABILITIES

	2014		2013	
	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
<b>PAYABLES</b>				
Goods & Services	970,679.18		937,851.66	
Payments received in advance	431,427.85		451,610.48	
Accrued Expenses				
<b>Total Payables</b>	<b>1,402,107.03</b>	<b>-</b>	<b>1,389,462.14</b>	<b>-</b>
<b>BORROWINGS</b>				
Loans	150,000.00	1,350,000.00		
<b>Total Borrowings</b>	<b>150,000.00</b>	<b>1,350,000.00</b>	<b>-</b>	<b>-</b>
<b>PROVISIONS</b>				
Annual Leave	94,281.37		119,909.93	
Sick Leave	-		5,912.81	
Long Service Leave	200,666.86	21,941.98	247,116.25	11,215.68
Other	1,162.01		1,506.46	
<b>Total Provisions</b>	<b>296,110.24</b>	<b>21,941.98</b>	<b>374,445.45</b>	<b>11,215.68</b>

## Coffs Coast State Park Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 10 - STATEMENT OF PERFORMANCE MEASUREMENT

		2014	2013
	<u>Amounts</u>	<u>Indicators</u>	
<b>Current Ratio</b>			
<u>Current Assets</u>	3,962,800.37	2.14	1.04
Current Liabilities	1,848,217.27		



## **Coffs Coast State Park Trust**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014**

#### **Note 11 - LEASES OR LICENCES GRANTED OR IN FORCE**

**1. Leases**

Lease Agreements currently entered into by the Trust

- Caretakers residential leases for Park Beach Holiday Park
- Lease of various premises along Jetty Foreshores
- Leases for various Long Term Residents at Sawtell Beach Caravan Park & Park Beach Holiday Park

**2. Licences**

Licences are provided to various community groups and for other events.

The following list contains a few examples;

- Coffs Harbour Yacht Club. Use of reserve for Sailing regattas
- Coffs Harbour Triathlon Club. Use of reserve for Training and Events
- Streets Ahead. Use of reserve for International Buskers Festival and Food & Wine Festival
- Coffs Harbour Surf Lifesaving. Use of Reserve for Surf and Craft Events
- March's Amusements. Use of Reserve for Carnival
- Coffs Harbour Jet Ski and Leisure Hire
- Harbourside Markets in Jetty Foreshores
- Rotary Club. Use of Reserve for Coffs Coast Ocean Swim
- Mary help of Christians, Sawtell Primary, Bayldon Public and St Augustine's Primary Schools. Use of Reserve for Cross Country Events
- Surf Schools - Lee Winkler/East Coast/Sawtell
- Liquid Assets Adventure tours
- Commercial Fitness

#### **Note 12- DISCLOSURE OF PECUNIARY INTERESTS**

There are no pecuniary interests held within the Coffs Coast State Park Trust.

**Coffs Coast State Park Trust****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30th June 2014****Note 13 - CAPITAL COMMITMENTS**

Capital commitments contracted but not provided for in the financial statements are as follows:

	<b>2014</b>	<b>2013</b>
Moveable dwellings (inc GST)	<b><u>1,595,000.00</u></b>	<b><u>-</u></b>

On 16 April 2014, Coffs Coast State Park Reserve trust entered into a sale and purchase agreement for the supply and install of moveable dwellings at the Park Beach & Sawtell Beach park sites with Wengold Pty Ltd for a consideration of \$1,595,000 including GST

The capital commitment is covered by a loan via a Crown Lands Funding programs provided by the Department of Trade and Investment. This loan is included in the accounts as at 30 June 2014.



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**Davies Knox Maynards**

## INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF COFFS COAST STATE PARK TRUST

We have audited the accompanying financial report, being a special purpose financial report, of Coffs Coast State Park Trust, which comprises, the assets and liabilities statement as at 30 June 2014, the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

### *The Responsibility of the Management of the Trust*

The management of the Trust are responsible for the preparation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report are consistent with the financial reporting requirements of Section 32 (4) of the Crown Lands Regulation 2006. As such it is intended for the following users:

- Department of Trade & Investment – Crown Lands
- Coffs Harbour City Council as Corporate Manager of the Trust

The management of the trusts' responsibilities also includes such internal control as the management of the trust determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to management of the Trust, Department of Lands and Coffs Harbour City Council as Corporate Manager of the trust. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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**INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF COFFS COAST STATE PARK  
TRUST**

*Independence*

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

*Auditor's Opinion*

In our opinion, the financial report presents fairly, in all material respects the financial position of Coffs Coast State Park Trust as at 30 June 2014 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the financial reporting requirements of Section 32 (4) of the Crown Lands Regulation 2006.

*Basis of Accounting and Restriction on Distribution*

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Coffs Coast State Park Reserve Trust to meet the requirements of the Department of Lands and Coffs Harbour City Council as Corporate Manager of the trust. As a result, the financial report may not be suitable for another purpose

**Davies Knox Maynards**

A handwritten signature in black ink, appearing to read 'Mark Davies', with a long horizontal flourish extending to the right.

**Mark Davies**

**Coffs Harbour**

**30 September 2014**



**Davies Knox  
Maynards**

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manage your wealth"

30 September 2014

Mr J Bailey  
Coffs Coast Holiday Parks  
1 Ocean Parade  
Coffs Harbour NSW 2450

**WOOLGOOLGA BEACH RESERVE TRUST**

Dear Jason,

I enclose with this letter a management letter detailing possible control improvements noted during the audit and four copies of your 2014 financial report.

If you have any questions in relation to these documents, please contact me on 1800 629 029.

Yours sincerely

**MARK DAVIES**  
PARTNER  
*Encl.*

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Maynards**

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30 September 2014

Mr J Bailey  
Coffs Coast Holiday Parks  
1 Ocean Parade  
COFFS HARBOUR NSW 2450

Dear Board Members

### Independence discussions

We confirm that for the audit of the financial report of Woolgoolga Beach Reserve Trust for the year ending 30 June 2014, we have maintained our independence in accordance with requirements of Davies Knox Maynards, with the provisions of Professional Statement F1, and with the provisions of the *Corporations Act 2001*.

In the spirit of this confirmation, we have prepared the following comments to facilitate discussion and enable you to have a clear understanding of the issue.

### Other services

We have not carried out any engagements for Woolgoolga Beach Reserve Trust that would impair our firm's professional independence as auditor.

Any services provided are subject to our own and the profession's strict rules and policies regarding auditor independence, as well also certain statutory requirements. We enforce these rules and policies in order to maintain objectivity and to be free of interest when discharging our professional responsibilities.

These other services include:

- Review of preparation of the Financial Report based on information in the trial balance.

Our appointment as service provider for these engagements has been subject to Woolgoolga Beach Reserve Trust's corporate governance procedures encompassing the selection of service providers and the setting of their remuneration.

Some of the safeguards we follow with regard to auditor independence in relation to the provision of these services ensuring:

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- the services have not involved partners or staff acting in a managerial or decision-making capacity, or being involved in the processing or originating of transactions;
- the services have only been provided where we are satisfied that the related function or process will not have a material bearing on our planned audit procedures and would not involve us auditing our own work;

the partners and staff involved in the provision of non-audit services have not participated in Woolgoolga Beach Reserve Trust's associated approval or authorisation processes; and

Based on the above safeguards, we are satisfied that the provision of other services has not in any way compromised our independence as external auditor of Woolgoolga Beach Reserve Trust.

#### **Unresolved disagreements**

We have not had any unresolved disagreements with management about matters that individually or in aggregate could be significant to the financial report. Furthermore, management has not sought to influence our views on matters relevant to our opinion.

#### **Other relationships**

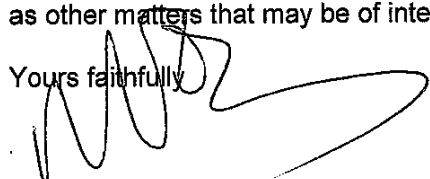
We are not aware of any situations where a spouse or close relative of a partner or staff members are involved in the audit occupies a position as a director or executive of Woolgoolga Beach Reserve Trust that is significant to the audit.

We are not aware of any situations where a partner or staff member has accepted a position of employment with Woolgoolga Beach Reserve Trust in a senior executive or managerial capacity during or since the end of the financial year.

This report is intended solely for the use of the Audit Committee, the Board of Directors, management and others within Woolgoolga Beach Reserve Trust and should not be used for any other purpose.

We look forward to discussing with you the matters addressed in this letter, as well as other matters that may be of interest to you, at the forthcoming Board meeting.

Yours faithfully



**Mark Davies**  
Partner



**Davies Knox  
Maynards**

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Coffs Harbour Office  
W001136101  
14AUD

30 September 2014

Mr J Bailey  
Coffs Coast Holiday Parks  
1 Ocean Parade  
Coffs Harbour NSW 2450

# **WOOLGOOLGA BEACH RESERVE TRUST**

Dear Jason,

## **Management Letter on the Audit For Year Ended 30 June 2014**

I advise we have completed the audit relating to financial statements for the year ended 30 June 2014.

Audit procedures have been primarily designed to achieve audit objectives related to forming an opinion on the financial statements for the year ended 30 June 2014. In order to meet these objectives in a cost-effective and efficient manner, our approach has concentrated on areas of materiality and high risk. Consequently, this letter only includes matters which have come to our attention as a result of these audit procedures and therefore does not necessarily confirm the effectiveness of all the internal controls operated by the organisation for achieving all management objectives.

In seeking to achieve an efficient audit we have also taken into account, to the relevant extent, the internal control structure, consisting of:

- the control environment, incorporating management's policies, procedures and related actions; and
- Internal controls, being those policies and procedures which management has established to provide reasonable assurance that specific objectives will be achieved.

From the conduct of the audit, we have been able to note the following specific areas that provide a cost-effective opportunity for management to improve the reliability of information and to reduce risks.

- Asset Management System

(Appendix 1)

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I would like to take this opportunity to thank Breana, Sean, and Jason for their assistance during the audit process

If you would like to discuss further any of the matters raised in this letter, please contact me on 1800 629 029.

Yours sincerely

A handwritten signature in black ink, appearing to be 'M Davies', with a long horizontal flourish extending to the right.

**MARK DAVIES**  
**Partner**

## **APPENDIX 1**

### **ASSET MANAGEMENT SYSTEM**

#### **OBSERVATIONS**

As raised previously currently your plant and equipment is being maintained using an excel spreadsheet. This method may have been sufficient in the past, but the value and number of assets in your business has grown resulting in this method becoming cumbersome and perhaps prone to error.

#### **RECOMMENDATIONS**

It is recommended that you investigate the feasibility of purchasing an "Asset Management System" and that a full review of assets owned by the entity is performed to ensure the accuracy of data prior to its implementation.

#### **MANAGEMENT COMMENTS**

## Woolgoolga Beach Reserve Trust

### Special Purpose Financial Reports for the year ended 30th June 2014

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## Woolgoolga Beach Reserve Trust

### INCOME STATEMENT for the year ended 30th June 2014

	Notes	Actual 2014	Actual 2013
<b>INCOME</b>			
<b>Revenue:</b>			
User Charges & Fees	2	1,616,731	1,483,075
Investment Revenues	2	10,477	8,004
Other Revenues	2	4,910	4,028
<b>Other Income:</b>			
Profit from Disposal of Assets	4	-	-
<b>Revenues from Continuing Operations</b>		<b>1,632,118</b>	<b>1,495,107</b>
<b>EXPENSES</b>			
Employee Costs	3	628,486	598,127
Materials & Contracts		242,429	232,550
Depreciation, Amortisation & Impairment	3	221,463	190,387
Other Expenses	3	347,660	353,978
Loss from Disposal of Assets	4	-	520
<b>Expenses from Continuing Operations</b>		<b>1,440,039</b>	<b>1,375,562</b>
<b>NET OPERATING RESULT FOR YEAR</b>		<b>192,079</b>	<b>119,545</b>
Attributable to:			
Woolgoolga Beach Reserve Trust		192,079	119,545
	\$	<b>192,079</b>	<b>\$ 119,545</b>

This Statement is to be read in conjunction with the attached Notes.

## Woolgoolga Beach Reserve Trust

### BALANCE SHEET as at 30 June 2014

	Notes	Actual 2014	Actual 2013
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	894,007	350,589
Receivables	6	20,008	5,758
Inventories - realisable < 12 months	7	9,145	9,630
Other	7	4,068	4,990
<b>TOTAL CURRENT ASSETS</b>		<b>927,228</b>	<b>370,967</b>
<b>NON-CURRENT ASSETS</b>			
Receivables	6	-	-
Infrastructure, Property, Plant & Equipment	8	3,303,748	3,213,901
Other	7	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,303,748</b>	<b>3,213,901</b>
<b>TOTAL ASSETS</b>		<b>4,230,975</b>	<b>3,584,868</b>
<b>CURRENT LIABILITIES</b>			
Payables	9	302,416	249,917
Borrowings	9	40,000	-
Provisions	9	54,392	52,864
<b>TOTAL CURRENT LIABILITIES</b>		<b>396,809</b>	<b>302,781</b>
<b>NON-CURRENT LIABILITIES</b>			
Payables	9	-	-
Borrowings	9	360,000	-
Provisions	9	-	-
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>360,000</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>756,809</b>	<b>302,781</b>
<b>NET ASSETS</b>	\$	<b>3,474,166</b>	<b>3,282,088</b>
<b>EQUITY</b>			
Accumulated Surplus		2,042,166	1,850,087
Asset Revaluation Reserve		1,432,000	1,432,000
<b>Council Equity Interest</b>		<b>3,474,166</b>	<b>3,282,087</b>
<b>TOTAL EQUITY</b>	\$	<b>3,474,166</b>	<b>3,282,087</b>

This Statement is to be read in conjunction with the attached Notes

**This Statement is to be read in conjunction with the attached Notes**

## WOOLGOOLGA BEACH RESERVE TRUST

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

##### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The trust management have prepared the financial statements on the basis that the trust is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of the Department of Lands.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**a. Income Tax**

The trust is not subject to income tax under the Crown Lands Act 1989.

**b. Property, Plant and Equipment**

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the trust commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**c. Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in the income and expenditure statement.

**d. Employee Benefits**

Provision is made for the trust's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

**e. Provisions**

Provisions are recognised when the trust has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**f. Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2014

**Note 1 - Significant Accounting Policies (cont)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**g. Revenue and Other Income**

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

All revenue is stated net of the amount of goods and services tax (GST).

**h. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). 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 ATO is included with other receivables or payables in the statement of financial position.

**i. Accounts Payable and Other Payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.



## Woolgoolga Beach Reserve Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 2 - REVENUES FROM ORDINARY ACTIVITIES

	2014	2013
<b>USER CHARGES &amp; FEES</b>		
<u>User Charges</u>		
Short Term Accommodation	1,508,591.84	1,369,838.23
Long Term Accommodation	45,646.67	46,073.67
Electricity Receipts	8,664.92	8,480.25
Residents Rent	20,558.00	21,957.36
Laundry Receipts	21,706.36	23,085.47
Sundry Receipts	11,563.04	13,639.84
	<u>1,616,730.83</u>	<u>1,483,074.82</u>
 <b>INVESTMENT REVENUES</b>		
Interest	<u>10,477.00</u>	<u>8,004.19</u>
<b>Total Investment Revenues</b>	<u>10,477.00</u>	<u>8,004.19</u>
 <b>OTHER REVENUES</b>		
Other	<u>4,909.75</u>	<u>4,027.68</u>
<b>Total Other Revenues</b>	<u>4,909.75</u>	<u>4,027.68</u>

## Woolgoolga Beach Reserve Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 3 - EXPENSES FROM ORDINARY ACTIVITIES

	2014 \$	2013 \$
<b>EMPLOYEE COSTS</b>		
Salaries, Wages and Management Fees	590,824.63	573,195.50
Superannuation - defined contribution plan contributions	11,916.05	11,460.60
Workers' Compensation Insurance	6,364.34	7,641.09
Protective Clothing/Uniforms	258.87	479.00
Training Costs	436.95	519.33
Employee Leave Entitlements	18,685.31	4,831.17
<b>Total Operating Employee Costs</b>	<u>628,486.15</u>	<u>598,126.69</u>
<b>Total Number of Employees</b>	<b>6</b>	<b>6</b>
<i>(Full time equivalent at end of reporting period)</i>		
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>		
Plant and Equipment	5,794.74	6,200.16
Office Equipment	795.08	1,186.59
Land and Buildings	196,141.64	166,803.16
Other Structures	4,462.50	8,342.56
Infrastructure		
- Roads	4,227.99	1,933.16
- water supply network not elsewhere included	10,041.37	5,921.81
<b>Total Depreciation, Amortisation &amp; Impairment</b>	<u>221,463.32</u>	<u>190,387.44</u>
	2014 \$	2013 \$
<b>OTHER EXPENSES</b>		
Advertising	23951.39	25261.5
Auditor's remuneration		
- Audit Services	7498.64	9533.64
Bad and Doubtful Debts		
Bank Fees & Interest Charges	8,191.39	8,274.82
Commission	5.53	46.36
Dept of Lands	81,745.68	70,578.40
Garbage	27,606.38	29,198.14
Insurances	12,270.79	9,967.63
Legal Expenses		
- Other legal expenses/Plan of Management	10,737.62	2,127.70
Electricity	83,355.71	94,708.20
Other	3,054.16	788.53
Payments to other levels of Government	2,808.28	2,677.40
Refunds	28.20	49.99
Stationery	4,350.80	2,802.17
Telephone and Communications	27,300.27	32,532.15
Water & Sewerage	54,755.07	65,431.57
<b>Total Other Expenses</b>	<u>347,659.91</u>	<u>353,978.20</u>

## Woolgoolga Beach Reserve Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 4 - GAIN OR LOSS ON DISPOSAL OF ASSETS

	2014	2013
<b>DISPOSAL OF PLANT &amp; EQUIPMENT</b>		
Proceeds from disposal		5,560.00
Less: Carrying amount of assets sold		6,080.06
<b>Gain (Loss) on disposal</b>	<u>-</u>	<u>(520.06)</u>
<b>TOTAL GAIN (LOSS) ON DISPOSAL OF ASSETS</b>	<u><b>0.00</b></u>	<u><b>(520.06)</b></u>

## Woolgoolga Beach Reserve Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 5 - CASH & INVESTMENTS

	2014		2013	
	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
<b>CASH &amp; CASH EQUIVALENTS</b>				
Cash on Hand and at Bank	894,007.09		350,589.36	
<b>Total Cash &amp; Equivalents</b>	<u>894,007.09</u>		<u>350,589.36</u>	

## Woolgoolga Beach Reserve Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 6 - RECEIVABLES

	2014		2013	
	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
Trade Debtors	446.18		2,067.70	
GST Paid	19,561.53		3,690.66	
Other Debtors	-		-	
Total	<u>20,007.71</u>	<u>-</u>	<u>5,758.36</u>	<u>-</u>

## Woolgoolga Beach Reserve Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 7 - INVENTORIES & OTHER ASSETS

	2014		2013	
	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
<b>INVENTORIES</b>				
Stores & Materials	9,145.24		9,630.00	
<b>Total Inventories</b>	<u>9,145.24</u>	<u>-</u>	<u>9,630.00</u>	<u>-</u>
<b>OTHER ASSETS</b>				
Prepayments	4,067.72		4,989.53	
<b>Total Other Assets</b>	<u>4,067.72</u>	<u>-</u>	<u>4,989.53</u>	<u>-</u>

**Woolgoolga Beach Reserve Trust**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 30th June 2014**

**Note 8 - PROPERTY, PLANT & EQUIPMENT**

	2013					CARRYING AMOUNT MOVEMENTS DURING YEAR							2014		
	AT COST	AT FAIR VALUE	ACCUM DEPN	CARRYING AMOUNT	Asset Purchases	Council Restructure	Asset Disposals	Depreciation	Impairment	Blank	Rounding	AT COST	AT FAIR VALUE	ACCUM DEPN	CARRYING AMOUNT
Plant & Equipment	72,476.41	-	(31,041.23)	41,435.18	662.64	-	-	(5,794.75)	-	-	(0.05)	73,139.06	-	(36,836.04)	36,303.02
Office Equipment	11,488.19	-	(7,945.16)	3,543.03	-	-	-	(795.08)	-	-	(0.02)	11,488.19	-	(6,740.26)	2,747.93
Buildings	2,402,489.24	1,432,000.00	(820,840.65)	3,013,648.59	34,520.23	-	-	(192,819.50)	-	-	-	2,437,009.47	1,432,000.00	(1,013,660.15)	2,855,349.32
Other Structures	82,123.20	-	(53,277.47)	28,845.73	8,870.00	-	-	(7,784.61)	-	-	0.02	90,993.20	-	(61,062.06)	29,931.14
Infrastructure															
- Roads, bridges, footpaths	34,855.10	-	(2,570.31)	32,284.79	8,599.27	-	-	(4,227.99)	-	-	-	42,670.94	-	(6,014.87)	36,656.07
- Water/Sewerage Supply Net	102,278.70	-	(8,135.00)	94,143.70	-	-	-	(10,041.37)	-	-	-	102,278.70	-	(18,176.37)	84,102.33
Other Assets															
- Jetty	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Botanical Gardens	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Work In Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>2,705,710.84</b>	<b>1,432,000.00</b>	<b>(823,808.82)</b>	<b>3,213,901.02</b>	<b>258,657.75</b>	<b>-</b>	<b>-</b>	<b>(221,463.30)</b>	<b>-</b>	<b>-</b>	<b>(0.03)</b>	<b>258,657.75</b>	<b>1,432,000.00</b>	<b>(1,144,489.75)</b>	<b>258,657.75</b>
				<b>Renewals</b>	<b>311,309.89</b>							<b>3,016,237.31</b>			<b>3,303,747.56</b>
Asset acquisitions were apportioned between:															

## Woolgoolga Beach Reserve Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 9 - LIABILITIES

	2014		2013	
	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
<b>PAYABLES</b>				
Goods & Services	203,303.55		149,266.78	
Payments received in advance	99,112.85		100,650.11	
<b>Total Payables</b>	<b>302,416.40</b>	<b>-</b>	<b>249,916.89</b>	<b>-</b>
<b>BORROWINGS</b>				
Current	40,000.00			
Non Current	360,000.00			
<b>Total Borrowings</b>	<b>400,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PROVISIONS</b>				
Annual Leave	17,691.37		20,382.06	
Sick Leave			-	
Long Service Leave	34,341.91		32,194.38	
Other	2,359.21		287.22	
<b>Total Provisions</b>	<b>54,392.49</b>	<b>-</b>	<b>52,863.66</b>	<b>-</b>



## Woolgoolga Beach Reserve Trust

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014

#### Note 10 - STATEMENT OF PERFORMANCE MEASUREMENT

	<u>Amounts</u>	<u>2014 Indicators</u>
<b>Current Ratio</b>		
<u>Current Assets</u>	927,227.76	2.34
Current Liabilities	396,808.89	

## **Woolgoolga Beach Reserve Trust**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2014**

#### **Note 11 - LEASE OR LICENCE GRANTED OR IN FORCE**

##### **1 Leases**

Lease Agreements currently entered into by the Trust

- Caretakers residential leases for Woolgoolga Beach and Lakeside Caravan Parks
- Leases for various Long Term residents at Woolgoolga Beach and Lakeside Caravan Parks

##### **2 Licences**

Licence agreements for use of Woolgoolga Beach Reserve

- Bollywood Beach Markets
- Bananacoast Credit Union use of reserve for Woolgoolga Triathlon
- Woolgoolga Volunteer Sea Rescue use of reserve for markets
- Use of reserve for Weddings
- Woolgoolga Curry Festival
- SLSC Championships use of reserve
- Aust. Blue Water Free Diving Classic
- Woolgoolga High School P&C Markets
- Commercial fitness, Girlfit Pty Ltd

#### **Note 12 - DISCLOSURE OF PECUNIARY INTEREST**

There are no pecuniary interests held within Woolgoolga Beach Reserve Trust.



**Davies Knox  
Maynards**

"Helping you create and  
manage your wealth"

## INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF WOOLGOOLGA BEACH RESERVE TRUST

We have audited the accompanying financial report, being a special purpose financial report, of Woolgoolga Beach reserve Trust, which comprises, the assets and liabilities statement as at 30 June 2014, the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

### *The Responsibility of the Management of the Trust*

The management of the Trust are responsible for the preparation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report are consistent with the financial reporting requirements of Section 32 (4) of the Crown Lands Regulation 2006. As such it is intended for the following users:

- Department of Trade and Investments - Crown Lands
- Coffs Harbour City Council as Corporate Manager of the Trust

The management of the trusts' responsibilities also includes such internal control as the management of the trust determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to management of the Trust, Department of Lands and Coffs Harbour City Council as Corporate Manager of the trust. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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**INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF WOOLGOOLGA BEACH  
RESERVE TRUST**

*Independence*

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

*Auditor's Opinion*

In our opinion, the financial report presents fairly, in all material respects the financial position of Woolgoolga Beach Reserve Trust as at 30 June 2014 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the financial reporting requirements of Section 32 (4) of the Crown Lands Regulation 2006.

*Basis of Accounting and Restriction on Distribution*

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Woolgoolga Beach Reserve Trust to meet the requirements of the Department of Lands and Coffs Harbour City Council as Corporate Manager of the trust. As a result, the financial report may not be suitable for another purpose

**Davies Knox Maynards**

A handwritten signature in black ink, appearing to be 'Mark Davies', written over a horizontal line.

**Mark Davies**

**Coffs Harbour**

**30 September 2014**

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## HOLIDAY PARKS TOURIST ACCOMMODATION TARIFFS 2015/2016

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### **Purpose:**

To recommend the tourist accommodation tariffs to be charged during the 2015/2016 period for Park Beach Holiday Park, Sawtell Beach Holiday Park, Woolgoolga Beach Holiday Park and Woolgoolga Lakeside Holiday Park.

### **Description of Item:**

Council, as Corporate Manager of the Coffs Coast State Park Trust and Woolgoolga Beach Reserve Trust, has continued to invest funds towards improving facilities and services at Park Beach Holiday Park and Sawtell Beach Holiday Park. Recent improvements included a new playground facility at Park Beach and new cabin installations with nine cabins at Park Beach and five cabins at Sawtell Beach. The new cabins replaced old stock and included four special accessible villas

There have also been refurbishments to existing premium villas including new furniture and painting upgrades, park improvements such as installation of a new barbeque with shelter within the eastern cabin precinct beach and a new shade sail in the pool at Park Beach. At Sawtell facility upgrades have included a new workshop and underground power upgrades. Park Beach is now AAA rated 4.5 star with cabins up to 4 star and Sawtell 3.5 star with cabins up to 4 star.

The Parks' ongoing marketing strategy has been established to continually maintain a high standard of product that meets consumer demand and expectation. This strategy was designed to ensure Parks are competitive whilst offering products to suit all customer demographics. A key element of the strategy focuses on the continual maintenance of the Parks' facilities and quality premium products to ensure repeat visitation, increased visitor nights and word of mouth bookings.

Woolgoolga Lakeside Holiday Parks have undergone various improvements and maintenance with major works completed on a new reception and night manager buildings, premium sites, retaining wall and refurbishment of four villas relocated from Park Beach. Recent upgrades at Woolgoolga Beach Holiday Park include new cabin refurbishments, signage and fencing repairs. Increased spending on Parks' facilities and cabin replacement warrants the proposed tariff increases.

The proposed tariffs (see table) focuses on increased tariffs across all products with emphasis on powered sites for short stays to offset utility service expenses (especially electricity costs) generated from powered sites. Overall this year tariff percentage increase is designed to ensure the businesses remain self-sustaining, whilst being competitive in comparison to similar parks in the local area and the wider industry. The increased tariffs are also designed to cover ongoing sustainable projects, cabin upgrades and refurbishments that will ensure our product meets consumer expectations and remains competitive against other local caravan parks.

### **Sustainability Assessment:**

- **Environment**

The parks at Park Beach, Sawtell and Lakeside operate under Plans of Management and Sustainable Improvement Strategies which provide a balance between recreational use and environmental issues. Woolgoolga Beach has a Draft Plan of Management that has recently been on public exhibition and submissions are currently being reviewed.

These plans also provide a balance between recreational use and environmental issues. Whilst tourists increase environmental pressure on the locations visited the impact is offset by a reduction in environmental pressures at their place of origin. All Parks generate funds that contribute to the environmental maintenance of the adjoining reserve system.

- **Social**

The Parks are part of the local tourism infrastructure and provide a major recreational resource. Funds generated through the holiday parks are used to maintain the greater reserve system and provide locations for social and recreational use by tourists and local residents.

- **Civic Leadership**

The two Trusts work towards achieving the outcomes set down in the Coffs Harbour 2030 Community Strategic Plan, and are consistent with the following strategies:

- LP1.1 - Develop markets around renewable energy, sustainable tourism, sustainable agriculture and fisheries, local produce, creative and clean industries
- LP1.3 - Support innovation and leadership in sustainable business practices
- LP2.2 – Encourage the provision of facilities and services which attract, create and support career opportunities for young people
- PL2.2 - Protect and expand public spaces and facilities and ensure they are accessible and safe for all.

- **Economic**

#### **Broader Economic Implications**

Through profitable trading the Parks provide a direct economic benefit to the community and, through guest spending, provide a stimulus to the localities in which they operate.

#### **Delivery Program/Operational Plan Implications**

The tariffs proposed will assist in achieving the desired financial outcomes for the business unit and all profits will be directed back into the reserve system in which the Parks operate.

### **Risk Analysis:**

Increasing tariffs can have a negative impact upon customer perceptions, especially when they no longer represent value for money or there is an absence of reinvestment into the facilities. The Parks have all had varying levels of reinvestment and received improvements to products and services. In the case of the four holiday parks, the tariff increases are commensurate with the improvements already made and those proposed for the near future.

**Consultation:**

A review of competitor pricing was undertaken and discussions were held with Board members and Park members of the NSW Caravan and Camping Industry Association.

**Related Policy and / or Precedents:**

Council reviews its fees and charges annually.

**Statutory Requirements:**

Council, as Corporate Manager of the Coffs Coast State Park Trust and Woolgoolga Beach Reserve Trust, is required to set fees and charges for the facilities within the reserves.

**Issues:**

Any increase in fees creates some reaction from patrons however the increases proposed are readily substantiated by comparison with other coastal parks in similar locations. Improvements to all Parks' products and facilities also justify increased tariffs.

Park management will continually monitor the market and remain proactive in yield management practices. Tariffs may be adjusted throughout the year based upon changing market demands.

A list of the proposed tariffs, including percentage increases, is included as an attachment.

**Implementation Date / Priority:**

2 March 2015 for a 12 month period ending 29 February 2016.

**Recommendation:**

**That Council, as Corporate Manager of the Coffs Coast State Park Trust and Woolgoolga Beach Reserve Trust, approve the Tariffs within the report for:**

- 1. Park Beach Holiday Park**
- 2. Sawtell Beach Holiday Park**
- 3. Woolgoolga Beach Holiday Park**
- 4. Woolgoolga Lakeside Holiday Park**

**and note the intent to adjust tariffs, where required, throughout the year in line with proactive yield management practices.**

Tariff Review October 2014

Park Beach	Current 14/15					Type	Proposed 15/16					% Change							
	Off Peak		High	Peak	Xmas		Weekly	Off Peak		High	Peak	Xmas	Weekly	Off Peak		High	Peak	Xmas	Weekly
	Sun-Thu	Fri-Sat						Sun-Thu	Fri-Sat					Sun-Thu	Fri-Sat				
	32.00		37.00	47.00	51.00	212.00	Unpowered Site	34.00		39.00	49.00	53.00	222.00	6.25%		5.41%	4.26%	3.92%	4.72%
	38.00		48.00	59.00	63.00	240.00	Powered Site	40.00		50.00	62.00	66.00	250.00	5.26%		4.17%	5.08%	4.76%	4.17%
47.00		57.00	67.00	74.00	293.00	Drive Through	50.00		60.00	70.00	78.00	305.00	6.38%		5.26%	4.48%	5.41%	4.10%	
55.00		64.00	75.00	79.00	336.00	Ensuite Site	58.00		67.00	79.00	83.00	350.00	5.45%		4.69%	5.33%	5.06%	4.17%	
57.00		65.00	77.00	81.00	345.00	Ensuite Drive Thru	60.00		68.00	81.00	85.00	360.00	5.26%		4.62%	5.19%	4.94%	4.35%	
8.00		9.00	10.00	10.00	48.00	Extra Person	8.00		9.00	10.00	10.00	48.00	0.00%		0.00%	0.00%	0.00%	0.00%	
82.00		90.00	99.00	141.00	152.00	527.00	Beach Cabin	86.00	94.00	103.00	147.00	158.00	545.00	4.88%	4.44%	4.04%	4.26%	3.95%	3.42%
87.00		96.00	110.00	152.00	162.00	559.00	Studio Cabin	92.00	100.00	115.00	159.00	170.00	580.00	5.75%	4.17%	4.55%	4.61%	4.94%	3.76%
9.00		10.00	12.00	12.00	54.00	Extra Person	9.00		10.00	12.00	12.00	54.00	0.00%		0.00%	0.00%	0.00%	0.00%	
120.00		137.00	163.00	228.00	244.00	775.00	Sunset Studio	125.00	143.00	170.00	238.00	256.00	808.00	4.17%	4.38%	4.29%	4.39%	4.92%	4.26%
120.00		137.00	163.00	228.00	244.00	775.00	Sunset Duplex	125.00	143.00	170.00	238.00	256.00	808.00	4.17%	4.38%	4.29%	4.39%	4.92%	4.26%
130.00		142.00	169.00	238.00	255.00	819.00	Hibiscus Villa	136.00	148.00	178.00	248.00	267.00	855.00	4.62%	4.23%	5.33%	4.20%	4.71%	4.40%
137.00		148.00	179.00	260.00	273.00	863.00	Holiday Villa	143.00	155.00	187.00	272.00	285.00	898.00	4.38%	4.73%	4.47%	4.62%	4.40%	4.06%
142.00		155.00	184.00	264.00	279.00	879.00	Sea Breeze Villa	148.00	162.00	192.00	275.00	292.00	920.00	4.23%	4.52%	4.35%	4.17%	4.66%	4.66%
147.00		159.00	198.00	282.00	300.00	937.00	Beach Villa	153.00	166.00	206.00	295.00	312.00	975.00	4.08%	4.40%	4.04%	4.61%	4.00%	4.06%
150.00		162.00	205.00	294.00	308.00	970.00	Surf Villa	157.00	169.00	215.00	308.00	322.00	1015.00	4.67%	4.32%	4.88%	4.76%	4.55%	4.64%
154.00		167.00	209.00	298.00	316.00	990.00	Summer Breeze	161.00	175.00	218.00	312.00	330.00	1045.00	4.55%	4.79%	4.31%	4.70%	4.43%	5.56%
180.00		200.00	235.00	350.00	372.00	1145.00	Ocean Villa	180.00	200.00	235.00	350.00	372.00	1145.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9.00		10.00	12.00	12.00	54.00	Extra Person	9.00		10.00	12.00	12.00	54.00	0.00%		0.00%	0.00%	0.00%	0.00%	



Sawtell Beach	Current 14/15					Type	Proposed 15/16					% Change							
	Off Peak		High	Peak	Xmas		Weekly	Off Peak		High	Peak	Xmas	Weekly	Off Peak		High	Peak	Xmas	Weekly
	Sun-Thu	Fri-Sat						Sun-Thu	Fri-Sat					Sun-Thu	Fri-Sat				
	31.00		35.00	45.00	49.00	202.00	Unpowered Site	33.00		37.00	47.00	51.00	211.00	6.45%		5.71%	4.44%	4.08%	4.46%
	36.00		47.00	58.00	62.00	230.00	Powered Site	38.00		49.00	61.00	65.00	240.00	5.56%		4.26%	5.17%	4.84%	4.35%
52.00		63.00	73.00	77.00	320.00	Ensuite Site	55.00		66.00	76.00	81.00	335.00	5.77%		4.76%	4.11%	5.19%	4.69%	
8.00		9.00	10.00	10.00	48.00	Extra Person	8.00		9.00	10.00	10.00	48.00	0.00%		0.00%	0.00%	0.00%	0.00%	
75.00	83.00	90.00	132.00	142.00	480.00	Cabin	78.00	87.00	94.00	138.00	148.00	500.00	4.00%	4.82%	4.44%	4.55%	4.23%	4.17%	
86.00	95.00	108.00	150.00	160.00	550.00	Studio Cabin	90.00	99.00	113.00	156.00	167.00	576.00	4.65%	4.21%	4.63%	4.00%	4.38%	4.73%	
93.00	100.00	130.00	170.00	190.00	605.00	Ensuite Cabin	97.00	104.00	136.00	177.00	198.00	635.00	4.30%	4.00%	4.62%	4.12%	4.21%	4.96%	
100.00	112.00	138.00	192.00	212.00	675.00	Family Cabin	104.00	117.00	144.00	201.00	222.00	699.00	4.00%	4.46%	4.35%	4.69%	4.72%	3.56%	
9.00		10.00	12.00	12.00	54.00	Extra Person	9.00		10.00	12.00	12.00	54.00	0.00%		0.00%	0.00%	0.00%	0.00%	
130.00	142.00	169.00	238.00	255.00	819.00	Hibiscus Villa	136.00	148.00	178.00	248.00	267.00	855.00	4.62%	4.23%	5.33%	4.20%	4.71%	4.40%	
142.00	155.00	184.00	264.00	279.00	879.00	Sea Breeze Villa	148.00	162.00	192.00	275.00	292.00	920.00	4.23%	4.52%	4.35%	4.17%	4.66%	4.66%	
147.00	159.00	198.00	282.00	300.00	937.00	Beach Villa	153.00	166.00	206.00	295.00	312.00	975.00	4.08%	4.40%	4.04%	4.61%	4.00%	4.06%	
150.00	162.00	205.00	294.00	308.00	970.00	Surf Villa	157.00	169.00	215.00	308.00	322.00	1015.00	4.67%	4.32%	4.88%	4.76%	4.55%	4.64%	
154.00	167.00	209.00	298.00	316.00	990.00	Summer Breeze	161.00	175.00	218.00	312.00	330.00	1045.00	4.55%	4.79%	4.31%	4.70%	4.43%	5.56%	
180.00	200.00	235.00	350.00	372.00	1145.00	Ocean Villa	180.00	200.00	235.00	350.00	372.00	1145.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
9.00		10.00	12.00	12.00	54.00	Extra Person	9.00		10.00	12.00	12.00	54.00	0.00%		0.00%	0.00%	0.00%	0.00%	
Holiday Van (Quarterly)					1100.00		Holiday Van (Quarterly)					1150.00	Holiday Van (Quarterly)					4.55%	

Long Stay Rates Site PB and SB																		
Current 13/14							Proposed 14/15						% Change					
Wk1	Wk2	Wk3	Wk4	Wk5+	4 Weeks Paid Upfront	Type	Wk1	Wk2	Wk3	Wk4	Wk5+	4 Weeks Paid Upfront	Wk1	Wk2	Wk3	Wk4	Wk5+	4 Weeks Paid Upfront
240	212	212	212	176	780	PB PS	250	222	222	222	184	815	4.17%	4.72%	4.72%	4.72%	4.55%	4.49%
336	326	326	326	290	1200	PB ES	350	342	342	342	302	1250	4.17%	4.91%	4.91%	4.91%	4.14%	4.17%
293	265	265	265	235	995	PB DT	305	278	278	278	245	1040	4.10%	4.91%	4.91%	4.91%	4.26%	4.52%
345	330	330	330	300	1245	PB ESDT	360	344	344	344	314	1305	4.35%	4.24%	4.24%	4.24%	4.67%	4.82%
230	204	204	204	170	745	SB PS	240	214	214	214	178	780	4.35%	4.90%	4.90%	4.90%	4.71%	4.70%
322	314	314	314	280	1150	SB ES	335	328	328	328	292	1200	4.04%	4.46%	4.46%	4.46%	4.29%	4.35%

WBHP	Current 13/14						Type	Proposed 14/15						% Change					
	Off Peak		High	Peak	Xmas	Weekly		Off Peak		High	Peak	Xmas	Weekly	Off Peak		High	Peak	Xmas	Weekly
	Sun-Thu	Fri-Sat					Sun-Thu	Fri-Sat	Sun-Thu					Fri-Sat					
	34.00		42.00	50.00	55.00	220.00	Powered Site	36.00		44.00	52.00	58.00	230.00	5.88%		4.76%	4.00%	5.45%	4.55%
	40.00		50.00	55.00	59.00	267.00	Drive Through	42.00		52.00	57.00	62.00	278.00	5.00%		4.00%	3.64%	5.08%	4.12%
	8.00		8.00	10.00	10.00	48.00	Extra Person	8.00		8.00	10.00	10.00	48.00	0.00%		0.00%	0.00%	0.00%	0.00%
	75.00	82.00	101.00	149.00	162.00	498.00	Studio/ Van	78.00	86.00	106.00	155.00	170.00	520.00	4.00%	4.88%	4.95%	4.03%	4.94%	4.42%
	95.00	101.00	115.00	184.00	198.00	600.00	Cabin	100.00	106.00	120.00	192.00	205.00	625.00	5.26%	4.95%	4.35%	4.35%	3.54%	4.17%
	106.00	118.00	138.00	208.00	226.00	640.00	Deluxe Studio	111.00	124.00	144.00	218.00	234.00	665.00	4.72%	5.08%	4.35%	4.81%	3.54%	3.91%
	119.00	131.00	145.00	228.00	246.00	760.00	Surfside Cabin	125.00	137.00	152.00	237.00	256.00	800.00	5.04%	4.58%	4.83%	3.95%	4.07%	5.26%
129.00	142.00	155.00	236.00	254.00	830.00	Beach View	135.00	148.00	162.00	247.00	264.00	875.00	4.65%	4.23%	4.52%	4.66%	3.94%	5.42%	
148.00	162.00	202.00	285.00	300.00	950.00	Ocean View Villa	155.00	170.00	211.00	298.00	316.00	1000.00	4.73%	4.94%	4.46%	4.56%	5.33%	5.26%	
8.00		8.00	10.00	10.00	48.00	Extra Person	8.00		8.00	10.00	10.00	48.00	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%

WLHP	Current 13/14						Type	Proposed 14/15						% Change					
	Off Peak		High	Peak	Xmas	Weekly		Off Peak		High	Peak	Xmas	Weekly	Off Peak		High	Peak	Xmas	Weekly
	Sun-Thu	Fri-Sat					Sun-Thu	Fri-Sat	Sun-Thu					Fri-Sat					
	28.00		31.00	43.00	46.00	170.00	Unpowered Site	30.00		33.00	45.00	48.00	180.00	7.14%		6.45%	4.65%	4.35%	5.88%
	34.00		42.00	50.00	55.00	220.00	Powered Site	36.00		44.00	52.00	58.00	230.00	5.88%		4.76%	4.00%	5.45%	4.55%
	36.00		45.00	52.00	57.00	230.00	Ocean View Sites	38.00		47.00	55.00	60.00	240.00	5.56%		4.44%	5.77%	5.26%	4.35%
	8.00		8.00	10.00	10.00	48.00	Extra Person	8.00		8.00	10.00	10.00	48.00	0.00%		0.00%	0.00%	0.00%	0.00%
	105.00	118.00	136.00	163.00	175.00	678.00	Lakeview Cabins	110.00	123.00	142.00	171.00	182.00	706.00	4.76%	4.24%	4.41%	4.91%	4.00%	4.13%
	108.00	120.00	140.00	168.00	178.00	690.00	Banksia	114.00	126.00	146.00	176.00	188.00	720.00	5.56%	5.00%	4.29%	4.76%	5.62%	4.35%
	119.00	131.00	145.00	228.00	246.00	760.00	Waterview Villas	130.00	142.00	155.00	240.00	260.00	800.00	9.24%	8.40%	6.90%	5.26%	5.69%	5.26%
8.00		8.00	10.00	10.00	48.00	Extra Person	8.00		8.00	10.00	10.00	48.00	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%

<b>Long Stay Rates WB and WL</b>																		
<b>Current 13/14</b>						<b>Type</b>	<b>Proposed 14/15</b>						<b>% Change</b>					
Wk1	Wk2	Wk3	Wk4	Wk5+	4 Weeks Paid Upfront		Wk1	Wk2	Wk3	Wk4	Wk5+	4 Weeks Paid Upfront	Wk1	Wk2	Wk3	Wk4	Wk5+	4 Weeks Upfront
220	196	196	196	160	698	<b>WB PS</b>	230	205	205	205	168	730	4.55%	4.59%	4.59%	4.59%	5.00%	4.58%
220	196	196	196	160	698	<b>Lake PS</b>	230	205	205	205	168	730	4.55%	4.59%	4.59%	4.59%	5.00%	4.58%
230	204	204	204	170	745	<b>Lake OV</b>	240	214	214	214	178	780	4.35%	4.90%	4.90%	4.90%	4.71%	4.70%

**Other Fees and Charges**

Item	Location	Current 14/15	Proposed 15/16
Washing Machines	All	\$4.00	\$4.00
Dryers	All	\$4.00	\$4.00
Key Bond	All	\$20.00	\$20.00
TV Cable Bond	All	\$10.00	\$10.00
Discount Group 10+	All	10%	10%
Discount Group 5-10	All	5%	5%
Hall Hire	PB	\$100/\$150	\$100/\$150
Hall Hire	SB	\$20	\$20
Tennis Equipment Hire	SB	\$5.00	\$5.00
Internet Hour	PB & SB	\$5.00	\$5.00
Internet 1/2 Hour	PB & SB	\$3.00	\$3.00
Internet 1/4 Hour	PB & SB	Free	Free
Cot Hire	All	\$10	\$10
Hair Dryer Bond	All	\$10	\$10
Iron Bond	All	\$10	\$10
Ironing Borard Bond	All	\$5	\$5

**New Tariff Period Dates**

Value		Shoulder		Holiday		Christmas	
From	To	From	To	From	To	From	To
2/03/2015	2/04/2015	7/04/2015	18/04/2015	3/04/2015	6/04/2015	26/12/2015	1/01/2016
20/04/2015	18/09/2015	19/09/2015	5/10/2015	19/12/2015	25/12/2015		
6/10/2015	18/12/2015	16/01/2016	26/01/2016	2/01/2016	15/01/2016		
27/01/2016	29/02/2016						

1. All tariffs include GST. After 27 days no GST is payable and the tariff is reduced accordingly
2. Group booking rates by negotiation
3. Promotional package rates as appropriate
4. Discounts may be given for commercial reasons within delegations
5. Commissions payable by negotiation

**Group Camping Per Person**

Product	Current	Proposed
Unpowered Camping	12	15
Cabins	34	34

**VIP Card**

10% Discount up to \$30 Value

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## **ENVIRONMENTAL LEVY PROJECTS QUARTERLY REPORT TO 30 SEPTEMBER 2014**

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### **Purpose:**

To provide Council with a quarterly status report to 30 September 2014 on the projects funded under the Environmental Levy (EL) Program.

### **Description of Item:**

A description of the status of the EL Program as at 30 September 2014, including total funding against actual expenditure is included as an attachment to this report.

### **Sustainability Assessment:**

- **Environment**

The entire EL Program is designed to ensure that environmental strategies (as outlined within the Coffs Harbour 2030 Plan) are addressed. All projects recommended for funding will result in beneficial outcomes for the environment of the Coffs Harbour Local Government Area (LGA).

- **Social**

The criteria used in assessing EL submissions include:

- generating a community benefit;
- meeting a critical environmental need; and
- being community-based.

Many projects included in the program are undertaken by community groups.

- **Civic Leadership**

Council's EL Program seeks to promote sound environmental practices and promotes leadership and involvement in key environmental issues which accords with Council's strategic theme of 'Looking after our Environment'.

- **Economic**

#### **Broader Economic Implications**

The EL Program funds environmental projects that would not otherwise be undertaken with revenue funding.

#### **Delivery Program/Operational Plan Implications**

The EL Program is funded through a special rate and is accounted for separately, therefore there is no impact on Council's Delivery Program.

### **Risk Analysis:**

Each individual project will have individual risk profiles which will be considered by the project owners.

### **Consultation:**

Council staff and relevant community groups have contributed individual reports which have been collated to prepare this report.

### **Related Policy and / or Precedents:**

Submissions are assessed in accordance with Council's *Environmental Services – Associated Policies*, which was adopted on 12 June 1997 and re-adopted on 23 May 2013. Council's Executive Leadership Team receives quarterly reports on the status of EL Projects throughout the year.

### **Statutory Requirements:**

The Ministerial approval for a special rate variation was obtained in June 1997 in accordance with the provisions of Section 508 (2) of the *Local Government Act 1993*.

Projects worthy of particular comment are:

#### **1. *Developing and Fostering a Sustainable Environment and Community through a Bio-diverse Community Garden***

Over 100 people attended three workshops at the Coffs Regional Community Garden (CRCG) this quarter: 'Edible Plants of the Coffs Region', 'Successful composting and nutrient recycling' and 'Natural Pest and Disease Control'.

Naranga Primary School brought year 1 and 2 students to the garden. The children were delighted to see the garden animals and they asked many questions about the garden. Four year 11 students from Jetty High School completed work experience at the garden. The students gained experience caring for the animals, making compost, planting seedlings, working in the nursery and identified some plant species. On average around ten new people visit the garden each week.

CRCG successfully completed a community service order with a young offender through the Juvenile Justice (JJ) system. He was a great worker and helped out on many of the building projects and with the animal maintenance. We have recently taken on a new JJ client; she is only 14 years old and has been in attendance for the past three weeks and so far is helping out with the animals and seed saving activities.

The 'Work for the Dole' program at the CRCG is providing clients with the opportunity to learn new skills and gain firsthand experience in many facets of horticulture, nursery production, animal care and interpersonal skills. The program allows for greater work to be done on the garden than actual members could do.

The project coordinator has drafted a new promotional garden flyer for the CRCG. This is an A4 double sided, three folded leaflet that outlines the attractions of the garden and provides information for potential new members to decide whether to join the garden. Fortnightly newsletters are sent to around 460 members and subscribers. These newsletters promote the scheduled workshops and provide updates about all the happenings and new projects at the garden. New articles on the CRCG website have seen visitors to the website increase from around 150 a day in July to now over 4,000 a day.

Currently 20 of the 26 private garden plots are being leased and there are around 45 paid members. CRCG expects that this will grow to well over 100 by the end of this current year.

## **2. Aquatic Biodiversity Survey and Baseline Mapping of Freshwater Crayfish and Aquatic Species of the MNC**

The final completed report 'Aquatic Biodiversity Survey and Baseline Mapping of Freshwater Crayfish and Aquatic Species of the Coffs Harbour City Council Local Government Area (CHCC LGA) - Coastal Strip' has been submitted to Council. The main report and summary guide to freshwater fish, crayfish and invertebrates of the Coffs Harbour coast area and attached photographs are pending webpage creation. The material submitted to Council is of a very high standard and has provided a rare insight to the rich diversity of the aquatic environments associated with our coastal streams of the Coffs Harbour Local Government Area. This project is now complete.

## **3. Project Status Report as at 30 September 2014:**

Funding available from the EL Program to 30 September 2014 is summarised as follows:

Details	Year of Allocation of Funds				
	2009-10 \$	2012-13 \$	2013-14 \$	2014-15 \$	Total \$
Environmental Levy funds available	27,553	58,244	146,940	1,244,371	1,477,108
<b>Expenditure to 30 September 2014</b>	<b>27,553</b>	<b>19,697</b>	<b>67,606</b>	<b>404,268</b>	<b>519,124</b>
Remaining EL funds	0	38,547	79,334	840,103	957,984

### **Issues:**

#### **1. 2009-10 Funding**

##### ***West Coffs to CBD Cycleway (Stage 1)***

The consulting structural engineers' design certification has been completed. Bridge construction works were not carried out in August 2014; however, the works will be programmed in the next few months.

#### **2. 2012/13 Funding**

##### ***2.1. The Koala Plan of Management (KPOM) – Implementation***

The NSW Planning and Infrastructure legislative framework and issues attributed with State Environmental Planning Policy - 44 Koala Habitat operations as reported to Council are now with the Minister for Planning & Environment for resolution. The Koala Survey and Habitat Assessment is now being finalised for the Northern Precinct with comment expected from project partners on the delivery of the layers by February 2015. The drafting of recommendations and methodologies and applying for endorsement of the KPOM Project Plan by the required Director-General of NSW Department of Planning & Environment and Office of Environment & Heritage is complete and awaiting consultation with project partners. The consultant brief for the survey of the Southern and Western Precincts is complete and is pending funding outcomes after the finalisation of the mapping for the Northern Area.

## **2.2. *Buluunggal (Coffs Creek) Interpretive Bush Tucker Trail***

Signs have been ordered for the bush tucker walk itself that are being funded by the Environmental Trust. The main signs funded by the Environmental Levy have been designed and are at the last stages of being developed prior to having them made. A local artist along with approximately 35 school children have contributed to the signs. Sign design is with Council after consultation with Elders at a meeting at Council offices on 23 September. The expected completion date is early 2015.

## **3. 2013/14 Funding**

### **3.1. *Orara River Restoration Project***

Structural erosion control works have been completed at Cochran's Pool and in the Old Skewes Quarry Reach. Weed control has commenced.

### **3.2. *Shorebirds of the Coffs Coast - Signage and Brochures***

The signs have been made and delivered. The final payment was made by Council and BirdLife Australia forwarded its remaining contribution to Coffs Harbour City Council. The exact location and installation of signs needs to be determined but can proceed as soon as that is completed.

### **3.3. *Strategic Planning – Biodiversity***

The Landscape Corridors of the Coffs Harbour Local Government Area is currently on public exhibition until 7 December 2014. It is expected the Corridors' report and mapping will be finalised at the last Council meeting of 2014 or the first meeting of 2015. This will finalise the 'science-based' layers before building the composite Terrestrial Biodiversity Assets layer, the pre-cursor to the Priority Habitats and Corridors Strategy (PHACS).

### **3.4. *Green School Sustainability Fund***

A total of 18 local schools and centres were awarded funding from the 2013/14 round of Green Schools, of these 17 schools and centres completed their projects.

### **3.5. *Darkum Headland Access Rehabilitation***

In-kind weed control works have been undertaken by Darkum Landcare and the Yarrawarra Aboriginal Corporation Green Team under the guidance of National Parks & Wildlife Services (NPWS). Construction of Stage 1 beach access stairs / ramp has been completed.

## **4. 2014/15 Funding**

### **4.1. *Culturally Significant Landscapes of the Coffs Harbour LGA***

The first component of the Culturally Significant Landscapes project involved the review of Local Environmental Plan clauses and implementation of planning controls for Indigenous Cultural Heritage considerations under the Development Control Plan (DCP). The DCP is currently under review and now contains draft provisions for the consideration and management of indigenous cultural values in the landscape.

Contact with Office of Environment & Heritage has been undertaken in regards to development of a Joint Project Plan to develop resources to aid in the strategic planning and development consideration processes. These resources will aim to clarify and appoint more specific conservation mechanisms and identify any issues with current management. The next stage is the preliminary aboriginal community consultation in regards to how and what they see as the way forward for Council and this project. The works conducted to date have been done in-kind from Office of Environment & Heritage planning and cultural divisions; this has reduced costs to the actual project funding and increases consultation resources.

#### **4.2. Wildlife Support**

A coordinators' gathering on 4 October 2014 reviewed the funding and allocated expenditure. A fruit cutting machine has been purchased for the flying fox crèche at a total cost of \$2,302.30, of which \$800.00 was covered by the Environmental Levy.

#### **4.3. Impacts on Fresh Water Systems**

All macro-invertebrate identification is up to date. Korora Lagoon report is being written up. Leaf toughness test - 80 samples are in Dingo Creek. Monthly monitoring of Coffs Creek continues. Temperature loggers have been changed and downloaded.

#### **4.4. Remote Camera Surveys Ground Mammals of Coffs Harbour Hinterland**

Cameras have been sourced and checked for field readiness. Contact has been made by email, post or telephone with owners and managers of land deemed desirable for remote camera survey as part of this project. Planned survey sites have been collated to a spreadsheet. Several landowners have expressed a high level of interest and a desire to be involved in the surveys on their land; this is considered a positive contribution to community capacity. Remote cameras have been set at three sites (nine cameras in all). This amounts to 25% of the total of 12 sites (three cameras per site) as outlined in the project proposal. Three cameras have been collected from one site. This amounts to 8% of the total of 12 sites as outlined in the project proposal. Results of completed surveys have been collated ready for inclusion in a final report.

#### **4.5. Orara River Restoration Project**

OVRGMC has met monthly to oversee the project. In spring major efforts have been directed at weed eradication for cats' claw, tropical soda apple, camphor laurel and privet. Bush regeneration work including revegetation planting and site maintenance has continued. Older sites are now showing signs of self-maintenance where regenerated bush is now controlling weed growth. Over 40 sites were addressed this quarter. After six years the former project officer left in July, with the new project officer commencing in October.

#### **4.6. Conservation and Sustainable Management of Biodiversity**

Various Environmental Levy contracts are being managed by the Biodiversity section which is contributing to the overall strategic planning framework detailed in Council's Biodiversity Action Strategy. Specifically, Council has adopted the High Value Arboreal Habitat, Koala habitat mapping and has endorsed the Landscape Corridor mapping for public exhibition. The Significant Tree Survey will be finalised following completion of the landscape corridors' body of work to prevent confusion between these two studies. The Cultural Heritage report and map is the subject of a separate Environmental Levy study.



#### **4.7. Marine Estate Agents - SIMP School Environment Awards**

The Marine Estate Agent resource materials (Passport and Teacher Resource Guide) have been written and are currently being reviewed and pending approval. Once approved the Passport will be sent to the designer to develop the graphics and associated content in the next quarter.

#### **4.8. Green School Sustainability Fund**

Research has been undertaken for the establishment of the Coffs Sustainable Schools Network, resulting in extremely positive feedback. Of 39 survey respondents, 86.84% indicated there is a need for a Sustainable Schools Network in Coffs Harbour, particularly within the primary school tier (48.72%). A discussion paper has been produced to evaluate not only the need for the network, but also how the network will be established and implemented. The 2014/15 round of Green Schools funding will be opened for applications in October/November, with successful schools and centres to begin their projects in January 2015.

#### **4.9. Coffs Ambassadors Interpretive Tours**

This quarter 155 residents and tourists attended one of the 12 Coffs Ambassadors walking, cycling and garden tours of the Coffs Harbour LGA. The Coffs Ambassadors volunteer tour guides educated these people about our high biodiversity values and encouraged them to undertake everyday actions to help protect our biodiversity and live more sustainably. The tour assessment and mentoring project has commenced to ensure tours continue to meet Work Health & Safety (WH&S) standards and deliver educational and behaviour change outcomes, with audits of five tours undertaken by the National Parks & Wildlife Service (NPWS) Discovery Coordinator. The Spring tour program was developed and promoted to the community via the *Our Living Coast* e-newsletters and Facebook page; the tour poster that is distributed to all caravan parks, resorts, visitor information centres and libraries; an advertisement in the Coffs Coast *Focus* magazine and a stall at the Coffs Harbour Seniors Expo.

#### **4.10. Coffs Coast Sustainable Living Festival**

The planning for this year's Coffs Coast Sustainable Living Festival is well underway. Once again Council has partnered with community groups to support them in holding 'green' activities across the region. This approach enables the Festival to continue to grow across the region within the limited resources available. The Festival is running from 2-9 November, with special guests Clayton Donovan and the Coffs Coast Climate Action group, both at the Botanica Spring Fair and various other community events during the week. Expenditure has primarily been marketing and in-kind staff time in the last quarter, however expenditure will increase significantly over the next quarter. Challenges faced include the double booking of the Festival's favourite face Costa Georgiadis; however the Festival will now take on a solely local focus and feature local indigenous chef Clayton Donovan and a host of other local speakers.

#### **4.11. Environmental Levy Coordination**

The 2014 end of year EL report to Council including revotes was finalised and applicants were notified of approval for their revotes. New 2014/15 quarterly report forms for applicants to use were completed and forwarded in time for September reporting. The 2014/15 financial spreadsheet was created and monitoring has been completed monthly. The coordinator organised and held a meeting with the working group to update the 2015/16 application form, and minutes were completed and sent out.

Internal staff were advised that concepts for the 2015/16 EL Program was open and due by 17 October with applications for approved concepts due with external applications by 12 December.

#### ***4.12. Matching Grant Funding Pool***

There are total funds of \$31,964 available towards grant applications for matching funds, made up of revote of \$26,846 approved by Council and current year funds of \$5,118. \$8,000 was applied for on behalf of the Woolgoolga Community Garden Group in July 2014 to strengthen their grant application. The EL working group supported the application and if the grant is approved this amount will reduce this budget. The balance remains for matching future grants.

#### ***4.13. Boambee Beach Bush Revegetation and Bush Regeneration at Jetty Foreshore and North Boambee Beach***

No work has been started at the Boambee site by the 30 September as the current contractor was only given the work after this date. On the Jetty Foreshore's site two spray runs were undertaken over the entire site from Coffs Creek to the southern end of the Jetty Beach. The first using glyphosate, targeting weed grasses (eg Rhodes grass, guinea grass, Parramatta grass, Johnson's grass, barley grass and winter grass). The second using metsulfuron methyl, targeting everything else including emerging turkey rhubarb and climbing nightshade seedlings, and a wide array of annual weeds. Volunteers were assisted and supervised to harvest many hundreds of turkey rhubarb tubers as well as mother of millions and mile-a-minute. Morning glory, Madeira vine and Siratro were also targeted for manual removal.

A regular spray regime has been disrupted by strong winds on many days but these become opportunities to catch up on manual weeding. Turkey rhubarb remains a threat for this site; however strategic persistent focus is having positive results in some areas.

#### ***4.14. Koala / Wildlife Corridor Bakker Drive Reserve Bonville Stage 1***

First stage of Camphor laurel weed tree removal has commenced. Working bees with the support of Council's Bush Regeneration Team were undertaken in August and September.

#### ***4.15. Supporting Community Action in the Coffs Harbour LGA***

Support has been given to 37 Landcare volunteers with 41 hours of onsite training at 12 sites. Fourteen new Landcare members have been signed up. The establishment of two new Landcare sites has been facilitated at Sawtell Dunes and Tree Fern Creek, west of the Pacific Highway. Contractors have undertaken 85 hours of weed control work across approximately 14 hectares to support volunteers in their land caring activities. Due to receiving EL funds \$20,000 less than required, several areas of the project have been cut, including tree removal at Club Coffs, Chemcert training of volunteers and materials for the Indian Mynah Bird project. Landcare sites have contributed \$3,810 of 'start-up funds' towards on-ground works to ensure that all support at sites can proceed. Project is on time.

#### **4.16. Yarrawarra Giriin Team - Bush Regeneration**

First quarter works has focused on identifying natural processors, site assessment, setting up monitoring points and weed management techniques to suit the timeframe of the project. The team of four Giriin and one EnviTE supervisor have started rebuilding complex ecosystems following weed disturbances across three sites. Mulching to suppress weeds at Woolgoolga Headland, follow-up weed control at Sherwood Nature Reserve and primary knockdown at Darkum Headland were completed. These sites have threatening processes that require rehabilitation and so far have identified different strategies to enhance on ground skill development in bush regeneration for the team.

#### **4.17. Coffs Harbour Community Seedbank Network**

Since 1 July 2014 the Coffs Harbour Community Seedbank Network has collected a total of 20 batches of seeds consisting of 18 species native to the Coffs Harbour Catchment area. Orders have been received from and delivered to the Woolgoolga Landcare Nursery, CHCC Nursery, CHCC Bush Regeneration Team, Sawtell Primary School, Steiner School, Naranga School and Wetland Care Australia. The total of all seed delivered is 1,873.12g with an estimated 8,780 native plants being replanted. Currently the seed bank is holding 78 batches of seeds from 49 plant species which are sorted, stored and delivered within the Flora Bank Guidelines to provide the highest viability for each seed type.

#### **4.18. Bushland Regeneration**

Priority weed control and revegetation works have been undertaken across 22 reserves with 783 native plants planted. Four Landcare sites were assisted with two new Landcare sites commenced. One school was assisted with planting on public lands.

#### **4.19. Environmental Weed Control**

Bitou Bush control works have been undertaken at Boambee Headland. Camphor laurel control works and revegetation was undertaken across ten reserves. Privet control works were undertaken across nine reserves. Vine weeds control was undertaken across nine reserves.

#### **4.20. Diggers Headland and Sapphire Beach Path Upgrades**

A Review of Environmental Factors (REF) has been completed by National Parks & Wildlife Services (NPWS) and is awaiting approval prior to works being able to commence.

#### **4.21. Botanic Gardens Education Officer**

There have been a total of 570 school children that visited the Gardens on excursions. The school holiday program included a natural materials' weaving workshop and a gift box making and seed collection workshop. Two children's workshops were undertaken in the September holidays, which were poorly attended, so funding to market future programs and improve attendance will be explored. Work is ongoing on the 'early settlers walk'. The Ausbiota program has been reviewed with a view of modifying delivery for next year.

**4.22. Woolgoolga Beach Rehab Project**

This project is due to start in January 2015 and to be completed by June 2015 as per the original work plan. This project is still awaiting approval from NSW Office of Environment & Heritage - Coastal Management Program.

**4.23. Restoration of Grey-headed Flying Fox Maternity Camps**

Counting of both camps undertaken in August indicate that the population of the Woolgoolga camp is still relatively stable compared to the previous counts. Counts at the Coffs Creek camp show a small reduction in numbers from those from the same period the previous year. Works within the first quarter of the year have concentrated on follow up weed control in and around the core areas of both camps, in accord with the Part 5 environmental assessment. Council is working with WIRES and the NSW Office of Environment & Heritage to progress a heat stress management protocol.

**Implementation Date / Priority:**

The Environmental Levy projects will continue to be monitored to ensure their implementation.

**Recommendation:**

**That Council notes the status of the Environmental Levy Projects as at 30 September 2014 as outlined in the report.**

ENVIRONMENTAL LEVY SUMMARY AS AT		30/09/14									
Description	Applicant	EL Funding			2014/15 Original	Revenue Orig/Revise	Contributions		TOTAL FUNDING	Actual	
		2009/10 Revote	2012/13 Revote	2013/14 Revote			Orig/Revise	Revote		Expenditure at 9/30/2014	Remaining Funding
Culturally Significant Landscapes of the CH LGA	R Binskin				35,000.00				35,000.00	0.00	35,000.00
Wildlife Support	Wires MNC				8,800.00				8,800.00	8,800.00	0.00
Koala Plan of Management 2014 - Implementation	R Binskin		55,000.00						55,000.00	16,452.78	38,547.22
Impacts on Fresh Water Systems	Judy Davies				2,000.00				2,000.00	0.00	2,000.00
Remote Camera Surveys Ground Mammals of CH H'Land	NPWS				12,000.00				12,000.00	0.00	12,000.00
Orara River Restoration Project	OVRGMC				130,000.00		50,000.00		180,000.00		
Erosion Control / Fencing revote 13/14				20,000.00					20,000.00	20,000.00	0.00
Camphor/Privot Control & Regen revote 13/14				27,609.00					27,609.00	18,643.71	8,965.29
Erosion Control / Fencing									0.00	11,110.00	-11,110.00
Project Officer									0.00	2,437.56	-2,437.56
Cats Claw Eradication									0.00	0.00	0.00
Propagation Nursery at Nana Lane									0.00	4,235.00	-4,235.00
Camphor/Privot Control & Regen									0.00	0.00	0.00
Reveg / Tree Planter									0.00	0.00	0.00
Vertebrate Pests Management Strategy Implementation	R Binskin				0.00	329.75			329.75	329.75	0.00
Conservation & Sustainable Management of Biodiversity	N Cotsell				215,270.00				215,270.00	49,067.46	166,202.54
Aquatic Biodiversity Survey & Baseline Mapping of Freshwater Crayfish & Aquatic Species of the MNC	R Binskin			2,000.00					2,000.00	2,000.00	0.00
Shorebirds of the Coffs Coast - Signage & Brochures	BirdLife Aust			1,534.00					1,534.00	-558.64	2,092.64
Strategic Planning - Biodiversity	N Cotsell			12,309.00					12,309.00	0.00	12,309.00
Marine Est Agents - SIMP School Env Awards	DPI				5,265.00				5,265.00	0.00	5,265.00
Develop a Sustainable Env thru a Biodiverse Community Garden	CHR Comm Garden				13,000.00				13,000.00	13,000.00	0.00
Green School Sustainability Fund 1314 revote	K Fikkers			19,642.00					19,642.00	17,692.18	1,949.82
Green School Sustainability Fund	K Fikkers				51,616.00				51,616.00	1,456.61	50,159.39
	E Van										
Coffs Ambassadors Interpretive Tours	Schellebeck				42,482.00				42,482.00	10,436.30	32,045.70
Coffs Coast Sustainable Living Festival	K Fikkers				30,000.00				30,000.00	2,361.36	27,638.64
Environmental Levy Coordination	B Dart				64,059.00				64,059.00	15,652.84	48,406.16
Matching Grant Funding Pool	B Dart			26,846.00	5,118.00				31,964.00	0.00	31,964.00
Boambee Beach Bush Reveg & Bush Regeneration at Jetty FS & Boambee Beach	Jetty Dunecare				36,400.00				36,400.00	36,400.00	0.00
Koala / Wildlife Corridor Bakker Dr Res Bonville Stage 1	FOP BD				6,750.00				6,750.00	541.68	6,208.32
Supporting Community Action in the Coffs Harbour LGA	CHRLC				155,000.00				155,000.00	155,000.00	0.00
Yarrowarra Giriin Team - Bush Regeneration	Envite				19,671.00				19,671.00	4,916.00	14,755.00
Coffs Harbour Community Seedbank Network	Envite				9,982.00				9,982.00	1,982.00	8,000.00
Bush Regeneration	J Holmes				207,618.00				207,618.00	61,832.95	145,785.05
Environmental Weed Control	J Holmes				106,090.00				106,090.00		106,090.00
Bitou Bush									0.00	2,020.78	-2,020.78
Camphor Laurel Removal									0.00	1,178.48	-1,178.48
Privet									0.00	5,651.80	-5,651.80
Glory Lily									0.00	0.00	0.00
Pine/Celtis/Pepper Tree									0.00	0.00	0.00
Vine Weeds									0.00	9,040.96	-9,040.96
Buluunggal (Coffs Creek) Interpretive Bush Tucker Trail	CHDLALC		3,244.45						3,244.45	3,244.45	0.00
Sapphire Beach Path Upgrade	J Holmes				22,500.00		20,250.00		42,750.00	0.00	42,750.00
Diggers HeadLand Path Upgrade	J Holmes				9,750.00		9,750.00		19,500.00	0.00	19,500.00
Botanic Gardens Education Officer	I Corbett				16,000.00				16,000.00	1,969.90	14,030.10
Darkum Headland Access Rehabilitation	J Holmes			37,000.00				37,000.00	74,000.00	18,540.82	55,459.18
West Coffs to CBD Cycleway (Stage 1)	G Stulle	27,553.00							27,553.00	28,882.02	-1,329.02
Coffs Bike Plan	A Shearer								0.00	0.00	0.00
Woolgoolga Beach Rehab Project	M Robertson				10,000.00				10,000.00	0.00	10,000.00
Restoration of Grey-headed Flying Fox Maternity Camps	S Stewart				30,000.00				30,000.00	5,177.78	24,822.22
<b>TOTAL</b>		27,553.00	58,244.45	146,940.00	1,244,371.00	329.75	80,000.00	37,000.00	1,594,438.20	529,496.53	884,941.67

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## **COUNCIL MEETING DATES - 2015**

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### **Purpose:**

To seek Councillors' confirmation to set Council's meeting dates for the period January 2015 to December 2015.

### **Description of Item:**

Council's policy provides for meeting dates to be scheduled on the second and fourth Thursday each month commencing at 5.00 pm. Some conflicting dates arise throughout the year once public holidays are gazetted and other special events are made known, eg ALGA and LGSA.

### **Sustainability Assessment:**

The adoption of meeting dates poses no sustainability issues.

### **Consultation:**

Consultation has taken place with the senior Executive Team.

### **Related Policy and / or Precedents:**

Council's policy is to meet on the second and fourth Thursday of each month at 5.00 pm. Council has changed meeting dates by resolution as the need has arisen.

### **Statutory Requirements:**

Section 365 of the Local Government Act provides for Council to meet at least ten times a year in different months.

### **Issues:**

In 2006 it was resolved to hold one Council meeting in December. It is recommended that one meeting also be held in December 2015, being Thursday 17 December.

Council has a well established precedent of having a recess during January. For the coming period, Thursday 12 February 2015 would be the first meeting for the New Year.

That there be only one meeting scheduled in April due to the Easter public holidays.

That there be only one meeting scheduled in September due to the World Rally Championship.

Meetings scheduled on 9 July and 24 September fall within the school holidays. No provision to change these dates has been made.

### **Implementation Date / Priority:**

Subject to Council's final resolution, quarterly advertisements and a media release will be issued to advise the community.

**Recommendation:**

1. That no Council meetings be scheduled for January 2015.
2. That the first meeting in 2015 be scheduled for 12 February 2015.
3. That meetings from February to November 2015 be scheduled on the second and fourth Thursday of each month with the exception of April, where only one meeting will be held 23 April, and September, where only one meeting will be held on 24 September 2014.
4. That the last Council meeting for 2015 be held on 17 December.

**COFFS HARBOUR CITY COUNCIL  
COUNCIL MEETING DATES - 2015**

<b>JANUARY 2015</b> - No Council Meetings	<b>MAY 2015</b> Thursday 5.00pm 14 - Ordinary Thursday 5.00pm 28 - Ordinary	<b>SEPTEMBER 2015</b> Thursday 5.00pm 24 - Ordinary
<b>FEBRUARY 2015</b> Thursday 5.00pm 12 - Ordinary Thursday 5.00pm 26 - Ordinary	<b>JUNE 2015</b> Thursday 5.00pm 11 - Ordinary Thursday 5.00pm 25 - Ordinary	<b>OCTOBER 2015</b> Thursday 5.00pm 8 - Ordinary Thursday 5.00pm 22 - Ordinary
<b>MARCH 2015</b> Thursday 5.00pm 12 - Ordinary Thursday 5.00pm 26 - Ordinary	<b>JULY 2015</b> Thursday 5.00pm 9 - Ordinary Thursday 5.00pm 23 - Ordinary	<b>NOVEMBER 2015</b> Thursday 5.00pm 12 - Ordinary Thursday 5.00pm 26 - Ordinary
<b>APRIL 2015</b> Thursday 5.00pm 23 - Ordinary	<b>AUGUST 2015</b> Thursday 5.00pm 13 - Ordinary Thursday 5.00pm 27 - Ordinary	<b>DECEMBER 2015</b> Thursday 5.00pm 17 - Ordinary
<b>PUBLIC FORUM</b> A public forum is held on the second Meeting of each month at 5.00pm. Four days' notice is required. Members of the public cannot address Council on the same topic more than once in a six months period. Members of the public are invited to address Councillors. Enquiries should be directed to the Executive Assistant to the Mayor.		



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## **TENDER: SUPPLY, SERVICE AND LAUNDERING OF LINEN FOR COFFS COAST HOLIDAY PARKS - CONTRACT NO. RFT- 649-TO**

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### **Purpose:**

To report on tenders received for the Supply, Service and Laundering of Linen for Coffs Coast Holiday Parks and to gain Council approval for the appointment of a single contractor to service all parks.

### **Description of Item:**

Council called open tenders with a Schedule of Rates, for the Supply, Service and Laundering of Linen for the Coffs Coast Holiday Parks that closed at 3.30 pm on Tuesday, 30 September 2014. Tenders were advertised in *The Sydney Morning Herald* and the *Coffs Coast Advocate* newspaper as well as being available online via Council's electronic Tenderlink Portal.

Tenders were evaluated on the following criteria:

- Tender Price
- Ability to monitor, maintain and restore shelf levels
- Quality of linen provided
- Tenderers ability to service the contract.

Tenders were received from Bains Laundries (Coffs Harbour, NSW).

### **Sustainability Assessment:**

- **Environment**

The operation of tourist businesses that supply linen to the consumer has an impact upon the environment during the laundering process. The Coffs Coast State Park Trust and Woolgoolga Beach Reserve Trust offset this by providing funds, through revenue generated by holiday park operations, towards the environmental management of areas within the Trusts.

- **Social**

Coffs Coast Holiday Parks provide a social hub for visitors to the Coffs Coast. Revenue generated through holiday park operations is used to provide and maintain social and recreational facilities and services within the two Trusts.

- **Civic Leadership**

The operation of the holiday parks is consistent with the following 2030 strategies:

- LP 1.1 Promote opportunities around renewable energy, sustainable tourism, sustainable agriculture and fisheries, local produce, creative and clean industries
- PL 2.2 Provide public spaces and facilities that are accessible and safe for all.

Coffs Harbour City Council operates a diversified procurement system and has set the standards for minimising the risks to the expenditure of public funds. Businesses contracted by Coffs Harbour City Council must provide Public Liability, Personal Sickness and/or Workers Compensation Insurances.

- **Economic**

**Broader Economic Implications**

The Coffs Coast Holiday Parks are part of the broader tourism industry on the Coffs Coast which provides far reaching economic benefit to the community. The Supply, Service and Laundering of Linen for Coffs Coast Holiday Parks provides ancillary employment to the tourism industry and has positive flow on benefits for the local economy.

**Delivery Program/Operational Plan Implications**

There are no impacts upon the Delivery Program/Operational Plan as the Holiday Park businesses are fully self-funding and no Council funds are expended on the operation of the businesses.

**Risk Analysis:**

The inherent risks with this type of operational investment have been ameliorated through comprehensive business planning and the residual risk will be regularly monitored as part of the holiday parks standard business practices.

**Consultation:**

During the preparation of the Tender Coffs Coast Holiday Parks Operations Supervisors were consulted as was the Coffs Harbour City Councils Manager Purchasing and Manager Contracts.

**Related Policy and / or Precedents:**

Tendering procedures were carried out in accordance with Council's Tender Policy Guidelines. Council's Tender Value Selection System was applied during the tender review process to determine the most advantageous offer/s. Council policy is that the tender/s with the highest weighted score becomes the recommended tender/s.

**Statutory Requirements:**

The calling, receiving and reviewing of tenders was carried out in accordance with Part 7 Tendering of the Local Government (General) Regulations 2005.

**Issues:**

The key issue is that only one tender was received. The single tenderer is the current contractor providing linen to Coffs Coast Holiday Parks and has performed satisfactorily under the current contract. The new contract has been amended to ensure a higher level of service and linen quality.

**Implementation Date / Priority:**

The contract is for a two (2) year period commencing from the date of the letter of acceptance sent by Council.

**Recommendation:**

**That Council, as Corporate Manager of the Coffs Coast State Park Trust and Woolgoolga Beach Reserve Trust, considers and approves tenders received for the Supply, Service and Laundering of Linen for Coffs Coast Holiday Parks - Contract No. RFT-649-TO as identified in the confidential attachment.**

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## TOURISM MARKETING CONSULTATION FINAL REPORT

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### **Purpose:**

The purpose of this report is to recommend to Council the endorsement of the final report regarding tourism marketing models for the Coffs Coast.

### **Description of Item:**

At the 14 November 2013 meeting of Council it was resolved that:

- 1. Council agrees in principle to engaging an independent consultant to examine models for leveraging better outcomes in destination marketing.*
- 2. Council acknowledges and accepts a contribution of \$10,000 from Tourism Coffs Coast for the project.*
- 3. An allocation of no more than \$20,000 be made by Council from the 2013/14 Events Marketing budget.*
- 4. Stage briefings be provided for Councillors at key milestones through the project and detailed report be provided to Council at the conclusion of the work.*

A project working group was established which consisted of the President of Tourism Coffs Coast (TCC) and a Council Director. The working group developed a Scope of Works and then quotes were sought from suitable consultants with R & S Muller Enterprise Pty. Ltd. being the successful company.

The methodology proposed by the lead consultant, Sam Muller was the following:

#### Phase 1

- Project Commencement
- Document Discovery
- Research

#### Phase 2

- Consultation
- Findings Report

#### Phase 3

- Development of the Draft Action Plan
- Review Draft

#### Phase 4

- Documentation Finalisation and Handover

This project methodology was developed to address a number of needs which were outlined in the scope of the works. The scope was developed jointly by Council staff and representatives of Tourism Coffs Coast. The methodology was to address the need for:

- An evidence based model
- Facilitated open and honest dialogue with all parties

- Involvement of a wide range of stakeholders and opinion-holders both within and supporting the tourism industry
- Inclusion throughout the project of stakeholders, so that they can continue to be involved and be provided with a voice that is heard and respected
- Collaborative identification of key challenges and issues
- Collaborative solution development, and ultimately ownership of these solutions

The timelines for this review were modified as the project progressed as it became clear that more time was required in relation to engagement and consultation. There were also a number of matters identified which were addressed through the project and these are outlined in the Issues section of this report.

The project has resulted in the development of an Action Plan for marketing the Coffs Coast as a Tourist Destination and consists of four documents being:

- Findings Report
- Foundations and Model Development
- Foundations and Model Development (Appendices)
- Action Plan

These are attached to this report.

#### **Sustainability Assessment:**

- **Environment**

There are no specific environmental impacts associated with this report

- **Social**

The social impacts of ensuring that an effective working model exists for marketing the Coffs Coast appropriately are felt by the community through having increased opportunities and access to employment programs and activities.

- **Civic Leadership**

Civic Leadership is captured in Coffs Harbour 2030 through:

- LP 1.1 Promote opportunities around renewable energy, sustainable tourism, sustainable agriculture and fisheries, local produce, creative and clean industries.
- LP 6.1 Develop strong and effective partnerships between business, the community, educational institutions and Government.
- LE 1.1 Identify and promote the region's unique environmental values.

- **Economic**

**Broader Economic Implications**

Research shows that the return on investment achieved through tourism and its related activities is significant. It is important that a mechanism is in place which progresses the best model of marketing which will have a positive impact over time on the broader economy of the city.

**Delivery Program/Operational Plan Implications**

There are no Delivery Program/Operational Plan implications from this report.

**Risk Analysis:**

The risk in relation to this proposal is reputational. From a broader economic perspective there is also the risk because the tourism industry is one of the significant industries within the region.

**Consultation:**

The consultation undertaken which has contributed to this project is outlined in detail in the documents which together make up this work.

Representatives from Bellingen Shire Council have participated in the project and have also been consulted specifically in relation to the recommendations.

A Councillor briefing was also held, during which the consultant outlined the process of the project and proposed steps required to successfully progress destination marketing for the region.

**Related Policy and / or Precedents:**

There are no specific related policies and precedents in relation to this report.

**Statutory Requirements:**

There are no specific statutory requirements regarding this matter.

**Issues:**

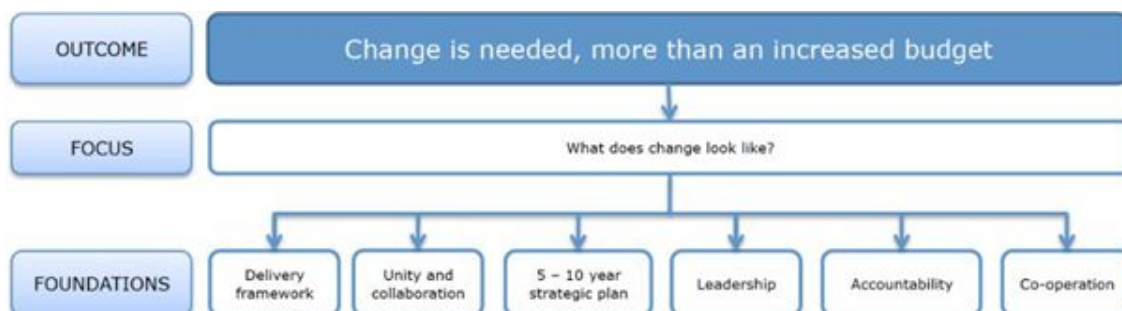
As mentioned earlier in this report the project has resulted in the development of four documents. These are considered below in relation to the issues which were identified.

**Findings Report**

This document, as the name suggests contains finding from Phases 1 and 2 of the project. It includes what the literature review found, what the consultation processes indicated and suggested a path for the next steps. There are also a series of appendices. The last section of this document includes the following statements:

*The tourism industry has collectively been calling for change (as discussed in Part A, There is a History Of Concern) over an extended period of time. The combined findings of the literature review, project survey, stakeholder consultations and industry consultation, clearly identify that the request for additional funds to market the Coffs Coast, is a symptom of a far greater problem.*

*The real problem will require great change. This change will require solid foundations for moving forward.*



*The consultants have identified the need for a collaborative and consultative process to develop and adopt these foundations. Therefore all stakeholders who have been involved to date will be invited to attend the collaborative model development workshop. The intent will be to:*

1. *Agree on the foundations for change*
2. *Use these foundations as building blocks to develop a sustainable model for moving forward.*

#### Foundations and Model Development

This work builds on the Findings Report and contains the following sections:

- Business Model including the background and the second round consultation
- Case Studies of Tourism Models
- Which model is best?
- The Way Forward – One Vision, One Future
- Roles and Responsibilities

#### Foundations and Model Development (Appendices)

This document records the work undertaken by industry representatives, Tourism Coffs Coast board members and Council staff working with the consultant to develop the foundations and a model for the future. It also includes some examples of member based approaches from other places.

#### Action Plan

This is the section of the work which outlines the way forward and it is divided into the following sections:

- About this report
- How the plan was developed
- Summary of the Key Findings Report
- Defining a Sustainable Business Model

- The Recommended Model
- Action Plan Additional Notes: Items to be considered

The following are the key recommendations from this work:

- 1. TCC Inc Board endorses this report and prepares a letter of support for its implementation to the Director, Community Development*
- 2. CHCC presents this report to Council, together with the full findings report and model development report, for consideration and adoption*
- 3. Conditions of the Trust Fund be established by TCC Inc as a high priority*
- 4. Constitution of the 355 Committee of Council be developed in conjunction with the TCC Inc Board as a matter of priority to alleviate concerns prior to the implementation of this report*
- 5. Constitution of the 355 Committee of Council be presented to Council for review and endorsement*

In relation to 1 above, a letter from the Tourism Coffs Coast Inc. Board has been received and is attached to this report for information.

It is suggested therefore that Council endorse in principle this work and the proposed way forward which has been recommended. This will see work undertaken by members of Tourism Association Board and council staff on the Terms of Reference and the makeup of a 355 Committee to guide Coffs Coast Marketing. This will then be reported back to Council for consideration.

**Implementation Date / Priority:**

Should Council endorse this course of action work can commence immediately on developing the Terms of Reference.

**Recommendation:**

**That Council**

- 1. Endorse, in principle, the documents which form the 'Action Plan for Marketing the Coffs Coast as a Tourism Destination'.**
- 2. Notes that a further report will be presented to Council outlining the Terms of Reference and membership of Section 355 committee which has a role to recommend the strategic direction for marketing the Coffs Coast.**
- 3. Notes the Bellingen Shire Council continue to be engaged in this process by participation in the development of the Terms of Reference and also through an offer of on-going membership of the committee.**
- 4. The members of the Tourism Coffs Coast Board be thanked for the participation and commitment to this project.**



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## **DRAFT COFFS HARBOUR CITY COUNCIL BIKE PLAN 2014-2019**

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### **Purpose:**

To present to Council the Draft Coffs Harbour City Council Bike Plan 2014–2019. This report recommends that the Plan be placed on public exhibition for a period of 28 days.

### **Description of Item:**

Coffs Harbour City Council has developed a plan for the Local Government Area cycling infrastructure and cycling programs for the five year period from 2014–2019. The plan was developed with the assistance of the Roads and Maritime Services and Council's Environmental Levy program. It is a requirement for future Roads and Maritime Services grant funding that Council has a Bike Plan.

Sections one and two of the plan present a snapshot of cycling and facilities in Coffs Harbour and the results of relevant surveys and data collection.

Section three outlines the four objectives of the plan and an action plan for implementation.

The objectives of the draft plan are:

1. Plan and deliver a connected cycling network.
2. Improve cycling support facilities.
3. Make cycling safer.
4. Encourage greater participation.

The plan will assist Council to provide improved cycling facilities and increase the number of active cyclists.

### **Sustainability Assessment:**

- **Environment**

Cycling is now considered an integral part of a modern transport system. While the car is still the favoured mode for most trips in urban areas, it has undesirable environmental aspects in relation to traffic congestion, pollution and noise. Transport is responsible for about 16% of Australia's carbon footprint. An increase in cycling trips can mitigate these negative effects. The plan outlines the environmental benefits of cycling and includes actions to increase participation rates.

- **Social**

Cycling has significant benefits for community health and well-being, as well as an increasingly popular recreational choice. Regular bike riding is a fitness option with all the physical and psychological benefits of exercise. A healthier, fitter community reduces the cost to our society of inactivity. This is particularly important in Coffs Harbour with a higher than average number of low income families and higher rates of chronic disease. More people are choosing to integrate physical activity into everyday living rather than participating in organized sports. Cycling is able to meet the exercise requirements of people who live "time poor" lives. Cycling reduces personal and family

expenses offering an alternative option to a second car which can save up to \$800 a month.

- **Civic Leadership**

The Plan was developed to achieve the objectives of the Coffs Harbour 2030 Community Strategic Plan. The most relevant are:

**Theme: Moving Around**

Objective – MA1: We have an integrated, accessible and environmentally-friendly mixed mode transport system servicing the region

Objective – MA2: We have system of well-maintained and safe roads for all users

- **Economic**

**Broader Economic Implications**

The cost of urban congestion is estimated to cost Australia \$20 billion a year if we do nothing by 2020. The studies for the City Centre Masterplan estimated the demand for an additional 460 spaces in the City Centre could cost up to about \$8m to construct a car park. If 10% of existing and new drivers shift to another mode of transport across the City Centre there will be a reduction of approximately 400 parking spaces which is about \$4.9M in savings.

The plan includes action to complete missing links and build new cycleways as well as strategies for increasing the number of cyclists. The construction cost of new cycleways is relatively inexpensive compared to other modes of transport: 1 kilometre of motorway costs the equivalent of 110 kilometres of cycleway.

The NSW Government's objective to increase the numbers of people riding bikes is an opportunity for Council to complete a local and regional network and provide more sustainable transport options for the community at a relatively small cost.

There is significant tourist potential in completing a cohesive cycling network, including the completion of the Coastline Cycleway connecting the borders of the LGA. The long term aim is for the Coastline Cycleway to extend from the borders of Queensland and Victoria. Overseas examples demonstrate the economic benefits of cycling tours by increasing visitor numbers, providing opportunities for more businesses in hospitality and retail. The area already hosts some significant cycling events which attract many additional visitors to the area. The implementation of the Plan will provide more facilities and support for these events.

**Delivery Program/Operational Plan Implications**

Council is required to adopt a Bike Plan to be eligible for funding from the Transport for NSW (TfNSW) cycleway program. Building regional cycleways and larger projects on local roads is currently a Transport for NSW priority. They will be offering substantial funding opportunities particularly for "shovel ready" projects. State road projects (Pacific Highway) are funded completely by TfNSW via the Roads and Maritime Services (RMS) usually employing Council staff to design and construct the projects. Local road projects usually require Council to match funding 1:1. However, this year RMS has provided \$40 000 funding to develop plans for Red Rock Road and the Korora to Sapphire cycleways, at no cost to Council.

The ongoing Council delivery program implications are subject to the results of the community consultation process. Following the period of exhibition for the bike plan

the accompanying action plan will be reviewed and recommendations made for consideration in Council's future delivery programs.

To take advantage of this opportunity to continue development of the proposed bike network, it is clear that Council will need to consider annual matched funding allocations for local road cycleway projects as part of future delivery programs, in the context of Council's limited resources, if Section 94 funding is not applicable.

The Roads and Maritime Services has offered funding for three major cycleway projects for this financial year as detailed in the Bike Plan. Other projects currently underway include "missing links" along Solitary Islands Way contracted to Council by RMS at no cost to Council.

The additional cycleways will increase the demand for cycleway maintenance including regular sweeping of paths, clearing vegetation and maintenance of line marking, signs and the path surface. Council has included information on maintenance implications and an action plan to update the Asset Maintenance register as well as seeking opportunities for financial support from the RMS to maintain the assets.

#### **Risk Analysis:**

Additional risks to Council include a loss of reputation by not responding to opportunities as well as satisfying community demands for active transport facilities for environmental, health and wellbeing and economic reasons.

#### **Consultation:**

The Bike Plan was developed in consultation with the following groups:

- A Bike Plan Management team comprising key stakeholders
- Roads and Maritime Services
- Staff from City Infrastructure Services
  - Strategic Asset Planning
  - Infrastructure Program
  - Engineering Services
  - Subdivisions and Contracts
  - Principal Design
  - CityWorks – Asset Maintenance
- Finance Program Support
- GIS
- Tourism and Marketing
- Sustainable Planning

The Coffs Harbour Community via:

- Commuter and Recreational bike counts
- Visitor Profile and Satisfaction Survey
- CHCC Community Levels of Service Survey 2012
- Bike Plan Online Community Survey 2013

#### **Related Policy and / or Precedents:**

Australian National Cycling Strategy 2011 – 2016

NSW Bike Plan 2006 – 2016

NSW Transport Masterplan 2013

Mid-North Coast Regional Transport Plan 2013

Coffs Harbour 2030 Community Strategic Plan

Council has a range of plans developed as part of the planning process. Other plans to consider in relation to the Bike Plan are:

The Pedestrian Access and Mobility Plan (PAMP) 2011

The Road Network Hierarchy

**Statutory Requirements:**

Not applicable.

**Issues:**

The Bike Plan provides a framework to achieve the objectives of the Community Strategic Plan in relation to cycling. It is required by the Roads and Maritime Services to access funding for cycleway infrastructure and associated programs. The Council's community survey noted a demand for more footpaths and cycleways for which there is no budget item at present.

The implementation of the Bike Plan will provide significant links in the local and regional network. It will complement the existing network for which Coffs Harbour is well known and showcase the area's attractions such as the beaches and the hinterland. Other road users such as walkers, people in wheelchairs and users of "wheelie toys" such as skateboards, also benefit from additional shared paths as they provide a wide, smooth flat surface.

The community at large will feel the benefits of decreased traffic congestion, clean air and a quieter environment.

The expansion of the network will increase the cost of cycleway maintenance. Roads and Maritime Services have indicated there may be opportunity to apply for financial support with non-routine maintenance such as line marking and surface replacement. However, Council would be required to sweep all cycleways and maintain the vegetation on a regular basis. This is a relatively small cost compared to the increased costs of new parking spaces, congestion, pollution and an increasing level of chronic disease due to inactivity.

**Implementation Date / Priority:**

The Bike Plan will be placed on public exhibition from Wednesday 19 November – Wednesday 17 December 2014.

**Recommendation:**

**That the Draft Coffs Harbour City Council Bike Plan 2014 – 2019 be placed on public exhibition for 28 days from Wednesday 19 November – Wednesday 17 December 2014 to obtain community feedback.**

Attachment

## BIKE PLAN 2014-2019

### CHCC'S PLAN FOR CYCLING INFRASTRUCTURE AND PROGRAMS

Connecting our communities – helping more people move around easily, safely and sustainably for health and wellbeing.



live love  
**COFFS**

[www.chcc.nsw.gov.au/bikeplan](http://www.chcc.nsw.gov.au/bikeplan)



The aim of the bike plan is to take a coordinated and strategic approach to the delivery of cycling infrastructure and promotional programs in the Coffs Harbour Local Government Area.

Sections 1 and 2 presents a snapshot of cycling and facilities in Coffs Harbour and presents the results of relevant surveys and data collection.

Section 3 outlines the four objectives of the plan and an action plan for implementation.

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# 1. INTRODUCTION



# 1. INTRODUCTION

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INTRODUCTION

## WHY CYCLE?

Cycling is now considered an essential part of any modern transport system. Growing bike sales and positive cycling participation statistics across Australia indicate that riding a bike is increasing in popularity - both as a means of transport and for recreation.

The efficient transportation of people and goods is essential if the economic and social needs of society are to be met. While the car is the favoured mode for most trips in urban areas, it has undesirable aspects in relation to traffic congestion, road safety, noise, and air pollution. 'Active' modes of transport which can play a greater role in offsetting these issues include walking, cycling, and public transport and are seen as essential tools in modern urban design to create liveable cities.

Cycling is a clean and efficient mode of transport that is well suited to many of the trips currently made in cars, particularly in urban areas. Increasing the number of people riding a bicycle for transport and recreation has a number of individual and community benefits.

### Individual benefits of cycling:

- **Improves health and wellbeing** Regular bicycle riding is a fitness option with all the physical and psychological benefits of exercise
- **Reduces personal and family expenses** Selling one family car and cycling to work can save up to \$800 a month<sup>1</sup>
- **Can save time on short trips** Studies in Europe, the United States and Australia comparing the travel time of different transport modes have found that riding is often faster than driving for trips up to five kilometres.<sup>2</sup>
- **Connects people to their community and environment**
- **Provides people of all ages with a sense of freedom and fun.**

### Community Benefits of cycling:

- **Helps reduce urban traffic congestion** Estimated to cost Australia \$20 billion a year by 2020 if we do nothing<sup>1</sup>
- **Improves air quality and reduces traffic noise** Air pollution and noise are the two biggest environmental problems affecting health, quality of life and the economy.
- **Reduces the carbon emissions from transport** Currently responsible for 16% of Australia's carbon footprint and increasing<sup>2</sup>
- **People are healthier and fitter, so reducing the cost to society of inactivity** The net health benefit (adjusted for injury) for each kilometre cycled is 75 cents – about half of the total economic benefits of a typical bikeway project
- **Gives a return on investment of nearly \$4 for every dollar invested (in cycling infrastructure) in economic benefits over 30 years<sup>1</sup>**
- **The construction costs of walking and riding infrastructure are relatively inexpensive compared with other modes of transport** One kilometre of motorway/road costs the equivalent of 110 kilometres of bikeway<sup>2</sup>

As Australians continue to lead time poor lives, cycling is in a unique position for its ability to integrate physical activity into everyday living. Even those who don't ride benefit from a cleaner environment and a healthier community.

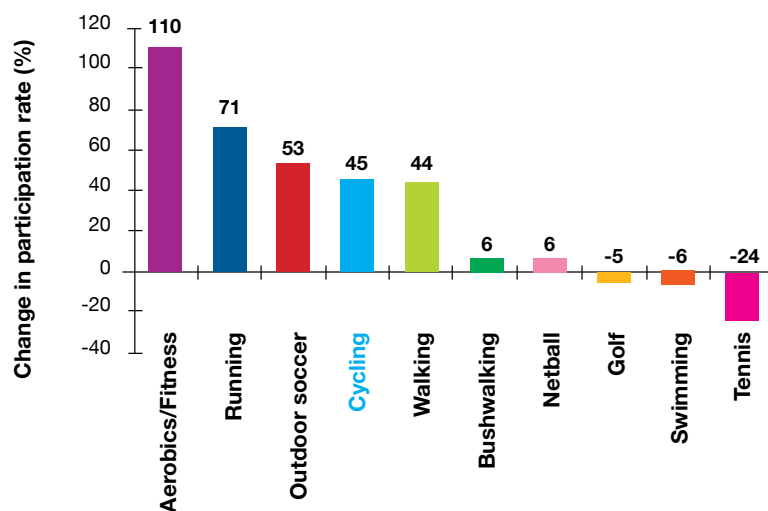
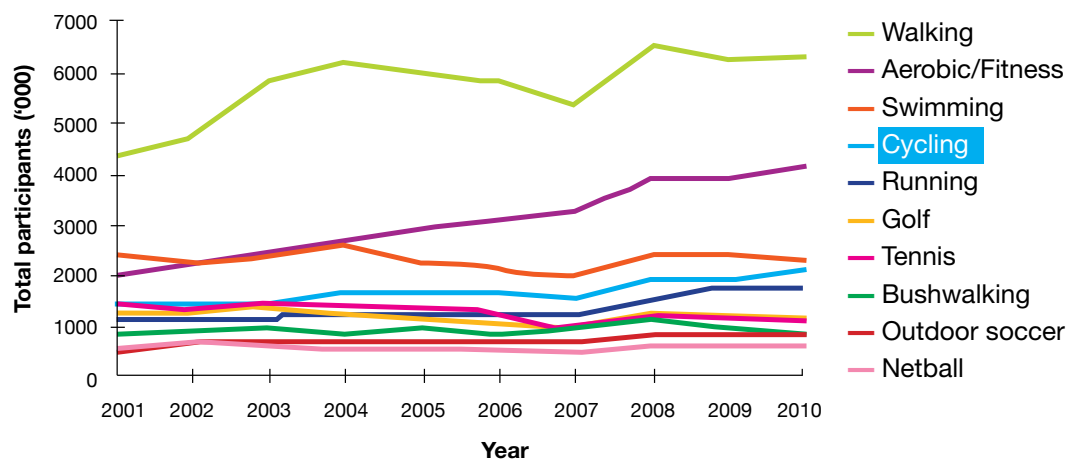


## WHO CYCLES?

**National figures** show that - in line with global trends in comparative countries- more and more people in Australia are riding a bike – for recreation, exercise, sport or transport.<sup>3</sup>

Cycling now rates as the fourth most popular physical activity undertaken by Australians.

Figure 1<sup>4</sup> – Physical participation rates



National participation rates for non-organised physical activities are experiencing the biggest growth rate, with cycling again rating in the top four (See Fig.1). The indications are that time constrained people prefer unstructured sporting activities and a greater emphasis on recreation, health and fitness as opposed to competition.<sup>1</sup>

The ABS publishes data on the different modes of transport used to get to full-time work or study. In 2011 the national 'modal share' for cycling was 1.6%. While the national figures show mixed results in terms of progress over the past five years, the evidence suggests that cycling is growing in significance as a legitimate mode of transport in particular places, such as on major commuter routes into capital city centres.<sup>3</sup>



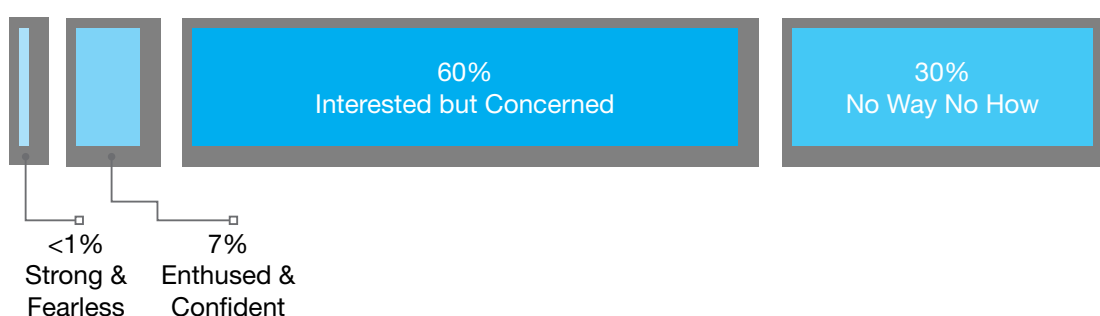
## Types of cyclists

To plan for cycling requires recognizing the differences in cycling skills and abilities, providing for and supporting all types of cycling.

A paper on **bicycle rider 'types'** in Portland, Oregon<sup>5</sup> categorised people into four 'types of cyclists' (Figure 2).

The graph demonstrates that there is a large group of potentially regular cyclists who are "interested but concerned". The task is to mitigate their concerns.

**Figure 2 – Four types of Cyclists by proportion of population (Portland, OR)**



**Austrorads**<sup>6</sup> further divides 'cyclists' into the following categories: Non-cyclists/potential cyclists, Primary school students, secondary school students, recreational riders, commuters, utility cyclists, touring cyclists, and those who ride as a sport. Rider abilities and confidence vary considerably within most of these groups.

While Australia does not have a cycling population the size of many of its international counterparts, the success of other countries shows that it is possible to do more to make cycling an easy choice for citizens.

## POLICY FRAMEWORK

All levels of Government in Australia recognise the imperative to plan and invest in cycling infrastructure and associated facilities and programs.

The **Australian National Cycling Strategy** 2011 - 2016<sup>3</sup> is a strategic document with a vision to double the number of people cycling over the life of the strategy so that individuals and communities can enjoy the benefits of cycling.

The **NSW Bike Plan**<sup>7</sup> acknowledges that well-planned and integrated bicycle networks can contribute to more accessible, sustainable and connected communities. It sets a 10 year target (2006-2016) to double the use of commuter cycling in NSW with an infrastructure plan to invest at least \$5 million every year for local councils across NSW to complete neighbourhood cycleway networks.

The **NSW Transport Masterplan**<sup>8</sup> and the **Mid-north Coast Regional Transport Plan 2013**<sup>9</sup> supports this vision with specific Council funding programs designed to increase rates of cycling.



The **COFFS HARBOUR 2030 Community Strategic Plan**<sup>10</sup> was developed to set a direction for the whole community following comprehensive community consultation. The Plan contains five themes with levels of actions. The most relevant themes and strategies for the Bike Plan are:

## Moving Around

**“...Many of us walk and cycle from place to place. We are well connected to each other and services”**

- Promote increased public transport, pedestrian and **cycle usage** and reduced car usage
- Integrate **cycleway** and footpath networks including linking schools, shops and public transport
- Ensure adequate maintenance and renewal of roads, footpaths and **cycleways**
- Facilitate safe traffic, **bicycle** and pedestrian movement

## Looking after our Environment

- Reduce our carbon footprint

## Places for Living

- Provide public spaces and facilities that are accessible and safe for all

## Looking after our Community

- Promote healthy living
- Develop inclusive community, sporting and recreational events and activities

The Coffs Harbour City Council (CHCC) Bike Plan 2014-2019 aims to provide a strategic and coordinated approach in order to achieve these Vision 2030 outcomes and to support National and State objectives.



Attachment

## 2. CYCLING IN COFFS HARBOUR



## 2. CYCLING IN COFFS HARBOUR

Attachment

### OVERVIEW

The CHCC Local Government Area (LGA) encompasses 1174 km<sup>2</sup>, stretching approximately 60km from Red Rock and Corindi in the north to Bundagen in the south, and some 25km west past Brooklana and Lowanna.

Located approximately halfway between Sydney and Brisbane, the Coffs Harbour region is valued as a desirable place to live and as a popular holiday destination, with an airport, a marina, and a major railway station.

Coffs Harbour is said to have one of the best climates in Australia. Its subtropical temperatures, cooling sea breezes and mild winters are ideal for year round cycling.

The region is generally characterised by its natural features: beautiful beaches and coastline including the Solitary Islands Marine Park, National Parks, State Forests and parkland.

Coffs Harbour is the place where the mountains of the Great Dividing Range meet the sea. Residential areas form a linear strip along the coast with a number of small rural villages in the valleys of the undulating hinterland such as Coramba, Nana Glen and Karangi, providing some challenges for cyclists but also many quiet rural roads and expansive views.

In the coastal strip there are three main urban areas:

- ① **Coffs Harbour**
- ② **Sawtell, Toormina and East Boambee** approximately 10km to the south
- ③ **Woolgoolga and the Northern Beaches** 10 - 40 km to the north

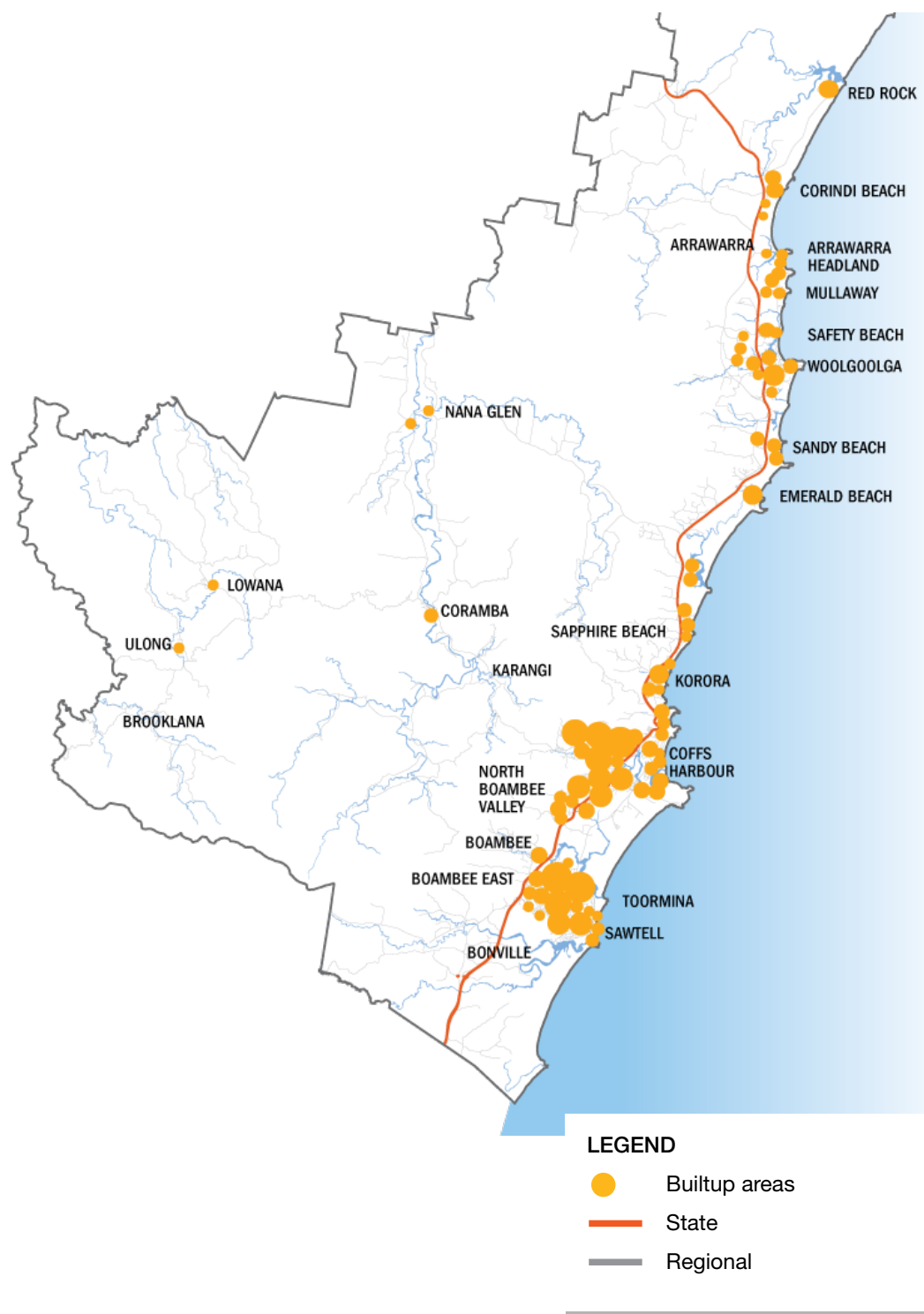
The current population of 71,000 is predicted to expand to nearly 100,000 by the year 2030 along with an expected increase of almost 20,000 additional dwellings throughout the Coffs Coast sub-region by that time.<sup>9</sup> If there are no significant changes in choices of transport mode, current trends could result in daily traffic on our roads increasing by an average of 4,000-5,000 private car trips every year

The Pacific Highway provides the key regional connection through the LGA, cutting through several urban areas. From a cycling perspective, the Highway serves as an arterial route, stretching 60km north to south. Upgraded sections of the Highway have a wide shoulder which is an ideal surface for touring and experienced long distance cyclists, however many existing sections are challenging and unsuitable for cyclists due to high traffic volumes, speeds and narrow shoulders. The Highway also forms a significant barrier to east/west local traffic movement, particularly in the central Coffs Harbour urban area. Progressive upgrades of the Pacific Highway are changing the nature of arterial traffic flows through the LGA with positive opportunities for cycling connectivity.





Figure 3 – Coffs Harbour City Council Local Government Area





## CURRENT CYCLING ROUTES & INFRASTRUCTURE

The current cycle 'network' in the LGA comprises 59km of 'off-road' shared paths, as well as some sections of on-road bike lanes, and low-traffic on-road sections that form part of signposted routes.

The most popular cycleway in the area is the **Hogbin Drive** shared path. Built in the mid-1980s, it is the main link between the satellite towns of Sawtell and Toormina, and Coffs Harbour. In 2006 the construction of the Northern link road section of North Hogbin Drive, with a separated shared path on one side, created a 10km continuous off-road pathway link from Arthur St in Park Beach to Sawtell Road, Toormina.

The 8 km **Coffs Creek Cycleway** circuit was upgraded in 2011. The \$2 million project was funded as part of the Federal Government's Economic Stimulus Plan and a generous donation from the Hogbin family of Coffs Harbour. The shared path -part sealed, part unsealed- winds in and out of pockets of bushland and mangroves along the banks of Coffs Creek. It links the CBD with some of the city's major tourist and recreational destinations - the Regional Botanic Garden, Pet Porpoise Pool, Jetty Beach and Park Beach, as well as providing a commuter route connection, either to the CBD, or through to the Hogbin Drive cycleway.

Construction of a section of off-road cycleway on the **Pacific Highway** near Stadium Drive in 2014 (funded by the Roads and Maritime Services) will complete 8.5km of continuous off-road shared path along the Pacific Highway south from Combine Street, on the edge of the Coffs Harbour CBD to Lyons Rd, Boambee.

Plans are underway to reseal and line mark a section of the former Pacific Highway route - now named **Pine Creek Way, Bonville** - as it functions as a local road. The new line marking will include two 1.5 - 2m bicycle lanes, providing a low traffic on-road cycling route option linking to the Bellingen Local Government Area. It is frequented by many recreational cyclists and forms part of the annual NAB Coffs Coast Cycle Challenge route.

In the north, the 25km **Sapphire to Woolgoolga upgrade (S2W)** Pacific Highway upgrade, due for completion in 2014, includes a service road with a continuous cycleway - **Solitary Islands Way**. This will provide a significant improvement in cycling connectivity between the coastal villages.

The **Coastline Cycleway** is a NSW Government funded project which aims to form a continuous and safe cycling route between the Queensland and Victorian borders. Its goal is to link together separate coastal communities, and to form a spine to which local cycleways can connect. The completed route will provide significant tourism and economic opportunities.



Since seed funding began in 2003, Coffs Harbour City Council has been successful in obtaining Coastline Cycleway matched funding for several projects. These have gradually increased the connectivity and continuity of the network:

Woolgoolga to Arrawarra cycleway (7km) - \$920,000

Beacon Hill, Howard Street to Camperdown Street link (1.2km) - \$150,000

Wharf Street to High St, Woolgoolga shared path (2.14km) - \$250,000

Diggers Beach Road to Charlesworth Bay Drive study and concept design (660m) - \$14,750

Howard St, Coffs Harbour transition funding - \$57,453

There are a number of other popular, on-road routes frequented by local road and touring cyclists, such as **Bucca T** (Bruxner Park Road, Central Bucca Road and Bucca Road) and **Eastbank Road** between Nana Glen and Coramba. More routes like these are included in the Our Living Coast -Popular Cycling Routes<sup>12</sup> booklet produced in 2011.

Other Council owned cycling facilities owned by council include the **Velodrome and Criterion track** in Toormina, the **BMX track**, also in Toormina, and the **Lions Bike Safety Park** in Bray St.

There are many local State Forest Mountain Bike (MTB) trails which are popular with a growing number of riders. An occupation permit for mountain biking in Pine Creek State Forest is held by Coffs Harbour Cycle Club. The trails at the **Pine Creek Mountain Bike Park** are built and maintained by club volunteers but are open to all visitors and members of the community free of charge.





## THE CYCLING COMMUNITY

Coffs Harbour is home to several active cycling clubs and groups, including the **Coffs Harbour Cycling Club** (incorporating road racing, mountain biking, and track racing) **Coffs Harbour Triathlon Club**, **Coffs Harbour BUG** (Bicycle User Group), **Sawtell and District BMX Club**, **Coffs Downhill**, as well as various informal social cycling groups, such as the Saturday morning community ride and the Lycra Free riders.

As a sign of the growing popularity of cycling in the area, the annual **NAB Coffs Coast Cycle Challenge**, organised by Rotary began in 2009 and has become a signature event in Coffs Harbour. The **BCU Triathlon**, first held in 2013, attracts world class triathletes, and the **Woolgoolga Community Triathlon** is an annual festival event. The **Pleasure and Pain Enduro**, an annual mountain bike event held at the Pine Creek Mountain Bike Park, is rated as one of the most popular in Australia. Sawtell BMX club hosts one of the **BMX NSW State Series Events**, and the **RedAss NSW/ACT Downhill State Series** has been hosted at Mt Coramba in previous years.

For details of cycling groups and events see **Appendix 1**.

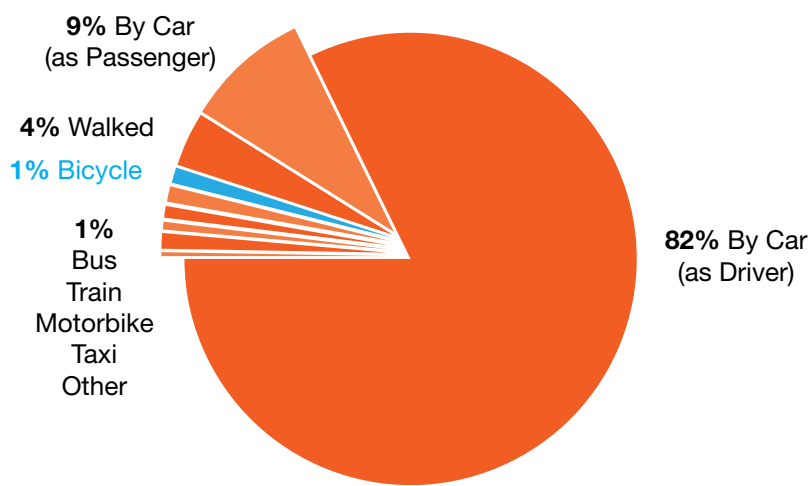


## THE NUMBERS – WHO, WHAT, WHERE AND HOW?

### Commuter cycling

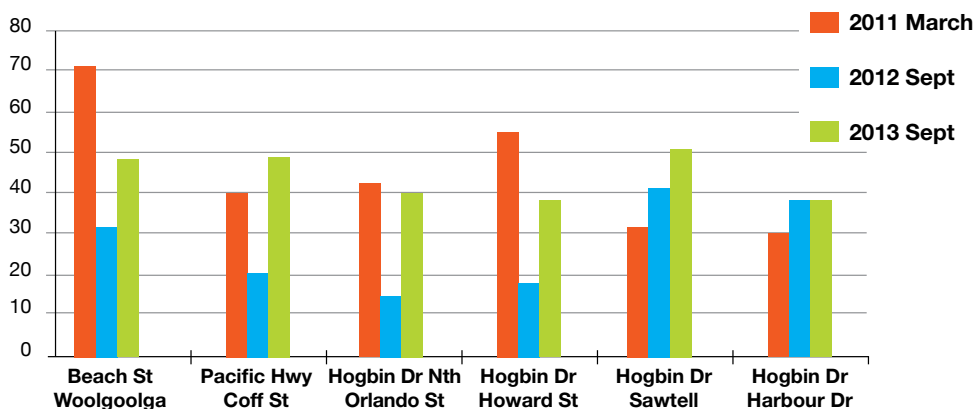
In the 2011 census the modal share for cycling to work in the Coffs Harbour LGA was 1%. This is similar to the NSW benchmark, but below the national figure of 1.6%.<sup>13</sup>

Figure 4 - 2011 Census: Method of travel to work - Coffs Harbour region



CHCC began collecting cycling specific data in 2011 through annual participation in the national **Super Tuesday Bicycle Commuter survey**.<sup>14</sup> Super Tuesday is the country's biggest visual bike count, which takes place in March and in September at over 1200 sites. The count is designed to measure bike commuter flows in the morning peak. Bicycle movements are counted annually over two hours (7-9am) at more than 20 intersections.

Figure 5 - Super Tuesday Bike Counts: 2011-2013  
Busiest Commuter Locations in Coffs Harbour LGA





Due to wet weather experienced for the count in March 2012 a second count was commissioned for September 2012. As March is the wettest month of the year in Coffs Harbour, the Super Tuesday count for Coffs Harbour now continues to be conducted in September.

Further years of data are needed to reflect general trends – and figures should also be analysed in respect to local conditions at the time. For example, the weather on Tuesday Sept 4, 2012 was fine; however it had rained the previous day.

The popularity of the Hogbin Drive cycleway indicates that the linking up of key arterial routes into town centres and major trip generators such as the hospital and education establishments will increase the number of commuter cyclists.

Woolgoolga is also clearly a popular place for cycling, possibly reflecting the recent investment in cycling infrastructure, such as the Woolgoolga to Arrawarra cycle route.

Links to the Coffs Harbour reports from 2011 – 2013 may be found on the Coffs Harbour City Council website.

## Recreational Cycling

Council conducted its first recreational bike count - the **Spring Sunday**<sup>15</sup> count - on Sunday 24<sup>th</sup> November 2013. Bicycle movements were counted over four (4) hours on Sunday morning, (7-9am and 10-12 noon) at 17 sites.

The four highest count sites across the total four hours were all on separated paths or designated routes that connect localities.

The four lowest count sites (West Coffs, Corindi, North Sapphire and Sandy Beach) were in spots with no connections to other localities via separated paths or established bike routes.

Figure 6 - Spring Sunday 2013: Busiest recreation count spots

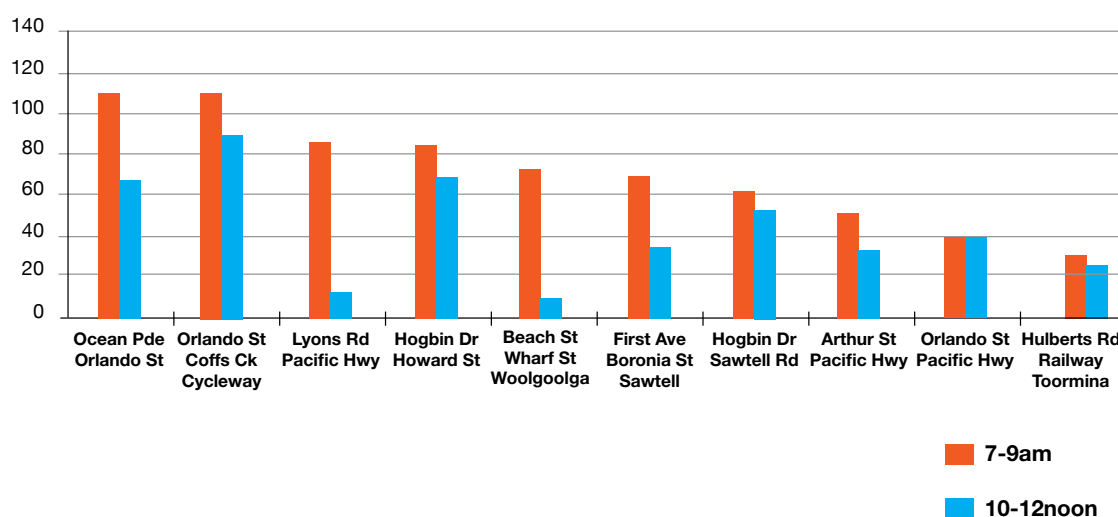




Figure 7 - Total movements through Spring Sunday 2013 count spots over 4 hours





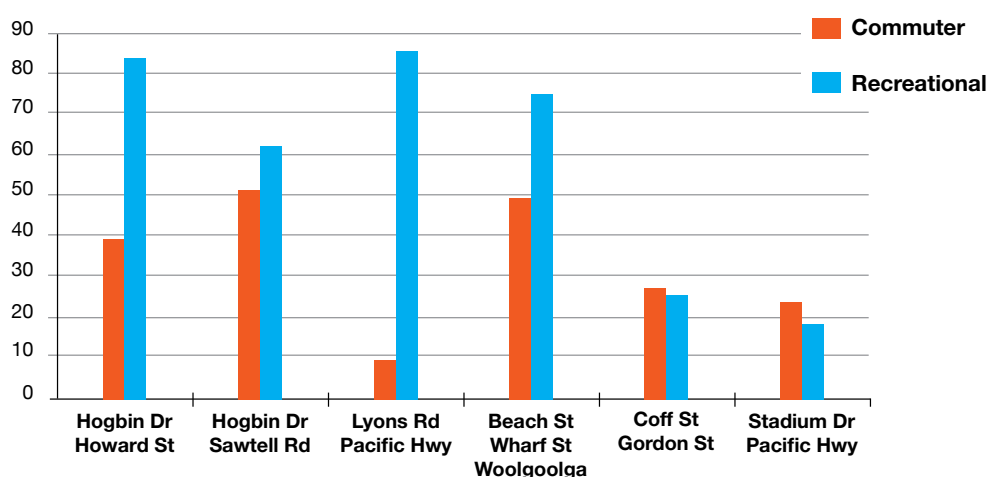
The popularity of the Coffs Creek Cycleway and Ocean Parade path indicates there is a clear community interest in cycling access to our beaches and foreshores.

Hogbin Drive is also a favourite choice of recreational cyclists. Pine Creek Way, whilst not a commuter route choice, is clearly a popular route for Sunday morning cyclists, with Lyons Road being the most commonly used link from the East.

Anecdotally, surveyors noted the popularity of cafes on cycle routes for recreational cyclists in centres such as Woolgoolga and First Avenue, Sawtell.

Comparison of the Super Tuesday and Spring Sunday surveys show that more people are cycling for recreation which has implications for infrastructure planning, tourism and marketing.

**Figure 8 - Comparison of commuting and recreational data 2013: Super Tuesday and Spring Sunday - 7-9am**



## Cycle Tourism

Since 2006 seventy Visitor Profile and Satisfaction survey (VPS)<sup>16</sup> projects have been completed in Australian regional tourist destinations, and data from these projects has been collated to establish the VPS Benchmark Database. (Benchmarks are the average of all (unweighted) VPS destination projects with at least 50 respondents.)

In a first VPS commissioned by CHCC (Coffs Coast Marketing) in January/February 2011, the participation rate for cycling (as an activity participated in during their stay) was 7%. This represented a low participation rate compared to other activities, however it was just above the VPS benchmark of 5%. It is anticipated that the next VPS survey for Coffs Coast may be commissioned in 2016.

## Community Feedback

### CHCC Community Levels of Service Survey 2012<sup>17</sup>

In January 2012, CHCC commissioned Jetty Research to conduct a random telephone survey of 500 adult residents living within the LGA. The survey aimed to assess satisfaction with, and priorities towards different Council-managed facilities and services using a random and statistically valid sample. It was also designed to provide baseline data from which longitudinal (i.e. time-based) comparisons could be made in future years. In the survey 'satisfaction with footpaths and cycleways' was rated at a mean of 3.17 out of 5.00. It was, however, one of the services that fell into the category, or 'quadrant' of higher importance but lower satisfaction. The survey concluded that services in this category





should be reviewed in terms of focus and/or resources to improve community satisfaction. It will be conducted every 2 years and will serve as an indicator of progress towards Vision 2030 objectives.

### Bike Plan Online Community Survey <sup>18</sup>

CHCC conducted an online survey during November 2013 to collect qualitative feedback from the community about cycling facilities across the Coffs Harbour LGA.

Respondents were asked to specify:

- Anything that they 'liked' or 'appreciated about any of the existing cycling facilities.
- 'Missing links' or 'gaps' in the existing 'network'.
- Maintenance/safety upgrade recommendations
- Any signage/navigation recommendations
- Any bike parking facility recommendations
- Water refill stations recommendations
- Anything else

350 people responded to the survey. Total responses varied according to each question category, most of which allowed two nominations.

**Table 1 - Coffs Harbour City Council Community Levels of Service Survey: Most popular responses 2013**

Viewpoint	Detail	Popular responses
Most liked or appreciated	Hogbin Drive and connection to Sawtell/Toormina	94
	Coffs Creek Cycleway	82
	Safety aspect of having separate paths to ride on	138
Missing Links	Northern Beaches to Coffs	105
	Lyons Rd	47
	Access into the CBD	34
	End of Hogbin Drive to Sawtell	14
Upgrades/safety, Maintenance priorities	Hogbin Drive	103
	Coffs Creek Cycleway	29
	Lyons Rd	28
	Orlando St	23
	Stadium Drive	19
	Improved roundabout transitions	17
Signage	Regular sweeping of debris	45
	Wayfinding signage:	
	Coffs Creek Cycleway	20
	Hogbin Drive	29
	Jetty	26
	CBD	20
	Pacific Highway north and south	20
	Maps	16
Bicycle parking facilities	Signs for visitors	14
	Jetty foreshores or Jetty Strip, Marina	52
	More in the CBD	29
	Sawtell Headland	21
Water refill station	Not necessary	36
	Jetty	43
	Sawtell	30
	Not a priority	42



## Crash data<sup>19</sup>

Roads and Maritime Services collect crash data of on-road incidents that are reported to Police. There were 67 reported bicycle crashes in the Coffs Harbour Local Government Area from 2008 – 2012. The trend is for an increasing number of crashes each year (an average of 3.7% of total crashes per year.), however this could be attributed to the increasing popularity of cycling over this period of time.

**Table 2 - Number of bicycle crashes in the Coffs Harbour LGA: 2008-2012**

Anecdotally, Coffs Harbour City Council is also aware of a number of near misses, and other crashes involving pedestrians and non-reported incidents with other vehicles. Almost a third of the reported crashes occurred between 7 and 9 am and almost 70% were on weekdays.

Of the 67 reported crashes, all of them involved an injury – most likely to the cyclist. There were no fatalities. Four (4) riders were not wearing a helmet. 83% involved other vehicles including 37 with cars and car derivatives, eight (8) light trucks as well as four (4) pedestrians.

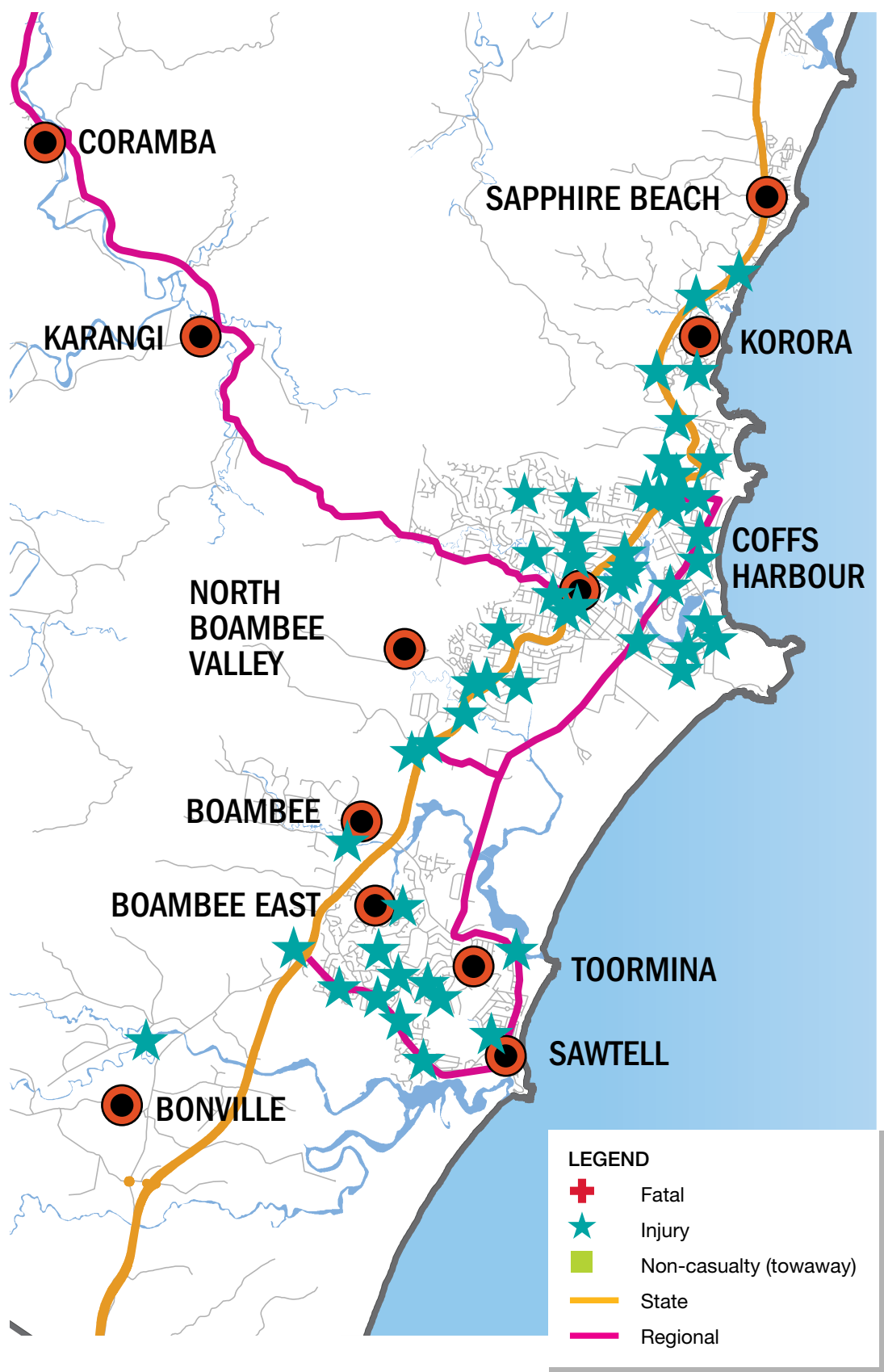


Figure 9 - Bicycle crashes in the Coffs Harbour LGA: 2008-2012

CYCLING IN COFFS HARBOUR The numbers - who, what, where and how?



## Clusters of crashes

63% of the crashes occurred at intersections. Of the 17 crashes on the Pacific Highway, 8 were on intersections. 3 of these occurred at the Arthur Street / Mastracolas Road roundabout and one 100m East of the roundabout in Arthur Street.

45

of the crashes at intersections involved another vehicle.

5

crashes occurred in Lyons Road – 3 within a kilometre (200m East of Toormina Road to 50m West of Rutland Street)

4

crashes occurred in Park Beach Road. These were all adjacent the entrance to Park Beach Plaza

Attachment

### 3. OBJECTIVES



## 3. OBJECTIVES

Attachment

OBJECTIVES Plan and deliver a connected cycling network

1. Plan and deliver a connected cycling network
2. Improve cycling support facilities
3. Make cycling safer
4. Encourage greater participation

### 3.1. PLAN AND DELIVER A CONNECTED CYCLING NETWORK

#### OVERVIEW

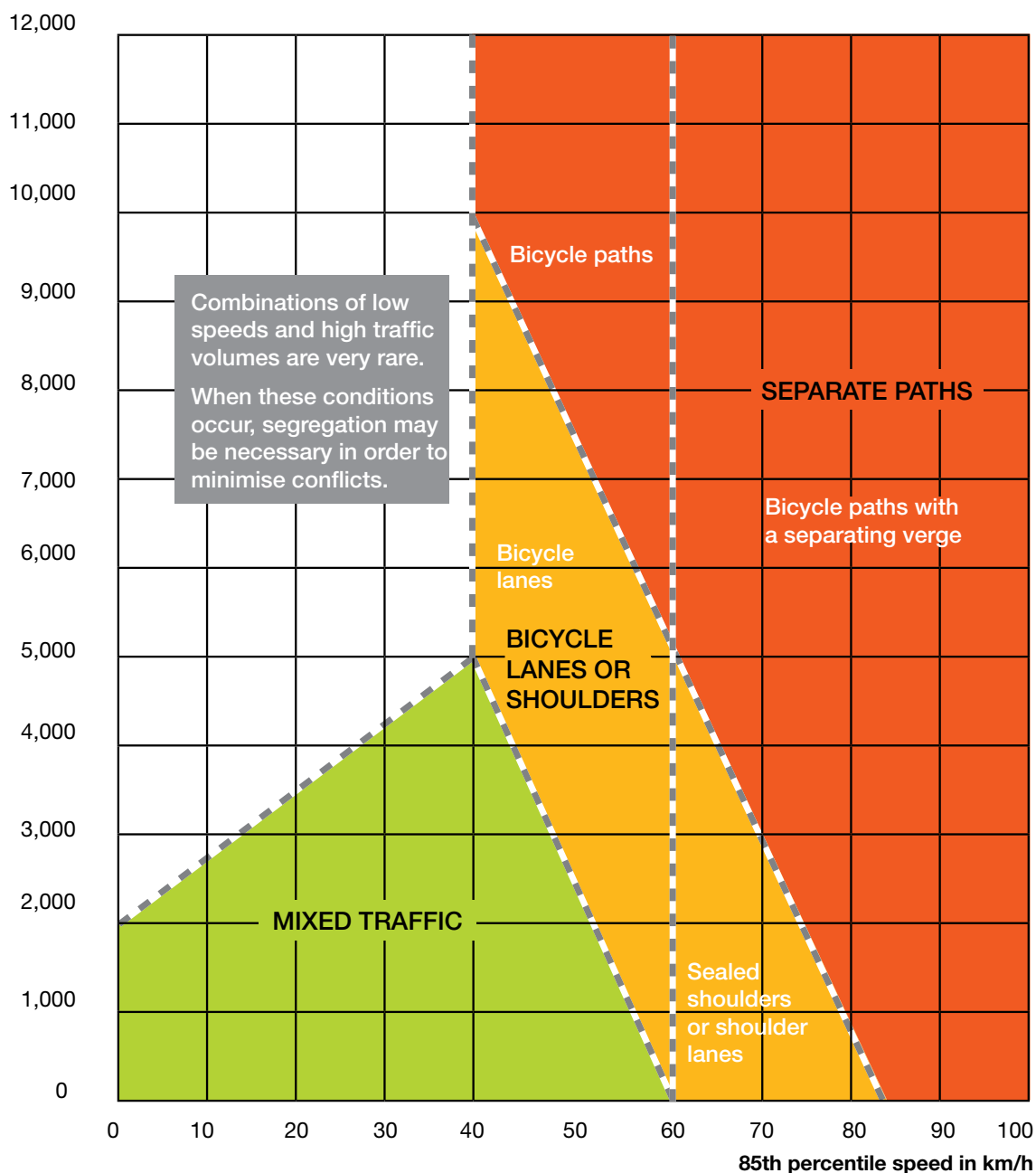
Under Australian and NSW road rules<sup>20</sup>, bicycles are considered to be vehicles. As such riders have a legal right to use all public roads, unless specifically prohibited by signage or markings. Riders may ride on a footpath if they are under 12 years old, or supervising a rider under 12 years old.

The basis of a cycle network is the road network, augmented by special on-road and off-road facilities. A cycle route may range from mixed traffic, on road routes sharing road space, to off-road separated paths. Safety is paramount, but different design treatments can apply to reflect the different functions of cycleways. The degree of separation and protection from other road users depends on the volume and speeds of traffic as illustrated in **Figure 10**.



**Figure 10<sup>21</sup> - Separation of bicycles and motor vehicles according to traffic speed and volume: Urban roads**

**Volume of motor vehicles (vehicles per day)**



**Note: This diagram is to be applied to urban roads and is not appropriate for rural or non-urban roads**

All components should link into and complement the existing network which should be easily comprehended.



**Table 3** provides an example of guidelines for the selection of an appropriate type of bicycle facility. It relates the degree of separation required for cyclists to the speed and volume of general traffic.

**Table 3 - Bicycle network functions: Details the features that are also important to form a good bicycle network**

Network	Network function	Cyclist operating speed
Regional bicycle network <sup>1</sup>	High-quality, high-priority routes to permit quick, unhindered travel between the major regions of cities, towns or urban areas	25 – 40 km/h
Local bicycle routes	High-quality routes with seamless connections to regional routes. These routes connect the local system to the major regional routes	20 – 30 km/h
Mixed traffic streets (door to door access to all destinations)	Low speed, low volume local access to residential destinations in 'low-stress' shared environments	< 20 km/h

<sup>1</sup> Principal bicycle network in some jurisdictions

**Table 4 - Bicycle network features: Guiding principles when designing a cycle network**

Route feature	Comments
Safety	Minimal risk of traffic-related injury, low perceived danger, space to ride, minimum conflict with vehicles
Coherence	Infrastructure should form a coherent entity, link major trip origins and destinations, have connectivity, be continuous, signed, consistent in quality, easy to follow, and have route options
Directness	Route should be direct, based on desire lines, have low delay through routes for commuting, avoid detours and have efficient operating speeds
Attractiveness	Lighting, personal safety, aesthetics, integration with surrounding area, access to different activities
Comfort	Smooth skid-resistant riding surface, gentle gradients, avoid complicated manoeuvres, reduced need to stop, minimum obstruction from vehicles

Tables adapted from *Austrroads 2014 Cycling Aspects of Austrroads Guides*, Sydney, Australia

## Proposed Coffs Harbour LGA cycle network

The proposed CHCC cycle network builds on the solid base of cycling facilities developed over the last few decades and will apply principles noted above and in the current guidelines.

The Pacific Highway alignment is the primary regional arterial route that forms the spine of network. It follows the key north-south route through the major urban areas of the LGA and caters for cyclists 'on a mission', such as commuters, and touring cyclists, taking the most direct route alignment.

Primary minor arterial roads, such as Hogbin Drive, and Solitary Islands Way, and an ultimately connected Coastline Cycleway route, form the supporting, parallel framework.

Local routes and links form strategic connections with the regional route, connecting the local street systems. These minor arterial, local and scenic routes link locals and visitors to trip generators such as beaches, reserves, shops, schools and sporting facilities.





The map on page 30 shows the arterial network and Coastline Cycleway in the Coffs Harbour Local Government Area.

The following seven maps divide the Local Government Area into sections for more detail showing the existing and proposed network.

These maps may also be viewed in greater detail using the mapping tool (e-view) on Council's website.<sup>22</sup>

See Appendix 3 for Cycleway Network Detail list which shows the type of facility, status and other comments.



Figure 11 The arterial network with strategic connections

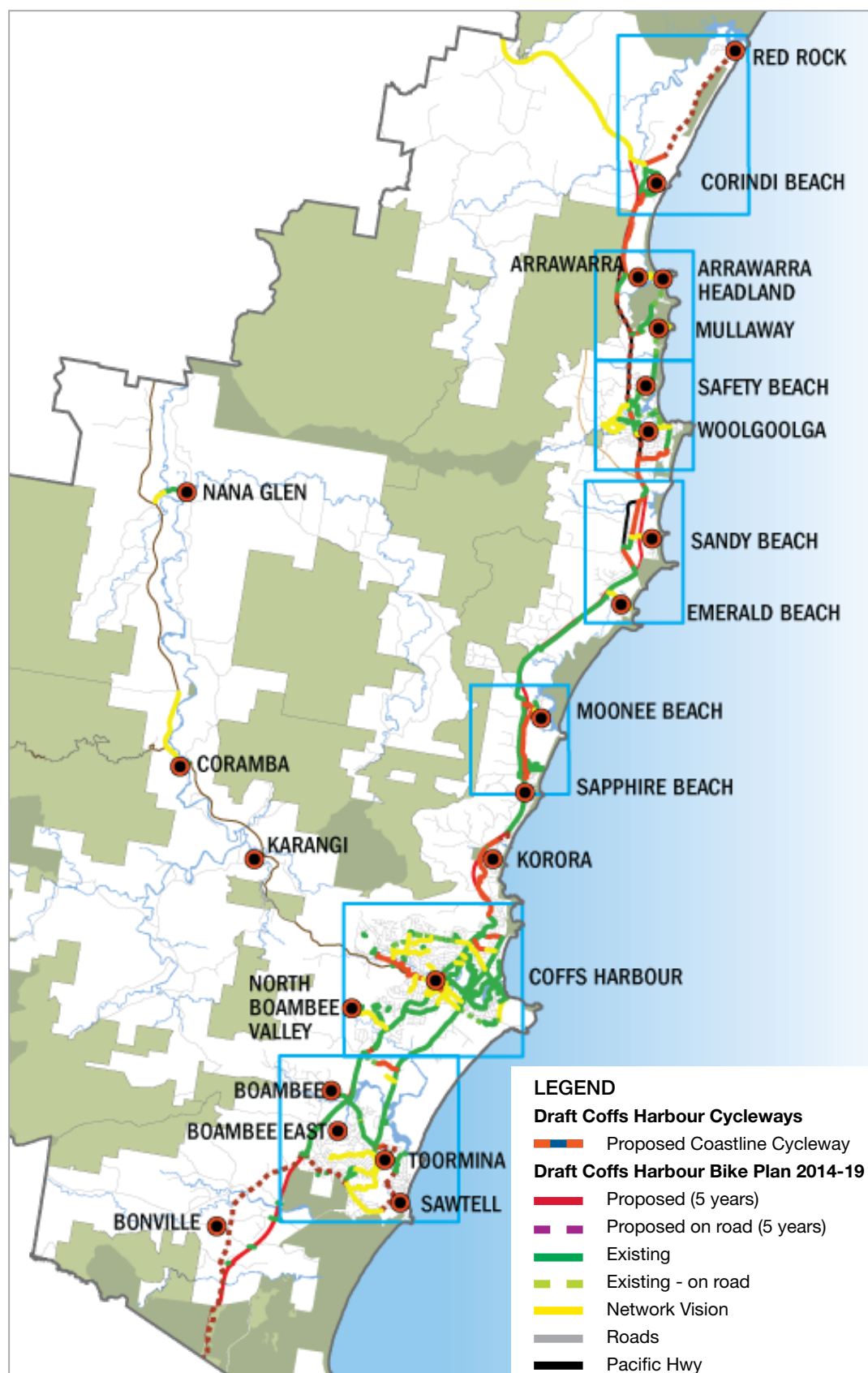




Figure 12 - Cycleway network: Corindi area

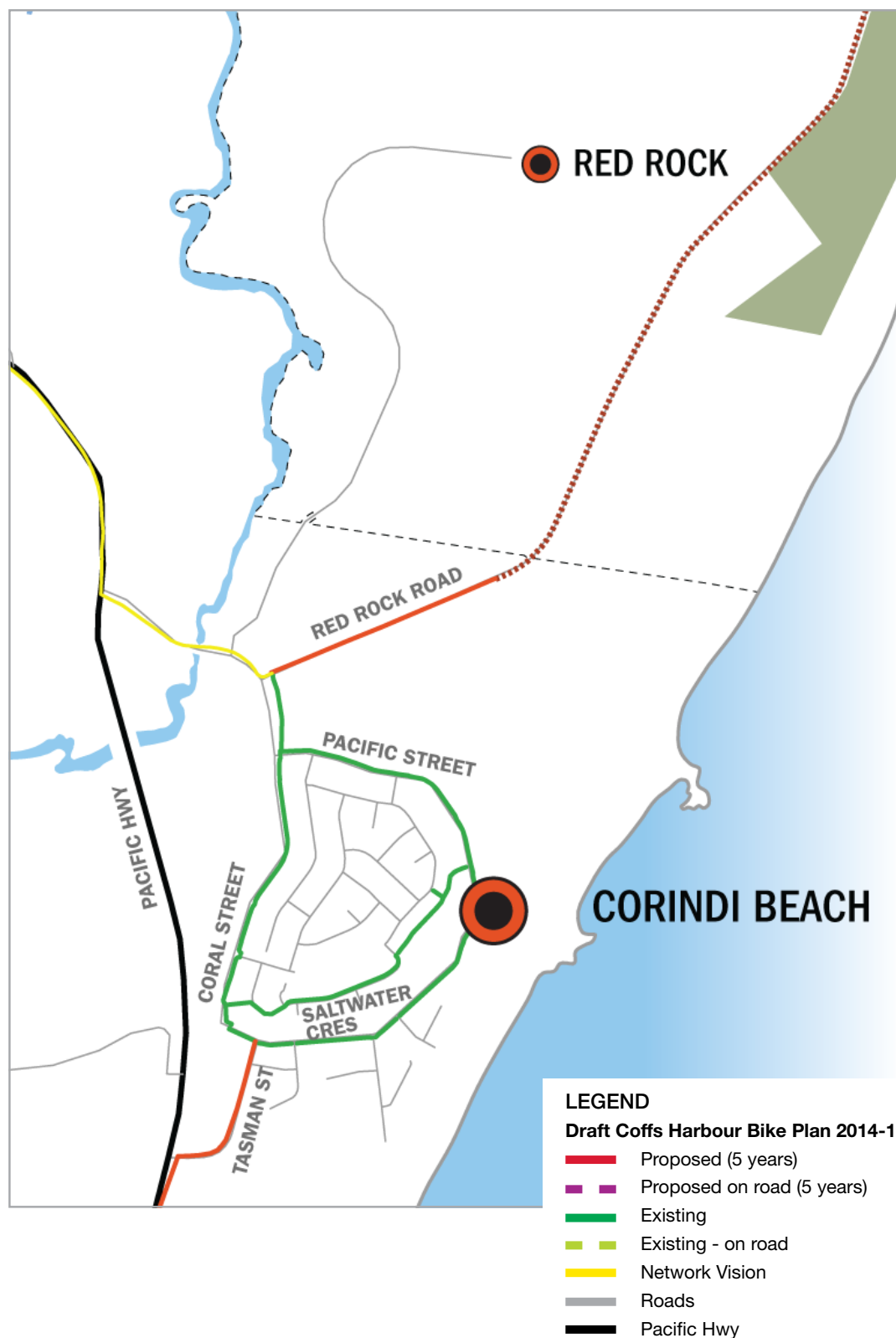




Figure 13 - Cycleway network: Arrawarra area





Figure 14 - Cycleway network: Woolgoolga area







Figure 15 - Cycleway network: Sandy Beach area





Figure - 16 Cycleway network: Moonee Beach area





Figure - 17 Cycleway network: Coffs Harbour area

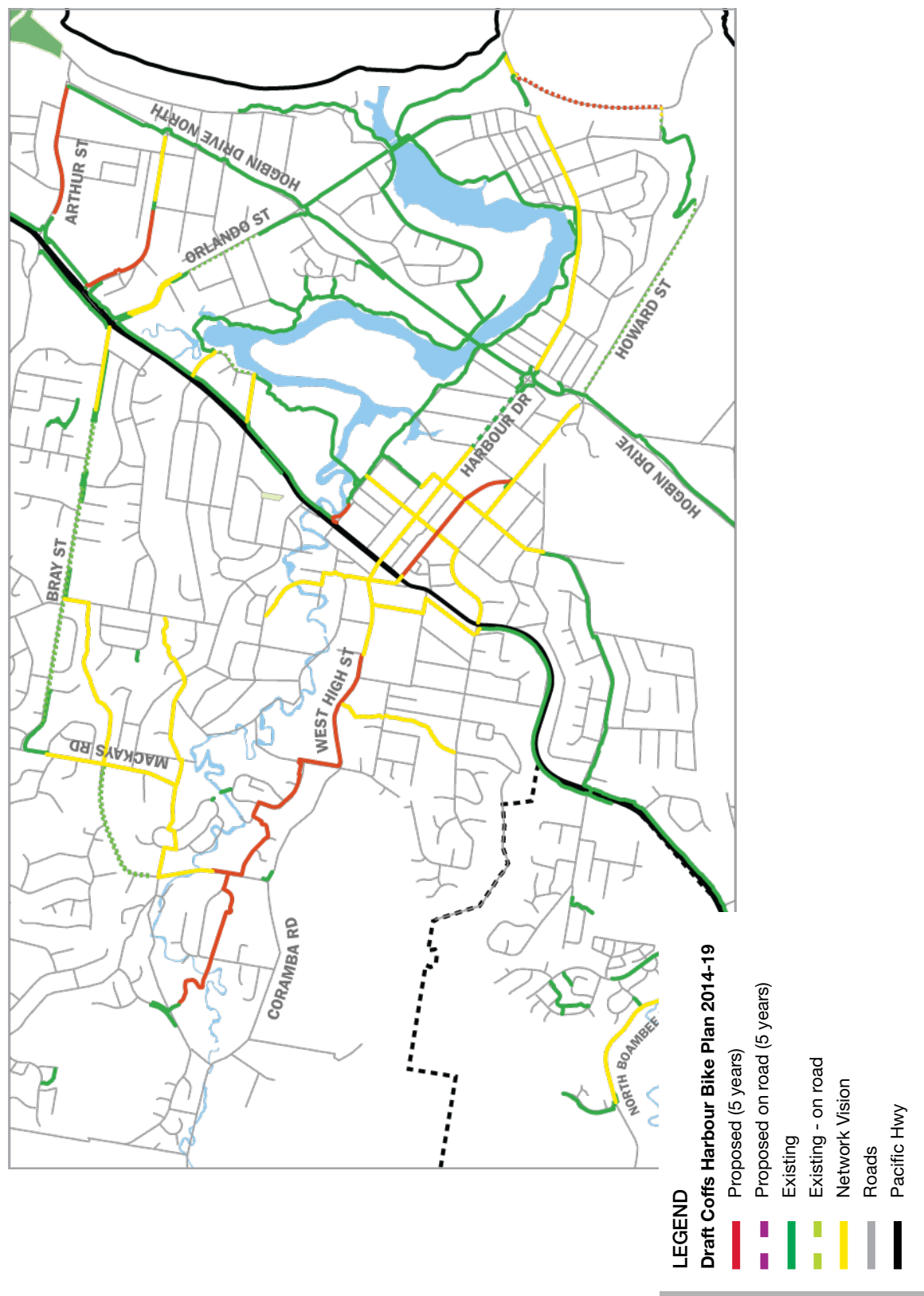
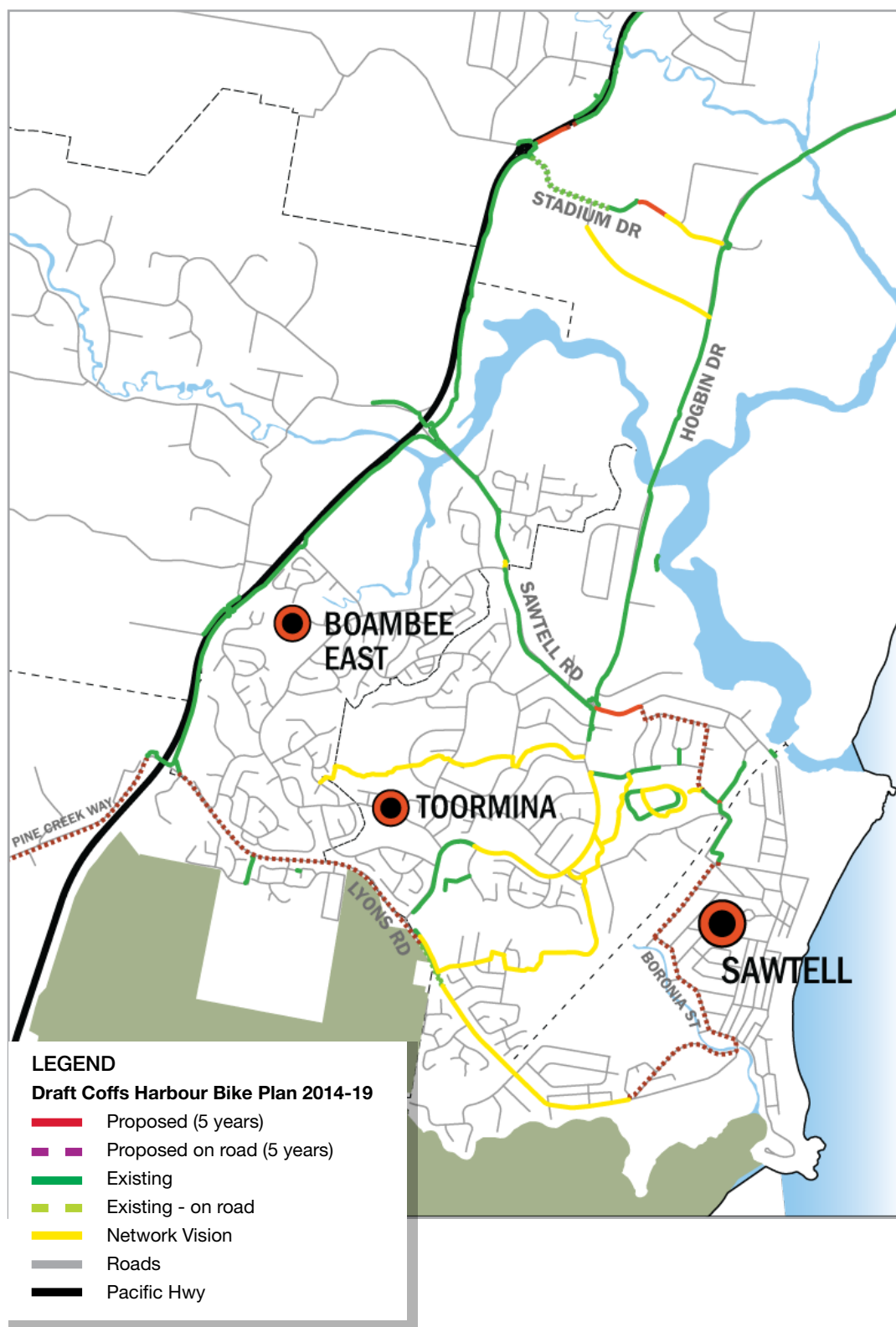






Figure 18 - Cycleway network: Sawtell area





## Route concept and design is based on principles such as:

- Provision of cycleways in accordance with the Coffs Harbour Road Network Hierarchy<sup>11</sup>
- Completion of missing links and high priority connections
- Convenient access into and through residential, commercial and industrial subdivisions, and major developments.
- Prioritisation of safety upgrades such as transitions, surface treatments, major maintenance and repairs with smooth surfaces and connections
- Prioritisation of high bike traffic links and local catchment areas, as well as trip generators such as retail centres, recreation, education, public transport hubs and entertainment facilities
- Cycle connections to the network at frequent intervals, maximising directness of travel for long distance commuter trips and short local trips.
- Use of low traffic volume streets and roads, with traffic calming where appropriate; links between cul-de-sacs, existing laneways and paths on reserves.
- Consultation with bicycle interest groups
- Referral to the Council Bikeplan for all new bicycle infrastructure
- Use of key design principles – coherence, directness, safety, attractiveness, comfort
- End of trip facilities
- Implementation of regulatory, warning and guidance signage on paths.

Consultation with Bicycle NSW and the local Bicycle Users Group (BUG) is essential to ensure suitability of cycling infrastructure for riders:

## Bicycle NSW

Bicycle NSW is the peak organisation representing cyclists in NSW. It has 10,000 registered members and potentially represents over two million bicycle owners in NSW. Bicycle NSW is also the umbrella group for numerous BUGs across NSW.

## Bicycle User Groups

BUGs and cycling clubs are an important point of external contact for councils on bicycle planning issues.

BUGs are a good source of local walking and cycling expertise and are active participants in council planning processes. Participation extends to development of bikeplans, representation on council traffic committees and submissions on draft planning instruments and development applications. BUGs also organise social rides and participate in community events. All BUG representatives are volunteers.

See Appendix 1: Clubs & Resources page 65



## Planning

### Guidelines

**Austroads publishes the design guidelines for the planning, design and construction of cycling facilities.**

In the past, the **Austroads Guide to Traffic Engineering Practice: Part 14 Bicycles** was the guideline document. To ensure bicycle riders were planned for in every road project, Austroads now incorporates bicycle planning and design guidance into multiple guideline documents.

**Cycling Aspects of Austroads Guides (2014)**<sup>6</sup> has been developed as a comprehensive overview reference and is available as a free download.

**The Guide to Road Design: Part 6a Pedestrian and Cyclist Paths**<sup>23</sup> should be used for guidance on the planning, design and construction of paths. This document consolidates information relating to on-road bicycle facilities and provides a summary of key design information for cyclist paths, including the intersection of paths with roads.

Cycleway designers should also refer to the principles and routes concepts outlined in this plan as well as the **Coffs Harbour City Council Road Hierarchy Plan (2008)**<sup>11</sup> which gives explicit consideration of pedestrians and cyclists for each category of road under its jurisdiction

### Other references for planners and designers

**NSW Bicycle Guidelines**<sup>21</sup>

**Planning Guidelines for Walking and Cycling NSW**<sup>42</sup>

**Disability Discrimination Act**<sup>24</sup>

**Walking riding and access to Public Transport**<sup>2</sup>



## OPPORTUNITIES

**Coastline Cycleway grant funding** is offered each year to participating regional councils with funding to be matched on a dollar-for-dollar basis. Completing a continuous and branded coastline cycleway route through our LGA will continue to provide a valuable funding source for cycleway projects, whilst fulfilling the objectives of regional and local connectivity.

**Pacific Highway upgrades funded by Transport for NSW** commit to the provision for associated cycling facilities and offer new opportunities for Council to expand the cycle network for the LGA. Service roads and sections of the old Pacific Highway typically provide low traffic and lower speeds creating improved cycling conditions.

Community feedback during the Sapphire to Woolgoolga upgrade should be applied to the next stage of the Pacific Highway upgrade project to impact the LGA: the Woolgoolga to Ballina upgrade. Cycling facilities to be included in this section upgrade will provide the much needed connection from Corindi to the rest of the northern beaches.

**Local catchments and trip generators** A large percentage of the population of the LGA lives within 5 kilometres of town centres. With safe cycling infrastructure there is the potential for thousands of people to choose to ride their bike into retail areas, as well as between home and key destinations such as schools, shops, cafes and recreational areas. Almost 70% of all car journeys are less than ten kilometres so for many people cycling could become the natural – and healthier – choice.

Figure 19 - Extract from the CBD Masterplan 2031



The CBD Masterplan notes that if just 10% of existing and new drivers shifted to another mode of transport across the City Centre, it would result in a reduction of approximately 300 parking spaces, and approximately \$4.9 million in carpark infrastructure savings<sup>25</sup>



**Land Use planning** Effective planning is essential to improve opportunities for cycling, reduce car use and create healthier neighbourhoods. Development assessment represents the stage at which planning is translated into works and actions and so a key opportunity is the integration of the objectives and actions of the relevant sections of the bike plan into contributions plans. Cycling provision should be included in planning instruments creating a legal obligation for assessment processes to consider cycling.

Cycling infrastructure on new developments should link or contribute to the existing network where applicable. Shared paths are the preferred cycling facility within residential areas constructed to the relevant standards and design principles as outlined previously. Planners are also encouraged to engage with cycling advocates at the planning stage (see [Route Concepts and Design Principles Page 38](#)).

The NSW Planning guidelines for walking and cycling 2004<sup>42</sup> aims to assist land –use planners and related professionals to improve consideration of walking and cycling in their work.

## Urban Planning

Cycling facilities will be included in all precinct plans, urban design, and streetscape projects, with priority given to ensuring a connection to the existing cycle network as well as use of best practice in design and construction, and incorporation of Australian standards.

Pedestrian and town centre improvement plans should be aligned to bike plans to ensure that traffic calming devices, pedestrian facilities and cycling routes are complementary.

Current major CHCC precinct projects (at various stages of concept and construction) are the City Centre Masterplan<sup>25</sup>, Jetty4Shores Project<sup>26</sup> and Woolgoolga Town Centre Masterplan<sup>27</sup>. All of these have opportunities to provide cycle facilities that are integrated with the cycle network.

### Figure 20 - The Bike Plan for the City Centre Masterplan







Any **roadwork projects & future roadway planning** should include cycleway provisions and strategic connections to the overall network.

**Works programs**, such as the installation of new water and sewerage lines, may also provide an opportunity to include cycleways. This infrastructure requires similar topography to cycleways – using easements and flat elevations. For example, part of the Woolgoolga to Arrawarra cycle route infrastructure was teamed with the Arrawarra/Mullaway sewerage project including the construction of the bridge over Darkum Creek.

The **Open Space Strategy (2010)**<sup>28</sup> highlighted the priorities and benefits of integrating paths through and around reserves, recreational facilities and existing laneways with the cycleway network. There are significant opportunities to improve connections between open spaces by improving the quality of links along drainage corridors as well as improving the quality of the road network and pedestrian and bicycle connections into and between open spaces, as well as within planned future residential areas.

The planning for West Woolgoolga Sports complex and the Toormina Sports Complex are examples of how planning of shared paths into and through these facilities provide strategic cycle network connections for the community, with predicted benefits of increased community usage. The urban areas of West Coffs and Sawtell/Toormina have several reserves and open space corridors which would also form an ideal component of a mixed on-road/off-road cycle route linking communities to schools, shops and the main arterial routes.

The **PAMP (Pedestrian and Mobility Plan)**<sup>29</sup> reviewed footpath priorities throughout the LGA and recommended integration with the cycle network, and the installation of shared paths instead of footpaths where appropriate.

Consideration of **off-road cycling** is a genuine opportunity for council as a complement to the on-road and shared path cycling network. Mountain biking ('MTB') is a growing adventure sport appealing to all age groups, including families, women and children. Opportunities in this area include researching the viability of formalising unsealed tracks in open spaces managed by Council and other management authorities as 'off-road' cycle routes, and the investigation of a Coffs MTB park concept on land owned by council on Roberts Hill in West Coffs.





CAPITAL WORKS				
Location	Project	Funding & Costing	Status	Time Frame
<b>Pacific Highway South</b>	MISSING LINK	Funded.	Complete	June 2014
	Englands Road to Cunninghams Banana Stall	RMS CYCLEWAYS 100%		
<b>Howard Street</b> Coastline Cycleway	Beacon Hill to Hogbin Drive improved transition	Funded. Department of Planning	Shovel ready	3 months
<b>West Coffs</b>	Shephards Lane Loaders Lane to Flintwood Place Stage 1 of West Coffs Cycleway	Environmental levy Section 94	Under construction	3 months
<b>Sandy Beach, Graham Drive south</b> Coastline Cycleway	Link along service road from Solitary Island Way south at Highway intersection to Sandy Beach School.	Sapphire to Woolgoolga (S2W) – RMS funded	Council to design and construct	November 2014
<b>Solitary Islands Way/ Old Bucca Rd approach and crossing</b>	Off-road path approach to intersection and crossing	S2W upgrade cycle facilities – RMS funded.	Council to design and construct	December 2014
<b>Ararawarra Creek crossing – bridges and approach</b> Coastline Cycleway	Off-road path to Solitary Island way	S2W upgrade cycle facilities – RMS funded.	Council to design and construct	December 2014
<b>Pacific Highway Coffs Harbour north</b> Coastline cycleway	Diggers Beach Rd to Highway underpass north of Bay Road – off road cycleway study	CHCC and NSW Department of Planning and Infrastructure	Costed design completed – proposal to extend to underpass for construction	August 2014



CONCEPT DESIGNS				
Location	Project & Rationale	Funding & Costing	Status	Time Frame
<b>Sandy Beach north</b> Coastline Cycleway	1300m off road cycleway from Coral Drive / Oceanic Drive across Double Crossing Creek, to Solitary Islands Way north overbridge	Funding: Section 94 contributions  RMS cycleway facilities - to be confirmed	Concept design	To be confirmed
<b>North Sapphire to Moonee Beach – eastern side</b> Coastline Cycleway	Off road cycleway, to directly link the population areas of North Sapphire and Moonee Beach	<b>S2W upgrade cycle facilities</b>  <b>Section 94 contributions</b> <b>S2W/ RMS cycleway facilities – funded</b>	Council to do concept design and costing.	December 2014
<b>Red Rock Rd, Corindi</b>	800m off –road path connecting Corindi Public School to Yarrawarra Aboriginal Cultural Centre. Stage 1 Corindi- Red Rock.  Stage 2 Yarrawarra to Red Rock	Section 94 contributions RMS cycleway facilities 2014 -2015 RMS Aboriginal Road Safety Program	Concept design and estimate submitted to RMS for stage 1  Plan to be developed for stage 2	Stage 1 construction 2014/2015 – to be confirmed  Stage 2 plan 2014 – 2015  Stage 2 construction – 2015 – 2016  To be confirmed
<b>Lyons Rd, Toormina</b>	450m on off-road shared path; 1300m on-road cycleway; 250m shoulder.  This is an arterial route for cyclists from Sawtell to the Pacific Highway and Pine Creek Way	Section 94 contributions RMS cycleway facilities  Stage 1 Toormina Road to Rutland	Concept design and estimate submitted to RMS	Stage 1 construction 2014/2015  Stage 2 plan 2014 – 2015  Stage 2 construction 2015 – 2016  To be confirmed





INVESTIGATIONS	
Location	Project & Rationale
<b>West Coffs</b>	Cycle route from William Sharpe Drive/Loaders Lane, Shepherds Lane to CBD. Route concept complete.
<b>Stadium Drive</b>	Cycleway continuity, strategic connection between Pacific Hwy Cycleway and Hogbin Drive Cycleway. Address squeeze points; improve road crossings and transition at roundabouts.
<b>Arthur Street</b> <i>Coastline Cycleway</i>	Missing link from the Arthur Street / Mastracolas Road roundabout to North Hogbin Drive.
<b>Woolgoolga - High St</b> <i>Coastline Cycleway</i>	Link existing Northern Beaches cycleway to Solitary Islands Way via High Street fields to Scarborough St (netball courts) using existing tracks and corridor formed by sewer main installation.
<b>Sawtell - Toormina connection</b> <i>Coastline Cycleway</i>	Formalising of low-traffic back-street route, linking the end of Hogbin Drive cycleway with Sawtell village centre. Combination of path-widening, mixed traffic on-road route and wayfinding signage.
<b>Park Beach Rd</b>	Improve bicycle access to Park Beach Plaza: address roundabout transition options and upgrading of footpath to Northside Shopping Centre. Investigate feasibility of connection to Hogbin Drive Cycleway.
<b>Corindi - Red Rock</b>	Develop concept for Yarrawarra – Red Rock cycle route.
<b>Orlando Street - Pacific Hwy to Hogbin Drive</b>	Cycleway continuity, strategic connection between Pacific Hwy Cycleway and Hogbin Drive Cycleway. Address missing links, squeeze points, crossings and transitions. Investigate use of railway corridor for improved separation.
<b>City Centre</b>	Investigate City Centre bike plan connections to the network. Develop priority list of recommended connections.
<b>Coramba</b>	Investigate cycleway possibilities to connect Coramba village to sportsground.
<b>Western regional routes</b>	Investigate opportunities to install cycleways connecting Western hinterland villages.



## 3. OBJECTIVES

Attachment

OBJECTIVES Improve cycling support facilities

### 3.2 IMPROVE CYCLING SUPPORT FACILITIES

#### OVERVIEW

Creating a comfortable and welcoming environment will encourage more people to ride. As well as personal safety, and the ability to navigate within or between locations, the availability of seating, shade, water and toilets; and bicycle parking facilities are significant considerations<sup>2</sup> and send clear signals that cyclist are welcome in this area.

**On-Street facilities** may include bicycle parking facilities, water refill stations, pumps, hand/grab rails at crossing as well as lighting.

**End of trip facilities** include bike storage at work, university or transport hubs as well as racks, lockers, enclosures, clean, functional showers and change rooms.

#### Bike Parking

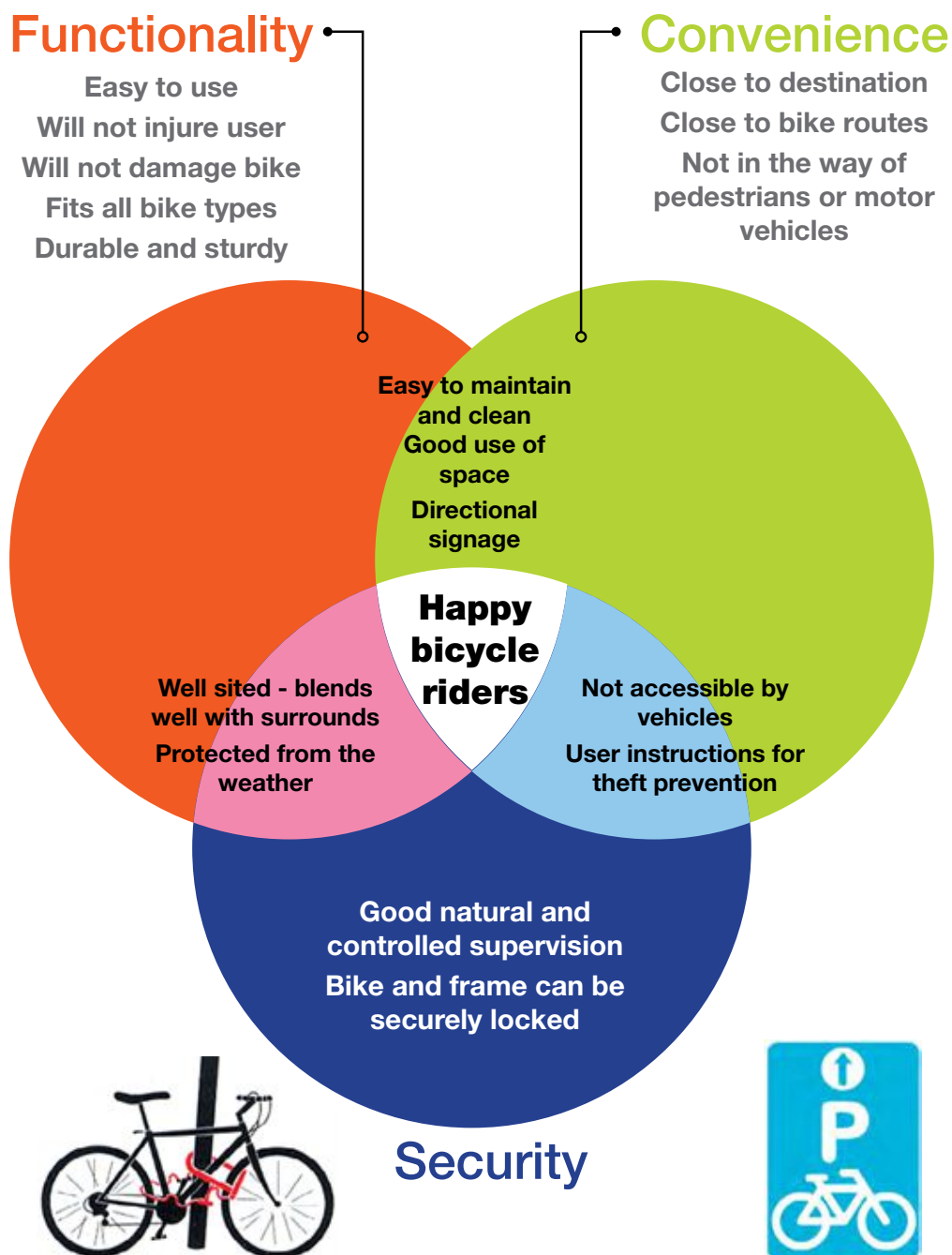
Good quality **bicycle parking facilities and secure bike parking** encourage people to arrive by bicycle instead of car. Bike racks organise parked bicycles, keep the footpath and public areas free from obstruction, and reduce bicycle theft. From a planning perspective, bike parking assists with the following objectives:

1. Provide for transport needs — of residents, businesses and industries in a manner that promotes sustainability
2. Support economic viability — of residential developments, businesses and industries
3. Reduce car use — particularly for short trips, by improving conditions for walking, cycling and use of passenger transport
4. Encourage bicycle use — by increasing the extent and quality of bicycle parking facilities
5. Provide convenient and safe access to buildings —for all users
6. Minimise conflicts — between people walking, cycling, using passenger transport and driving motor vehicles<sup>42</sup>

Commercial bike racks need to be easy to use and install, and located where cyclists will most likely use them: close to a cyclist's destination, protected from weather, clearly visible for security and access, and protected from vehicular and pedestrian conflict. Long term parking requires a more secure option such as cages or compounds not more than 100m from the rider's destination.



Figure 21 – Bike Parking Design Principles (from NSW Planning Guidelines for Walking and Cycling<sup>42</sup>)





Council is responsible for the installation of bike parking in areas within its control: parks, reserves and main street footpaths. There are three types of bike parking:

- All-day parking at trip destinations
- All-day/part-day parking at public transport stations or interchanges
- Short-term parking at shopping centres, offices and other institutions.

Bicycle rack design has evolved noticeably in response to changes in bicycle design and design standards. Cyclists will not use products that do not secure or support their bike frame, and will resort to locking their bikes to trees, posts and railings, or leaning their bikes against buildings and windows. Selection of new bike parking facilities needs to take account of these advances, and of the relevant standards.

Bicycle parking facilities should be designed in accordance with:

- NSW Bicycle Guidelines - 11. Bicycle parking and access to public transport interchanges<sup>21</sup>
- Australian Standard AS2890.3: 1993<sup>30</sup>
- Austroads Guides<sup>6</sup>

Bike parking provisions are included in component C2.3.2 of Coffs Harbour City Council's Development Control Plan 2013<sup>31</sup> Council has installed bike racks throughout the LGA. To view their locations, click on this link: <http://www.coffsharbour.nsw.gov.au/places-for-living/Pages/online-mapping-terms-and-conditions.aspx>. Once you have agreed with the Terms and Conditions, select from the side bar drop down list - Council Assets then Bike Racks:

**Figure 22 – Examples of bike parking**





There are also 5 secure bike storage facilities in the Castle Street car park. Regular commuters may apply to Council for a key which gives exclusive use of one of the cages. See the Coffs Harbour City Council website for more details. The use of these cages is to be reviewed as part of the CBD upgrade.

## Signs

**Signs** legitimise and assist the many and varied trips which cyclists make daily:

- **Regulatory** signs indicate the legal status of a facility (eg. bike lane signs, shared path signs).
- **Warning and guidance** signs warn all road and path users of identifiable potential hazards (steep descent, slippery when wet, road ahead signs)
- **Directional** signage is used to guide cyclists to their destinations (cycle route direction signs).

The NSW Bicycle Guidelines<sup>21</sup> and Austroads guides<sup>6</sup> and Australian Standard AS1744 cover signage requirements and also see City of Sydney Directional Signage Design Guidelines<sup>45</sup>. The guide describes four signing principles:

1. **Conspicuity** – easy to read, unambiguous and placed with enough time to react to the information
2. **Legibility** – clarity, brevity and with specific font size and lettering
3. **Coherence** – a well signed network provides consistency, with indication of functionality of routes built into the design. Popular destinations with distances listed on successive direction signs until the destination is reached. Bike signage should also interface with other signage systems.
4. **Function – safe, efficient** – carefully placed at all decision points along a route and work together as a system. This also includes “design redundancy” – placement of signs at, or before or following an intersection to ensure that if one sign is removed, there will be enough signage to enable the cyclist to find their destination.

It is important that network signage is planned and integrated with other branding and road / wayfinding signage. An efficient system is important, particularly to avoid large maintenance costs to Council.

**Figure 23 – Direction signs should show the destination, distance and network branding**







## OPPORTUNITIES

### Bike Parking

There is some demand within the LGA to install more racks in areas of high usage. A City Centre Masterplan<sup>25</sup> strategy is to provide +100 bike racks at locations identified through “observation of ad-hoc parking locations” **and to incorporate end of trip facilities into the bus hub and into new developments in the City Centre core as required over time.**

There are many options and innovations in bike parking facilities:

Figure 24 – Innovative bike parking solutions



Hoops or ‘o-rings’ are a low cost, easy to install option using existing infrastructure. Conversion of car spaces to bike ‘corrals’ are being introduced in many areas around the world.

They can provide an average 10 to 1 customer to parking space ratio, free up congested footpaths, and improve visibility at busy intersections<sup>46</sup>.

Bike parking requirements for new developments are addressed through the development assessment process and are detailed in the Development Contributions Plan (DCP). Larger developments provide opportunities for transport access guides and provision of bicycle parking and end-of-trip facilities.

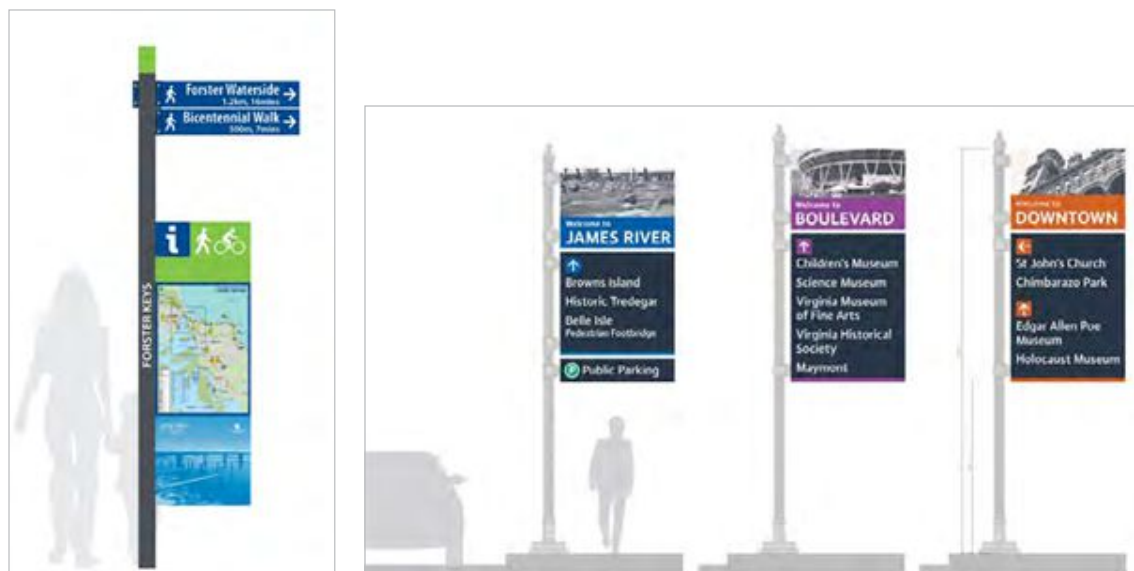
**Roads and Maritime Services offer free workshops** to assist workplaces develop their knowledge of sustainable transport options and skills to prepare and produce transport access guides for use in their own organisation. Council could lead the way by developing their own Green Travel Plan and then assisting others to do the same<sup>32</sup>





## Wayfinding Systems

Figure 25 – Wayfinding



Planning and installation of signs is a critical element of the network plan. They should be included in the plans, designs and costing of all cycling infrastructure plans. Route and directional signage should be consistent throughout the LGA and integrated with other LGA signage and wayfinding projects.

Branding or 'signing', and promoting the **Coastline Cycleway** route, once complete, offers the potential for enormous social and economic benefits to the LGA – as a regional/arterial link, as a local bike route and as a major tourist attraction.

Figure 26 – Coastline Cycleway artwork





Advisory signage options with 'behavioural messages' may have a positive effect on shared facilities and may be installed on high traffic shared paths.

Figure 27 – Shared Path signs



### Bicycle Crossing lights

Under NSW road rules it is illegal to ride across signalised crossings unless there are special bicycle lights. The provision of bicycle crossing lights on major cycleway routes is crucial for continuity.

The Pacific Highway cycleway crosses a number of intersections in Coffs Harbour which could be fitted with bicycle crossing lights.

Access to the CBD will be improved with bike crossing lights at important East/West crossings and at major arterial intersections on bike paths such as Pacific Highway / Orlando Street; Pacific Highway/ Park Beach Road and Pacific Highway / Marcia Street, and also as part of the CBD Bike Plan at Harbour Drive/Pacific Highway and Gordon Street intersections.







## ACTIONS

ACTIONS - IMPROVING CYCLING SUPPORT FACILITIES		
Action	Who	Time Frame
<b>BICYCLE PARKING PROJECTS</b>		
Review bike rack standards and applications and prioritise new sites for Council bike parking facilities	Road Safety & Transport Officer (RSTO), Coffs Harbour Bicycle User Committee (CH BUC), local bike groups	2 years
Review use of bike cages in the city centre	RSTO, CBD Working Group	3 years
Implement CBD Masterplan Bike Plan	CBD Working Group	10 years
Investigate opportunities for using car spaces for bike parking facilities	RSTO, bicycle interest groups	2 years
Seek funding for more end of trip facilities	RSTO	Annual
Support installation of end of trip facilities for commercial and other organisations	RSTO, CH BUC	Ongoing
<b>SIGNAGE AND WAYFINDING PROJECTS</b>		
Improve consistency of regulatory signage on shared paths throughout the LGA	RSTO, Bike volunteers	2 years
Develop LGA network signage and cycleway 'branding' plan	Planning and City Services	5 years
Investigate design, funding and installation of Coastline Cycleway route signage.	RSTO	5 years
Prioritise locations for improved line marking and submit nominations for maintenance funding	RSTO	Annual
<b>BIKE LIGHT CROSSINGS</b>		
Investigate funding sources for installation of bike light crossing signals at all signalised intersections along the Pacific Highway cycleway, and within the CBD.	RSTO	3 years



## 3. OBJECTIVES

Attachment

OBJECTIVES Make Cycling Safer

### 3.3. MAKE CYCLING SAFER

#### OVERVIEW

The current road safety theory framework is called Safe System<sup>33</sup>. While the Safe System approach to road safety recognises the need for responsible road user behaviour, it also accepts that human error is inevitable. It therefore aims to create a road transport system that makes allowance for errors and minimises the consequences - in particular, the risk of death or serious injury. By taking a total view of the combined factors involved in road safety, the Safe System approach encourages a better understanding of the interaction between the key elements of the road system: road users, roads and roadsides, vehicles and travel speeds.

#### 1. Safer People

Research shows that people need to feel safe and comfortable when riding a bike. They need to have the appropriate skills and knowledge to ride on the road. Media campaigns can promote safe cycling behaviours as well as the promotion of visible clothing, use of lights, bicycle maintenance and bicycle helmets.

Other road users also need to be aware of bike riders on the road, particularly at intersections, where most of the Coffs Harbour crashes occur. Current road safety programs focus on maintaining a safe distance from bikes and checking for their presence on the road as well as a general respect for other road users in the "Share the Road" campaigns.

Cyclists need to follow the road rules and make sure they are visible on the road. Research has shown that the numbers of bike crashes will rise with the increasing popularity of cycling, but then are reduced when the numbers reach a critical mass. For this reason, road cyclists need to ride defensively and Local Government will assist by installing safe cycleways and linemarking and signage to alert other road users to their presence.

#### 2. Safer Roads

Council is responsible for providing safe infrastructure for bicycles with appropriate separation from other traffic. Cycling will thrive in a low risk traffic environment. The litmus test seems to be the number of women who are riding, as they are more sensitive to safety than men. Cities that install separated paths such as Copenhagen and Amsterdam have high rates of women cycling. 55% of all bike trips in Denmark are made by women compared to 17% in Australia<sup>47</sup>.

The completion of missing links in the network, particularly with separated paths will make riding safer. Design and construction should be best practice and safety audits should be conducted before, during and after construction.

For road cyclists it is important to maintain clear shoulders, reduce squeeze points, and delineate safe paths through roundabouts. With a significant number of injury crashes occurring with other vehicles at intersections Council needs to investigate treatments to raise awareness of the presence of cyclists.

A maintenance schedule will help to reduce crashes by pruning vegetation and removing debris on the cycleways. A priority plan has been developed as part of this plan to fund major repairs on key sections of the network.



The analysis of the bicycle crash data (see page 22) revealed three particular crash zones:

1. Mastracolas Road roundabout
2. Park Beach Road adjacent the entrance to Park Beach Plaza and a section of
3. Lyons Road within 1 kilometre of Toormina Road.

Action will be taken to reduce the crashes in these areas (see page 58)

### 3. Safer Vehicles

Local Government can play a role by working with bike organisations to promote well maintained, road worthy bikes, use of visibility aids such as reflective clothing and lights, and helmets. Bike events which promote safe cycling may also be supported by Council.

### 4. Safer Speeds

Cyclists are safer if the speed differential between bikes and other vehicles is reduced. All urban retail centres have now been reduced to 40kph along with school zones. Council will continue to support speed reductions and traffic calming in appropriate high pedestrian and cycling zones. The ability to feel safe and comfortable is a key factor in the decision to ride a bicycle.





## OPPORTUNITIES

### 1. Safer People

Organisations such as Bicycle NSW<sup>34</sup> and Austcycle<sup>35</sup> provide rider skills training and bike maintenance courses in regional areas. Local cycling organisations and bike shops also have skilled trainers. Council can assist by promoting local and State bike groups and online resources and events.

The Indigenous Mountainbike project is part of the Lifestyle Innovations for Everyone (LIFE) project run by the National Centre for Indigenous Excellence NSW (NCIE, NSW)<sup>36</sup>. They have a fleet of bicycles which they transport to different centres. Students experience bike trails and learn bike maintenance and riding skills.

Bike maintenance and skills are included as part of Council's annual Sustainability Festival. Council also receives NSW Bike Week funding to support schools' bike rides and bike days. A bike mechanic volunteers his services to check the bikes and students learn the basics of bike maintenance which complement the school road safety curriculum.

Organisations such as the NSW Centre for Road Safety and the Amy Gillett Foundation produce education resources for cyclists and drivers.

### 2. Safer Roads

Council is able to apply for funding from Transport for NSW for Coastline Cycleway and network installation of new infrastructure.

Upgrades to the Pacific Highway offer opportunities to upgrade cycling facilities along the arterial spine of the LGA, with opportunities to apply for additional funding to complete missing links such as the South Coffs Cycleway from Englands Road to the Coffs Harbour Health Campus.

There are many resources available to cycleway designers to access best practice design including courses and websites as well as standard guidelines and overseas examples.

In light of the work conducted on the bikeplan, the asset register and the defect register will be modified and updated.

The plan will present a more informed application for the Roads and Maritime Services cycleway maintenance matched funding scheme and provide a proactive cycleway defect mitigation strategy.

Council will continue to work with bicycle groups to negotiate a whole of community approach to cycleway maintenance such as clean up days, hazard reporting and clearing some types of vegetation on cycleways.

Cycling infrastructure should be included, if relevant, in black spot funding applications. Council is able to apply for National and State schemes to fund road upgrades based on numbers of crashes and their severity.



### 3. Safer Vehicles

Events promoting active transport and cycling can include a safety component as part of their promotion. For example, the NAB Coffs Coast Cycle Challenge part funded a “Share the Road” brochure for cyclists and drivers promoting mutual respect, road rules, and maintaining a crash avoidance space.

Transport for NSW provide NSW Bike Week funding for Council and bike organisations to promote events linked to safe cycling for a State-wide promoted week in September. Council can support school based bike activities which promote bike maintenance and rider skills, particularly wearing helmets.

### 4. Safer Speeds

The chances of survival of a bike rider in a crash with another vehicle diminish rapidly at speeds higher than 30kph. The Road Transport (Safety and Traffic Management) Act 1999 empowers the Roads and Maritime Services (RMS) to set the speed limits on New South Wales roads through traffic regulations. The RMS determines the speed limits for all roads and road users based on a standardised set of guidelines and national agreements which aim to regulate the maximum speed of travel under good road and travel conditions.

The community can nominate roads for review by the RMS on the Safer Roads NSW website<sup>37</sup>. The Council Bicycle Users Committee could also lobby NSW Government to reduce speed limits to 30kph on selected roads in line with European cities.

Council and the community could apply to install 40kph high pedestrian activity zones with traffic calming, broader pedestrian areas and separated cycleways similar to those described in the City Centre Masterplan 2031<sup>25</sup>.





## ACTIONS

ACTIONS - MAKE CYCLING SAFER		
Action	Who	Time Frame
SAFER PEOPLE		
Support and promote bicycle skills programs – including information online	RSTO, CH BUC, local bike groups	Ongoing
Facilitate new and inexperienced adult cyclists' contact with local bicycle user groups for group rides, "bike buddies" and "bike bus" programs	RSTO, CH BUC, local bike groups	Ongoing
Support information and campaigns about key road safety issues affecting cyclists and other road users	RSTO, CH BUC, local bike groups	Ongoing
Liaise with police to ensure safety campaigns are complemented with effective enforcement	RSTO	Ongoing
Promote school bicycle road safety and maintenance programs	RSTO, CH BUC, local bike groups	Ongoing
Support programs to increase safe cycling in transport-disadvantaged indigenous and other groups	RSTO, CH BUC, local bike groups, Transport for NSW, Roads and Maritime Services	Ongoing
Promote safe cycling as part of the 'On Ya Bike' community breakfast	RSTO	Ongoing
SAFER ROADS		
Seek funding and implement network maintenance priority program based on the Reflect database.	City Services	2014-2019
Audit network to determine signage requirements for sections nominated as cycle lanes and shared paths	RSTO, CH BUC, local bike groups	2 years
Ensure Council staff attend the Bicycle and Pedestrian Planning and Design training and other related professional development initiatives	City Services	Ongoing
Investigate inclusion of bicycle facilities for all road related repairs and upgrades	City Services	Ongoing
Implement Works Plan	City Services	2014-2019
Investigate funding for prioritised missing links and crash zones.	City Services	2014-2019
Investigate crash mitigation treatments for intersections	City Services	12 months
Develop clean up cycleway days with volunteer bike groups	RSTO, CH BUC, local bike groups	Ongoing
Reallocate maintenance funding proportionately to reflect the length of existing shared paths	City Services	2014
Reconcile bikeplan with asset register	City Services	2014



ACTIONS - MAKE CYCLING SAFER		
Action	Who	Time Frame
SAFER VEHICLES		
Support and promote bicycle maintenance programs as part of bike events in the community and schools	RSTO, CH BUC, local bike groups	Ongoing
Council approved bicycle events to promote safe cycling	RSTO, CH BUC, local bike groups	Ongoing
SAFER SPEEDS		
Bicycle groups to lobby NSW Government to lower speeds in residential areas to encourage cycling and walking	RSTO, CH BUC, local bike groups	Ongoing
Council to liaise with RMS to install and promote 40kph high pedestrian activity zones where applicable	RSTO, CH BUC, local bike groups	Ongoing
Council to work with RMS to improve accessibility for cyclists on local street networks, including investigation of wider use of 'Bicycles Excepted' provision on One Way and No Entry streets.	Roads and Maritime Services, City Services	Ongoing

MAINTENANCE SCHEDULE			
Time	Location	Maintenance required	Cost
2015 - 2016	Hogbin Drive	Concrete repairs	\$35,000
	Hogbin Drive	Plan and installation of Line Marking and Signs	\$5,000
	Arrawarra Headland Road	Asphalt maintenance	\$30,000
	TOTAL		\$70,000
2016 - 2017	Hogbin Drive	Concrete repairs	\$30,000
	Hogbin Drive	Asphalt maintenance	\$30,000
	Network	Line Marking / Signs	\$10,000
	TOTAL		\$70,000





## 3. OBJECTIVES

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OBJECTIVES Encourage Greater Participation

### 3.4. ENCOURAGE GREATER PARTICIPATION

#### OVERVIEW

Education, information and promotional activities have been shown to further encourage uptake of cycling where appropriate facilities and infrastructure have been provided. The best results are achieved when planning and infrastructure investments are well supported by education and promotional activities<sup>2</sup>

Cyclists need access to information that tells them where to ride, a positive perception of cycling, secure end of trip facilities and an understanding of the benefits of cycling.

Past events have shown that people love to ride socially, and can be encouraged to try it with some incentives such as a free breakfast, giveaways, a bike check or a social activity.

There is a growing movement towards “utility” or “transportational” cycling. This involves travelling short and medium distances, often in an urban environment, including commuting, shopping, running errands and social events. Bikes provide more freedom for people without a driver’s licence, who are transport disadvantaged, and poor. Utility cycling includes economic activity such as deliveries which reduces congestion and parking demand.

Figure 28 – Utility bikes in Coffs Harbour



Council has a bike fleet which reduces the number of short car trips and parking in the city centre.

As detailed above, cycling is increasing in popularity as the demand for unstructured physical activity increases. Providing supportive infrastructure will not only increase this healthy, low cost and environmentally friendly recreation, but will also produce an economic return through adventure tourism.

Significant cycling events – such as the **NAB Coffs Coast Cycle Challenge**<sup>38</sup>, the **BCU Coffs Harbour Triathlon**<sup>39</sup> and the **Pain and Pleasure Enduro** event<sup>40</sup> - are projected to attract thousands of cyclists over the next five years. Events highlight the attractions of cycling in the area and encourage people of all ages to try cycling at different levels





The annual “On Ya Bike” Community breakfast attracts about 150 cyclists to City Square every year. It was originally linked to the NSW Ride to Work day, but has been held in NSW Bike Week for several years.

Council works with schools and Burnside play groups to encourage more children to cycle during the annual NSW Bike Week events. Schools organise rides or bike days encouraging all students to take part. Council and Burnside hold a picnic for all their playgroups at the Bray Street bike track, a safe cycling experience for the under-fives, and an opportunity to promote cycling as a low cost healthy activity.

The popular **Our Living Coast: Popular Cycling Routes**<sup>12</sup> is a valuable promotion tool for cycling in the area. Over 30 000 booklets have been distributed to date and the demand for the booklet is on-going. The cycling routes booklet is also available on the Coffs Harbour City Council website.





## OPPORTUNITIES

Events are a great way to promote a positive perception of cycling, reap the economic benefits and also grow the local cycling community. The Tour Down Under in South Australia attracts over 760 000 people and generates \$4.5m for the area. There are many examples of popular mountain bike parks and rail trails which are tourist attractions and engender small business such as cafes and accommodation. The Eurovelo is a network of cycling trails across Europe which is being developed for long distance cycling tourists as well as by local people making daily journeys<sup>48</sup>.

Coffs Coast Marketing nominated mountain biking as one of their seven key targeted niche markets in 2013 to increase the depth of visitors' experiences. It is proposed to develop a series of digital guidebooks for the targeted niche markets as well as targeting traditional tourist magazines and newspapers. The development and maintenance of local mountain bike trails provides new opportunities for adventure holidays.

The **Our Living Coast: Popular Cycling Routes**<sup>12</sup> will be re-badged for its next print run to become part of the digital series.

Cycle tourism is a relatively new and rapidly emerging industry within NSW, a growth fuelled by people seeking healthy nature-based tourism experiences. Once developed, the promotion of the NSW Coastline Cycleway provides a good example of the potential of cycling trails to stimulate economic activity in our region.

With new and emerging technology, much more can be done to provide accurate and current bike route maps to a wider online audience.

It is proposed to hold the 2013 On Ya Bike breakfast as part of the Coffs Harbour Sustainable Living Festival<sup>41</sup>, usually held in November, to increase the number of families and recreational riders attending.

Council convenes a Transport Working Group of key stakeholders to promote the use of active transport modes such as walking, cycling and public transport. Green Travel plans can provide incentives and encourage use of active transport modes in workplaces to reduce congestion and greenhouse gas emissions from transport.



## ACTIONS

ACTIONS - ENCOURAGE GREATER PARTICIPATION		
Action	Who	Time Frame
Investigate online promotion of local cycling information	RSTO, CH BUC, local bike groups	12 months
Liaise with bicycle interest groups and event organisers to include promotion of new infrastructure	RSTO, CH BUC, local bike groups, event organisers	Ongoing
Maintain and promote the use of the Council bicycle fleet for short trips	RSTO	Ongoing
Organise and support the annual "On Ya Bike" community breakfast	RSTO, Sustainable Planning, CH BUC	Annual
Seek funding for NSW Bike Week events and assist with the promotion of events during this week	RSTO, CH BUC, local bike groups	Annual
Investigate funding for update of <b>Our Living Coast: Popular Rides</b> booklet to be rebadged as part of the Coffs Coast Marketing digital series of guide books.	RSTO, Coffs Coast Marketing	2017
Liaise with Coffs Coast Marketing to develop the Mountain Bike digital guide in the series	RSTO, Coffs Coast Marketing	Ongoing
Support and assist with promotion of key local bike events and bicycle user groups	RSTO, CH BUC, local bike groups, event organisers	Ongoing
Following the completion of the Coffs Harbour Local Government Area section of the Coastline Cycleway, investigate promotional opportunities	RSTO, Roads and Maritime Services, Coffs Coast Marketing	2018
Develop Green Travel Plans for Council and other local businesses	Transport Working Group	2016

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## APPENDICES



## APPENDIX 1

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APPENDICES

## CLUBS &amp; RESOURCES

## Local Bicycle Clubs

Coffs Harbour Bicycle Users Group (BUG) [www.coffsbug.org.au](http://www.coffsbug.org.au)

Coffs Harbour Cycling Club – Road and MTB racing [www.coffsharbourcycleclub.org.au](http://www.coffsharbourcycleclub.org.au)

Coffs Harbour Triathlon Club [www.coffstri.com](http://www.coffstri.com)

Sawtell and District BMX Club <http://www.bmxnsw.com.au/sawtell/clubhome.aspx>

## Rides and Events

Pleasure and Pain Enduro (MTB) <http://www.coffsharbourcycleclub.org.au/mountain-biking-in-coffs-harbour.html>

Coffs Coast Festival of Cycling [www.coffsc Coast Festival of Cycling](http://www.coffsc Coast Festival of Cycling)

NAB Coffs Coast Cycle Challenge [www.coffsc Coast Cycle Challenge](http://www.coffsc Coast Cycle Challenge)

BCU Coffs Triathlon [www.coffstri.com](http://www.coffstri.com)

## Resources

[www.bicyclensw.org.au](http://www.bicyclensw.org.au)

[www.pushon.com.au](http://www.pushon.com.au)

[www.bicycleinfo.nsw.gov.au](http://www.bicycleinfo.nsw.gov.au)

[www.rms.nsw.gov.au](http://www.rms.nsw.gov.au)

[www.cyclingpromotion.com.au](http://www.cyclingpromotion.com.au)

[www.mapmyride.com](http://www.mapmyride.com)

[www.coffsharbour.nsw.gov.au/cycling](http://www.coffsharbour.nsw.gov.au/cycling)

[www.nsw.cycling.org.au](http://www.nsw.cycling.org.au)



## APPENDIX 2

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APPENDICES

### PLAN DETAILS

See separate document Appendix 2 Bike Plan Details



# APPENDIX 3

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APPENDIX 3

## CYCLEWAY NETWORK DETAIL LIST



## APPENDIX 3

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CYCLEWAY NETWORK DETAIL List

NORTHERN BEACHES Corindi / Red Rock to Mullaway			
		Works plans 2014 - 2019	Existing Long term Vision
Road / Cycleway	Description	Status / Action	Comments
Pacific Hwy - Dirty Creek Range to Eggins Drive	Pacific Hwy will become secondary road, shoulder each side. Coastline Cycleway	Woolgoolga - Ballina upgrade	Northern LGA connection. Cycle tourism.
Coral St - Old Pacific Hwy to Red Rock Rd	On road cycle lane. Coastline Cycleway		
Coral St - Red Rock Rd to Tasman Street	Existing shared paths. Coastline Cycleway		
Pacific St - Coral St to Coral St	Existing shared paths		Local cycleways including link to Corindi Beach Caravan Park
Red Rock Rd - Coral St to Yarrawarra Centre	800m km off-road concrete	RMS funding application submitted	School. Aboriginal centre. National park. Stage 1 Corindi-Red Rock connection.
Red Rock Rd - Yarrawarra Centre to Red Rock	On road cycle lane		Connecting communities, sporting facilities. Safety. Cycle tourism potential. Investigate funding for upgrade sections.
Tasman St - Pacific St to Pacific Highway	Facility to be confirmed. Coastline Cycleway	Woolgoolga-Ballina upgrade	Missing link to connect Corindi to cycling facilities on Solitary Islands Way
Pacific Highway - Tasman St to Eggins Dr	Facility to be confirmed	Woolgoolga-Ballina upgrade	Connects beach villages: Corindi to Arrawarra
Eggins Dr - Pacific Highway to Arrawarra Beach Rd	Facility to be confirmed	Woolgoolga - Ballina upgrade	Connects beach villages: Corindi to Arrawarra
Old Pacific Hwy/Eggins Drive to Arrawarra Beach Rd	Separate shared path. Coastline Cycleway	Woolgoolga - Ballina upgrade	Connects beach villages: Corindi to Arrawarra
Arrawarra Beach Rd - Arrawarra Rd - First Ave	Bridge over creek and shared path access with future redevelopment. Coastline Cycleway	Developer Contributions	Completes scenic coastline cycleway connection to existing Woolgoolga-Arrawarra cycleway
Eggins Dr - Arrawarra Beach Rd - Arrawarra Rd - Arrawarra Creek	Off road path	Sapphire to Woolgoolga (S2W) cycleway facilities	
Solitary Islands Way - Arrawarra Creek bridge and approaches	Bridge and off-road path approaches	S2W cycleway facilities Council to design and construct	S2W cycleway facility continuity
Solitary Islands Way - Arrawarra Creek to Centenary Dr	Facility to be confirmed	S2W cycleway facilities	Low traffic volume route used by more cyclists since bypass opened. Subject to handover conditions.
Mullaway Drive - Solitary Islands Way to Whitton Place	Separate shared path		Local cycleway
Mullaway Drive - Whitton Place to Arrawarra Rd	Path widening school to Arrawarra Headland Road		Link between arterial cycle route and coastline cycleway. Safer link community to school
Mullaway Dr - Arrawarra Rd to Darkum Rd	On-road cycle lane one side. Coastline Cycleway		Investigate upgrade and providing cycle lane both sides of the road
Arrawarra Rd - Mullaway Drive to Third Ave	On road and off road shared path		Include transition to First Ave and extension to beach





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CYCLEWAY NETWORK DETAIL List

NORTHERN BEACHES Mullaway to Woolgoolga (Hearns Lake)			
<div> <div></div> Works plans 2014 - 2019                     <div></div> Existing                     <div></div> Long term Vision                 </div>			
Road / Cycleway	Description	Status / Action	Comments
Mullaway Drive to Beach St, Woolgoolga via Darkum Rd and Safety Beach	Mixture of off-road cycle lane, mixed traffic and shared path. Coastline Cycleway.		
Solitary Islands Way - Centenary Dr to Woolgoolga Sports field and West Woolgoolga	Shared path		Will provide link from West Woolgoolga DCP (Newmans Road) to sportsfields and to High School - includes bridge across Poundyard Creek
Solitary Islands Way - Dalgety St to Newmans Rd via Strawberry Close	Shared path		
Solitary Islands Way - Centenary Drive to Clarence St roundabout	Shared path east side. Underpass to West		
Clarence St / Beach St - Solitary Islands Way to Carrington St	Facility to be confirmed: Possible widening of existing footpath; some wide footpaths to be signposted	Woolgoolga Masterplan	Pedestrian/cycle facility to link Woolgoolga west side residential area to town centre
Carrington St to High St via sports fields	Shared path. Coastline Cycleway.		Links Woolgoolga town centre to sporting fields and High Street retirement village
High St to Solitary Islands Way via South Street, reserve, to Nightingale St and Scarborough St	Shared path. Coastline Cycleway.		Connects sporting fields, communities. Flat topography. Connects Woolgoolga town centre to the south. Sealed path along existing track through reserve, in part following newly constructed sewer line
Solitary Islands Way - Clarence St roundabout to Hearns Lake Road	Facility to be confirmed. Coastline Cycleway.		



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CYCLEWAY NETWORK DETAIL List

NORTHERN BEACHES Woolgoolga (Hearns Lake) to Sapphire			
<div> <div>Works plans 2014 - 2019</div> <div>Existing</div> <div>Long term Vision</div> </div>			
Road / Cycleway	Description	Status / Action	Comments
Solitary Islands Way - Hearnes Lake Rd to easement adjacent Double Crossing Creek	Shared path. Coastline Cycleway	S2W cycleway facilities	
Solitary Islands Way to Coral Drive via Oceanic Drive	Off road shared path , bridge over Double Crossing creek. Coastline Cycleway	Part Developer Contributions - remainder of funding to be confirmed	Missing link in S2W cycleway facilities. Connection with Coral Drive off road cycleway through new sub divisions
Coral Drive to Solitary Islands Way via Turpentine Ave reserve	Shared path through reserve to Sandy Beach school crossing. Coastline Cycleway		Will form part of continuous link Coastline Cycleway route + S2W cycle facilities
Solitary Islands Way - Johnsons Road to roundabout (South)	Shared path - East side. Coastline Cycleway	S2W cycleway facilities	Connection from Solitary Island Way separated path to Emerald Beach and Sandy Beach School
Solitary Islands Way - Sandy Beach (south) overbridge to Fiddamans Rd roundabout	3.0m shared path. Coastline Cycleway	S2W cycleway facilities	All S2W roundabouts and bridges have off road shared paths
Solitary Islands Way - Fiddamans Rd roundabout to Coachmans Close	2.0m sep shared path, one side. Coastline Cycleway	S2W cycleway facilities	Delineators and guide posts to be installed
Fiddamans Rd - Solitary Islands Way to Surf St	Facility to be confirmed		Local cycleway - link to Solitary Islands Way
Solitary Islands Way/Bucca Rd approach on south side, and crossing.	Shared path and transition	S2W cycleway facilities	Off road path to address squeeze point where separated path crosses Bucca Rd. Approaches to Solitary Islands Way/Bucca Road intersection
Moonee Beach overbridge	Shared path		
Moonee Beach Rd to Sullivans Rd	Footpath. Coastline Cycleway		Investigate potential widening
Moonee Beach Rd - Sullivans Rd to caravan park	Shared path		Local cycleway
Sullivans Rd to North Solitary Drive, Sapphire	Shared path		
North Sapphire Rd	Shared path		
Solitary Islands Way North Sapphire roundabout	Shared path. Coastline Cycleway	S2W cycleway facilities; part Developer Contributions	Link between communities of Moonee Beach and North Sapphire; North Sapphire DA; some local cycleways existing in North Sapphire



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CYCLEWAY NETWORK DETAIL List

## NORTHERN BEACHES Sapphire to Coffs Harbour

Works plans 2014 - 2019

Existing

Long term Vision

Road / Cycleway	Description	Status / Action	Comments
Coachmans Close - end of S2W to Pacific Highway at Opal Boulevard	Mixed traffic. Coastline Cycleway	S2W cycleway facilities	
Pacific Highway – Opal Boulevard to James Small Dr	Facilities to be confirmed. Coastline Cycleway	Nominated for concept design funding. Concept plan and investigation as extension of Diggers Beach Rd to Charlesworth Bay project	RMS regional route; Route investigation – off road path along Pacific Hwy, Korora School Road, James Small Drive, Pacific Highway to Pacific Bay underpass. Underpass would provide safe east-west crossing
Pacific Highway - James Small Drive south to Korora School Rd		Nominated for concept design funding. Concept plan and investigation as extension of Diggers Beach Rd to Charlesworth Bay project.	Route investigation – off road path along Pacific Hwy, Korora School Road, James Small Drive, Pacific Highway to Pacific Bay underpass. Underpass would provide safe east-west crossing
James Small Dr - Korora School Rd to Pacific Highway			
Pacific Highway - James Small Drive south to Pacific Bay underpass			
Pacific Highway - James Small Dr to Diggers Beach Rd	Shared path. Coastline Cycleway	Coastline cycleway and RMS funding for costed design	Extends off road cycleway connection from Diggers Beach Rd to Pacific Bay and proposed crossing via underpass. Link to Bruxner Park Road - a popular road bike route
Pacific Highway - Diggers Beach Rd to Arthur St	Shared path. Coastline Cycleway		



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CYCLEWAY NETWORK DETAIL List

COFFS HARBOUR Pacific Highway and east side			
<div> <div></div> Works plans 2014 - 2019 <div></div> Existing <div></div> Long term Vision </div>			
Road / Cycleway	Description	Status / Action	Comments
Pacific Highway - Arthur St to Orlando St	Shared path. Coastline Cycleway		
Pacific Highway - Mastracolas Rd to Bray St	Shared path		
Mastracolas Rd to Arthur St via underpass	Shared path		
Arthur St - Park Beach Plaza to North Hogbin Drive	Facility to be confirmed. Coastline Cycleway	Funding to be confirmed	Missing link in Coastline Cycleway scenic route. Connects cycleways, retail, residential, sporting facilities. Aboriginal Road Safety Program
North Hogbin Dr- Arthur St to Orlando St	Shared path. Coastline Cycleway		
North Hogbin Dr - Orlando St to Howard St	Shared path. Coastline Cycleway		
Orlando St, Hogbin Drive to Ocean Parade	Shared path. Coastline Cycleway		
Orlando St – Pacific Hwy to bridge (No.177)	Facility to be confirmed		
Orlando St - bridge (No. 177) to Hogbin Dr	On road cycleway both sides		Transitions to be upgraded
Park Beach Road	Facility to be confirmed	Investigate funding	Access to Park Beach Plaza from Hogbin Drive and Pacific Highway
Pacific Highway - Orlando St to Coff St	Shared path & mixed traffic section (Rose Ave)		
Pacific Highway – Bray St to Beryl St	Facility to be confirmed		Investigate path widening to legitimise demand for cycling route/facility: Existing footpath is used by many cyclists
Ocean Parade to Orlando St via Park Beach Reserve	Shared path		Bowling Club to Jetty Foreshores
Orlando St to Marina Drive	Shared path through Reserve. Coastline Cycleway		Connect Coffs Creek to Jetty Foreshores area
COFFS CREEK CYCLEWAY	Shared path circuit: Sealed on Southern side, unsealed Northern side		
Marina Dr - Park Beach Entrance to Jordan Esplanade	Facility to be confirmed. Coastline Cycleway		Missing link



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CYCLEWAY NETWORK DETAIL List

**COFFS HARBOUR Pacific Highway and east side**

Works plans 2014 - 2019

Existing

Long term Vision

Road / Cycleway	Description	Status / Action	Comments
Marina Dr - Jordan Esplanade to Harbour Dr	Shared path. Coastline Cycleway		Local cycleway
Jordan Esplanade - Marina Dr to Camperdown St	Facility to be confirmed. Coastline Cycleway		Jetty Foreshores plan including choice of off road and on road cycleways
Camperdown St - Jordan Esplanade to Beacon Hill cycleway	Shared path on cycleway: Links to be confirmed. Coastline Cycleway		Missing link
Beacon Hill path	Coastline Cycleway		Camperdown St to Howard St
Howard St - Beacon Hill path to Hogbin Drive roundabout	Existing on road route. Coastline Cycleway	Shoulder widening: Council to design and construct 2014. Coastline Cycleway funding	Surplus funding from Beacon Hill Cycleway to improve transitions from Hogbin Drive to Howard Street and to Beacon Hill



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CYCLEWAY NETWORK DETAIL List

WEST COFFS			
<div> <div></div> Works plans 2014 - 2019                     <div></div> Existing                     <div></div> Long term Vision                 </div>			
Road / Cycleway	Description	Status / Action	Comments
<div></div> Shephards Lane – between Loaders Lane to Flintwood Pl	Shared path including bridge	Developer Contributions - under construction	
<div></div> Donn-Patterson Drive: Shephards Lane to Mackays Road	On road cycle lanes both sides		
<div></div> Mackays Rd - Donn-Patterson Drive to Joyce Street	Shared path through Reserve		Through public reserve behind Kotuku St and Calala Place Connects to public schools in Joyce St
<div></div> West High St - Pacific Highway to Gundagai PL	Facility to be confirmed		
<div></div> West High St to William Sharp Dr via Robin St, Red Cedar Dr, Flintwood PL., Shephards Lane	Facility to be confirmed		
<div></div> William Sharpe Dr	Shared paths over bridge		
<div></div> Moonee St to Murray Dr via Korff St and reserve	Facility to be confirmed		
<div></div> Shephards Lane to Joyce St via Gallipoli Rd	Facility to be confirmed		
<div></div> Mackays Rd to Joyce St via reserve	Facility to be confirmed		
<div></div> Donn-Patterson Dr - Blacker Close to Mackays Rd	On road cycle lanes		
<div></div> Bray St - Mackays Rd to Elm St	On road cycle lanes and shared path		
<div></div> Bray St - Kurrajong Bridge to Pacific Highway	Facility to be confirmed		Possibility of widening footpath



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CYCLEWAY NETWORK DETAIL List

## SOUTH COFFS Coffs CBD to Sawtell Road

Works plans 2014 - 2019

Existing

Long term Vision

Road / Cycleway	Description	Status / Action	Comments
Pacific Highway - Combine St to Thompsons Rd	Shared path		Check signs
Thompsons Rd – Pacific Highway to Raleigh St	Shared path		
Pacific Highway - Thompsons Rd to Stadium Dr	Shared path		
Hogbin Drive - Howard St to Sawtell Rd	Shared path		
Hogbin Drive	Shared path. Coastline Cycleway		
Hogbin Drive	Pedestrian / cycleway bridge		Link needed to safely connect east side path to school, sporting fields, proposed South Coffs residential development
Hogbin Drive	Underpass at Boambee Creek	Developer contributions: South Coffs DCP	Crossing to link east-side Hogbin Drive path to West side and connection to Hi-tech Drive
Stadium Drive - Pacific Highway to Hogbin Dr	On road cycle lane and shared path	Prepare for funding submission. Safety upgrade.	Link road between Pacific Hwy and Hogbin Drive; Submission to remove squeeze points, improve road crossings and transitions



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CYCLEWAY NETWORK DETAIL List

## SAWTELL - TOORMINA - BOAMBEE

Works plans 2014 - 2019

Existing

Long term Vision

Road / Cycleway	Description	Status / Action	Comments
Sawtell Road - Toormina Rd to Pacific Highway	Shared path		Switches from south side to north side at Linden Avenue. Safe crossing transition needed.
Pacific Highway - Stadium Drive to Lyons Rd	Shared path		
Sawtell Rd - Hogbin Dr to Wirabilla Dr	Upgrade to shared path. Coastline Cycleway		Coastline Cycleway route to Sawtell
Sawtell Rd to Hulberts Rd via Wirabilla Dr, Lalaguli Dr, and Werambie St.	Mixed traffic and fire trail. Coastline Cycleway		Line marking to assist way-finding
Hulberts Rd - Fire trail at Werambie St to Sixteenth Ave	Shared path including rail crossing. Coastline Cycleway		Transition to Sixteenth Ave across Seventeenth
Sixteenth Ave - Seventeenth Ave to Boronia St	On-road cycle lane. Coastline Cycleway		
Boronia St - Sixteenth Ave to First Ave	On-road cycle lane. Coastline Cycleway		
Proposed Toormina Sports complex	Shared path		Connecting to sports facilities
Minorie Dr - Werambie St through to velodrome entrance	Shared path		Connects Coastline cycleway route to sporting facilities - extension of existing shared path on Minorie Dr
Wave Close to Hulberts Rd via Hulberts Lane	Shared path		
Minorie Drive - Toormina Rd to Velodrome	Shared path		Connection to velodrome (East) over reserve, down fire trail and over road reserve
Wave Close to Lyons Road via Platts Close, Ocean Spray Cl, Aquamarine Dr, Shelton Close, Walsh Cl	Shared path		Mostly existing shared paths and some on-road mixed traffic - needs signs
Toormina Rd - Sawtell Rd to Toormina Shopping Centre	Shared path		Needs signage
Toormina Rd - Toormina Shopping Centre to Dews Ave	Path widening		1.3km





## APPENDIX 3

Attachment



CYCLEWAY NETWORK DETAIL List

**SAWTELL - TOORMINA - BOAMBEE**

Works plans 2014 - 2019

Existing

Long term Vision

Road / Cycleway	Description	Status / Action	Comments
Toormina Rd – Dews Ave to Lyons Rd	Shared path		
Bayldon Rd	Mixed traffic. Coastline Cycleway		Alternative to Lyons Rd
Lyons Rd - Bayldon Rd to Banool St	Shared path		Missing link
Lyons Rd - Banool St to No. 156	Shared path		
Lyons Rd - No. 156 to No. 14	Facility to be confirmed		Missing link
Lyons Rd - No. 14 to Toormina Rd	On road cycleway both sides		
Lyons Rd – Toormina Rd to Pacific Highway	450m on off-road shared path; 1300m on-road cycleway; 250m shoulder. Coastline Cycleway	RMS funding application submitted and Developer Contributions	Arterial route for cyclists from Sawtell to the Pacific Highway and Pine Creek Way
Pine Creek Way	On road cycle lane. Coastline Cycleway	Pine Creek Way to be narrowed as status is now a local road - on road cycle lane to be included in line marking	



## APPENDIX 3

Attachment



CYCLEWAY NETWORK DETAIL LIST

**CITY CENTRE and strategic connections**

Works plans 2014 - 2019

Existing

Long term Vision

Road / Cycleway	Description	Status / Action	Comments
Coff St – Pacific Hwy to Gordon St	Shared path		Section of footpath needs widening alongside Coffs Creek. at Highway intersection; Connects Pacific Hwy cycleway (north) to City Centre
Coffs Creek Cycleway connection via showground	Shared path		Locked gates over Coffs Creek between sunset and sunrise prevents maximum usage as a commuter connection
Duke St to Earl St	Shared path		Existing shared path ( no signage) along Duke St connects to end of Earl St at Coles
Earl St to Community Village	Facility to be confirmed		
Brelsford Park	Shared path	Part of Brelsford Park Masterplan	Desire line link from Albany St –Curacoa St. Grand Walkway
Albany St - Earl St to Hogbin Drive	Facility to be confirmed		Connecting Hogbin Drive cycleway and CBD
Pacific Highway - Combine Street to City Centre	Facility to be confirmed		Connection needed from end of Pacific Hwy cycleway South shared path to CBD: possible route via Elizabeth Street, across McLean Street via Lyster Street to West High (West Coffs cycleway connection)
Harbour Drive CBD to Curacoa St	Facility to be confirmed	Investigate on-road cycleway facilities	
Harbour Drive - Curacoa St/Victoria St	On road cycleway both sides. Shared paths at roundabout		
Harbour Drive - Victoria St to Jetty	Facility to be confirmed		Popular road-cycling route.2.5km on-road to Jetty
<b>Highway Bicycle Light crossings at</b>			
Park Avenue / Moonee Street		Investigate RMS funding for Pacific Highway Bicycle Light crossing project.	Refer to page 52 of Bike Plan
Harbour Drive / West High Street			
Beryl Street (proposed lights)	Proposed court precinct		
Albany Street / Combine Street	Connect to Pacific Highway cycleway south		



## APPENDIX 3

Attachment



CYCLEWAY NETWORK DETAIL List

**WESTERN RURAL**

Works plans 2014 - 2019

Existing

Long term Vision

Road / Cycleway	Description	Comments
Coffs Harbour to Coramba	Regional connection - subject to RMS funding	Possible use of existing and proposed pipe or rail infrastructure
Coramba to Showground/sportsground	Off-road shared path	2.6km link to Coramba from sports facilities



## REFERENCES

Attachment



REFERENCES

## REFERENCES

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## NATIONAL STRONGER REGIONS FUND

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### **Purpose:**

To recommend projects for application for funding under the National Stronger Regions Fund (NSRF).

### **Description of Item:**

Applications for the National Stronger Regions Fund (NSRF) opened on 1 October 2014. Round One applications close 28 November 2014. Announcements of Round One Projects to be funded is scheduled for May 2015.

The National Stronger Regions Fund (NSRF) is a new program to promote economic development in Australia's regions. The Federal Government is providing \$1 billion over five years, commencing in 2015-16, to fund priority infrastructure in local communities.

The desired outcomes of the program are:

- improved level of economic activity in regions;
- increased productivity in the regions;
- increased employment and a more skilled workforce in regions;
- increased capacity and improved capability of regions to deliver major projects, and to secure and manage investment funding;
- improved partnerships between local, state and territory governments, the private sector and community groups; and
- more stable and viable communities, where people choose to live.

Applications for grant funding will be appraised against the eligibility and assessment criteria of the NSRF program. Decisions on projects to be funded will be taken by a Ministerial Panel in consultation with the Government's National Infrastructure Committee of Cabinet.

The NSRF program guidelines identify the following assessment criteria and conditions:

### **Assessment criteria**

1. The extent to which the project contributes to economic growth in the region;
2. The extent to which the project supports or addresses disadvantage in the region;
3. The extent to which the project increases investment and builds partnerships in the region;
4. The extent to which the project and proponent are viable and sustainable.

### **Conditions**

1. The applicant must seek a grant of at least \$20,000 and up to a maximum of \$10 million;
2. The applicant must match the NSRF grant in cash on at least a dollar for dollar basis;
3. The NSRF funded component of the project must be completed on or before 31 December 2019;

4. The project must deliver an economic benefit to the region beyond the period of construction.

Suggested projects which may be eligible and have a potential source of funding contribution are discussed in the Issues section of this report. Note that *'each applicant can only have one active application per Round of NSRF, and can only have one application under assessment or consideration by decision-makers at a time.'*

#### **Sustainability Assessment:**

- **Environment**

Any of the projects nominated will need to include a detailed assessment and review of environmental impacts.

- **Social**

Projects nominated for the funding program will need to meet project objectives in stimulating growth and economic activity and supporting productivity and community well-being.

- **Civic Leadership**

The projects listed for consideration will address matters outlined clearly in the Looking After of Communities Theme and the Moving Around Theme of the Coffs Harbour 2030 Community Plan.

- **Economic**

#### **Broader Economic Implications**

These projects would have positive economic implications during the construction period and also in the long term.

#### **Delivery Program/Operational Plan Implications**

NSRF guidelines state that;

*The applicant must match the NSRF grant in cash on at least a dollar for dollar basis;*

Previous priority infrastructure reports have identified Council's Business Development and Private Works reserves as possible sources of funds to match grant funding for infrastructure projects. There are sufficient funds in these reserves, and further funds in the Future Fund reserve, to allocate matching funds to the recommended project, should the application be successful.

#### **Risk Analysis:**

The NSRF is a competitive program with decisions on projects to be funded based on, amongst other things, information provided in the application and supporting documents. The quality and level of development of plans and estimates for the application therefore need to be very high. Council needs to consider this along with the project assessment criteria in deciding on a project with sound prospects of winning funding from the program.



Financial risk needs to be managed through ensuring that cost estimates for a project submission are backed through appropriate levels of design and quantity assessment.

#### **Consultation:**

Various levels of internal and external consultation has been undertaken for the projects considered in this report.

The Jetty4Shore project has been through a comprehensive community engagement process.

#### **Related Policy and / or Precedents:**

Attached to this report are the previous reports and Council resolutions on Round 4 of the previous government's RDA program which outline Council's last priority list of infrastructure projects.

#### **Statutory Requirements:**

All projects will be required to meet relevant statutory requirements.

#### **Issues:**

Given the strong emphasis on sustainable economic growth and partnerships on returns from the NSRF program, it seems that the Jetty4shore project is the most likely project to meet NSRF criteria and result in a successful submission.

#### **Jetty4Shore project**

The five key elements of the adopted Jetty4shore plan are:

Stage 1 – Area E Jetty Walkway	\$1.44m
Stage 2 – Area BKiosk Area (includes steps and paving area)	\$1.29m
Stage 3 – Market / Picnic Area	\$3.32m
Stage 4 – Boardwalk (north of Jetty pier)	\$0.74m
Stage 5 – Jetty Pier Precinct	\$5.00m
Stage 6 – Boardwalk (south of Jetty pier)	\$0.84m

Council has commenced work on Stage 1 (element E) Jetty Walkway with additional car parking construction completed and walkway construction works about to commence.

Design work for stages 2, 3 and 4 has progressed with incorporation of proposed beach protection works in the Physical Harbour Modeling currently being undertaken by Manly Hydraulics Laboratory for the Coffs Harbour Boat Ramp project. Detailed cost estimates and Quantity Surveyors report are available for all stages of the project.

Stages 5 and 6 represent the interface between the approved concept plans and the remainder of the Jetty4Shore project. Progression of Stages 5 and 6 will rely on additional work on partnerships and concept planning for the areas to the south. As such stages 5 and 6 are not considered ready for inclusion in the NSRF Round 1 submission.

It is recommended that a submission be made to NSRF for Stages 2, 3 and 4 of the Jetty4Shore project for a total project cost of \$5,350,000.

The concept plan of the subject area and stages is attached to this report.

**Other projects considered in compilation of this report:**

**International Stadium Upgrade**

On 10 March 2011 Council resolved to endorse the concept plans for these upgrades. The total value of the project is estimated at \$24 million; however, it is designed to be built in a number of stages as funding becomes available. Total Stage 1 cost estimates have been previously reported as \$4,756,545

NSRF guidelines however state that;

*'Upgrades to or the expansion of local sporting facilities or the construction of sporting facilities which are otherwise available in the state or territory are **unlikely** to be supported'*

**Bruxner Park Eco Tourism Project**

Forests NSW have completed construction of the Bruxner Park viewing platform. Architectural plans and specifications for a café and interpretation centre have been completed. Grant funds could be sought for this stage of the program, in respect to building works, road access and safety works, provision of additional parking, provision of water, power, on site sewer, and forest trails.

Estimated Cost is \$2,165,000 however no other funding has been identified.

**City Square Project**

The proposed City Square redevelopment project is well advanced and concept designs and cost estimates will soon be presented to Council for consideration. Anticipated project estimate is \$2.0m - \$2.5m which may require additional funding however the majority of the works are budgeted for in the City Centre Masterplan Works program.

NSRF guidelines state that;

*Funding will not be provided for projects that have been budgeted for and would proceed without NSRF funding.*

**Cultural Facilities**

Council is currently undertaking a community engagement project regarding the need and willingness to pay for a new Performing Arts Centre, Central Library and Art Gallery. It is important that this process be followed through prior to Council making a commitment regarding the proposed facilities. As mentioned earlier in this report there is a need for matching dollar funding to be applied to the projects which are submitted for funding and the cultural facilities are not included in Council's Long Term Financial Plan at this stage.

NSRF Assessment Criteria 4 requires that;

*All appropriate planning, construction, zoning, environmental and/or native title approvals are in place or will be in place within six months of execution of the funding agreement, to help confirm that the project will commence and be completed on time and according to the agreed scope; and*

*The project is investment ready, that is will be able to commence within 12 months of signing the funding agreement;*

There would need to be reasonably detailed plans and estimates developed for the project and the source of matching funds identified for Council to submit a strong application.

### **Woolgoolga Multipurpose Centre**

Concept plans have been prepared by the Community Committee for the project. Council has approved in principle allocation of the land as part of the West Woolgoolga Playing Fields project. The building would be in the order for 2,500m<sup>2</sup> and cost \$5-6 million. Staging may be possible. There is no funding for the project at present.

### **Hogbin Drive Upgrade**

Construction of additional lanes on Hogbin Drive. Estimated cost \$1 million. Difficult to justify in terms of job creation and investment.

### **Prioritisation of projects for grant applications**

As noted above under “related policy and precedents”, previous reports and resolutions regarding priority projects from grant applications are attached to this report. Given that a number of these projects have progressed, up to date guidance from Council is sought in this regard.

A draft prioritised list is included in the recommendation. With reference to previous projects and Council's resolution of 8 November 2012:

- Jetty Foreshores has been identified previously as top priority
- E-demo and Innovation Centre: a new business model would need to be developed (co-location with the library was proposed in a previous RDAF application, and opportunities around the NBN rollout were central). A new strategic planning process needs to be undertaken if this project is to be progressed in future.
- International Stadium Upgrade is noted above.
- Regional Skate Park has been constructed
- Bruxner Park Eco Tourism Project is noted above
- Cycleway next to newly constructed Pacific Highway has been constructed for the most part, and remaining sections will be funded by developer contributions
- Solitary Islands Coastal Walk remains a long-term project for Council and the Regional Park Trust

This priority list should be revisited following the community engagement project for the Cultural Facilities.

### **Implementation Date / Priority:**

The NSRF project must be able to commence within 12 months of signing the funding agreement. The NSRF funded component of the project must be completed on or before 31 December 2019.

**Recommendation:**

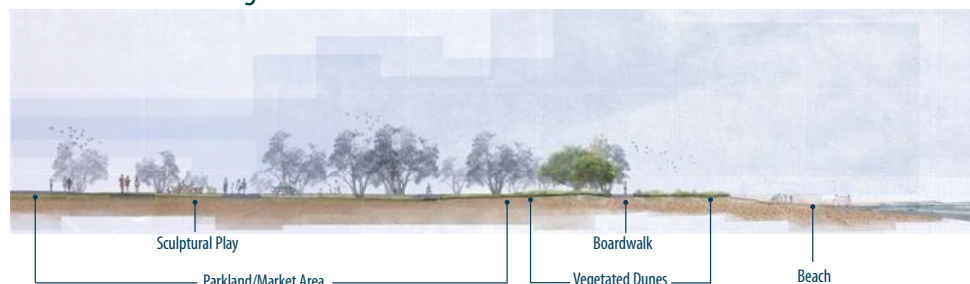
1. That Council submit a proposal to the National Stronger Regions Fund Round 1 for Stages 2, 3 and 4 of the Jetty4Shores project for a total project cost of \$5,350,000.
2. That Council reconfirm priority projects to guide staff if future funding opportunities arise, subject to grant conditions and eligibility, as follows:
  - 2.1 Jetty Foreshores.
  - 2.2 International Stadium Upgrade.
  - 2.3 Bruxner Park Eco Tourism Project.
  - 2.4 Solitary Islands Coastal Walk.
3. That Council note that, if successful, the grant funds would need to be matched with \$2,675,000, proposed to be allocated from internal reserves.

# Site Plan

## draft concept



### Artistic Section Through Site



### Five Main Character Zones

**A. Market/Picnic Area**  
**C. Boardwalk**

**B. Kiosk/Urban Design Investigation Area**  
**D. Jetty Pier Precinct**

**E. Jetty Walkway**

### Design Principles

- Views to ocean and harbour promoted
- New car parking located to edges with close proximity to use areas
- Linked walkways with equal access
- Safer by design principles including lighting, surveillance
- Location of built form with combined uses in key areas
- High quality urban design
- Maritime history, Aboriginal stories and coastal environmental themes included in interpretation and design



**COFFS HARBOUR CITY COUNCIL  
ORDINARY MEETING**

**8 NOVEMBER 2012**

**RESOLUTION NO. 293 & 294**

Minutes confirmed at Council meeting: 22 November 2012

To view Report, double-click on Agenda Report link below

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**CS12/39 PRIORITY PROJECTS FOR REGIONAL DEVELOPMENT  
AUSTRALIA**

---

To provide an update on the status of possible projects to be considered for the Regional Development Australia Fund (RDAF) program, and to seek Council's direction regarding the submission of an Expression of Interest for round 4 of the program.

**MOVED** (Degens/):

1. That Council prepare an Expression of Interest seeking \$5M from round 4 of the RDAF for a \$10M project Redevelopment of the Jetty Foreshores.
2. That Council note that, if the application is successful, the matching funds are proposed to be sourced as \$1.5M from the Private Works General Reserve and \$3.5M from a loan, with repayments funded equally from community facilities and priority infrastructure special rate variations and the Environmental Levy.

The Motion lapsed for want of a seconder.

**MOVED** (Cowling/)

1. That Council prepare an Expression of Interest seeking \$5M from round 4 of the RDAF for a \$10M project Redevelopment of the Jetty Foreshores.
2. That Council note that, if the application is successful, the matching funds are proposed to be sourced as \$1.5M from the Private Works General Reserve and \$3.5M from a loan, with repayments funded equally from community facilities and priority infrastructure special rate variations and the Environmental Levy.
3. That Council priority order is:
  1. Jetty Foreshores;
  2. E-demo and Innovation Centre
  3. Cycleway next to newly constructed Pacific Highway
  4. Bruxner Park Eco Tourism Project
  5. Regional Skate Park
  6. BCU Stadium Upgrade
  7. Solitary Islands Coastal Walk

**Attachment 2**

The Motion lapsed for want of a seconder.

**MOTION**

**MOVED** (Arkan/Degens)

1. That Council prepare an Expression of Interest seeking \$5M from round 4 of the RDAF for a \$10M project Redevelopment of the Jetty Foreshores.
2. That Council note that, if the application is successful, the matching funds are proposed to be sourced as \$1.5M from the Private Works General Reserve and \$3.5M from a loan, with repayments funded equally from community facilities and priority infrastructure special rate variations and the Environmental Levy.
3. That Council make the priority the Jetty Foreshores and make applications for funding.

**293 RESOLVED** (Cowling/Arkan) that the Motion be put to the meeting.

**AMENDMENT**

**294 RESOLVED** (Rhoades/Innes) that

1. That Council prepare an Expression of Interest seeking \$5M from round 4 of the RDAF for a \$10M project Redevelopment of the Jetty Foreshores.
2. That Council note that, if the application is successful, the matching funds are proposed to be sourced as \$1.5M from the Private Works General Reserve and \$3.5M from a loan, with repayments funded equally from community facilities and priority infrastructure special rate variations and the Environmental Levy.
3. That Council priority order is:
  1. Jetty Foreshores;
  2. E-demo and Innovation Centre
  3. BCU Stadium Upgrade
  4. Regional Skate Park
  5. Bruxner Park Eco Tourism Project
  6. Cycleway next to newly constructed Pacific Highway
  7. Solitary Islands Coastal Walk

The **AMENDMENT** on being put to the meeting was **CARRIED**. It then became the **MOTION** and on being put to the meeting was declared **CARRIED**.

## Attachment 3

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### PRIORITY PROJECTS FOR REGIONAL DEVELOPMENT AUSTRALIA FUND APPLICATIONS

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#### **Purpose:**

To provide an update on the status of possible projects to be considered for the Regional Development Australia Fund (RDAF) program, and to seek Council's direction regarding the submission of an Expression of Interest for round 4 of the program.

#### **Description of Item:**

Council has submitted applications in both rounds 1 and 2 of the RDAF.

For round 1, Council considered a report (attached) to its meeting of 14 April 2011 which examined in detail the status of a number of projects and provided:

- A brief outline of the proposed project.
- Information currently available to complete a quality application.
- Estimated costs
- Timing
- Likelihood of being 'shovel ready' within the timeframe.

A matrix summarises this information in the report.

Council resolved that:

*Council complete applications for funding for the following projects which are listed in priority order:*

1. *E-demo and Innovation Centre*
2. *Jetty Foreshores*
3. *BCU Stadium Upgrade*
4. *Regional Skate Park*
5. *Bruxner Park Eco Tourism Project*
6. *Cycleway next to newly constructed Pacific Highway*
7. *Solitary Islands Coastal Walk*

Council's applications were unsuccessful.

In round 2, guidelines were changed (only one application was permitted and requirements for matching funding were increased). Following consideration of a report (attached) at its meeting of 24<sup>th</sup> November 2011, Council resolved to submit an application for a "community space" at Brelsford Park. The proposal included a library (co-located with a facility for the community of learning and business – COLAB, previously known as the E-demo and Innovation Centre – to promote the Digital Economy in particular), pedestrian plaza, café, youth space, seniors playground and other active and passive recreation areas as well as a carpark.

Council's application was rejected as ineligible on the basis of less than 50% of the partner funding being in cash. Council staff queried this (correspondence attached – it appears that Council offered, in effect, *too much* in-kind funding, despite a substantial cash component of \$7.6M) but has not had a reply acknowledging that the decision was in conflict with the stated objective of maximizing leverage for the program. It is noted that the guidelines for rounds 3 and 4 have been amended, effectively removing this requirement.



### Attachment 3

Round 3 and 4 of the RDAF program has now been announced by the Department of Regional Australia, Local Government, Arts and Sport.

The third and fourth rounds of the RDAF, which funds capital infrastructure projects in regional Australia, were announced on 23 October. Expressions Of Interest (EOI) nominating a project must be submitted by 6 December, 2012 with a full application (subject to the success of the EOI) to be submitted by 11 April 2013.

Round 3 is for grants between \$50,000 and \$500,000 for towns with a population under 30,000 and round 4 is for grants of between \$500,000 and \$15 million. One submission can be submitted for each round.

While it appears that Council may be eligible to submit an EOI for round 3, this must be for a different project than round 4. Staff are currently preparing possible projects for consideration by Council.

This report reviews, and updates where relevant, the previous projects for Council's consideration in determining a project to progress for round 4 of the RDAF.

#### **Sustainability Assessment:**

- **Environment**

There are no environment impacts of the matters raised in this report. Should Council resolve to move further on applications and be successful then the full impact would be examined.

- **Social**

The completion of these projects would address a range of social and economic issues as outlined in previous reports to Council.

- **Civic Leadership**

The pursuing of the provision of these facilities will address matters outlined clearly in the Looking After of Communities Theme of the Coffs Harbour 2030 Community Plan. The Plan outlines Council's role as provider and facilitator in addressing a range of objectives and strategies in relation to:

*LC3 - We enjoy a comprehensive range of community, artistic and cultural opportunities.*

- **Economic**

#### **Broader Economic Implications**

These projects would have positive economic implications during the construction period and also in the long term. They will result in significant growth in a range of industries in Coffs Harbour.

## Attachment 3

### **Delivery Program/Operational Plan Implications**

The recommendations contained in this report will have no impact on the 2012/13 Operational Plan. The recommendations will require consideration be given to amending the Delivery Program as part of budget considerations for future years.

With regards to the funding of the recommended project, the Jetty foreshores, Council's contribution is proposed to be sourced from a combination of \$1.5M in funds held in reserve generated by private works activities undertaken by Council and a \$3.5M loan, \$5M in total, to match the \$5M grant being sought from the RDAF.

It is proposed that the loan, to be taken over a 10 year period, be repaid via funding from a combination of three sources at approximately \$160,000 per year each (depending on final loan repayments). The sources proposed are the existing special rate variations for community facilities and priority infrastructure, as well as the Environmental Levy.

In terms of impacts of this on the Delivery Program (and past the four-year timescale of the Delivery Program, i.e. the full 10 year period of the loan) there are no existing commitments regarding the allocation of funds that would prevent Council allocating funds from these programs to the loan.

With regards to the community facilities program, Council will finalise the repayment of existing loans in 2017 and has allocated (at its meeting of 23 June 2011) \$300,000 per year to the public amenities renewal program.

With regards to the priority infrastructure program, whilst the primary target for this was Council's ageing timber bridges, there is nothing to prevent Council from utilizing these funds for the Foreshores project, recognizing this as infrastructure the community considers a priority. A review of the timber bridge replacement program has been undertaken, and while reducing the available funds will slow the pace of the replacement program, there are sufficient funds to cover all critical projects.

With regards to the Environmental Levy, \$800,000 of the \$1.3M raised by the Levy is allocated via the Committee. Effectively, the amount available to allocate to these projects would be reduced. Elements of the proposed works at the foreshores, particularly boardwalks over the dunes, contribute to the achievement of environmental objectives set out in the environmental levy guidelines.

### **Consultation:**

Various levels of internal and external consultation has been undertaken for the projects considered in this report.

### **Related Policy and / or Precedents:**

Council has in the past pursued grant applications whenever it is appropriate.

### **Statutory Requirements:**

There are no statutory requirements in relation to this.

### **Issues:**

Following is an update of the current status of each of the projects as previously reported to Council.

## Attachment 3

### JETTY FORESHORES

#### ***Brief Outline of the Proposed Project***

Council recently completed stage one of the Harbourside Redevelopment Project. The project focuses only on upgrade and rehabilitation of open space/recreational infrastructure on land which Council has care and control over (land between Jordon Esplanade and Jetty Beach).

Planning and design for the Harbourside Redevelopment Project has progressed based on recommendations from an internal working group meeting in May 2011 at which broad objectives for the project were defined:

*"Council has the opportunity to drive change and contribute to significant improvements to the area. We want to demonstrate to the community that change and improvement can be achieved. Aim for the area to be a special place, to be high quality and have a wow factor. Aim for achievable solutions."*

Most important inclusions:

1. Create walkway/boardwalk to provide strong visual connection to the water, open up walkways and views. Include good lighting. Consider combinations of raised boardwalk, floating deck and sea walls. Need to connect into Coffs Creek cycleway and Beacon Hill cycleway.
2. Upgrade amenities blocks including connection to sewer (completed as part of stage one).
3. Provide 'Pedestrian Avenue' connection from the Jetty Restaurant Strip through to the Jetty Structure.

Other inclusions after first priority items:

- Structures and memorials - development or relocation of sea scouts, improvements to other structures.
- Development of site for kiosk and temporary van type vendors.
- Possible long term relocation of Marshall's Amusements pending development of showground.
- Interface to railway corridor should be considered.
- Opportunity for timber and aboriginal heritage to be the theme for identifying Coffs Harbour.
- Improvements to visitor facilities.

Objectives are to increase use, create more people spaces and more opportunity for expanded community events. Clearing of vegetation for more space if required.

Sand dredging could provide fill material and future funding:

Preliminary cost estimates for the concept work are in the order of \$10 million. The high impact/iconic design proposal however concentrates on upgrade of the northern end of the precinct including establishment of "boardwalk" link between the Marina Precinct and the Jetty Structure and development of a pedestrian precinct and link to the Jetty Strip.

**Attachment 3*****Information Currently Available to Complete a Quality Application***

In preparing designs for the works undertaken in Stage 1 of the project, planning and design for other elements of the project has been carried out. Consequently concept designs are available for key elements of proposed improvements, which include the "boardwalk" proposal connecting the Marina to the Jetty and pedestrian plaza area. While some consultation with stakeholders has been completed, additional community consultation will be required as the design process progresses.

Preliminary cost estimates:

"Boardwalk" between Marina and Jetty	\$2,000,000
Pedestrian Plaza at Jetty	\$600,000
Car Parking and Traffic Calming	\$1,700,000
Jetty market area including performance space/stage	\$650,000
Promenade path in parklands with lighting	\$1,400,000
New regional standard playground and senior's fitness circuit	\$1,800,000
Windbreaks/Public Art/Landscaping	\$1,000,000
Drainage and dune protection fencing	\$450,000
New raised footbridges for beach access	\$400,000
<b>Total</b>	<b>\$10,000,000</b>

Additional costs would need to be allowed for in future budgets should the facilities be constructed to cover operational costs, maintenance and depreciation.

These costs would not be able to be included in the RDA grant application.

***Timing***

With the concept plans already in place the following timeline is estimated to have the project 'shovel ready':

	Announcement of Funding
3 months	Design and Consultation
2 months	Approval and Procurement
1 month	Construction Programming

Subject to successful community consultation and approvals it is probable that the project would be shovel ready in six months from announcement of the funding.

***Likelihood of Being 'Shovel Ready' Within the Timeframe***

There is a high likelihood of this project being shovel ready, subject to the above matters relating to timing being considered.

**Attachment 3****BRUXNER PARK ECO TOURISM PROJECT*****Brief Outline of the Proposed Project***

A program has been developed in partnership with government agencies to transform the Bruxner/Ulidarra area into a premier ecotourism centre. Forests NSW have recently completed construction of a premier viewing platform and car park reconstruction at Sealy Lookout. Concept designs for further development have been prepared and consultants have recommended development elements that include: café and interpretation centre, additional parking, road upgrades, bushwalking, improved signage, eco adventure activities.

The proposed RDA funding application will include essential infrastructure works to ensure the project proceeds to the next stage. This proposed works includes road safety and access works, early sewer, water and power infrastructure, signage, carparking and security gating.

***Information currently Available to Complete a Quality Application***

The first phases of the project are completed. Forests NSW have completed construction of the viewing platform and operation of an ecoadventure facility is about to commence.

Architectural plans and specifications for the café and interpretation centre have been completed. It is proposed that grant funds be sought for this stage of the program, in respect to building works, road access and safety works, provision of additional parking, provision of water, power, on site sewer, and forest trails.

It is intended that grant and private funding for the construction of this element will be sought.

***Estimated Costs***

Road Access and Safety upgrade	\$1,400,000
Sewer	\$50,000
Water	\$40,000
Power	\$200,000
Signage and interpretation	\$150,000
Carparking	\$250,000
Korora platform and shelter	\$50,000
Access and security gate	\$25,000
<b>Total</b>	<b>\$2,165,000</b>

The current status of the road under Council management is of poor standard, it is envisaged that an upgrade of the current surface will reduce any short term maintenance costs. Long term maintenance of the road asset will need to be considered.

***Timing***

Works will be able to commence within the funding programs timelines.

***Likelihood of Being 'Shovel Ready' Within the Timeframe***

There is a high likelihood of this project being shovel ready, subject to the above matters relating to timing being considered.

Attachment 3

COMMUNITY SPACE AT BRELSFORD PARK

***No change in status, see previous report***

BCU INTERNATIONAL STADIUM WORKS

***No change in status, see previous report***

REGIONAL SKATE PARK

***While this could be considered as a separate project, it is arguably a stronger application when combined with the other elements of the Community Space at Brelsford Park i.e. it satisfies significant economic objectives of the RDAF rather than primarily community outcomes.***

CYCLEWAY NEXT TO NEWLY CONSTRUCTED PACIFIC HIGHWAY

***No change in status, see previous report***

WOOLGOOLGA MULTIPURPOSE CENTRE

***Comments in the previous report are still relevant, however Council has resolved that the location of the Centre will be at the West Woolgoolga Sporting Complex in accordance with the plan adopted by Council for this precinct.***

DETENTION BASIN NOS 3 AND 4

***Brief Outline of the Proposed Project***

Council has completed construction of the Bakers Road Retention Basin (Detention Basin No 1) and has commenced construction of the Bennett's Road (Detention Basin No 2). The Upper Shephards Lane (Detention Basin No 3) proposal has been on hold due to issues related to land acquisition. The Spagnoles Road Basin however is progressing with service relocations currently underway.

Funding for the Bennett's Road and Upper Shephards Lane Basins has been identified in Council's City Wide Flood Mitigation Program and submitted to the Natural Disaster Resilience Scheme for grant funding (2:1). The projects do not warrant consideration for RDAF round 3 or 4.

SEATING AT JETTY MEMORIAL THEATRE

***No change in status, see previous report***

REGIONAL LIBRARY

***While this could be considered as a separate project, it is arguably a stronger application when combined with the other elements of the Community Space at Brelsford Park.***

SOLITARY ISLANDS COASTAL WALK

***No change in status, see previous report***

## Attachment 3

### CONCLUSION

With the successful completion of the Jetty Foreshores (Stage One) project it is clear that the Jetty project demonstrates excellent return on investment and has the support of the community and state government agencies. It is recommended that the Jetty Foreshores project be confirmed as the priority for the next round of the RDAF program and an application be prepared for this project.

It is noted that the objectives of the RDAF are not necessarily equivalent to those of Council in regards to the benefits of this project, and the challenge will be presenting a strong case with reference to the RDAF criteria.

### Implementation Date / Priority:

The deadline for submission of EOIs for rounds 3 and 4 of the RDAF is 6 December, 2012. If Council's EOI is recommended by Mid North Coast RDA to progress to full application, this must be submitted by 11 April 2013.

### Recommendation:

1. That Council prepare an Expression of Interest seeking \$5M from round 4 of the RDAF for a \$10M project Redevelopment of the Jetty Foreshores.
2. That Council note that, if the application is successful, the matching funds are proposed to be sourced as \$1.5M from the Private Works General Reserve and \$3.5M from a loan, with repayments funded equally from community facilities and priority infrastructure special rate variations and the Environmental Levy.

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## STATUS OF PROJECTS FOR REGIONAL DEVELOPMENT AUSTRALIA FUND APPLICATIONS

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### Purpose:

The purpose of this report is to provide an update on the status of possible projects to be considered for the Regional Development Australia (RDA) Fund program.

### Description of Item:

During the 10 March 2011 meeting of Council it was resolved that:

1. *Council endorses the draft concept plans for the grandstand extensions at the BCU International Stadium, Centre of Excellence and venue upgrades.*
2. *Coffs Harbour City Council immediately formulate concept plans for a Performing Arts Centre including a gallery.*
3. *A report be presented back to Council on the status of these projects for possible inclusion:*
  - *Regional Skate Park*
  - *Jetty Foreshores*
  - *Cycleway next to newly constructed Pacific Highway*
  - *Woolgoolga Multipurpose Centre*
  - *Detention Basin Nos 3 and 4*
  - *Seating at Jetty Memorial Theatre*
  - *Regional Art Gallery*
  - *Regional Library*
  - *Bruxner Park Eco Tourism Project*
  - *Solitary Islands Coastal Walk*

Part 2 of the above resolution has been addressed in a separate report to Council. Details pertaining to the Regional Skate Park are also included in that separate report however reference is included in this report regarding the skate park for prioritising purposes.

Since the above resolution of Council, staff have examined in detail the status of each project listed and this report provides:

- A brief outline of the proposed project.
- Information currently available to complete a quality application.
- Estimated costs
- Timing
- Likelihood of being 'shovel ready' within the timeframe.

The report also includes a matrix which assists in the prioritising of the projects identified by Council.

### Sustainability Assessment:

- **Environment**

There are no environment impacts of the matters raised in this report. Should Council resolve to move further on applications and be successful then the full impact would be examined.



## Attachment 4

- **Social**

The provision of these projects would address a range of social and economic issues as outlined in previous reports to Council.

- **Civic Leadership**

The pursuing of the provision of these facilities will address matters outlined clearly in the Looking After of Communities Theme of the Coffs Harbour 2030 Community Plan. The Plan outlines Council's role as provider and facilitator in addressing a range of objectives and strategies in relation to:

*LC3 - We enjoy a comprehensive range of community, artistic and cultural opportunities.*

- **Economic**

### **Broader Economic Implications**

These projects would have positive economic implications during the construction period and also in the long term. They will result in significant growth in a range of industries in Coffs Harbour.

### **Delivery Program/Operational Plan Implications**

The recommendations contained in this report will have no impact on the Operational Plan. The recommendations will require consideration be given to amending the Delivery Program as part of budget considerations. These matters are addressed in the 'Issues' section of this report.

### **Consultation:**

Various levels of internal and external consultation has been undertaken for the projects considered in this report.

### **Related Policy and / or Precedents:**

Council has in the past pursued grant applications whenever it is appropriate.

### **Statutory Requirements:**

There are no statutory requirements in relation to this.

### **Issues:**

The Regional Development Australia Fund (RDAF) is a national program to support Australia's regions and enhance the economic development and livability of their communities. The program is administered by the Department of Regional Australia, Regional Development and Local Government (the Department). It is designed to ensure that new investments are targeted to reflect the characteristics, and to address the opportunities and challenges, of our diverse regions.

The program aims to support localism, and to leverage and better coordinate state, commonwealth, local government and private (including not-for-profit) investments for the long term benefit of communities.

## Attachment 4

The first funding round will open for applications when these Guidelines are released. The first round will look to contribute up to \$100 million of Commonwealth funding to approved projects. Applications will be received up to COB on Friday, 13 May 2011.

Funding of between \$500,000 and \$25 million per project will be available.

The objective of the RDAF is to fund projects that support the infrastructure needs and economic and community growth of Australia's regions. The program funds will maximise outcomes through effective partnerships across all levels of government, and the business and non-profit sectors. The program will build synergies and increase the scale of investment by ensuring that projects have a broad regional impact and support communities within those regions.

Funding should only be requested for projects that are "investment ready".

Outcomes of the program will include:

- Identification of regional priorities by local communities and investment in those priorities;
- Support for regional economic development by assisting regions to develop and implement projects with broad based local support and which have identified potential to deliver lasting economic and community benefits;
- Sustained increases to the economic output of local and regional economies;
- Increased social capita, amenity and/or livability within the community;
- Communities which achieve sustainable growth;
- Integrated Australian, state and local government programs, activities and investment;
- New opportunities for private sector participation and partnerships;
- Removal of barriers and/or a direct incentive for business investment in regional locations; and
- Addressing specific areas of disadvantage faced by regional Australia.

It is desirable that projects funded through RDAF achieve these outcomes by maximizing the opportunities generated by other regional programs and investments across the Commonwealth and other levels of government. Projects should also seek to integrate a range of activities and investments such as broadband, health, education and social inclusion, and demonstrate innovation and incentive for new investments in Australia's regions.

Projects much support at least one of the following national priorities:

- Skilling Australia;
- Lifting productivity;
- Maximising the opportunity of broadband;
- Sustaining our environment;
- Social inclusion; and
- Water and energy efficiency.

Given that the RDAF for over \$5 million requires matching funding from Council it is thought that it would be appropriate to make applications for no more than \$5 million. The Guidelines also require Council to include a priority ranking where multiple applications are submitted. Therefore, Council will need to prioritise those projects it wishes to submit.

Following is an outline of the current status of each of the projects as resolved by Council.

### BCU INTERNATIONAL STATDIUM WORKS

## Attachment 4

### ***Brief Outline of the Proposed Project***

Stage 1 of the concept plan includes two components - extension to seating and facilities (grandstand wings) and internal roadways/parking.

#### Component 1

##### Seating and Facilities Upgrade

Installation of seating extensions either side of the current grandstand, increasing the permanent seating capacity by approximately 2,000 to a total of 3,000. Around 50% of the new seats would be undercover. The project would include new food and beverage and amenity blocks to service the new seating. Upgrades to player facilities to improve the venue's ability to host national teams and events would also form part of the project.

#### Component 2

##### Upgrades of Parking and Access Ways

This would be required throughout the venue to successfully cater for major events.

### ***Information Current Available to Complete a Quality Application***

On 10 March 2011 Council resolved to endorse the concept plans for these upgrades. The total value of the project is estimated at \$24 million, however, it is designed to be built in a number of stages as funding becomes available.

### ***Estimated Costs***

#### Component 1 - Seating and Facilities Upgrade

##### Estimated Cost

\$2,130,950	Concourse Level - new seats (2,000), F&B kiosks (2), toilet blocks (2), upgrade existing player facilities
\$1,380,000	Roof/awning
\$ 20,000	FF&E (basic)
\$3,430,950	Sub-total
\$1,063,595	Margins (preliminaries 12%, design and construction contingencies 7.5%, professional fees 10%, authority's fees allowance 1.5%)

#### **\$4,494,545 Total Seating and Facilities Upgrade**

#### Component 2 - Upgrades of Parking and Access Ways

##### Estimated Cost

\$ 200,000	Upgrade of car parks and internal roadways
\$62,000	Margins (preliminaries 12%, design and construction contingencies 7.5%, professional fees 10%, authority's fees allowance 1.5%)

#### **\$262,000 Total Internal Roadways and Parking**

\$4,494,545	Seating and Facilities Upgrade
\$ 262,000	Roadways and Parking

**Attachment 4****\$4,756,545 TOTAL STAGE 1**

Additional costs would need to be allowed for in future budgets should the facilities be constructed to cover operational costs, maintenance and depreciation. Initial estimates for these are:

Stage 1, based on a capital cost of \$4,756,545

Operational costs @ 1%	\$ 47,565
Maintenance @ 2%	\$ 95,131
Depreciation @ 3%	\$142,696

These costs would not be able to be included in the RDA grant application.

***Timing***

With the concept plans already in place the following timeline is estimated to have the project 'shovel ready':

	Announcement of Funding
4 months	Design and construction tender
2-3 months	Design and drawings completed
1 month	Construction Certificate approval

It is estimated this process may take a total of 7-8 months. It would therefore be imperative that Council approve the tender process to begin immediately on any funding announcement being made, rather than awaiting official paperwork or the first payment. If this was the case, although still an incredibly tight timeframe with little contingency, with the 1-2 months whilst funding paperwork is finalised, it is probable that the project would be shovel ready in six months from the funding payment being made.

***Likelihood of Being 'Shovel Ready' Within the Timeframe***

There is a high likelihood of this project being shovel ready, subject to the above matters relating to timing being considered.

**REGIONAL SKATE PARK*****Brief Outline of the Proposed Project***

As part of Council's Open Space Strategy adopted in 2010 the need for planning of a Regional Skate Park facility became apparent through 98 submissions to the Open Space Strategy and a petition submitted by the community with 2,250 signatories. In November 2010 Council engaged Convic Design to prepare a report to evaluate the possible siting of a future community and skate park space at a number of suitable locations within the Coffs Harbour area. The rationale for recommending the Brelsford Park site for development of a Regional Skate Facility is detailed in a separate report.

***Information Currently Available to Complete a Quality Application***

Convic summarises the essential components of a regional scale Community and Skate Space. The report outlines each component explaining the objectives of each relative to maximizing participation, community and user acceptance, minimizing maintenance and ensuring safety. Included is a sketch diagram which illustrates a possible configuration, at a Master Plan level, for the preferred site. The diagram has notional elements only and provides grounds on which costs can be planned.

## Attachment 4

### ***Estimated Costs***

Subject to further consultation and adoption of 'elements' to be included in the facility, the Convic report constitutes a concept design from which detailed design and costings can be completed.

Preliminary cost estimate for the project is \$3,200,000.

Additional costs would need to be allowed for in future budgets should the facilities be constructed to cover operational costs, maintenance and depreciation. Initial estimates for these are:

Based on a capital cost of \$3,200,000

Operational costs @ 1%	\$ 32,000
Maintenance @ 2%	\$ 64,000
Depreciation @ 3%	\$ 96,000

These costs would not be able to be included in the RDA grant application.

### ***Timing***

With the concept plans in place the following timeline is estimated to have the project 'shovel ready':

	Announcement of Funding
3 months	Design and Consultation
2 months	Approvals and procurement
1 month	Construction programming

Subject to successful community consultation and approvals it is probable that the project would be shovel ready in six months from announcement of the funding.

### ***Likelihood of Being 'Shovel Ready' Within the Timeframe***

There is a high likelihood of this project being shovel ready, subject to the above matters relating to timing being considered.

## JETTY FORESHORES

### ***Brief Outline of the Proposed Project***

Council will be aware that the design and stakeholder consultation has commenced in relation to the Harbourside Redevelopment Project. The project focuses only on upgrade and rehabilitation of open space/recreational infrastructure on land which Council has care and control over (land between Jordon Esplanade and Jetty Beach). A summary of Federal RLCIP grant funding and Council funding toward Stage 1 of the project is the subject of a separate report.

Planning and design for the Harbourside Redevelopment Project has progressed based on recommendations from an internal working group meeting in May 2010 at which broad objectives for the project were defined:

*"Council has the opportunity to drive change and contribute to significant improvements to the area. We want to demonstrate to the community that change and improvement can be*

## Attachment 4

*achieved. Aim for the area to be a special place, to be high quality and have a wow factor. Aim for achievable solutions."*

Most important inclusions:

1. Crate walkway/boardwalk to provide strong visual connection to the water, open up walkways and views. Include good lighting. Consider combinations of raised boardwalk, floating deck and sea walls. Need to connect into Coffs Creek cycleway and Beacon Hill cycleway.
2. Upgrade amenities blocks including connection to sewer.
3. Provide 'Pedestrian Avenue' connection from the Jetty Restaurant Strip through to the Jetty Structure.

Other inclusions after first priority items:

- Structures and memorials - development or relocation of sea scouts, improvements to other structures.
- Development of site for kiosk and temporary van type vendors.
- Possible long term relocation of Marshall's Amusements pending development of showground.
- Interface to railway corridor should be considered.
- Opportunity for timber and aboriginal heritage to be the theme for identifying Coffs Harbour.
- Improvements to visitor facilities.

Objectives are to increase use, create more people spaces and more opportunity for expanded community events. Clearing of vegetation for more space if required.

Sand dredging could provide fill material and future funding:

Preliminary cost estimates for the concept work are in the order of \$10 million. The high impact/iconic design proposal however concentrates on upgrade of the northern end of the precinct including establishment of "boardwalk" link between the Marina Precinct and the Jetty Structure and development of a pedestrian precinct and link to the Jetty Strip.

### ***Information Currently Available to Complete a Quality Application***

In preparing designs for the works proposed to be undertaken in Stage 1 of the project, planning and design for other elements of the project has been carried out to ensure that Stage 1 works do not compromise future upgrade works. Consequently concept designs are available for key elements of proposed improvements, which include the "boardwalk" proposal connecting the Marina to the Jetty and pedestrian plaza area. While some consultation with stakeholders has been completed, additional community consultation will be required as the design process progresses.

### **Estimated Costs**

Preliminary cost estimates:

"Boardwalk" between Marina and Jetty	\$2,000,000
Pedestrian Plaza at Jetty	\$1,000,000
Car Parking and Paths	\$2,000,000

Additional costs would need to be allowed for in future budgets should the facilities be constructed to cover operational costs, maintenance and depreciation. Initial estimates for these are:

## Attachment 4

Based on a capital cost of \$5,000,000

Operational costs @ 1%	\$ 50,000
Maintenance @ 2%	\$ 100,000
Depreciation @ 3%	\$150,000

These costs would not be able to be included in the RDA grant application.

### ***Timing***

With the concept plans already in place the following timeline is estimated to have the project 'shovel ready':

	Announcement of Funding
3 months	Design and Consultation
2 months	Approval and Procurement
1 month	Construction Programming

Subject to successful community consultation and approvals it is probable that the project would be shovel ready in six months from announcement of the funding.

### ***Likelihood of Being 'Shovel Ready' Within the Timeframe***

There is a high likelihood of this project being shovel ready, subject to the above matters relating to timing being considered.

## CYCLEWAY NEXT TO NEWLY CONSTRUCTED PACIFIC HIGHWAY

### ***Brief Outline of the Proposed Project***

Council continues to work with the RTA and the Sapphire to Woolgoolga Joint Venture on planning and design for a continuous cycleway link parallel to the Pacific Highway Upgrade and Service Road proposal. At this stage it is difficult to determine what, if any, links may not be achieved as part of the project. What has always been clear however is that following the Sapphire to Woolgoolga Upgrade the main missing link in the cycleway network will be between Diggers Beach and Korora/Sapphire.

Council has included this section in planning for the Coastline Cycleway project and currently has a funding submission with the Department of Planning for investigation and design.

### ***Information Currently Available to Complete a Quality Application***

Concept alignments for the Diggers Beach to Korora link has been determined, however, some investigation and landholder consultation is required for the section between James Small Drive and Charlesworth Bay Road.

### ***Estimated Costs***

Sapphire to James Small Drive north	\$200,000
James Small Drive	\$500,000
James Small Drive to Charlesworth Bay Road	\$500,000
Charlesworth Bay Road to Diggers Beach Road	\$400,000
Total	\$1,600,000

## Attachment 4

Additional costs would need to be allowed for in future budgets should the facilities be constructed to cover operational costs, maintenance and depreciation. Initial estimates for these are:

Based on a capital cost of \$1,600,000

Operational costs @ 1%	\$ 16,000
Maintenance @ 2%	\$ 32,000
Depreciation @ 3%	\$ 48,000

These costs would not be able to be included in the RDA grant application.

### ***Timing***

With the concept plans in place, the following timeline is estimated to have the project 'shovel ready':

3 months	Announcement of Funding
2 months	Design and Consultation
2 months	Approvals and Procurement
1 month	Construction Programming

Subject to successful community consultation and approvals it is probable that the project would be shovel ready in six months from announcement of the funding.

### ***Likelihood of Being 'Shovel Ready' Within the Timeframe***

There is a high likelihood of this project being shovel ready, subject to the above matters relating to timing being considered.

## WOOLGOOLGA MULTIPURPOSE CENTRE

### ***Brief Outline of the Proposed Project***

The proposed Multipurpose Centre is a project proposed by a group of Woolgoolga residents and would include indoor sporting, community and youth facilities comprising two basketball courts, kitchen/café/amenities/change rooms, meeting/breakout rooms, youth pod, storerooms, reception/office and car parking.

### ***Information Currently Available to Complete a Quality Application***

Concept plans have been prepared by the Community Committee for the project. The location of the facility is still not finalised, although Council has approved in principal only the allocation of the land.

### ***Estimated Costs***

The building would be in the order for 2,500m<sup>2</sup> and probably cost \$5-6 million. Staging may be possible.

### ***Timing***

Timing is uncertain and cannot be determined until the location of the facility is finalised. There is no funding for the project at present.

### ***Likelihood of Being 'Shovel Ready' Within the Timeframe***



## Attachment 4

It is considered that the project will not be shovel ready within the timeframe and that the project is only of District significance as opposed to Regional.

### DETENTION BASIN NOS 3 AND 4

#### ***Brief Outline of the Proposed Project***

Council has completed construction of the Bakers Road Retention Basin (Detention Basin No 1) and completed detailed design for the Bennetts Road (Detention Basin No 2) and Upper Shephards Lane (Detention Basin No 3) proposals. Funding for the Bennett's Road and Upper Shephards Lane Basins has been identified in Council's City Wide Flood Mitigation Program and submitted to the Natural Disaster Resilience Scheme for grant funding (2:1).

The Spagnolos Road Basin (Detention Basin No 4) is the least effective of the Detention Basins proposed in the Coffs Creek Floodplain Management Plan. The basin footprint falls within the proposed construction zone for the Coffs Harbour Pacific Highway By-pass. Concept design of the basin has shown that coordination of the basin construction prior to construction of the by-pass will be problematic. However, if the basin is constructed as part of the Pacific Highway By-pass works the proposal becomes very cost effective.

#### ***Information Current Available Complete a Quality Application***

Detail design and cost estimates for Upper Shephards Lane Basin are complete. Land acquisition is underway.

Concept design and preliminary cost estimate for the Spagnolos Road Basin are complete, however, no detail design or land acquisition has been progressed.

#### ***Estimated Costs***

Upper Shephards Lane (Detention Basin No 3)	\$3,260,000
Spagnolos Road Basin (Detention Basin No 4)	\$2,570,000

#### ***Timing***

Upper Shephards Lane (Detention Basin No 3) is scheduled to commence construction in July 2011. Spagnolos Road Basin (Detention Basin No 4) is not currently programmed and will only be cost-effective if deferred to coincide with construction of the Coffs Harbour Pacific Highway By-pass.

#### ***Likelihood of Being 'Shovel Ready' Within the Timeframe***

Subject to completion of land acquisition Upper Shephards lane (Detention Basin No 3) is shovel ready. Spagnolos Road Basin (Detention Basin No 4) is unlikely to be shovel ready within the timeframe required.

### SEATING AT JETTY MEMORIAL THEATRE

#### ***Brief Outline of the Proposed Project***

It is unclear from the resolution whether this is about replacing the existing seats with new ones or looking to increase the seating capacity of the venue.

If it is about replacing the existing seating then it is important to note that any replacement of the existing seats would result in significant loss of seat numbers. This option was investigated thoroughly during the major refurbishment in 2003. The seat numbers at

## Attachment 4

approximately 250 makes the venue one of the smallest on the touring circuit. Any further reduction would make it unviable for many ventures to consider performing at the theatre.

If the notion is about increasing the numbers of seating there are options available for retractable seating which may work within the venue.

### ***Information Currently Available to Complete a Quality Application***

There is very limited information about either option, however, information about replacement of the existing seats would be easily sourced, however, is not recommended due to the reduction in seat numbers which would result.

In relation to increasing seat numbers, a range of studies in relation to engineering solutions and design requirements would be required.

### ***Estimated Costs***

Unknown at this time.

### ***Timing***

Unknown

### ***Likelihood of Being 'Shovel Ready' Within the Timeframe***

It is considered that the project will not be shovel ready within the timeframe and that the project is only of District significance as opposed to Regional.

## REGIONAL ART GALLERY

### ***Brief Outline of the Proposed Project***

This is for a purpose built Regional Art Gallery which has adequate space for the full Regional Gallery operations including public programs, workshop and storage.

### ***Information Currently Available to Complete a Quality Application***

Functional areas for such a facility have been established, which are able to be combined into an estimated floor area and building footprint.

### ***Estimated Costs***

Unknown at this stage.

### ***Timing***

Unknown

### ***Likelihood of Being 'Shovel Ready' Within the Timeframe***

It is considered that the project will not be shovel ready within the timeframe and that the project is only of District significance as opposed to Regional.

## REGIONAL LIBRARY

### ***Brief Outline of the Proposed Project***

## Attachment 4

This is for a purpose built Central Library which has adequate space for the fully Library operations which meets current NSW Public Library Standards.

### ***Information Currently Available to Complete a Quality Application***

Functional areas for such a facility have been established, which are able to be combined into an estimated floor area and building footprint.

### ***Estimated Costs***

Unknown at this stage.

### ***Timing***

Unknown

### ***Likelihood of Being 'Shovel Ready' Within the Timeframe***

It is considered that the project will not be shovel ready within the timeframe and that the project is only of District significance as opposed to Regional.

## BRUXNER PARK ECO TOURISM PROJECT

### ***Brief Outline of the Proposed Project***

A program is being developed in partnership with government agencies to transform the Bruxner/Ulindarra area into a premier ecotourism. Concept designs have been prepared and consultants have recommended development elements that include: café and interpretation centre, viewing platforms, additional parking, road upgrades, bushwalking, improved signage, eco adventure activities.

The proposed RDA funding application will include essential infrastructure works to ensure the project proceeds to the next stage. This proposed works includes road safety and access works, early sewer, water and power infrastructure, signage, carparking and security gating.

### ***Information currently Available to Complete a Quality Application***

The first phases of the project are now underway. Forests NSW have finalised designs and tendering for the viewing platform and selection of an ecoadventure operator is about to be announced.

It is proposed that grant funds of \$2,165,000 be sought for this stage of the program, in respect to road access and safety works, provision of additional parking, provision of water, power, on site sewer, additional viewing Platform at the Korora lookout, forest trails and interpretation and security gating.

Grant funds are being sought elsewhere for design of the café and interpretation centre, quantity surveying, and relevant approvals. Grant and private funding for the construction of this element will be sought at a later stage.

### ***Estimated Costs***

Road Access and Safety upgrade	\$1,400,000
Sewer	\$50,000
Water	\$40,000
Power	\$200,000
Signage and interpretation	\$150,000

## Attachment 4

Carparking	\$250,000
Korora platform and shelter	\$50,000
Access and security gate	\$25,000
<b>Total</b>	<b>\$2,165,000</b>

The current status of the road under Council management is of poor standard, it is envisaged that an upgrade of the current surface will reduce any short term maintenance costs. Long term maintenance of the road asset will need to be considered.

### ***Timing***

Works will be able to commence within the funding programs timelines.

### ***Likelihood of Being 'Shovel Ready' Within the Timeframe***

There is a high likelihood of this project being shovel ready, subject to the above matters relating to timing being considered.

## SOLITARY ISLANDS COASTAL WALK

### ***Brief Outline of the Proposed Project***

The Solitary Islands Coastal Walk concept centres on a 67 kilometre walking route that traverses coastal landscapes within the Coffs Harbour Local Government Area between Sawtell in the south and Red Rock in the north. Additional partners are now being sought to invest in expediting the implementation of identified key strategies, including 10.7 kilometres of walking track infrastructure development, which will assist in tying a broader program of investment together with a high quality walking experience.

### ***Information Currently Available to Complete a Quality Application***

Concept designs and detailed cost estimates are complete.

### ***Estimated Costs***

It is anticipated that the project will attract matching funding from the Coffs Coast Regional Park and other sources. Council's contribution would require allocation of **\$1,000,000**.

Additional costs would need to be allowed for in future budgets should the facilities be constructed to cover operational costs, maintenance and depreciation. Initial estimates for these are:

Based on a capital cost of \$1,000,000

Operational costs @ 1%	\$ 10,000
Maintenance @ 2%	\$ 20,000
Depreciation @ 3%	\$30,000

These costs would not be able to be included in the RDA grant application.

### ***Timing***

Works are ready to proceed on allocation of funding.

### ***Likelihood of Being 'Shovel Ready' Within the Timeframe***

**Attachment 4**

There is a high likelihood of this project being shovel ready, subject to the above matters relating to timing being considered.

The Mayor, Councillor Palmer, the General Manager and a number of Council staff attended a briefing on the Regional Development Australia funding program on 6 April 2011. This was provided by representatives of RDA Mid North Coast. It was made clear during this briefing that:

- There is \$100,000,000 available across 55 RDA regions in this first round of funding.
- The process will be highly competitive.
- The extent to which the project contributes to and sustains economic growth will be very important.
- Those projects which support and/or capitalise on the NBN roll-out will be favorably considered.
- Projects which work in partnership with a number of agencies are also likely to be viewed favourably.

As a result of attendance at the abovementioned briefing and because it was seen that the projects listed in the resolution of Council was not exhaustive, the following project has been included for consideration. It is useful to note that this project meets many of the criteria which were highlighted as being highly desirable during the briefing in early April.

#### **E-DEMO AND INNOVATION CENTRE**

Capitalising on the early roll-out of NBN which Coffs Harbour has achieved, the project is to create a "Go Broadband Centre" in the CBD of Coffs Harbour. The purpose of this project is to ready the community to take advantage of the rapidly approaching Digital Age. This will be co-located within a Centre of Enterprise, Innovation and Support, which will be a partnership with SCU and others. This centre along with the NBN Company's Mobile Experience Centre will provide information, awareness and hands-on activity to engage business and the broader community in the Broadband roll-out and encourage a vibrancy and growth to take Coffs into the "Information Communication and Technology" (ICT) world economy.

#### ***Brief Outline of the Proposed Project***

The E-demo and Innovation Centre is to be located within the CBD of Coffs Harbour to provide information relating to applications that are capable of taking advantage of the Broadband rollout and encouraging innovation in the region.

#### ***Information Currently Available to Complete a Quality Application***

Documents which outline the project include Building the Digital Economy and other supporting information prepared previously by the EDU.

#### ***Estimated Costs***

While this is yet to be fully determined preliminary estimates will include partner and other contributions yet to be quantified. NSW Industry and Investment have committed to \$100,000. SCU is a partner organisation. The estimated cost is a \$5,000,000 capital outlay.

Additional costs would need to be allowed for in future budgets should the facility be constructed to cover operational costs, maintenance and depreciation.

These costs would not be able to be included in the RDA grant application and would be the subject of negotiation with the partner agencies.

**Attachment 4*****Timing***

Third quarter 2011.

***Likelihood of Being 'Shovel Ready' Within the Timeframe***

There is a high likelihood of this project being shovel ready, subject to the above matters relating to timing being considered.

The table below summarises the current status of the projects resolved by Council for consideration, including the Performing Arts Centre. The table also includes recommended priority as this is required to meet the RDA funding program. This has been arrived at by listing those projects that will be shovel ready from the highest \$ value to the lowest. The rationale for this is that this derives the maximum benefit from the funding program.

<b>Project</b>	<b>Information Available</b>	<b>\$ Sought</b>	<b>Criteria</b>	<b>Timing</b>	<b>Shovel Ready</b>	<b>Priority</b>
BCU Stadium Upgrade	Sufficient	\$4,756,545 (Stage 1)	Yes	Yes	Yes	3
Performing Arts Centre	Insufficient	\$20,000,000	Yes	No	No	-
Regional Skate Park	Sufficient	\$3,200,000	Yes	Yes	Yes	4
Jetty Foreshores	Sufficient	\$5,000,000	Yes	Yes	Yes	2
Cycleway near Pacific H'wy	Sufficient	\$1,600,000	Yes	Yes	Yes	6
Woolgoolga Multipurpose Centre*	Sufficient	\$6,000,000	Yes	Yes	No	-
Detention Basins 3 and 4	Sufficient	\$5,830,000	Yes	No	No	-
Seating at Jetty Theatre	Insufficient	-	Yes	No	No	-
Regional Art Gallery	Insufficient	-	Yes	No	No	-
Regional Library	Insufficient	-	Yes	No	No	-
Bruxner Park Eco Tourism Project	Sufficient	\$2,165,000	Yes	Yes	Yes	5
Solitary Islands Coastal Walk	Sufficient	\$1,000,000	Yes	Yes	Yes	7
E-demo and Innovation Centre	Sufficient	\$5,000,000	Yes	Yes	Yes	1

\* Please note this is not a Council Project

Criteria include:

- Broadband
- Health
- Education
- Social inclusion
- Skilling Australia
- Lifting Productivity
- Maximising the opportunity for broadband
- Sustaining our Environment
- Water and energy efficiency

**Implementation Date / Priority:**

The grants to the RDAF program need to be completed by close of business Friday, 13 May 2011.

**Attachment 4**

**Recommendation:**

**That Council complete applications for funding for the following projects which are listed in priority order:**

- 1. E-demo and Innovation Centre**
- 2. Jetty Foreshores**
- 3. BCU Stadium Upgrade**
- 4. Regional Skate Park**
- 5. Bruxner Park Eco Tourism Project**
- 6. Cycleway next to newly constructed Pacific Highway**
- 7. Solitary Islands Coastal Walk**

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## **LEASE - COFFS HARBOUR REGIONAL AIRPORT GROUND LEASE - CHANGE OF APPROVED TERMS**

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### **Purpose:**

Seeking consent to the assignment of the lease between Coffs Harbour City Council as the registered proprietor of Lot 3 in DP 790102 and Paul Ellis Cox to Grant Boyter and Trudy Thompson as trustee for the Boyter and Thompson Superannuation Fund as to a one half share and Rohan Schallmeiner as trustee for the Rohan Schallmeiner Self-Managed Super Fund as to a one half share as tenants in common.

Further seeking a provision permitting a sublease to Eagle Copters Australasia Pty Ltd.

### **Description of Item:**

Council has previously resolved to grant a lease of the premises to Eagle Copters Australasia Pty Ltd (Resolution No.224) on the same terms as extended to the ECA lease of Lot 30 in DP 790102. The resolution authorised the contemporaneous termination of the existing lease and the commencement of a new lease to ECA.

Prior to completion however, ECA requested that the matter be stayed until other further financial and legal advice was to hand.

The Directors of ECA have now requested an assignment of the existing lease to each ECA directors respective superannuation fund entity.

The Lessee is now to be: Grant Boyter and Trudy Thompson as trustee for the Boyter and Thompson Superannuation Fund as to a one half share and Rohan Schallmeiner as trustee for the Rohan Schallmeiner Self-Managed Super Fund as to a one half share as tenants in common.

The new Lessee seeks consent to sublet the lease lot directly to Eagle Copters Australasia Pty Ltd should this need or opportunity arise.

### **Sustainability Assessment:**

- **Environment**

The lease proposal relates to an existing aviation hangar site which has been occupied and used for aviation related purposes for many years. The leasing proposal will continue this use. As such there will be no change to the environmental impact. It is proposed that the environmental conditions in the current lease be included in any future agreement.

- **Social**

This lease proposal will continue an existing use of the subject premises and as such there is no perceived change in regard to social sustainability and impact. Having the land occupied and maintained for aviation purposes creates a positive image for the airport precinct and is better than rendering the land vacant and unproductive.



- **Civic Leadership**

The Coffs Harbour 2014-2018 delivery program objective is to (LC3.1 – S18) pursue corporate business opportunities to generate income to support Council programs. Continuation of the current lease is consistent with this objective.

- **Economic**

**Broader Economic Implications**

It is noted that whilst the terms of the lease are changed from the approved submission, the purpose of the lease remains to house the operation of ECA.

The ECA Business Plan aims to invest \$6 million over the term of the project and provide jobs for 15 positions initially and up to 64 positions in the first 5 years of operation.

Provision under the existing lease for a rental review at market rates in 2017 potentially allows for additional income for Council. If the site becomes vacant then there are still holding costs for Council.

**Delivery Program/Operational Plan Implications**

The assignment of lease will not impact on the Delivery Program.

**Risk Analysis:**

The context of the risk assessment in this matter is to identify any change in the existing risk profile arising as a consequence of the assignment of lease.

Overall the assignment of lease does not present any further risk to Council than is already present under the current lease. The lease agreement includes provision to mitigate the negative impact of a breach of lease conditions.

**Consultation:**

Manager Coffs Harbour Regional Airport  
Fishburn Watson O'Brien Solicitors

**Related Policy and / or Precedents:**

The recommendations are in line with general leasing practices.

Clause 7.1.1 of the lease states Assignment may only be granted at Lessor's request, however that request may not unreasonably be withheld or delayed.

It should be noted this clause also covers provision for a sub-lease to ECA should request be made once assignment of the lease has been processed.

Where Council property is not required for current use for Council purposes, then numerous precedents have been set for leasing such premises or properties in order to obtain additional income and help to cover holding costs.

**Statutory Requirements:**

The property is classified as Operational Land in accordance with provisions of the Local Government Act 1993. Therefore, there are no impediments to pursuing this lease arrangement in accordance with the normal leasing procedures and practices under the NSW Real Property Act 1900 and the Conveyancing Act 1919.

Regulation 400(2) Local Government (General) regulation 2005 applies with respect to the execution of the lease documentation under Council seal.

**Issues:**

Issues to consider in the Assignment of Lease is whether the incoming Lessee will be in a position to both adhere to the purpose of the Lease and the original conditions and be able to meet the rental including scheduled increases and market review.

The background and ability of ECA to address any concerns by Council, has already been established and confirmed in Council Resolution No. 224 on 26 September 2013.

**Implementation Date / Priority:**

The Deed of Assignment will be executed under seal following completion of drafting by Council's solicitor and subject to authority being granted by Council.

**Recommendation:**

1. That Council consent to the assignment of the lease of Lot 3 in DP 790102 from Paul Ellis Cox to Grant Boyter and Trudy Thompson as trustee for the Boyter and Thompson Superannuation Fund as to a one half share and Rohan Schallmeiner as trustee for the Rohan Schallmeiner Self-Managed Super Fund as to a one half share as tenants in common.
2. That Council consent to a sublease of Lot 3 in DP 790102 to Eagle Copters Australasia Pty Ltd.
3. That all legal fees incurred by Council as a consequence of the assignment of lease of Lot 3 in DP 790102 from Paul Ellis Cox to Grant Boyter and Trudy Thompson as trustee for the Boyter and Thompson Superannuation Fund as to a one half share and Rohan Schallmeiner as trustee for the Rohan Schallmeiner Self-Managed Super Fund as to a one half share as tenants in common be paid by the assignee.
4. That any necessary documents associated with the assignment of lease of Lot 3 Section 6 DP 790102 from Paul Ellis Cox to Grant Boyter and Trudy Thompson as trustee for the Boyter and Thompson Superannuation Fund as to a one half share and Rohan Schallmeiner as trustee for the Rohan Schallmeiner Self-Managed Super Fund as to a one half share as tenants be executed under the Common Seal of Council.

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## **CONTRACT NO. RFT-684-TO - KARANGI TO RED HILL WATER MAIN DUPLICATION**

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### **Purpose:**

To report on tenders received for Contract RFT-684-TO: Construction of a section of water trunk main by trenchless method as part of the Karangi to Red Hill Water Main Duplication project and to gain Council approval to accept a tender.

### **Description of Item:**

As part of the Coffs Harbour Water Supply Strategy, the Karangi to Red Hill Water Trunk Main is to be duplicated from the Karangi Dam to the Red Hill Balance Tank. The project has been divided into two stages, Stage 1 is from Karangi Dam to Coramba Road and Stage 2 extends from Coramba Road to the Red Hill Balance Tank. Stage 1 of the project has commenced and is being constructed by Council's City Works branch.

The contract work is part of Stage 1 of the project and will require the construction of approximately 70m of 600mm DICL pipeline contained within a steel casing across the North Coast Railway and Wongiwomble Creek at Karangi by trenchless method.

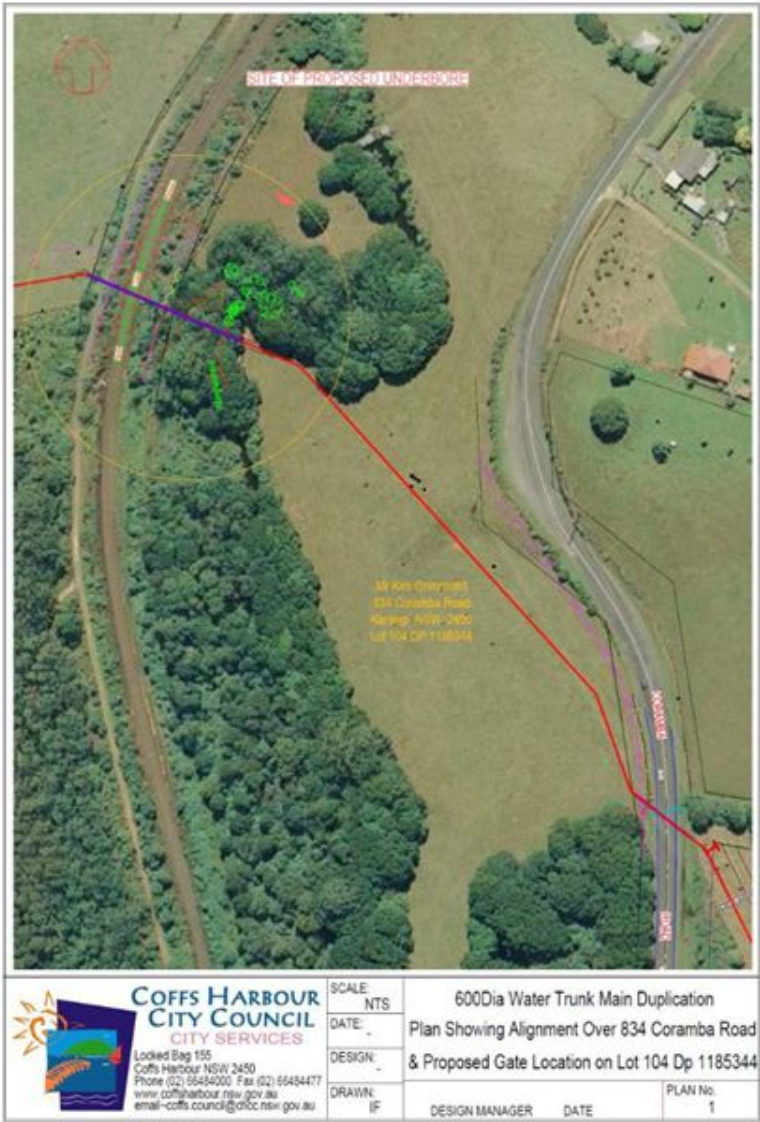
Open Tenders were called for a Lump Sum contract in local and capital city newspapers and via Council's electronic Tenderlink e-portal and closed at 3.30pm on Tuesday, 21st October 2014.

Tenders were evaluated on the following criteria:

- Tenderer's financial capacity and tender conformity. These criteria are hurdles and are not scored. Only conforming Tenders and Tenderers with sufficient financial capacity are considered further.
- Tender price
- Work, Health and Safety Management Systems
- Details and logic of the tender construction program and methodology to demonstrate the Tenderer's understanding of the scope of works and contract management skills to achieve completion on time
- Experience and Performance in similar works
- Time required for completion

Although a number of enquiries were made during the tender period, only one tender was received. Other potential tenderers were contacted for their reasons for not tendering and have advised that they could not prepare and submit a tender price by the due date because of either commitments to other projects or the lack of resources.

The conforming tender was received from Codmah Pty Ltd.



Sustainability Assessment:

• Environment

The work under this contract is situated on and between two rural properties which extends from the east side at No.834 Coramba Road (Lot 104 D.P.1185344) to the west side at No.49 Upper Orara Road (OP 02388) beneath Wongiwomble Creek and the North Coast Railway corridor. The vegetation in this area is within a riparian corridor which has been identified as Native Remnant Vegetation comprising of watergum, small leafed privet and camphor and is not required to be removed to accommodate the works.

The pipe alignment has been designed to accommodate installation of the section of pipeline by trenchless method and to minimise negative impacts on the existing vegetation and Wongiwomble Creek and to meet the design requirements of the Australian Rail Track Corporation.

The works in this contract will involve deep excavations at each end of the pipeline in order to accommodate the contractors TBM (Tunnel Boring Machine) and to meet the designed pipeline profile. The excavation near Wongiwomble Creek will be to below the existing water table and may require the establishment and operation of a dewatering system, particularly if a high rainfall event prevails.

The NSW Office of Water has confirmed that a license to extract groundwater was not required for this project, however, a Permit under the Fisheries Management Act has been approved and issued by the Department of Primary Industries with conditions which the contractor will be required to adhere to. No direct pumping of extracted groundwater into Wongiwomble Creek will be permitted.

As part of the due diligence process a search of the Office of Environment and Heritage (OEH) Aboriginal Heritage Information Management System (AHIMS) did not identify any registered Aboriginal sites directly within the proposed works footprint. However, an Aboriginal Heritage Impact Permit has been sought from OEH for the entire project and is expected to be issued prior to the commencement of the contract works.

The contractor will be required to prepare a methodology statement detailing how the works are to be undertaken and will be required to comply with the specifications in regard to Environmental Management and the conditions of the Part 5 Environmental Assessment.

- **Social**

The works are a component of the Coffs Harbour Water Supply Strategy and have been identified as necessary works to ensure a secure water supply is provided to meet the current and future needs of the water users in the Coffs Harbour community. All work is to be restricted to normal business hours and the residents affected are to be kept informed of the activities and progress.

During construction, a temporary access road to the work site will be required through private land from Coramba Road which will be removed upon completion of the works. While construction is under way, the local amenity and traffic conditions will be temporarily affected. However, these adverse effects are short term and adequate traffic control, restoration and removal of construction equipment, will remedy these issues.

- **Civic Leadership**

As Council is the provider and operator of water supply infrastructure for the community, construction of this work is consistent with the Coffs Harbour Water Supply Strategy and Council's 2030 Strategic Plan.

- **Economic**

**Broader Economic Implications**

The tender received includes the provision of aggregate and other raw materials, plant hire and concrete from local suppliers. Materials of the pipeline have been chosen to ensure longevity of the asset and to minimise whole of life costs.

The duplication of the water trunk main will lower the hydraulic losses in the current system which will reduce water pumping costs.

### **Delivery program/Operational Plan Implications**

Sufficient funds have been allocated by Council in the 2014/2015 Operational Plan to carry out the work.

The Tender price includes GST and is not the net cost to Council.

### **Risk Analysis:**

The existing Karangi Dam to Red Hill Balance Tank water trunk main is currently the only water supply line to the distribution system of the Coffs Harbour water supply network. It has been in service for about 30 years and its failure, should it occur, will compromise Council's obligations and objectives of providing a safe and secure water supply to the Coffs Harbour community. The construction of the duplicate water pipeline will mitigate this risk.

The risks associated with this contract are managed through the design and tender documentation, the selection of a competent and experienced contractor, monitoring quality control, environmental controls and workmanship during construction.

### **Consultation:**

Water Operations and Maintenance staff from Coffs Harbour Water were consulted during the design process and City Works Branch currently undertaking the construction of Stage 1 of the project has been consulted in regard to arranging connections to the new pipeline installed by the contract works.

The land owners including the Australian Rail Track Corporation (ARTC) have been consulted during the planning stage to obtain approval for access to construct the new pipeline. An application has been submitted to the ARTC for a license to construct the pipeline across the rail corridor and will be formalised upon notification to ARTC of the successful tenderer.

A Permit has also been issued by the Fisheries NSW Division of the Department of Primary Industries for the works associated with the crossing of Wongiwomble Creek.

Officers of the Coffs Harbour District Local Aboriginal Lands Council (LALC) have also been consulted and negotiations are currently underway to obtain a Permit from the Office of Environment and Heritage (OEH).

### **Related Policy and / or Precedents:**

Tender procedures and analysis were carried out in accordance with Council policy. As only one tender was received, Council's 'Tender Value Selection System' was not applied during the tender review process.

Tender details and assessment are included in the Confidential Attachment.

### **Statutory Requirements:**

The calling, receiving and reviewing of tenders was carried out in accordance with Part 7 Tendering of the Local Government (General) Regulations 2005.

**Issues:**

The recommended tenderer was the only tender submitted, however the price submitted is considered to be reasonable.

The recommended tenderer has performed similar works recently and specialises in trenchless solutions in the public utility sector. The projects they have completed over the past four years indicate the capability and capacity of the company to successfully undertake these works.

**Implementation Date / Priority:**

A contract can be awarded upon Council's resolution to accept a tender. Failing any unforeseen events, it is expected that the works will be completed in January 2015 with a contract completion time of seven weeks.

**Recommendation:**

**That Council considers the tender received for the Trenchless Section of the Karangi to Red Hill Water Main Duplication - Contract No. RFT-684-TO - and move the motion as detailed in the confidential attachment.**