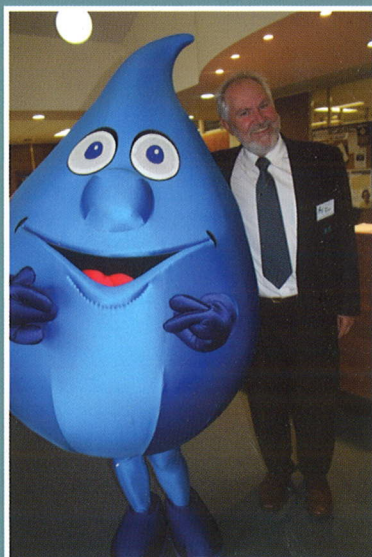


# Riverina Water County Council

# Annual Report

## 2009/2010



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**MISSION STATEMENT**

**Mission:**

To provide our Community with safe reliable water at the lowest sustainable cost.

**Goals include:**

- (a) The provision of appropriate levels of service, building on our reputation, and providing a comprehensive water supply to customers.
- (b) Operation, maintenance and construction of assets to meet levels of service, incorporating continuous improvement / quality processes.
- (c) Recognition, training and care of our human resources to maximise effective skills and job satisfaction.
- (d) Financial policy and pricing that is both effective (in what it produces) and efficient (in what it costs).
- (e) Protecting the community and the environment as a good corporate citizen.

**RIVERINA WATER COUNTY COUNCIL**



**DIRECTORY**

**HEADQUARTERS** 91 Hammond Ave, Wagga Wagga

**POSTAL ADDRESS** PO Box 456, Wagga Wagga 2650

**E-MAIL ADDRESS** admin@rwcc.com.au

**WEB ADDRESS** www.rwcc.com.au

**TELEPHONE** (02) 6922 0608

**OFFICE HOURS** 8.30 am to 4.00 pm, Monday to Friday

**BANKERS** National Australia Bank Ltd

**SOLICITORS** Commins Hendriks

**AUDITORS** John L. Bush & Campbell, Wagga Wagga

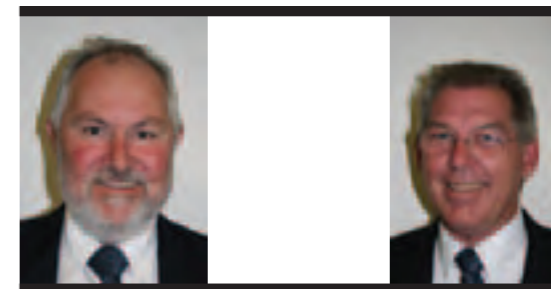
**RIVERINA WATER COUNTY COUNCIL**

For the construction, operation and maintenance of works of water supply within the Shires of Lockhart, Urana and Part Greater Hume and the City of Wagga Wagga.

**ANNUAL REPORT**

**1st July 2009 to 30th June 2010**

**COUNCILLORS**



Clr. Rod Kendall  
Wagga Wagga  
Chairperson

Clr. John McInerney  
Greater Hume Shire  
Deputy Chairperson

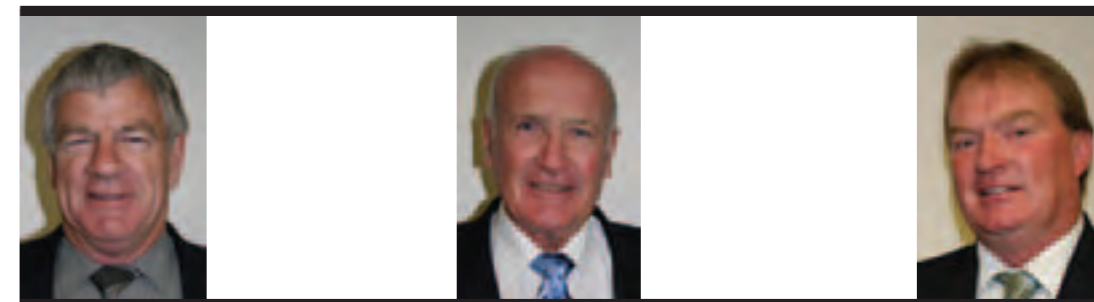


Clr. Alan Brown  
Wagga Wagga

Clr. Wayne Geale OAM  
Wagga Wagga

Clr. Ray Goodlass  
Wagga Wagga

Clr. Lindsay Vidler  
Wagga Wagga



Clr. Ian Kreutzberger  
Urana Shire Council

Clr. John Ross  
Greater Hume Shire

Clr. Peter Yates  
Lockhart Shire Council

**MANAGERS**



Gerald W. Pieper  
General Manager

Greg Finlayson  
Director of Engineering



Clr. Rod Kendall, Chairman  
and  
Clr. John McInerney, Deputy Chairman  
Elected at Council's October 2009 Meeting



Adrian Gooden  
Winner of Riverina Water's  
2009 Charles Sturt University  
Scholarship with  
Professor Kevin Robards  
July 2009



Natalie Eisenhauer  
Works Engineer  
Congratulatory Morning Tea  
for completion of  
Engineering Course

## COUNCILLORS – TERM OF OFFICE

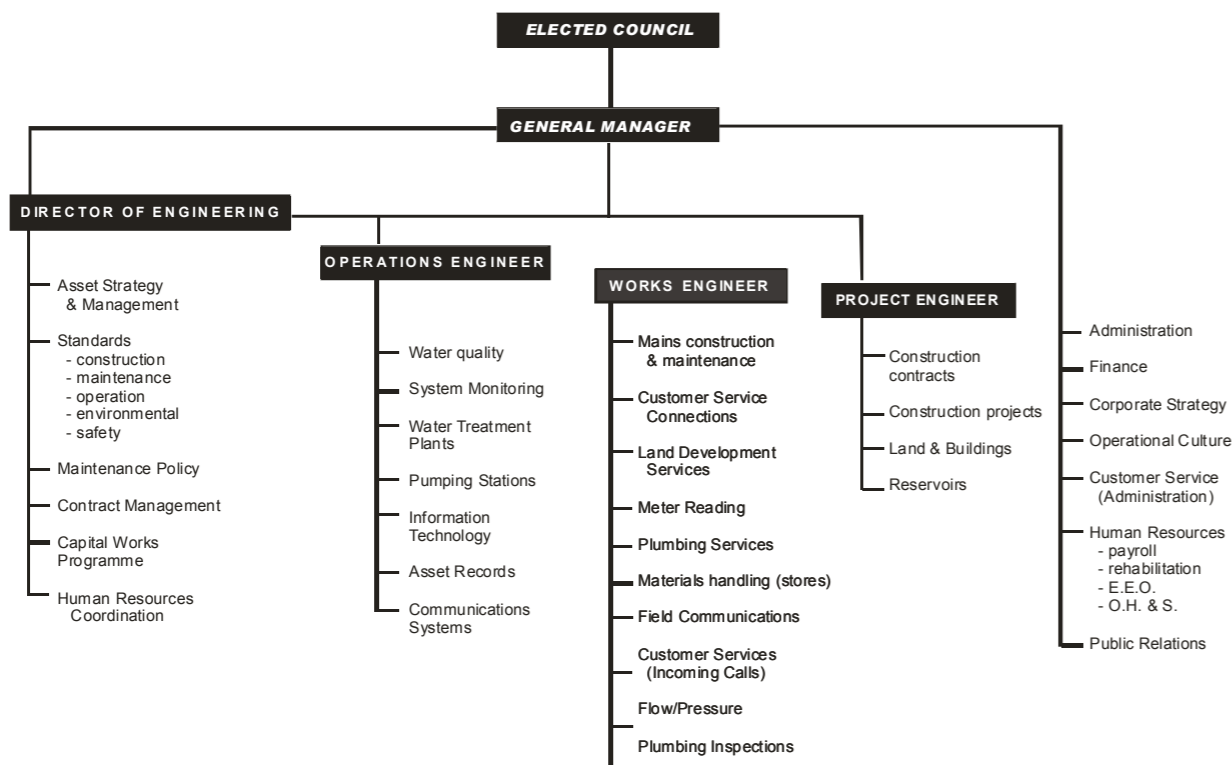
Blackett, Dennis	Wagga Wagga	1 <sup>st</sup> July 1997 to 1999
Brassil AM, Patrick	Wagga Wagga	1 <sup>st</sup> July 1997 to 27 <sup>th</sup> March 2004
Brown, Alan	Wagga Wagga	Sept 2008 to Current
Coghill, Ian	Urana	1 <sup>st</sup> July 1997 to Oct 2003
Dale, Peter	Wagga Wagga	1 <sup>st</sup> July 1997 to March 2004
Edwards, Ross	Lockhart	1 <sup>st</sup> July 1997 to 1999
Fifield AM, Alan	Culcairn	28 <sup>th</sup> Sept 1999 to 26 <sup>th</sup> May 2004
Geale OAM, Wayne	Wagga Wagga	Sept 2008 to Current
Georgiou, Michael	Wagga Wagga	25 <sup>th</sup> Oct 1999 to April 2004
Goodlass, Ray	Wagga Wagga	Sept 2008 to Current
Harding, John	Wagga Wagga	25 <sup>th</sup> Oct 1999 to April 2004
Kendall, Rod	Wagga Wagga	April 2004 to Current
Kidson, Mary	Wagga Wagga	1 <sup>st</sup> July 1997 to 1999
Kotzur, Elwyn	Culcairn	1 <sup>st</sup> July 1997 to 1999
Kreutzberger, Ian	Urana	April 2004 to Current
McInerney, John	Holbrook	22 <sup>nd</sup> Sept 1999 to 26 <sup>th</sup> May 2004
McInerney, John	Greater Hume	27 <sup>th</sup> April 2005 to Current
Peardon, Robert	Holbrook	1 <sup>st</sup> July 1997 to 1999
Ross, John	Greater Hume Shire	27 <sup>th</sup> April 2005 to Current
Sexton, David	Administrator, Greater Hume Shire	26 <sup>th</sup> May 2004 to 23 <sup>rd</sup> Feb 2005
Simpson, Diana	Wagga Wagga	April 2004 to Sept 2008
Wright, Karen	Wagga Wagga	April 2004 to Sept 2008
Vidler, Lindsay	Wagga Wagga	1 <sup>st</sup> July 1997 to Current
Wales, Kevin	Wagga Wagga	April 2004 to Sept 2008
Yates, Peter	Lockhart	20 <sup>th</sup> Sept 1999 to Current
<b>Chairperson</b>		
Brassil, AM, Patrick		1 <sup>st</sup> July 1997 to 27 <sup>th</sup> March 2004
Vidler, Lindsay		10 <sup>th</sup> May 2004 to 31 <sup>st</sup> Oct 2007
Yates, Peter		31 <sup>st</sup> Oct 2007 to Oct 2008
Kendall, Rod		Oct 2008 to Current
<b>Deputy Chairperson</b>		
Coghill, Ian		1 <sup>st</sup> July 1997 to Oct 2003
Yates, Peter		Oct 2003 to 31 <sup>st</sup> Oct 2007
Kendall, Rod		31 <sup>st</sup> Oct 2007 to Oct 2008
McInerney, John		Oct 2008 to present
<b>General Manager - Pieper, Gerald</b>		1 <sup>st</sup> July 1997 to Current
<b>Senior Staff:</b>		
Nash, Murray (Director of Engineering)		1 <sup>st</sup> July 1997 to 14 <sup>th</sup> May 2004
Clifton, Peter (Director of Engineering)		10 <sup>th</sup> May 2004 to 3 <sup>rd</sup> July 2009
Finlayson, Greg (Director of Engineering)		29 <sup>th</sup> June 2009 to Current

### MEETING ATTENDANCE 2009/2010

COUNCILLOR	NUMBER OF MEETINGS	ATTENDANCE
A. Brown	6	5
W. Geale OAM	6	5
R. Goodlass	6	6
R. Kendall	6	6
I. Kreutzberger	6	6
J. McInerney	6	6
J. Ross	6	6
L. Vidler	6	6
P. Yates	6	6

# INTRODUCTION

## ORGANISATION STRUCTURE



## CHAIRPERSON'S MESSAGE 2009/2010

2009/2010 was a year of contrasts in regards to seasonal conditions.

We started the year in the grip of a continuing drought with water allocations cut to 50% of entitlement on 1<sup>st</sup> July 2009. At this level of allocation the state government requested that Council impose severe water restrictions that are meaningless in the middle of winter. Instead your Council adopted a program of Water Targets with the aim to cut water usage by 20% over our 3 year average usage on a week by week basis.

The General Manager, Director of Engineering and myself meet with the NSW Water Commissioner Mr David Harriss to outline our concerns in regards to mid winter water restrictions and to outline our program of Water Targets.

Whilst water allocations and water associated water restriction advice changed 7 times over the ensuing months RWCC's Water Targets were strictly maintained giving a concise and consistent message throughout the entire year. This message resulted in modest water savings that wouldn't have been achieved by adherence to the Governments mandated restriction regime.

I thank our whole customer base for their concerted effort to conserve water.

In March this year the weather changed markedly and regular good seasonal rainfall has continued since that time resulting in regular and continuing catchment runoff for our supply dams. All indicators point to significant increases in storage levels and that this inflow will continue for some time.

Notwithstanding the increase water availability our water usage target program and other water efficiency programs will continue into the future in recognition of the value of our water resource and the continuing need to use water wisely without waste no matter the short term supply situation.

RWCC along with its constituent Councils is well progressed on an innovative joint Integrated Water Cycle Management planning process that involves water, sewerage and stormwater that will provide an opportunity to optimise costs and outcomes for the four local utilities. RWCC is now proceeding with a detailed strategy study as the second stage of this process.

In order to provide a reliable and safe water supply strong financial results are a must. I have pleasure in reporting a net operating result of \$2.5 Ml surplus for the year even though \$6.6 Ml was spent on infrastructure and capital expenditure with \$2.2 Ml of that on asset renewals. Our long term strategic plan identifies even greater levels of capital expenditure in the near future including renewal of the main Wagga Wagga water treatment plant. We are well placed to meet our future expected outlays.

Of note, I am particularly pleased to see the completion of a new water supply pipeline at Urana which replaces the existing open channel supply. This pipe will prevent transmission losses that exceeded 80%. The pipeline will be officially opened in August 2010.

As Chairman of Riverina Water I am proud of the professional and dedicated service given to the organisation by all of our employees. This dedication and loyalty is amply demonstrated by the 4 employees who achieved 40 years of service during this year. These employees were Mr Peter Clifton, Mr Graeme Geaghan, Mr Dennis Glazier, and Mr Rod Walmsley. Mr Clifton subsequently retired as Director of Engineering on 4<sup>th</sup> July 2009 with a farewell function attended by many past and present employees, Councillors and local members of Parliament.

We welcome Mr Greg Finlayson as the new Director of Engineering. Mr Finlayson has previously worked for Riverina Water and has a life time of experience in water supply that has included senior roles at Rous Water and Goulbourn.

Council regretfully received advice from Mr Gerald Pieper, General Manager, that he will not be seeking renewal of his employment contract. Mr Pieper will retire from his employment in December 2010 after 35 years of service. Mr Pieper's early advice of his intentions is typical of his selfless and professional approach to his job thereby allowing Council to undertake a well planned recruitment process that will ensure the best possible replacement is employed.

I urge all customers to examine this annual report in detail as it demonstrates the very high level of service and efficiency that is provided to our communities. There is no doubt that this Council has few peers amongst water supply authorities in NSW.

Lastly I wish to acknowledge the wisdom and strategic thinking that all of my fellow Councillors give to this organisation and thank Councillors John McInerney, Deputy Chairman (Greater Hume Shire Council), Alan Brown (Wagga Wagga City Council), Wayne Geale OAM (Wagga Wagga City Council), Ray Goodlass (Wagga Wagga City Council), Ian Kreutzberger (Urana Shire Council), John Ross (Greater Hume Shire Council), Lindsay Vidler (Wagga Wagga City Council) and Peter Yates (Lockhart Shire Council).



Clr. Rod Kendall  
CHAIRPERSON

## NATIONAL COMPETITION POLICY

The Commonwealth State and Territory Governments endorsed National Competition Policy through a series of inter-governmental agreements in 1995. The State Governments were given the responsibility to ensure that the National Competition Principles were applied to the Local Government authorities under their jurisdiction.

In June 1996 the New South Wales Government released a Policy Statement on the Application of National Competition Policy to Local Government. Under the guidelines established by the State Government the following actions have to be undertaken by Councils within New South Wales:

**i) Identify Council's business activities and categorise them in accordance with the guidelines:**

The New South Wales Government proposes two categories of business activities – Category 1 Businesses (which have annual sales turnover/annual gross operating income of \$2M and above) and Category 2 Business (which have annual sales turnover/annual gross operating income less than \$2M). The treatment that Councils have to apply to each of these business categories varies, with the Category 1 Businesses being subject to more detailed requirements. Council's activity is a Category 1 business.

**ii) Creation of a complaints mechanism to deal with a competitive neutrality complaints.**

Council has developed a complaints management system.

**iii) Application of tax equivalents, debt guarantee fees and dividend payments.**

As one of the intentions of the National Competition Policy is to provide a "level playing field" between Council's business activities and those provided by the private sector. The guidelines require calculations to be made to determine tax equivalents, debt guarantee fees (where the activity may obtain a lower borrowing rate than it may have faced if it were a private organisation) and dividends. These calculations do not have to appear in Council's external accounting processes but need to be calculated and recognised in Council's internal accounting arrangements. Calculations have been completed and included in the statistical notes of the financial statements for the 2009/2010 financial year.

**iv) Separation of the costs associated with operating a business activity.**

A business undertaking must have its accounting and other operations structured in such a way as to provide a distinct reporting framework. This means that all the costs, both direct and indirect, associated with that business activity must be allocated to it.

**v) The Council has not received any complaints in respect of Competition Neutrality during 2009/2010.**

# COUNCILLORS' FEES, FACILITIES AND EXPENSES

**Section 428 (2) (f)**

Chairperson's Allowance	\$ 7,640
Councillors' Fees	\$41,850
Councillors' Expenses	\$ 6,416
Conference / Seminar Fees	\$ 6,957
Spouse/Partner Conference expenses	\$ 849

Council's Policy in respect of these matters is detailed below.

**POLICY 5.3 - COUNCILLORS' EXPENSES & FACILITIES**

**POLICY TITLE**

**Payment of Councillors' and Chairperson's Fees, Expenses and Facilities**

**OBJECTIVES:**

To define, in conformity with the requirements of the Local Government Act, 1993, the Council's policy on the provision of facilities for and the payment of expenses to Councillors and the Chairperson.

**POLICY STATEMENT:**

That in accordance with Division 5 of Chapter 9 of the Local Government Act (as amended) 1993, the Council pay fees and adopt the following policies concerning the payment of expenses incurred or to be incurred by Councillors and the provision of facilities to the Chairperson and some other Councillors in relation to discharging the functions of the County Council:

1. During the month of June in each year, the Council will review the fees and expenses paid to or facilities provided for the Chairperson and Councillors and determine the amounts to be paid for the ensuing year.
2. The amount of the annual fee for the Chairperson and Councillors will take into account the minimum and maximum amount determined by the Remuneration Tribunal and will be paid monthly in arrears.
3. The amount of expenses for conveyance by car will be determined by the rates provided in the Council's Award and will be paid monthly in arrears.
4. Provided that where a Councillor ceases to be the Chairperson, the fee to be paid will be calculated on a daily basis for the proportion of the month that the Councillor remained the Chairperson.
5. Similarly, where a Councillor is elected Chairperson, the fee to be paid will be calculated on a daily basis for the proportion of the month in which the Councillor became Chairperson.
6. Expenses incurred in attendance, authorised by the Chairperson or Council, at conference, seminars, training sessions, inspections and other authorised activities in relation to discharging of functions of the County Council, shall be conference etc., registration fee plus accommodation costs plus reasonable meal and out-of-pocket costs as verified by documentation normally required in accordance with internal audit procedures. Expenses incurred of spouses, partners or accompanying persons associated with attendance of conferences be the cost of registration and the official conference dinners.
7. Facilities will be provided to allow the Chairperson to discharge the functions of the County Council by way of the necessary administrative services. The Chairperson is to be provided with a facsimile machine for the purpose of facilitating communication.

## 40 YEARS OF SERVICE



**Dennis Glazier, Snr Technical Officer**

cutting a cake in celebration of

40 Years Service with Council on 27th January 2010

L-R Members of electrical department: Clr. Dermot McCormack, Jeremy Alexander, Robert Gardner, Dennis Glazier, Jason Ip (Operations Engineer), Andrew Clarke, Rob Palframan, Bryce McDonnell and Greg Finlayson (Director of Engineering)



**Rod Walmsley, Meter Superintendent**

cutting his celebratory cake on the occasion of 40 Years Service with Council on 2nd March 2010



## YEARS OF SERVICE



L-R Clr. Rod Kendall (Chairperson), Mark McIntyre (15), John Reynoldson (20), Ron Scott (15), Garry Meyers (25), Judi Dunning (25), Brent O'Brien (20), Clr. John McInerney (Deputy Chairperson) & Gerald Pieper (General Manager)



### 'THE NEXT MASTERS'

Riverina Water's Jeremy Alexander (Apprentice Electrician) and Richard Mason (Apprentice Fitter/Turning) with Dennis Glazier Snr Technical Officer, have completed their final year of TAFE at Wagga Wagga. They are pictured at "The Next Masters" function held at Wagga TAFE in November 2009. The "Next Masters" is a function where all final TAFE year (successful) Apprentices are recognised and congratulated. Both Jeremy and Richard have completed their formal TAFE studies but still have 12 months to complete on-the-job training.

## RETIREMENT CONGRATULATIONS Pat Davis & Eddie Dunn Afternoon Tea on 8th July 2010



Gerald Pieper, General Manager, Clr. Rod Kendall, Chairperson with **Eddie Dunn (Rural Supervisor) 10/12/1973 - 5/7/2010) and Pat Davis, Overseer (29/5/1967 - 13/7/2010)**



Pat and Eddie enjoy a laugh about old times



Pat receives a shirt "signed by all staff" as part of his Retirement gift



Rural Staff Members - Darrell Kenny (Urana), Garry Meyers (Collingullie) Eddie Dunn (The Rock) and Brian Hunter (Lockhart)  
Absent: David Badger (Culcairn) and Rob Jeffery (Uranquinty)

**RETIREMENT CONGRATULATIONS**  
**Graeme Geaghan**  
**Finance Office Manager**  
**1960 - 19th July - 2010**



Graeme with wife June and daughter Louise at Morning Tea Retirement - 20th July



Graeme with wife June and daughter Louise at Morning Tea Retirement - 20th July



**Current & Retired  
 Long Term Serving  
 Employees  
 Riverina Water County  
 Council**

Pat Davis (43+), Rod Walmsley (40), Dennis Glazier (40)  
 Peter Clifton (40), Graeme Geaghan (40) and Wes Campbell (43)  
 Taken at Retirement Function 8th July 2010

**PERSONNEL & DELEGATION**

**EMPLOYMENT OF SENIOR STAFF**

**Section 428 (2) (g)**

During the year 2009/2010 Council employed two senior staff, the General Manager and Director of Engineering, at a total remuneration cost of \$348,220 including salaries, superannuation, private use of a Council car and fringe benefits tax.

**HUMAN RESOURCE ACTIVITIES - UNDERTAKEN BY COUNCIL**

**Section 428 (2) (m)**

Riverina Water employs a workforce of 87 people to carry out the range of responsibilities in administering the organisation and supplying water to the communities. From time to time this workforce is supplemented by a small number of temporary staff. 5 apprentices have been employed during the year through G.T.E.S.

Riverina Water's commitment to developing a skilled workforce is demonstrated in its apprenticeship and trainee program. Apprentices are employed in the Electrical (2), Welding (1) and Fitting (2) trades. Trainees are employed in Maintenance Operations (1) and Water Treatment (1). These seven (7) apprentice/trainee positions represent 8% of Council's staff.

The General Manager and Director of Engineering are senior staff positions as defined in the Act.

	Admin	Engineering	Waterworks	Depot Base	Rural	Totals
Perm.June 2009	7	10	22	41	6	86
Temp.June 2009		1				1
<b>TOTAL June 2009</b>	<b>7</b>	<b>11</b>	<b>22</b>	<b>41</b>	<b>6</b>	<b>87</b>
Retired		1				
Resigned				1		
Terminated						
Appointed		2		1		
Internal Transfer						
Transfer to Perm.						
Temp. Appointed						
Temp.Terminated						
Perm.June 2010	7	12	22	41	6	88
Temp.June 2010						
<b>TOTAL June 2010</b>	<b>7</b>	<b>12</b>	<b>22</b>	<b>41</b>	<b>6</b>	<b>87</b>

Recruitment practices follow the EEO guidelines.

**Training**

Staff training is a significant part of our human resources activity, and in addition to on-the-job training a number of specific courses were undertaken to a training plan, throughout the year. Essential training costs are met in full, and assistance is also given to staff undertaking desirable (extra) training.

**Training Undertaken 2009/2010**

TRAINING COURSE	NUMBER OF PARTICIPANTS
Auto Tech	2
Bonded Asbestos Removal	3
Bonded Asbestos for Supervisors	3
Business Administration – MBA	1
Lab Skills & Procedures	1
Coagulation & Flocculation	1
Erosion & Sediment Control	12
Filtration	1
Sedimentation & Clarification	1
Blue Green Algae	1
Certificate III - Distance Education Modules	1
Certificate IV – Distance Education Modules	1
Chainsaw - Level 1	3
Confined Space - Refresher	31
Confined Space - Full course	2
Dangerous Goods - Refresher	2
First Aid - Refresher	22
First Aid - Full Course	4
Fluoride Operator Training	3
Horticulture - CII	1
Overhead Power Lines	15
Pipe Location & Leak Detection	3
Railway - PO1 Officer	1
Shoring - Ground Support	22
Supervision - CIV F/Line Mgmt	1
Traffic Control - Design & Audit L4	3
Traffic Controller - Stop/Slow	4
Traffic Control - RTA L3	18
Truck Licence - MR	2
Truck Licence - HC	2
Truck Licence - HR	2
Working/Rescue at Heights	1
Workcover Licence - Backhoe	1
Workcover Licence - 60 T Crane	3
Workcover Licence - Dogging	1
Workcover Licence - Forklift	2
Workcover Licence - Hiab	8
Workcover Licence - Loader	1
Workcover Licence - Scaffolding	2
AutoCad Map 3D	1
AutoCad Update Training	10
Autodesk Civil 3D	3
GIS Munsys 10.2 Training Update	3
H2O Net Update - On site	10
Omron PLC - Advanced	1
Stress Management	1
Healthy Lifestyle- fit for life & work	1
Civica User Conference	2
Field Days - Civinex	4

TRAINING COURSE	NUMBER OF PARTICIPANTS
Fleet Management Workshop	1
Open Spatial User Forum	1
Operators Conference	4
Operator Update Port Macquarie	1
OzWater Conference	1
Radtel User Conference	1
SIA Conference - Melbourne	1
SIA Conference - Perth/Sydney/Brisbane	1
RTW Coordinator Forum	1
StateCover Training W/Shop	1
Risk Management Conference	1
<b>TOTAL</b>	<b>238</b>

**Enterprise Award**

In 2006/2007 a revised Enterprise Award was negotiated with the various unions. The Riverina Water County Council Enterprise Award 2007 continues the concepts of an effective and cohesive workplace, and covers a three-year period, which commenced July 2007.

Remuneration to all staff is based on a logical and fair system, commensurate with modern day standards and practices. The system includes an annual review of skills attained and used.

**Staff Committees**

A number of staff committees have operated successfully throughout the year, each making an important contribution to the operation of the organisation.

- Occupational Health & Safety Committee
- Staff Consultative Committee
- Promotional Committee

**Occupational Health and Safety Management**

This year the focus has been on promoting Safety both at work and at home. No matter how often safety is emphasised, it is easy to become complacent in this important matter. Regular reminders are the key to keeping these issues in the forefront of managers' and staff members' minds.

This year we have encouraged workers to enter competitions about safety in the workplace to get a spirit of teamwork going and to keep everyone thinking about safety. We tried to get the safety message out in a way that employees find enjoyable. The message about safety is much easier to get across if it is delivered in a fun manner.

**OH & S Goals & objectives 2009/2010**

**Goal**

Riverina Water's OH&S goal for 2009/2010 was **ZERO HARM AT WORK – to be achieved through eliminating unsafe behaviours and/or conditions** which will result in providing a safe workplace and systems of work. Our aim over the period July 1, 2009 – June 30, 2010 was to implement the following strategies to achieve the overall objective / goal for this 12-month period.

Objectives	Means of achieving	Target/Measure
Continue promotion of responsibilities within the OHS Management System	<ul style="list-style-type: none"> <li>Promote OHS responsibilities to Management, Supervisors &amp; employees through utilisation of "Expectation checklists" during face-to-face discussion groups.</li> </ul>	<p>All individuals within the organisation fully aware of their responsibilities in relation to safety &amp; actively undertaking their safety role.</p> <p>The roles &amp; responsibilities lists were further developed and are ready for communication to all staff.</p>
Provide effective staff support	<ul style="list-style-type: none"> <li>Provide on-going promotion of Riverina Water's 'Employee Assistance Program' that provides free professional counselling to staff and their immediate families</li> <li>Promote usage of Progressive Disciplinary &amp; Grievance Procedure</li> </ul>	<p>In house promotion in Safety Newsflash articles Self referral to counselling service (verified by quarterly report from provider) Staff are continuing to use this service and has been very beneficial.</p> <p>More timely &amp; effective resolution of conflict. Use Work Improvement Notice (WIN) for non compliance issues if direct contact with employee does not resolve unacceptable behaviour or actions. Ongoing promotion and use.</p>
Improve Communication and Consultation	<ul style="list-style-type: none"> <li>Continue promotion of "Take &amp; Break &amp; Talk Safety" &amp; incentive by way of rewards (i.e. Kit Kats / Fruit / Luncheon) to teams who engage the OHS Coordinator during their team discussion</li> <li>OHS Coordinator to receive &amp; record team meeting sheets</li> <li>Quarterly meetings involving Dept. Managers and their respective work teams.</li> </ul>	<p>Monthly meetings held with all work teams with documented evidence being provided by Supervisors. All teams undertook the required meetings every month.</p> <p>Outstanding issues raised discussed with management &amp; outcomes reached with feedback directly to the work team within a reasonable time frame. Feedback on safety issues is improving.</p> <p>Diary or other appropriate recording of meetings with timely feedback to employees on raised issues. Needs improvement as meetings not happening regularly.</p>
Develop a Rewards Program to improve Safety Culture & increase active participation by all work teams	<ul style="list-style-type: none"> <li>Develop, implement, review &amp; monitor a rewards program. Focus on safe behaviours, reward &amp; encourage attendance at meetings etc.</li> </ul>	<p>Improved morale. Improved safety culture. Reduction in unsafe behaviours or conditions which in turn will result in a reduction in the number of injuries. Has been a reduction in reported unsafe behaviours but have not seen any real improvement in culture.</p>

Continue on-going OHS training of new & existing staff	<ul style="list-style-type: none"> <li>Undertake inductions of new staff.</li> <li>Continue internal and external training programs for staff.</li> <li>As procedures/SWMS are released, appropriate training or instruction is given.</li> </ul>	<p>Induction &amp; review of all new staff (evidence available through completion of Individual Induction Booklets). Induction process is ongoing and improving all the time. Annual training plan in place and skills gap analysis. Annual training is ongoing.</p> <p>Training record sheets received &amp; skills database updated. Only updates to procedures over the last 12 months and appropriate instruction given to affected teams.</p>
Continue to monitor OH&S compliance	<ul style="list-style-type: none"> <li>OH&amp;S Coordinator to undertake onsite work visits, provide advice and feedback.</li> <li>Accident investigation &amp; reporting, ergonomics, manual handling &amp; risk management monitoring</li> </ul>	<p>Areas in need of improvement &amp; areas for recognition reported to Management. Continuing worksite visits by OHS coordinator and managers.</p> <p>Management to act and communicate outcomes and feedback back to staff. Feedback is improved but manual handling is still an issue.</p>
Develop & Review Safe Work Procedures	<ul style="list-style-type: none"> <li>Review, reformat &amp; consolidate existing SWMS</li> <li>Ongoing review of OHS Policies &amp; procedures with a view to their effectiveness and legal compliance</li> </ul>	<p>Up to date supervisor manuals. All manuals are up to date with current procedures. Review all current policies/procedures within 12 months Procedure reviews undertaken as scheduled.</p>
Develop & complete an annual CIAP (Continuous Improvement Action Plan)	<ul style="list-style-type: none"> <li>Develop CIAP in consultation with Senior Management following annual OHS audits                             <ul style="list-style-type: none"> <li>Internal audits</li> <li>StateCover Self Evaluation Tool</li> </ul> </li> </ul>	<p>CIAP developed &amp; progress made on required actions CIAP developed and has been a working document over the 12 months with good progress on actions required. &gt;95% evaluation result Achieved the desired result but room for improvement next year.</p>
Identification of hazards & elimination/reduction of risks	<ul style="list-style-type: none"> <li>Workplace inspections to be undertaken every 4-6 months</li> <li>Timely reporting of accident/incidents/near misses</li> <li>Hazard register in place</li> </ul>	<p>Inspection schedules up to date. Identified issues controlled within an appropriate time frame. Inspections completed as per schedule.</p> <p>All reports received within the required timeframes Reports are submitted but the timeframes are not always being met.</p> <p>Interim controls in place immediately, permanent controls considered, reviewed 6 monthly by management. Feedback to be given to staff. Register items are progressing and a good percentage of items have been completed.</p>

### Safety Breakfast

The OH&S Committee held a safety breakfast to coincide with Safe Australia Week on the 20<sup>th</sup> October, 2009 with all Riverina Water staff invited to attend. The Theme was “Why I Practice Safety” – the most important reason for workplace safety is not at work at all. The theme was targeting employee’s lives outside of the work environment, family, friends, leisure activities etc. To enhance this safety message a guest speaker Kahi Puru a Paralympian was asked to speak on the day and staff were provided with the added opportunity of speaking with him during his worksite visits throughout the day. Kahi lost his leg during a forklift incident at work and shared his inspirational story with Riverina Water employees and encouraged all staff to consider the importance of workplace safety. WorkCover & Wagga Mutual Credit Union representatives were in attendance.

As a lead up to the Safety Week in October, Riverina Water ran the following promotions – Colouring in competition for children of Riverina Water employees (promoting safety at home and at work); Safety quiz was placed in the Tapped in Newsletter and a Photo competition promoting Why I Practice Safety was also undertaken.

### Achievements this Year

- Why I Practice Safety theme launched during the October Safety Breakfast
- All work teams held a safety/toolbox meeting every month. These meetings provide an avenue for Riverina Water to distribute information to the employees and the employees get an additional opportunity to raise any safety concerns they have as well as discuss relevant current issues.
- Safety Newsflash is produced and distributed to all team supervisors. This publication contains up to date information on recent incidents or near misses and also regularly contains health and well-being information for employees to consider.
- Manager and OHS coordinator worksite visits were increased over the past 12 months. These visits are important because they give the managers first hand knowledge of the issues facing the work teams and provide the employees with a direct communication link to their managers to raise safety concerns.
- Managers are beginning to undertake worksite safety audits to highlight any possible deficiencies in work processes or procedures in the hope that they can help to increase safety and improve work and safety processes.
- Safety Awards given to; Trevor White & Kristian Kendall for improvements to lighting over the sand bays. Also to the Filtration Plant Operators for removal of manual handling hazards at the Urana plant when removing the activated carbon dosing plant.
- Changes were made to the Watch Out Award nomination form and process to try and ensure that supervisors and managers have input into the nomination process and also to eliminate the problem of nominations being submitted without the suggestion being implemented or approved.
- Changes were made to the Team Meeting recording sheet to include additional issues for discussion at the team meetings.
- A working group was formed from OHS committee members to discuss the management of injured employees and return to work affects on teams. Several recommendations were presented to the OHS committee for consideration.
- Riverina Water signed up with Chemwatch to assist with the management of MSDS for all hazardous substances.

### Engineering Controls of Risk

Safety related projects for the past year include:

- Install platform, ladder, handrail and gantry at The Rock reservoir.
- Remove stairway, galvanise steelwork and replace at West Wagga Bore 2.
- Fabricate and install step at West Wagga Bore 2.
- Fabricate and install mezzanine floor with pallet safety gate in Builders workshop removing trip hazards from workshop floor.
- Install internal FRP ladder at Bomen Reservoir.

### Watchout Safety Incentive Award Recipients

This is the Eighth year for the safety incentive award program developed in conjunction with Wagga Mutual Credit Union to recognise individuals or teams that have shown excellence, either by their actions, suggestions, or innovations in developing safety in the workplace.

July 2009	Awarded to Trevor White & Kristian Kendall
	Their suggestion was for a light to be installed near the sand bays, so area would be illuminated at night, to ensure greater safety when tarping trucks at night, walking over uneven loads, and clearer visibility for operator to see driver if out of vehicle.
Sept 2009	Awarded to Filtration Plant Operators, Phil McAlister, Aundre Haggar, Adam Gadd & Peter Elliott
	Eliminated hazards associated with removing the Activated Carbon dosing Unit at Urana plant.
Nov 2009	Awarded to Electrical team – Dennis Glazier, Robert Gardner, Bryce McDonnell, Andrew Clarke, Dermot McCormack, Craig Price, Rob Palframan, Jeremy Alexander & Ryan Quade
	It had been observed by staff, when the works area has a supply fault/outage the area was poorly lit creating a safety issues. Emergency lights have now been installed.

### Riverina Water’s Workers Compensation Performance

This year the number of lost time days due to injury have been reduced by 75%. However back injuries due to manual handling are still the most significant cost to Council. Ongoing awareness of correct lifting techniques is constantly being promoted within the monthly safety newsflash and employees are also encouraged to maintain their own health and fitness to ensure they have sufficient capacity to undertake their physical tasks at work.

Following an injury, workers, who may be engaged under a Return to Work program to regain their capacity for work, have been encouraged to adhere to their Doctor’s restrictions both at home and at work to facilitate their recovery without aggravation. Meetings have been held with key personnel to ensure a greater understanding of RTW programs and encourage greater supervision and support of injured workers.

The focus for recurring problems with the back has been to provide the individual employee with specific exercise programs to suit their own problem (under the direction of a physiotherapist or exercise physiologist). Once taught self-management, most employees will take responsibility for their own care.

Early reporting of injuries has been increased with Statecover Mutual providing an incentive to Councils to report claims promptly by paying \$250 per claim for each and every claim reported within 2 business days.

### **EQUAL EMPLOYMENT OPPORTUNITY - ACTIVITIES TAKEN BY COUNCIL TO IMPLEMENT ITS MANAGEMENT PLAN**

#### **Section 428 (2) (n)**

##### **PURPOSE**

Riverina Water County Council is an equal opportunity employer, that means every employee and every potential employee is treated equally & fairly. Riverina Water is committed to managing its activities and business affairs so that the philosophy and principles of equal opportunity are part of its core values.

##### **SCOPE**

This policy applies to all employees & potential employees of Riverina Water. An employee or potential employee will not be disadvantaged because of age, carer status, disability, sexual orientation, marital status, parental status, physical features, political belief or activity, pregnancy, breastfeeding, race, religious belief or activity, gender or any other factors that are not related to individual job performance and the ability to develop in the workplace. Nor will an employee or potential employee be disadvantaged through personal association with someone who has (or is assumed to have) one of these characteristics.

##### **ADVERTISING STAFF POSITIONS**

To inform the workforce and the community in general that Riverina Water is committed to a discrimination free workplace, the following standard wording is to be placed in all advertisements for staff positions:

**“Riverina Water County Council is an E.E.O. Employer”**

##### **E.E.O. STRATEGIES**

During the course of the preparation of the E.E.O. Program the following strategies will be observed:

- Maintain the wording of advertisements for vacant positions to ensure they offer all potential applicants equal employment opportunities
- Ensure equal employment opportunity underpins Riverina Water’s recruitment, promotion, training, development, personnel policies and management practices & support material (including handbooks, manuals, forms, induction booklets etc.)
- Applications for positions, including transfers and promotions and for career development (e.g. training, study assistance programs) are to be assessed without bias on the basis of availability and individual merit
- Riverina Water will keep records of job applications, interviews, selection & training programs
- Provide career counselling
- Improve career opportunities for staff currently employed in areas of limited career structure
- Reinforce the staff grievance procedure
- Prevent harassment of staff
- Continue the training program for all staff
- Continue with job rotation program where practicable
- Ensure all new policies and procedures adhere to EEO principles
- Make E.E.O. responsibilities a routine part of management and supervisory functions
- Provide mechanisms for resolving employment discrimination complaints
- Continue to improve staff access to information about Riverina Water and conditions of employment

### **EXTERNAL BODIES WHICH HAVE EXERCISED COUNCIL-DELEGATED FUNCTIONS**

#### **Section 428 (2) (o)**

The Council has not delegated any functions to external bodies. The water supply for the township of Culcairn is undertaken by the Greater Hume Shire Council in accordance with the proclamation of 2<sup>nd</sup> May 1997.

### **TOTAL REMUNERATION FOR SENIOR STAFF**

#### **Section 428 (2) (r) General Regulation (Clause 31 [1] [b])**

The information required by this sub-section is the total of the salary component, employer's contribution to superannuation, private use of motor vehicle and fringe benefit taxes, for the positions of General Manager and Director of Engineering was \$348,220.

**SAFETY BREAKFAST  
Held 20th OCTOBER 2009  
In conjunction with  
Safe Work Australia Week**



Pictured L-R Gerald Pieper (General Manager), Judi Dunning (RTW Coordinator), Mark Barber (WorkCover), Daryl Ryan (OHS Coordinator), Kahi Puru (Guest Speaker - Para-Olympian), Glenn Elliot (Wagga Mutual Credit Union), Colin Fisher (Chairman OHS Committee) and Clr. Rod Kendall (Chairman Riverina Water)

**RIVERINA WATER LAUNCH  
TOILESMART REBATE SCHEME  
April 2010**

Riverina Water are launching a new program for its water customers aimed at replacing old inefficient toilets with new dual flush units. The program makes it very easy for householders to get a new toilet, installed by a qualified plumber and get \$100 off the price. The program is being run by Prime Industries, a subsidiary of Caroma Dorf. An MOU was signed on the 8th of April 2010 with Prime Industries and the first brochures were available at the Wagga Home Expo on the weekend of 17/18th April 2010



Signing of the MOU.

L - R Mr Rod Mortlock Manager Projects of Prime Industries, Mr Gerald Pieper - General Manager of Riverina Water, Mr Graham Beham - General Manager of Prime Industries Pty Ltd and Mr Greg Finlayson - Director of Engineering, Riverina Water.



**SUPPORTING WORKPLACE SAFETY  
“Watchout” Safety Incentive Scheme  
SAFETY AWARD WINNERS**

**AWARDED TO THE FILTRATION PLANT OPERATORS  
Peter Elliott, Adam Gadd,  
Aundre Haggag & Phillip McAlister  
August/September 2009**

“Eliminated hazards associated with removing the Activated Carbon dosing unit at Urana plant. The committee discussed the nomination and were concerned about the method used to overcome the weight issue when lifting with the forklift. All agreed that the team had done well to remove manual handling issues etc.”



L-R Filtration Plant Operators Adam Gadd & Peter Elliott, (Phil McAlister & Aundre Haggag absent), Amy Harden (WMCU Representative), Colin Fisher and Peter Elliott (Wagga Mutual Credit Union CEO)

**AWARDED TO THE ELECTRICAL TEAM  
October/November 2009**



L-R Richard Henderson (WMCU Representative), Dennis Glazier (Snr Techn Officer), Rob Gardner (Electrician), Gerald Pieper (General Manager)

(Absent: Bryce McDonnell, Andrew Clarke, Dermot McCormack, Craig Price, Rob Palframan, Jeremy Alexander & Ryan Quade)

“It has been observed by staff when the Works has a supply fault/outage the areas pointed out in attached diagram are poorly lit creating a safety issue. The emergency lights will solve the problem. Emergency lights have been installed /tested and the outcome or feedback has been positive”.



**SUPPORTING WORKPLACE SAFETY  
“Watchout” Safety Incentive Scheme**

**SAFETY AWARD WINNERS**

**AWARDED TO  
Aran Beckett (Storeperson) Richard Menz (Storeperson)  
and Kathy Ovens (Store Supervisor)  
June/July 2010**

“Installation of new mirrors on store yard and waterworks alley, as could not see if vehicles were coming the opposite way”



L-R Clr. Rod Kendall (RWCC Chairperson) Mick Reid (WMCU Representative), Aran Beckett (Storeperson), Colin Fisher (OHS Chairperson) and Gerald Pieper (General Manager)  
Absent: Richard Menz (Storeperson) & Kathy Ovens (Store Supervisor)

**DEPOT STAFF ENJOY THEIR “SAFETY LUNCH”**

**AT THE FARMERS -  
24/3/2010**

In recognition of having a monthly Safety Meetings

**ENVIRONMENTAL & SOCIAL MATTERS**

**STATE OF THE ENVIRONMENT**

**Section 428 (2) (c)**

Unlike a general purpose council, Riverina Water County Council is not required to address the general state of the environment, however it is responsible for environmental protection in relation to all its works and activities. The movement and treatment of water, and the disturbance of soil during construction work must have due regard for environmental issues. Water is a finite resource, and although most of Riverina Water’s sources of raw water are adequate and reliable through the driest years, there is a wider responsibility to eliminate any inefficient or wasteful practices in the use of water.

**Environmental Protection – objectives and targets**

Water is arguably the most important resource and its use must include long term consideration of protection and sustainability.

While Riverina Water draws only a small percentage of the surface and groundwater resource in the Murrumbidgee and Murray Valleys, it is bound by state water management policies, administered by the Department of Water Resources. It is also essential that any water we return to the environment is of an appropriate quality.

Any disturbance of the soil during pipe laying, or other water supply work is protected by recognised soil and water conservation practices during the project, and returned to a state equal or better than pre-existing on completion of the work.

Riverina Water also works to minimise the amount of electricity used, and thus contribute to programmes which reduce greenhouse gas emissions.

Land and buildings owned by Riverina Water are cared for in an environmentally sustainable way.

Riverina Water works to reduce wastage and make customers aware that water is a finite resource, that the provision of water supply is costly, and that inefficient and wasteful practices should be eliminated.

**PROGRAMMES UNDERTAKEN TO PRESERVE, PROTECT, RESTORE AND ENHANCE THE ENVIRONMENT**

**Section 428 (2) (i)**

A programme is well advanced to progressively upgrade the sludge and backwash disposal system at each filtration plant, to minimise suspended matter in effluent leaving the plant. Work currently scheduled in the capital works programmes includes Tarcutta Water Treatment Plan to more effectively remove dissolved iron and manganese from the waters pumped from local bores.

Protection of soil – Field construction supervisors have undertaken a course on practical soil and water management.



Practices such as site containment, storm flow and sediment control, and re-vegetation are undertaken wherever needed on work sites.

A sludge tanker is on hand and used in conjunction with underboring, to eliminate any flow of muddy waters from the work site.

Riverina Water will reduce electricity consumption, by installing higher efficiency equipment and minimising power losses. This will assist the reduction in greenhouse gas emissions in NSW.

An environmental project to restore native vegetation and generally improve the Murrumbidgee River bank and Marshalls Creek, at Council's Hammond Avenue property continued. Exotic Species were removed and native trees and shrubs have been planted along a section of the river bank adjacent to the filtration plant.

Water extracted from the river bores is measured by large bulk meters and over a year this volume is compared with the volume of water measured through all the customers individual meters. The difference for 2009/2010 was 5.7% unaccounted for, but including such things as evaporation, flushing mains, firefighting, repairing burst mains, faulty customer meters, and illegal use of water. A major customer meter replacement program commenced in 2006 and is now largely completed. The program will continue at a reduced rate to ensure any aging meters are replaced.

Riverina Water gives strong support to the wise use of water, by involvement in Waterwise Programmes, and through publicity, advertising and editorial contributions when water is featured in the regional press. Riverina Water participated in the REROC sustainability project and, as part of this, designed and manufactured two water saving shower displays. These displays were lent to other Council's through the REROC area.

A range of helpful and supportive fact sheets is available and on display at 91 Hammond Avenue and other locations, including Council's website.

Plumbing Inspectors are happy to give advice on household plumbing and leak detection and can be contacted on 69220630.

## **BUSH FIRE HAZARD REDUCTION**

### **Section 428 (2) (i1)**

Bush fire hazard reduction activities are undertaken by constituent Councils, and are not an activity or responsibility of Riverina Water County Council

## **PROGRAMS PROMOTING SERVICES, AND ACCESS THERETO, FOR PEOPLE WITH DIVERSE CULTURAL AND LINGUISTIC BACKGROUNDS**

### **Section 428 (2) (j)**

Council, as a single purpose water supply authority is not involved or responsible for this activity.

## **COMPANIES IN WHICH COUNCIL HELD A CONTROLLING INTEREST**

### **Section 428 (2) (p)**

The Council does not have an interest or a controlling interest in any company or companies.

## **PARTNERSHIPS, CO-OPERATIVES AND OTHER JOINT VENTURES TO WHICH COUNCIL HAS BEEN A PARTY**

### **Section 428 (2) (g)**

The Council is currently not party to any partnerships, cooperatives and/or joint ventures.

## **ACTIVITIES FOR CHILDREN**

### **Section 428 (2) (r) General Regulation (Clause 31[I] [c])**

Activities for children are generally undertaken by, and the responsibility of constituent Councils.

Riverina Water has participated in "Little Big Day Out" in Wagga Wagga where various aspects of water supply and treatment are presented to school children.

Council also liaises with local schools and arranges tours through our water treatment facilities as required.

**NATIONAL WATER WEEK PRESENTATION**  
**RWCC Headquarters**  
**Tuesday 3 November 2009**

Every year the National Water Commission and AWA sponsor National Water Week held in the 3<sup>rd</sup> week of October. Each state government also helps to promote it.

This year the theme was “*Securing Our Water Future. Many sources, many users, everyone’s responsibility*”.

For Water Week, Riverina Water County Council ran 2 competitions for schools in our area of supply.

The first, for Primary schools was divided into 2 groups, K-2 and 3-6. All children were given the NWW picture template to colour in. A winner from each category from each school that submitted entries was awarded a Certificate and a Goody Bag. The response has been excellent with a total of 300 entries. 19 prizes were awarded to students from the 12 schools who participated. The participating schools included schools in Wagga, Henty, The Rock, Tarcutta, Ladysmith, Urana, Humula and other localities.

The second competition, for High Schools, was the challenge to construct a 3-D model of the Water Cycle. The 3 winners in the competition were:

- 1<sup>st</sup> M.E.T (Meadowbank Eucalyptus Trust) School to be awarded \$500 for the school.
- 2<sup>nd</sup> Koorungal High to be awarded an educational DVD on the Greenhouse Effect
- 3<sup>rd</sup>- Koorungal High to be awarded an educational DVD on Australian Water

Prizes were awarded at a special function at the Riverina Water headquarters and was well attended by the winning schoolchildren, parents and teachers.

It was also the first official outing for Riverina Water’s new Mascot “Bidgee” .



Students from the M.E.T.(Meadowbank Eucalyptus Trust) School standing behind their winning entry, pictured L to R Year 8 students Emma Doven, Adele Gordon, Nim Weerakoon (Science Teacher), Duncan Wallace, Allan Doven, Charlie Pridham and Bidgee.



Chairman Rod Kendall presenting Josh Mills from South Wagga Public School Year 1 with his certificate and prize for his colouring-in entry.

Riverina Water’s Chairman Rod Kendall with Bidgee



**OUTDOOR GARDEN & LEISURE SHOW**  
**24/25th OCTOBER 2009**  
**WAGGA WAGGA**

Riverina Water’s Environmental Officer Leanne Hastings at Riverina Water’s stand and giving advice to customer’s Lyn & Murray Nash



**SCIENCE IN THE BUSH 2010**

The annual Science In The Bush Expo was held at Charles Sturt University on 22-23 June, 2010. This is the second year Riverina Water has participated, being invited by the Australian Museum.

The aim of the Expo is to expose primary to senior students to various aspects of science such as food, agriculture, metallurgy, fossils, bacteriology and astronomy. Riverina Water introduces students to basic water testing including pH, turbidity and chlorine residual. The participants then are asked to interpret their results and make a decision on the quality of the water and if it is safe to drink.

A total of 22 senior schools visited on the 22<sup>nd</sup> and 23<sup>rd</sup> June and students were from across the wider Riverina.

Claire Farrugia from the Australian Museum claimed in her thank you letter that the Expo was “*a truly wonderful and exciting experience for all the students who attended*”. Also, she “*received extremely positive feedback...from both students and teachers*”.

On behalf of Riverina Water County Council, I agree with Ms Farrugia and look forward to the 2011 Science In The Bush.

Leanne Hastings  
 Environmental Officer



Riverina Water employee Luke Prowse advises students on aspects of Riverina Water

**Riverina Water participates in the LITTLE BIG DAY OUT**  
**October 2009**

**Riverina Water's Chairman  
Clr. Rod Kendall  
participating in the annual  
PCYC Charity Event**

raising \$500 towards PCYC.  
Clr. Kendall is pictured in the Lockup  
with PCYC President Michael Doyle  
on 15th April 2010



**NATIONAL HOMEMAKER EXPO  
16th - 18th APRIL 2010**

Riverina Water County Council was present  
at the Homemaker Expo in 2010. All 3 days  
were constantly busy for our display, with a  
lot of interest from the community.

The \$200 rebate competition for Riverina  
Water customers was a real hit with 36  
entries from people who spent time reading  
the posters and answering the crossword.  
Congratulations to the winner Michael  
James of Ladysmith.



**COMPETITION DRAWN**  
L-R Gerald Pieper, General  
Manager draws the winning entry  
from box held by Leanne Hastings  
(Environmental Officer), with  
helpers on the day Collin James,  
Virginia DeBrito Ricardo & Judi  
Dunning



**PROMOTIONAL DVD**

Riverina Water in conjunction with Jamedia Productions filming a  
promotional DVD on Riverina Water County Council  
Jeremy Alexander, Apprentice Electrician  
operating the SCADA (System Control & Data Aquisition)  
September 2009



**"LEISURE COMPANY" TOUR RIVERINA WATER**

Students from the Leisure Company come in for tour of Riverina Water's site, and  
also an opportunity to view our new Promotional DVD.  
November 2009

# OPERATION, CONSTRUCTION & MAINTENANCE

## MANAGEMENT PLAN – PERFORMANCE TARGETS 2009/2010

### Section 428 (2) (b)

Tabled below is a report on the progress achieved in the year for the various objectives set out in the 2009/2010 Management Plan.

	2009/2010		Exp to date \$'000	Progress as at 30 <sup>th</sup> June 2010
	Wagga Urban \$'000	Townships & Rural \$'000		
<b>LAND AND BUILDINGS</b>				
Administration Office	60		0	Completed planning to accommodate project and IT staff.
Depot buildings	60	25	79	Work on The Rock pipe racks in progress. Refit of Depot meter room commenced. Office completed in old Depot meter room. Back room cleared out and cleaned and fitted with filing cupboards and a compactus. The Rock depot shed & pipe fittings yard completed
West Wagga - Bulk Chlorine Storage	30		0	Not commenced (awaiting Master Plan of site)
Waterworks, new workshops	700		0	Site layout revised. Master plan adopted February 2010. Tender document W144 completed for design of workshop. Tenders to be invited in July.
Access, parking, landscaping	55	35	0	As required.
Environmental works (incl. Marshalls Creek and fuel tanks at The Rock and Wagga)	38		110	Continued environmental improvements of Marshalls Creek. Purchased The Rock fuel tank and to be installed in 2010/11.
Depot Residence	5		0	Not required
<b>Sub-total Land and Buildings</b>	<b>948</b>	<b>60</b>	<b>189</b>	
<b>MAINS AND SERVICES</b>				
Routine work on annual program	60	20	171	Routine work.
System improvements	310	70	83	As required. (non-specific)
Reticulation Mains extensions	100	30	451	Extensions completed in Avocet and Morgan Sts.
Reticulation etc for developers	310	20	666	High rate of development for the year with extensions recently completed at Estella and Tatton.
Trunk mains extensions	1280		109	Red Hill Rd route selected, design substantially completed following network review. Report on tenders to Council in June.
Piping Urana Channel		700	131	Overhead powerlines constructed to pumping site. Pipeline from Coonong Road to pump station constructed and pump station ordered.
Service connections, new	300	30	324	On target. Planning of new fixed standpipes well advanced.
<b>TOTAL NEW WORKS</b>	<b>2360</b>	<b>870</b>	<b>1935</b>	

	2009/2010		Exp to date \$'000	Progress as at 30 <sup>th</sup> June 2010
	Wagga Urban \$'000	Townships & Rural \$'000		
Renew reticulation mains	300	150	788	Substantial replacements completed in Hammond Avenue, Dobney Avenue, Holbrook – RTA bypass and Gregadoo Rd. The Gap uPVC failures further investigated
Renew trunk mains	500	100	175	Field monitoring and network modelling well advanced. Focus has been on reticulation renewals.
New Services	120	30	314	Road crossings for high rate of development completed.
Renew services	120	30	121	On target.
<b>TOTAL RENEWALS</b>	<b>1040</b>	<b>310</b>	<b>1398</b>	
<b>Sub-total Mains and Services</b>	<b>3400</b>	<b>1180</b>	<b>3333</b>	
<b>RESERVOIRS</b>				
Other New reservoirs (Red Hill, Springvale, Forest Hill, Shires)	1280	445	34	Red Hill reservoir earthworks tenders awarded and reservoir tender W130 awarded to Hornick Constructions - \$1.562M. Site fence constructed around perimeter.
Reservoirs, protective treatments	20	70	0	Not commenced
Reservoirs, refurbish		30	0	Not commenced
Reservoirs, upgrade ladders and access	35	40	16	Internal ladders for The Rock and Wagga CWS installed. Walla Reservoir Roof, platform and gantry designed.
Reservoirs, control valves and systems	15	45	46	Completed Henty Balance Tank control valve replacement Installed Uranquinty electronic inflow & reticulation meters Completed Rand reticulation meter Completed replacement of Coorabin Tanks control valve.
<b>Sub-total Reservoirs</b>	<b>1350</b>	<b>630</b>	<b>96</b>	
<b>PUMP STATIONS AND BORES</b>				
Pump stations, General Improvements	35		11	Switchboard air conditioning modifications on-going
Pump stations, flow recorders	55	50	24	Installed remote SMS dataloggers to Wagga distribution meters. Installed new meters at Collingullie Bores 1 & 2. Installed new meter at Humula Creek pump house.
Renew Pumps, Motors & Switchboards	190	145	159	North Wagga High lift switchboards 1&2 completed. Mountain View Reservoir and pump station control systems upgrade completed. West Wagga bore 1 switchboard replaced. Completed West Wagga HL pump house switchboard modifications. Replacement of Waterworks HL 1 pump switchboard in progress. Replaced damaged switchboard at Nth Wagga Bore 1. Serviced & retested Nth Wagga Bore 1 pump & motor. Completed Ralvona Bore 1 switchboard and metering upgrade.

	2009/2010		Exp to date \$'000	Progress as at 30 <sup>th</sup> June 2010
	Wagga Urban \$'000	Townships & Rural \$'000		
				The Rock pump house – pump 1 motor and switchboard replacement.
Upgrade pumps/additional pumps	470	40	14	Major review of West Wagga augmentation has deferred work.
Refurbish pipework/fittings/structures	50		0	None for this financial year.
Bores renew/refurbish/Decommission	255	205	284	Ralvona Bore 1 – Redrill completed, new pump and motor installed and commissioned
<b>Sub-total Pump Stations and Bores</b>	<b>1055</b>	<b>440</b>	<b>492</b>	
<b>TREATMENT PLANTS</b>				
Treatment plants, general improvements, Wagga	160	70	188	Completed upgrade to The Rock gas chlorination plant.
Treatment plants, Safety Equipment	20	5	25	Continuing 12 month trial Lone-Worker system
Specific Treatment Plant Improvements		200	110	Tarcutta WTP fully commissioned. Aeration Towers and scaffolding removed from site. Old pumphouse demolished and removed from site
Treatment plants, refurbish (incl. Urana, Morundah)	30	210	90	Waterworks DAF trials undertaken. Flocculation tank purchased & installed for DAF pilot plant and modified to increase flow rate.
<b>Sub-total Treatment Plants</b>	<b>210</b>	<b>485</b>	<b>413</b>	
<b>SOURCE WORKS</b>				
IWCM	150		67	Evaluation Study completed. Proposal called for strategy.
<b>Sub-total Source Works</b>	<b>150</b>		<b>67</b>	
<b>METERS</b>				
Water meters, replacement/upgrade	100	45	38	On target.
Water meters, routine replacements	100	20	431	4,760 meters replaced in program this financial year. 80% of replacement program completed in past 6 years.
Water meters, additional (new services)	20	5	20	As required
Remote metering	10	40	104	New hand-held units, software and meters commissioned.
<b>Sub-total Meters</b>	<b>230</b>	<b>110</b>	<b>593</b>	
<b>PLANT &amp; EQUIPMENT</b>				
Information Technology, upgrade	280		219	Completed routine PC replacements, and Authority services
Office furniture and equipment	25	5	10	As required
Working plant and vehicles-purchases-GROSS	1690		986	Backhoe and excavator delivered and in service.
Fixed plant/ tools/ equipment	100	10	41	As required – sundry signs, apprentices tools, 4T vehicle hoist
SCADA system, upgrades	175		125	Completed SCADA Strategy Report Completed upgrade to North Wagga telemetry and pump control systems. Completed solar SCADA installations at Culcairn, San Isidore & Hilltop-Bellevue

	2009/2010		Exp to date \$'000	Progress as at 30 <sup>th</sup> June 2010
	Wagga Urban \$'000	Townships & Rural \$'000		
CAD/GIS/Asset Manage system	100		60	As required
Communications equipment	40		23	Completed
Laboratory Equipment	10	10	13	Completed
<b>Sub-total Plant &amp; Equipment</b>	<b>2420</b>	<b>25</b>	<b>1477</b>	
<b>TOTALS</b>	<b>9763</b>	<b>2930</b>	<b>6660</b>	
<b>GRAND TOTALS-WAGGA &amp; RURAL</b>	<b>12693</b>			

**Services**

Strategies / Actions	Progress to 31 <sup>st</sup> June 2010
- Regularly monitor urban and village growth, and augment supply as required in line with ten year plan, and current needs	Customer needs met. EOI called for Shires Scheme strategy.
- Maintain network analysis of Wagga urban water system	Consultants completed model and handed over.
- Maintain the water supply infrastructure in good working order.	Some but infrequent breakdowns.
- Monitor the operation of the water supply system to ensure continuity of supply.	Continuity of supply maintained and performance monitored.
- Reinforce throughout the organisation that we are customer orientated.	Responses have been timely.
- Maintain a request and complaint handling system that ensures both attention to the request and advice of action taken or to be taken.	Customer requests and complaints managed and reported.
- Use customer news sheets to disseminate information to customers.	Numerous media outlets used to advise customers on demand management.
- Utilise the local media when appropriate to increase awareness within the community.	Senior staff have attended a number of meetings including Mangoplah Residents meeting, Probus, Master Plumbers, CWA conference and Tidy Towns committee..
- Meet with sectional or interest groups or invite them to meet with us to communicate and receive feedback on relevant issues.	
- Increase inspection and documentation of consumer pipework where there is potential for contamination from backflow.	Required protection devices in use.

**Asset Replacement**

Strategies / Actions	Progress to 30 <sup>th</sup> June 2010
Develop and maintain a rolling replacement plan for all assets with review every 3 years.	Replacement program documented and is being executed.
Identify potential system capacity deficiencies and incorporate in capital works programme.	Monitoring, pressure testing and failure analysis undertaken..
Maintain water network analysis programme to identify timetable of system improvements and extensions.	Network model calibrated and run.
Utilise Asset Register and associated technology and pipeline breakage history to determine the timing of mains replacement to minimise over all costs.	Pipe break definitions improved in reports. Asset management systems reviewed.

**Human Resources**

**Goals**

Riverina Water's OH&S goal for 2009/2010 is **ZERO HARM AT WORK – to be achieved through eliminating unsafe behaviours and/or conditions** which will result in providing a safe workplace and systems of work. Our aim over the period 1<sup>st</sup> July 2009 to 30<sup>th</sup> June 2010 is to implement the following strategies to achieve the overall objective / goal for this 12-month period.

Objectives	Means of achieving	Target / Measure
Continue promotion of responsibilities within the OHS Management System	<ul style="list-style-type: none"> <li>Promote OHS responsibilities to Management, Supervisors &amp; employees through utilisation of "Expectation checklists" during face-to-face discussion groups.</li> </ul>	All individuals within the organisation fully aware of their responsibilities in relation to safety & actively undertaking their safety role. "Roles and Responsibilities" advice to staff drafted.
Provide effective staff support	<ul style="list-style-type: none"> <li>Provide on-going promotion of Riverina Water's 'Employee Assistance Program' that provides free professional counselling to staff and their immediate families</li> <li>Promote usage of Progressive Disciplinary &amp; Grievance Procedure</li> </ul>	<p>In house promotion in Safety Newsflash articles Self referral to counselling service (verified by quarterly report from provider)</p> <p>More timely &amp; effective resolution of conflict. Use Work Improvement Notice (WIN) for non compliance issues if direct contact with employee does not resolve unacceptable behaviour or actions.</p>
Improve Communication and Consultation	<ul style="list-style-type: none"> <li>Continue promotion of "Take &amp; Break &amp; Talk Safety" &amp; incentive by way of rewards (i.e. Kit Kats / Fruit / Luncheon) to teams who engage the OHS Coordinator during their team discussion</li> <li>OHS Coordinator to receive &amp; record team meeting sheets</li> <li>Quarterly meetings involving Dept. Managers and their respective work teams.</li> </ul>	<p>Monthly meetings held with all work teams with documented evidence being provided by Supervisors.</p> <p>RTW group established and has made recommendations. Staff issued with these for comments.</p> <p>Diary or other appropriate recording of meetings with timely feedback to employees on raised issues.</p>
Develop a Rewards Program to improve Safety Culture & increase active participation by all work teams	<ul style="list-style-type: none"> <li>Develop, implement, review &amp; monitor a rewards program. Focus on safe behaviours, reward &amp; encourage attendance at meetings etc.</li> </ul>	<p>Improved morale.</p> <p>Improved safety culture.</p> <p>Reduction in unsafe behaviours or conditions which in turn will result in a reduction in the number of injuries.</p>
Continue on-going OHS training of new & existing staff	<ul style="list-style-type: none"> <li>Undertake inductions of new staff.</li> <li>Continue internal and external training programs for staff.</li> <li>As procedures/SWMS are released, appropriate training or instruction is given.</li> </ul>	<p>Induction &amp; review of all new staff (evidence available through completion of Individual Induction Booklets).</p> <p>Annual training plan in place and skills gap analysis.</p> <p>Training record sheets received &amp; skills database updated.</p>

Continue to monitor OH&S compliance	<ul style="list-style-type: none"> <li>OH&amp;S Coordinator to undertake onsite work visits, provide advice and feedback.</li> <li>Accident investigation &amp; reporting, ergonomics, manual handling &amp; risk management monitoring</li> </ul>	<p>Areas in need of improvement &amp; areas for recognition reported to Management.</p> <p>Management to act and communicate outcomes and feedback back to staff.</p>
Develop & Review Safe Work Procedures	<ul style="list-style-type: none"> <li>Review, reformat &amp; consolidate existing SWMS</li> <li>Ongoing review of OHS Policies &amp; procedures with a view to their effectiveness and legal compliance</li> </ul>	<p>Up to date supervisor manuals.</p> <p>Review all current policies/procedures within 12 months</p>
Develop & complete an annual CIAP (Continuous Improvement Action Plan)	<ul style="list-style-type: none"> <li>Develop CIAP in consultation with Senior Management following annual OHS audits                             <ul style="list-style-type: none"> <li>Internal audits</li> <li>StateCover Self Evaluation Tool</li> </ul> </li> </ul>	<p>CIAP developed &amp; progress made on required actions. All outstanding CIAP items addressed.</p> <p>&gt;95% evaluation result</p>
Identification of hazards & elimination/reduction of risks	<ul style="list-style-type: none"> <li>Workplace inspections to be undertaken every 4-6 months</li> <li>Timely reporting of accident/incidents/near misses</li> <li>Hazard register in place</li> </ul>	<p>Inspection schedules up to date. Identified issues controlled within an appropriate time frame.</p> <p>All reports received within the required timeframes</p> <p>Interim controls in place immediately, permanent controls considered, reviewed 6 monthly by management. Feedback to be given to staff.</p>

**Environmental Protection**

Strategies / Actions	Progress to 30 <sup>th</sup> June 2010
Water returned to the environment from the filtration plant will be monitored for quality.	EPA standards achieved.
All field work-sites will be protected and restored to eliminate degradation.	Repairs effected where soil loss or siltation occurred. Vegetation restored.
Soiled water from Urban field site works will be returned for proper disposal.	No soiled water entering town drainage systems.
Electrical efficiency will be considered in infrastructure design.	Electrical efficiency taken into account.
Marshalls Creek environmental project to restore native vegetation and protect creek bed.	Native vegetation restored. Stable creek bed.
Unaccounted for water measured wherever possible, and identified losses reduced. Early detection and repair of leaks.	Percentage of water unaccounted for is low. LGSA Water Loss program commenced.
Participation in joint activities.	Group outcomes.
Co-operation with other Councils in effluent re-use.	Increased re-use where appropriate.
Water pricing that gives incentive to avoid waste, coupled with customer education and information.	Two part tariff achieved. Consumption being monitored.
Encourage and advise on possible water saving devices.	Promotions in progress..
Decommission of Bores	Decommissioned as per DWE guidelines.

**Financial Revenue**

Strategies / Actions	Progress to 30 <sup>th</sup> June 2010
Stepped tariff, with a differential applying between Wagga Wagga & Rural, subject to some concession for large year round users.	Stepped pricing applied.
New capital works are to continue to require capital contributions from developers. Specific works will be at full cost to the developer while headworks will be partly developer and partly water sales funded, as per the Development Servicing Plan	Funding balance achieved.

**CONTRACTS AWARDED DURING THE YEAR**

**Section 428 (2) (h)**

		(Excl GST)
Komatsu Australia Pty Ltd	WB97R-SEO Backhoe/Loader	\$161,758
Komatsu Australia Pty Ltd	PC88MR-8 Excavator	\$138,467
NJ Constructions Pty Ltd	Construction f electrical Supply to Colombo Creek Pump Station	\$281,454
Hornick Constructions Pty Ltd	Design & Construction 11 Megalitre Reservoir Red Hill, Wagga Wagga	\$1,562,000

**PRIVATE WORKS UNDER SECTION 67(3) OF THE ACT**

**Section 428 (2) (k)**

Council does not undertake work to any significant extent on private property on a regular basis. Section 67(3) requires Council to report on any resolution to undertake work at a rate that is less than the rates fixed by the Council.

During the review period no such work was undertaken by the Council.

Work was undertaken (at full cost) for Gumly Gumly Private Irrigation District.

**Development Servicing Plan (DSP)**

In accordance with Department of Water and Energy Best-Practice Management of Water Supply Council adopted Development Service Plan at its Meeting on 21<sup>st</sup> October 2004. The draft DSP was placed on public exhibition after Council's meeting on 25<sup>th</sup> August 2004.

The Calculated Developer charge in the DSP is \$4,388. and Council resolved to incrementally increase the current charge of \$1,800 to \$3,500. The charge for 2009/2010 was \$3,500 and as reported in Council's 2009/2010 financial statements that a total cross-subsidy in developer charges for 2009/2010 was \$888 per equivalent tenement.

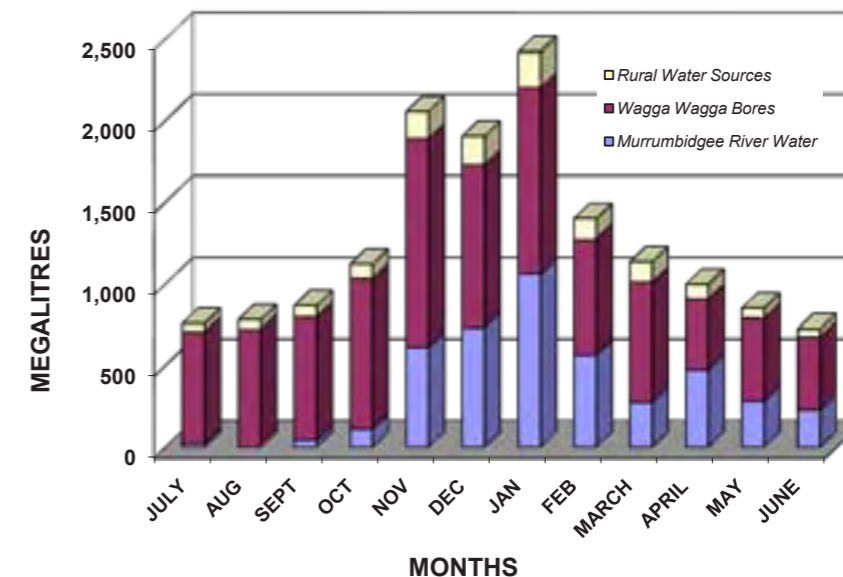
**WATER SUPPLIED**

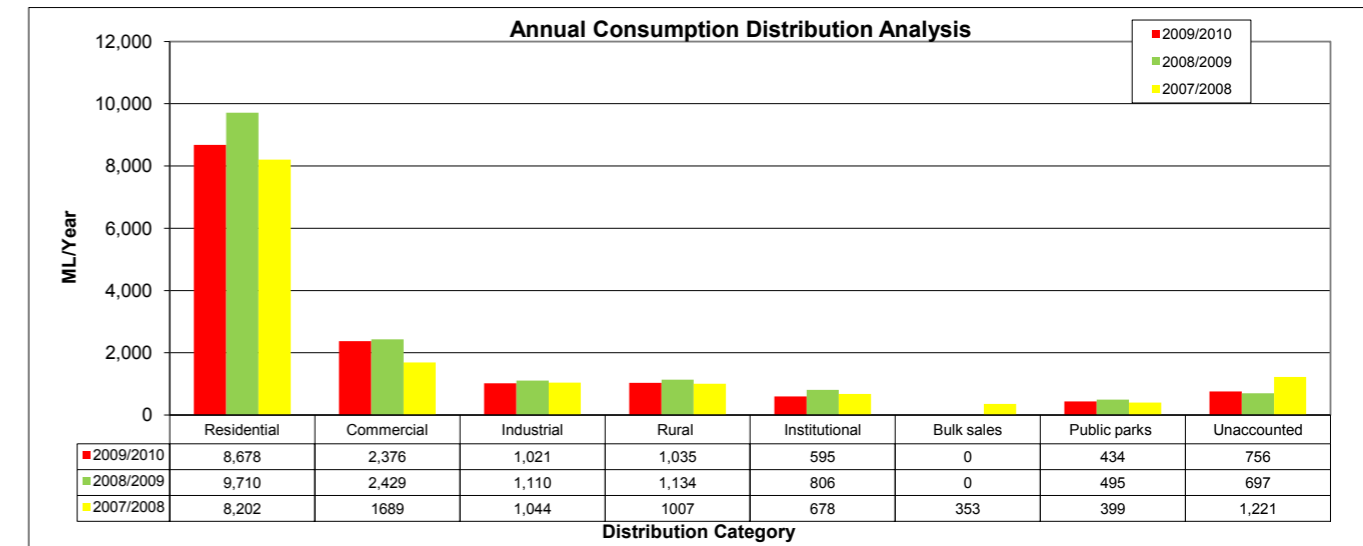
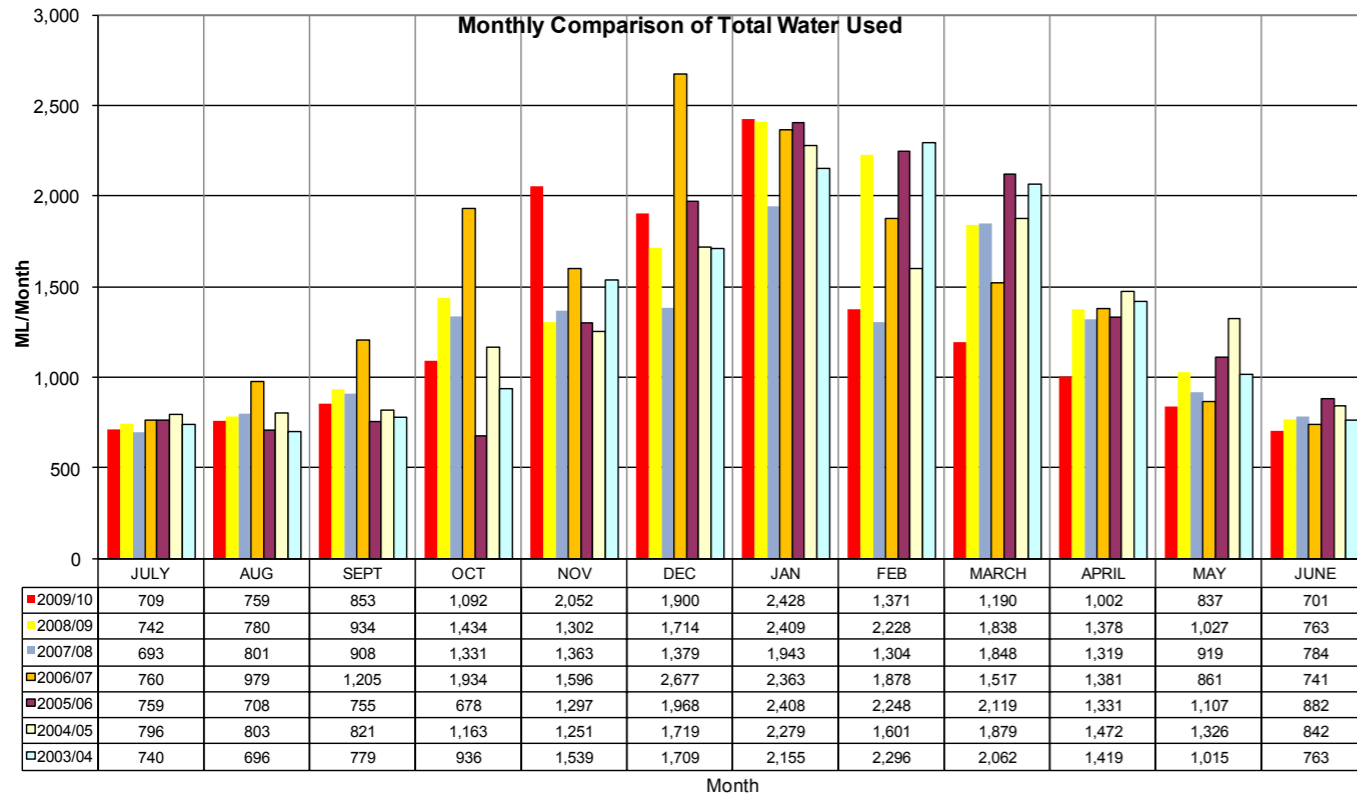
Riverina Water draws its supply from several sources, then treats and pumps water to Wagga Wagga and other towns, villages and rural areas in the region.

Monthly consumption peaked at 2,428 megalitres in January 2010.

The full year's total of 14,895 megalitres was a decrease of 9.1% on last year's consumption of 16,381 megalitres. Wagga Wagga urban water use is down 11.9%. It should be noted the 2009/2010 rainfall of 641mm was up closer to average, but fell mostly after the summer peak demand.

**2009 / 2010 WATER PRODUCED**



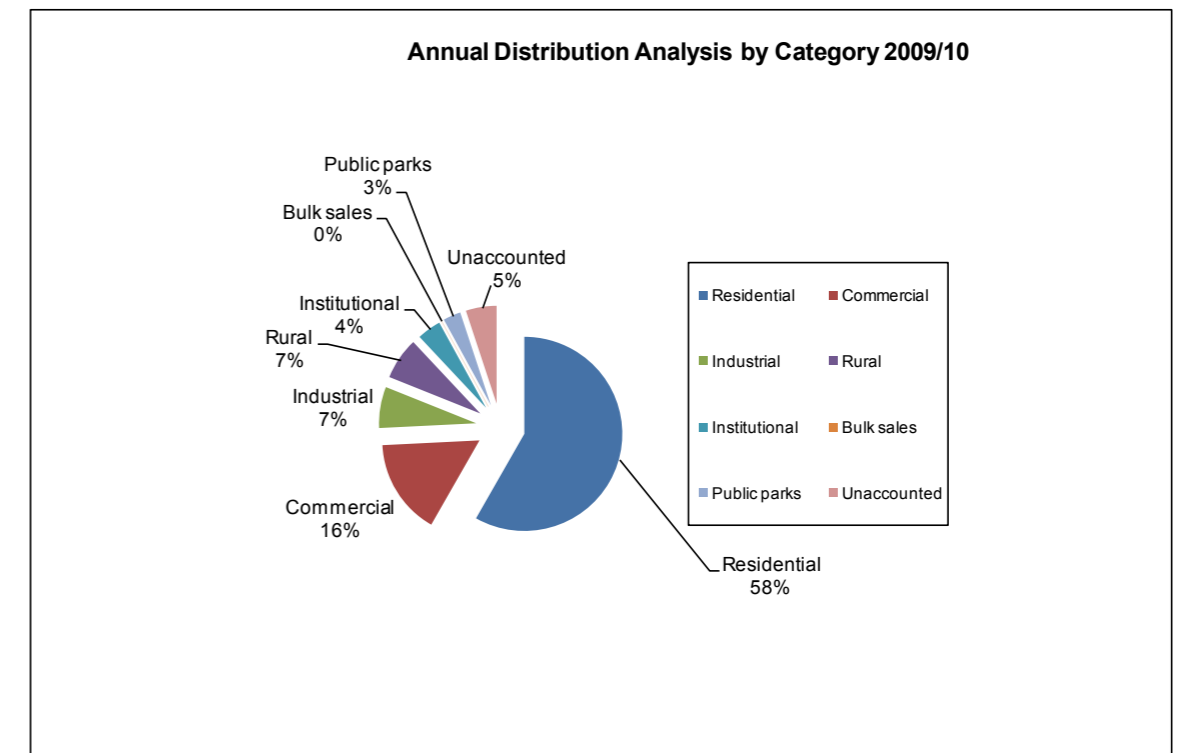


Distribution

Annual Distribution Analysis

			2009/2010		% change from previous year
	Consumption (MI)	Percentage	Consumption (MI)	Percentage	
Residential	9,710	58.0%	8,678	57.8%	-10.6%
Commercial	2,429	14.0%	2,376	15.8%	-2.2%
Industrial	1,110	7.8%	1,021	6.9%	-8.0%
Rural	1,134	8.2%	1,035	6.9%	-8.7%
Institutional	806	4.0%	595	4.0%	-26.2%
Public parks	495	3.2%	434	2.9%	-12.3%
Unaccounted Including flushing, firefighting, unmetered use	697	4.8%	863	5.7%	23.8%
	<b>16,381 MI</b>	<b>100.0%</b>	<b>15,002</b>	<b>100.0%</b>	<b>-9.2%</b>

The total annual unaccounted water for 2009/10 is 5.7%, which is very low by industry standards.

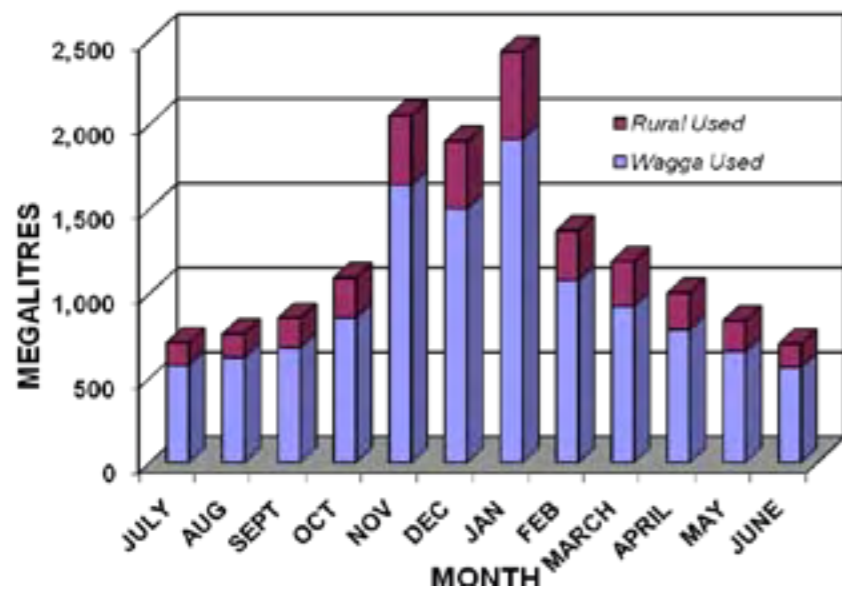




**Water Use**

	MEGALITRES USED			
	2006/2007	2007/08	2008/09	2009/2010
East Bomen	344	327	282	233
Estella	778	791	898	804
North Wagga	857	841	1015	902
Wagga Wagga – Low Level	2,078	2278	2537	2148
Wagga Wagga – High Level	9,337	6738	7761	6910
Wagga Wagga – Bellevue Level	833	725	886	784
<b>SUB-TOTAL</b>	<b>14,227</b>	<b>11,700</b>	<b>13,379</b>	<b>11,781</b>
Ladysmith	87	64	73	61
Brucedale	276	242	274	239
Currawarna	163	143	151	142
Rural south from Wagga Wagga	1,516	1381	1330	1458
Rural from Walla Walla Bore	224	133	0	155
Milbr., Lockhart and Boree Creek	456	298	326	307
Urana and Oaklands	290	255	287	255
Holbrook	356	267	307	269
<b>SUB-TOTAL</b>	<b>3,368</b>	<b>2659</b>	<b>2,748</b>	<b>2,886</b>
Woomargama	19	13	20	15
Humula	7	12	14	13
Tarcutta	70	57	51	43
Oura	59	42	45	48
Walbundrie	44	35	38	35
Rand	0	0	0	0
Morundah	11	8	10	10
Collingullie	85	67	76	63
<b>SUB-TOTAL</b>	<b>296</b>	<b>234</b>	<b>254</b>	<b>227</b>
<b>TOTAL</b>	<b>17,891</b>	<b>14,593</b>	<b>16,381</b>	<b>14,895</b>
<b>AVERAGE RESIDENTIAL CONSUMPTION</b>	<b>KILOLITRES</b>			
Urban	420	334	382	337
Non Urban	525	423	475	432

**2009 / 2010 WATER USED**



**NEW CUSTOMERS**

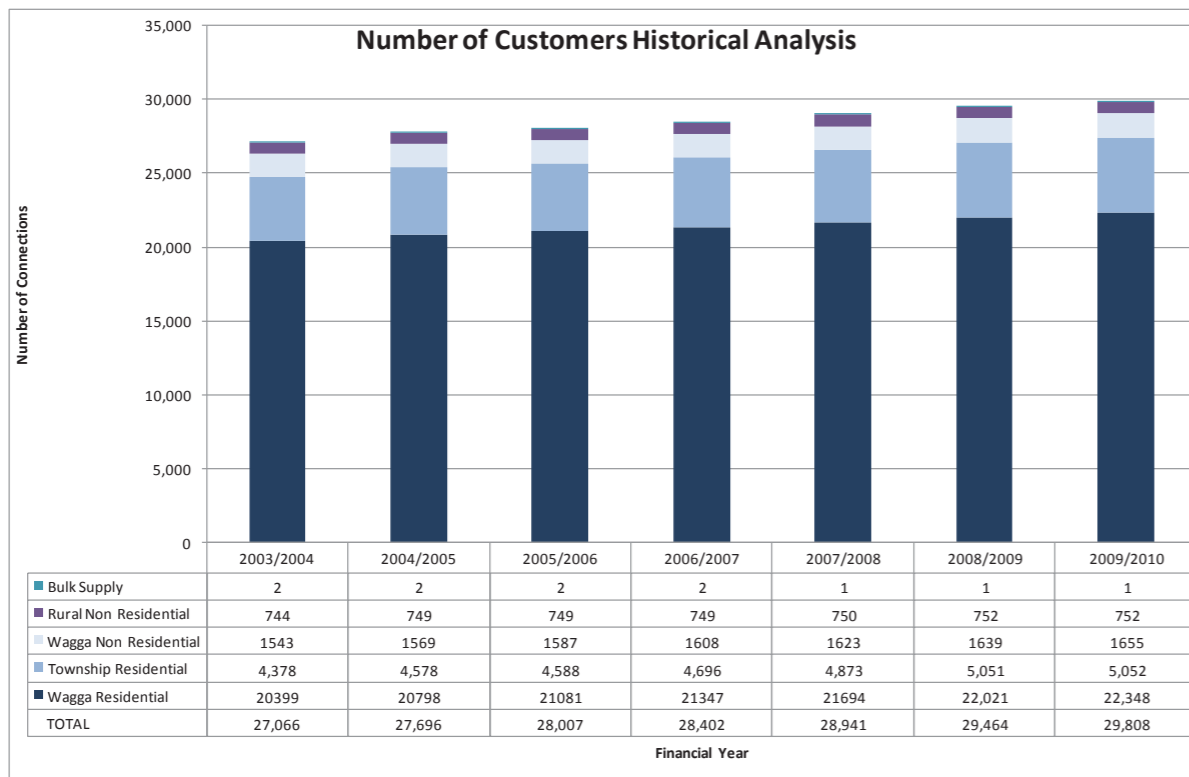
New consumers were connected at the various centres listed below:

LOCATION	NUMBER CONNECTED					
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Bidgeemia			6			
Boree Creek		1				1
Brucedale-The Gap	8	3	8	3	2	
Bulgary	2		1			
Collingullie			1			2
Coorabin			1			
Culcairn		1	1	3	1	
Currawarna		1	5	5	3	
Forest Hill						
French Park				1		
Henty	2	3	5	3	2	3
Holbrook	13	7	4	8	5	4
Humula					1	
Ladysmith		1	1	3		2
Lockhart	5	1	1	4	8	2
Mangoplah	6		5			1
Milbrulong			1		1	
Morundah						
Morven		1	3		2	
Oaklands				2		2
Oura	2	2	1		1	
Pleasant Hills			3		3	
Rand			1		1	1
San Isidore						
Tarcutta	1		1		4	1
The Rock	7	5	3	14	4	2
Urana	1	1	1	3		1
Uranquinty	1	1	2	3	5	3
Wagga Wagga	380	329	301	303	280	312
Walbundrie		1		1	2	
Walla Walla	5	6	4	1	1	1
Woomargama				2		
Yerong Creek		1				2
<b>TOTALS</b>	<b>433</b>	<b>365</b>	<b>360</b>	<b>359</b>	<b>326</b>	<b>340</b>

Total customers at 30<sup>th</sup> June 2010: 29,808.

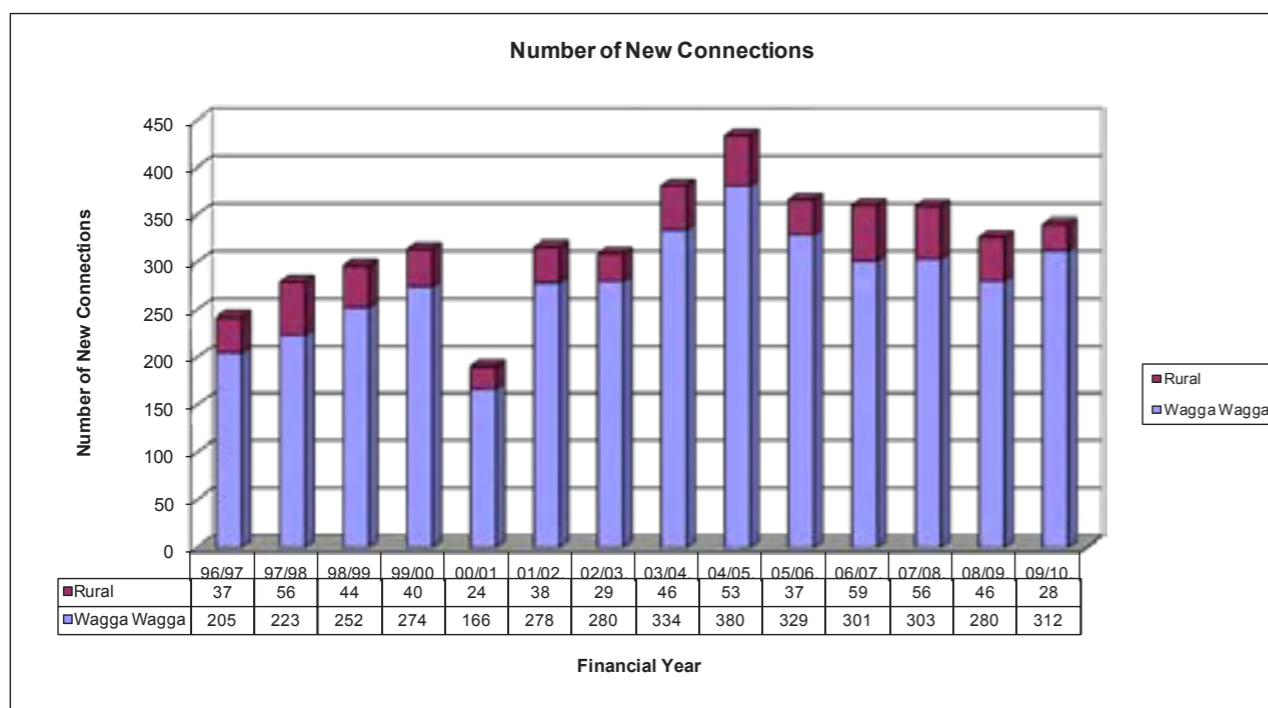
**Table - Customer Analysis**

Residential	2008/2009	2009/2010	Percentage Change
Wagga Wagga	22,021	22,348	75.0%
Rural	5,041	5,052	16.9%
<b>Sub-Total</b>	<b>27,062</b>	<b>27,400</b>	<b>91.9%</b>
Business			
Wagga Wagga	1,639	1655	5.6%
Rural	752	752	2.5%
<b>Sub-Total</b>	<b>2,391</b>	<b>2,407</b>	<b>8.1%</b>
Others ie. Bulk Supply	1		
<b>TOTAL</b>	<b>29,454</b>	<b>29,808</b>	<b>100.0%</b>



The growth in residential connections in Wagga Wagga has been consistent averaging 1.54% per annum over the past 6 years.

**Number of connections 1996/97 to 2009/2010**



**Pipeline Losses**

Estimated pipeline losses due to bursts over the past 6 years are shown in the following table.

YEAR	WAGGA WAGGA		RURAL	
	BURST MAINS	ESTIMATED LOSS ML	BURST MAINS	ESTIMATED LOSS ML
2004/2005	156	1.0	119	19
2005/2006	200	1.1	138	24
2006/2007	188	1.1	124	13
2007/2008	105	3.1	110	9.6
2008/2009	132	36.7	94	22.4
2009/2010	94	7.5	74	47.1

The 2009/2010 loss estimates are higher due to better methods of estimating and recording losses.

**CONSTRUCTION**

**Pipeline Construction**

Pipelines were constructed in sizes ranging from 50mm diameter to 375 mm diameter to extend the water supply system and to replace pipelines that had reached the end of their useful life. A range of pipe material is used including PVC and Ductile iron.

	System Extensions Metres	Replacements Metres
Wagga Wagga	5,250	4,998
Rural & Village	23,224	0

**CAPITAL WORKS**

An extensive capital works programme was carried out in 2009/2010 including the following significant items:

**System Extensions and Improvements**

Subdivision construction within Wagga Wagga and Shires areas. This totalled approximately 5.2km of water reticulation.

Planning and establishment of sites for Water Filling Stations.

Urana pipeline completion – last 4 km of 200mm OPVC – total length 27 km

**Mains Replacements**

Dobney Avenue – replacement of approximately 850m of 100mm DICL.

Railway Street/Lake Albert Road crossing, Hammond Avenue – replacement of approximately 2.8km of 150mm DICL.

**Pumping Station**

Power supply extended to Colombo Creek pumping station site.

**Reservoirs**

Planning, consultation and letting contracts for new 10 ML Red Hill Reservoir.

**Water Treatment Plants**

Completed full upgrade of Tarcutta Water Treatment Plant.

Negotiations with Country Energy and specification prepared for relocation of high voltage powerlines at Wagga Wagga Waterworks site.

Pilot plant trials for Wagga Wagga and Urana

**Strategic Planning**

Completed IWCM Evaluation Study.

Called for Proposal for IWCM Detailed Strategy.

Commenced development of Demand Management Strategies.

**Wagga Wagga Sources and Allocations**

The following table compares water abstracted at Wagga Wagga to our Town Water Licence Allocations.

	Allocation (ML)	Used (ML)	% of Allocation
Surface Water	7,000	4,384	62.6
Ground Water	14,000	9,344	66.7
<b>Total Water</b>	<b>21,000</b>	<b>13,728</b>	<b>65.4%</b>

**OFFICIAL OPENING OF THE  
TARCUTTA WATER  
TREATMENT PLANT  
23RD FEBRUARY 2010**

**Tarcutta residents get new \$1.2m water treatment plant. Ukraine technology helps solve water problems.**

Sixty years after Tarcutta's first water supply scheme made front page news they have a new treatment plant. Council requested the opening to recognize the efforts of staff for their excellent work. In 2005 investigations for a new treatment plant commenced this was due to the high number of water quality complaints because of high iron levels.

Pilot plants were trialed but it was not until 2009 when a suitable process was available. The total cost of the pilot plant and associated works and the final product was \$1.1 MI.

Robyn Ingram provided some insight into the development of the Tarcutta Water Supply as her father was the local contact for water matters.

School students gave a talk on the importance of water to Tarcutta. Peter Outtrim provided an overview of the new plant process.

The official opening was attended by Councillors Rod Kendall (Chairperson), Alan Brown, Wayne Geale, Ray Goodlass and Lindsay Vidler.

Riverina Water Councillors, staff, residents and students of Tarcutta Public School gathered at the site for the official opening. Riverina Water's mascot "Bidgee" made a welcome appearance and assisted children planting trees.

Chairman of Riverina Water, Cr Rod Kendall and president of the Tarcutta Progress Association, Robyn Ingram unveiled the plaque to commemorate the official opening.

Cr Kendall was very pleased with the new plant. "Tarcutta has a long history of water quality issues due to iron and manganese in the water. This new plant uses technology developed in the Ukraine and is a winner, the innovative process is new to Australia's east coast and ideal for this type of bore water.

Riverina Water has invested a lot to come up with the best solution. In fact the trials leading to this plant cost over half a million dollars. And the new plant cost the same again. But we are more than happy with the result and we are confident that the Tarcutta community will have a consistently clean and healthy water supply."

Three year 6 students from Tarcutta Public School gave an entertaining talk on the importance of water to Tarcutta. Councillors and local residents inspected the new plant with an explanation of the treatment processes given by engineering staff.





### TARCUTTA TREATMENT PLANT

The Tarcutta treatment plant was fully commissioned in November 2009 through a number of stages and has been consistently producing high quality water. There has been a long history of trials at Tarcutta due to very high iron concentrations and manganese in the water and the unique nature of the water and it's response to treatment.

Two innovative processes have been adopted and trialled for some months with excellent results. During these trials the water customers received water mainly treated by the old plant. The new process introduces chlorination of the supply for disinfection purposes. This change required consultation with the customers and particularly with regards to aquariums.

All the water mains in Tarcutta were scoured and pigged in conjunction with the commissioning of the new plant. The program followed is outlined below:

- Commenced running new iron removal filter on 16th September, 2009.
- New high lift pumps commissioned and running since 22nd October, 2009
- Pigging of reticulation mains commenced 1st October and finished 13th November 2009
- Manganese removal filters and chlorination commenced 17th November 2009. New plant fully commissioned.
- Commenced removal of old plant, including the old aeration towers and candy tank on 1st December 2009.

No complaints have been received regarding water quality since the new plant was commissioned. Tarcutta customers can now look forward to consistently high quality water, even when the iron concentrations in the bore water rise to exceed 20 mg/l



### URANA PIPELINE CONSTRUCTION

Near completion August 2009



### DAF PLANT

July 2009

## WATERWORKS REST AREA

Riverina Water County Council has teamed up with Country Energy, Wagga Wagga City Council and the Murrumbidgee Catchment Management Authority to construct a rest area adjacent to the Murrumbidgee River Bikeway.

The rest area is centred on a small wetland overlooking Marshalls Creek and the historic waterworks buildings. It features relics from the old Murrumbidgee River railway bridge which was replaced in December 2007.

Interpretive signage will explain the various bridge components along with the history of the surrounding area.



**HILLTOP SUBDIVISION  
WAGGA WAGGA  
February 2010**

Riverina Water's Barry Weeks (Backhoe driver) along with Rory Winter (Pipelayer) & Darryl Grosvenor (Ganger) carry out mains construction in Hilltop Subdivision.



**MURRUMBIDGEE RIVER  
SUCTION MAIN  
January 2010**



Riverina Water's Fitter Mechanic -Kane Cathro pulling stainless steel liner into river suction main

Riverina Water welders joining stainless steel liner for river suction main



**Whilst repairing a burst on a very hot Christmas Eve 2009,** Riverina Water's Ganger Darryl Grosvenor gives a thirsty dog a drink



Mark Dog Pig Steve

**Pigging (cleaning) the water mains at Woomargama - April 2010**  
Mark McIntyre, Steve McIntyre, "Pig" & an excited dog...in action  
(Photo taken by Rory Winter on a mobile phone)

# FINANCIAL INFORMATION

## CHARGES FOR WATER

### "User Pay" system

The pricing allows customers to have control of their bills with two kinds of charges being applied, a fixed charge and a usage charge.

The level of fixed charges (availability charge) and usage charges applied in 2009/2010 are set out below:

#### Urban Section:

##### (i) Domestic

Year	Usage Charge (per quarter)		Access Charge (per quarter)	
			Connected	Vacant
2009/2010	First 150 kilolitres per quarter	0.86c per kl	\$20.00	\$10.00
	Balance per kilolitre	1.29c per kl		

##### (ii) Commercial

Year	Usage Charge (per quarter)		Access Charge (per quarter)	
			Connected	Vacant
2009/2010	First 50 kilolitres per month	0.86c per kl	\$30.00	\$10.00
	51 to 3000 kilolitres per month	1.29c per kl		
	Balance above 3,000 kl per month	1.17c per kl		

(Access Charge for non-metered connected Commercial premises \$60.00 per quarter).

#### Non-Urban Section:

##### (iii) Domestic

Year	Usage Charge (per quarter)		Access Charge (per quarter)	
			Connected	Vacant
2009/2010	First 150 kilolitres per quarter	0.95c per kl	\$25.00	\$10.00
	Balance per kilolitre	1.44c per kl		

##### (iv) Commercial

Year	Usage Charge (per quarter)		Access Charge (per quarter)	
			Connected	Vacant
2009/2010	First 50 kilolitres per month	0.95c per kl	\$31.25	\$10.00
	51 to 3,000 kl per month	1.44c per kl		
	Balance above 3,000 kl per	1.35c per kl		

(Access Charge for non-metered connected Commercial premises \$62.50 per quarter).

## CONDITION OF PUBLIC WORKS UNDER COUNCIL'S CONTROL

### Section 428 (2) (d)

Council is required to report on the condition of public works under its control including estimates to bring each works up to a satisfactory standard, maintenance needs and maintenance programmes.

The public works owned and operated by Riverina Water County Council are summarised in the following table:

Asset Description	Asset Life	Replacement Cost \$'000	Weighted Remaining Life	Remaining Life Value at June 2010 \$'000
Water Mains – distribution, rural & reticulation	Iron 75 yrs Other 50 yrs	161,740	40.83 yrs	93,244
Reservoirs – 61 off	Steel 75 yrs Conc. 100 yrs	36,797	60.55 yrs	20,454
Pumping Stations – 70 off	*	16,528	-	10,985
Water Treatment Plants – 14 off Aeration – 7 Filtration – 7	75/100 yrs	38,315	53.75 yrs	19,411
Water Supply Bores – 26	25 yrs Stainless steel-40 yrs	Included in Pumping Station		
Land & Buildings – other	-			3,608
<b>TOTAL</b>		<b>253,380</b>		<b>147,896</b>

\* Pumping stations include components of various ages and life spans. An average remaining life of 50% has been assumed.

The work required to bring those sections of the work that need improvement up to a satisfactory standard, the annual maintenance to maintain the standard, and the 2009/2010 programme of maintenance for the works is outlined in the following tables. The major need is for renewal of older water mains, based on the theoretical lifespan of each type of pipe. Some of these mains are however still serving their intended purpose and the relative urgency of renewal is not critical.

Works	Improvement Need \$000	Annual Upgrading or Renewal Need \$000	2009/2010 Upgrading or Renewal Programme \$000	Annual Maintenance Need \$000	2009/2010 Maintenance Programme \$000
Water Mains – Trunk & Rural	6,333	2,200	1,720	805	620
Water Mains – Reticulation					
Reservoirs	85	200	160	85	64
Pumping Stations & Bores	499	460	440	499	525
Treatment Plants	475	400	235	110	56

**SUMMARY OF DISCLOSABLE LEGAL PROCEEDINGS**

**Section 428 (2) (e)**

During the review period Council did not incur any legal expenses or become involved in any legal proceedings.

**AMOUNTS CONTRIBUTED / GRANTED UNDER SECTION 356**

**Section 428 (2) (l)**

Section 356 enables Council to contribute funds to persons for the purpose of exercising its functions. In the event of the proposed recipient acting for private gain, public notice of Council's proposal to grant financial assistance must be given.

During the period under review, the Council did not make any contributions under this Section.

**OVERSEAS VISITS FUNDED BY COUNCIL**

**Section 428 (2) ( r ) General Regulation (Clause 31[l] [a])**

No overseas visits undertaken by Councillors and others representing Council during 2009/2010.

**RATES & CHARGES WRITTEN OFF**

**Section 428 (2) ( r ) Rates & Charges General Regulation (Clause 12)**

Pensioner Rebates written off totalled	\$337,477
A Pensioner subsidy was received for the value of	\$192,943
Sundry Write-offs totalled	\$ NIL

**GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT, 2009**

In accordance with the provisions of the *Government Information (Public Access) Act, 2009*, Council has completed its annual statistics for the twelve month period ended 30<sup>th</sup> June 2010. No applications were received by Council during the 2009/2010 period. Council has not received any enquiries from the Ombudsman under the *Government Information (Public Access) Act, 2009* nor has it received any appeals under that Act to the District Court or the Supreme Court.

Statistical Details

<u>F.O.I. REQUESTS</u>	<u>PERSONAL</u>	<u>OTHER</u>	<u>TOTAL</u>
NEW	NIL	NIL	NIL
BROUGHT FORWARD	NIL	NIL	NIL
TOTAL TO BE PROCESSED	NIL	NIL	NIL
COMPLETED	NIL	NIL	NIL
TRANSFERRED OUT	NIL	NIL	NIL
WITHDRAWN	NIL	NIL	NIL
TOTAL PROCESSED	NIL	NIL	NIL
UNFINISHED (C/F)	NIL	NIL	NIL

**INFORMATION PROTECTION ACT, 1998**

In accordance with the provisions of the Information Protection Act 1998 Section 33(e) Council adopted a Privacy Management Plan, vide resolution No. 00/69.

The Privacy Management Plan provides for the protection of personal information and for the protection of the privacy of individuals. No applications were received by Council for review under Part 5 of the Act during the 2009/2010 period.

**CERTIFICATE OF CONFIRMATION – GOODS AND SERVICES TAX (GST)**

In accordance with a resolution of the members of Riverina Water County Council, we declare on behalf of Riverina Water County Council that in our opinion Council:

- (i) Council has the necessary design documentation and maintenance of its GST Management system, and
- (ii) Complies with the requirements of the GST legislation.

*Signed in accordance with a Resolution of Council  
Dated 28th April 2010*



.....  
Clr. P. Yates  
CHAIRPERSON



.....  
Clr. John McInerney  
DEPUTY CHAIRPERSON



.....  
Mr. G.W. Pieper  
GENERAL MANAGER



.....  
Mr. Graeme Geaghan  
ACCOUNTING OFFICER

**FINANCIAL STATEMENTS FOR THE YEAR ENDING 30<sup>th</sup> JUNE 2010**

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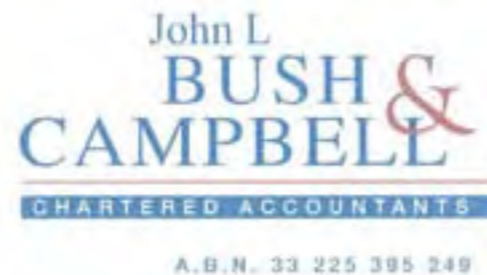
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# FINANCIAL REPORTS

## Section 428 (2) (a) - Financial Reporting



**RIVERINA WATER COUNTY COUNCIL  
GENERAL PURPOSE FINANCIAL REPORT  
INDEPENDENT AUDITORS' REPORT**



**SCOPE**

We have audited the general purpose financial reports of Riverina Water County Council for the year ended 30 June 2010, comprising the Statement by Councillors and Management of the Council, Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and accompanying Notes to the Accounts. The Council is responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the Council.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with those Australian Accounting concepts and standards and statutory requirements so as to present a view which is consistent with our understanding of the Council's financial position, the result of their operations and their cash flows.

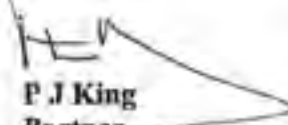
The audit opinion expressed in this report has been formed on the above basis.

**AUDIT OPINION**

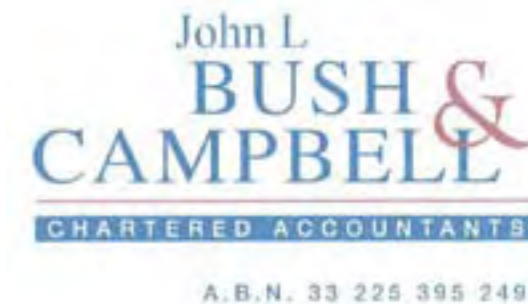
In our opinion

- a) The accounting record of the Council have been kept in accordance with the requirements of Division 2 of Part 3 of the Local Government Act, 1993;
- b) The general purpose financial report
  - i. has been prepared in accordance with the requirements of Division 2 of Part 3 of the Local Government Act, 1993;
  - ii. is consistent with the Council's accounting records; and
  - iii. presents fairly the Council's financial position and the results of its operation;
- c) we have been able to obtain all the information relevant to the conduct of our audit; and
- d) no material deficiencies in the records or financial reports were detected in the course of the audit.

Sincerely

**JOHN L BUSH & CAMPBELL**  
Chartered Accountants  
  
  
**P.J King**  
Partner

13 August 2010



13 August 2010

The Chairman  
Riverina Water County Council  
PO Box 456  
WAGGA WAGGA NSW 2650

Dear Sir

Having completed an examination of the books of account and associated records of the Riverina Water County Council for the 12 months ended 30 June 2010 we have pleasure in submitting our report in accordance of Section 417(3) of the Local Government Act 1993.

The financial statements for the year ended 30 June 2010 have been prepared to comply with Statements of Accounting Concepts and Applicable Australian Accounting Standards including the requirements under Australian equivalents of International Financial Reporting Standards, the requirements of the Local Government Act 1993 and Regulations thereto, the Local Government Code of Accounting Practice and Financial Reporting and Local Government Asset Accounting Manual.

**Operating Result and Financial Position**

The operating result for the year was \$607 thousand. In addition Council received contributions for capital purposes of \$1.972 million and recorded a net loss on disposal of assets of \$11 thousand. The operating result includes an impairment expense of \$1.1 million on the carrying value of water licenses in the financial statements. The total change in net assets resulting from operations was \$5.081 million.

The financial position of Council increased during the year as follows:

	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Net Assets 1 July 1997	20,627	20,627	20,627	20,627	20,627
Asset Revaluation	102,134	99,632	95,538	91,639	87,965
Change in net assets resulting from operations	42,416	39,837	35,874	31,288	26,695
Net Assets 30 June	<u>\$165,177</u>	<u>\$160,096</u>	<u>\$152,039</u>	<u>\$143,554</u>	<u>\$135,287</u>

The year's operations, both in terms of the result for the year and the contribution that result had to the financial position of the Council, was excellent.

**Cash Investments and Working Capital**

The operating result for the year has increased Council's equity and working capital. This result is directly attributable to increased income whilst containing operating expenses.

	2010 \$000	2009 \$000	2008 \$000	2007 \$000	2006 \$000
Cash (overdraft)	188	153	56	55	5
Investment	8,005	7,518	10,776	11,264	15,058
Working Capital	10,520	8,664	12,142	11,472	13,485

Cash and Investments held at the close of the year amounted to \$8.193 million. The cash flow statement shows an increase in cash of \$522 thousand. Cash and Investments have not been restricted in their use by any externally imposed requirements. However they are restricted by internally imposed requirements. The healthy position of Council's working capital is reflected in the performance indicators detailed in the financial reports.

**Actual Performance Compared to Budget**

	2010 Actual \$000	2010 Budget \$000	2009 Actual \$000	2009 Budget \$000	2008 Actual \$000	2008 Budget \$000	2007 Actual \$000	2007 Budget \$000
<b>Revenue</b>								
Rates and Annual Charges	2,588	2,698	2,573	2,519	2,520	2,481	2,475	2,499
User charges and fees	12,983	13,871	12,557	12,178	10,392	11,408	12,000	10,539
Interest	308	100	547	350	720	350	802	450
Grants and Contributions	2,168	810	1,506	910	2,937	805	2,927	1,146
Other	832	490	984	542	811	272	602	275
Gain on disposal of assets	(11)	27	90	27	11	27	(55)	27
	18,868	17,996	18,257	16,526	17,391	15,343	18,751	14,936
<b>Expenses</b>								
	16,289	14,679	14,294	13,593	12,805	13,400	14,158	13,273
<b>Operating Result</b>	\$2,579	\$3,317	\$3,963	\$2,933	\$4,586	\$1,943	\$4,593	1,663

**Equity**

The equity of council has increased each year and demonstrates the steady growth arising from yearly positive operating results.

	2010 \$000	2009 \$000	2008 \$000	2007 \$000	2006 \$000
Non Current Assets	156,287	153,053	141,757	134,157	126,267
Non Current Liabilities	1,630	1,621	1,860	2,075	4,465
Working Capital	10,520	8,664	12,142	11,472	13,485
<b>Equity</b>	\$165,177	\$160,096	\$152,039	\$143,554	\$135,287

**Other Matters**

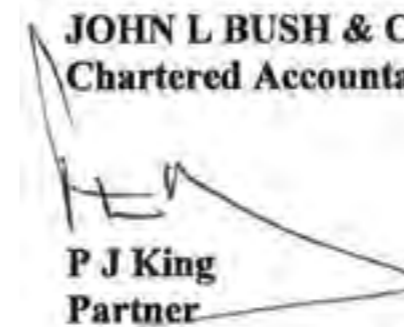
As discussed earlier in the report during the year the water licenses previously shown at cost in the balance sheet were written down to their current recoverable value. At cost the water licenses were recorded at \$3.6 million. This was from the purchase of 1000 mega litres at \$3,600 per mega litre. Current values of mega litres for high security river water are \$2,500. The difference in cost and current value is \$1.1 million and this has been recorded as an impairment loss.

It is evident that at June 2010 the Council continues to preside over a fundamentally sound balance sheet. The excellent result for 2010 on top of the previous years continues Councils very strong position.

Council's books of account and other records appear to have been maintained in a satisfactory and up to date manner and the requirements of the Local Government Act and Regulations well observed.

In conclusion we wish to acknowledge the excellent assistance and co-operation extended to us by the General Manager and his Staff during the conduct of the audit and from whom we have attained all the information and explanations which we required.

Sincerely



**JOHN L BUSH & CAMPBELL**  
Chartered Accountants  
**P J King**  
Partner

**RIVERINA WATER COUNTY COUNCIL**


**STATEMENT BY COUNCILLORS AND MANAGEMENT**

Pursuant to Section 413 (2) (c) of the Local Government Act 1993 (as amended), and in accordance with a resolution of the members of Riverina Water County Council, we declare on behalf of Riverina Water County Council that in our opinion:


1. The accompanying financial statements exhibit a true and fair view of the financial position of Riverina Water County Council as at 30<sup>th</sup> June 2010 and transactions for the twelve months then ended.
2. The Statements have been prepared in accordance with the provisions of 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.
3. All information provided has been prepared in accordance with the requirements of the Financial Statement Guidelines for NSW Councils.

Further, we are not aware at this time of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.


*Signed in accordance with a Resolution of Council  
dated 25th August 2010.*




.....  
 Clr. R. Kendall  
**CHAIRPERSON**  
 25th August 2010



.....  
 Clr. J. McInerney  
**DEPUTY CHAIRPERSON**  
 25th August 2010



.....  
 Mr. G.W. Pieper  
**GENERAL MANAGER**  
 25th August 2010



.....  
 Mr. J. Reynoldson  
**FINANCE OFFICER**  
 25th August 2010

**RIVERINA WATER COUNTY COUNCIL**

**INCOME STATEMENT  
For the year ended 30th June 2010**

Original Budget <sup>(1)</sup> 2010 \$'000	Notes	Actual 2010 \$'000	Actual 2009 \$'000
<b>INCOME FROM CONTINUING OPERATIONS</b>			
2,698	3a	2,588	2,573
13,871	3b	12,983	12,557
100	3c	308	547
490	3d	832	984
210	3e&f	196	197
600	3e&f	1,972	1,309
27	5		90
17,996		18,879	18,257
<b>TOTAL INCOME FROM CONTINUING OPERATIONS</b>			
<b>EXPENSES FROM CONTINUING OPERATIONS</b>			
6,632	4a	5,828	5,405
	4b		
1,855	4c	2,627	2,386
4,337	4d	4,380	4,107
	4d	1,100	
1,855	4e	2,354	2,396
	5	11	
14,679		16,300	14,294
<b>TOTAL EXPENSES FROM CONTINUING ACTIVITIES</b>			
3,317		2,579	3,963
<b>NET OPERATING RESULT FOR THE YEAR</b>			
<b>NET OPERATING RESULT FOR THE YEAR BEFORE GRANTS AND CONTRIBUTIONS PROVIDED FOR CAPITAL PURPOSES</b>			
2,717		607	2,654

Note:

(1) Original Budget as approved by Council – refer Note 16

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

**RIVERINA WATER COUNTY COUNCIL**
**STATEMENT OF COMPREHENSIVE INCOME**  
**for year ended 30th June 2010**

Notes	Actual 2010 \$'000	Actual 2009 \$'000
<b>Net operating result for the year – from Income statement</b>	2,579	3,963
<b>Other comprehensive income</b>		
Gain (loss) on revaluation of infrastructure, property, plant and equipment	2,502	4,094
Gain (loss) on revaluation of available-for-sale investments		
Realised available-for-sale investment gains recognised in revenue		
De-recognition of land under roads		
Adjustment to correct prior period depreciation errors		
<b>Total other comprehensive income for the year</b>	5,081	8,057
<b>Total comprehensive income for the year</b>	5,081	8,057
<b>Attributable to – Council</b>	5,081	8,057
<b>- Minority interests</b>		

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

**RIVERINA WATER COUNTY COUNCIL**
**BALANCE SHEET**  
**as at 30th June 2010**

Notes	Actual 2010 \$'000	Actual 2009 \$'000
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	6a 8,193	7,671
Receivables	7 2,436	2,292
Inventories	8 1,926	1,133
Other	8 252	46
<b>TOTAL CURRENT ASSETS</b>	12,807	11,142
<b>NON-CURRENT ASSETS</b>		
Infrastructure, Property, Plant and Equipment	9 153,779	149,445
Intangibles	25 2,508	3,608
<b>TOTAL NON-CURRENT ASSETS</b>	156,287	153,053
<b>TOTAL ASSETS</b>	169,094	164,195
<b>CURRENT LIABILITIES</b>		
Payables	10 464	864
Provisions	10 1,823	1,614
<b>TOTAL CURRENT LIABILITIES</b>	2,287	2,478
<b>NON-CURRENT LIABILITIES</b>		
Provisions	10 1,630	1,621
<b>TOTAL NON-CURRENT LIABILITIES</b>	1,630	1,621
<b>TOTAL LIABILITIES</b>	3,917	4,099
<b>NET ASSETS</b>	165,177	160,096
<b>EQUITY</b>		
Retained earnings	20 63,043	60,464
Reserves	20 102,134	99,632
<b>TOTAL EQUITY</b>	165,177	160,096

The above Balance Sheet should be read in conjunction with the accompanying notes.

RIVERINA WATER COUNTY COUNCIL

STATEMENT OF CHANGES IN EQUITY  
For the Year ended 30th June 2010

	TOTAL		ACCUMULATED SURPLUS		ASSET REVALUATION RESERVE	
	ACTUAL 2010	ACTUAL 2009	ACTUAL 2010	ACTUAL 2009	ACTUAL 2010	ACTUAL 2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the reporting period	160,096	152,039	60,464	56,501	99,632	95,538
Change in equity recognised in the statement of financial performance	2,579	3,963	2,579	3,963		
Transfers to asset revaluation reserve	4,615	4,094			4,615	4,094
Transfer from asset revaluation reserve	(2,113)				(2,113)	
Balance at end of the reporting period	165,177	160,096	63,043	60,464	102,134	99,632

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

RIVERINA WATER COUNTY COUNCIL

CASH FLOW STATEMENT  
For the Year ended 30th June 2010

Budget 2010 \$'000	Notes	Actual 2010 \$'000	Actual 2009 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts:</u>			
2,698	Rates and annual charges	2,510	2,495
13,871	User charges and fees	13,196	12,311
100	Investment revenue and interest	269	549
810	Grants and Contributions	2,170	1,441
490	Other	832	984
<u>Payments:</u>			
(5,172)	Employee benefits and on-costs	(6,232)	(5,675)
(362)	Materials and contracts	(2,813)	(2,386)
Borrowing Costs			
(5,829)	Other	(3,187)	(1,660)
6,606	Net cash provided (or used) in operating activities	6,745	8,059
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts:</u>			
Sale of financial assets			
365	Sale of infrastructure, property, plant and equipment	437	365
<u>Payments:</u>			
(12,045)	Purchase of infrastructure, property, plant and equipment	(6,660)	(8,658)
Other			
(11,680)	Net cash provided by (or used in) investing activities	(6,223)	(11,220)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Payments:</u>			
Borrowings and advances			
Net cash provided by (or used in) financing activities			
(5,074)	Net increase/(decrease) in cash and cash equivalents	522	(3,161)
6,449	Cash and cash equivalents at beginning of reporting period	7,671	10,832
1,375	Cash and cash equivalents at end of reporting period	8,193	7,671

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

## RIVERINA WATER COUNTY COUNCIL

### NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 2010

#### Note 1

#### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### 1. The Local Government Reporting Entity

Council's office is located at 91 Hammond Avenue, Wagga Wagga NSW 2650.

##### 2. Basis of Accounting

Council is responsible for the water supply functions within Lockhart, Urana, Wagga Wagga and part Greater Hume local government areas.

##### 2.1 Compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act (1993) and Regulation, and the Local Government Code of Accounting Practice and Financial Reporting.

##### *Historical cost convention*

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

##### *Critical accounting estimates*

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

##### *Financial statement presentation*

The Council has applied the revised AASB 101 Presentation of Financial Statements which became effective on 1<sup>st</sup> January 2009. The revised standard requires the separate presentation of a statement of comprehensive income and a statement of changes in equity. All non-owner changes in equity must now be presented in the statement of comprehensive income. As a consequence, the Council had to change the presentation of its financial statements. Comparative information has been re-presented so that it is also in conformity with the revised standard.

##### 3. Revenue Recognition

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

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

##### *Annual charges, grants and contributions*

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 annual charges is obtained at the commencement of the annual year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the charge.

A provision for doubtful debts has not been established as unpaid annual charges and user charges represent a charge against the 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.

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

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

##### *User charges and fees*

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

##### *Sale of plant, property, infrastructure and equipment*

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

##### *Interest and rents*

Interests and 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.

##### 4. Principles of Consolidation

###### (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.

###### (ii) The Council is required under the Local Government Act to maintain a separate and distinct Trust Fund to account for all moneys 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 moneys.

##### 5 Acquisition of Assets

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

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

## 6. Impairment of Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than good will that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

## 7. Cash and Cash Equivalents

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.

## 8. Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost. Receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. A provision for doubtful 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 receivables.

## 9. Investments

Investments are recognised at cost. Interest revenues are recognised as they accrue.

## 10. Investment and other Financial Assets

### *Classification*

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

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

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

### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

### (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. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

### (iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

### *Recognition and derecognition*

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

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

### *Subsequent measurement*

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

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

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

### *Fair value*

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), Council establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

**Impairment**

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

**Policy**

Council has an approved investment policy complying with Section 625 of the Local Government Act and S212 of the LG (General) Regulations 2005. Investments are placed and managed in accordance with that policy and having particular regard to authorised investments prescribed under the local Government Investment Order. Council maintains an investment policy that complies with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing council funds.

**11. 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 nominal value less estimated 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.

**12. Infrastructure, Property, Plant and Equipment**

All infrastructure and buildings are stated at fair value less depreciation.

Fair value was measured at 1<sup>st</sup> July 2009 and since this time annually indexed in accordance with “NSW Reference Rates Manual for Valuation of Water Supply, Sewerage and Stormwater Assets, 2003”, in which the Director of Engineering has provided a report which supports the annual indexation.

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

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

Plant & Equipment	Capitalise if value > \$1,000
Office Equipment	Capitalise if value > \$1,000
Furniture & Fittings	Capitalise if value > \$1,000
Land - council land	Capitalise
Buildings - construction / extensions	Capitalise
- renovations	Capitalise if value > \$1,000
Other Structures	Capitalise if value > \$1,000

The asset’s residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

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

**13. Payables**

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

**14. Borrowings**

Council repaid all loan debt during 2006/07.

**15. Borrowing Costs**

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

**16. Employee Benefits**

*(i) Short-term obligations*

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

*(ii) Other long-term employee benefit obligations*

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

*(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.

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 accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans.

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 amounting to around \$290 million at 30 June 2009. As a result, they have asked for significant increases in contributions from 2009/2010 onwards 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 Council's accounts. Council has, however, disclosed a contingent liability in note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

Contributions to defined contributions 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.

**17. Intangibles**

The Council has purchased water licences during the 2009 year. These are recorded at cost and subject to annual impairment testing.

**18. Rounding of amounts**

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

**19. Allocation between Current and Non-current**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liabilities 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. 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. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

**20. New Accounting Standards and interpretations**

Certain new accounting standards and interpretations have been published that are not mandatory for 30<sup>th</sup> June 2010 reporting periods. Council's assessment of the impact of these new standards and interpretations is set out below:

- (i) *AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash – Settled Share – based Payment Transactions (AASB )* (effective from 1<sup>st</sup> January 2010)

The amendments made by the AASB to AASB 2 confirm that an entity receiving goods or services in a group share-based payment arrangement must recognise an expense for those goods or services regardless of which entity in the group settles the transaction or whether the transaction is settled in shares or cash. They also clarify how the group share-based payment arrangement should be measured, that is, whether it is measured as an equity- or a cash-settled transaction. **No impact on Council.**

- (ii) *AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues (AASB 132)* (effective from 1<sup>st</sup> February 2010).

In October 2009 the AASB issued an amendment to *AASB 132 (Financial Instruments: Presentation)* which addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment must be applied retrospectively in accordance with *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors*. **No impact on Council.**

- (iii) *AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9* (effective from 1<sup>st</sup> January 2013)

*AASB 9 Financial instruments* addresses the classification and measurement of financial assets and is likely to affect Council's accounting for its financial assets. The standard is not applicable until 1<sup>st</sup> January 2013 but is available for early adoption. Council is yet to assess its full impact. **However, initial indications are that it may affect 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.**

- (iv) *Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards* (effective from 1<sup>st</sup> January 2011)

In December 2009 the AASB issued a revised *AASB 124 Related Party Disclosures*. It is effective for accounting periods beginning on or after 1<sup>st</sup> January 2011 and must be applied retrospectively. The amendment removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies and simplifies the definition of a related party. **No impact on Council.**

- (v) *AASB Interpretation 19 Extinguishing financial liabilities with equity instruments and AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19* (effective from 1st July 2010)

*AASB Interpretation 19* clarifies the accounting when an entity renegotiates the terms of its debt with the result that the liability is extinguished by the debtor issuing its own equity instruments to the creditor (debt for equity swap). It requires a gain or loss to be recognised in profit or loss which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. **No impact on Council.**

- (v) *AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement* (effective from 1<sup>st</sup> January 2011)

In December 2009, the AASB made an amendment to *Interpretation 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*. The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme. It permits entities to recognise an asset for a prepayment of contributions made to cover minimum funding requirements. Council does not make any such prepayments. **The amendment is therefore not expected to have any impact on Council.**

**21. Goods and Services Tax (GST)**

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 2(a)**

**FUNCTIONS**

INCOME, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE WATER SUPPLY FUNCTIONS. DETAILS OF THIS FUNCTION IS PROVIDED										
FUNCTION	INCOME FROM CONTINUING OPERATIONS		EXPENSES FROM CONTINUING OPERATIONS		OPERATING RESULTS FROM CONTINUING OPERATIONS		GRANTS INCLUDED IN INCOME FROM CONTINUING OPERATIONS		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	Orig Budget 2010 \$'000	Actual 2010 \$'000	Orig Budget 2010 \$'000	Actual 2010 \$'000	Orig Budget 2010 \$'000	Actual 2010 \$'000	Orig Budget 2010 \$'000	Actual 2010 \$'000	Orig Budget 2010 \$'000	Actual 2010 \$'000
Water Supplies	17,996	18,879	14,679	16,300	3,317	2,579	210	196	171,747	169,094
<b>TOTALS</b>	<b>17,996</b>	<b>18,879</b>	<b>14,679</b>	<b>16,300</b>	<b>3,317</b>	<b>2,579</b>	<b>210</b>	<b>196</b>	<b>171,747</b>	<b>169,094</b>

As reported on the Income Statement

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 3**

**INCOME FROM CONTINUING OPERATIONS**

	Actual 2010 \$'000	Actual 2009 \$'000		
<b>a) RATES &amp; ANNUAL CHARGES</b>				
Annual Charges (pursuant to s.496 & s.501)				
Water Supply Services	2,588	2,573		
Total Rates & Annual Charges	2,588	2,573		
<b>b) USER CHARGES &amp; FEES</b>				
User Charges (pursuant to s.502)	12,986	12,560		
Total User Charges	12,986	12,560		
Fees				
Private works	(3)	(3)		
Total User Charges & Fees	12,983	12,557		
<b>c) INTEREST AND INVESTMENT REVENUE</b>				
Interest on investments	308	547		
Total Interest Revenue	308	547		
<b>d) OTHER REVENUES</b>				
Lease Rental	8	7		
Connection Fees	433	415		
Other	391	562		
Total Other Revenue from Ordinary Activities	832	984		
	<b>OPERATING Actual 2010 \$'000</b>	<b>OPERATING Actual 2009 \$'000</b>	<b>CAPITAL Actual 2010 \$'000</b>	<b>CAPITAL Actual 2009 \$'000</b>
<b>e) GRANTS</b>				
General Purpose (Untied)				
- Pensioners' Rates Subsidies	192	190		
- Diesel and Alternative Fuels	4	7		
- Water Supplies			11	
Total Grants	196	197	11	
<b>f) CONTRIBUTIONS &amp; DONATIONS</b>				
Water			1,961	1,309
Total Contributions & Donations			1,961	1,309
<b>TOTAL GRANTS &amp; CONTRIBUTIONS</b>	<b>196</b>	<b>197</b>	<b>1,972</b>	<b>1,309</b>

NOTES TO THE FINANCIAL STATEMENTS

**Note 4**

**EXPENSES FROM CONTINUING OPERATIONS**

	Actual 2010 \$'000	Actual 2009 \$'000
<b>(a) EMPLOYEE BENEFITS AND ON COSTS</b>		
Salaries and Wages	3,303	3,296
Travelling	637	516
Employee Leave Entitlements	1,331	1,176
Superannuation	866	585
Worker's Compensation Insurance	111	170
FBT	46	46
Payroll Tax	344	332
Training Costs (excluding salaries)	114	219
Less Capitalised Costs	(924)	(935)
Total Employee Costs Expensed	<u>5,828</u>	<u>5,405</u>
Number of FTE employees	87	86.1
<b>(b) BORROWING COSTS</b>		
Interest on Loans		
Total Borrowing Cost Expensed		
<b>(c) MATERIALS AND CONTRACTS</b>		
Contractor and Consulting costs		
Audit Fees	30	17
Other	2,597	2,369
Total Materials and Contracts	<u>2,627</u>	<u>2,386</u>
<b>(d) DEPRECIATION AND IMPAIRMENT</b>		
Plant and equipment	1,041	749
Office equipment/Furniture	18	33
Buildings	113	106
Infrastructure		
- Water supply	3,208	3,219
Impairment		
- Water purchases	1,100	
Total Depreciation and Total Impairment	<u>5,480</u>	<u>4,107</u>
<b>(e) OTHER EXPENSES</b>		
Chairperson Fee	8	8
Member's Fees & Allowances	42	42
Members' Expenses	14	9
Insurance	107	95
Electricity & Heating	1,962	1,842
Telephone	86	96
Other	135	304
Total Other Expenses from Ordinary Activities	<u>2,354</u>	<u>2,396</u>

NOTES TO THE FINANCIAL STATEMENTS

**Note 5**

**GAIN OR LOSS FROM DISPOSAL OF ASSETS**

	Actual 2010 \$'000	Actual 2009 \$'000
<b>GAIN (OR LOSS) ON DISPOSAL OF PLANT &amp; EQUIPMENT</b>		
Proceeds from disposal	437	365
Less: Carrying amount of assets sold	448	404
<b>GAIN (OR LOSS) ON DISPOSAL</b>	<u>(11)</u>	<u>(39)</u>
<b>GAIN (OR LOSS) ON DISPOSAL OF FINANCIAL ASSET</b>		
Proceeds from disposal		681
Less: Carrying amount of assets sold		552
<b>GAIN (OR LOSS) ON DISPOSAL</b>		<u>129</u>
<b>TOTAL GAIN (OR LOSS) ON DISPOSAL OF ASSETS</b>	<u>(11)</u>	<u>90</u>

NOTES TO THE FINANCIAL STATEMENTS

**Note 6a**

**CASH AND CASH EQUIVALENTS**

	Actual 2010		Actual 2009	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
<b>CASH</b>				
Cash at Bank and on hand	188		153	
Deposits at Call	8,005		7,518	
<b>TOTAL CASH ASSETS</b>	<b>8,193</b>		<b>7,671</b>	
<b>TOTAL CASH ASSETS AND INVESTMENT SECURITIES</b>	<b>8,193</b>		<b>7,671</b>	

NOTES TO THE FINANCIAL STATEMENTS

**Note 6b**

**INVESTMENTS**

Restrictions	Notes	MOVEMENTS				PROPOSED UTILISATION OF RESTRICTION		
		Opening Balance 30 June 2009 \$'000	Transfers to Restriction \$'000	Transfers from Restriction \$'000	Closing Balance 30 June 2010 \$'000	Less than 1 Year	Between 1 and 5 Years	Greater than 5 Years
<b>Internal</b>								
Mains Replacement	6a	1,000			1,000		1,000	
Sales Fluctuation	6a	1,200			1,200		1,200	
Employee Leave Entitlement	6a	970	122		1,092			1,092
<b>Total</b>		<b>3,170</b>	<b>122</b>		<b>3,292</b>		<b>2,200</b>	<b>1,092</b>

NOTES TO THE FINANCIAL STATEMENTS

**Note 6c**

**RESTRICTED CASH, CASH EQUIVALENTS AND INVESTMENTS**

**TOTAL CASH, CASH EQUIVALENTS AND INVESTMENTS**

	Actual 2010		Actual 2009	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
<b>TOTAL INTERNAL RESTRICTIONS</b>				
Included in liabilities				
- Employee Leave Entitlements	1,092		970	
Other				
- Mains replacement	1,000		1,000	
- Sales Fluctuation	1,200		1,200	
<b>TOTAL INTERNAL RESTRICTIONS</b>	<b>3,292</b>		<b>3,170</b>	

a) Employee Leave Entitlements

The standard provision in local government is to fund 30% of the total Employee Leave Entitlement Liability. A provision of 30% of the Employee Leave Entitlement has been made.

b) Mains Replacement

Due to Council's aging infrastructure, provision is made to create a fund for mains replacements.

c) Sales Fluctuation Reserve

Income from sales of water is largely dependent on seasonal weather conditions. Consumption for 2009/2010 has been based on the trend analysis undertaken, an amount of 15,035 megalitres. Should Council experience an abnormal year, such as 1993, then the consumption could be more around 10,710 megalitres. A sales fluctuation reserves purpose is to afford the Council's consumers some protection against extraordinary increases in the price of water resulting from a decrease in water sales due to unfavourable weather conditions.

NOTES TO THE FINANCIAL STATEMENTS

**Note 7**

**RECEIVABLES**

	Actual 2010		Actual 2009	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
Rates and Annual Charges	429		351	
User Charges & Fees	945		1,158	
Accrued Interest on Investments	40		1	
Government Grants & Subsidies	145		147	
Other	877		635	
<b>Total</b>	<b>2,436</b>		<b>2,292</b>	

Rates and Annual Charges

Annual charges are secured.

User Charges and Fees

User charges and fees are secured.

Government Grants

Government grants and subsidies have been guaranteed.

Private works

Private works have only been undertaken where a deposit has been received and the works are secured against those deposits.

NOTES TO THE FINANCIAL STATEMENTS

**Note 8**

**INVENTORIES AND OTHER ASSETS**

	Actual 2010		Actual 2009	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
<b>Inventories</b>				
- Stores and Materials	1,926		1,133	
	<u>1,926</u>		<u>1,133</u>	
<b>Other</b>				
Prepayments	252		46	
	<u>252</u>		<u>46</u>	

NOTES TO THE FINANCIAL STATEMENTS

**Note 9a**

**INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT**

	At 30/6/2009				MOVEMENTS DURING YEAR				At 30/6/2010			
	Fair Value	Fair Value	Accum Depn	Book Value	Asset Purchases	Asset Dispos	Depn	Fair Value	Fair Value	Fair Value	Accum Depn	Book Value
Plant & Equipment	15,373		10,141	5,232	2,060	437	1,041		16,985		11,182	5,803
Office Equipment/ Furniture	503		412	91	7		18		510		430	80
Buildings		4,088	480	3,608	190		113	117		4,395	593	3,802
Infrastructure - Water Supply Network		155,585	15,071	140,514	4,403		3,208	2,385		162,373	18,279	144,094
<b>TOTALS</b>	<b>15,876</b>	<b>159,673</b>	<b>26,104</b>	<b>149,445</b>	<b>6,660</b>	<b>437</b>	<b>4,380</b>	<b>2,502</b>	<b>17,495</b>	<b>166,768</b>	<b>30,484</b>	<b>153,779</b>

Additions to Buildings and Infrastructure are made up of Asset Renewals. Renewals are defined as replacements of existing assets with equivalent capacity or performance as opposed to the acquisition of new assets.

NOTES TO THE FINANCIAL STATEMENTS

**Note 10a**

**PAYABLES, INTEREST BEARING LIABILITIES AND PROVISIONS**

	Actual 2010		Actual 2009	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
<b>Payables</b>				
Goods and Services	241		674	
Accrued Expenses	223		190	
<b>TOTAL PAYABLES</b>	<b>464</b>		<b>864</b>	
<b>Provisions</b>				
Annual Leave	630		575	
Sick Leave	555		467	
Long Service Leave	638	1,630	572	1,621
<b>TOTAL PROVISIONS</b>	<b>1,823</b>	<b>1,630</b>	<b>1,614</b>	<b>1,621</b>

NOTES TO THE FINANCIAL STATEMENTS

**Note 11**

**RECONCILIATION OF CASH FLOWS MOVEMENTS**

		Actual 2010 \$'000	Actual 2009 \$'000
<b>a) Reconciliation of Cash</b>			
Total Cash and Cash Equivalents	6A	8,193	7,671
Balances as per statement of cash flows		8,193	7,671
<b>b) Reconciliation of Surplus/(Deficit) from Ordinary Activities to Cash from Operating Activities</b>			
Surplus/(deficit) from ordinary activities		2,579	3,963
Add: Depreciation and Impairment		5,480	4,107
Decrease in Receivables			
Increase in employee leave entitlements		218	270
Decrease in Inventories			147
Increase in payables			125
Decrease in other current assets			
Loss on Sale Assets		11	
		8,288	8,612
<b>Less:</b>			
Decrease in employee leave entitlements			
Increase in Receivables		144	463
Increase in Inventories		793	
Decrease in payables		400	
Increase in other current assets		206	
Profit on Sale Assets			90
<b>Net Cash provided by (or used in) operating activities</b>		<b>6,745</b>	<b>8,059</b>

NOTES TO THE FINANCIAL STATEMENTS

**Note 12**

**COMMITMENTS FOR EXPENDITURE**

	Actual 2010 \$'000	Actual 2009 \$'000
<b>CAPITAL COMMITMENTS</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:	NIL	NIL
These expenditures are payable as follows:		
Not later than one year	NIL	NIL
Later than one year and not later than 2 years		
Later than 2 years and not later than 5 years		
Later than 5 years	NIL	NIL

NOTES TO THE FINANCIAL STATEMENTS

**Note 13**

**STATEMENT OF PERFORMANCE MEASUREMENT  
FOR THE YEAR 2009/2010**

	Amounts	Current Yr Indicators	2009	2008
<b>1. UNRESTRICTED CURRENT RATIO</b>				
<b>Factors</b>				
<u>Current Assets less All External Restrictions</u>	\$12,807			
<u>Current Liabilities less Specific Purpose Liabilities</u>	\$ 2,287	Ratio 5.60:1	4.50:1	7.58:1
<b>2. DEBT SERVICE RATIO</b>				
<b>Factors</b>				
<i>Debt Service cost</i>				
Revenue from Continuing Operations excluding capital items and specific purpose grants/contributions	\$			
	\$			
<b>3. RATE COVERAGE RATIO</b>				
<b>Factors</b>				
<i>Rate &amp; Annual Charges</i>	\$ 2,588			
Revenue for Continuing Operations	\$18,879	13.71:1	0.14:1	0.14:1
<b>4. RATES &amp; ANNUAL CHARGES OUTSTANDING PERCENTAGE</b>				
<b>Factors</b>				
<i>Rates &amp; Annual Charges Outstanding</i>	\$ 429			
Rates & Annual Charges Collectable	\$2,939	14.60%	12.33%	9.78%
<b>5. BUILDING AND INFRASTRUCTURE RENEWALS RATIO</b>				
<i>Assets renewals (Building and Infrastructure)</i>	\$2,247			
Depreciation, amortisation & impairment (building and infrastructure)	\$3,321	0.68:1	0.91:1	0.57:1

NOTES TO THE FINANCIAL STATEMENTS

**Note 14**

**INVESTMENT PROPERTIES**

	Actual 2010 \$'000	Actual 2009 \$'000
<b>AT FAIR VALUE</b>		
Opening balance at 1 <sup>st</sup> July		
Acquisitions		
Capitalised subsequent expenditure		
Classified as held for sale or disposals		
Net gain (loss) from fair value adjustment		
Transfer (to) from inventories and owner occupied property		
<b>CLOSING BALANCE AT 30<sup>th</sup> JUNE</b>	NIL	NIL

NOTES TO THE FINANCIAL STATEMENTS

**Note 15**

**FINANCIAL RISK MANAGEMENT**

**Interest Rate Risk Exposures**

The Council's exposure to interest rate risk, and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below. Exposures arise predominantly from assets and liabilities bearing variable interest rates, which the Council intends to hold as fixed rate assets and liabilities to maturity.

	2010	Notes	Floating interest rate \$'000	Fixed interest maturing in: ≤ 1 year \$'000	> 1 year ≤ 5 years \$'000	> 5 years \$'000	Non- interest bearing \$'000	Total \$'000
<b>Financial Assets</b>								
Cash and Cash		6	5,693	2,500				8,193
Equivalents								
Receivables		7					2,436	2,436
<b>Total</b>			5,693	2,500			2,436	10,629
Weighted Ave. Interest Rate			4.66%	6.3%				
<b>Financial Liabilities</b>								
Bank overdraft & loans		11,10						
Bills Payable		10					464	464
<b>Total</b>							464	464
Weighted Ave. Interest Rate								
<b>Net Financial assets/(liabilities)</b>			5,693	2,500			1,972	10,165
	2009	Notes	Floating interest rate \$'000	Fixed interest maturing in: ≤ 1 year \$'000	> 1 year ≤ 5 years \$'000	> 5 years \$'000	Non- interest bearing \$'000	Total \$'000
<b>Financial Assets</b>								
Cash and Cash		6	5,671	2,000				7,671
Equivalents								
Receivables		7					2,292	2,292
<b>Total</b>			5,671	2,000			2,292	9,963
Weighted Ave. Interest Rate			6.64%	4.35%				
<b>Financial Liabilities</b>								
Bank overdraft & loans		11,10						
Bills Payable		10					864	864
<b>Total</b>							864	864
Weighted Ave. Interest Rate								
<b>Net Financial assets/(liabilities)</b>			5,671	2,000			1,428	9,099



NOTES TO THE FINANCIAL STATEMENTS

**Note 15 Continued**

**FINANCIAL RISK MANAGEMENT**

**Reconciliation of Net Financial Assets**

	Notes	2010 \$'000	2009 \$'000
Net financial assets from previous page		10,165	9,099
Non-financial assets and liabilities			
- Inventories	8	1,926	1,133
- Property, plant & equipment	9	153,779	149,445
- Other Assets	8	2,760	3,654
- Provisions	10	(3,453)	(3,235)
Net Assets per Statement of Financial Position		<u>165,177</u>	<u>160,096</u>

**Net fair value of Financial Assets**

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value.

The net fair value of other monetary assets and liabilities is based upon market prices, where a market exists, or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

Unlisted equity investments, the net fair value is an assessment by the Council based on the underlying net assets, future maintainable earnings and any special circumstances pertaining to a particular investment (refer also to note 6).

The carrying amounts of net fair values of financial assets and liabilities at balance date are as follows:

	Notes	2010		2009	
		Carrying Amount \$'000	Net Fair Value \$'000	Carrying Amount \$'000	Net Fair Value \$'000
<b>Financial Assets</b>					
Trade debtors	7	1,374	1,374	1,509	1,509
Other debtors	7	1,062	1,062	783	783
Unlisted investments	6	8,193	8,193	7,671	7,671
<b>Total</b>		<u>10,629</u>	<u>10,629</u>	<u>9,963</u>	<u>9,963</u>
<b>Financial Liabilities</b>					
Other loans	10				
Other liabilities	10	464	464	864	864
<b>Total</b>		<u>464</u>	<u>464</u>	<u>864</u>	<u>864</u>

NOTES TO THE FINANCIAL STATEMENTS

**Note 16**

**MATERIAL BUDGET VARIATIONS**

Council's original budget was incorporated as part of the Management Plan adopted by Council on 24th June 2009. The original projections on which the budget was based have been affected by climate conditions, interest rates and increase in capital expenditure.

This Note sets out the details of material variations between the original budget and actual results for the Operating Statement. Material favourable (F) and unfavourable (U) variances represent amounts of 10% or more of the budgeted amount, or of significant relevance.

**Revenues**

1. Interest Received

The actual amount of interest revenue received was over budget by some \$208 (F) (208%). This was due to increase in funds as a result of better than expected results.

2. Other revenues

Main variance of other revenues related to the connection fees received, due to increase in development minor variations in amounts received from Sundry Income, resulted in \$342 (F) (170%) over budget.

3. Grants & Contributions

Increase in Urban residential subdivision and an increase due to drought conditions of rural main extensions resulted in \$1,372 (F) (228%) over budget.

**Expenses**

1. Materials and Contracts

Increase in capital works resulted in \$772 (U) (41%) over budget.

2. Other Expenses

Due to increase in electricity costs and usage and maintenance on water mains resulted in \$499 (U) (27%) over budget.

NOTES TO THE FINANCIAL STATEMENTS

**Note 17**

**STATEMENT OF DEVELOPER CONTRIBUTIONS**

Contributions received during the year where for water mains extensions to supply residential subdivision and rural mains extensions.

Purpose	Opening Balance \$'000	Contributions received during year*		Interest earned during year \$'000	Expended During Year \$'000	Expended in Advance \$'000	Held as restricted asset** \$'000	Works Provided to date \$'000
		Cash \$'000	Non-Cash \$'000					
Water Supply	NIL	1,972						1,972
Total Contributions	NIL	1,972						1,972

NOTES TO THE FINANCIAL STATEMENTS

**Note 18**

**CONTINGENCIES**

There are no assets and liabilities not recognised in the Balance Sheet.

Council contributes to the Local Government Superannuation Scheme which has a closed section where a portion of member entitlements are defined as a multiple of salary. Member councils bear the responsibility of ensuring there are sufficient monies available to pay out benefits as these members cease employment. The Scheme has a deficit of assets over liabilities totalling \$290 million as at 30<sup>th</sup> June 2009. The scheme administrators have advised Council that it will need to make significantly higher contributions from 2009/2010 to help reverse this deficit. However, they may call upon Council to make an immediate payment sufficient to offset this deficit at any time. As the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils, the amount of such a payment is not able to be reliability quantified.

NOTES TO THE FINANCIAL STATEMENTS

**Note 19**

**INTERESTS IN JOINT VENTURES**

Council has no joint venture partnerships

NOTES TO THE FINANCIAL STATEMENTS

**Note 20**

**REVALUATION RESERVES AND RETAINED EARNINGS**

Notes	Actual 2010 \$'000	Actual 2009 \$'000
<b>(a) Revaluation reserves</b>		
Infrastructure, property, plant and equipment revaluation reserve	102,134	99,632
	<u>102,134</u>	<u>99,632</u>
Movements:		
Property, plant and equipment revaluation reserve		
At beginning of year	99,632	95,538
Revaluations	2,502	4,094
At end of year	<u>102,134</u>	<u>99,632</u>
<b>(b) Retained earnings</b>		
Movements in retained earnings were as follows:		
At beginning of year	60,464	56,501
Net operating result for the year	2,579	3,963
At end of year	<u>63,043</u>	<u>60,464</u>
<b>(c) Nature and purpose of reserves</b>		
<b>(i) Infrastructure, property, plant and equipment revaluation reserve</b>		
The infrastructure, property, plant and equipment revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.		

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 21**

**REINSTATEMENT, REHABILITATION AND RESTORATION LIABILITIES**

Council does not have any items of property, plant and equipment that requires obligations to “decommissioning, restoration or similar liabilities”

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 22**

**NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE**

Council has no non-current assets classified as held for sale.

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 23**

**EVENTS OCCURRING AFTER BALANCE SHEET DATE**

There are no events that have occurred after 30<sup>th</sup> June 2010 to be included in balance sheet as at 30<sup>th</sup> June 2010

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 24**

**DISCONTINUED OPERATION**

Council business is a continuing operation.

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 25**

**INTANGIBLE ASSETS**

	Notes	2010 \$'000	2009 \$'000
Water Licences		3,608	3,608
Less Provision for Impairment		(1,100)	
		<u>2,508</u>	<u>3,608</u>



**Special Purpose Financial Reports and Special Schedules  
for the year ending 30<sup>th</sup> June 2010**

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RIVERINA WATER COUNTY COUNCIL  
SPECIAL PURPOSE FINANCIAL REPORTS  
INDEPENDENT AUDITORS' REPORT



SCOPE

We have audited the special purpose financial reports of Riverina Water County Council for the year ended 30 June 2010, comprising the Statement by Councillors and Management, Income Statement of Water Supply Business Activity, Balance Sheet of Water Supply Business Activity, and accompanying Notes to the Accounts. The financial statements include the accounts of the business activities of the Council and the entities it controlled at the year's end or from time to time during the year. The Council is responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the Council.

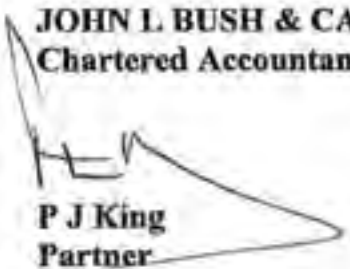
The special purpose financial reports have been prepared for distribution to the Council and the Department of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the Department of Local Government or for any purpose other than for which the report was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with those Australian Accounting Standards adopted and the Local Government Code of Accounting Practice and Financial Reporting so as to present a view which is consistent with our understanding of the business activities of the Council and their financial position and the result of their operations.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion, the Special Purpose Financial Reports of the Riverina Water County Council are presented fairly in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting.



**JOHN L BUSH & CAMPBELL**  
Chartered Accountants  
**P J King**  
Partner

13 August 2010

RIVERINA WATER COUNTY COUNCIL

STATEMENT BY COUNCILLORS AND MANAGEMENT

In accordance with a resolution of the members of Riverina Water County Council we declare on behalf of Riverina Water County Council that in our opinion:

1. The accompanying special purpose financial reports exhibit a true and fair view of the financial position of Riverina Water County Council declared business activity as at 30<sup>th</sup> June 2010.
2. The special purpose financial reports have been prepared in accordance with:
  - NSW Government Policy Statement "Application of National Competition Policy to Local Government",
  - Department of Local Government Guidelines "Pricing and Costing for Council Businesses; A guide to Competitive Neutrality",
  - The Local Government Code of Accounting Practice and Financial Reporting, and
  - The Department of Water and Energy Practice Management of Water Supply guidelines.
3. All information provided has been prepared in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting.

Further, we are not aware at this time of any circumstances which would render any particulars included in the special purpose financial reports to be misleading or inaccurate.

*Signed in accordance with a Resolution of Council  
dated 25th August 2010.*



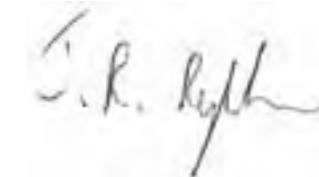
.....  
Clr. R. Kendall  
CHAIRPERSON  
25th August 2010



.....  
Mr. G.W. Pieper  
GENERAL MANAGER  
25th August 2010



.....  
Clr. J. McInerney  
DEPUTY CHAIRPERSON  
25th August 2010



.....  
Mr. J. Reynoldson  
FINANCE OFFICER  
25th August 2010

RIVERINA WATER COUNTY COUNCIL  
**INCOME STATEMENT OF WATER SUPPLY BUSINESS ACTIVITY**  
**FOR THE YEAR ENDED 30th JUNE 2010**

	Actual 2010 \$'000	Actual 2009 \$'000	Actual 2008 \$'000
<b>Income from continuing operations</b>			
Access charges	2,588	2,573	2,520
User charges	12,983	12,557	10,392
Fees			
Interest	308	547	720
Grants and contributions provided for non capital purposes	196	197	190
Profit from the sale of assets		90	11
Other income	832	984	811
<b>Total income from continuing operations</b>	<b>16,907</b>	<b>16,948</b>	<b>14,644</b>
<b>Expenses from continuing operations</b>			
Employee benefits and on-costs	5,828	5,405	4,992
Borrowing costs			
Materials and contracts	2,627	2,386	1,683
Depreciation and impairment	5,480	4,107	4,003
Water purchase charges	101	42	65
Loss on sale of assets	11		
Calculated taxation equivalents	23	23	25
Debt guarantee fee (if applicable)			
Other expenses	2,253	2,354	2,062
<b>Total expenses from continuing operations</b>	<b>16,323</b>	<b>14,317</b>	<b>12,830</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>584</b>	<b>2,631</b>	<b>1,814</b>
<b>Grants and contributions provided for capital purposes</b>	<b>1,972</b>	<b>1,309</b>	<b>2,747</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>2,556</b>	<b>3,940</b>	<b>4,561</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>2,556</b>	<b>3,940</b>	<b>4,561</b>
Less Corporate Taxation Equivalent (30%) [based on result before capital]	766	1,182	1,368
<b>Surplus (deficit) after tax</b>	<b>1,790</b>	<b>2,758</b>	<b>3,193</b>
<b>Opening retained profits</b>			
<b>Adjustments for amounts unpaid</b>			
Taxation equivalent payments			
Debt guarantee fees			
Corporate taxation equivalent	766	1,182	1,368
<b>Less:</b>			
- TER dividend paid			
- Surplus dividend paid			
<b>Closing retained profits</b>	<b>2,556</b>	<b>3,940</b>	<b>4,561</b>
Return on Capital %	1.0%	1.8%	1.3%
Subsidy from Council			
<b>Calculation of dividend payable:</b>			
Surplus (deficit) after tax	1,790	2,758	3,193
Less: Capital grants and contributions (excluding developer contributions)	1,972	1,309	2,747
Surplus for dividend calculation purposes	1,790	713	446
Dividend calculated from surplus	895	345	210

RIVERINA WATER COUNTY COUNCIL  
**BALANCE SHEET OF WATER SUPPLY BUSINESS ACTIVITY**  
**AS AT 30th JUNE 2010**

<b>WATER CATEGORY 1</b>			
	Notes	Actual 2010 \$'000	Actual 2009 \$'000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		8,193	7,671
Receivables		2,436	2,292
Inventories		1,926	1,133
Other		252	46
<b>TOTAL CURRENT ASSETS</b>		<b>12,807</b>	<b>11,142</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment		153,779	149,445
Intangibles		2,508	3,608
<b>TOTAL NON-CURRENT ASSETS</b>		<b>156,287</b>	<b>153,053</b>
<b>TOTAL ASSETS</b>		<b>169,094</b>	<b>164,195</b>
<b>CURRENT LIABILITIES</b>			
Bank overdraft			
Payables		464	864
Provisions		14,885	13,887
<b>TOTAL CURRENT LIABILITIES</b>		<b>15,349</b>	<b>14,751</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions		1,630	1,621
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,630</b>	<b>1,621</b>
<b>TOTAL LIABILITIES</b>		<b>16,979</b>	<b>16,372</b>
<b>NET ASSETS</b>		<b>152,115</b>	<b>147,823</b>
<b>EQUITY</b>			
Retained Profits		49,981	48,191
Asset Revaluation reserve		102,134	99,632
<b>TOTAL EQUITY</b>		<b>152,115</b>	<b>147,823</b>

**NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS**

**Note 1**

**SIGNIFICANT ACCOUNTING POLICIES**

These accounting policies are supplemental to the Policy Notes contained in the General Purpose Financial Report and only apply to the Special Purpose Financial Reports (SPFRs). A statement summarising the supplemental accounting policies adopted in the preparation of the SPFRs for National Competition Policy reporting purposes follows.

These financial statements are a Special Purpose Financial Report (SPFR) prepared for use by the Council and Department of Local Government. For the purposes of these statements, the Council is not a reporting entity.

This special purpose financial report, unless otherwise stated, has been prepared in accordance with applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act and Regulations, the Local Government Code of Accounting Practice and Financial Reporting and the Local Government Asset Accounting Manual.

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

**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 Department 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 Council is a Category 1 business.

**Monetary Amounts**

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of Note 2 (Water Supply Best Practice Management Disclosures A513). As required by the Department of Water and Energy, the amounts shown in Notes 2 are shown in whole dollars.

**(i) Taxation Equivalent Payments**

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all council nominated business activities and are reflected in the SPFRs as expenses. 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 Tax Rate	30 %
Land Tax	1.6 %

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax), must be paid from Water Supply and Sewerage Business activities. The payment of taxation equivalent charges, referred in the Best Practice Management of Water Supply and Sewerage Guides to as a "Dividend for Taxation equivalent", may be applied for any purpose allowed under the Local Government Act, 1993. Achievement of substantial compliance against the guidelines for Best Practice Management of Water Supply and Sewerage is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

**Income Tax**

An income tax equivalent has been applied on the profits of the business. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level (Operating Result 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 Operating Result before Capital Amounts has been achieved. Since the taxation equivalent is notional, that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the overall operations of the council.

Accordingly, there is no need for disclosure of internal charges in the General Purpose Financial Reports (GPFRs). The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations which may have occurred during the year.

**Local Government Rates & Charges**

A calculation of the equivalent rates and charges for all Category 1 businesses have been applied to all 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. 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. The debt guarantee fee represents the difference between the commercial and discount rate multiplied by the loan amount.

**(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. The overall subsidies from council is contained within the Operating Statement and is consistent with those subsidies disclosed in council's management plans.

**(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". The rates of return achieved from councils major business activities are paid to the council as owner of the business. The rate of return is calculated as follows:

$$\frac{\text{Operating Result before capital Amounts + Interest Expense}}{\text{Total Written Down Current Replacement Cost of P, P \& E}}$$

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return can be calculated for each of council's business activities from the Statement of Business Activities and Statement of Financial Position and is disclosed at the bottom of the Statement of Business Activities. The return on capital achieved for Council's business is 1% and is consistent with that required for "Long Term Sustainability".

**(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 50% of this surplus in any one year, or the number of water supply assessments at 30<sup>th</sup> June 2009 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 submitted to the Department of Water and Energy.

**NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS**

**Note 2**

**WATER SUPPLY BUSINESS BEST PRACTICE  
MANAGEMENT DISCLOSURE REQUIREMENTS**

<b>Calculation and Payment of Tax-Equivalents</b>		<b>\$</b>
(i) Calculated Tax- Equivalents		22,581
(ii) No. of assessments multiplied by \$3/assessment		89,424
(iii) Amounts payable for Tax-Equivalents (lesser of (i) and (ii))		22,581
(iv) Amounts paid for Tax-Equivalents		22,581
<b>Dividend from Surplus</b>		
(i) 50% of Surplus before Dividends <i>(Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines)</i>		895,000
(ii) No. of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment		871,659
(iii) Cumulative Surplus before Dividends for the 3 years to 30 <sup>th</sup> June 2008, less the cumulative Dividends Paid for the 2 years to 30 <sup>th</sup> June 2007		8,325,000
(iv) Maximum Dividend from Surplus (least of (i),(ii) and (iii))		895,000
(v) Dividend paid from Surplus		

Nil

<b>Required Outcomes for 6 Criteria</b>		<b>YES</b>
(1) Completion for Strategic Business Plan (including Financial Plan)		✘
(2) Pricing with full cost-recovery, without significant cross subsidies (Item 2(a) in Table 1 on page 18 of the Best Practice Guidelines)		✘
Complying charges (a) Residential (Item 2(b) in Table 1)		✘
(b) Non-residential (Item 2(b) in Table 1)		✘
DSP with Commercial Developer Charges (Item 2(e) in Table 1)		✘
(3) Sound Demand Management implemented		✘
(4) Sound Drought Management implemented		✘
(5) Complete performance Reporting Form by 15 <sup>th</sup> September each year		✘
(6) Integrated Water Cycle Management Strategy (by June 2010)		✘

<b>National Water Initiative (NWI) Financial Performance Indicators</b>		<b>%</b>	<b>\$'000</b>
NWI F1	Total Revenue (Water)		18,571
NWI F4	Residential Revenue from Usage Charges (Water)	80.1	
NWI F9	Written Down Replacement Cost of Fixed Assets		147,896
NWI F11	Operating Cost (OMA) (Water)		9,028
NWI F14	Capital Expenditure		6,660
NWI F17	Economic Real Rate of Return (Water)	3.36	
NWI F26	Capital Works Grants (Water)		11

**Special Schedules  
for the year ending 30<sup>th</sup> June 2010**

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RIVERINA WATER COUNTY COUNCIL

**SPECIAL SCHEDULE NO. 1**

**NET COST OF SERVICES  
For the year ended 30<sup>th</sup> June 2010**

(\$'000)

FUNCTION OR ACTIVITY	EXPENSES FROM CONTINUING OPERATIONS		INCOME FROM CONTINUING OPERATIONS		NET COST OF SERVICES	
	Expenses	Group totals	Revenues	Group totals	Net Cost	Group totals
<b>WATER SUPPLIES TOTALS – FUNCTIONS</b>						
<b>CAPITAL GRANTS CONTRIBUTIONS <sup>1</sup></b>						
<b>GENERAL PURPOSE REVENUES <sup>2</sup></b>	16,300	16,300	18,879	18,879	2,579	2,579
<b>CHANGE IN NET ASSETS RESULTING FROM OPERATIONS</b>	16,300	16,300	18,879	18,879	2,579	2,579

<sup>1</sup>Each function and activity should record the operating and expenses excluding any capital contributions.

All capital contributions are to be recorded in total for the Council

<sup>2</sup>General purpose Revenue consists of:

- Rates & Annual Charges (incl. Ex-gratia payments)
- Interest on Investments
- Interest on overdue rates and charges
- General Purpose Grants (Financial Assistance Grants & Pensioners' Rates Subsidies)



RIVERINA WATER COUNTY COUNCIL

SPECIAL SCHEDULE NO. 2(a)

**STATEMENT OF LONG-TERM DEBT (ALL PURPOSE)**  
For the year ended 30<sup>th</sup> June 2010

(\$'000)

Classification of Debt	Principal Outstanding at beginning of Year (1)			New Loans Raised during the year (2)	Debt Redemption during the Year (3)		Interest applicable for year	Principal Outstanding at end of Year		
	Current	Non-Current	Total		From Revenue	Sinking Funds		Current (4)	Non-Current (5)	Total
LOANS (By source)										
Treasury Corporation										
Other State Government										
Financial institutions										
Other										
<b>TOTAL LOANS</b>										
<b>TOTAL LONG TERM DEBT</b>			NIL							NIL

Exclude: Internal Loans

Refinancing of loans except for any additional borrowings

Please check that for each debt line category:

Principal outstanding (previous year) + New Loans Raised – Debt Redemption = Principal Outstanding (Current Year)

- (1) Show same values as reported on previous year's Special Schedule 5(1). If values are different, please provide reason for variation.
- (2) Values should agree with Proceeds from Loans and Other Borrowings shown on the Cash Flow Statement (Financing Activities).
- (3) Values should agree with Reduction of Loans and Other Liabilities shown in the Cash Flow Statement (Financing Activities).
- (4) Total should agree with Current Liabilities – Borrowings (Statement of Financial Position).
- (5) Total should agree with Non-Current Liabilities – Borrowings (Statement of Financial Position).

RIVERINA WATER COUNTY COUNCIL

SPECIAL SCHEDULE NO. 3

**INCOME STATEMENT**  
**(GROSS INCLUDING INTERNAL TRANSACTIONS)**  
for the year ended 30<sup>th</sup> June 2010

	2010 \$'000	2009 \$'000
<b>A. EXPENSES &amp; REVENUES</b>		
<b>Expenses</b>		
<b>Management</b>	1,929	1,747
- Administration	764	666
- Engineering & Supervision		
<b>Operation and Maintenance Expenses</b>		
<b>Mains</b>		
- Operation Expenses	124	108
- Maintenance Expenses	805	760
<b>Reservoirs</b>		
- Operation Expenses	124	109
- Maintenance Expenses	85	58
<b>Pumping Stations</b>		
- Operation Expenses (excl. energy costs)	498	436
- Energy Costs	1,962	1,842
- Maintenance Expenses	499	529
<b>Treatment</b>		
- Operation Expenses (excl. chemical costs)	388	340
- Chemical Costs	561	660
- Maintenance Expenses	110	96
<b>Other</b>		
- Operation Expenses	450	592
- Maintenance Expenses	628	604
- Purchase of Water	101	42
<b>Depreciation and Impairment</b>	3,321	3,325
- System Assets	1,059	782
- Plant and Equipment	1,100	
- Impairment		
<b>Miscellaneous</b>		
- Interest	1,792	1,598
- Other Expenses		
	<b>16,300</b>	<b>14,294</b>
<b>Total Expenses</b>		
<b>Revenues</b>		
<b>Rates &amp; Service Availability Charges</b>		
- Residential	2,274	2,259
- Commercial	254	254
- Other	60	60
<b>User Charges</b>		
- Sales of Water: Residential	9,151	8,723
- Sales of Water: Commercial	3,364	3,284
- Sales of Water: Other	471	553
<b>Interest Income</b>	308	547
<b>Other Revenue (includes Profit on Sale)</b>	829	1,071
<b>Grants</b>		

	<b>2010</b>	<b>2009</b>
	<b>\$'000</b>	<b>\$'000</b>
- Grants for Acquisition of Assets	11	
- Other Grants	196	197
Contributions		
- Developer Charges	1,961	1,309
<b>Total Revenues</b>	<b>18,879</b>	<b>18,257</b>
Operating Result	2,579	3,963
<u>Operating Result</u>		
(less Grants for Acquisition of Assets)	2,568	3,963

**B. CAPITAL TRANSACTIONS**

**Non-Operating Expenditure**

Acquisition of Fixed Assets		
- Subsidised Scheme		
- Other New System Assets	2,346	3,844
- Renewals	2,247	3,024
- Plant & Equipment	2,067	1,790
Repayment of Debt		
Loans		
<b>TOTALS</b>	<b>6,660</b>	<b>8,658</b>
Non-Operating Funds Employed		
Proceeds from Disposal of Assets	437	1,046
<b>TOTALS</b>	<b>437</b>	<b>1,046</b>

**C. RATES & CHARGES**

**(a) Urban**

1. Number of Assessments		
- Residential (occupied)	22,348	22,021
- Residential (unoccupied)	706	799
- Non-Residential (occupied)	1,655	1,639
- Non-Residential (unoccupied)		
2. User Charge		
If charge varies with usage, charges for various ranges:		
Up to 150 kls per quarter		
Over 150 kls per quarter	0.86c/kl	
Stepped Tariff	1.29c/kl	0.78c/kl

**(b) Non-Urban**

1. Number of Assessments		
- Residential (occupied)	5,052	5,041
- Residential (unoccupied)	615	618
- Non-Residential (occupied)	752	753
- Non-Residential (unoccupied)		
2. User Charge		
If charge varies with usage, specify charges for various ranges		
Up to 150 kls per quarter	0.95c/kl	
Over 150 kls per quarter	1.44c/kl	0.90c/kl
Non-Stepped Tariff		
3. Annual Water Allowance for Minimum Rate or Charge		
4. Does Council have a Land Value component in its charging for:		
- Residential	NO	NO
- Non-Residential	NO	NO
5. Typical Developer Charge	4	4
6. Number of ET's for which Developer Charges were received	354	699
7. Total Amount of Pensioner Rebates	337	332

RIVERINA WATER COUNTY COUNCIL

**SPECIAL SCHEDULE NO. 3 Continued**

**WATER SUPPLY – CROSS SUBSIDIES**  
for the year ended 30<sup>th</sup> June 2010

**D. BEST PRACTICE ANNUAL CHARGES & DEVELOPER CHARGES**

Yes	No	Amount \$
-----	----	--------------

**27. Annual Charges**

a. Does Council have best-practice water supply annual charges and usage charges\*?

	x	
--	---	--

If Yes, go to 28a.

If No, please report if Council has removed land value from access charges (ie rates)?.

\* Such charges for both residential customers and non-residential customers comply with section 3.2 of "Water Supply, Sewerage and Trade Waste Pricing Guidelines, Department of Land and Water Conservation, December, 2002. Such charges do not involve significant cross-subsidies.

Council has not used land values since 1994

b. Cross-subsidy **from** residential customers using less than allowance (page 25 of Guidelines)

c. Cross- subsidy **to** non-residential customers (page 24 of Guidelines)

d. Cross- subsidy **to** large connections in unmetered supplies (page 26 of Guidelines)

**28. Developer Charges**

a. Has Council completed a water supply Development Servicing\*\* Plan?

x		
---	--	--

b. Total cross-subsidy in water supply developer charges for 2007/08 (page 47 of Guidelines)

\$888 / ET

\*\* In accordance with page 9 of *Developer Charges Guidelines for Water Supply, Sewerage and Stormwater*, Department of Land & Water Conservation, December, 2002.

**29. Disclosure of Cross Subsidies**

\$888 / ET

**TOTAL OF CROSS SUBSIDIES** (27b + 27c + 27d + 28b)

# 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.

RIVERINA WATER COUNTY COUNCIL  
**NOTES TO THE SPECIAL SCHEDULES NO. 3**

**Administration\*** (item 1a of Special Schedules 3 and 5) comprises the following:

- Administration Staff
  - Salaries and Allowance
  - Traveling Expenses
  - Accrual of Leave Entitlements
  - Employment Overheads
- Meter Reading
- Bad and Doubtful Debts
- Other Administrative/Corporate Support Services

**Engineering and Supervision \*** (item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering Staff
  - Salaries and Allowance
  - Traveling Expenses
  - Accrual of Leave Entitlements
  - Employment Overheads
- Other Technical and Supervision Staff
  - Salaries and Allowance
  - Traveling Expenses
  - Accrual of Leave Entitlements
  - Employment Overheads

**Operation 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 capitalization principles and the distinction between capital and maintenance expenditure).

**Other Expenses** (item 4b of Special Schedules 3 and 5) include all expenses not recorded elsewhere.

**Residential Charges\*\*** (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all revenues from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b User Charges.

**Non-residential Charges\*\*** (items 6a, 7b of Special Schedules 3 and 5) include all revenues from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b User Charges.

**Other Revenues** (items 10 and 11 of Special Schedules 3 and 5 respectively) include all revenues not recorded elsewhere.

**Other Contributions** (items 12c and 13c of Special Schedules 3 and 5 respectively) include capital contributions for water supply or sewerage services received by Council under Section 565 of the Local Government Act.

\* 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).

\*\* To enable accurate reporting of **average residential bills**, it is essential for councils to accurately separate their residential (item 6) and non-residential (item 7) charges.

RIVERINA WATER COUNTY COUNCIL

**SPECIAL SCHEDULE NO. 4**

**WATER SUPPLY – NET ASSETS COMMITTED  
 (GROSS INCLUDING INTERNAL TRANSACTIONS)  
 AS AT 30<sup>th</sup> JUNE 2009**

	(\$'000)		
	<u>Current</u>	<u>Non-Current</u>	<u>Total</u>
<b>ASSETS</b>			
<i>Cash and Investments</i>	8,193		8,193
- Other			
<i>Receivables</i>			
- Specific Purpose Grants	145		145
- Rates and Availability Charges	1,374		1,374
- Other	917		917
<i>Inventories</i>	1,926		1,926
<i>Property, Plant and Equipment</i>			
- System Assets		147,896	147,896
- Plant & Equipment		5,883	5,883
<i>Other Assets</i>	252	2,508	2,760
<b>Total Assets</b>	<u>12,807</u>	<u>156,287</u>	<u>169,094</u>
<b>LIABILITIES</b>			
<i>Bank Overdraft</i>			
<i>Creditors</i>	464		464
<i>Borrowings</i>			
- Loans			
<i>Provisions</i>	1,823	1,630	3,453
<b>Total Liabilities</b>	<u>2,287</u>	<u>1,630</u>	<u>3,917</u>
<b>NET ASSETS COMMITTED</b>	<u>10,520</u>	<u>154,657</u>	<u>165,177</u>
<b>EQUITY</b>			
Accumulated Surplus	10,520	52,523	63,043
Asset Revaluation Reserve		102,134	102,134
<b>Total Equity</b>	<u>10,520</u>	<u>154,657</u>	<u>165,177</u>
<b>Notes to System Assets:</b>			
Current Replacement Cost of System Assets			253,380
Accumulated Current Cost Depreciation of system Assets			106,258
Written Down Current Cost of System Assets			147,896

RIVERINA WATER COUNTY COUNCIL  
SPECIAL SCHEDULE NO. 7

CONDITION OF PUBLIC WORKS  
AS AT 30<sup>th</sup> JUNE 2010

(\$'000)

Asset Class	Asset Category	Depreciation Rate (5)	Depreciation Expense	Cost	Valuation	Accumulated Depreciation	WDV	Asset Condition	Estimated cost to bring to satisfactory	Annual Maintenance Expense	Program Maintenance Works
		Per Note 1	Per Note 4	Per Note 9			Per Section 428(2d)				
									(i)	(ii)	(iii)
<b>Public Buildings</b>	Council Offices/Depots	2.5	113		3,915	113	3,802	S			
	Houses	2.5						S			
<b>Water</b>	Treatment Plants	1.3	354		19,765	354	19,411	S	475	110	56
	Bores	4						S	Included in Pumping Stations		
	Reservoirs	1	332		20,786	332	20,454	S	85	85	64
	Pipelines	2	2,253		95,497	2,253	93,244	S	6,333	805	620
	Pump Stations	1.3	269		11,254	269	10,985	S	499	499	525
<b>Total – Classes</b>	<b>Total – All Assets</b>		3,321		151,217	3,321	147,896		7,392	1,499	1,265

S = Satisfactory

SPECIAL SCHEDULE NO. 8

FINANCIAL PROJECTIONS

	2010 <sup>(1)</sup> \$m	2011 \$m	2012 \$m
<b>Recurrent budget</b>			
Income from continuing operations	19	18	
Expenses from continuing operations	15	16	
Operating result from continuing operations	4	2	
<b>Capital budget</b>			
New capital works <sup>(2)</sup>	3	3	
Funded by:			
– Loans			
– Asset sales			
– Reserves			
– Grants/Contributions	1	1	
– Recurrent revenue	2	2	
– Other			

Notes:

(1) From Income Statement

(2) New Capital Works are major non-current projects – new services, mains extensions

# CUSTOMER INFORMATION

## PAYMENT FACILITIES

**TELEPHONE** Australia Post Telephone Billpay

**BILLPAY** Please call **13 18 16** to pay your bill using your credit card, or register to pay using your savings or cheque account from your bank, building society or credit union. Please have your water account ready as you will be required to key in payment details. **Your Billpay code and reference number is located beside the Australia Post symbol on the front of your account.** This service is available 7 days a week, 24 hours per day. **(For the cost of a local call).**

**CREDIT CARDS** Ring the **13 18 16** number as listed above.

**TO PAY BY THE INTERNET** [www.postbillpay.com.au](http://www.postbillpay.com.au)  
(Access to this option is also available via Council's Internet site listed above).

**BPAY** Phone your participating Bank, Credit Union or Building Society to make this payment from your cheque, savings or credit card account. **Your Biller Code and Reference Number is located beside the BPAY symbol located on the front of your account.**

**MAIL** Send cheques to PO Box 456, Wagga Wagga with the "tear off payment slip". Keep the top portion of the account (with details of cheque etc.) for your record. No receipts will be issued unless the whole of the account is returned with the cheque.

**IN PERSON** Bring your account with you to pay at Australia Post Shops or Post Offices anywhere throughout Australia. Riverina Water County Council office at 91 Hammond Avenue, Wagga Wagga. **(Bring your account with you to pay at any of the above locations).**

# **EMERGENCY NUMBERS**

**ADMINISTRATIVE OFFICE, WATER DEPOT, WATERWORKS  
LOCATED ON SITE AT  
91 HAMMOND AVENUE, WAGGA WAGGA, NSW**

**GENERAL ENQUIRIES:** (02) 6922 0608

**SERVICE CENTRE:** (02) 6922 0608

**FAX:** (02) 6921 2241

**EMAIL:** [admin@rwcc.com.au](mailto:admin@rwcc.com.au)

**WEBSITE:** [www.rwcc.com.au](http://www.rwcc.com.au)

## **EMERGENCY**

Wagga Wagga (02) 6922 0608 All hours.  
The Rock  
Lockhart  
Uranquinty  
Urana/Oaklands  
Culcairn/Holbrook/Walla Walla