October 21, 2016

ORDINARY MEETING OF THE COUNCIL MEETING

TO BE HELD

WEDNESDAY, OCTOBER 26, 2016

SUPPLEMENTARY AGENDA NO. 1

ANDREW BRUGGY ACTING GENERAL MANAGER

FURTHER BUSINESS

1.	BROKEN HILL CITY COUNCIL REPORT NO. 225/16 - DATED OCTOBER	
	14, 2016 - PUBLIC PRESENTATION OF 2015/2016 FINANCIAL	
	STATEMENTS (13/92)	3
2.	BROKEN HILL CITY COUNCIL REPORT NO. 226/16 - DATED	
	SEPTEMBER 27, 2016 - ANNUAL REPORT 2015/2016 (15/144)	111

Ordinary Council 26 October 2016

ORDINARY MEETING OF THE COUNCIL

October 14, 2016

BROKEN HILL CITY COUNCIL REPORT NO. 225/16

SUBJECT: PUBLIC PRESENTATION OF 2015/2016 FINANCIAL

STATEMENTS

13/92

Recommendation

1. That Broken Hill City Council Report No. 225/16 dated October 14, 2016, be received.

2. That Council adopt the financial statements and authorise the presentation of the financial statements to the public.

Executive Summary:

Council has received the auditor's reports on the financial statements for the year ended 30 June 2016. Council is now required to adopt the financial statements and to authorise the presentation of the audited statements to the public.

Report:

Council's auditor, UHY Haines Norton, have completed the audit of Council's financial statements for the year ended 30 June 2016. The draft financial statements (prior to the audit) were submitted to Council on 31 August, 2016. The following immaterial changes were made to the draft Financial Statements following the audit:

Description	Draft Statements \$m	Final Statements \$m	Change \$m
Statement of Financial Position:			
Net decrease in Total Assets (Primarily I,PP&E)	257.748	255.751	-1.997
Net decrease in Total Liabilities (Relates to decrease in Current Payables)	16.400	13.997	2.403
Net increase in Equity	241.348	241.754	0.406
Income Statement:			
Net increase in income (Primarily Other Revenues)	36.825	37.217	0.392
Net decrease in expenses (Primarily Other Expenses)	30.624	30.610	0.014
Net increase in Net Operating Result After Grants and Contributions	2.664	3.070	0.406

Under Section 418 (1) of the *Local Government Act 1993*, Council is required to fix a date for the meeting at which it proposes to present its audited financial statements, including auditor's reports, to the public and give notice of the date of the meeting.

The date set for the public meeting is Wednesday, 26 October 2016, commencing at 6:30pm in the Council Chambers. Notification of this public meeting will be advertised in accordance with the requirements of Section 418 (1)(b) of the *Local Government Act 1993*. The public meeting will also be advertised on Council's website.

Ordinary Council 26 October 2016

Public submissions are invited in relation to the 2015/2016 Annual Financial Statements, with the closing date of Wednesday 2 November. Submissions made to Council will be reported to Council at the next available Council meeting.

The full version of the audited Annual Financial Statements including the Auditor's Reports is attached (Attachment 1) and will be available on Council's website following adoption of the recommendation. Limited numbers of hard copies will be available at the meeting and others will be made available on request.

Strategic Direction:

Key Direction 4: Our Leadership

Objective 4.1: Openness and Transparency in Decision Making

Action 4.1.1.13 Maintain good governance and best practice methods and ensure

compliance with various guidelines and legislation.

Relevant Legislation:

Local Government Act (1993)

Financial Implications:

The recommendation has no financial impact.

Attachments

1. Council of the City of Broken Hill - Financial Statements 2015-16 106 Pages

JAY NANKIVELL FINANCE MANAGER

ANDREW BRUGGY ACTING GENERAL MANAGER

COUNCIL OF THE CITY OF BROKEN HILL

GENERAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2016

"... is a vibrant, prosperous and culturally rich Heritage City shared with visitors from around the world."

BROKEN HILL

Council of the City of Broken Hill

General Purpose Financial Statements

for the year ended 30 June 2016

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Overview

- (i) These financial statements are General Purpose Financial Statements and cover the operations for Council of the City of Broken Hill.
- (ii) Council of the City of Broken Hill is a body politic of NSW, Australia being constituted as a local government area by proclamation and is duly empowered by the Local Government Act 1993 (LGA).

Council's Statutory Charter is detailed in Paragraph 8 of the LGA and includes giving Council;

- the ability to provide goods, services and facilities, and to carry out activities appropriate to the current and future needs of the local community and of the wider public,
- the responsibility for administering regulatory requirements under the LGA and
- a role in the management, improvement and development of the resources in the area.

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

- (iii) All figures presented in these financial statements are presented in Australian currency.
- (iv) These financial statements were authorised for issue by the Council on 17 October 2016. Council has the power to amend and reissue these financial statements.

Council of the City of Broken Hill

General Purpose Financial Statements for the year ended 30 June 2016

Understanding Council's financial statements

Introduction

Each year, individual local governments across New South Wales are required to present a set of audited financial statements to their council and community.

What you will find in the statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2016.

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

About the Councillor/Management Statement

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

About the primary financial statements

The financial statements incorporate five 'primary' financial statements:

1. The Income Statement

This statement summarises Council's financial performance for the year, listing all income and expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

This statement primarily records changes in the fair values of Council's infrastructure, property, plant and equipment.

3. The Statement of Financial Position

An end of year snapshot of Council's financial position indicating its assets, liabilities and equity ('net wealth').

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

Council's financial statements are required to be audited by external accountants (that generally specialise in local government). In NSW, the auditor provides 2 audit reports:

- An opinion on whether the financial statements present fairly the Council's financial performance and position, and
- Their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the financial statements?

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

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Council of the City of Broken Hill

General Purpose Financial Statements

for the year ended 30 June 2016

Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the Local Government Act 1993 (NSW) (as amended)

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

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

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

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

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

Signed in accordance with a resolution of Council made on 31 August 2016.

Wincen Cuy

General Manager

Jay Nankivell

Responsible Accounting Officer

Council of the City of Broken Hill

Income Statement

for the year ended 30 June 2016

Income from continuing operations Revenue: Rates and annual charges User charges and fees Interest and investment revenue Other revenues Grants and contributions provided for operating purposes Grants and contributions provided for capital purposes Other income: Net share of interests in joint ventures and associates using the equity method	3a 3b 3c 3d 3e,f 3e,f	16,386 3,401 899 2,535 10,459 3,537	16,129 3,717 434 335
Revenue: Rates and annual charges User charges and fees Interest and investment revenue Other revenues Grants and contributions provided for operating purposes Grants and contributions provided for capital purposes Other income: Net share of interests in joint ventures and	3b 3c 3d 3e,f	3,401 899 2,535 10,459	3,717 434 335
Rates and annual charges User charges and fees Interest and investment revenue Other revenues Grants and contributions provided for operating purposes Grants and contributions provided for capital purposes Other income: Net share of interests in joint ventures and	3b 3c 3d 3e,f	3,401 899 2,535 10,459	3,717 434 335
User charges and fees Interest and investment revenue Other revenues Grants and contributions provided for operating purposes Grants and contributions provided for capital purposes Other income: Net share of interests in joint ventures and	3b 3c 3d 3e,f	3,401 899 2,535 10,459	3,717 434 335
Interest and investment revenue Other revenues Grants and contributions provided for operating purposes Grants and contributions provided for capital purposes Other income: Net share of interests in joint ventures and	3c 3d 3e,f	899 2,535 10,459	434 335
Other revenues Grants and contributions provided for operating purposes Grants and contributions provided for capital purposes Other income: Net share of interests in joint ventures and	3d 3e,f	2,535 10,459	335
Grants and contributions provided for operating purposes Grants and contributions provided for capital purposes Other income: Net share of interests in joint ventures and	3e,f	10,459	
Grants and contributions provided for capital purposes Other income: Net share of interests in joint ventures and			
Other income: Net share of interests in joint ventures and	3e,f	3,537	9,496
Net share of interests in joint ventures and		•	521
•			
associates using the equity method			
	19		
Total income from continuing operations	_	37,217	30,632
Expenses from continuing operations			
	49	13 776	16,024
		,	416
			6.476
		-,	5,945
·		0,707	0,040
•		3 830	4,166
•		,	4,100
·	_		
	_		33,049
Operating result from continuing operations	_	6,607	(2,417)
Discontinued operations			
Net profit/(loss) from discontinued operations	24		
Net operating result for the year		6.607	(2,417)
,	_		
Net operating result attributable to Council		6,607	(2,417)
	Expenses from continuing operations Employee benefits and on-costs Borrowing costs Materials and contracts Depreciation and amortisation Impairment Other expenses Net losses from the disposal of assets Total expenses from continuing operations Operating result from continuing operations Discontinued operations Net profit/(loss) from discontinued operations Net operating result for the year	Expenses from continuing operations Employee benefits and on-costs Borrowing costs Materials and contracts Depreciation and amortisation Impairment Other expenses Net losses from the disposal of assets Total expenses from continuing operations Operating result from continuing operations Discontinued operations Net profit/(loss) from discontinued operations 24 Net operating result for the year	Expenses from continuing operations Employee benefits and on-costs Borrowing costs Materials and contracts Depreciation and amortisation Impairment Other expenses Net losses from the disposal of assets Total expenses from continuing operations Operating result from continuing operations Net profit/(loss) from discontinued operations Net operating result for the year Net operating result attributable to Council 13,776 4a 13,776 4b 428 Materials and contracts 4c 5,646 6,767 4d 6,767 154 7 154 7 154 7 154 7 154 7 154 7 154 7 154 7 154 154

¹ Original budget as approved by Council – refer Note 16

This statement should be read in conjunction with the accompanying notes.

Council of the City of Broken Hill

Statement of Comprehensive Income

for the year ended 30 June 2016

\$ '000	Notes	Actual 2016	Actual 2015
Net operating result for the year (as per Income Statement)		6,607	(2,417)
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating re	esult		
Gain (loss) on revaluation of I,PP&E	20b (ii)	568	(20,049)
Total items which will not be reclassified subsequently to the operating result		568	(20,049)
Total other comprehensive income for the year	-	568	(20,049)
Total comprehensive income for the year	-	7,175	(22,466)
Total comprehensive income attributable to Council Total comprehensive income attributable to non-controlling interests	_	7,175	(22,466)

This statement should be read in conjunction with the accompanying notes.

Council of the City of Broken Hill

Statement of Financial Position

as at 30 June 2016

\$ '000	Notes	Actual 2016	Actual 2015
<u> </u>			
ASSETS			
Current assets			
Cash and cash equivalents	6a	18,343	8,153
Investments	6b	_	2,500
Receivables	7	2,788	2,754
Inventories	8	77	86
Other	8	330	153
Non-current assets classified as 'held for sale'	22		
Total current assets	-	21,538	13,646
Non-current assets			
Investments	6b	_	_
Receivables	7	143	186
Inventories	8	_	_
Infrastructure, property, plant and equipment	9	234,070	236,286
Total non-current assets		234,213	236,472
TOTAL ASSETS		255,751	250,118
LIABILITIES			
Current liabilities			
Payables	10	2,440	3,217
Borrowings	10	731	615
Provisions	10	3,896	4,120
Total current liabilities		7,067	7,952
Non-current liabilities			
Payables	10	_	_
Borrowings	10	5,126	5,940
Provisions	10	1,804	1,647
Total non-current liabilities		6,930	7,587
TOTAL LIABILITIES		13,997	15,539
Net assets	-	241,754	234,579
EQUITY Retained a series as		404.000	444 400
Retained earnings	20	121,089	114,482
Revaluation reserves	20	120,665	120,097
Council equity interest		241,754	234,579
Non-controlling equity interests			
Total equity		241,754	234,579
	=		

This statement should be read in conjunction with the accompanying notes.

Council of the City of Broken Hill

Statement of Changes in Equity for the year ended 30 June 2016

					Non-	
		Retained	Reserves	Council	controlling	Total
\$ '000	Notes	earnings	(Refer 20b)	interest	Interest	equity
2016						
Opening balance (as per last year's audited accounts)		114,482	120,097	234,579	_	234,579
a. Correction of prior period errors	20 (c)	_	_	_	_	_
b. Changes in accounting policies (prior year effects)	20 (d)	_	_	_	_	_
Revised opening balance (as at 1/7/15)		114,482	120,097	234,579	-	234,579
c. Net operating result for the year		6,607	_	6,607	_	6,607
d. Other comprehensive income						
- Revaluations: IPP&E asset revaluation rsve	20b (ii)	_	568	568	_	568
Other comprehensive income		_	568	568	_	568
Total comprehensive income (c&d)		6,607	568	7,175	_	7,175
e. Distributions to/(contributions from) non-controlling Int	erests	_	_	_	_	_
f. Transfers between equity		_	_	_	_	
Equity – balance at end of the reporting pe	riod	121,089	120,665	241,754		241,754

					Non-	
		Retained	Reserves	Council	controlling	Total
\$ '000	Notes	Earnings	(Refer 20b)	Interest	Interest	Equity
2015						
Opening balance (as per last year's audited accounts)		116,731	140,314	257,045	_	257,045
 a. Correction of prior period errors 	20 (c)	168	(168)	_	_	_
b. Changes in accounting policies (prior year effects)	20 (d)	_	_	_	_	_
Revised opening balance (as at 1/7/14)		116,899	140,146	257,045	_	257,045
c. Net operating result for the year		(2,417)	_	(2,417)	_	(2,417)
d. Other comprehensive income						
 Revaluations: IPP&E asset revaluation rsve 	20b (ii)	_	(20,049)	(20,049)	_	(20,049)
Other comprehensive income		_	(20,049)	(20,049)	-	(20,049)
Total comprehensive income (c&d)		(2,417)	(20,049)	(22,466)	_	(22,466)
Distributions to//contributions from page controlling legistrians	torosto					
e. Distributions to/(contributions from) non-controlling In	terests	_	_	_	_	_
f. Transfers between equity						
Equity – balance at end of the reporting pe	eriod	114,482	120,097	234,579	_	234,579

This statement should be read in conjunction with the accompanying notes.

Council of the City of Broken Hill

Statement of Cash Flows

for the year ended 30 June 2016

2016	\$ '000 Notes	Actual 2016	Actual 2015
	Cash flows from operating activities		
	Cash flows from operating activities		
15,468	Receipts: Rates and annual charges	16,393	16,038
2,995	User charges and fees	3,495	4,371
2,993	Investment and interest revenue received	740	340
13,877	Grants and contributions	13,996	10,337
13,077		13,990	10,337
299	Bonds, deposits and retention amounts received Other	3,536	871
299	Payments:	3,330	071
(14,973)		(14 166)	(17,669)
	Employee benefits and on-costs	(14,166)	,
(5,737)	Materials and contracts	(6,792)	(6,100)
(459)	Borrowing costs	(362)	(355)
(4.444)	Bonds, deposits and retention amounts refunded	(21)	
(4,441)	Other	(4,611)	(5,037)
7,238	Net cash provided (or used in) operating activities	12,208	2,797
	Cash flows from investing activities		
	Receipts:		
_	Sale of investment securities	8,500	4,073
_	Sale of infrastructure, property, plant and equipment	138	82
_	Deferred debtors receipts	46	39
	Payments:	40	00
_	Purchase of investment securities	(5,729)	(4,123)
(8,308)	Purchase of infrastructure, property, plant and equipment	(4,275)	(2,203)
(8,308)	Net cash provided (or used in) investing activities	(1,320)	(2,132)
	Cash flows from financing activities		
	Receipts:		
1,300	Proceeds from borrowings and advances	_	1,000
	Payments:		
(823)	Repayment of borrowings and advances	(698)	(352)
477	Net cash flow provided (used in) financing activities	(698)	648
(593)	Net increase/(decrease) in cash and cash equivalents	10,190	1,313
3,555	Plus: cash and cash equivalents – beginning of year 11a	8,153	6,840
0.000	Cash and cash equivalents – end of the year 11a	18,343	8,153
Juni	Cash and cash equivalents – end of the year 11a	10,040	0,100
2,962			
2,962	Additional Information:		
2,962	Additional Information: plus: Investments on hand – end of year 6b	-	2,500

Please refer to Note 11 for additional cash flow information

This statement should be read in conjunction with the accompanying notes.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

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n/a - not applicable

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASBs), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

(a) Basis of preparation

(i) Background

These financial statements are general purpose financial statements, which have been prepared in accordance with:

- Australian Accounting Standards and Australian Accounting Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act (1993) and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

(ii) Compliance with International Financial Reporting Standards (IFRSs)

Because AASBs are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the not-forprofit sector (including local government) which are not in compliance with IFRSs, or
- (b) specifically exclude application by not-forprofit entities.

Accordingly, in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the Local Government Act (LGA), Regulation and Local Government Code of Accounting Practice and Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with AASBs.

(iii) New and amended standards adopted by Council

There have been no new accounting standards adopted in this year's financial statements which have had any material impact on reported financial position, performance or cash flows.

(iv) Early adoption of accounting standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2016.

For summary information relating to the effects of standards with future operative dates refer further to paragraph (ab).

(v) Basis of accounting

These financial statements have been prepared under the **historical cost convention** except for:

- (i) certain financial assets and liabilities at fair value through profit or loss and available-forsale financial assets, which are all valued at fair value
- (ii) the write down of any asset on the basis of impairment (if warranted), and
- (iii) certain classes of non-current assets (eg. infrastructure, property, plant and equipment and investment property) that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

(vi) Changes in accounting policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

There have also been no changes in accounting policies when compared with previous financial statements unless otherwise stated [refer Note 20 (d)].

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

(vii) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASBs).

Accordingly this requires management to exercise its judgement in the process of applying the Council's accounting policies.

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

- Estimated fair values of infrastructure, property, plant and equipment,
- (ii) Estimated remediation provisions.
- (iii) Estimated fair value of employee entitlements

Significant judgements in applying Council's accounting policies include the impairment of receivables — Council has made significant judgements about the impairment of a number of its receivables in Note 7.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to it, and specific criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the

type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

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

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets/contributed assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Revenue from contributions is recognised when the Council either obtains control of the contribution or the right to receive it, (i) it is probable that the economic benefits comprising the contribution will flow to the Council and (ii) the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3 (g).

Note 3 (g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of s94 of the EPA Act 1979.

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

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

A detailed note relating to developer contributions can be found at Note 17.

User charges, fees and other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

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

Sale of infrastructure, property, plant and equipment

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

Interest and rents

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

Interest income from cash and investments is accounted for using the effective interest rate at the date that interest is earned.

Dividend income

Revenue is recognised when the Council's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other Income

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

(c) Principles of consolidation

These consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

(i) The Consolidated Fund

In accordance with the provisions of section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's consolidated fund unless it is required to be held in the Council's trust fund.

The consolidated fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the consolidated fund:

General Purpose Operations

Due to their immaterial value and nature, the following Committees, Entities & Operations have been excluded from consolidation:

- Alma Oval Management Committee
- Bill Renfrew Sportsground Management Committee
- BIU Band Hall & Soccer Complex Management Committee
- ET Lamb Oval Management Committee
- Memorial Oval Management Committee
- Norm Fox Sporting Complex Management Committee
- Picton Oval Management Committee

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

(ii) The trust fund

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

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

Trust monies and property held by Council but not subject to the control of Council have been excluded from these statements.

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

Joint arrangements

Council has no interest in any joint arrangements.

Associates

Council has no interest in any associates.

County councils

Council is not a member of any county councils.

Unconsolidated structured entities

Council has no interest in any unconsolidated structured entities.

(d) Leases

All leases entered into by Council are reviewed and classified on inception date as either a finance lease or an operating lease.

Finance leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased

property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

(e) Cash and Cash Equivalents

For Statement of Cash Flows (and Statement of Financial Position) presentation purposes, cash and cash equivalents includes;

- cash on hand.
- deposits held at call with financial institutions,
- other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value, and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

incorporated into cash and cash equivalents for presentation of the Cash Flow Statement.

(f) Investments and other financial assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- financial assets at fair value through profit or loss.
- loans and receivables.
- held-to-maturity investments, and
- available-for-sale financial assets.

Each classification depends on the purpose or intention for which the investment was acquired and at the time it was acquired.

Management determines each investment classification at the time of initial recognition and reevaluates 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 include financial assets that are 'held for trading'.

A financial asset is classified in the 'held for trading' category if it is acquired principally for the purpose of selling in the short term.

Derivatives are classified as held for trading unless they are designated as hedges.

Assets in this category are primarily classified as current assets as they are primarily held for trading and/or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in

some cases ability) of selling the resulting receivable.

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

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

In contrast to the 'loans and receivables' classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in noncurrent 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 are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

Financial assets - reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term.

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

General accounting and measurement of financial instruments:

(i) Initial recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at 'fair value through profit or loss', directly attributable transactions costs.

Purchases and sales of investments are recognised on trade-date – the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

(ii) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value.

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

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as 'fair value through profit or loss' category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as 'available-for-sale' are recognised in equity in the available-for-sale investments revaluation reserve.

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

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

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

(iii) Types of investments

Council has an approved Investment Policy in order to invest in accordance with (and to comply with) section 625 of the *Local Government Act* and s212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its Investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (eg. managed funds, CDOs, and equity linked notes), however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

(g) Fair value estimation – financial instruments

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding rates and annual charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off in accordance with Council's policy.

A provision for impairment (i.e. an allowance account) relating to receivables is established when objective evidence shows that Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the Income Statement.

(i) Inventories

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

(ii) Inventory held for distribution

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

(iii) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made.

Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(j) Infrastructure, property, plant and equipment (I,PP&E)

Acquisition of assets

Council's non-current assets are continually revalued (over a 5-year period) in accordance with the fair valuation policy as mandated by the Office of Local Government.

At balance date, the following classes of I,PP&E were stated at their fair value:

- Investment Properties refer Note 1(p),
- Operational Land (External Valuation Valuer General effective July 2011)
- Community Land (External Valuation Valuer General effective July 2011)
- Buildings Specialised/Non Specialised (External Valuation by Scott Fullerton Valuations effective 30th June 2013)

Plant and Equipment

(as approximated by depreciated historical cost) Impaired accordingly, in accordance with Council's internal condition report.

- Roads Assets incl. roads, bridges & footpaths (External Valuation Australis on 30th June 2015 on Gross Current Replacement Value Basis)
- Drainage Assets (External Valuation Australis on 30th June 2015 on Gross Current Replacement Value Basis)
- Land Improvements

(as approximated by depreciated historical cost)

- Other Structures

(as approximated by depreciated historical cost)

Other Assets

(as approximated by depreciated historical cost)

Initial recognition

On initial recognition, an asset's cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (i.e. date of exchange) of the asset to arrive at fair value.

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date — being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Asset revaluations (including indexation)

In accounting for asset revaluations relating to infrastructure, property, plant and equipment:

- increases in the combined carrying amounts of asset classes arising on revaluation are credited to the asset revaluation reserve,
- to the extent that a net asset class increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss,
- net decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income Statement.

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water – Rates Reference Manual.

For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5-year cycle.

Capitalisation thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

Land

Motor Vehicles and Minor Plant Furniture and Fittings Parks and Recreation Grassed and Landscaped Areas Playground Units Segmentation of Buildings Other Structures Segmentation of Buildings - construction/extensions Transport Assets Road Assets Sealed Road Assets Sealed Road and Reserve Furniture Landscaping in Road Reserves Footpath Assets Kerb and Gutter Assets Carpark Assets Carpark Assets Prainage Assets Prigation and Bore Assets Fencing Other Assets Other Infrastructure Assets Swimming Pools > \$5,0 P\$5,0 P\$5,0 P\$5,0 P\$6,0 P\$7,0 P\$7,	100% Capitalise
Motor Vehicles and Minor Plant	Major Plant > \$5,000
Parks and Recreation Grassed and Landscaped Areas > \$5,0 Playground Units > \$5,0 Buildings and Other Structures Segmentation of Buildings > \$5,0 Other Structures	
Grassed and Landscaped Areas > \$5,0 Playground Units > \$5,0 Buildings and Other Structures Segmentation of Buildings > \$5,0 Other Structures > \$5,0 Building - construction/extensions	> \$5,000
Playground Units > \$5,0 Buildings and Other Structures Segmentation of Buildings > \$5,0 Other Structures	
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Swimming Pools > \$5,	> \$5,000
Swimming Pools > \$5,	
One Open Space/Necreational Assets 793,	
Other Infrastructure > \$5,	> \$5,000

Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight-line method in order to allocate an asset's

to be determined

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

cost (net of residual values) over its estimated useful

Land is not depreciated.

Transportation Assets

Estimated useful lives for Council's I,PP & E include:

Plant and Equipment - Earthmoving and Other Major Plant - Motor Vehicles - Minor Plant - Furniture and Fittings	5 – 20 years 5 – 10 years 2 – 20 years 2 – 20 years
Parks and Recreation - Grassed and Landscaped Area - Playground Units	5 years 5 – 10 years

Segmentation of Buildings	
- Roof	20 – 60 years
- Fire Services	20 – 40 years
- Transportation Services	20 – 40 years
- Mechanical Services	20 - 40 years
- Floor Coverings	20 - 40 years
- Structural Shell	50 - 150 years
- Other Structures	10 - 100 years

Sealed SurfacesSealed PavementsRoad and Reserve FurnitureLandscaping in Road Reserves	15 – 25 years 40 – 80 years 5 – 50 years 5 years
Footpath Assets - Paved Surfaces - Unsealed Surfaces	20 – 50 years 7 – 10 years
Kerb and Gutter Assets - Kerb and Gutter - Dish Crossing	40 – 80 years 80 years

Carpark Assets - Sealed Surfaces - Sealed Pavements	15 – 25 years 40 – 80 years
- Unsealed Pavements	7 – 10 years

Drainage Assets	
- Pipe Length	80 - 100 years
- Pit/Access Point	30 years
- Drainage Structure	50 years
- Lined and Unlined Open Drains	80 years

- Dams/Retention Basins - Pumps/Bores	80 – 120 years 20 – 40 years
- Pipelines- Facilities and Other Structures	80 – 100 years 10 years
Other Assets	
 Irrigation and Bore Assets 	10 – 30 years
- Fence	20 – 30 years

All asset residual values and useful lives are reviewed and adjusted (if appropriate) at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount - refer Note 1 (s) on asset impairment.

Disposal and derecognition

- Other Assets

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

(k) Land

Land (other than land under roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either operational or community.

This classification of land is disclosed in Note 9 (a).

(I) Land under roads

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

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

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

(m) Intangible assets

Council has not classified any assets as intangible.

(n) Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council.

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

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

Representations are currently being sought across state and local government to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

(o) Rural fire service assets

Under section 119 of the Rural Fires Act 1997, 'all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed'.

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to exclude the assets, their values and depreciation charges from these financial statements.

(p) Investment property

Investment property comprises land and/or buildings that are principally held for long-term rental yields, capital gains or both, that is not occupied by Council.

Investment property is carried at fair value, representing an open-market value determined annually by external valuers.

Annual changes in the fair value of investment properties are recorded in the Income Statement as part of 'other income'.

Full revaluations are carried out every year.

(q) Provisions for close down, restoration and for environmental clean-up costs – including tips and quarries

Close down, restoration and remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations that are expected to arise from future disturbance.

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, restoration and remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the Income Statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4 (b).

Other movements in the provisions for close down, restoration and remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.

These costs are then depreciated over the lives of the assets to which they relate.

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

Provision is made for the estimated present value of the costs of environmental clean-up obligations outstanding at the balance sheet date.

These costs are charged to the Income Statement.

Movements in the environmental clean-up provisions are presented as an operating cost, except for the unwind of the discount, which is shown as a borrowing cost.

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

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example, in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Specific information about Council's provisions relating to close down, restoration and remediation costs can be found at Note 26.

(r) Non-current assets (or disposal groups) 'held for sale' and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles, which are turned over on a regular basis. Plant and motor vehicles are retained in non-current assets under the classification of infrastructure, property, plant and equipment – unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June

For any assets or disposal groups classified as noncurrent assets 'held for sale', an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets 'held for sale' are not depreciated or amortised while they are classified as 'held for sale'.

Non-current assets classified as 'held for sale' are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of Council that has been disposed of or is classified as 'held for sale' and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the Income Statement.

(s) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where an asset is not held principally for cashgenerating purposes (for example infrastructure assets) and would be replaced if the Council was deprived of it, then depreciated replacement cost is used as value in use, otherwise value in use is estimated by using a discounted cash flow model.

Non-financial assets (other than goodwill) that suffered a prior period impairment are reviewed for possible reversal of the impairment at each reporting date.

Goodwill and other intangible assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

(t) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year that are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

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

(v) Borrowing costs

Borrowing costs are expensed

(w) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events,
- it is more likely than not that an outflow of resources will be required to settle the obligation,
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision due to the passage of time is recognised as interest expense.

(x) Employee benefits

(i) Short-term obligations

Short-term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave expected to be wholly settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

All other short-term employee benefit obligations are presented as payables.

Liabilities for non-vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages and salaries, annual leave and vesting sick leave are all classified as current liabilities.

(ii) Other long-term obligations

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be wholly settled within the 12 months after the reporting

period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how long service leave can be taken, all long service leave for employees with 4 or more years of service has been classified as current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death.

Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels,

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the 'Local Government Superannuation Scheme – Pool B'.

This scheme has been deemed to be a 'multiemployer fund' for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

However the position is monitored annually and the actuary has estimated that as at 30 June 2016 the prior period deficit still exists.

Effective from 1 July 2009, employers are required to contribute additional contributions to assist in extinguishing this deficit.

Council's share of that deficiency cannot be accurately calculated as the scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the scheme require immediate payment to correct the deficiency.

Defined contribution plans

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

(iv) Employee benefit on-costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation and workers compensation expenses which will be payable upon the future payment of certain leave liabilities accrued as at 30/06/16.

(y) Self-insurance

Council does not self-insure.

(z) Allocation between current and non-current assets and liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if it is not expected to be settled within the next 12 months.

In the case of inventories that are 'held for trading', these are also classified as current even if not expected to be realised in the next 12 months.

(aa) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does, however, have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Goods and Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Cash Flow Statement are on a gross basis, i.e. they are inclusive of GST where applicable.

Investing and financing cash flows are treated on a net basis (where recoverable from the ATO), i.e. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows that are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

(ab) New accounting standards and Interpretations issued (not yet effective)

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2016

Council has not adopted any of these standards early.

Apart from the AASB disclosures below, there are no other standards that are 'not yet effective' that are expected to have a material impact on Council in the current or future reporting periods and on foreseeable future transactions.

Council's assessment of the impact of upcoming new standards and interpretations that are likely to have an effect are set out below.

AASB 9 - Financial Instruments

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement and has an effective date for reporting periods beginning on or after 1 January 2018 (and must be applied retrospectively).

The overriding impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets and financial liabilities.

These requirements are designed to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories:

- fair value, and
- amortised cost (where financial assets will only be able to be measured at amortised cost when very specific conditions are met).

Council is yet to undertake a detailed assessment of the impact of AASB 9.

AASB 15 – Revenue from Contracts with Customers and associated amending standards

AASB 15 will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.

AASB 15 will introduce a 5-step process for revenue recognition with the core principle of the new standard being that entities recognise revenue so as to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

The changes in revenue recognition requirements in AASB 15 may cause changes to accounting policies relating to the timing and amount of revenue recorded in the financial statements, as well as additional disclosures.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2018.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Council is yet to undertake a detailed assessment of the impact of AASB 15.

AASB ED 260 Income of Not-for-Profit Entities

The AASB previously issued exposure draft AASB ED 260 on Income of Not-for-Profit Entities in April 2015

The exposure draft proposed specific not-for-profit entity requirements and guidance when applying the principles of AASB 15 to income from certain transactions.

Much of the material in AASB 1004 is expected to be replaced by material included in AASB ED 260.

Specific revenue items that may considerably change are Grants and Contributions.

The most likely financial statement impact is the deferred recognition of Grants and Contributions (i.e. recognition as unearned revenue [liability]) until Council has met the associated performance obligation/s relating to the Grants or Contribution.

At this stage there is no specific date of release for a standard or a date of applicability.

AASB16 - Leases

AASB 116 Leases replaces AASB 117 Leases and some associated lease-related Interpretations.

AASB 16 introduces a single lease accounting model (for lessees) that will require all leases to be accounted for on the balance sheet (ie. recognition of both a right-of-use asset and a corresponding lease) for all leases with a term of more than 12 months unless the underlying assets are determined to be of 'low value'. There will also be detailed disclosure requirements for all lessees.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2019.

Council is yet to undertake a detailed assessment of the accounting impacts from AASB 16. However, based on preliminary assessments, impacts from the first time adoption of the standard are likely to include:

- a significant increase in lease assets and financial liabilities recognised on the balance sheet
- a reduction in reported equity as the carrying amount of lease assets will reduce more quickly than the carrying amount of lease liabilities,
- lower operating cash outflows and higher financing cash flows in the statement of cash flows as principal repayments on all lease liabilities will now be included in financing activities rather than operating activities.

AASB2015-6 – Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities

From 1 July 2016, AASB 124 Related Party Disclosures will apply to Council.

This means that Council will be required to disclose information about related parties and Council transactions with those related parties.

Related parties will more than likely include the Mayor, Councillors and certain Council staff. In addition, the close family members of those people and any organisations that they control or are associated with will be classified as related parties (and fall under the related party reporting requirements).

(ac) Rounding of amounts

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

(ad) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(ae) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Broken Hill City Council

Public Presentation of 2015/2016 Financial Statements

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

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

\$ '000	Income, expenses and assets have been directly attributed to the following functions/activities.												
Functions/activities		from cont	•	Expense	etails of the es from cor operations	ntinuing	Ons/activities are provided in Note 2(b) Operating result from continuing operations			Grants included in income from continuing operations		Total assets held (current & non- current)	
	Original			Original			Original						
	budget	Actual	Actual	budget	Actual	Actual	budget	Actual	Actual	Actual	Actual	Actual	Actual
	2016	2016	2015	2016	2016	2015	2016	2016	2015	2016	2015	2016	2015
Governance	_	-	_	1,331	1,012	809	(1,331)	(1,012)	(809)	_	94	4,967	6,756
Administration	72	554	264	6,252	5,374	8,495	(6,180)	(4,820)	(8,231)	_	_	11,073	10,745
Public order and safety	78	73	82	1,357	898	723	(1,279)	(825)	(641)	471	14	775	752
Health	27	23	23	232	131	211	(205)	(108)	(188)	_	_	520	504
Environment	3,606	3,366	3,158	4,454	3,069	2,613	(848)	297	545	1,360	109	91	88
Community services and education	5,932	5,562	3,835	4,791	4,384	4,739	1,141	1,178	(904)	3,537	3,509	14,800	14,363
Housing and community amenities	626	575	576	993	1,062	909	(367)	(487)	(333)	103	_	4,742	4,601
Recreation and culture	552	957	746	7,349	5,755	7,235	(6,797)	(4,798)	(6,489)	711	544	62,405	60,558
Transport and communication	2,344	2,327	1,523	2,223	5,583	4,545	121	(3,256)	(3,022)	1,010	304	152,973	148,447
Economic affairs	844	4,312	1,541	3,530	3,342	2,770	(2,686)	970	(1,229)	1,734	14	3,405	3,304
Total functions and activities	14,081	17,749	11,748	32,512	30,610	33,049	(18,431)	(12,861)	(21,301)	8,926	4,588	255,751	250,118
Share of gains/(losses) in associates													
and joint ventures (using the equity method)	_	_	_	_	_	_	-	_	_	_	-	_	_
General purpose income 1	20,298	19,468	18,884	_	_	_	20,298	19,468	18,884	4,722	4,799	_	-
Operating result from													
continuing operations	34,379	37,217	30,632	32,512	30,610	33,049	1,867	6,607	(2,417)	13,648	9,387	255,751	250,118

^{1.} Includes: rates and annual charges (incl. ex-gratia), untied general purpose grants and unrestricted interest and investment income.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

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

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

GOVERNANCE

Costs relating to the Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance.

ADMINISTRATION

Corporate Support and Other Support Services (not otherwise attributed to the listed functions / activities).

PUBLIC ORDER AND SAFETY

Fire protection, animal control, beach control, enforcement of local government regulations, emergency services, other.

HEALTH

Inspection, immunisations, food control, health centres, other, administration.

ENVIRONMENT

Noxious plants and insect/vermin control, other environmental protection, solid waste management, street cleaning, drainage, stormwater management.

COMMUNITY SERVICES AND EDUCATION

Administration, family day care, child care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

HOUSING AND COMMUNITY AMENITIES

Housing, town planning, street lighting, other sanitation and garbage, public cemeteries, public conveniences, other community amenities.

RECREATION AND CULTURE

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

TRANSPORT AND COMMUNICATION

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RMS works, other.

ECONOMIC AFFAIRS

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, saleyards and markets, real estate development, commercial nurseries, other business undertakings.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 3. Income from continuing operations

		Actual	Actual
\$ '000	Notes	2016	2015
(a) Rates and annual charges			
Ordinary rates			
Residential		8,154	7,964
Farmland		20	12
Mining		2,455	2,540
Business		3,320	3,232
Less: rates levied on Council properties		(93)	(87)
Total ordinary rates	_	13,856	13,661
Special rates			
Nil			
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic waste management services		2,530	2,468
Total annual charges	_	2,530	2,468
TOTAL RATES AND ANNUAL CHARGES	_	16,386	16,129
	_		

 $Council\ has\ used\ 2013\ year\ valuations\ provided\ by\ the\ NSW\ Valuer\ General\ in\ calculating\ its\ rates.$

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 3. Income from continuing operations (continued)

\$ '000	Notes	Actual 2016	Actual 2015
(b) User charges and fees			
Specific user charges (per s.502 – specific 'actual use' charges)			
Waste management services (non-domestic)		709	591
Total user charges		709	591
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Animal control		50	22
Inspection services		54	53
Private works – section 67		349	879
Regulatory/ statutory fees		145	146
Section 149 certificates (EPA Act)		82	80
Section 603 certificates		29	30
Other		153	48
Total fees and charges – statutory/regulatory		862	1,258
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Airport		646	743
Art gallery		48	51
Burial fees		196	194
Community development		_	38
Community services and aged care fees		149	206
Film studio		3	2
Land development		65	53
Living desert fees		149	120
Museum		36	39
Public halls		69	83
Royalties		58	78
Swimming centre / pool		89	12
Tourism and area promotion		197	203
Waste disposal tipping fees		101	_
Other		24	46
Total fees and charges – other		1,830	1,868
TOTAL USER CHARGES AND FEES	_	3,401	3,717

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 3. Income from continuing operations (continued)

\$ '000 Notes	Actual 2016	Actual 2015
(c) Interest and investment revenue (including losses)		
Interest		
Interest on overdue rates and annual charges (incl. special purpose rates)	173	159
Interest earned on investments (interest and coupon payment income)	455	232
Fair value adjustments	.00	
 Fair valuation movements in investments (at fair value or held for trading) 	271	43
TOTAL INTEREST AND INVESTMENT REVENUE	899	434
Interest revenue is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	173	159
General Council cash and investments	717	265
Restricted investments/funds – external:		
Development contributions		
- Section 94	9	10
Total interest and investment revenue recognised	899	434
(d) Other revenues		
Legal fees recovery – rates and charges (extra charges)	118	_
Commissions and agency fees	54	34
Diesel rebate	20	15
Insurance claim recoveries	35	_
Sales – general	81	53
Sundry income	447	233
Sale - Shorty O'Neil Bed Licences	1,780	
TOTAL OTHER REVENUE	2,535	335

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 3. Income from continuing operations (continued)

	2016	2015	2016	2015
\$ '000	Operating	Operating	Capital	Capital
(e) Grants				
General purpose (untied)				
Financial assistance – general component	3,890	4,055	_	-
Financial assistance – local roads component	481	487	_	-
Pensioners' rates subsidies – general component	351_	257_		_
Total general purpose	4,722	4,799		
Specific purpose				
Pensioners' rates subsidies:				
 Domestic waste management 	1	94	_	_
Aged care	3,537	3,509	_	_
Animal control	_	14	_	_
Art gallery	112	46	_	_
Economic development	20	10	2,183	_
Environmental protection	_	_	1,159	225
Heritage and cultural	23	61	_	_
Library	171	166	_	_
Living desert	_	_	2	_
Noxious weeds	7	8	_	-
Parks and reserves and horticulture	405	42	_	-
Recreation and culture	_	4	_	_
Street lighting	103	101	_	_
Transport (roads to recovery)	655	300	_	_
Transport (other roads and bridges funding)	355	4	_	_
Waste site	_	_	193	_
Other	_	4	_	_
Total specific purpose	5,389	4,363	3,537	225
Total grants	10,111	9,162	3,537	225
Grant revenue is attributable to:				
 Commonwealth funding 	5,810	6,150	_	_
- State funding	4,301	3,011	1,825	225
- Other funding	_	1	1,712	_
-	10,111	9,162	3,537	225

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 3. Income from continuing operations (continued)

\$ '000	2016 Operating	2015 Operating	2016 Capital	2015 Capital
(f) Contributions				
Developer contributions:				
(s93 & s94 - EP&A Act, s64 of the LGA):				
S 94A – fixed development consent levies	38	39		_
Total developer contributions 17	38	39		_
Other contributions:				
Aged and disabled services	82	66	_	_
Heritage/cultural	1	_	_	_
Recreation and culture	32	31	_	_
RMS contributions (regional roads, block grant)	153	181	_	296
Tourism	34	15	_	_
Other	8	2		_
Total other contributions	310	295	_	296
Total contributions	348	334		296
TOTAL GRANTS AND CONTRIBUTIONS	10,459	9,496	3,537	521

\$ '000	2016	2015
(g) Restrictions relating to grants and contributions		
Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:		
Unexpended at the close of the previous reporting period	1,000	1,410
Add: grants and contributions recognised in the current period but not yet spent:	3,879	373
Less: grants and contributions recognised in a previous reporting period now spent:	(374)	(783)
Net increase (decrease) in restricted assets during the period	3,505	(410)
Unexpended and held as restricted assets	4,505	1,000
Comprising:		
Specific purpose unexpended grants	4,030	572
 Developer contributions 	475	428
	4,505	1,000

page 33

Actual

Actual

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 4. Expenses from continuing operations

(a) Employee benefits and on-costs Salaries and wages 9,521 9,703 Employee termination costs (where material – other than vested leave paid) - 2,271 Travel expenses 135 139 Employee leave entitlements (ELE) 2,521 2,473 Superannuation 1,406 1,474 Workers' compensation insurance 2772 185 Fringe benefit tax (FET) 1(18) 257 Training costs (other than salaries and wages) 195 154 Other 59 46 Total employee costs 1,4091 16,470 Less: capitalised costs (315) (446) TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs (i) Interest bearing liability costs Interest to n loans 362 354 Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs Discount adjustments relating to movements in provisions (other than ELE) - Remediation liabilities 28 66 62 Total other borrowing costs (c) Materials and consumables 1,926 2,469 Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses:	\$ '000 Note:	Actual 2016	Actual 2015
Employee termination costs (where material – other than vested leave paid) — 2,271 Travel expenses 135 139 Employee leave entitlements (ELE) 2,521 2,473 Superannuation 1,406 1,474 Workers' compensation insurance 272 185 Fringe benefit tax (FBT) (18) 25 Training costs (other than salaries and wages) 195 154 Other 59 46 Total employee costs (315) (446) Less: capitalised costs (315) (446) TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs (i) Interest bearing liability costs 362 354 Total interest bearing liability costs expensed 362 354 Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs 66 62 Discount adjustments relating to movements in provisions (other than ELE) 26 66 62 Tota	(a) Employee benefits and on-costs		
Travel expenses 135 139 Employee leave entitlements (ELE) 2,521 2,473 Superannuation 1,406 1,474 Workers' compensation insurance 272 185 Fringe benefit tax (FBT) (18) 25 Training costs (other than salaries and wages) 195 154 Other 59 46 Total employee costs 14,091 16,470 Less: capitalised costs (315) (446) TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs Interest bearing liability costs Interest bearing liability costs expensed 362 354 (ii) Other borrowing costs Special S	Salaries and wages	9,521	9,703
Employee leave entitlements (ELE) 2,521 2,473 Superannuation 1,406 1,474 Workers' compensation insurance 272 185 Fringe benefit tax (FBT) (18) 25 Training costs (other than salaries and wages) 195 154 Other 59 46 Total employee costs (14,091) 16,470 Less: capitalised costs (315) (446) TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs Interest bearing liability costs Interest bearing liability costs Interest bearing liability costs Interest bearing liability costs expensed 362 354 (ii) Other borrowing costs Costs Discount adjustments relating to movements in provisions (other than ELE) - Remediation liabilities - Remediation liabilities 26 66 62 Total other borrowing costs 26 66 62 TOTAL BORROWING COSTS EXPENSED <td>Employee termination costs (where material – other than vested leave paid)</td> <td>_</td> <td>2,271</td>	Employee termination costs (where material – other than vested leave paid)	_	2,271
Superannuation 1,406 1,474 Workers' compensation insurance 272 185 Fringe benefit tax (FBT) (18) 25 Training costs (other than salaries and wages) 195 154 Other 59 46 Total employee costs 14,091 16,470 Less: capitalised costs (315) (446) TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs (i) Interest bearing liability costs Interest on loans 362 354 Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs Discount adjustments relating to movements in provisions (other than ELE) 66 62 Total other borrowing costs 66 62 Total other borrowing costs 66 62 Total other borrowing costs 9 428 416 (c) Materials and contracts 1,926 2,469 Contractor and consultancy costs <td< td=""><td>Travel expenses</td><td>135</td><td>139</td></td<>	Travel expenses	135	139
Workers' compensation insurance 272 185 Fringe benefit tax (FET) (18) 25 Training costs (other than salaries and wages) 195 154 Other 59 46 Total employee costs 14,091 16,470 Less: capitalised costs (315) (446) TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs (ii) Interest bearing liability costs Interest on loans 362 354 Total interest bearing liability costs expensed 362 354 (iii) Other borrowing costs 5 66 62 Discount adjustments relating to movements in provisions (other than ELE) 8 66 62 - Remediation liabilities 28 66 62 Total other borrowing costs 66 62 Total other borrowing costs 66 62 Total other borrowing costs 3 330 3,792 Auditors remuneration (1) 74	Employee leave entitlements (ELE)	2,521	2,473
Fringe benefit tax (FBT) (18) 25 Training costs (other than salaries and wages) 195 154 Other 59 46 Total employee costs 14,091 16,770 Less: capitalised costs (315) (446) TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs (i) Interest bearing liability costs Interest on loans 362 354 Total interest bearing liabilities costs 362 354 (ii) Other borrowing costs Discount adjustments relating to movements in provisions (other than ELE) - Remediation liabilities 26 66 62 Total other borrowing costs 56 66 62 TOTAL BORROWING COSTS EXPENSED 428 416 (c) Materials and consumables 1,926 2,469 Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses: debt	Superannuation		1,474
Training costs (other than salaries and wages) 195 154 Other 59 46 Total employee costs 14,091 16,470 Less: capitalised costs (315) (446) TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs Interest bearing liability costs linterest bearing liability costs Interest bearing liability costs linterest bearing liability costs expensed 362 354 Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs 5 66 62 Total other borrowing costs 6 66 62 Total other borrowing costs 6 66 62 Total other borrowing costs 1 428 416 (c) Materials and contracts Raw materials and consumables 1,926 2,469 Contractor and consultancy costs 3,330 3,792 Audito	Workers' compensation insurance	272	185
Other 59 46 Total employee costs 14,091 16,470 Less: capitalised costs (315) (446) TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs Interest bearing liability costs Interest on loans 362 354 Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs 5 66 62 Discount adjustments relating to movements in provisions (other than ELE) 8 66 62 Total other borrowing costs 66 62 62 Total other borrowing costs 66 62 62 TOTAL BORROWING COSTS EXPENSED 428 416 (c) Materials and consumables 1,926 2,469 Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses: debt recovery 207 106 Legal expenses: other 78	Fringe benefit tax (FBT)	, ,	25
14,091			
Less: capitalised costs (315) (446) TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs (ii) Interest bearing liability costs Interest on loans 362 354 Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs Discount adjustments relating to movements in provisions (other than ELE)			
TOTAL EMPLOYEE COSTS EXPENSED 13,776 16,024 Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs (i) Interest bearing liability costs Interest on loans 362 354 Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs Use an expension of the provision of the than ELE) Center of the proving costs 66 62 Total other borrowing costs 66 62 62 62 63 64 62 62			
Number of 'full-time equivalent' employees (FTE) at year end 160 161 (b) Borrowing costs (i) Interest bearing liability costs Interest on loans Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs Discount adjustments relating to movements in provisions (other than ELE) - Remediation liabilities 26 66 62 Total other borrowing costs 66 62 TOTAL BORROWING COSTS EXPENSED 428 416 (c) Materials and contracts Raw materials and consumables Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses: - Legal expenses: debt recovery 207 106 Coperating leases: - Operating leases rentals: minimum lease payments (2) 362 354 362 362 354 362 362 354 362 362 362 362 364 66 62 428 416			
(b) Borrowing costs (i) Interest bearing liability costs 362 354 Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs 26 66 62 — Remediation liabilities 26 66 62 Total other borrowing costs 66 62 Total other borrowing costs 428 416 (c) Materials and contracts Raw materials and consumables 1,926 2,469 Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses: Legal expenses: debt recovery 207 106 — Legal expenses: other 78 57 Operating leases: - Operating lease rentals: minimum lease payments (2) 31 31	TOTAL EMPLOYEE COSTS EXPENSED	13,776	16,024
(i) Interest bearing liability costs Interest on loans Total interest bearing liability costs expensed (ii) Other borrowing costs Discount adjustments relating to movements in provisions (other than ELE) Remediation liabilities 66 62 Total other borrowing costs TOTAL BORROWING COSTS EXPENSED (c) Materials and contracts Raw materials and consumables Contractor and consultancy costs Auditors remuneration (1) Legal expenses: Legal expenses: debt recovery Legal expenses: other Operating leases: Operating lease rentals: minimum lease payments (2) 362 354 362 354 362 354 362 354 362 354 362 362 362 364 46 66 62 62 66 62 62 62 66 62 62 66 62 62	Number of 'full-time equivalent' employees (FTE) at year end	160	161
Interest on loans 362 354 Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs Costs Discount adjustments relating to movements in provisions (other than ELE) 66 62 Remediation liabilities 26 66 62 Total other borrowing costs 66 62 TOTAL BORROWING COSTS EXPENSED 428 416 (c) Materials and consumables 1,926 2,469 Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses: 207 106 - Legal expenses: other 78 57 Operating leases: - Operating lease rentals: minimum lease payments (2) 31 31	(b) Borrowing costs		
Total interest bearing liability costs expensed 362 354 (ii) Other borrowing costs Discount adjustments relating to movements in provisions (other than ELE)		000	054
(ii) Other borrowing costs Discount adjustments relating to movements in provisions (other than ELE) Remediation liabilities 26 66 62 Total other borrowing costs 66 62 TOTAL BORROWING COSTS EXPENSED 428 416 (c) Materials and contracts Raw materials and consumables Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 1,926 2,469 2,469 2,469 2,469 2,469 2,469 2,469 2,469 2,469 2,469 2,469 2,469 3,330 3,792 4,21 4,21 4,21 4,21 4,21 4,21 4,21 4,2			
Discount adjustments relating to movements in provisions (other than ELE) Remediation liabilities 26 66 62 Total other borrowing costs TOTAL BORROWING COSTS EXPENSED 428 416 (c) Materials and contracts Raw materials and consumables Contractor and consultancy costs Auditors remuneration (1) Legal expenses: - Legal expenses: debt recovery - Legal expenses: other Operating lease rentals: minimum lease payments (2) 1,926 2,469 2,469 2,469 3,330 3,792 401 207 106 375 370 375 370 375 375 376 377 377 377 378	lotal interest bearing liability costs expensed	362	354
- Remediation liabilities 26 66 62 Total other borrowing costs 66 62 TOTAL BORROWING COSTS EXPENSED 428 416 (c) Materials and consumables 1,926 2,469 Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses: - Legal expenses: debt recovery 207 106 - Legal expenses: other 78 57 Operating leases: - Operating lease rentals: minimum lease payments 31 31			
Total other borrowing costs 66 62 TOTAL BORROWING COSTS EXPENSED 428 416 (c) Materials and consumables 1,926 2,469 Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses: - Legal expenses: debt recovery 207 106 - Legal expenses: other 78 57 Operating leases: - Operating lease rentals: minimum lease payments (2) 31 31			
TOTAL BORROWING COSTS EXPENSED 428 416 (c) Materials and contracts			
(c) Materials and contracts Raw materials and consumables Contractor and consultancy costs Auditors remuneration (1) Legal expenses: - Legal expenses: debt recovery - Legal expenses: other Operating leases: - Operating lease rentals: minimum lease payments (2) 1,926 2,469 2,469 3,330 3,792 4 21 21 207 106 78 57			
Raw materials and consumables 1,926 2,469 Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses: - Legal expenses: debt recovery 207 106 - Legal expenses: other 78 57 Operating leases: - Operating lease rentals: minimum lease payments (2) 31 31	TOTAL BORROWING COSTS EXPENSED	428	416
Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses: - Legal expenses: debt recovery 207 106 - Legal expenses: other 78 57 Operating leases: - Operating lease rentals: minimum lease payments (2) 31 31	(c) Materials and contracts		
Contractor and consultancy costs 3,330 3,792 Auditors remuneration (1) 74 21 Legal expenses: - Legal expenses: debt recovery 207 106 - Legal expenses: other 78 57 Operating leases: - Operating lease rentals: minimum lease payments (2) 31 31	Raw materials and consumables	1,926	2,469
Auditors remuneration (1) Legal expenses: - Legal expenses: debt recovery - Legal expenses: other Operating leases: - Operating lease rentals: minimum lease payments (2) 31 31		·	
Legal expenses: 207 106 - Legal expenses: other 78 57 Operating leases: - Operating lease rentals: minimum lease payments 31 31			
 Legal expenses: other Operating leases: Operating lease rentals: minimum lease payments (2) 31 31 			
Operating leases: - Operating lease rentals: minimum lease payments (2) 31 31	Legal expenses: debt recovery	207	106
- Operating lease rentals: minimum lease payments (2) 31 31	Legal expenses: other	78	57
- Operating lease rentals. Illimitatin lease payments			
TOTAL MATERIALS AND CONTRACTS 5,646 6,476	- Operating lease rentals. Infillinatin lease payments		
	TOTAL MATERIALS AND CONTRACTS	5,646_	6,476

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 4. Expenses from continuing operations (continued)

	Actual	Actual
Notes	2016	2015
	53	21
	53	21
	53	21
	31	31
	31	31
	Notes	Notes 2016 53 53 53 31

	Impa	airment costs	Depreciation	n/amortisation
	Actual	Actual	Actual	Actual
\$ '000 Note	s 2016	2015	2016	2015
(d) Depreciation, amortisation and impa	airment			
Plant and equipment	_	_	457	452
Office equipment	_	_	45	58
Furniture and fittings	_	_	87	93
Land improvements (depreciable)	_	_	(38)	_
Infrastructure:				
 Buildings – non-specialised 	_	_	2,472	2,470
 Buildings – specialised 	_	_	120	95
 Other structures 	_	_	55	108
Roads	_	_	2,801	2,032
Footpaths	_	_	301	273
 Stormwater drainage 	_	_	167	107
 Swimming pools 	_	_	108	104
 Other open space/recreational assets 	_	_	151	104
Other assets				
 Library books 	_	_	7	16
- Other	_	_	5	4
Asset reinstatement costs 9 & 2	6		29	29
TOTAL DEPRECIATION AND				
IMPAIRMENT COSTS EXPENSED			6,767_	5,945_

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 4. Expenses from continuing operations (continued)

	Actual	Actual
\$ '000 Notes	2016	2015
(e) Other expenses		
Other expenses for the year include the following:		
Advertising	172	155
Bad and doubtful debts	18	120
Bank charges	56	48
Contributions/levies to other levels of government	483	462
Councillor expenses – mayoral fee	39	32
Councillor expenses – councillors' fees	180	145
Donations, contributions and assistance to other organisations (Section 356)	137	130
Electricity and heating	478	542
Insurance	799	812
Internet access	15	27
Investment fees	5	5
Postage	78	63
Printing and stationery	51	62
Promotion	45	21
Street lighting	296	301
Subscriptions and publications	145	194
Telephone and communications	138	110
Water charges and consumption	526	651
Other	178	286
TOTAL OTHER EXPENSES	3,839	4,166

Note 5. Gains or losses from the disposal of assets

Plant and equipment		
Proceeds from disposal – plant and equipment	137	82
Less: carrying amount of plant and equipment assets sold/written off	(120)	(104)
Net gain/(loss) on disposal	17	(22)
Infrastructure		
Proceeds from disposal – infrastructure	1	_
Less: carrying amount of infrastructure assets sold/written off	(172)	
Net gain/(loss) on disposal	(171)	_
Financial assets		
Proceeds from disposal/redemptions/maturities – financial assets	8,500	4,073
Less: carrying amount of financial assets sold/redeemed/matured	(8,500)	(4,073)
Net gain/(loss) on disposal		_
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS	(154)	(22)
		page 36

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 6a. - Cash assets and Note 6b. - investments

		2016	2016	2015	2015
		Actual	Actual	Actual	Actual
\$ '000	Notes	Current	Non-current	Current	Non-current
Cash and cash equivalents (N	ote 6a)				
Cash on hand and at bank	,	1,843	_	2,653	_
Cash-equivalent assets 1					
 Short-term deposits 		16,500		5,500	
Total cash and cash equivalents		18,343	_	8,153	_
Investments (Note 6b)					
 Long term deposits 		_	_	2,500	_
Total investments		_	_	2,500	_
TOTAL CASH ASSETS, CASI	<u> </u>				
EQUIVALENTS AND INVEST	<u>MENTS</u>	18,343		10,653	
¹ Those investments where time to maturity (t	rom date of purcha	ase) is < 3 mths.			
Cash, cash equivalents and invest classified at year end in accordan AASB 139 as follows:					

Cash and cash equivalents a. 'At fair value through the profit and loss'		18,343		8,153	
Investments a. 'Held to maturity' Investments	6(b-i)			2,500 2,500	
Note 6(b-i) Reconciliation of investments					
classified as 'held to maturity'					
Balance at the beginning of the year		2,500	_	1,500	_
Additions		_	_	1,000	_
Disposals (sales and redemptions)		(2,500)			
Balance at end of year				2,500	
Comprising:					
 Long term deposits 				2,500	
Total				2,500	

Refer to Note 27. Fair value measurement for information regarding the fair value of investments held.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

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

		2016 Actual	2016 Actual	2015 Actual	2015 Actual
\$ '000		Current	Non-current	Current	Non-current
Total cash, cash equivalents					
and investments		18,343		10,653_	
attributable to:					
External restrictions (refer below)		8,037	_	4,047	_
Internal restrictions (refer below)		5,046	_	1,362	_
Unrestricted		5,260		5,244	
		18,343		10,653	
2016		Opening	Transfers to	Transfers from	Closing
\$ '000		balance	restrictions	restrictions	balance
Details of restrictions External restrictions – included in liabiliti Bonds reserve	ies	45	_	_	45
External restrictions – included in liabiliti	ies	45			45
External restrictions – other	(D)	400	47		475
Developer contributions – general	(D)	428 572	47	_	475
Specific purpose unexpended grants	(F) (G)	2,639	3,458 459	_	4,030 3,098
Domestic waste management Royalties	(G)	363	63	(37)	389
External restrictions – other		4,002	4,027	(37)	7,992
Total external restrictions		4,047	4,027	(37)	8,037
			.,,,,	(0.7)	
Internal restrictions		24			04
Infrastructure replacement		21 949	_	(27)	21 922
Employees leave entitlement Plant purchase reserve		949 82	- 811	(27)	893
Security bonds, deposits and retentions		69	011	(30)	39
Other (Innovation reserve		-	700	(30)	700
Other (Infrastructure replacement		_	2,000	_	2,000
Other (Regional Aquatic Centre Reserve)		_	89	_	2,000
Other		241	141	_	382
Total internal restrictions		1,362	3,741	(57)	5,046
TOTAL RESTRICTIONS		5,409	7,768	(94)	13,083
TO THE RESTRICTIONS			7,700	(07)	10,000

D Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1 (b))

G Water, sewerage, domestic waste management (DWM) and other special rates/levies/charges are externally restricted assets and must be applied for the purposes for which they were raised.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 7. Receivables

	20	16	20	2015	
\$ '000 Notes	Current	Non-current	Current	Non-current	
Purpose					
Rates and annual charges	1,704	_	2,069	_	
Interest and extra charges	385	_	542	_	
User charges and fees	710	_	436	_	
Accrued revenues					
- Interest on investments	66	_	21	_	
 Other income accruals 	177	_	210	_	
Deferred debtors	43	143	46	186	
Net GST receivable	_	_	73	_	
Total	3,085	143	3,397	186	
Less: provision for impairment					
Rates and annual charges	(137)	_	(495)	_	
User charges and fees	(160)	_	(148)	_	
Total provision for impairment – receivables	(297)	_	(643)	_	
TOTAL NET RECEIVABLES	2,788	143	2,754	186	
Externally restricted receivables Nil Internally restricted receivables					
Nil					
Unrestricted receivables	2,788	143	2,754	186	
TOTAL NET RECEIVABLES	2,788	143	2,754	186	

Notes on debtors above:

- (i) Rates and annual charges outstanding are secured against the property.
- (ii) Doubtful rates debtors are provided for where the value of the property is less than the debt outstanding.

 An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates and charges at 8.50% (2015 8.50%). Generally all other receivables are non-interest bearing.
- (iv) Please refer to Note 15 for issues concerning credit risk and fair value disclosures.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 8. Inventories and other assets

	2	016	20	15
\$ '000 No	tes Current	Non-current	Current	Non-current
(a) Inventories				
(i) Inventories at cost				
Trading stock	77		86_	
Total inventories at cost	77		86	
	_			
(ii) Inventories at net realisable value (NR\ Nil	/)			
	77		86	
Nil			86	

Externally restricted assets

There are no restrictions applicable to the above assets.

Other disclosures

Inventory write downs

There were no amounts recognised as an expense relating to the write down of inventory balances held during the year.

Refer to Note 27. Fair value measurement for information regarding the fair value of other assets held.

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Financial Statements 2016

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 9a. Infrastructure, property, plant and equipment

					Asset movements during the reporting period											
	as at 30/6/2015			Additions Additions		Carrying	Depreciation Adjustments	Revuluation increments	as at 30/6/2016							
At	Az	At	Accun	Accumulated Carryin		renewals	new assets	value of disposals	expense	Adjustments and transfers	to equity	At	At	Accumulated		Carrying
\$ '000	cost	fair value	depreciation	impairment	value			. accesspone	1.00.000.000.000	THE STATE OF THE S	(ARR)	cost	fair value	depreciation	impairment	value
Capital work in progress	1,164	-	-	-	1,164	(419)	-	-	-		-	745		-	-	745
Plant and equipment	-	9,883	6,979	23	2,904	100	835	(120)	(457)	499	-	=	10,873	7,211		3,662
Office equipment	200	1,326	1,224		102	-	-	100	(45)		-	-	1,326	1,269		57
Furniture and fittings	-	1,472	1,001	2	471	-	-	-	(87)			_	1,472	1,088	- 2	384
Land:																
- Operational land	-	5,202		-	5,202		697	(5)		93	-	-	5,986	-		5,986
- Community land		3,999	-		3,999	-	-	-	-	-	-	-	3,999	-	-	3,999
Land improvements – depreciable		-	12	2	-	-	2	-	38	(38)	-			-	- 2	-
Infrastructure;			2000000				10,000			0,70				0.0000		
- Buildings - non-specialised	-	133,682	74,013	-	59,669	-	1,132		(2,472)			-	134,814	76,485	-	58,329
- Buildings - specialised		2,858	1,160	-	1,698	-	-	(24)	(120)	442	-	-	3,778	1,782	-	1,996
- Other structures	-	8,423	1,397	-	7,026			(3)		(1,035)	-	-	6,630	697	-	5,933
- Roads	_	162,217	44,839	- 2	117,378	517	1.223	72	(2,801)	28	-	- 5	164,001	47,656		116,345
- Footpaths	-	11,754	4,070	1 1	7,684	-	1.11(5)/4	- 1	(301)	1 1	-	-	11,754	4,371	-	7,383
- Stormwater drainage	- 2	12,353	3,538	23	8,815	-	44	7/2	(167)	-	-	-	12,397	3,705	1	8,692
- Swimming pools	:	10,472	1,564		8,908		82	5.40	(108)	-		340	10,472	1,672		8,800
- Other open space/recreational assets	_	2,452	871	2	1,581	-	189	(140)	(151)	12	-	9	2,424	946	2	1,478
Other assets:			40000													
- Library books	-	352	345		.7	-		-	(7)	-		-	352	352	-	1.0
- Art	-	9,131	1 1	-	9,131	-	-	-	1 2	11	568	-	9,756	48	-	9,708
- Other	_	278	220	1 2	58	-	-	-	(5)	-	-	_	278	223		55
Reinstatement, rehabilitation and restoration assets (refer Note 26):			5200										28/8	2000		
- Tip assets	-	902	413		489	-	2.00		(29)	57	-	_	959	441	2	518
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIP.	1,164	376,756	141,634	_	236,286	98	4,120	(292)	(6,767)	57	568	745	381,271	147,946	-	234,070

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

Refer to Note 27. Fair value measurement for information regarding the fair value of other infrastructure, property, plant and equipment.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 9b. Externally restricted infrastructure, property, plant and equipment

\$ '000	Actual				Actual			
		20	16		2015			
Class of asset	At	At	A/Dep &	Carrying	At	At	A/Dep &	Carrying
	cost	fair value	impairm't	value	cost	fair value	impairm't	value
Domestic waste management								
Plant and equipment	2,962	_	2,040	922	3,051		2,002	1,049
Land								
- Operational land	-	228	_	228	_	135	_	135
Buildings	-	2,161	508	1,653	_	1,493	462	1,031
Other assets	987	_	465	522	1,188	_	496	692
Total DWM	3,949	2,389	3,013	3,325	4,239	1,628	2,960	2,907
TOTAL RESTRICTED I,PP&E	3,949	2,389	3,013	3,325	4,239	1,628	2,960	2,907

Note 9c. Infrastructure, property, plant and equipment – current year impairments

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

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 10a. Payables, borrowings and provisions

		20	16	20	115	
\$ '000	Notes	Current	Non-current	Current	Non-current	
Davables						
Payables		4 070		4 070		
Goods and services – operating expenditure		1,278 803	_	1,870	_	
Payments received In advance		803	_	781	_	
Accrued expenses:		16		16		
- Borrowings		16 146	_	16 376	_	
Salaries and wagesOther expenditure accruals		104	_	60	_	
Bonds		45	_	45	_	
Security bonds, deposits and retentions		43	_	69	_	
Total payables		2,440		3,217		
Borrowings						
Loans – secured 1		731	5,126	615	5,940	
Total borrowings		731	5,126	615	5,940	
Provisions						
Employee benefits:						
Annual leave		1,462	_	1,627	_	
Sick leave		109	_	105	_	
Long service leave		2,286	717	2,338	626	
Time in lieu		39	_	50	-	
Sub-total – aggregate employee benefits		3,896	717	4,120	626	
Asset remediation/restoration (future works)	26	-	1,087	-,120	1,021	
Total provisions		3,896	1,804	4,120	1,647	
Total provisions		0,000	1,004	4,120	1,047	
TOTAL PAYABLES, BORROWINGS	_					
AND PROVISIONS		7,067	6,930	7,952	7,587	
(i) Liabilities relating to restricted assets						
(i) Elabilities relating to restricted assets		20	16	2015		
		Current	Non-current	Current	Non-current	
Externally restricted assets						
Bonds		45	_	45	_	
Liabilities relating to externally restricted asse	ets	45	_	45	_	
Internally restricted assets Nil						
Total liabilities relating to restricted assets	e	45	_	45	_	
Total liabilities relating to restricted assets		7,022	6,930	7,907	7,587	
TOTAL PAYABLES, BORROWINGS AND		1,022		1,007	1,001	
PROVISIONS		7,067	6,930	7,952	7,587	

^{1.} Loans are secured over the general rating income of Council Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 15.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 10a. Payables, borrowings and provisions (continued)

	Actual	Actual
\$ '000	2016	2015

(ii) Current liabilities not anticipated to be settled within the next twelve months

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

Provisions – employees benefits

963	1,269
963	1,269

Note 10b. Description of and movements in provisions

	2015			2016 ——		
Class of provision	Opening balance as at 1/7/15	Additional provisions	Decrease due to payments	Remeasurement effects due to discounting	Unused amounts reversed	Closing balance as at 30/6/16
Annual leave	1,627	(165)	_	_	_	1,462
Sick leave	105	4	_	_	_	109
Long service leave	2,964	39	_	_	_	3,003
Time in lieu	50	(11)	_	_	_	39
Asset remediation	1,021	66	_	_	_	1,087
TOTAL	5,767	(67)	_	_	_	5,700

a. Employees leave entitlements and on-costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

b. Asset remediation, reinstatement and restoration provisions represent the present value estimate of future costs Council will incur in order to remove, restore and remediate assets and/or activities as a result of past operations.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 11. Statement of cash flows – additional information

(a) Reconciliation of cash assets Total cash and cash equivalent assets Less bank overdraft Balance as per the Statement of Cash Flows (b) Reconciliation of net operating result to cash provided from operating activities	Notes	Actual 2016	Actual 2015
Less bank overdraft Balance as per the Statement of Cash Flows (b) Reconciliation of net operating result			
Balance as per the Statement of Cash Flows (b) Reconciliation of net operating result	6a	18,343	8,153
(b) Reconciliation of net operating result	10 _		
	-	18,343	8,153
Net operating result from Income Statement Adjust for non-cash items:		6,607	(2,417)
Depreciation and amortisation		6,767	5,945
Net losses/(gains) on disposal of assets		154	22
Losses/(gains) recognised on fair value re-measurements through the F	. ا&ا	104	22
Investments classified as 'at fair value' or 'held for trading'	QL.	(271)	(43)
Unwinding of discount rates on reinstatement provisions		66	62
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		309	177
Increase/(decrease) in provision for doubtful debts		(346)	120
Decrease/(increase) in inventories		9	252
Decrease/(increase) in other assets		(177)	5
Increase/(decrease) in payables		(592)	766
Increase/(decrease) in accrued interest payable		_	(1)
Increase/(decrease) in other accrued expenses payable		(186)	(950)
Increase/(decrease) in other liabilities		1	(371)
Increase/(decrease) in employee leave entitlements		(133)	(770)
Net cash provided from/(used in)			
operating activities from the Statement of Cash Flows	_	12,208	2,797

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 11. Statement of cash flows – additional information (continued)

\$ '000	Notes	Actual 2016	Actua 201
(c) Non-cash investing and financing activities			
Nil			
(d) Financing arrangements			
i) Unrestricted access was available at balance date to the following lines of credit:			
Credit cards/purchase cards		73	78
Total financing arrangements		73	78
Amounts utilised as at balance date:			
- Credit cards/purchase cards	_	25	
Total financing arrangements utilised		25	
(ii) Secured loan liabilitiesLoans are secured by a mortgage over future years rate revenue only			
(a) Capital commitments (exclusive of GST)			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
recegnition in the infarred statements as habilities.			
Property, plant and equipment			
Property, plant and equipment nfrastructure		4,515 256	25
Property, plant and equipment nfrastructure Plant and equipment		256	
Property, plant and equipment nfrastructure Plant and equipment Total commitments	_		
Property, plant and equipment nfrastructure Plant and equipment Fotal commitments These expenditures are payable as follows:		256	25
Property, plant and equipment Infrastructure Plant and equipment Total commitments These expenditures are payable as follows: Within the next year		256 4,771	25
Property, plant and equipment infrastructure Plant and equipment Fotal commitments These expenditures are payable as follows: Within the next year Fotal payable		256 4,771 4,771	25
Property, plant and equipment Infrastructure Plant and equipment Total commitments These expenditures are payable as follows: Within the next year Total payable Sources for funding of capital commitments: Externally restricted reserves		4,771 4,771 4,771	256 256 256 256 256
Property, plant and equipment Infrastructure Plant and equipment Total commitments These expenditures are payable as follows: Within the next year Total payable Sources for funding of capital commitments: Externally restricted reserves Internally restricted reserves Total sources of funding		256 4,771 4,771	256 256 256

Details of capital commitmentsWaste compactor for domestic waste

(b) Finance lease commitments

Nil

(c) Operating lease commitments (non-cancellable)

Nil

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 13a(i). Statement of performance measurement – indicators (consolidated)

	Amounts	Indicator		eriods
\$ '000	2016	2016	2015	2014
Local government industry indicators – c	onsolidated			
Operating performance ratio Total continuing operating revenue (1) excluding capital grants and contributions less operating expenses Total continuing operating revenue (1) excluding capital grants and contributions	2,953 33,409	8.84%	-9.84%	-27.99%
2. Own source operating revenue ratio Total continuing operating revenue (1) excluding all grants and contributions Total continuing operating revenue (1)	22,950 36,946	62.12%	67.25%	68.41%
3. Unrestricted current ratio Current assets less all external restrictions (2) Current liabilities less specific purpose liabilities (3, 4)	13,501 6,059	2.23x	1.45x	1.43x
4. Debt service cover ratio Operating result (1) before capital excluding interest and depreciation/impairment/amortisation Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	10,148 1,126	9.01x	4.43x	-0.13x
Rates, annual charges, interest and extra charges outstanding percentage Rates, annual and extra charges outstanding Rates, annual and extra charges collectible	<u>1,952</u> 18,793	10.39%	11.60%	10.20%
6. Cash expense cover ratio Current year's cash and cash equivalents plus all term deposits Payments from cash flow of operating and financing activities	<u>18,343</u> 2,221	8.26 mths	4.3 mths	2.9 mths

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any real estate and land for resale not expected to be sold in the next 12 months.

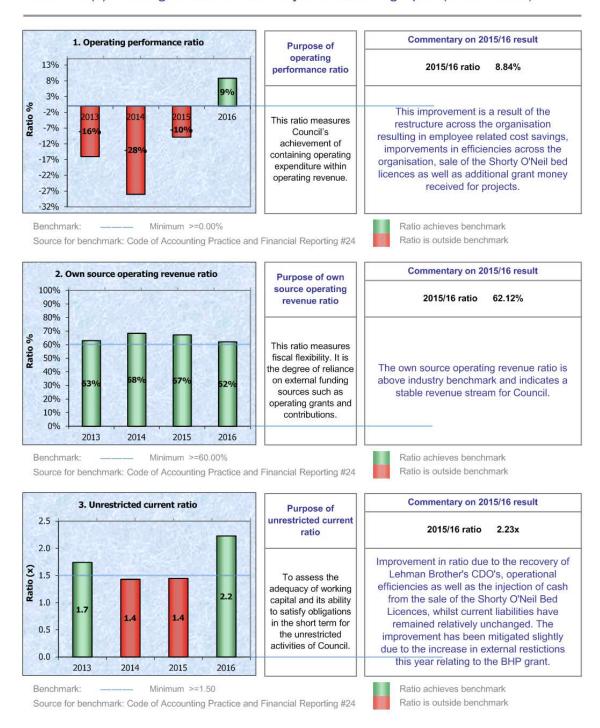
⁽³⁾ Refer to Note 10(a).

⁽⁴⁾ Refer to Note 10(a)(ii) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

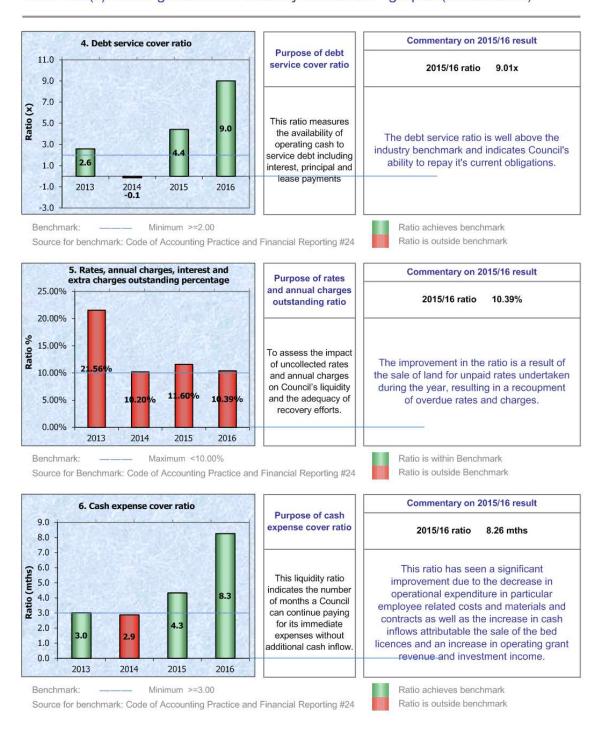
Note 13a(ii). Local government industry indicators - graphs (consolidated)



Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 13a(ii). Local government industry indicators – graphs (consolidated)



Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 14. Investment properties

\$ '000

Council has not classified any land or buildings as 'investment properties'.

Note 15. Financial risk management

Risk management

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

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

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

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

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

	Carrying value		Fair v	alue
	2016	2015	2016	2015
Financial assets				
Cash and cash equivalents	18,343	8,153	18,343	8,153
Investments				
- 'Held to maturity'	_	2,500	_	2,500
Receivables	2,931	2,940	2,931	2,940
Total financial assets	21,274	13,593	21,274	13,593
Financial liabilities				
Payables	1,637	2,436	1,637	2,436
Loans/advances	5,857	6,555	5,857	6,555
Total financial liabilities	7,494	8,991	7,494	8,991

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables are estimated to be the carrying value that approximates market value.
- Borrowings and held-to-maturity investments are based upon estimated future cash flows discounted by the current
 mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) 'at fair value through profit and loss' or (ii) 'available-for-sale' are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27. Fair value measurement for information regarding the fair value of financial assets and liabilities.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 15. Financial risk management (continued)

\$ '000

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

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and Minister's investment order. This policy is regularly reviewed by Council and it's staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

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

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

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

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

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of val	ues/rates	Decrease of values/rates	
2016	Profit	Equity	Profit	Equity
Possible impact of a 10% movement in market values	_	_	_	-
Possible impact of a 1% movement in interest rates	43	43	(43)	(43)
2015				
Possible impact of a 10% movement in market values	_	_	_	-
Possible impact of a 1% movement in interest rates	_	_	_	_

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 15. Financial risk management (continued)

\$ '000

(b) Credit risk

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

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

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

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

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

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

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

A profile of Council's receivables credit risk at balance date follows:

		2016	2016	2015	2015
		Rates and		Rates and	
		annual	Other	annual	Other
		charges	receivables	charges	receivables
(i) Ageing of receivables	- %				
Current (not yet overdue)		0%	46%	0%	49%
Overdue		100%	54%	100%	51%
		100%	100%	100%	100%
		Rates and		Rates and	
(ii) Ageing of receivables	s – value	annual	Other	annual	Other
Rates and annual charges	Other receivables	charges	receivables	charges	receivables
Current	Current	_	695	_	746
< 1 year overdue	0 – 30 days overdue	1,704	829	2,069	768
		1,704	1,524	2,069	1,514
(iii) Movement in provisi of receivables	on for impairment			2016	2015
Balance at the beginning of	of the year			643	523
+ new provisions recognis	ed during the year			12	120
- amounts already provide	ed for and written off this ye	ear		(358)	
Balance at the end of the	e year			297	643

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 15. Financial risk management (continued)

\$ '000

(c) Liquidity risk

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

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

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

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Subject							Total	Actual
	to no			payal	ole in:			cash	carrying
	maturity	≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs	outflows	values
2016									
Trade/other payables	48	1,589	-	-	-	-	-	1,637	1,637
Loans and advances		1,060	1,060	706	606	573	1,883	5,888	5,857
Total financial liabilities	48	2,649	1,060	706	606	573	1,883	7,525	7,494
2015									
Trade/other payables	69	2,018	_	_	_	_	_	2,087	2,436
Loans and advances	_	1,060	1,060	1,060	706	639	3,237	7,762	6,555
Total financial liabilities	69	3,078	1,060	1,060	706	639	3,237	9,849	8,991

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

The following interest rates were applicable	20	16	2015		
to Council's borrowings at balance date:	Carrying	Average	Carrying	Average	
	value	interest rate	value	interest rate	
Trade/other payables	1,637	0.00%	2,436	0.00%	
Loans and advances – fixed interest rate	5,426	5.97%	6,009	5.87%	
Loans and advances – variable interest rate	431	3.84%	546	3.58%	
	7,494		8,991		

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 16. Material budget variations

\$ '000

Council's original financial budget for 15/16 was adopted by the Council on 15 June 2016.

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

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

Note that for variations* of budget to actual:

grant partly received during the year which was not budgeted for.

Material variations represent those variances that amount to **10%** or more of the original budgeted figure. F = Favourable budget variation, **U** = Unfavourable budget variation

\$ '000	2016 Budget	2016 Actual	2 Var	2016 riance*	
User charges and fees	3,087	3,401	314	10%	F
Higher than expected private works income from in the expected use of Council's facilities has had		_	ne year, as we	ll as an inci	ease
Interest and investment revenue	395	899	504	128%	F
Increased cash was avalaible for investment due the recovery of Lehman Brother CDO's.	to sale of Shorty O'Ne	eil bed licences,	additional gra	nt money a	nd
Other revenues	309	2,535	2,226	720%	F
Sale of Shorty O'Neil Bed Licences for \$1.8M, wa	is not budgeted for.				
Operating grants and contributions	9,106	10,459	1,353	15%	F
Additional grant money was received for local and remediation project.	d state road maintenar	nce as well as g	rant money for	r a dam	
Capital grants and contributions	5,200	3,537	(1,663)	(32%)	U
Civic Centre restoration grant of \$5m was budget Remainder of grant will be received in 16/17. The	* *				

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 16. Material budget variations (continued)

	2016	2016	2016		
\$ '000	Budget	Actual	Var	iance*	
EXPENSES					
Employee benefits and on-costs	15,436	13,776	1,660	11%	F
Favourable variance due to ongoing savings fr positions throughout the year.	om the organisation restr	ucture as well a	s savings fron	n vacant	
Depreciation and amortisation	6,124	6,767	(643)	(10%)	U
		and a literature of the	dontion which		
Change in depreciation method for infrastructu increased rate of depreciation. These changes		0	doption which	resulted ir	an
		0	739	resulted in	an F

Budget variations relating to Council's Cash Flow Statement include:

Cash flows from operating activities	7,238	12,208	4,970	68.7%	F
--------------------------------------	-------	--------	-------	-------	---

A reduction in employee related costs has resulted in significant improvements as well as the additional income received from the sale of the Shorty O'Neil bed licences and additional investment income due to increased cash reserves, better investment management and recovery of Lehman Brother CDO's.

Cash flows from investing activities	(8,308)	(1,320)	6,988	(84.1%)	F	
Planned capital expenditure, specifically the purchase the year which has resulted in less cash outflow.	of additional fleet	and plant, was	not fully carr	ried out durir	ng	
Cash flows from financing activities	477	(698)	(1,175)	(246.3%)	U	,

A loan planned for the purchase of additional plant and fleet was not drawn down during the year due to a better financial position as well as not purchasing the full budgeted plant items. This has resulted in an unfavourable cash flow.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 17. Statement of developer contributions

\$ '000

Council recovers contributions, raises levies and enters into planning agreements on development works that are subject to a development consent issued by Council.

All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions and levies and the value of all remaining funds which are 'restricted' in their future use.

SUMMARY OF CONTRIBUTIONS AND LEVIES

		Contrib	outions	Interest	Expenditure	Internal	Held as	Cumulative internal
PURPOSE	Opening	received du	ing the year	earned	during	borrowing	restricted	borrowings
	balance	Cash	Non-cash	in year	year	(to)/from	asset	due/(payable)
S94A levies – under a plan	428	38	_	9	_	_	475	_
Total S94 revenue under plans	428	38	_	9	_	_	475	_
Total contributions	428	38	_	9	_	_	475	_

S94A LEVIES – UNDER A PLAN

PURPOSE	Opening balance	Contrib received du Cash	outions ring the year Non-cash	Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
Aged Care Facility	428	38	_	9	_	_	475	_
Total	428	38	_	9	_	_	475	-

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 18. Contingencies and other assets/liabilities not recognised

\$ '000

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

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The schemes most recent full actuarial review indicated that the net assets of the scheme were not sufficient to meet the accrued benefits of the schemes defined benefit member category with member councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from it's defined benefit scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable – similar to the accounting for defined contributions plans.

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

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

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

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

(iv) Other guarantees

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

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 18. Contingencies and other assets/liabilities not recognised (continued)

\$ '000

LIABILITIES NOT RECOGNISED (continued):

2. Other liabilities

(i) Third party claims

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

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

(ii) S94 plans

Council levies section 94/94A contributions upon various development across the Council area through the required contributions plans.

As part of these plans, Council has received funds for which it will be required to expend the monies in accordance with those plans.

As well, these plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's general funds.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent Council's intention to spend funds in the manner and timing set out in those plans.

ASSETS NOT RECOGNISED:

(i) Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

(ii) Infringement Notices/Fines

Fines & Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau.

Councils Revenue Recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at Year End, there is a potential asset due to Council representing issued but unpaid Infringement Notices.

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

Note 19. Interests in other entities

Council has no interest in any controlled entities, joint arrangements or associates.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 20. Retained earnings, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

\$ '000	Notes	Actual 2016	Actual 2015
(a) Retained earnings			
Movements in retained earnings were as follows:			
Balance at beginning of year (from previous years audited accounts)		114,482	116,731
a. Correction of prior period errors	20 (c)	_	168
b. Net operating result for the year		6,607	(2,417)
Balance at end of the reporting period		121,089	114,482
(b) Revaluation reserves			
(i) Reserves are represented by:			
 Infrastructure, property, plant and equipment revaluation reserve 	e	120,665	120,097
Total		120,665	120,097
(ii) Reconciliation of movements in reserves:			
Infrastructure, property, plant and equipment revaluation res	erve		
- Opening balance		120,097	140,314
 Revaluations for the year 	9(a)	568	(20,049)
 Correction of prior period errors 	20(c)		(168)
- Balance at end of year		120,665	120,097
TOTAL VALUE OF RESERVES		120,665	120,097

(iii) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

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

(c) Correction of error/s relating to a previous reporting period

Council made a correction to the prior periods revaluation reserve for 168K. This was to recognise the disposal of assets that occurred in the prior year, but had not been written out of revaluation reserve.

(d) Voluntary changes in accounting policies

Council updated it's Asset Accounting Policy. This changed the useful lives and capitalisation values for certain asset groups. This had no material impact on Council's Statements.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 21. Financial result and financial position by fund

\$ '000

Council utilises only a general fund for its operations.

Note 22. 'Held for sale' non-current assets and disposal groups

Council did not classify any non-current assets or disposal groups as 'held for sale'.

Note 23. Events occurring after the reporting date

Events that occur between the end of the reporting period (30 June 2016) and the date when the financial statements are 'authorised for issue' have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable 'authorised for issue' date relating to these General Purpose Financial Statements.

Accordingly, the 'authorised for issue' date is 17/10/16.

Events that occur after the reporting period represent one of two types:

(i) Events that provide evidence of conditions that existed at the reporting period

These financial statements (and the figures therein) incorporate all 'adjusting events' that provided evidence of conditions that existed at 30 June 2016.

(ii) Events that provide evidence of conditions that arose after the reporting period

These financial statements (and figures therein) do not incorporate any 'non-adjusting events' that have occurred after 30 June 2016 and which are only indicative of conditions that arose after 30 June 2016.

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

Note 24. Discontinued operations

Council has not classified any of its operations as 'discontinued'.

Note 25. Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Council is unaware of any control over intangible assets that warrant recognition in the financial statements, including either internally generated and developed assets or purchased assets.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 26. Reinstatement, rehabilitation and restoration liabilities

\$ '000			

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

	Estimated		
	year of	NPV (of provision
Asset/operation	restoration	2016	2015
Landfill site	2030	1,087	1,021
Balance at end of the reporting period	10(a)	1,087	1,021

Under AASB 116 – Property, Plant and Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 – Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Reconciliation of movement in provision for year:

Balance at beginning of year	1,021	959
Amounts capitalised to new or existing assets:		
Amortisation of discount (expensed to borrowing costs)	66	62
Total – reinstatement, rehabilitation and restoration provision	1,087	1,021

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 27. Fair value measurement

\$ '000

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

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

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

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

- **Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- **Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

	Fair value m			
2016	Level 1	Level 2	Level 3	Total
	Quoted	Significant	Significant	
Recurring fair value measurements	prices in	observable	unobservable	
	active mkts	inputs	inputs	
Infrastructure, property, plant and equipment				
Plant and equipment	_	_	3,662	3,662
Office equipment	_	_	57	57
Furniture and fittings	_	_	384	384
Operational land	_	_	5,986	5,986
Community land	_	_	3,999	3,999
Buildings – non-specialised	_	_	58,329	58,329
Buildings – specialised	_	_	1,996	1,996
Other structures	_	_	5,933	5,933
Roads	_	_	116,345	116,345
Footpaths	_	_	7,383	7,383
Stormwater drainage	_	_	8,692	8,692
Swimming pools	_	_	8,800	8,800
Open spaces and other recreation	_	_	1,478	1,478
Library books	_	_	_	_
Art	_	_	9,708	9,708
Other	_	_	55	55
Tip remediation		_	518	518
Total infrastructure, property, plant and equipment	_	_	233,325	233,325

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values: (continued)

, ,	Fair value n			
2015	Level 1	Level 2	Level 3	Total
	Quoted	Significant	Significant	
Recurring fair value measurements	prices in	observable	unobservable	
	active mkts	inputs	inputs	
Financial assets				
Investments				
 - 'Designated at fair value on initial recognition' 			2,500	2,500
Total financial assets			2,500	2,500
Infrastructure, property, plant and equipment			0.004	
Plant and equipment	_	_	2,904	2,904
Office equipment	_	_	102	102
Furniture and fittings	_	_	471	471
Operational land	_	_	5,202	5,202
Community land	_	_	3,999	3,999
Buildings – non-specialised	_	_	59,669	59,669
Buildings – specialised	_	_	1,698	1,698
Other structures	_	_	7,026	7,026
Roads	_	_	117,378	117,378
Footpaths	_	_	7,684	7,684
Stormwater drainage	_	_	8,815	8,815
Swimming pools	_	_	8,908	8,908
Open spaces and other recreation	_	_	1,581	1,581
Library books	_	_	7	7
Art	_	_	9,131	9,131
Other	_	_	58	58
Tip remediation			489	489
Total infrastructure, property, plant and equipment	_	_	235,122	235,122

(2) Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values

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

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

Financial assets

Council has invested in financial assets including term deposits.

Council values these assets at fair value based on valuations provided at the end of each month and year end that are prepared by external industry experts in the finance field.

Although there are markets for these financial assets, they have been deemed by Council to be inactive and as such these assets have been classified as level 3. Valuation techniques remained the same for the reporting period.

Infrastructure, property, plant and equipment (IPP&E)

Community land

Assets within the "Community Land" class are:

- Council owned land and
- Care Control Management land [Crown] of which Council derives current and future economic benefits arising from the use of the land asset.

Council's community land is valued on the Unimproved Capital Value (UCV), provided by the Valuer General. Currently all Council assets in this asset class are based on UCV, however, should Council have an asset in future for which an UCV is not provided, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

Operational land

Council's operational land includes all of Council's land classified as operational land under Local Government Act 1993.

Council's operational land is valued using a modelled market based valuation process.

Currently all Council assets in this asset class are based on a modelled market based valuation process,

however, should Council have an asset in future for which this valuation process is not available,

the replacement cost will be used. Replacement cost will be based on average

unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

Stormwater drainage

The Stormwater Drainage asset class consists of Council's pits and Culverts. Australis completed the valuation of these assets using replacement cost approach and the last valuation was completed in June 2015. Replacement costs (unit rates) and useful lives for Stormwater Drainage assets were determined through professional judgement on behalf of Australis, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on asset location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, and residual value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Infrastructure, property, plant and equipment (IPP&E) (continued)

Other structure

Council's other structure assets comprise of fences, flagpoles, monuments and the like.

Council engaged Scott Fullarton to value all buildings, structures and shelters in 2013.

The valuation methodology adopted was based on current replacement cost of the asset.

Replacement costs (unit rate) and useful lives of Council's other structure assets were determined using technical knowledge from council staff (engineers and asset management) and external valuers. Other significant inputs considered in the valuation of these assets are condition rating, remaining useful life, pattern of consumption, dimensions, components and residual value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Buildings - non specialised and specialised

Council engaged Scott Fullarton to value all buildings and shelters in 2013. The valuation methodology adopted was based on current replacement cost of the asset.

The valuation aspects are generally, but not limited to the location, size, condition,

style and utility of the asset. Replacement cost, asset condition, remaining useful life and building components are some of the inputs used in fair value determination. Since most of these inputs require judgement and are unobservable, the asset class has been classified as Level 3. Valuation techniques remained the same for this reporting period.

Roads

Council's roads are componentised into the pavement, surface and formation and further separated into segments for inspection and valuation. The revaluation of road assets is undertaken annually.

The valuation, which is completed by Australis Valuers, was completed in June 2015.

The current replacement cost approach was adopted to value Council roads. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided

by Council's asset planners and professional judgement on behalf of Australis.

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, dimensions, components, residual value and type of road.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Footpaths

Council's footpath register consists of all pedestrian walkways and cycleways within the Council area. Australis Valuers complete the valuation of the Footpath assets annually and the last valuation was in June 2015. Replacement costs (unit rates) and useful lives of Councils footpaths were determined using technical knowledge Australis's professional judgement. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, dimensions, components and residual value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Infrastructure, property, plant and equipment (IPP&E) (continued)

Open space / recreational assets

Councils recreational facilities includes assets within our sports fields and park locations.

This includes but is not limited to, playing courts, playgrounds, and cricket nets. Scott Fullarton was engaged in 2013 for the valuation of these assets. Replacement costs (unit rates) and useful lives of Council's recreational facilities were determined using technical knowledge from Council staff (engineers and asset management) and Scott Fullarton's professional judgement. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components and residual value. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period

Swimming pool

The swimming pool includes all assets located within the facility.

Scott Fullarton Valuers valued the building components of the swimming pool in June 2013 as part of the building revaluation and other substantial components of the pool are valued using replacement cost method. Replacement costs were determined using square metre rates and other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, components, dimensions and residual value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period

Plant and equipment, office equipment, and furniture and fittings

This asset category includes:

Plant & Equipment - Motor vehicles, trucks, mowers, buses, earthmoving equipment

Office Equipment – Computer equipment

Furniture & Fittings – Chairs, desks, cabinets, display systems

These assets are valued at cost in Council's books and reported at Fair value in the notes due to the nature of the items. The cost of these assets are based on current invoices and contracts, which are based on observable inputs, however the remaining useful life and residual value is based on internal factors which are unobservable in the market therefore placing these assets in Level 3. Valuation techniques remained the same for this reporting period.

Library books and other assets

This asset category comprises of assets such as library books, journals, magazines, Cd's and Dvd's. The library books are reported at Fair value in the notes however, due to the nature of these items they are valued at cost. There are no major variances between the fair value and carrying amount of these assets. The cost of these assets are based on current invoices and contracts, which are based on observable inputs, however the remaining useful life and residual value is based on internal factors which are unobservable in the market making it a Level 3 asset. Valuation techniques remain the same for this reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Infrastructure, property, plant and equipment (IPP&E) (continued)

Artwork

Council engaged Australian Valuation Solutions to value all artwork in 2016.

This information was updated into Council's asset register.

The valuation was completed using the replacement cost approach and market value in accordance with AASB 116. The replacement value for artworks was determined by the price at which the items could be purchased from a reputable dealer, gallery or retail outlet.

Where the fair value of an asset could not be determined by sale on the open market, a depreciable replacement cost has been adopted. Other significant inputs considered in the valuation are the condition of the asset, pattern of consumption and remaining useful life. This asset class is categorised as Level 3 as some of the above mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Tip remediation

Council operates a landfilling operation as well as a range of waste services, including recycled and reclaimed products. It has been recognised that there will be significant costs associated with the closure and post closure management of the landfill site.

Closure of the landfill will involve a wide range of activities including preparation of a Landfill Closure and Management Plan, final capping of the landfill waste and site re-vegetation, decommissioning and removing infrastructure and equipment that will not be required post-closure, and fencing sensitive infrastructure. The key unobservable inputs are the discount rate, cost escalation rate, actual timing of costs and future environmental management requirements. There has been no change to the valuation process during the reporting period.

Financial Statements 2016

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

	Plant and	Operational	Community	Buildings	
	equipment	land	land	non	
				specialised	Total
Opening balance – 1/7/14	4,041	5,202	3,999	63,619	76,861
Purchases (GBV)	182	_	_	43	225
Disposals (WDV)	(105)	_	_	_	(105)
Depreciation and impairment	(603)	_	_	(2,470)	(3,073)
Adjustments and transfers	_	_	_	(465)	(465)
Revaluation increment/decrement	(37)	_	_	(1,058)	(1,095)
Closing balance – 30/6/15	3,478	5,202	3,999	59,669	72,348
Transfers from/(to) another asset class	499	93	_	_	592
Purchases (GBV)	835	697	_	1,132	2,664
Disposals (WDV)	(120)	(5)	_	_	(125)
Depreciation and impairment	(589)	_	_	(2,472)	(3,061)
Closing balance – 30/6/16	4,103	5,987	3,999	58,329	72,418
	Buildings	Other	Roads	Footpaths	
	specialised	structures			Total
					Total
Opening balance – 1/7/14	2,154	2,024	138,087	10,255	152,520
Purchases (GBV)	_	_	784	_	784
Depreciation and impairment	(95)	(108)	(2,032)	(273)	(2,508)
Adjustments and transfers	(141)	465	_	_	324
Revaluation increment/decrement	(221)	4,646	(19,459)	(2,299)	(17,333)
Closing balance – 30/6/15	1,697	7,027	117,380	7,683	133,787
Transfers from/(to) another asset class	442	(1,035)	28	_	(565)
Purchases (GBV)	_	_	1,740	_	1,740
Disposals (WDV)	(24)	(3)	_	_	(27)
Depreciation and impairment	(120)	(55)	(2,801)	(301)	(3,277)
Closing balance – 30/6/16	1,995	5,934	116,347	7,382	131,658

Financial Statements 2016

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Stormwater drainage	Swimming pools	Open spa- -ces /other recreational	Library books	Total
Opening balance – 1/7/14	10,160	9,452	1,622	24	21,258
Purchases (GBV) Depreciation and impairment Revaluation increment/decrement	5 (107) (1,243)	75 (104) (515)	(104) 63	(17) —	80 (332) (1,695)
Closing balance – 30/6/15	8,815	8,908	1,581	7	19,311
Purchases (GBV) Disposals (WDV) Depreciation and impairment	44 - (167)	- - (108)	189 (140) (151)	- - (7)	233 (140) (433)
Closing balance – 30/6/16	8,692	8,800	1,479		18,971
	Art	Other	Tip remedia- -tion	Financial assets	Total
Opening balance – 1/7/14	8,915	62	518	2,407	11,902
Depreciation and impairment Adjustments and transfers Revaluation increment/decrement	- 141 75	(4) - -	(29) _ _	- - -	(33) 141 75
Closing balance – 30/6/15	9,131	58	489	2,407	12,085
Transfers from/(to) another asset class Depreciation and impairment Other movement (Revaluation increment/decre Other movement	11 (2) 568 -	(3) - -	(29) - 57	(2,407) - - -	(2,396) (34) 568 57
Closing balance – 30/6/16	9,708	55	517		10,280

(5). Highest and best use

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



Council of the City of the Broken Hill General Purpose Financial Statements Independent Auditor's Report

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Report on the Financial Statements

We have audited the accompanying financial statements of Council of the City of Broken Hill (the Council), which comprises the statement of financial position as at 30 June 2016, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by Councillors and Management.

Councillor's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Councillors, as well as evaluating the overall presentation of the financial statements.

Our audit responsibility does not extend to the original budget information disclosed in the income statement, statement of cash flows, note 2(a), note 16 budget variation explanation, note 17 forecast information, nor the attached special schedules and accordingly, we express no opinion on them. In addition, our audit did not include an analysis of the prudence of business decisions made by Councillors or Management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the general purpose financial statements of Council of the City of Broken Hill for the year ended 30 June 2016 published in the annual report and included on Council's website. The Council is responsible for the integrity of the website. We have not been engaged to report on the integrity of this website. The auditor's report refers only to the financial statements identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial statements. If users of the financial statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements to confirm the information contained in this website version of the financial statements.

Auditor's Opinion

In our opinion,

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13 part 3 Division 2 (the Division); and
- (b) the financial statements:
 - (i) have been presented, in all material respects, in accordance with the requirements of this Division;
 - (ii) are consistent with the Council's accounting records;
 - (iii) presents fairly, in all material respects, the Council's financial position as at 30 June 2016 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government* (General) Regulations 2005; and
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that have come to light during the course of the audit.

M.D. Nicholaeff

Partner

Signed in Sydney on 17th October 2016

UHY Haines Norton
Chartered Accountants

MHY Hairs Norton

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17 October 2016

Level 11 | 1 York Street | Sydney | NSW | 2000 GPO Box 4137 | Sydney | NSW | 2001 t: +61 2 9256 6600 | f: +61 2 9256 6611 sydney@uhyhn.com.au www.uhyhnsydney.com.au

The Mayor Council of the City of Broken PO Box 448 BROKEN HILL NSW 2880

Dear Mayor,

Report on the Conduct of the Audit Year Ended 30 June 2016

We are pleased to advise completion of our audit of the General and Special Purpose Financial Statements for Council of the City of Broken Hill for the year ended 30 June 2016, in accordance with Section 415 of the Local Government Act, 1993 ("the Act"); and that our audit opinion provided under Section 417(2) of the Act has been issued to Council. The following report on the conduct of the audit is issued in compliance with Section 417(3) of the Act.

The Councillors and Council Management are responsible for the preparation and true and fair presentation of the financial statements, which includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements. While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We have conducted our audit in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the Council's financial statements are free of material misstatement. An audit is influenced by factors such as professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We have reviewed that the accounts have been prepared in accordance with Australian Accounting Standards and the Local Government Code of Accounting Practice and Financial Reporting.

We offer the following comments on the financial statements and the audit:

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STATEMENT OF COMPREHENSIVE INCOME

MOVEMENT IN RESULTS OVER PRIOR YEAR

Council's Net Operating Result before Grants and Contributions provided for capital purposes indicates a surplus of \$3.070 million for the year ended 30 June 2016 compared to a deficit of \$2.938 million for the year ended 30 June 2015.

The Net Operating Result after Grants and Contributions for capital purposes has improved \$9.024 million to a surplus of \$6.607 million (2015: deficit of \$2.417 million).

Commentary on the major movements within the income and expense categories within the income statement is detailed below:

MOVEMENT IN REVENUE ITEMS 2015-2016

	2016	2015	Increase (Decrease)
	\$'000	\$'000	\$'000
Rates and Annual Charges	16,386	16,129	257
Grants & Contributions Provided for Operating Purposes	10,459	9,496	963
Interest and Investment Revenue	899	434	465
Other Revenue	2,535	335	2,200

RATES AND ANNUAL CHARGES

Rates and annual charges have increased by \$257,000 (1.6%). The rates and annual charges increased for all categories viz. residential, business etc in line with the permissible rate increase granted by the Minister for Local Government. This increase was partially offset by decrease in mining rates. Council reduced the ad-valorem for 15/16 on mining rates (from 9.41 to 9.09) in line with the Community Strategic Plan

GRANTS AND CONTRIBUTIONS PROVIDED FOR OPERATING PURPOSES

Grants and contributions provided for operating purposes has increased by \$963,000 (10%) to \$10.459 million. The increase is largely due to the receipt of the additional grants of \$710,000 for state and local road maintenance and \$400,000 grant for dam remediation. This is offset by slight decrease in various other grants.

INTEREST AND INVESTMENT REVENUE

Interest and investment revenue has increased by \$465,000 (102%) to \$899,000. The main reason for the increase in interest and investment income is largely due to the increase is cash and cash equivalents as a result of surplus during the year.

OTHER REVENUE

Increase in other revenue is mainly due to sale of Shorty O'Neil Bed licenses for \$1.78 million.

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MOVEMENT IN EXPENSE ITEMS 2015-2016

	2016	2015	Increase (Decrease)
	\$'000	\$'000	\$'000
Employee Benefits and On-costs	13,776	16,024	(2,248)
Materials and Contracts	5,646	6,476	(830)
Depreciation and Amortisation	6,767	5,945	822

EMPLOYEE BENEFITS & ON-COSTS

Employee benefits & on-costs expense has decreased by \$2.248 million (14%) to \$13.776 million. The decrease is mainly because no termination expense is incurred in the current year. In the prior year, termination expenses were incurred as part of restructure of the Council.

MATERIALS AND CONTRACTS

Materials & contracts expense has decreased by \$830,000 (13%) to \$5.646 million. The decrease can mainly be attributed to a decrease in contractor and consultancy costs. This was a reduction in road maintenance and private works for the year 2015/16. Instead the resources were more focused on capital road works (reconstruction of McCulloch street and Blende street). It also relates to improved efficiencies within the workplace such as decrease in administrative expense, cleaning etc.

DEPRECIATION AND AMORTISATION

Depreciation and amortisation expense has increased by \$822,000 (14%) to \$6.767 million. The increase is mainly due to change in depreciation method resulting in increased depreciation rate for infrastructure assets.

STATEMENT OF FINANCIAL POSITION

During the year, the Council's net assets increased by \$7.175 million to \$241.754 million. The major movements within the balance sheet was:

Increase of \$7.690 million in cash and investments securities.

CASH AND INVESTMENTS SECURITIES

The increase is mainly due to surplus produced during the year.

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STATEMENT OF CASH FLOWS

	2016	2015	Increase (Decrease)
	\$'000	\$'000	\$'000
Net Cash Flows from Operations	12,208	2,798	9,410
Net Cash Flows from Investing	(1,320)	(2,132)	812
Net Cash Flows from Financing	(698)	648	(1,346)

NET CASH FLOWS FROM OPERATIONS

Net cash provided from operating activities amounted to \$12.208 million in 2016 compared to \$2.798 million in the prior year. The increase is mainly on account of operating surplus produced during the year.

NET CASH FLOWS FROM INVESTING

Net cash used in investing activities amounted to \$1.320 million for the year ended 30 June 2016 compared to net cash provided of \$2.132 million for the prior year.

The decrease is largely due to sale of investment securities.

NET CASH FLOWS FROM FINANCING

Net cash used in financing activities amounted to \$698,000 for the year ended 30 June 2016 compared to net cash provided of \$648,000 in the prior period. The swing is mainly because no new borrowings were undertaken during the year and some of the prior period borrowings were repaid.

TOTAL INVESTMENTS AND CASH BALANCES

	2016	2015	Increase (Decrease)
	\$'000	\$'000	\$'000
Externally Restricted Cash	8,037	4,047	3,990
Internally Restricted Cash	5,046	1,362	3,684
Unrestricted Cash	5,260	5,244	16
Total Cash, Cash Equivalents and Investments	18,343	10,653	7,690

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EXTERNALLY RESTRICTED CASH

Externally restricted cash and investments are restricted in their use by externally imposed requirements. The increase is mainly on account of \$2.87 million unexpended grant received from BHP.

INTERNALLY RESTRICTED CASH

Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect identified programs of works and any forward plans identified by Council. The increase is mainly due to amounts allocated to innovation reserve and infrastructure replacement programs

UNRESTRICTED CASH

Unrestricted cash and investments are those funds available to provide liquidity for day to day operations.

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WORKING CAPITAL (NET CURRENT ASSETS)

	2016	2015	Increase (Decrease)
	\$'000	\$'000	\$'000
Current Assets	21,538	13,646	7,892
Current Liabilities	(7,087)	(7,952)	865
Net Current Assets	14,451	5,694	8,757
Add: Current Liabilities not anticipated to be settled within the next 12 months	963	1,269	-306
Adjusted Net Current Assets	13,488	6,963	6,525
Add: Current Liabilities expected to be settled within the next 12 months			
- Borrowings	731	615	116
- Provisions	2,933	2,851	82
- Security Bonds, Deposits and Retentions	48	23	25
Less: Externally Restricted Assets	(7,992)	(4,002)	(3,990)
Less: Internally Restricted Assets	(5,046)	(1,362)	(3,684)
Working Capital as at 30 June	4,162	5,088	(926)

Council's balance of working capital has decreased by \$925k to \$4.162 million for the 2016 financial year. This decrease is mainly because of increase in restricted assets.

PERFORMANCE INDICATORS AND TRENDS

Our comments in regard to Council's performance for the 2016 year are based on those performance indicators that are considered meaningful.

The indicators we have reviewed are as follows:

	2016	2015
Unrestricted Current Ratio	2.35 : 1	1.45 : 1
Debt Service Cover Ratio	9.01:1	4.43 : 1
Operating Performance Ratio	8.84%	-9.84%
Own Source Operating Revenue Ratio	62.12%	67.25%
Rates and Annual Charges Outstanding Percentage	10.39%	11.60%
Cash Expense Cover Ratio	8.26	4.33

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UNRESTRICTED CURRENT RATIO

The unrestricted current ratio is used to assess the adequacy of available current assets and Council's ability to satisfy its obligations in the short term after taking into account any external restrictions over the use of the current assets. The ratio of 2.35 has increased from the prior year's ratio of 1.45. This year the Council has exceeded Local Government industry benchmark. Improvement in ratios is due to some recovery of Lehman Brother's CDO's, improved operational efficiencies as well as injection of cash from sale of Shorty O'neil Bed Licenses.

DEBT SERVICE COVER RATIO

At 30 June 2016 Council had outstanding borrowings of \$5.857 million compared with \$6.555 million as at 30 June 2015. The debt service cover ratio measures the availability of operating cash to service debt repayments. For the 2016 financial year the ratio indicated that operating results before capital, interest, depreciation and amortisation covered payments required to service debt, with a ratio of 9.01 to 1. The ratio has increased as a result of improved financial performance during the financial year and is well above the local government benchmark of >2.

OPERATING PERFORMANCE RATIO

This ratio is essentially measures Council's ability to contain operating expenditure within its operating revenue, excluding capital grants and contributions. For the 2016 financial year, this indicator was 8.84%, which has shown significant improvement since 2015 and well above industry benchmark.

OWN SOURCE OPERATING REVENUE RATIO

The own source operating revenue ratio measures Council's fiscal flexibility and their degree of reliance on external funding sources such as grants and contributions. For the 2016 financial year, this indicator was 62.12% and exceeded the benchmark of >60%

RATES AND ANNUAL CHARGES OUTSTANDING PERCENTAGE

The rates and annual charges outstanding percentage is used to assess the impact of uncollected rates and annual charges on liquidity and the adequacy of debt recovery efforts. The percentage of rates and annual charges outstanding has decreased from 11.60% to 10.39% in the current year. This indicates that debtors are being collected at a slightly better rate than in the prior year.

CASH EXPENSE COVER RATIO

This liquidity ratio indicates the number of months that Council can continue to pay its immediate expenditure items with available cash and term deposit balances, without the need for additional cash inflow. For 2016, this ratio stood at 8.26 months compared to the benchmark of greater than 3 months.

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REPORTING TO MANAGEMENT

A management letter highlighting matters arising from our interim audit has been prepared and issued where considered necessary or appropriate. Matters raised in the letter included suggestions for improvement and management's comments and proposed actions.

We wish to record our appreciation to your General Manager, Deputy General Manager, Chief Financial Officer and their staff for the co-operation and courtesy extended to us during the course of our audit and commend their efforts in the timely completion of the financial statements.

M.D. Nicholaeff

Partner

Signed at Sydney on 17th October 2016

M. Much Joff

UHY Haines Norton

Chartered Accountants

UHY Hairs Norton

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Council of the City of Broken Hill

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2016

"... is a vibrant, prosperous and culturally rich Heritage City shared with visitors from around the world."

BROKEN HILL

Council of the City of Broken Hill

Special Purpose Financial Statements for the year ended 30 June 2016

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Income Statement – Other Business Activities	3
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Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- (ii) The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.
 - Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.
- (iii) For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include (a) those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and (b) those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities). (c) those activities with a turnover of less than \$2 million that Council has formally declared as a business activity (defined as a category 2 activities)

(iv) In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must (a) adopt a corporatisation model and (b) apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Council of the City of Broken Hill

Special Purpose Financial Statements for the year ended 30 June 2016

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

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

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- · accord with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 31 August 2016.

Wincen Cuy

James Roncon General Manager Jay Nankivell

Dave Gallad

Responsible Accounting Officer

Council of the City of Broken Hill

Income Statement of Council's Other Business Activities

for the year ended 30 June 2016

Civic Centre (Entertainment centre)

Shorty O'Neil Village

		Category 2		Category 2	
\$ '000 No	Actu 201 otes		Actual 2016	Actual 2015 (Restated)*	
\$ 000	Jies	(**************************************		(**************************************	
Income from continuing operations					
User charges	4	3 68	45	128	
Grants and contributions provided for non-capital purposes	S		_	158	
Other income	1	3 4	_	1	
Total income from continuing operations	5	6 72	45	287	
Expenses from continuing operations					
Employee benefits and on-costs	7	0 156	18	103	
Materials and contracts	3	0 34	96	607	
Depreciation and impairment	49	5 501	255	245	
Other expenses	7	1 92	141_	168_	
Total expenses from continuing operations	66	6 783	510	1,123	
Surplus (deficit) from continuing operations before					
capital amounts	(61	0) (711)	(465)	(836)	
Grants and contributions provided for capital purposes					
Surplus (deficit) from continuing operations after					
capital amounts	(61	0) (711)	(465)	(836)	
Surplus (deficit) from discontinued operations					
Surplus (deficit) from all operations before tax	(61	0) (711)	(465)	(836)	
Less: corporate taxation equivalent (30%) [based on					
result before capital]			_	_	
SURPLUS (DEFICIT) AFTER TAX	(61	0) (711)	(465)	(836)	
Plus opening retained profits	1(a) (1,50)2) (1,122) (i	746	444 (ii)	
Plus/less: prior period adjustments	(1)		_	_	
Plus adjustments for amounts unpaid: Add:					
 Subsidy paid/contribution to operations 	18		227	1,138	
Closing retained profits	(1,93	2) (1,502)	508	746	
Return on capital %	-7.4		-7.8%	-13.4%	
Subsidy from Council	78	8 1,032	595	1,025	

^{*} Refer to Note 1A for the details of the restatement.

Council of the City of Broken Hill

Income Statement of Council's Other Business Activities for the year ended 30 June 2016

		Ai	rport		
		Cate	egory 2		
\$ '000	Notes	Actual 2016	Actual 2015 (Restated)*	Actual 2016	Actual 2015 (Restated)*
In a sure for an analysis of a second second					
Income from continuing operations		646	742	816	659
User charges Other income		5	4	5	20
Total income from continuing operations		651	746	821	679
Expenses from continuing operations					
Employee benefits and on-costs		267	285	135	145
Borrowing costs		22	22	_	_
Materials and contracts		233	201	485	475
Depreciation and impairment		413	118	3	16
Other expenses		77	80	24	2
Total expenses from continuing operations		1,012	706	647	638
Surplus (deficit) from continuing operations before					
capital amounts		(361)	40	174	41
Grants and contributions provided for capital purposes					
Surplus (deficit) from continuing operations after capital amounts		(361)	40	174	41
Surplus (deficit) from discontinued operations		_		_	
Surplus (deficit) from all operations before tax		(361)	40	174	41
Less: corporate taxation equivalent (30%) [based on result before capital]		_	(12)	(52)	(12)
SURPLUS (DEFICIT) AFTER TAX	-	(361)	28	122	29
Plus opening retained profits Plus/less: prior period adjustments	1(a)	904	2,968 (iii) -	730 -	788 (iv) -
Plus adjustments for amounts unpaid: - Corporate taxation equivalent Add:		-	12	52	12
 Subsidy paid/contribution to operations 		44	(2,104)	160	(99)
Closing retained profits		587	904	1,064	730
Return on capital %		-3.1%	0.5%	17.7%	5.0%
Subsidy from Council		577	281	_	_

^{*} Refer to Note 1A for the details of the restatement.

Council of the City of Broken Hill

Statement of Financial Position – Council's Other Business Activities as at 30 June 2016

Civic Centre
(Entertainment centre

Shorty O'Neil Village

	(
	Categ	ory 2	Category 2		
	Actual	Actual	Actual	Actual	
	2016	2015	2016	2015	
\$ '000 Not	es	(Restated)*			
400570					
ASSETS					
Current assets					
Cash and cash equivalents	_	_	_	-	
Investments		_	-	_	
Receivables	44	13	1	_	
Inventories	_	_	_	-	
Other	_	_	_	_	
Non-current assets classified as held for sale					
Total Current Assets	44	13	1	_	
Non-current assets					
Investments	_	_	_	_	
Receivables	_	_	_	_	
Inventories	_	_	_	_	
Infrastructure, property, plant and equipment 1(a) 8,214	8,709 (v)	5,993	6,249	
Investments accounted for using equity method	_	_	_	_	
Investment property	_	_	_	_	
Total non-current assets	8,214	8,709	5,993	6,249	
TOTAL ASSETS	8,258	8,722	5,994	6,249	
				-,	
LIABILITIES					
Current liabilities					
Bank overdraft					
	2	9	<u> </u>	45	
Payables Payables	2	9	45	45	
Borrowings	_	-	_	- 47	
Provisions		25		17	
Total current liabilities	2	34	45	62	
Non-current liabilities					
Payables	_	_	_	_	
Borrowings	_	_	_	_	
Provisions	_	2	_	_	
Total non-current liabilities	_	2		_	
TOTAL LIABILITIES	2	36	45	62	
NET ASSETS	8,256	8,686	5,949	6,187	
EQUITY					
Retained earnings	(1,932)	(1,502) (v)	508	746	
Revaluation reserves	10,188	10,188	5,441	5,441	
Council equity interest	8,256	8,686	5,949	6,187	
Non-controlling equity interest	0,230	-	5,345	0,107	
TOTAL EQUITY	8,256	8,686	5,949	6,187	
TOTAL EQUIT	0,200		5,343	0,107	

Council of the City of Broken Hill

Statement of Financial Position – Council's Other Business Activities as at 30 June 2016

	Airport		Commercia	l waste
	Catego	ory 2	Categor	y 2
	Actual	Actual	Actual	Actual
\$ '000 Not	2016 es	2015	2016	2015
ASSETS				
Current assets				
Cash and cash equivalents	_	_	_	_
Investments	-	_	_	-
Receivables	45	62	112	56
Inventories	_	_	_	_
Other	_	_	_	_
Non-current assets classified as held for sale			_ -	
Total Current Assets	45	62	112	56
Non-current assets				
Investments	_	_	_	_
Receivables	_	_	_	_
Inventories	_	_	_	_
Infrastructure, property, plant and equipment	10,980	11,354	982	828
Investments accounted for using equity method	_	_	_	_
Investment property	_	_	_	_
Other	_	_	_	_
Total non-current assets	10,980	11,354	982	828
TOTAL ASSETS	11,025	11,416	1,094	884
LIABILITIES				
Current liabilities				
Bank overdraft	_	_	_	_
Payables	_	_	_	_
Borrowings	_	_	_	_
Provisions	_	67	_	109
Total current liabilities		67		109
Non-current liabilities				
Payables	_	_	_	-
Borrowings	-	_	_	_
Provisions		7		15
Total non-current liabilities		7		15
TOTAL LIABILITIES		74		124
NET ASSETS	11,025	11,342	1,094	760
EQUITY				
Retained earnings	587	904	1,064	730
Revaluation reserves	10,438	10,438	30	30
Council equity interest	11,025	11,342		760
Non-controlling equity interest	11,025	11,342	1,094	700
TOTAL EQUITY	11,025	11,342	1,094	760
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				page 6

Council of the City of Broken Hill

Special Purpose Financial Statements for the year ended 30 June 2016

Contents of the notes accompanying the financial statements

Note	Details	Page
1	Summary of significant accounting policies	8
1 (a)	Errors and changes in accounting policies	11

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2016

Note 1. Significant accounting policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Office of Local Government.

For the purposes of these statements, the Council is not a reporting not-for-profit entity.

The figures presented in the SPFS, unless otherwise stated, have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB), and
- Australian Accounting Interpretations.

The disclosures in the SPFS have been prepared in accordance with:

- the Local Government Act (1993) NSW,
- the Local Government (General) Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 government policy statement, *Application of National Competition Policy to Local Government*.

The Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality, issued by the Office of Local Government in July 1997, has also been adopted.

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

Declared business activities

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

Category 1

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

Nil

Category 2

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

a. Civic Centre (Entertainment Centre)

Venue for the conduct of shows, festivals, civic activities & significant events.

b. Shorty O'Neil Hostel

Aged Care Retirement Village

c. Broken Hill Airport

Facility for aircraft arrivals & departures, aircraft accommodation, workshop & associated activities.

d. Commercial Garbage Service

Garbage collection & disposal service provided to the business & commercial sector.

Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars.

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2016

Note 1. Significant accounting policies (continued)

(i) Taxation-equivalent charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council-nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate - 30%

<u>Land tax</u> – the first **\$482,000** of combined land values attracts **0%**. For that valued from \$482,001 to \$2,947,000 the rate is **1.6%** + **\$100**. For the remaining combined land value that exceeds \$2,947,000, a premium marginal rate of **2.0%** applies.

 $\underline{Payroll\ tax}$ – **5.45%** on the value of taxable salaries and wages in excess of \$750,000.

Income tax

An income tax equivalent has been applied on the profits of each reported business activity.

While income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain or loss from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

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

Since this taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations, it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The 30% rate applied is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2016

Note 1. Significant accounting policies (continued)

return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(iii) Return on investments (rate of return)

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

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The rate of return on capital is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 2.17% at 30/6/16.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

(iv) Dividends

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

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2016

Note 1a. Errors and changes in accounting policies

Correction of Prior Period Errors

(i) 14/15 comparative restated due to prior period error.

Opening retained profits for Civic Centre in 14/15, did not match the closing retained earnings for 13/14, this was due to a presentation error and incompleteness of the retained profits disclosure in the Income Statement. The disclosure for opening retained profits has reduced by \$3,312 (previously stated as \$2,190). The completion of the 'Subsidy paid/contribution to operations' disclosure (previously stated as \$0) for 14/15 as well as the opening retained profits correction has resulted in altering the closing retained profits disclosure by a decrease of \$2,981 (previously \$1,479). This error has had no impact on Retained Earnings in the Balance Sheet.

(ii) 14/15 comparative restated due to prior period error.

Opening retained profits for Shorty O'Neil Village in 14/15, did not match the closing retained earnings for 13/14, this was due to a presentation error and incompleteness of the retained profits disclosure in the Income Statement. The disclosure for opening retained profits has increased by \$4,583 (previously stated as -\$4139). The completion of the 'Subsidy paid/contribution to operations' disclosure (previously stated as \$0) for 14/15 as well as the opening retained profits correction has resulted in altering the closing retained profits disclosure by an increase of \$5,721 (previously -\$4,975). This error has had no impact on Retained Earnings in the Balance Sheet.

(iii) 14/15 comparative restated due to prior period error.

Opening retained profits for the Airport in 14/15, did not match the closing retained earnings for 13/14, this was due to a presentation error and incompleteness of the retained profits disclosure in the Income Statement. The disclosure for opening retained profits has increased by \$1,741 (previously stated as \$1,227). The completion of the 'Subsidy paid/contribution to operations' disclosure (previously stated as \$0) for 14/15 as well as the opening retained profits correction has resulted in altering the closing retained profits disclosure by a decrease of \$363 (previously \$1,267). This error has had no impact on Retained Earnings in the Balance Sheet.

(iv) 14/15 comparative restated due to prior period error.

Opening retained profits for Commercial Waste in 14/15, did not match the closing retained earnings for 13/14, this was due to a presentation error and incompleteness of the retained profits disclosure in the Income Statement. The disclosure for opening retained profits has increased by \$142 (previously stated as \$646). The completion of the 'Subsidy paid/contribution to operations' disclosure (previously stated as \$0) for 14/15 as well as the opening retained profits correction has resulted in altering the closing retained profits disclosure by an increase of \$43 (previously \$687). This error has had no impact on Retained Earnings in the Balance Sheet.

(v) 14/15 comparative restated due to prior period error.

14/15 comparative for Civic Centre restated as it was represented as the full at cost figure for Infrastructure, property, plant and equipment, not the carrying value. Previously disclosed as \$10,634. This had the effect of reducing total assets by \$1,925 and impacting retained earnings and total equity by reducing these amounts by the same. (\$1,925).



Council of the City of Broken Hill Special Purpose Financial Statements Independent Auditor's Report Level 11 | 1 York Street | Sydney | NSW | 2000 GPO Box 4137 | Sydney | NSW | 2001 t: +61 2 9256 6600 | f: +61 2 9256 6611 sydney@uhyhn.com.au www.uhyhnsydney.com.au

Report on the Financial Statements

We have audited the accompanying financial statements, being the special purpose financial statements, of Council of the City of Broken Hill (the Council), which comprises the statement of financial position by business activity as at 30 June 2016, the income statement by business activity for the year then ended, notes to the financial statements for the business activities identified by Council and the statement by Councillors and Management.

Councillor's Responsibility for the Financial Statements

The Councillors of the Council are responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements are appropriate to satisfy the requirements of the *Local Government Act 1993* and meet the needs of the NSW Office of Local Government. The Councillors responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Councilors, as well as evaluating the overall presentation of the financial statements.

Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the special purpose financial statements of Council of the City of Broken Hill for the year ended 30 June 2016 included on Council's website. The Council is responsible for the integrity of the website. We have not been engaged to report on the integrity of this website. The auditor's report refers only to the financial statements identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial statements. If users of the financial statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements to confirm the information contained in this website version of the financial statements.

Auditor's Opinion

In our opinion the special purpose financial statements of Broken Hill City Council:

- have been prepared in accordance with the requirements of those applicable Australian Accounting Standards detailed in note 1 and the Local Government Code of Accounting Practice and Financial Reporting;
 - i) is consistent with the Council's accounting records;
 - ii) presents fairly, in all material respects, the financial position of Council's nominated Business Activities as at 30 June 2016 and the results of their operations for the year then ended;
- b) all information relevant to the conduct of the audit has been obtained; and
- there are no material deficiencies in the accounting records or financial report that we have become aware of in the course of the audit.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the requirements of the NSW Office of Local Government. As a result, the financial report may not be suitable for another purpose.

M.D. Nicholaeff

Partner

Signed in Sydney on 17th October 2016

UHY Haines NortonChartered Accountants

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Council of the City of Broken Hill

SPECIAL SCHEDULES for the year ended 30 June 2016

"... is a vibrant, prosperous and culturally rich Heritage City shared with visitors from around the world."

BROKEN HILL

Council of the City of Broken Hill

Special Schedules

for the year ended 30 June 2016

Contents		Page
Special Schedules ¹		
Special Schedule 1	Net Cost of Services	2
Special Schedule 2(a)	Statement of Long Term Debt (all purposes)	4
Special Schedule 7	Report on Infrastructure Assets	5
Special Schedule 8	Permissible Income Calculation	9

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
 - the NSW Grants Commission
 - · the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
 - the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - · the monitoring of the financial activities of specific services.

Special Schedules are not audited (with the exception of Special Schedule 8).

Council of the City of Broken Hill

Special Schedule 1 – Net Cost of Services for the year ended 30 June 2016

\$'000

Function or activity	Expenses from continuing	Incom- continuing	Net cost of services	
	operations	Non-capital	Capital	Of Services
Governance	1,012	_	_	(1,012)
Administration	5,374	554	_	(4,820)
Public order and safety				
Fire service levy, fire protection,				
emergency services	562	-	-	(562)
Beach control		_	-	
Enforcement of local government regulations	145	22	-	(123)
Animal control	191	51	-	(140)
Other	_		-	- (005)
Total public order and safety	898	73		(825)
Health	131	23	_	(108)
Environment				
Noxious plants and insect/vermin control	17	7	_	(10)
Other environmental protection	-	-	_	_
Solid waste management	2,787	3,166	193	572
Street cleaning	225	-	_	(225)
Drainage	-	-	_	_
Stormwater management	40	-	-	(40)
Total environment	3,069	3,173	193	297
Community services and education				
Administration and education	-	-	-	_
Social protection (welfare)	-		-	- 4 407
Aged persons and disabled	4,365	5,562	_	1,197
Children's services	19	E E62	_	(19)
Total community services and education	4,384	5,562	_	1,178
Housing and community amenities				
Public cemeteries	284	191	_	(93)
Public conveniences	35	-	_	(35)
Street lighting	327	103	-	(224)
Town planning	416	281	-	(135)
Other community amenities Total housing and community amenities	- 1,062	- 575	-	– (487)

Council of the City of Broken Hill

Special Schedule 1 - Net Cost of Services (continued) for the year ended 30 June 2016

\$'000

Function or activity	Expenses from continuing	Incom continuing	e from operations	Net cost of services
	operations	Non-capital	Capital	of services
Recreation and culture				
Public libraries	915	185	-	(730)
Museums	268	65	-	(203)
Art galleries	555	229	_	(326)
Community centres and halls	326	1	_	(325)
Performing arts venues	_	_	_	_
Other performing arts	_	-	_	- (47)
Other cultural services	32	15	_	(17)
Sporting grounds and venues	658	_	_	(658)
Swimming pools	1,085	89	_	(996)
Parks and gardens (lakes)	1,916	373	_	(1,543)
Other sport and recreation	E 755	957	_	(4.700)
Total recreation and culture	5,755	957	_	(4,798)
Fuel and energy	_	_	_	_
Agriculture	_	_	_	_
Mining, manufacturing and construction				
Building control	_	-	_	_
Other mining, manufacturing and construction	r –	_	_	_
Total mining, manufacturing and const.	_	_		_
Transport and communication				
Urban roads (UR) – local	4,090	1,340	_	(2,750)
Urban roads – regional	11	305	_	294
Sealed rural roads (SRR) – local	_	_	_	_
Sealed rural roads (SRR) – regional	_	_	_	_
Unsealed rural roads (URR) – local	_	_	_	_
Unsealed rural roads (URR) – regional	_	_	_	_
Bridges on UR – local	_	_	_	_
Bridges on SRR – local	_	_	_	_
Bridges on URR – local	_	_	_	_
Bridges on regional roads	_	_	_	_
Parking areas	44	_	_	(44)
Footpaths	316	_	_	(316)
Aerodromes	1,063	651	_	(412)
Other transport and communication	59	31	_	(28)
Total transport and communication	5,583	2,327	_	(3,256)
Economic affairs				
Camping areas and caravan parks	_	_	_	_
Other economic affairs	3,342	968	3,344	970
Total economic affairs	3,342	968	3,344	970
Totals – functions	30,610	14,212	3,537	(12,861)
General purpose revenues (1)		19,468		19,468
Share of interests – joint ventures and				
associates using the equity method		_		_
NET OPERATING RESULT (2)	30,610	33,680	3,537	6,607

⁽¹⁾ Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose (2) As reported in the Income Statement grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges

Council of the City of Broken Hill

Special Schedule 2(a) – Statement of Long Term Debt (all purpose) for the year ended 30 June 2016

\$'000

	Princ	ipal outstar	nding	New loans Debt red		lemption			Princ	ipal outstar	nding
	at beg	inning of th	e year	raised		the year	Transfers to sinking	Interest applicable	at the end of the year		
Classification of debt	Current	Non- current	Total	during the year	From revenue	Sinking funds	funds	for year	Current	Non- current	Total
Loans (by source)											
Commonwealth government		_	_	_	_	_	_	_	_	_	_
Treasury corporation		_	_	_	_	_	_	_	_	_	_
Other state government		_	_	_	_	_	_	_	_	_	_
Public subscription	_	_	_	_	_	_	-	_	_	_	_
Financial institutions	615	5,940	6,555	_	698	_	_	362	731	5,126	5,857
Other	_	_	_	_	_	_	_	_	_	_	_
Total loans	615	5,940	6,555	-	698	_	-	362	731	5,126	5,857
Other long term debt											
Ratepayers advances	_	_	_	_	_	_	-	-	_	_	_
Government advances	_	_	_	_	_	_	-	-	_	_	_
Finance leases	_	-	_	_	_	_	-	-	_	-	_
Deferred payments	_	_	_	_	_	_	_	_	_	_	_
Total long term debt	_	-	_	-	-	_	-	-	-	-	_
Total debt	615	5,940	6,555	-	698	_	_	362	731	5,126	5,857

Notes: excludes (i) internal loans and (ii) principal inflows/outflows relating to loan re-financing.

This schedule is prepared using the face value of debt obligations, rather than fair value (which are reported in the GPFS).

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016

\$'000

		Estimated cost	Estimated cost					Accate	in conditi	on as a pe	rcentage	of arose
		to bring assets	to bring to the	2015/16	2015/16		Gross	Assets		lacement o	_	Ji gioss
		to satisfactory	agreed level of	Required	Actual	Carrying	replacement					
Asset class	Asset category	standard	service set by Council	maintenance	maintenance	value	cost (GRC)	1	2	3	4	5
Buildings	Council Offices /											
	Administration Centre	400	400	308	299	6,041	17,210		100%			0%
	Council Works Depot	40	40	64	62	1,801	4,116			100%		0%
	Libraries	500	500	40	39	1,025	3,313				100%	0%
	Museums	100	100	22	21	1,546	2,773			100%		0%
	Film Studio	_	_	9	9	7,221	21,153			100%		0%
	Public Halls	530	530	90	87	4,041	10,108			100%		0%
	Civic Centre	5,000	5,000	7	7	7,900	18,641	100%				0%
	Amenities	50	50	22	21	387	710		100%			0%
	Shorty O'Neil & HACC	200	200	72	70	11,235	18,710			100%		0%
	Airport	120	120	522	507	2,934	5,986		100%			0%
	Art Gallery	120	120	31	30	2,712	3,629	100%				0%
	Tourist and Travellers Centre	250	250	11	11	2,237	4,055		100%			0%
	Parks & Reserves	750	750	1,352	1,313	8,583	23,605			100%		0%
	Cemetery	_	_	68	66	253	403			100%		0%
	Waste Site	_	_	24	23	1,653	2,162	100%				0%
	Other	_	_	168	163	756	2,017			100%		0%
	Sub-total	8,060	8,060	2,810	2,728	60,325	138,591	17.6%	20.2%	59.8%	2.4%	0.0%
Other	Other structures	_	_	_	_	5,933	6,630			100%		0%
structures	Sub-total	_	_	_	_	5,933	6,630	0.0%	0.0%	100.0%	0.0%	0.0%

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016 (continued)

\$'000

		Estimated cost to bring assets to satisfactory	Estimated cost to bring to the agreed level of	2015/16 Required	2015/16 Actual	Carrying	Gross replacement			on as a pe lacement o		of gross
Asset class	Asset category	standard	service set by Council	maintenance ^a	maintenance	value	cost (GRC)	1	2	3	4	5
Roads	Sealed Roads Surface	18,030	18,030	682	568	22,330	33,406	3%	26%	47%	22%	2%
	Sealed Roads Structure	4,507	4,507	298	248	64,599	87,188	100%				0%
	Unsealed roads	100	100	14	12	1,116	1,633		100%			0%
	Footpaths	1,500	1,500	143	119	7,383	11,754		100%			0%
	Kerb & Gutter	500	500	114	95	18,624	27,612		100%			0%
	Airport Assets	300	300	_	_	7,574	11,268			100%		0%
	Other road assets	_	_	_	_	113	121		100%			0%
	Carparks	50	50	_	_	1,250	1,806			100%		0%
	Roundabouts	200	200	_	_	739	968		100%			0%
	Sub-total	25,187	25,187	1,250	1,042	123,728	175,756	50.2%	28.9%	16.4%	4.2%	0.4%
Stormwater	Stormwater drainage	200	200	_	_	8,692	12,397			100%		0%
drainage	Sub-total	200	200	_	_	8,692	12,397	0.0%	0.0%	100.0%	0.0%	0.0%
Open space/	Swimming pools	100	100	28	27	8,800	10,472	100%				0%
recreational	Other Recreation	_	_	_	_	1,478	2,424		100%			0%
assets	Sub-total	100	100	28	27	10,278	12,896	81.2%	18.8%	0.0%	0.0%	0.0%
	TOTAL – ALL ASSETS	33,547	33,547	4,088	3,797	208,956	346,270	35.5%	23.4%	37.7%	3.1%	0.2%

Notes:

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

Infrastructure asset condition assessment 'key'

1 Excellent No work required (r	normal maintenance)
---------------------------------	---------------------

Only minor maintenance work required Good

Average Maintenance work required

Renewal required

Very poor Urgent renewal/upgrading required

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2016

	Amounts	Indicator	Prior p	eriods
\$ '000	2016	2016	2015	2014
Infrastructure asset performance indicate consolidated	ors *			
1. Infrastructure renewals ratio Asset renewals (1) Depreciation, amortisation and impairment	4,060 6,175	65.75%	0.00%	5.19%
2. Infrastructure backlog ratio Estimated cost to bring assets to a satisfactory standard Carrying value of infrastructure assets	33,547 208,956	16.05%	0.00%	0.96%
3. Asset maintenance ratio Actual asset maintenance Required asset maintenance	3,797 4,088	0.93	1.00	1.00
4. Capital expenditure ratio Annual capital expenditure Annual depreciation	3,926 6,767	0.58	0.35	0.25

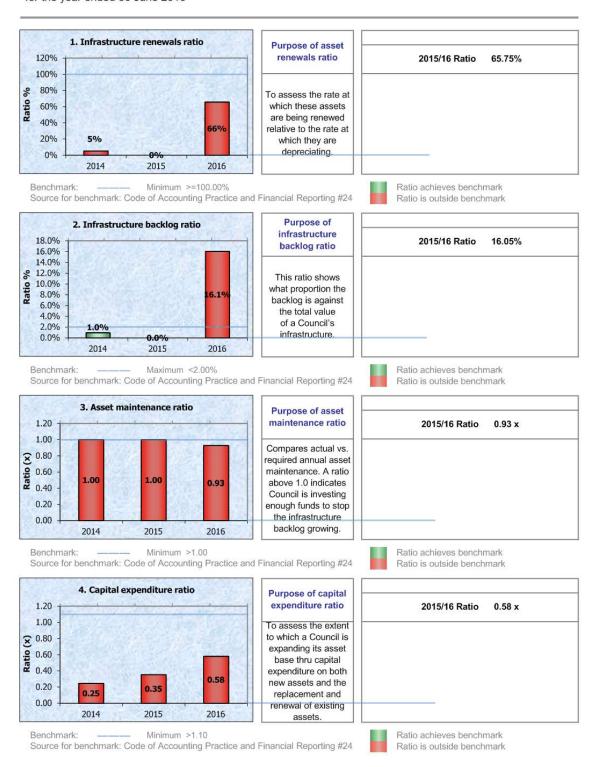
Notes

^{*} All asset performance indicators are calculated using the asset classes identified in the previous table.

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

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2016



Council of the City of Broken Hill

Special Schedule 8 - Permissible Income Calculation

for the year ended 30 June 2017

tings.		Calculation 2015/16	Calculation 2016/17
\$'000		2015/16	2016/17
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	а	14,115	14,439
Plus or minus adjustments (2)	b	3	(2)
Notional general income	c = (a + b)	14,118	14,437
Permissible income calculation			
Special variation percentage (3)	d	0.00%	0.00%
Or rate peg percentage	е	2.40%	1.80%
Or crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
Less expiring special variation amount	g	_	_
Plus special variation amount	$h = d \times (c - g)$	_	_
Or plus rate peg amount	$i = c \times e$	339	260
Or plus Crown land adjustment and rate peg amount	j = c x f		_
Sub-total -	c = (c + g + h + i + j)	14,457	14,697
Plus (or minus) last year's carry forward total	I	(12)	6
Less valuation objections claimed in the previous year	m _		
Sub-total	n = (I + m)	(12)	6
Total permissible income	o = k + n	14,445	14,703
Less notional general income yield	р	14,439	14,689
Catch-up or (excess) result	d = 0 - b	6	14
Plus income lost due to valuation objections claimed (4)	r	_	_
Less unused catch-up (5)	s		_
Carry forward to next year	t = q + r - s	6	14

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from Council's Special Schedule 8 in the financial data return (FDR) to administer this process.



Council of the City of Broken Hill

Special Schedule 8 – Independent Auditor's Report For the year ended 30 June 2017 Level 11 | 1 York Street | Sydney | NSW | 2000 GPO Box 4137 | Sydney | NSW | 2001 t: +61 2 9256 6600 | f: +61 2 9256 6611 sydney@uhyhn.com.au www.uhyhnsydney.com.au

Report on Special Schedule 8

We have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule 8) of the Council of the City of Broken Hill for the year ending 30 June 2017.

Responsibility of the Council for Schedule 8

The Council is responsible for the preparation and fair presentation of Special Schedule 8 in accordance with the *Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 23.* This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Special Schedule 8 that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on Special Schedule 8 based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether Special Schedule 8 is free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Special Schedule 8. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Special Schedule 8, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule 8.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule 8 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, Special Schedule 8 of Council of the City of Broken Hill for 2016/17 is properly drawn up in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.

Basis of Accounting

Without modifying our opinion, we advise that this schedule has been prepared for distribution to the Office of Local Government for the purposes of confirming that Council's reconciliation of Council's total permissible general income is presented fairly. As a result, the schedule may not be suitable for another purpose.

M.D. Nicholaeff

Partner

UHY Haines Norton

Chartered Accountants

UHY Hairs Norton

Signed in Sydney on 17th October 2016

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Ordinary Council 26 October 2016

ORDINARY MEETING OF THE COUNCIL

September 27, 2016

BROKEN HILL CITY COUNCIL REPORT NO. 226/16

SUBJECT: ANNUAL REPORT 2015/2016 15/144

Recommendation

- 1. That Broken Hill City Council Report No. 226/16 dated September 27, 2016, be received.
- 2. That the 2015/2016 Annual Report, inclusive of audited Financial Statements, Delivery Program Key Performance Indicators Six Month Report Jan 2016 Jun 2016 (adopted at Council meeting 31 August 2016, minute no. 45315), 2012-2016 End of Term Report (adopted at Council meeting 31 August 2016, minute no. 45314) and 2012-2016 State of Environment Report be adopted.
- 3. That the Annual Report, inclusive of audited Financial Statements, Delivery Program Key Performance Indicators Six Month Report Jan 2016 Jun 2016, 2012-2016 End of Term Report and 2012-2016 State of Environment Report be posted on Council's website (note: End of Term Report 2012-2016 was previously posted on Council's website as a stand-alone document).
- 4. That Council's web link of Annual Report, inclusive of audited Financial Statements Delivery Program Key Performance Indicators Six Month Report Jan 2016 – Jun 2016, 2012-2016 End of Term Report and 2012-2016 State of Environment Report be provided to the Minister, via the Office of Local Government by 30 November 2016.

Executive Summary:

The purpose of this report is to present the 2015/2016 Annual Report for Council endorsement. The Annual Report includes 4 appendixes being Audited Financial Statements, Delivery Program Key Performance Indicators Six Month Report Jan 2016 – Jun 2016, 2012-2016 End of Term Report and 2012-2016 State of Environment Report.

Report:

Under the Integrated Planning and Reporting Framework, Council is required to prepare a number of documents to facilitate integration of long-term planning and implementation of Council activities. Core documents include the Community Strategic Plan, the four (4) year Delivery Program, the Annual Operational Plan and the Annual Report.

Section 428 (1) of the *Local Government Act 1993*, requires Councils to prepare an annual report within five (5) months of the end of the financial year.

The Annual Report is Council's report to the community and reports on Council's achievements in implementing its Delivery Program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities were directed during the preceding year.

Ordinary Council 26 October 2016

During the year in which an ordinary council election is held, an End of Term Report and a State of Environment Report are to be included in the Annual Report.

The 2015/16 Annual Report is required to be available to the Minister and public by 30 November 2016.

The report will be available to the public via Council's website following adoption by Council.

Strategic Direction:

Key Direction: 4. Our Leadership

Objective: 4.1 Openness and Transparency in Decision Making

Function: Leadership & Governance

DP Action: 4.1.1.8 An Annual Report is prepared in accordance with guidelines

Relevant Legislation:

The Integrated Planning and Reporting Framework requires each NSW Council to integrate all of their plans together with the objective of delivering service for the community through streamlining council operations to ensure optimal use of resources.

The Local Government Act 1993 – Sect 428 Annual Reports, states:

- (1) Within 5 months after the end of each year, a council must prepare a report (its "annual report") for that year reporting as to its achievements in implementing its delivery program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities are directed.
- (2) The annual report in the year in which an ordinary election of councillors is to be held must also report as to the council's achievements in implementing the community strategic plan over the previous 4 years.
- (3) An annual report must be prepared in accordance with the guidelines under section 406.
- (4) An annual report must contain the following:
 - a. a copy of the council's audited financial reports prepared in accordance with the Local Government Code of Accounting Practice and Financial Reporting published by the Department, as in force from time to time,
 - b. such other information as the regulations or the guidelines under section 406 may require.
- (5) A copy of the council's annual report must be posted on the council's website and provided to the Minister and such other persons and bodies as the regulations may require. A copy of a council's annual report may be provided to the Minister by notifying the Minister of the appropriate URL link to access the report on the council's website.

Financial Implications:

There are no direct financial implications arising from the endorsement of the Annual Report, however, the Annual Report contains summaries of financial information that was adopted by Council in the 2014/15 Financial Year.

The 2015/16 Annual Report contains the 2015/16 Audited Financial Statements.

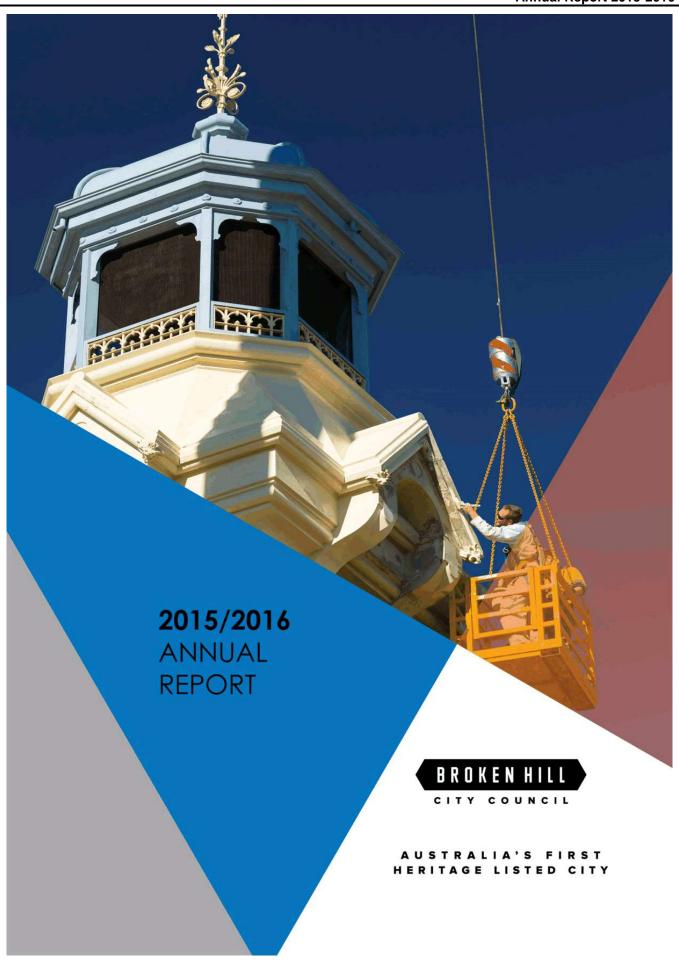
Ordinary Council 26 October 2016

Attachments

1. Annual Report 2015-2016 262 Pages

RAZIJA NU'MAN
DIVISION MANAGER CORPORATE AND HUMAN SERVICES

ANDREW BRUGGY ACTING GENERAL MANAGER





QUALITY CONTROL					
TRIM REFERENCES	D15/43405 – 15/144				
KEY DIRECTION	4. Our Leadership				
OBJECTIVE	4.1 Openness and Transparency in Decision Making				
FUNCTION	Leadership & Governance				
STRATEGY	4.1.1.8 An Annual Report is prepared in accordance with guidelines				
RESPONSIBLE OFFICER	General Manager				
REVIEW DATE	July 2017				
COMPANY	Broken Hill City Council				
PHONE NUMBER	08 8080 3300				
EMAIL ADDRESS FOR ENQUIRIES ONLY	council@brokenhill.nsw.gov.au				
DATE	ACTION	MINUTE NO.			
29 October 2014	Adopted by Council	44784			
19 October 2015	Draft document reviewed by Audit Committee	N/A			
18 November 2015	Presentation at Councillor Workshop	N/A			
25 November 2015	Adopted by Council	45124			
26 October 2016	Adopted by Council				
NOTES	Front Cover Image: Extensive painting of the Town Hall Façade undertaken in 2015/16. Images sourced from Council's Image Library © Copyright Broken Hill City Council 2016				
ASSOCIATED DOCUMENTS	Delivery Program Report Principal Activities 2015/2016 End of Term Report 2012-2016 Audited Financial Statements 2015/2016 State of Environment Report 2012-2016				

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MESSAGE FROM THE GENERAL MANAGER

The 2015/16 year outlined in this Annual Report has been one of steady progress for both Broken Hill, and Broken Hill City Council.

Although I have only recently commenced as General Manager, it is evident that the past few years has seen a major process of change effected within Council, most notably through the restructure of staffing.

The need for budget deficits indicated that Council would be required to adjust its approach to staffing, and the subsequent restructure saw Council cut "back to the bone" in a number of areas.

Moving forward, my job will now be to rebuild the business of Council so it can sustainably deliver on the needs and demands of the community. My aim is for Council to provide increased levels of services to the people of Broken Hill, while maintaining a responsible financial approach.



Despite the internal changes of the past few years, I feel Council has made significant strides in furthering existing projects, and launching new ventures to benefit the City.

2015/16 saw the commencement of the \$5 million upgrade to the Broken Hill Civic Centre thanks to funding from the NSW Government's Resources for Regions program. That upgrade is now reaching its final stages and will provide the city with a world-class venue to attract the meetings, incentives, conferences and exhibitions (MICE) market to Broken Hill, and further the City's reputation as an enticing regional events destination.

Council also worked to build on the City's National Heritage Listing with the development of the Heritage Toolkit - a magazine and complementary video series designed to improve awareness around Broken Hill's National Heritage City Listing, encourage pride in our heritage values, and promote understanding and increase participation in the opportunities it can create.

This focus on heritage will only increase in the coming years, with Council preparing for a number of projects under the Living Museum + Perfect Light (LM + PL) program, such as the mineral intersections and establishment of the new Broken Hill Archives thanks to funding from the BHP Billiton Foundation.

A further aim under the LM + PL program is the establishment of an anchor tenant in Argent Street to halt economic decline, and bring locals and tourists alike back to the City's traditional heart in the CBD. The Charles Rasp Memorial Library was identified as the ideal anchor tenant to make this reinvigoration of Argent Street a reality, and preparations and negotiation regarding the relocation of the Library have been conducted throughout the last year and are currently continuing.

The year also saw Council make preparations to transition away from Community Services, a move that has come to fruition with the sale of Shorty O'Neil Village to senior living group Eureka, and the handover of Council's aged and disabled care services to specialist provider CareWest.

The move away from Community Services was a necessary step due to the Australian Government's Aged Care Reform and the introduction of the National Disability Insurance Scheme from July 2017, however the move will have the benefit of allowing Council to better concentrate on its core business.

Meanwhile one of the City's most contentious issues, the establishment of a secure water supply for Broken Hill, was solved with the State Government announcing a \$500 million pipeline between the City the Murray River.

While we recognise the announcement was met with trepidation by some parts of the community who fear for the future of the Menindee Lakes, it must be acknowledged that the pipeline will provide certainty for the City's water supply for decades to come. The water issue does not end with the City's water supply however, and I maintain Council's commitment to a healthy and sustainable Darling River that supports a thriving Menindee Lakes System and Lower Darling.

On the topic of natural resources and the environment, mention must also be made of the solar plant established in the City by AGL. The plant is one of the largest in the southern hemisphere, generating enough green electricity to power around 17,000 homes. This enormous effort to "farm the sun" is a perfect example of how the City must think outside the box to create new opportunities.

With all these projects and milestones being realised in the past year, I can say I am genuinely excited about the journey ahead. As Australia's first and only Heritage Listed City we have an exclusive platform from which to grow tourism, diversify our economy, and cement our standing as one of Australia's truly unique cities.

Council staff and I look forward to meeting whatever challenges the future may hold as we strive to further the City's reputation, serve its residents, and work towards sustainability into the future.

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<u>James Roncon</u> General Manager

ABOUT THE CITY

"Broken Hill has a wonderful story to tell. By tapping in to the City's bold and energetic artistic flair, its rich and colourful history, it will be preserved for generations to come."

BHP Billiton CEO Andrew Mackenzie

From the time boundary rider Charles Rasp discovered silver ore in the area, Broken Hill has been inextricably linked to mining.

Its rich silver-lead-zinc deposits combined with its isolation led to the creation of a city unlike any other in the world.

From its architecture to its social nuances, Broken Hill developed into one of Australia's most iconic and unique destinations.

The City has made an enormous contribution to the nation's wealth via its mining industry, and also led the way in the battle for better working conditions through its indomitable Union movement.

While the City was once a burgeoning mining centre boasting over 30,000 inhabitants in its heyday, that number has now dwindled to around 18,500.

The city has been forced to contend with various issues as it has contracted, including job creation, an ageing population, and a general downturn in its economy.

However, the city's character and historical significance has endured, and its value to the nation was officially affirmed in 2015 when Broken Hill was recognised as Australia's first and only Heritage Listed city.

The Listing has placed the city in an ideal position to further its reputation as the "Capital of the Outback", and diversify the economy away from mining and toward tourism.

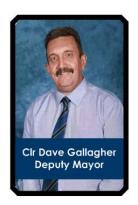
The Listing also captured the attention of 'The Big Australian', BHP, whose Foundation donated \$5.7 million to protect and preserve the city's heritage.

It is now up to Council and the people of Broken Hill to ensure we grow the city as a tourism destination offering attractions and experiences unavailable elsewhere in the world.

This focus on economic diversification, combined with ongoing support for mining and mineral exploration in the region, can ensure the city's future is as bright as its past.

YOUR COUNCILLORS DURING 2015/2016

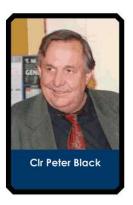


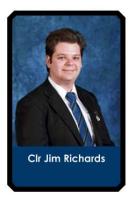




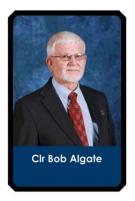














Broken Hill City Council is represented by a popularly elected Mayor and nine Councillors. The Councillors reflected on this page served Council during 2015/16. Our Councillors have an extremely important role in community leadership. They provide vision, strategic direction and make policy decisions on behalf of and for the benefit of our community.

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FINANCIAL SUSTAINABILITY

Community concern over Council's financial sustainability was reinforced by the NSW Local Government Sector Treasury Corporation's April 2013 report, which assessed a very weak rating, with a neutral outlook for Broken Hill City Council.

Council reviewed and updated its Long Term Financial Plan (LTFP) which, amongst its other aims, seeks to achieve Council's current priorities of increasing service levels and urgently renewing assets, funded overtime through a balanced budget. Current and forecast working fund deficits have been managed to achieve these priorities by preference to reducing operating costs in real terms, rather than increasing the burden on the community through expansion of the Council's revenue base.

Continuing on from the good progress made in 2014/15 towards these goals, 2015/16 saw the sale of the Shorty O'Neil Village bed licences which has injected much needed working capital into Council's balance sheet to help reduce the infrastructure backlog. Meanwhile the decision to transition away from Community Services will continue to boost Council's operating performance for the forthcoming years and fund much needed capital renewal projects and ongoing required maintenance. The forthcoming sale of Shorty O'Neil Village in 2016/17 will further bolster operational efficiencies as well as strengthen Council's financial position.

2015/16 was the first year where we saw the positive financial results of the restructure that occurred in 2014/15, with savings of \$1.6m in employee-related costs while achieving a focused outcome directed towards addressing community needs and improving the customer experience in the most efficient manner possible.

Significant internal efficiencies were achieved in 2015/16, and Council will continue to improve its operations, engage further with the community in 2016/17 to determine its priorities, and to deliver services that will meet community expectations within a safe, and financially sustainable environment.

THE YEAR THAT WAS

When you take a look back over the last year you are reminded why Broken Hill is 'For Real'.

OUR COMMUNITY

We are a connected community and enjoy our safety and wellbeing. We keep our heritage alive and relevant; it is the foundation for the way we unite to get things done and maintain our inclusive lifestyle





16 COMMUNITY EVENTS SUPPORTED





4,052 HOURS OF SUPPORT PROVIDED TO HOME CARE PACKAGE CLIENTS





OPERATIONAL COSTS FOR ROADS: \$923K



CAPITAL COSTS FOR ROADS: \$1.340M



ROADS WORKS IN PROGRESS: \$89K

COMMUNITY SERVICES

Ageing Strategy

To support Broken Hill's ageing demographics, it is important that Council plans for an age-friendly community where residents can get around easily and safely, buildings are accessible, housing and transport options are suitable and affordable, and there are opportunities for participation in community life for all members of the community.

Council consulted with the community to support the development of a new Ageing Strategy in 2015. With a focus on the health and wellbeing of all members of the community, the new strategy is entitled 'Living Well: Ageing Strategy 2016 – 2021' and can be viewed online at https://www.brokenhill.nsw.gov.au/community/community-services/living-well-ageing-strategy-2016-2021

Consultation with the community involved Council's Community Services team facilitating two community services networking events in October 2015 and April 2016, bringing community members, organisations and service providers together to share ideas and provide service updates.

International Day of People with Disability International Day of People with Disability (IDPwD) is a United Nations sanctioned day that aims to promote an understanding of people with a disability and encourage support for their dignity, rights and wellbeing.

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Council's Community Services team acknowledges and promotes the day each year. In 2015, celebrations included a morning tea, line dancing and a tour of Council's Home and Community Care (HACC) Centre facilities.



Linedancing the day away!

Service users of Council's day activity programs, with the support of Council staff, added some colour and artwork to the courtyard of the HACC Centre, with the painting of a mural on the fence as part of their weekly programs.



The newly panted mural in the HACC Centre courtyard

LOCAL TRANSPORT

Parking Strategy

Council's Infrastructure Strategy team investigated parking options across the City, and undertook an extensive community consultation program with the community. A survey was available on Council's website as well as staff and Councillors engaging directly with the community at "pop up" locations. Major considerations for the Parking Strategy included current parking supply

Annual Report 2015/2016

and demand, future expectations, community needs, public transport requirements, amenities, permit parking availability and expectations, disabled parking and turnover of availability of car parks. The Parking Strategy also took into consideration recommendations included in Council's adopted 'Broken Hill Living Museum + Perfect Light Project'.

The Parking Strategy focuses on Broken Hill's CBD, bounded by Kaolin and Iodide Streets and Crystal and Beryl Streets, as well as Patton Street between Comstock and South Streets. The Strategy also coincides with a proactive approach to parking monitoring across the City. It is also a reminder that it is important that parking zones across the City need to be respected.

Actions arising from the strategy included:

- Parking in Argent Street to be 2 hour limit with signage to remain unchanged.
- Parking in all cross streets, including Oxide, Chloride, Sulphide, Bromide, and Kaolin Streets to be 4 hour limit with signage to remain unchanged.
- All owners, employers and employees of businesses in the Argent Street precinct encouraged to utilise the car parking available in Beryl Street between Chloride and Oxide Streets.
- Provision of all-day parking at the Town Hall Façade and Art Gallery car parks.
- Provision of one loading zone car space at the rear of Town Hall Façade.
- Patton Street to be all-day parking.
- Retention of 15 minute parking in Chloride Street adjacent to the Post Office.

Council adopted the Parking Strategy in February 2016, and resolved that a report be presented to Council following a 12 month review of the implementation and effectiveness of the Parking Strategy.

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McCulloch Street Reconstruction

After conducting a thorough city-wide condition assessment of the local road network, Council's Infrastructure Strategy team prioritised the repair of roads in consideration of locale, usage and cost of required works. McCulloch Street was identified as a critical area, especially due to its location adjacent to the North Broken Hill Public School.



McCulloch Street upgrades

The reconstruction project was fully funded by the Roads to Recovery Programme initiated by the Australian Government Department of Infrastructure and Regional Development, with an amount of \$450,000. Work was completed by Council staff and contractors.

Roads and Maritime Services - State and Regional Roads Maintenance

Council worked with the Roads and Maritime Services (RMS) to complete maintenance works on the State roads network which include the Barrier Highway, lodide Street, Williams Street, Crystal Street, Bonanza Street and Wentworth Road. Maintenance work was completed on the Regional roads network in Broken Hill, which consist of Kanandah Road, Gypsum Street and Menindee Road.

Aside from ongoing routine maintenance tasks, key projects included the heavy patch work on Williams Street; crack sealing of Iodide Street; and the Eyre and Bonanza Streets intersection, and extensive patch work on Gypsum Street and Kanandah Road.

Other RMS projects completed included installation of a school zone adjacent to Robinson College and ALESCO School, and the School Zone Maintenance Program (including tree trimming and signage maintenance).

The Road Safety Awareness Cross

Council recently signed a Memorandum of Understanding (MOU) with Broken Hill South Rotary (South Rotary), regarding the Road Safety Awareness Cross (the Cross) located at the intersection of Argent and Garnet Streets. The MOU aims to ensure the historic aspect of the Cross is observed and that responsibilities of both parties involved are clearly recognised and recorded. The Cross was established c. 1970 by the Jaycees, a 100+ year old international charitable organisation that traces its history back to St Louis, Missouri, USA. The Cross will be lit white all year round and in the unfortunate event of a road fatality within the Barrier Local Area Command, it will be lit red for 7 days following. The Cross plays an important role in maintaining awareness of road safety in our community, as well as providing a place for friends and loved ones to commemorate those who were lost to road accidents.

South Rotary are planning to undertake various improvements in the immediate vicinity of the cross, including kerbing, landscaping and installing a plaque, while Council will support their efforts through an overall commitment to major maintenance items, and other significant requirements.



Broken Hill South Rotary representatives with Mayor Wincen Cuy

New Street Name Signs

Council commenced the erection of approximately 400 street signs in June 2016.

The project was planned for some time, with preparation work commencing several months before signage could be erected. Preparation work included such tasks as ensuring dial before you dig certificates were obtained for each and every site, to enable new posts to be installed prior to street signs being attached. The works will continue into the new financial year.



Councillor Marion Browne with Council's Asset Planner Transport, James Druitt

COMMUNITY FACILITIES

Buildings Maintenance

Council has ensured significant maintenance projects have occurred on high profile buildings and assets during 2015/16. Notable works include extensive painting of the Town Hall Façade, the Broken Hill Regional Airport and the Broken Hill Regional Aquatic Centre.

Maintenance works were completed on facilities at the Alma Oval, AJ Keast Park, Aged Persons Rest Centre and the Bridge Club.

PUBLIC SAFETY

Emergency Management

The Local Emergency Management Committee (LEMC) is a committee consisting of Emergency Services representatives and other identified stakeholders who have a role in providing emergency Planning, Preparation, Response, and Recovery (PPRR) activities at a local level. Council provides a Local Emergency Management Officer (LEMO) to the committee, who provides administrative support to the Local Emergency Management Controller (LEOCON) in the event of an emergency.

The committee works together to create a prepared and safer community and to create a holistic community risk based emergency management plan which addresses natural, technological and biological risks that may affect the community.

Meetings are held quarterly. The meetings provide a forum for discussion amongst emergency services and other stakeholders of issues affecting the safety of the Broken Hill community as well as arranging relevant training requirements to ensure the committee is prepared for significant emergencies requiring substantial efforts and resources from all services.

Key practical training exercises were undertaken during 2015/16. Exercises included a rescue field exercise named "Zinc Lux", held on 7 April 2016, which simulated a mass casualty incident on the Barrier Highway and the subsequent coordinated response action of the emergency services. There were approximately 120 participants. A desktop exercise was held at a Regional Emergency Management Committee (REMC) level, named "Broken Backs". This exercise simulated the collapse of a mine in Broken Hill and established the coordinated response and responsibilities of emergency services and relevant parties if the incident occurred. This exercise was well participated with representation from State Government agencies, Department Industry Resources & Energy, both Local and Regional level Emergency Services, NSW Health, and other key stakeholders.

Water Submission to Select Committee for the Murray Darling Basin Plan

Council continues to advocate for our region in terms of water supply. Council presented the following submission to the Select Committee for the Murray Darling Basin Plan at its public hearing held in Broken Hill on 26 October 2015:

- That Council requests a thorough review of the current "trigger point" for NSW Government control of the Menindee Lakes system.
- That the trigger point should be set at a minimum of 640 GL for NSW control and above 800GL before Murray Darling Basin Authority can have access to a call on water releases.
- That any trigger point is based on accessing retrievable water.
- That a surface water drinking supply is guaranteed for the Broken Hill and Menindee communities.
- That the Murray-Darling Basin Authority acknowledge that the Menindee Lakes system is a vital asset for the ongoing livability, economic prosperity and recreational needs of Broken Hill and the Far West and it will continue to work with communities to ensure its long term viability and security.
- That any changes to the Menindee Lake system or the implementation of emergency provisions are done at no additional or ongoing cost to the Broken Hill community.

ARTS & CULTURE

Charles Rasp Memorial Library

The Charles Rasp Memorial Library (the Library) continues to be a popular place to visit with 74,934 visitors during 2015/16.

The Library membership totals 9,322 with 8,557 members being Broken Hill residents.

Library Outreach - Books On Wheels

Books on Wheels is a free Library service that delivers books and resources to community members who may be bedridden or housebound due to illness and frailty. Library volunteers undertake all deliveries and collections. This service continues to be popular, with a total of 7,913 items delivered to the 172 library members enrolled in this service during 2015/16.



Council's Library Assistant Martina Schindler making a delivery to a member

Library Outreach – Letterbox Library

The Outback Letterbox Library service provides Library coverage at a number of outstations and remote/isolated areas of Far West NSW, delivering library bags to locations such as Bourke, Brewarrina, Cobar and Hay. This is a free service that is operated by the Library and funded by the Library Council of NSW. A total of 15,080 items were delivered to 574 members enrolled in this program during 2015/16.



Outreach Library services

Historical Photo Digistisation

Digistisation of photographs, negatives and glass plates held in the Library's Outback Archives image collection commenced in June 2016, utilising volunteers to conduct the work. The Outback Archives holds an extensive range of photographs relating to Broken Hill and surrounding district dating back to the 1880s.

The following historical photos are just two of thousands recently digistised.



A train travelling to Coburn



Meeting of strikers at Gunthorpe 18 April 1909

Library Literacy Education

Literacy education programs were well attended during 2015/16, with a total of 9,517 people attending the various programs held at the Library.

Some of the activities included:

- Baby Bounce (ages 0-2) = 266 attendees
- Toddler Time (ages 2-5) = 42 attendees
- Storytime = 268 attendees
- Chess Club = 111 attendees
- Children's Book Week attracted 271 students to the Library
- School holiday activities for all ages = 234 attendees

Activities aimed at adults included:

- Knit n Yarn = 321 attendees
- Book talks hosting three visiting authors
 = 53 attendees
- Computer Club = 176 attendees

The Sydney Writers Festival

The Sydney Writers Festival was held in May 2016. The event was live streamed to the Library, for participants from Broken Hill, with an aim to promote interest in books and reading across NSW and nationally.

The Library's Annual Teddy Bear Sleepover

The Library's annual Teddy Bears' Sleepover was again held in June 2016, with 70 participants. The teddies visited some interesting places around Broken Hill, including the Council Chambers. The Broken Hill Police, Broken Hill Royal Flying Doctor Service, and the Broken Hill Fire Station visited the Library on the day to talk to the teddies and their owners (the children) about what each service provides to the community.



The teddies say goodbye to their humans...



... before getting down to serious business holding their very own Council meeting...



...which was covered by the media...



...before finally ending the night with some fun!

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Outback Museum Stories: A Journey of Discovery, Diversity and Survival in Broken Hill and Silverton

Council staff have played a key role in the development and launch of a new website that will promote Broken Hill to all corners of the globe.

Outback Museum Stories: A Journey of Discovery, Diversity and Survival in Broken Hill and Silverton was launched at the Albert Kersten Mining & Minerals Museum (GeoCentre) by Professor Simon Molesworth AO QC. Joining Professor Molesworth was Project Manager and Council's Museum Advisor, Yvonne Routledge who praised all those who had supported the development of the interactive website.

The project is supported by Regional Arts NSW's VIM grant program, a devolved funding program administered by Museums & Galleries NSW on behalf of the NSW Government. The website is www.outbackmuseums.com.au

The museums on the trail are:

- Albert Kersten Mining & Minerals Museum (GeoCentre)
- Sulphide Street Railway and Historical
 Museum
- Synagogue of the Outback Museum
- West Darling Machinery Preservation Society
- Broken Hill Mosque
- Outback Archives
- Silverton School Educational Museum
- Silverton Gaol Museum
- Bells 1950s Milk Bar
- Broken Hill Family History Group Inc
- White's Mineral Art and Living Mining Museum

Art Exhibition - Deborah Kelly: No Human Being Is Illegal (In All Our Glory)

The Broken Hill Regional Art Gallery hosted exhibitions during 2015/16, one of which included life-sized nudes. Deborah Kelly: No Human Being Is Illegal (In All Our Glory) and Light Moves: Contemporary Australian Video Art, which opened in May 2016 and were on display until June 2016.

Deborah Kelly's acclaimed exhibition No Human Being Is Illegal (In All Our Glory) was part of a regional tour to galleries and cultural centres across Australia, with an

idea to shock and delight visitors. Originally created for the 19th Biennale of Sydney (2014) by teams of public participants over the course of many months, Broken Hill had the opportunity to see this incredible community project following a successful first outing at the Murray Art Museum Albury. The exhibition comprised 20 lifesized photographic portraits realised through ongoing discussion, exchange and art making between the artist, the subjects and the contributors.

The collaboration centres upon nude photographic portraits that were collaged over time as workshop participants added layers of archival and contemporary imagery specific to the subjects' interests, attributes and vision. The subjects represented a fascinating cross section of contemporary Australia with each portrait telling an intimate story of the subject's life, without the barriers of language, culture, religion, sexuality, gender or race.

The Pro Hart Outback Open Art Prize 2016

The 2016 Pro Hart Outback Open Art Prize held in June 2016, had 39 finalists with the winning entry announced by judge Michael Lynch CBE AM, Australia's most accomplished Arts Chief Executive.

The Pro Hart Outback Art Prize consists of an acquisitive first prize, a non-acquisitive second prize and a non-acquisitive encouragement award. There is also the people's choice award.

The prize is generously supported by Mrs. Raylee J Hart and Broken Hill City Council.



Once again, a large crowd gathered at the Broken Hill Regional Art Gallery for the Pro Hart Outback Art Prize (previously known as the Outback Art Prize)

The Pro Hart Outback Art Prize 2016 Winners were:

2016 Winner: Anita West, 'Granite and Wattle'

Second Prize: Georgia Morgan, 'A Farmers Drought'

Encouragement Award: Lorna Wall, 'Written on the Land'

Highly Commended:

- Annette Minchin, 'The Book of Tells Going to Earth'
- James Black, 'The Crow, steel and wood'
- Lucy O'Doherty, 'Green Shack with Water Tank'
- Sid Palazzi, 'Eagle Rock Mutawintji'



The Pro Hart Outback Art Prize 2016 Winner: "Granite and Watte" by Anita West



The Pro Hart Outback Art Prize 2016 Second Prize Winner "A Farmers Drought" by Georgia Morgan



The Pro Hart Outback Art Prize 2016 Encouragement Award Recipient "Written on the Land" by Lorna Wall

OUR ECONOMY

We are accustomed to tackling our problems for real; our willingness to create change and diversify makes us resilient, securing our long term economic prosperity and paving the way for other communities to follow.

CONTENT ACROSS COUNCIL'S SOCIAL MEDIA ACCOUNTS HAS BEEN VIEWED 3,963,750 TIMES



COUNCIL'S WEBSITE HAS BEEN VISITED 102,856 TIMES (UP 52.54%) BY 63,236 UNIQUE VISITORS (UP 42.91%)



FILM IN BROKEN HILL DURING 2015/16

FILM IN BROKEN HILL DURING 2015/16

FILMS: THE CHINESE HANGOVER (WORKING TITLE)

TV SHOWS: CH 7 WEDDING SERIES,
SYDNEY WEEKENDER, THE TODAY SHOW,
THE LAST LEG - ADAM HILLS, STORY OF
AUSTRALIAN CINEMA WITH DAVID STRATTON,
SIGHTSEE TV, HBO SERIES THE LEFTOVERS
TV COMMERCIALS: SUBARU, YOUI,
OSMOFLOW, TAL INSURANCE
PHOTOGRAPHY SHOOTS: HILUX, FITNESS
FIRST, FREE PEOPLE (FASHION), SUNDAY
TELEGRAPH
MAGAZINE FEATURES: CARAVANNING
AUSTRALIA, NATIONAL TRUST FESTIVAL
MAGAZINE.
EDUCATION: AUSTRALIAN FILM TELEVISION
AND RADIO SCHOOL
FAMILES: CHINESE AUSFILM
FAMILIARISATION

ECONOMIC DEVELOPMENT

BHP Billiton Announcement

In January 2016, BHP Billiton Chief Executive Officer (CEO), Andrew Mackenzie, announced a donation of \$5.7m from the BHP Billiton Foundation towards projects identified in the Broken Hill Living Museum + Perfect Light Project: Argent Street Mineral and Art Intersections and the Broken Hill Archives.

The Foundation's support will allow Council to continue to build on Broken Hill's heritage to lead its future and deliver an enduring legacy for the community through the following projects.



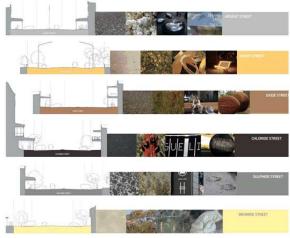
CEO of BHP Billiton, Andrew Mackenzie, announcing a donation of \$5.7million to Broken Hill

Broken Hill Living Museum + Perfect Light Project

A course of action to renew the CBD, maximise the National Heritage Listing and diversify the economy. Combined with a range of associated infrastructure and activation strategies (E.g. Airport Master Plan, Tourism Plan 2020) the holistic Broken Hill Living Museum + Perfect Light Project envisions a City transformed to meet a renewed future through the Vision Aspects: Construct, Illuminate, Activate, Interpret, Transform and Position.

Argent Street Mineral and Art Intersections

The intersections of cross streets with Argent Street will be created into a public space offering creative and passive interpretation of minerals, mining and the benefits to everyday life. The intersections will each be designed to reflect their street name (Kaolin, Bromide, Sulphide, Chloride, Oxide, lodide and Argent). The properties of the minerals, their uses and relevance will be made evident in artwork, seating and paving. They will contribute to an understanding of the formation of Australia and more than 2,300 million years of the earth's history. They will 'unearth' the elements of the 'mineralogical rainforest' that was significant in gaining Broken Hill's National Heritage Listing. Public art will be integral and artist(s) will design elements of the intersection paving inlay, custom furniture, sculpture or installation.



Concept drawings for the Argent Street Mineral and Art Intersections

The Broken Hill Archives

The Broken Hill Archives project will catalogue and protect the archival heritage of the City, and present it in a way that can provide opportunity for the future, including:

- The immediate requirement to audit and protect archival material related to Broken Hill before it becomes at risk.
- The opportunity to network with other museums and collections pivotal to the archival telling of the Broken Hill story.
- Develop/deliver a digital archive program.
- Purchasing digitising and other equipment for the purposes of archiving digital records.

2015 Christmas Pageant

The 2015 Council and Rotary Broken Hill South Christmas Pageant resulted in some amazing floats. In what was a great evening out, the judges of the float awards selected the following as the successful entries in their categories.

Category winners were:

Most Creative Community Group: Silver City Swim Club

Most Creative Business: Cheap As Chips

Best Primary School: School of the Air

Best Sound: BIU Band

Best Themed Group / Float: Sacred Heart Primary School

Best Christmas Spirit: Boss Construction

Grand Champion: Rainbow Preschool



Grand Champion: Rainbow Preschool

2016 Australia Day Celebrations

The 2016 Australia Day awards once again highlighted the wonderful people who have made a difference to the Broken Hill community. Citizen of the Year Josephine Peters has spent the past 75 years volunteering her time and was previously recognised when she was inducted into the Nydia Edes Volunteer Hall of Fame in 2015.

The Australia Day celebrations also recognised two up-and-coming community leaders. Gabby Thorne, a role model for indigenous youth, was named the City's Young Citizen of the Year. Hannah Schofield was recognised with a Youth Encouragement Award.

The 2016 Australia Day award recipients were:

Citizen of the Year: Josephine Peter

Young Citizen of the Year: Gabby Thorne

Youth Encouragement Award: Hannah Schofield

Citizenship Awards:

- Andrew Schmidt
- Eleanor Blows
- Stan Dineen



Australia Day Ambassador Alex Croak - a Commonwealth Gold medalist



The 2016 Australia Day Awardees

2016 Civic Ball

The 2016 Civic Ball was held in March 2016 and saw 12 young girls presented to Mayor Wincen Cuy and Mayoress Cheryl Cuy at the Civic Centre, before a crowd of over 360 people.

The debutantes and their squires completed three dances, starting with the Pride of Erin. They then loosened up a little and had some fun with the Cha Cha and then took to the floor with their respective parents for the waltz.

The debutantes and squires for 2016 were:

- Tay'a Borlace and Trenton O'Donnell
- Clarice Carroll and Nash Brown
- Shalea Farguhar and Tyson Trengove
- Emma Gearen and Luca Napoli
- Mahana Hebbard and Dante Malacos
- Sydney King and Chase Brealey
- Sophie Morrison and Joshua D'Ettorre
- Morgan Papas and Ashley Pace
- Nickoda Stokes and Izaak Ferguson
- · Mercedes Tonkin and Max Werch
- Isabelle Wellings and Corey Shorrock
- Tahlee White and Shae Williams



The 2016 Debutantes

Civic Centre Upgrades

The refurbishment of Broken Hill's premiere conference and events venue commenced with internal demolition works clearing the way for the \$5.1m redevelopment. The upgrade to the facility was funded through the NSW Government Resources for Regions Grant Program in 2015. The upgrade will provide the Broken Hill community with a venue comparable to city theatres, conference venues and performance spaces.

This is the first major refurbishment since its opening in 1971 and the community will see a big change in the look of the venue and the services it can provide. The project will consolidate Broken Hill's position as a hub for conferences and events in Outback Australia.

The following photos provide a behind the scenes look at the Civic Centre upgrades.



Demolition works - upper level



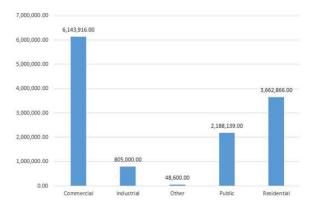
Demolition works - foyer

PROPERTY DEVELOPMENT

Development in Broken Hill

Council received 153 Development Applications during 2015/16 to the total value of \$12,848,521. Below is a proportional breakdown of development categories for 2015/16 for the applications received.

Development applications received for 2015/16 - Broken Hill City Council



Development Application Tracking

The NSW DPE has provided Council with grant funding of \$15,000 to launch an upgraded online portal to make it easier for residents and local businesses to follow the progress of their Development Application (DA).

The tool provides easily locatable information about DAs and ensures there is sufficient time for the community to comment on new proposals, where permitted.

This collaboration demonstrates Council's support of the commitment to the introduction of more online services for NSW citizens through its ePlanning Program and the NSW Planning Portal. The program seeks to provide the community and industry with easy online access to planning services and authoritative information from anywhere at any time. The online tool features improved functionality, including a mapping function allowing people to view where new developments are proposed.

DA tracking ensures that people can find the information they need at their fingertips in order to keep track of the progress of an application and make an informed and well-considered submission to Council. This type of tool also assists in ensuring transparency in the assessment process. To view the upgraded tracking portal, visit Council's DA tracking page www.datracker.brokenhill.nsw.gov.au

Electronic Housing Code

Council switched on the Department's Electronic Housing Code in September 2015.

A complying development is a straightforward project that meets all the building standards for complying development, without the need for a development application.

The Electronic Housing Code means:

- Faster planning approval times for straight-forward home building or renovations.
- Conveniently-located and simple to understand information on what is allowed on a property without a development application.

The Electronic Housing Code is a tremendous tool that offers a range of advantages that the old paper system can't match. For more information, please visit www.electronichousingcode.com.au

TOURISM DEVELOPMENT

Inland Tourism Awards 2015

In July 2015, Council were announced as a finalist in the Inland Tourism Awards for the Broken Hill For Real campaign and Broken Hill Heritage City.

The "For Real" campaign was recognised as a finalist in the Destination Marketing category, while "Heritage City" was recognised as a finalist in the Cultural Tourism category.

The awards were held in Broken Hill and attracted operators and those in the industry from across the State, providing the opportunity to highlight our City. This was a boost for tourism and our economy.

Emirates Melbourne Cup Tour

The Emirates Melbourne Cup Tour 2015 made its way to Broken Hill. The Cup visit provided many locals the opportunity to be part of the 2015 Melbourne Cup Celebrations, Broken Hill was one of 33 cities and towns across Australia and New Zealand to host the Tour. The \$175,000 Gold Cup was a hit with young and old keen to get their hands on – and photos with – the 'People's Cup'.



Signage Audit

During 2015/16, Council hosted the Tourist Attractions and Signposting Assessment Committee (TASAC) Western Region. TASAC is a group formed by the NSW State Government to have overall responsibility for the planning and implementation of tourist signposting systems on State Roads in NSW. The group ensures that the signage assists motorists to arrive safely at their destination. The signs also inform visitors of the range of major attractions and services available within a destination. TASAC will assist with the development of future signage projects in relation to advice and will be working with Council to assist in the renewal of tourist directional signage in the City.

TASAC's key activities include:

- Developing Tourist Signposting Policy NSW
- Assessing applications for tourist signposting to determine their eligibility
- Providing input to National Tourist Signposting Policy
- Consultation with other agencies to develop strategies and identify priorities in implementation of signposting initiatives
- Project management of signposting initiatives across the State
- Communication of Tourist Signposting Policy, initiatives and issues to stakeholders
- Quality control of tourist signposting

Destination NSW

Destination NSW has compiled a list of four "must-do" activities for visitors to Broken Hill which include:

- Sunset at The Living Desert Sanctuary:
 Seeing the sun go down at The Living
 Desert Sanctuary is the best way to
 end the day in Broken Hill. Located on
 Sundown Hill, an easy walking trail
 winds itself around 12 sandstone
 sculptures each telling a different story.
- <u>Outback Safari</u>: For a true outback experience explore the Mutawintji National Park on a day trip with Tri State Safaris, where you'll have the opportunity to discover some of Australia's most sacred Aboriginal sites on a 4WD adventure.
- Happy Days: One of the original "milk bars" of Broken Hill, complete with original 1950s fixtures and fittings, take a trip down memory lane at Bell's Milk Bar for a cool malted milk or soda spider – the best (and original) way to cool down in town.
- Love the Nightlife, I Got to Boogie:
 Experience a night like no other at the Palace Hotel, famous for featuring in the hit movie The Adventures of Priscilla, Queen of the Desert. With funky retro interiors, great food and entertainment, get your dancing shoes on before resting your head at the hotel's pretty in pink bespoke Priscilla suite.

FILM PROMOTION

The Leftovers - HBO Series

Filming of the third instalment of the American drama series, The Leftovers, commenced in Broken Hill and Silverton on 27 June 2016.

Council spent several months consulting with Underdown Productions to secure the series which filmed within the City boundaries, Silverton, Mundi Mundi and at the Pinnacles.



The Lefftovers: On location

Film Premiere – Last Cab to Darwin

Broken Hill was in the spotlight this year with the premiere of 'Last Cab to Darwin' bringing part of the cast and crew members to the City for an early screening. Lead actor Michael Caton was joined by co-star Ningali Lawford-Wolf; Director Jeremy Sims; and producers Greg Duffy and Lisa Duff.



Michael Caton arriving at Silver City Cinema for the premiere of Last Cab to Darwin

The Today Show - Channel Nine

The stark beauty and vast desert landscapes of the NSW Outback were beamed into households across Australia on 7 March 2016 when Channel Nine's The Today Show kicked off its 'We Love Australia' week from Silverton, nearby Broken Hill

Renowned for its mining heritage, birth of the union movement, regional art scene and cinematic history, the diverse destination of Broken Hill was profiled throughout the show by hosts Karl Stefanovic, Lisa Wilkinson, Richard Wilkins and Ross Greenwood.

The broadcast was secured by the NSW Government's tourism and major events agency Destination NSW and assisted in promoting the region as a must-visit tourism destination.

OUR ENVIRONMENT

We value our wide streetscapes, quality of life and stunning vistas; we are committed to conservation and preservation of the natural environment and greater reduction of the human impact to ensure a sustainable and healthy community.



153 DEVELOPMENT APPLICATIONS
RECEIVED DURING 2015/16 TOTALLING
\$12,848,521















6,776 TONNES OF GREEN WASTE ON SITE FOR REPROCESSING

13 AWARDS AND
COMMENDATIONS WERE
PRESENTED AT THE
HERITAGE AWARDS DURING
HERITAGE WEEK



WASTE MANAGEMENT

Official Opening - Community Recycling Centre, Waste Management Facility

Member for Barwon, Kevin Humphries MP officially opened the new Broken Hill Community Recycling Centre (CRC), located within the Waste Management Facility, on 4 November 2015.

The Centre was funded by the State Government. Since the opening of the facility approximately 4 tonnes of household hazardous waste has been removed for recycling and reprocessing by ToxFree.



Member for Barwon, Kevin Humphries MP officially opening the CRC



The new CRC

Annual Household Hazardous Waste Collections

A collection was held on 14 November 2015, with 23 residents participating in the event. Approximately 500kg of hazardous waste was collected on the day. This was additional to the standard waste collected via the CRC.



Hazardous Household Waste being sorted

Waste received at the Broken Hill Waste Management Facility for 2015/16

40% of total waste received at the facility was unsorted waste, with the other 60% made up of clean fill, green waste, bricks and concrete, and recyclables. This is the first year of data captured through a new software system which provides more accurate details of waste delivered to the facility.

Of the waste received 1% was removed from the site for recycling and reprocessing, 18% is stockpiled for reprocessing and use on site, and 35% was re-used on site, sending 46% to landfill.

Green Waste Shredding

Shredding of green waste has continued throughout 2015/16.

Ausshredding, Council's appointed contractor, shredded a quantity of the green waste to assist in reducing the stockpile. Of the 6,776 tonnes of green waste received on site, 1,375 tonnes was collected from Council's kerbside collection service and 1,678 tonnes from commercial activities. The remainder of green waste originated from domestic self-haul deliveries.

Tyre Shredding

Tyres have been shredded regularly during 2015/16 following the implementation of fees for the disposal of tyres. The fee has been implemented to assist with covering the costs of this service. Management of stockpiles is an important part of Council's environmental licence requirements.



Tyre shredding in action

Landfill Environmental Management Plan

During May and June of 2016, the Broken Hill Landfill Environmental Management Plan (LEMP) was updated to align with the Solid Waste Landfill Guidelines Version 2, released in May 2016. The document is a living document for Council staff to reference in their role of waste management.

Container Deposit Scheme Legislation

In January 2016 the NSW Government released a discussion paper on the introduction of a Container Deposit Scheme (CDS) Legislation for NSW. Council made a submission supporting the implementation of a CDS for NSW to assist in the reduction of litter for Broken Hill.

In May 2016, the NSW Government announced it will introduce a 10 cent refund container deposit scheme that will significantly reduce litter across the State and is similar to the existing SA and NT schemes. The new scheme will commence in July 2017.

Waste Education Tours and Presentations

During 2015, Council's Environment, Waste and Recycling Specialist presented a 45 minute talk to Broken Hill High School Year 10 students, and also facilitated a tour of the Waste Management Facility. The tour forms an integral part of the students' Human Society and Its Environment (HSIE) assignment. The students were asked to identify one change that could be made at the waste management facility to improve waste separation. Some of the suggestions were:

- Improve people's knowledge of what can be brought to the facility so that individuals are able to separate the waste themselves
- Have someone check all cars entering the facility for recyclable materials
- Create a garden centre to use the green waste; advertise green waste; and how to recycle food and compost
- More signage
- Improved roads
- Enclosed waste drop off area and sorting area

The high standard of suggestions received indicate that Council is successfully engaging with youth and providing meaningful education.

Energy Savings

A review of the savings from the four Council owned sites that were previously upgraded with new LED lighting has continued to achieve savings.



The four sites were Council's Administration Building, Visitor Information Centre, Broken Hill Regional Art Gallery, and Broken Hill Regional Airport Terminal.

Comparisons of data from the previous year have shown savings of \$35,005 across the four buildings. Some of these savings are also attributed to changes in supplier

and price per kWh, as well as upgrades and more efficient practices by staff.

Broken Hill Environmental Lead Program

The NSW Government has provided \$13 million in funding to address lead exposure issues in Broken Hill for 5 years commencing in July 2015.

The funding has been allocated towards a Broken Hill Environmental Lead Program in response to ongoing detections of elevated blood lead levels in children living in Broken Hill. The program will coordinate research, education programs, undertake remediation and work priorities in response to the elevated blood lead levels in children to establish a long term solution for the Broken Hill Community.



Kevin Humphries MP, Mayor Wincen Cuy and Professor David Lyle at the official announcement of \$13m Lead Program Funding

The Lead Health report from 2014 indicated that 48% of all children aged 1 to 4 years exceeded a blood lead level of 5 micrograms of lead per decilitre of blood (ug/dL), the level at which the National Health Medical Research Council (NHMRC) recommend that the causes be investigated. The program will have an emphasis on Aboriginal children who have been shown to have higher incidences of elevated blood lead levels.

In May 2016, Council signed a Memorandum of Understanding (MOU) with the Broken Hill Environmental Lead Program confirming a partnership between the two organisations. The MOU outlines annual projects that will be completed by Council and funding provided for the year.

The first major lead rehabilitation project undertaken by Council, in partnership with

the Broken Hill Environmental Lead Program, has commenced. The project is located behind Queen Street, near Robinson College, and involves the following:

- removal and burial of soil that has high lead and other heavy metal levels
- importation of clean soil and mulch around existing vegetation
- sealing of the old tailings dam where old tailings have been exposed
- installation of new fencing behind Queen Street to prevent vehicle access to the area

Hand Washing Stations for Local Parks

Hand washing basins and Lead Ted Jnr signage was installed at Sturt Park, AJ Keast Park and Duke of Cornwall Park. The basins operate hands free so that children may easily wash their hands after playing on the play equipment. The works have been supported by the Broken Hill Environmental Lead Program.

Lead Dust Sampling of Local Playgrounds

Council staff undertook monthly sampling of five local playgrounds, gathering data on the lead levels and other heavy metal contamination on the equipment.

Samples are collected by hand wipes, both before and after playing on the equipment. Samples are also collected from two surface sample sites at each park for comparison.

The parks tested in this program are: Sturt Park; North Family Play Centre; AJ Keast Park; Patton Street Park; and Duff Street Park.

In December 2015, testing was taken over by the Broken Hill Environmental Lead Program staff.

Harold Williams Home – World Environment Day Presentation

Council gave a presentation to residents of the Harold Williams Home to celebrate World Environment Day, promoting some of the activities that Council undertakes to support our local environment.

Topics included:

- Waste Management
- Tidy Towns Events
- Living Desert State Park
- Regeneration Reserve
- Willyama Common
- Energy Savings
- Lead Management

The Tidy Towns Volunteer Group

In July 2015 the Tidy Towns Volunteer Group once again assisted Broken Hill with a spruce up of one of Broken Hill's popular roads, the "Back Track" (formally known as Holten Drive). The committee focused efforts on cleaning up the road from the railway tracks through to King Street and collected 4 x 3m³ dumper bins in one morning

Council supported the event through providing protective equipment such as gloves, vests, bags and water, and McDonalds Broken Hill provided vouchers for a free second Bacon and Egg McMuffin for all volunteers.

Clean Up Australia Day 2016

As with every year, Council again supported Clean up Australia Day in 2016. Council and the Tidy Towns Volunteer Group organised 24 volunteers to focus on the Lions Reserve, Joe Keenan Lookout, areas surrounding Broken Hill Public School and Broken Hill High School, the TAFE College and the Visitor Information Centre. Volunteers collected 60kgs of rubbish with approximately 80% being take-away wrappers and drink containers. The Girl Guides also supported the event with a focus on Block 10 Lookout.



Clean Up Australia Day 2016 volunteers

NATURAL ENVIRONMENT

Living Desert Visitor Numbers

There were 27,112 visitors at the Living Desert during 2015/16. The Living Desert Rangers and Volunteers undertake regular tours for school groups, special interest groups, university students and some bus tours. The numbers are down slightly lower than the previous year, however income for the Living Desert has increased.



The Living Desert is home to flora...



...and fauna



The Sculptures at The Living Desert have become one of the most photographed landscapes in the region

Living Desert Ablution Block for Primitive Campground

The ablution block was funded through the Public Reserves Management Fund Program, administered through NSW Crown Lands, and was completed in late 2015. The ablution block includes a disabled access toilet and shower; parenting facilities; and unisex toilets and showers.



The Living Desert Ablution Block

Willyama Common Noxious Weed Project

Council received funding through the Public Reserves Management Fund to undertake widespread noxious weed control on the Willyama Common (the Common).

Targeted species included mesquite and a range of cacti. Local contractors were hired to undertake the works, with Council undertaking follow up spraying to prevent weeds spreading. The works have reduced the impact of these species on the Common, and have prevented further infestations, particularly into neighbouring properties.



Results from the noxious weed control

PUBLIC HEALTH

Swimming Pool Inspection Requirements

The Swimming Pools Regulation 2008 was amended on 34 March 2016 to include (among other things) clause 18BC, which specifies that the following information must be included in Council's Annual Report:

"...the number of inspections under Division 5 of Part 2 of the Act that:

- a) were inspections of tourist and visitor accommodation, or
- b) were inspections of premises on which there are more than 2 dwellings, or
- c) resulted in the council issuing:
 - a certificate of compliance under section 22D of the Act, or
 - ii. a certificate of noncompliance under clause 18BA of this Regulation."

During 2015/16, Council in accordance with the Swimming Pools Act 1993 (the Act):

- Inspected one premises with a swimming pool of which there is also tourist and visitor accommodation;
- Inspected zero premises with a swimming pool of which there were also two or more dwellings;
- Carried out five inspections that resulted in the issue of a Certificate of Non-Compliance under clause 18BA of the Swimming Pools Regulation 2008 (Note: Certificates of Non-Compliance and clause 18BA were introduced on 34 March 2016);
- Carried out 13 inspections which resulted in the issue of a Certificate of Compliance under section 22D of the Act.



Council's public display as part of educating the community about fencing requirements and swimming pool inspections

New Policy

Council has a responsibility under Section 8 of the Local Government Act 1993 to ensure that its regulatory activities are carried out in a consistent manner and without bias.

Council's regulatory and enforcement actions are exercised to ensure the health, safety and environmental protection of all stakeholders including residents, visitors, workers and business operators.

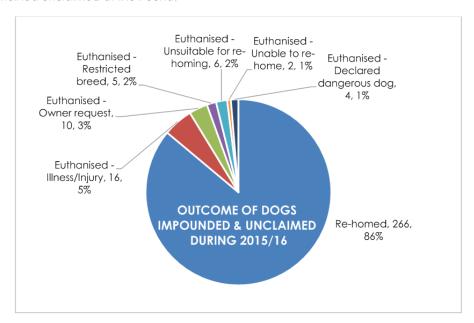
All stakeholders should have confidence in the decision making and internal review processes. In order to ensure Councils' compliance responsibilities are carried out in accordance with legislative requirements and addressing contemporary Local Government Practices, Council reviewed and adopted a new Compliance and Enforcement Policy adopted by Council on 29 July 2015.

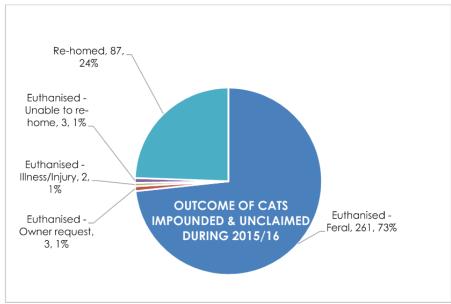
PUBLIC ORDER

Animal Control

During 2015/16, a total of 631 dogs were impounded in the Broken Hill Pound Facility (Pound). Of this number, 319 dogs were claimed / returned to owners and 312 dogs were unclaimed. A total of 369 cats were impounded in the Pound. Of this number, 13 cats were claimed / returned to owners and 356 cats were unclaimed.

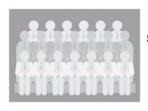
The following charts provide a breakdown of the outcome of both the dogs and cats that remained unclaimed at the Pound.





OUR LEADERSHIP

We have strong civic and community leadership. We are inventive, inclusive and innovative; when we work together there is nothing we can't do and our achievements continue to write history



\$259,105 SPENT ON STAFF TRAINING DURING 2015/16

NET OPERATING RESULT \$3.070M SURPLUS



REVISED BUDGET (MARCH 2016 QBRS) **\$1.032M** DEFICIT



VARIANCE FROM REVISED BUDGET **\$4.102M** POSITIVE





NET ASSETS \$241,754 MILLION

Net assets increased by

\$7.175m (3%), due to the sale of Shorty
O'Neil Village bed licences, operational
efficiencies & grant income

LEADERSHIP & GOVERNANCE

Appointment of new General Manager – James Roncon

Council announced James Roncon as its new General Manager, who commenced a 5 year contract in April 2016.

Mr Roncon has more than 16 years proven experience in senior leadership and executive management and holds tertiary qualifications in Law, Business and **Environmental and Local Government** Law. Throughout his leadership roles in service delivery businesses such as local government, transport reform, public transport and transformational change management, he has demonstrated a strong track record of success, achieving significant financial, corporate, strategic and operational improvements and cultural change. He was most recently the Director Transport Reform with the ACT Government.



James Roncon Council's General Manager

Local Government Community Education

As an organisation we play many roles in our community, so it is important people, no matter how young or old, know about the roles of Local Government. For 65 students from Broken Hill North Public School (Years 3 and 4), Local Government week provided the opportunity for students to meet Council's Mayor, General

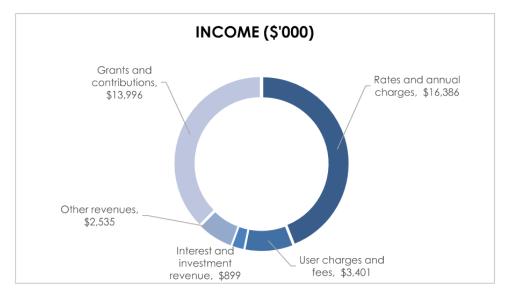
Manager and Deputy General Manager in the Council Chambers. As part of Council's commitment to education, Council provided students with a workbook outlining the functions of Council, a section of questions about their visit and a few fun learning puzzles. Students also had the opportunity to participate in Q&A.

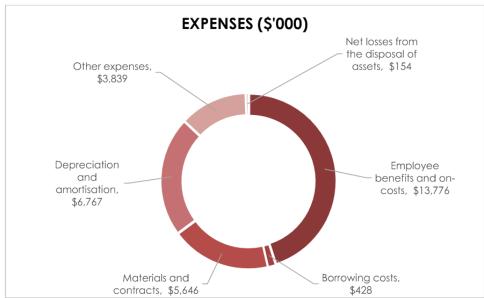
FINANCIAL MANAGEMENT

Financial Summary

FINANCIAL SUMMARY	CURRENT YEAR 2015/2016	PREVIOUS YEAR 2014/2015
	\$'000	\$'000
Income Statement		
Total Income from Continuing Operations	37,217	30,632
Total Expenses from Continuing Operations Operating Result from Continuing	30,610	33,049
Operations Continuing	6,607	(2,417)
Net Operating Result for the Year Net Operating result before Grants and	6,607	(2,417)
Contributions provided for Capital Purposes	3,070	(2,938)
Balance Sheet		
Total Current Assets	21,538	13,646
Total Current Liabilities	(7,067)	(7,952)
Total Non-Current Assets	234,213	236,472
Total Non-Current Liabilities	(6,930)	(7,587)
Total Equity	241,754	234,579
Key Financial Indicators		
Operating Performance Ratio	8.84%	-9.84%
Own Source Operating Revenue Ratio	62.12%	67.25%
Unrestricted Current Ratio	2.23	1.45
Debt Service Cover Ratio	9.01	4.43
Rates, Annual Charges, Interest and Extra Charges Outstanding Percentage	10.39%	11.60%
Cash Expense Cover Ratio	8.26 mths	4.3 mths

Income Statement

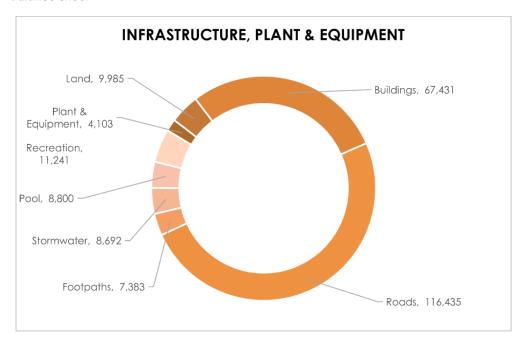




Key Movements from 2015/2016

- Rates & Annual Charges Increase by \$257k (2%), rates increase in line with rate peg.
- Interest & Investment Revenue Increase by \$465k (52%) due to recovery of CDO's and better investment management.
- Other Revenues Increase of \$2.2m (87%) due to sale of Shorty O'Neil Bed Licences and reduction of bad debts provision.
- Employee Costs Decrease of \$2.248m (16%) due to the finalisation of the restructure and vacant positions throughout the year.
- Materials & Contracts Decrease of \$830k (15%) due to efficiencies within the workplace as well as more focus on capital renewal road works this year as opposed to ongoing road maintenance.

Balance Sheet



Key Movements from 2015/2016

- Cash and cash equivalents Increase of \$10.190m (56%) due to sale of Shorty O'Neil bed licences, recovery of CDO's and additional grant income.
- Investments Decrease of \$2.5m due to the use of short term cash deposits while interest
 rates are at record low.
- Payables Decrease of \$777k (32%) due to a decrease in outstanding invoices at year end as well as a reduction in accrued expenses.
- Provisions Decrease in current provision of \$224k (65) due to a reduction in employee entitlements.
- Borrowings Decrease of \$814k (16%) due to a higher percentage of principle debt being paid due to low interest rates.

CORPORATE SUPPORT

The Broken Hill City Council Audit

The Broken Hill City Council Audit Committee is responsible for assisting Council in the effective conduct of its responsibilities for financial reporting, management of risk and maintaining a reliable system of internal controls.

Quarterly meetings are held to align with the quarterly budget review process. During 2015/16 the Committee was chaired by Mr Chris Nash (external independent member) and Councillor Representatives were Councillor Black and Councillor Algate.

Annual Report 2015/2016

\$355 Committees

Managing community assets is an essential part of Council activities and the community of Broken Hill has strong representation on a number of Council committees to help manage the City's interests and public assets.

There are 11 Section 355 committees:

- Alma Oval Community Committee
- Broken Hill Heritage Committee
- Broken Hill Regional Art Gallery Advisory Committee
- BIU Band Hall Community Committee
- Community Strategic Plan Round Table Committee

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- ET Lamb Memorial Oval Community Committee
- Friends of the Flora and Fauna of the Barrier Ranges Committee
- Memorial Oval Community Committee
- Norm Fox Sporting Complex Community Committee
- Picton Sportsground Community Committee
- Riddiford Arboretum Community Committee

Governance Workshop

In November 2015, Regional Development Australia facilitated a Governance Workshop aimed at assisting Director/Committee members in reviewing and determining their current modus operandi, understanding the emerging and future big picture trends of not-forprofits and what this means for their governance; strengthen their understanding and practical application of contemporary governance principles and practices; review the governance resources and tools, and develop a Governance Improvement Schedule.

The workshop was aimed at chairs, deputy chairs, directors, committee members, executive officers, senior management teams of not-for-profit organisations, sporting clubs, associations and community organisations. An invitation was extended to Councillors, Council employees and \$355 Committee members, all of who were represented.

The workshop is an example of utilising opportunities within the community to strengthen skills and knowledge and provide confidence in fulfilling roles not only within the community, but also within Council.

Business Excellence

In December 2015, Council was successful in being awarded a \$10,000 incentive payment from its Workers Compensation Insurer for its Injury Management Self Audit performance. This incentive payment will be utilised to support Council in preventing workplace injuries.

Mobility

Council updated its Mobile Telephone Policy in February 2016, and a new Bring your Own Device (BYOD) Policy is scheduled to be implemented in early 2016/17.

Council undertook installation of Wi-Fi access across Council sites, including an internet only network for visitors and staff.

There has been a higher adoption rate of mobile devices allowing staff to operate away from worksites and update information in real time, e.g. PinForce Parking and Infringement System.

Office 365 installation has enabled Office to be installed on five pc's, five mobile phones, and five tablet devices, maximising device installation for less cost.

Council also utilise OneDrive for Cloud sharing of information internally and externally.

The above policy and procedural changes enable Council Officers to work in a more technically connected environment with the ability to complete and update tasks in real time, while out in the field.

STATUTORY REQUIREMENTS

Local Government Act 1993 and General Regulation Reporting Requirements

In accordance with the NSW Office of Local Government's Integrated Planning and Reporting requirements, Council must:

- prepare an annual report within 5 months of the end of the financial year:
- provide a copy to the Minister for Local Government (via the Office of Local Government); and
- 3. post a copy of the Annual Report on Council's website.

Council's Annual Report must include the following information:

- Council's achievement in implementing the Delivery program:
 - Council's 2015/16 Delivery Program progressive report is included as Appendix A.
 - Council's End of Term
 Report 2012-2016
 highlighting Council's
 achievement in
 implementing the
 Community Strategic Plan is
 included as Appendix B.
- A copy of Council's required audited financial report is included as Appendix C.
- 3. State of Environment Report 2012-2016 is included as Appendix D.

AMOUNT OF RATES AND CHARGES WRITTEN OFF 2015/2016		
Total pensioner concession	\$660,165	
LESS subsidy reimbursement	\$351,015	
NETT Pensioner amount written off by Council	\$309,150	
Concessions – additional pension rebate (included above)	\$23,780	
Bad debts written off	Nil	
Rounding's	\$181.00	
TOTAL	\$309,331.00	

COUNCILLORS PAYMENT OF EXPENSES AND PROVISION OF FACILITIES*		
Provision of dedicated office equipment allocated to councillors	\$4,196	
Telephone calls made by councillors	\$1,554	
Attendance of councillors at conferences and seminars	\$21,204	
Training of councillors and provision of skill development	Nil	
Interstate visits by councillors, including transport, accommodation and other out-of-pocket travelling expenses (included above)	\$2,549	
Overseas visits by councillors, including transport, accommodation and other out-of-pocket travelling expenses	Nil	
Expenses of any spouse, partner or other person who accompanied a Councillor, being expenses payable in accordance with the Guidelines.	Nil	
Expenses involved in the provision of care for a child or an immediate family member of a Councillor.	Nil	
TOTAL	\$26,954	

CONTRACTS OVER \$150,000			
Details of each contract awarded for amounts greater than \$150,000			
Contractor	Goods/Service Provided	\$	
Johnsons Truck and Coach Service Pty Ltd	Supply of Street Sweeper	\$256,336.11	
Cavil Power	Supply of Small Wheel Loader	\$154,089	
AJ&C	Project Management of BH Civic Centre Redevelopment	\$542,472	
Vincent & Pritchard	Painting of the BH Regional Airport, Town Hall Façade and BH Regional Aquatic Centre	\$212,785	
Urban Built Pty Ltd	Construction of BH Civic Centre Upgrades	\$2,370,022.87	
GBM Consulting Services	Road Pavement Design and Reconstruction on Blende St, Gypsum Street and Kanandah Road	\$448,300	
SAMI Bitumen Technologies	2016-2019 Supply of Bulk Materials	\$2,743,200	
Mawson's	2016-2019 Supply of Bulk Materials	\$1,940,447	
YMCA	Management & Operation of BHRAC	\$4,280,300	

PROCEEDINGS			
Summary of the amounts incurred by the Council in relation to legal proceedings		Status	
Animal Control \$1,802		Completed	
Corporate Litigation \$251,700		Ongoing	
TOTAL \$253,502			

Council Delegations

Council currently has 11 external bodies, (committees), that exercised functions delegated by Council as. These committees have been established in accordance with the provisions of Section 355 and Section 377 of the Act. The committees are formed to assist Council in the management of a particular service or facility of Council.

Council aims to appoint committees which are representative of the local community or interest group of the particular service/facility.

Council's \$355 Committees are:

- Alma Oval Community Committee
- Broken Hill Heritage Committee
- Broken Hill Regional Art Gallery Advisory Committee
- BIU Band Hall Community Committee
- Community Strategic Plan Round Table Committee
- ET Lamb Memorial Oval Community Committee
- Friends of the Flora and Fauna of the Barrier Ranges Committee
- Memorial Oval Community Committee
- Norm Fox Sporting Complex Community Committee
- Picton Sportsground Community Committee
- Riddiford Arboretum Community Committee

Council was involved in partnerships with the following:

- Healthy Broken Hill Partnership
 - Sister City Bankstown
- University of Sydney
- Charles Sturt University, TAFE Western, Broken Hill University Department of Rural Health and Robinson College
- The Broken Hill St Patrick's Race Club
- Broken Hill Environmental Lead Program
- Rotary Broken Hill South
- Centre for Remote Health, Department of Education and Communities, Department of Family and Community Services

During 2015/16 Council contributed or otherwise granted \$78,487.80 under Section 356 of the Local Government Act, as detailed in the following two charts.

FINANCIAL ASSISTANCE TO COMMUNITY UNDER \$356 OF THE LOCAL GOVERNMENT ACT 1993: RATE SUBSIDIES		
RATE SUBSIDIES	\$	
West Broken Hill Rifle Club	\$9,734.70	
Broken Hill Gun Club	\$3,132.90	
Broken Hill Pistol Club	\$2,879.60	
Silver City Motor Cycle Club	\$5,666.15	
Broken Hill Repertory Society	\$1,671.90	
Silver City Rifle Club	\$9,737.70	
Silver City Small Bore Rifle Club	\$1,981.45	
Broken Hill Rifle Club	\$7,738.80	
Mr Bright for Kantappa Station	\$269.60	
TOTAL	\$42,812.80	

FINANCIAL ASSISTANCE TO CO 1993: MISCELLANEOUS SUBSIDII		NDER \$356 OF THE LOCAL GOVERN	MENT ACT
MISCELLANEOUS SUBSIDIES	\$	MISCELLANEOUS SUBSIDIES	\$
Aged and Invalid Pensioners Association	\$2,000.00	Broken Hill High School	\$100.00
Willyama High School	\$100.00	North Broken Hill Public School	\$100.00
Alma Public School	\$100.00	Broken Hill Public School	\$100.00
Burke Ward Public School	\$100.00	Railwaytown Public School	\$600.00
Morgan Street Public School	\$100.00	Sacred Heart Parish Primary School	\$100.00
School of the Air	\$100.00	Active Broken Hill	\$3,000.00
Life Education NSW	\$1,500.00	Child and Family Interagency	\$65.00
Silver City Pastoral & Agricultural Association	\$1,900.00	David Bowler Memorial Award	\$2,500.00
Broken Hill Eisteddfod Society	\$3,000.00	Barrier PSSA Association	\$4,950.00
Broken Hill Aboriginal Working Party – NAIDOC Week	\$65.00	Broken Hill Hearing Resource Centre	\$567.00
Quota International of Broken Hill	\$612.50	Ronald McDonald House Charities	\$755.00
Variety the Children's Charity	\$1,500.00	Broken Hill Philharmonic Society	\$2,335.00
Compass Housing	\$1,550.50	Early Years Discussion Group	\$36.00
Silver City Racing Club	\$1,447.00	Agfair Broken Hill	\$3,000.00
UN Youth South Australia	\$500.00	Koori Kids – NAIDOC Week School Activities	\$450.00
YMCA Broken Hill	\$2,300.00	West Darling Country Music Association	\$500.00
Broken Hill Pet Rescue	\$142.00		
TOTAL			\$36,175

Equal Employment Opportunity

EMPLOYEE PROFILE					
Age	Male	Female	Aboriginal and Torres Strait Islander People	People from a culturally and linguistic-ally diverse background	People with a disability
15-24	6	10			
25-34	11	13	1	1	
35-44	19	21	1	1	
45-54	27	33		1	
55-64	41	19			
65+	4	4			1
TOTAL	108	100	2	3	1

EEO AND DIVERSITY INITIATIVES		
IMPLEMENTED	% OF STAFF PARTICIPANTS	
Flexible start and finish times	1-25	
Flexible rostering or scheduling	1-25	
Flexible leave arrangements	1-25	
Regular part time work	1-25	
Rostered/accrued days off	58-100	
Regular or occasional working from home	1-25	
Job sharing	1-25	
Nine day fortnight/compressed working week	51-75	
Unpaid leave for carers of people with special needs	1-25	

EEO Target Groups

Encouraging young people to take up careers in local government, attracting and retaining mature aged workers with valuable experience and skills and engaging with under-utilised sections of the labour market such as women with young children, carers, people with disabilities, Indigenous people and people from culturally diverse backgrounds will assist to strengthen the organisation's ability to meet its future workforce needs.

Employee Satisfaction

The number of employee grievances an organisation receives is one measure of employee satisfaction levels and the wellbeing of the working environment. Council has a number of mechanisms in place for employees to raise awareness for identifying and responding to grievances, including policy and procedures; Workplace Consultative Committee, and EEO Contact Officers.

YEAR	NO. GRIEVANCES LODGED	
2015/2016	3	

GENERAL MANAGER REMUNERATION PACKAGE (01/07/2015 – 30/09/2015) Statement of the total remuneration comprised in remuneration package of the General Manager

Total Remuneration* \$70,666

GENERAL MANAGER REMUNERATION PACKAGE (04/04/2016 – 30/06/2016)

Statement of the total remuneration comprised in remuneration package of the General Manager

Total Remuneration*

\$55,923

^{*} Includes Salary, performance payments (where paid), superannuation, non-cash benefits, reportable FBT.

SENIOR STAFF MEMBERS EMPLOYED BY COUNCIL (01/07/2015 – 30/06/2016)

Statement of the total remuneration comprised in remuneration package of all senior staff members, expressed as the total (not of individual members)

Total Remuneration	\$139,536
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Capital Works Projects

CAPITAL WORKS PROJECTS 2015/16	\$
Local Roads Reseal	352,377
Street/Road Signs	56,093
Living Desert Ablution Block - Camping Grounds	113,457
Weighbridge Installation	213,242
Small Wheel Loader	172,089
Replacement of Light Fleet	291,903
Domestic Waste Compactor	296,444
Skidsteer	72,030
Community Recycling Centre	35,155
Creedon St / Ryan St - Intersection Renewal	95,300
Creedon St / Rakow St - Intersection Renewal - WIP	88,657
APEX Park Playground Upgrade - WIP	26,019
McCulloch St Reconstruction	486,765
Gypsum Street Heavy Patch	122,535
Duff St Park Upgrade	145,411
Civic Centre Upgrade - WIP	628,483
Blende Street Reconstruction	163,335
Kanandah Road Reconstruction	164,035
TOTAL	\$3,523,330

Companion Animals Act 1998 and Companion Animals Regulation 2008

POUND DATA: ANIMAL CONTROL STATISTICS 2015/2016			
Activity	Total Cats	Total Dogs	
Seized	369	631	
Returned to Owner	1	41	
Transferred to Council's Facility	342	503	
Surrendered	26	87	
% microchipped	3% (11)	40% (253)	
Released for re- homing	87	266	
Released to owner	12	278	

Dog Attacks

Council lodged compliant returns to the Office of Local Government of pound data collection returns and dog attack incident data. During 2015/2016 there were 17 dog attack incidents recorded. (Note: dog attack incidents include any incident where a dog rushes at, attacks, bites, harasses or chases any person or animal.) Council has seen a significant general reduction in the number of incidents in the last four years, however during 2015/16 there was an increase of reported offences compared to 2014/15. This could be attributed to community education in relation to dog attacks. Reported offences in previous years are 7 in 2014/2015, 20 in 2013/2014, 34 in 2012/2013 and 45 in 2011/2012.

Funding

The amount of funding spent relating to companion animal management and activities was \$168,020.00.

Community Education Programs

Council is currently working on a school based education program as well as general community information and education.

The Barking Dog Resident Information Pack has assisted in the identification and resolution of barking dog issues. Further information is available on Council's website

https://www.brokenhill.nsw.gov.au/comm unity/neighbourhood/pets-andanimals/dealing-barking-dog

Strategies To Promote De-Sexing

Council undertook a desexing program and registration/education door knock campaign. This involved a \$15,000 grant from the Office of Local Government together with Council contributing matching funds both cash and in kind contributions. In addition, Council received contributions from the RSPCA in the form of discounts on the veterinary work performed for desexing, microchipping and vaccinations of the animals in the program. A total of 154 dogs and cats were microchipped, desexed and vaccinated during the 2 week program.

Council is awaiting the announcement of successful funding applications under the Office of Local Government Responsible Pet Ownership Grants Program.

Strategies To Comply With Section 64 of the Companion Animals Act 1998

Council has built relationships with over 30 animal welfare and rescue organisations in NSW, VIC, ACT, QLD and SA. Approximately 85% of the re-homed animals from the pound are taken by rescue organisations outside of the City. The other 15% are local adoptions. Animals are advertised on a Facebook page and enquiries are made at Council's pound facility. Over the past 12 months, there has been a steady rise in the number of local adoptions from the pound facility. It is believed that this is directly linked to the change in perception of the pound facility, brought about by the local volunteer organisation, Broken Hill Pet Rescue Inc who coordinate the advertising page, foster care and adoption from the pound facility. Local

media over the past 3-4 years surrounding the group has bought about a steady change in perception of the Broken Hill Council Pound.

Dog Off Leash Areas

Council provides two dog off leash areas for the residents of Broken Hill to exercise their doas:

- Patton Park Broken Hill South
- Queen Elizabeth Park Broken Hill North

Government Information (Public Access) Act 2009 and Regulation

Council is committed to the following principles regarding public access to documents and information:

- Open and transparent government
- Consideration of the overriding public interest in relation to access requests
- Proactive disclosure and dissemination of information
- Respect for the privacy of individuals

Council is committed to the principle of open government as set out in its Code of Business Practice Policy.

During 2015/16 Council received three applications under the Government Information (Public Access) Act 2009. In each case, the application was processed within the statutory timeframe and access was given to the information sought.

The statistical information on the following pages about access applications to Council in 2015/16 is provided in accordance with Schedule 2 of the Government Information (Public Access) Regulation 2009.

TABLE A: NUMBER OF APPLICATIONS BY TYPE OF APPLICANT AND OUTCOME*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media								
Members of								
Parliament								
Private sector								
business								
Not for profit								
organisations								
or community								
groups								
Members of								
the public								
(application		1						
by legal								
representative)								
Members of								
the public	1	1						
(other)								

^{*}More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision.

This also applies to Table B.

TABLE B: NUMB	TABLE B: NUMBER OF APPLICATIONS BY TYPE OF APPLICATION AND OUTCOME							
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*		2						
Access applications (other than personal information applications)	1							
Access applications that are partly personal information applications and partly other								

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

TABLE C: INVALID AP	PLICATIONS
REASON FOR INVALIDITY	NO. OF APPLICATIONS
Application does not comply with formal requirements (section 41 of the Act)	Nil
Application is excluded information of the agency (section 43 of the Act)	Nil
Application contravenes restraint order (section 110 of the Act)	Nil
Total number of invalid applications received	Nil
Invalid applications that subsequently became valid application	Nil

TABLE D. CONCLUSIVE PRESUMPTION OF

OVERRIDING PUBLIC INTER DISCLOSURE: MATTERS LIST 1 OF THE ACT	REST AGAINST
	NUMBER OF TIMES CONSIDERATION USED*
Overriding secrecy laws	Nil
Cabinet information	Nil
Executive Council information	Nil
Contempt	Nil
Legal professional privilege	Nil
Excluded information	Nil
Documents affecting law enforcement and public safety	Nil
Transport safety	Nil
Adoption	Nil
Care and protection of children	Nil

Ministerial code of conduct	Nil
Aboriginal and environmental heritage	Nil

TABLE E: OTHER PUBLIC INTEREST
CONSIDERATIONS AGAINST DISCLOSURE:

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

MATTERS LISTED IN TABLE TO SECTION 14 OF THE ACT				
	NUMBER OF OCCASIONS WHEN APPLICATION NOT SUCCESSFUL			
Responsible and effective government	Nil			
Law enforcement and security	Nil			
Individual rights, judicial processes and natural justice	Nil			
Business interests of agencies and other persons	Nil			
Environment, culture, economy and general matters	Nil			

Nil

Nil

Secrecy provisions

documents under interstate Freedom

of Information legislation

Exempt

TABLE F: TIMELINES	
	Number of applications
Decided within the	
statutory	
timeframe (20	2
days plus and	
extensions)	
Decided after 35	
days (by	1
agreement with	'
applicant)	
Not decided	
within time	0
(deemed refusal)	

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TOTAL	3
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TABLE G: NUMBER OF APPLICATIONS REVIEWED UNDER PART 5 OF THE ACT (BY TYPE OF REVIEW AND OUTCOME)					
	DECISION VARIED	DECISION UPHELD			
Internal review	Nil	Nil			
Review by Information Commissioner*	Nil	Nil			
Internal review following recommendat ion under section 93 of Act)	Nil	Nil			
Review by ADT	Nil	Nil			
TOTAL	Nil	Nil			

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

TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)

	Number of applications for review
Applications by access applicants	Nil
Applications by persons to who information the subject of access application relates (see section 54 of the Act)	Nil

TABLE I: APPLICATIONS TRANSFERRED TO OTHER AGENCIES				
Agency – Initiated Transfers	Nil			
Applicant – Initiated Transfers	Nil			

Public Interest Disclosure Act 1994 and Regulation 2011

Section 31 of the *Public Interest Disclosures* Act 1994, requires each public authority, within four months after the end of each reporting year, to prepare an annual report on the public authority's obligations under the Act for submission to the Minister responsible for the public authority. A copy of this report is to be provided to the Ombudsman.

	THE PUBLIC INTEREST DISCLOSURES REGULATION 2011, REQUIRES THE FOLLOWING INFORMATION TO				
BE INC	LUDED IN THE PUBLIC INTEREST DISCLOSURES ANNUAL REPORT: REQUIREMENT	STATISTIC			
(a)	The number of public officials who have made a public interest disclosure to the public authority	Nil			
(b)	The number of public interest disclosures received by the public authority in total and the number of public interest disclosures received by the public authority relating to each of the following:	Nil			
	i) corrupt conduct	Nil			
	ii) maladministration	Nil			
	iii) serious and substantial waste of public money or local government money (as appropriate)	Nil			
	iv) Government information contraventions	Nil			
	v) local government pecuniary interest contraventions	Nil			
(c)	The number of public interest disclosures finalised by the public authority	Nil			
(d)	Whether the public authority has a public interest disclosure policy in place	A copy of Council's Reporting of Public Interest Disclosures Policy is available on Council's website www.brokenhill.nsw.gov.au			
(e)	What actions the head of the public authority has taken to ensure that his or her staff awareness responsibilities under section 6E (1) (b) of the Act have been met.	Council's Reporting of Public Interest Disclosures Policy was adopted by Council 25 November 2015 and is available on Council's website. Information on the Policies and Procedures are also included in Council's Corporate Induction program.			

Carers Recognition Act 2010

Council auspice several carer programs and activities to support carers in their caring role. Council maintains a record of staff who identify as 'carers' as defined under the Act and are considerate of the impact this may have on their work life.

Staff Consultative Committee are kept up to date on changes in legislation impacting carers, and the role of the organisation in supporting those staff. Further information on carer activities and education is frequently distributed throughout the Council and to various community stakeholders.

DOING BUSINESS WITH COUNCIL

CUSTOMER RELATIONS

The Customer Relation team is Council's first contact point for the community. The Customer Relations team is available for face-to-face and telephone enquiries from 8.30am to 5pm, Monday to Friday. Council's cashier closes at 4pm daily.

PUBLIC OFFICER

Council's Public Officer can provide information on Council's plans, policy documents and information under the Government Information (Public Access)

COUNCIL NOTICES

Council advertises regularly in the Barrier Daily Truth newspaper, including information about proposed developments, draft policies, positions vacant, tenders, quotations, public notices and Council meeting dates and times. Council advertises in other publications when relevant.

COUNCIL'S WEBSITE

Council's website can be accessed at www.brokenhill.nsw.gov.au. The website includes information about Council services, media releases, positions vacant, booking information for Council facilities. Public documents can also be accessed on the website and includes Business Papers, Integrated Panning and Reporting documents, Plans and Policies.

CORRESPONDENCE

All correspondence to Council should be addressed to the General Manager and forwarded to:

Broken Hill City Council PO Box 448 BROKEN HILL NSW 2880 Telephone: 08 8080 3300 Facsimile: 08 8080 3424

Email: council@brokenhill.nsw.gov.au

COUNCIL CONTACT DIRECTORY

GENERAL NUMBERS

Aged Persons Rest Centre 08 8087 2398

Albert Kersten Mining & Minerals Museum 08 8080 3500

Broken Hill Airport 08 8080 3430

Broken Hill Film 08 8080 3564

Broken Hill Regional Aquatic Centre 08 8080 3510

Broken Hill Regional Art Gallery 08 8080 3440

Charles Rasp Memorial Library 08 8080 3460

Civic Centre 08 8080 3300

Visitor Information Centre 08 8080 3560

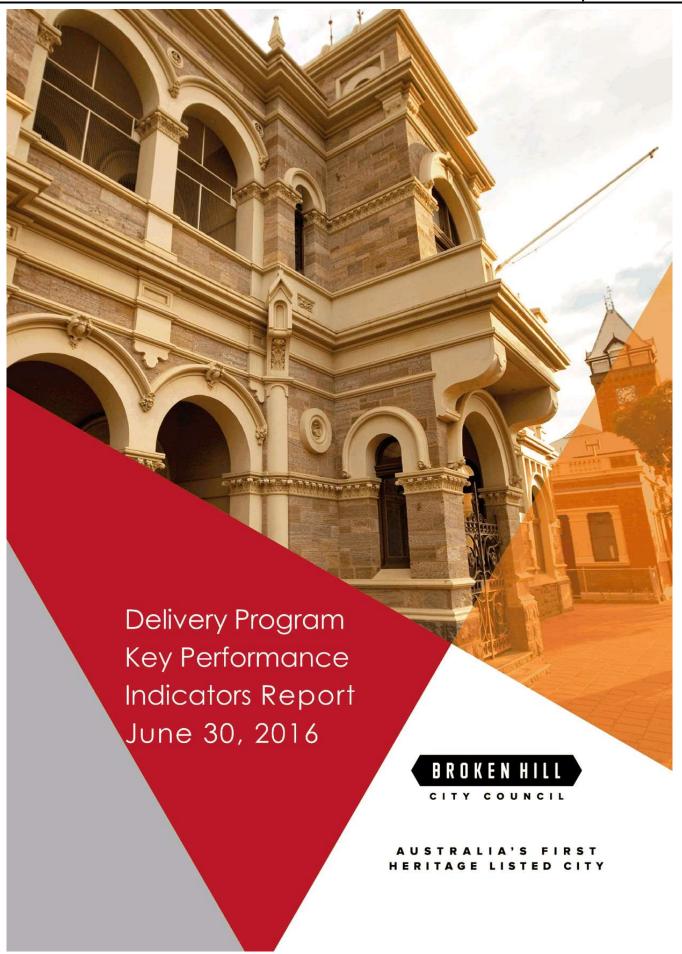
EMERGENCY NUMBERS

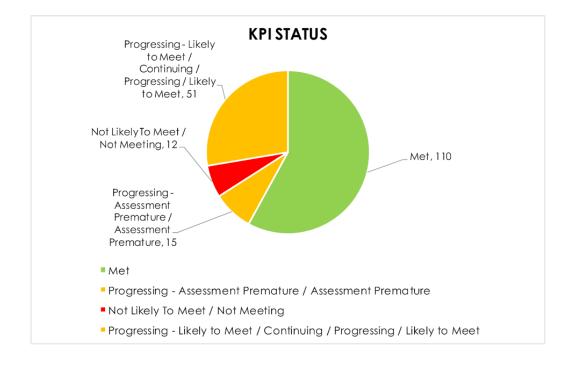
Animal Control 02 8579 0325

Parks & Roads 0408 858 493

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KEY DIRECTION 1 OUR COMMUNITY

Objective	1.1 People in our comr	munity are in safe hai	nds			
Strategy	1.1.1 Increase community awareness of safer community initiatives					
	livery Program Action(s)					
	velop a Community Safety C	rime Prevention Plan				
Lead Position						
Division	KPI Requirement	Status	Comments/Results			
Manager Corporate and Human Services	1. Plan is developed by 30 June 2014	Met	Adopted by Council October 30, 2013.			
1.1.1.3 Dev						
Lead Position						
Ranger	KPI Requirement	Status	Comments/Results			
	A decrease in the number of animal related complaints	Met	The number of animal related complaints remained stable for the 2015/2016 as compared to 2014/2015. There was a 2.7% increase in the number of complaints however the % of complaints actioned within target times increased.			
Strategy		ole of community ap	proach aimed at reducing preventable crime and nuisance within the city			
Delivery Progra						
		of the 2013-2017 Saf	er Broken Hill Community Safety and Crime Prevention Plan			
Lead Position Division		Ctatus	Carrana anta /Daguilta			
Manager	KPI Requirement	Status	Comments/Results			
Corporate and Human Services	1. Responsible KPI's within the 2013-2017 Safer Broken Hill Plan are met	Met	Community safety issues promoted through service newsletters and distributed promotional materials.			

Lead Position	Measure		
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	Increase in volunteer numbers and/or volunteer functions	Met	The Volunteer Working Group meets each month and has contributed to project such as the Volunteer Celebration, branding promotion for Broken Hill Unite, training in partnership with Volunteering Central West and the Volunteer Expo.
	velop, plan and implement	a strategy to supp	oort, encourage and celebrate volunteers in our community
Lead Position Tourism &		Charles	Common to /Doculto
Same and the second	KPI Requirement	Status	Comments/Results The Brakers Hill Volumbers City Streets are 2021 5 2021 7 years and an total art Course ille
Events Coordinator	Plan developed and implemented	Met	The Broken Hill Volunteer City Strategy 2015-2017 was adopted at Council's Ordinary meeting held September 30, 2015.
	2. Increase in volunteer numbers	Progressing - Assessment premature	Review and planning in progress.
Strategy	1.2.3 Develop relatio	nships to address l	ocal issues and create opportunities
Delivery Progr		nd existing partners	thips including interagency agreements
Lead Position			
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Partnerships maintained and enhanced	Met	Valuable partnership objectives are discussed at each Community Round Table meeting and then actioned and progressed. These are then reported to Council for information.

and	relop, plan and implement a communications strategy to promote openness and allow participation and interest in the activities				
Lead Position					
Executive	KPI Requirement	Status	Comments/Results		
Support Officer	Community satisfaction with Council communication	Met	Communication strategies are developed for individual projects. Specific projects have included the proposed Library relocation, Levels of Service, Parking survey and the 2016/17 Budget, all of which involved community engagement, media interaction and advertising along with social media presence through Council's Facebook page and website. Specifically: • Library relocation involved four community engagements, one media release and 202 on-line surveys completed • 2016/17 Budget involved eight community engagements and two media releases • Levels of Service involved nine community engagements and seven media releases/adverts • Parking Survey involved three community engagements and three media releases • Ageing Strategy Survey involved five community engagements and one media release		
Strategy		nent and evaluate :	strategies to address the impact of a changing population on local facilities and		
D - II	services				
Delivery Progro		tion activities to dis	cours the impact of population decline upon local facilities and socioes		
Lead Position		mon activities to als	ccuss the impact of population decline upon local facilities and services		
Manager	KPI Requirement	Status	Comments/Results		
Economic	1. Increased awareness in	Met			
Development	relation to the impact of	Mei	Awareness provided through consultation opportunities (Levels of Service, Library relocation in particular), media, Council reports and business plans, grants and		
& Culture	population decline		submissions, and representation to Government agencies and community committees.		

Strategy Delivery Progre		to appropriate facili	ities, services and information based on community needs
		and community cer	ntres to facilitate social capital and activity
Lead Position			
Infrastructure	KPI Requirement	Status	Comments/Results
Projects Engineer	Utilisation rates of halls and community centres	Met	Council's centralised booking system recorded 197 bookings for public halls and community centres in 2015/2016. Aged Persons Rest Centre – 176; North Mine Hall – 21
	2. Less than 1 complaint per every 10 bookings	Met	Nil complaints received in reporting period.
	1.3.1 Raise awareness am Action(s) ovide an online calendar of e	s of cultural and co	nbraced and celebrated mmunity events that celebrate Broken Hill's cultural diversity nunity to update with local events and activities
Lead Position Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	Number of events promoted on the calendar	Met	New online interactive calendar developed and promoted through email notifications. This is accessible to organisations to add their events - 161 single applicants which may cover multiple dates for event bookings, eg. Community markets, have been published online during 2015/2016.
Strategy	1.3.2 Increase our ca	pacity to plan and	conduct public events in Broken Hill
	courage events and activitie	s in public spaces to	o create active spaces
Lead Position Tourism &	Measure	Status	Commonts/Possilts
Events Coordinator	I. Number of bookings for events in public spaces	Met	Comments/Results Council recorded 69 bookings - Patton Park – 3; Sturt Park – 30; Duke of Cornwall Park – 1; Town Square – 25; AJ Keast Park – 8; Joe Keenan Lookout – 1; and Duff Street Park – 1.
Delivery Progre		Pageant as an acti	vity for the whole community
Lead Position			
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	Involvement in Christmas Pageant	Met	Council supported South Rotary Club in delivering this event for the community in December 2015.

Strategy	1.3.3 Ensure our reside	ents and visitors are aw	rare of the importance of Broken Hill in Australian History
Delivery Progra			
		that promotes the hist	ory and heritage of Broken Hill
Lead Position	Measure		
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	Less than 5 complaints per year in relation to heritage signage	Not meeting	Six complaints received during 2015/2016, with the majority relating to the Miner's Memorial signage.
Delivery Progra	ım Action(s)		
1.3.1.4 Adv	vocate for the naming of Bro	ken Hill as Australia's fi	rst heritage listed City
Lead Position	Measure		<u> </u>
Manager	KPI Requirement	Status	Comments/Results
Economic	1. Broken Hill named as	Met	Announcement made on January 20, 2015.
Development	first Heritage City of		
& Culture	Australia		
Delivery Progro			
	serve historic records held wi	thin Council custodian	ship
Lead Position	Measure		
Library	KPI Requirement	Status	Comments/Results
Services Coordinator	Standards for custodian of archives met	Met	During 2015/2016, following retirement of the Archives Officer a new Archives Officer was recruited and attended training - New South Wales State Records and Museum and Galleries. Funding received to complete a Preservation Needs Assessment Report.
Strategy	1.3.4 Provide cultural ser	vices and facilities the	rt celebrate our rich history
Delivery Progra	ım Action(s)		
	vide a regional library service	for the City and outb	ack area
Lead Position	Measure		
Library	KPI Requirement	Status	Comments/Results
Services	1. Number of active	Met	There were 9,322 active members recorded for 2015/2016.
Coordinator	members		

Delivery Progra			
	vide a Regional Art Gallery to	contribute to the str	ong arts culture of the City
Lead Position Cultural	Measure KPI Requirement	Status	Comments/Results
Facilities Coordinator	Visitation to Art Gallery	Met	20,936 visitors during 2015/2016. This is an increase of 99 visitors compared to the previous year.
	2. Number of exhibitions	Met	25 exhibitions held during 2015/2016.
Delivery Progro 1.3.1.8 Pro		and Mineral Museu	m to celebrate out mining history
Lead Position	Measure		The solution con thining thereby
Cultural	KPI Requirement	Status	Comments/Results
Facilities Coordinator	Visitation to mining and mineral museum	Met	10,178 visitors during 2015/2016. This is an increase of 1% on the previous year.
	2. Number of exhibitions	Met	Five exhibitions held during 2015/2016.
Lead Position	vision of facilities and progran Measure		
Heritage and	KPI Requirement	Status	Comments/Results
Planning Officer	Heritage awards conducted annually	Met	Heritage Awards were conducted in April 2016, during National Heritage Week.
	2. Council owned Art and mineral collections are maintained and accessible to the community	Met	Council owned art and mineral collections are made accessible through the Broken Hill Regional Art Gallery the Albert Kersten Mining and Minerals Museum and the regular hosting of individual exhibitions, such as the Goodhart which was held in April 2016 during National Heritage Week.
	3. Heritage assets are maintained and accessible to the community	Continuing	Maintenance is ongoing within Council budget. In 2015/16, Council allocated \$170,000 to maintaining and repainting the interior and exterior of the Town Hall Façade. Maintenance works were undertaken on the Albert Kersten Mining and Minerals Museum in strengthening the foundation supports of the building. Funding was granted for the structural investigation of the Memorial Oval War Memorial for remediation purposes. Future year asset maintenance programs have included the maintenance of heritage assets to ensure the facilities are accessible to the community.

Maintain the charact ction(s) e actions within the Herita sure Requirement ctions completed		Comments/Results There are 412 Items listed in Council's Local Environment Plan. Heritage Advisor appointed - Council will be calling for expressions of interesting from persons for ongoing appointment of Advisor in accordance with Council's Procurement Policy. There were nine grants issued for heritage restoration projects. Numerous enquiries received for submission of further grant applications. Funding for Heritage Toolkit received and content for Toolkit completed. Heritage Toolkit Magazine and associated videos to be launched in the first quarter of 2016/2017. Promotional work with National Trust ongoing to promote Broken Hill on their website and event calendar. Broken Hill For Real campaign achieved a reach of more than 5 million on
e actions within the Herita sure Requirement	Status Progressing - Likely	Comments/Results There are 412 Items listed in Council's Local Environment Plan. Heritage Advisor appointed - Council will be calling for expressions of interesting from persons for ongoing appointment of Advisor in accordance with Council's Procurement Policy. There were nine grants issued for heritage restoration projects. Numerous enquiries received for submission of further grant applications. Funding for Heritage Toolkit received and content for Toolkit completed. Heritage Toolkit Magazine and associated videos to be launched in the first quarter of 2016/2017. Promotional work with National Trust ongoing to promote Broken Hill on their website and event calendar. Broken Hill For Real campaign achieved a reach of more than 5 million on
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		social media and a Silver Award for Marketing at the NSW Tourism Awards. Broken Hill listed by Australian Traveller in the top three of Australia's most searched destinations (along with Melbourne and Sydney).
	thin the Draft Develop	oment Control Plan for the City
sure Requirement	Status	Comments/Results
eritage considered in elopment Control Plan lemented	Progressing - Likely to meet	Existing Heritage DCP in place. A new Draft Heritage DCP as part of the new Comprehensive DCP for the City presented to Council in June 29, 2016. The draft plan is currently on public exhibition and is expected to be presented at Council's August 2016 meeting for adoption.
ction(s)		
	Asset Management I	Plan for Parks and Open Spaces
	Status	Comments/Results
(Equilettietti	Progressing	The Draft Parks and Open Spaces Asset Management Plan is to be submitted to Council by November 2016 meeting for adoption to place on public exhibition for comment.
: t	ion(s)	velop and enhance the Asset Management ure equirement Status olement agreed overment initiatives as

Council
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Delivery Progra	m Action(s) lement the Asset Managemen	t Plan for Parks and C	Open Spaces
Lead Position			
Asset Planner Open Spaces	KPI Requirement 1. Implement initiatives in accordance with the resources provided in the Plan	Status Progressing - Likely to meet	Comments/Results The Draft Parks and Open Spaces Asset Management Plan currently being reviewed in accordance with Levels of Service review. To be presented to Council by November 2016.
Delivery Program		Aguatic Centre and r	manage contract obligations associated with the facility
Lead Position	Measure	Aqualic Certile and I	nanage contract obligations associated with the facility
Infrastructure Projects	KPI Requirement	Status	Comments/Results
Engineer	Centre managed in accordance with the contract and within budget	Met	The contract was renewed in July 2016 and Council will continue to develop working relations with contractor. Budget is being met and Broken Hill Aquatic Centre is being managed as per contract conditions.
	2. At least one joint promotional activity per quarter	Met	Council currently supports free entry to the Aquatic Centre on Australia Day each year.
Delivery Progra		final resting place ar	nd a place for residents and visitors to visit loved ones that have passed
Lead Position	Measure	Ŭ i	
Infrastructure	KPI Requirement	Status	Comments/Results
Projects Engineer	Community satisfaction with cemetery	Met	Community satisfaction with cemetery is evident from positive feedback received from the community in the form of one written compliment and three gifts (declared as per Council's Gift Register). Nil complaints received.

Delivery Progra			
1.4.1.6 Fac	ilitate searches for deceased p Measure	persons interred in the	e Broken Hill Cemetery
Corporate	KPI Requirement	Status	Comments/Results
Services Coordinator	Number of successful searches as a % of the total searches	Continuing	381 cemetery record searches were undertaken in 2015/2016, with 16 being unsuccessful and 96% successful searches.
	2. Number of online visits and searches conducted	Continuing	The number of visitors to the Cemetery Online Navigator during 2015/2016 was 42,149.
	3. Decline in the number of incorrect records	Continuing	Cemetery records continue to be corrected as missing information and errors are identified.
Delivery Progra			
	vide parks and open spaces fo	r passive recreation	al activity
Lead Position	Measure		1 O 1 O 1 O 1 O 1 O 1 O 1 O 1 O 1 O 1 O
Asset Planner	KPI Requirement	Status	Comments/Results
Open Spaces	Community satisfaction with parks and open spaces	Met	Levels of Service survey completed, with results reflecting that overall the current levels of service are satisfactory.
Strategy	1.4.3 Our heritage is maint	ained and enhance	d by initiatives to increase heritage value
Delivery Progra	• •		
	tage Strategy developed		
Lead Position	Measure		
Heritage and	KPI Requirement	Status	Comments/Results
Planning Officer	Strategy developed	Met	Council's Three Year Heritage Strategy 2014-2017 was adopted by Council on April 30, 2014.
Delivery Progra	m Action(s)		
1.4.1.4 Imp	lement actions contained with	in the Heritage Strat	egy that aim at increasing heritage value
Lead Position	Measure		
Heritage and	KPI Requirement	Status	Comments/Results
Planning Officer	Number of actions complete	Likely to meet	Actions within Heritage Strategy are implemented as an ongoing result of the local heritage programs in place.

Strategy Delivery Progra 1.4.1.12 Furth			ound the City and region ent Plan for Transport
Lead Position	Measure	io / isser / italia gerii	The Hall for Hallsport
Asset Planner	KPI Requirement	Status	Comments/Results
Transport	Improvement of asset data and plan content	Likely to meet	Draft Transport Asset Management Plan under review. Inspections complete and data compiled. Financial assessment currently being undertaken. To be presented to Council by November 2016.
Delivery Progra	m Action(s)		
1.4.1.13 Imp	lement the Asset Manageme	ent Plan for Transpo	rt
Lead Position	Measure		
Asset Planner	KPI Requirement	Status	Comments/Results
Transport	Number of actions completed	Likely to meet	The Transport Asset Management Plan developed in 2014 was deemed obsolete due to insufficient levels of service data and provision of accurate condition data. A Draft Transport Asset Management Plan is in development and is to be revised in accordance with newly available condition data and results based on Levels of Service consultation completed in 2015/16. This plan is to be presented to Council by November 2016.
	lertake service level reviews	on Council services	to ensure effective delivery of service
	Measure		
Acting Deputy	KPI Requirement	Status	Comments/Results
General	1. Service level reviews	Met	Levels of Services community consultation survey undertaken November 2015
Manager	undertaken		
Delivery Progra 1.4.1.16 Und	m Action(s) lertake facility utilisation revie	•WS	
Lead Position	Measure		
Acting Deputy	KPI Requirement	Status	Comments/Results
General	1. Facility utilisation	Met	Facility utilisation investigation completed. Information to be used in user
Manager	assessments undertaken		group consultation. Information to be included in Building Asset Management Plan currently being drafted and will be presented to Council by November 2016. This will also identify building utilisation, associated costs, user numbers and overall efficiency.

Objective Strategy	 1.5 Our health and wellbeing ensures that we live life to the full 1.5.2 Provide quality health, medical and allied services to meet demographic changes, particularly 24-hour medical services, specialist services and mental health support services 		
Delivery Progro 1.5.1.1 Ad	• •	ical and allied service	os for the City where required
Lead Position	vocate for quality health, med Measure	icai ana alliea servic	es for the City where required
Manager Manager	KPI Requirement	Status	Comments/Results
Community Services	Representations made where required	Met	Staff representation occurred at relevant health related meetings/consultations.
Strategy	1.5.3 Provide a suitable ro	inge of disability and	aged care services
Delivery Progre 1.5.1.11 Rev	am Action(s) view the structure for the provis		community care service provision by Council
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Community Services	Structure reviewed	Met	Review completed. Council resolution at its April 2016 meeting to transition from direct service provision.
	view the City of Broken Hill Age	ing Strategy	
Lead Position	Measure	Charles	Common and a /Donnella
Manager	KPI Requirement	Status	Comments/Results
Community Services	Ageing Strategy reviewed and endorsed	Met	Draft plan endorsed for public comment May 2016 Council meeting. No submissions received. Strategy was adopted at Council July 2016 Ordinary Meeting.
Delivery Progre			
	vocate for funding a new age	d care accommoda	tion facility
Lead Position	Measure		
Division	KPI Requirement	Status	Comments/Results
Manager Corporate and Human Services	1. Funding is allocated to Broken Hill	Not likely to meet	With the current clearer division of responsibilities for aged care and disability services between Federal and State Governments respectively and increasing levels of programme support to assist older persons to live at home for longer periods of time, there is decreasing need for expansion of specialised accommodation resulting in local agencies having vacancies in their accommodation services.

Lead Position Measure

Broken Hill City Council

Manager	KPI Requirement	Status	Comments/Results
Community	1. Accreditation standards	Met	No longer required since Shorty O'Neil Village closure in December 2014.
Services	met		
Delivery Progra			
	ermine future of Shorty O'Neill	Village	
	Measure	Charles	Common and a / Donalda
Division	KPI Requirement	Status	Comments/Results
Manager Corporate and Human Services	Decision made regarding the future of Shorty O'Neill Village	Met	Future of Shorty O'Neil Village (SOV) determined as per Council resolutions - minute no. 44877 Progress to subdivision of site and minute no. 45059 Resolved sale by auction. SOV ceased operating as aged care facility December 23, 2014. By arrangement with the State, a caveat over the site was lifted permitting Council to proceed to auction. The auction was held June 1, 2016 but failed to sell. Negotiations are currently occurring with interested parties.
Delivery Progra	* *		
	ntain and operate a range of	disability programs	
	Measure		
Manager	KPI Requirement	Status	Comments/Results
Community Services	Services provided to meet community needs	Met	All services achieving required outputs. All disability programs continue to operate within funding guidelines. Funding has been extended until June 2018 to align with the implementation of the NDIS.
Strategy	1.5.4 Provide equitable ar	nd appropriate acce	ss to public transport within Broken Hill City and regionally
Delivery Progra	m Action(s)		
	ocate for equitable and app	opriate access to pu	ublic transport where required
	Measure		0 1/0 1/
Acting Deputy	KPI Requirement	Status	Comments/Results
General Manager	Representations made where required	Met	The Parking Strategy was adopted at the Council meeting held February 24, 2016.
Strategy		n efficient and reliab	le utilities and services to the Broken Hill community
Delivery Progra			
1.5.1.8 Mai	ntain and operate a range of	community care pro	ograms og state og s
	Measure		
Manager	KPI Requirement	Status	Comments/Results
Community Services	Services provided to meet community needs	Met	Services provided within allocated budget.

Delivery Program Action(s)WITH THE
1.5.1.5 Maintain and operate a low care aged care service until future is determined

Delivery Progra	• •		
		ly of secure and affo	ordable quality water supply for the City
Lead Position	Measure		
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Water secured for the City	Continuing	Council has taken part in teleconferences and face-to-face meetings with various Ministers and the Mayor has corresponded to various Government departments in relation to Menindee Lakes and water security for Broken Hill. Council has a strong relationship with Essential Water and will continue to communicate in regards to this important matter. Premier announced \$500m to secure Broken Hill's water supply via pipeline from the Murray River. Council will continue developing strong relationships and communication with Essential Water and will continue to communicate in regards to this important matter.
Strategy Delivery Progra		with equitable acce	ss to a range of opportunities
		ate in activities that e	enhance opportunities for our young people
Lead Position	Measure		
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	Activities undertaken by Council to support young people	Met	While the Sister City Sporting Exchange did not occur, an alternate activity "My Place Photography Competition 2015" took place, with photos on display in Regional Art Gallery. The Civic (Debutante) Ball was held in March 2016. Young people were a specific market for the Levels of Services community consultation. Youth are also engaged as performers at Council events such as Australia Day and Council travelled with three performers to Bankstown Cultural Exchange. Max Potential is no longer available in Broken Hill.
Strategy	1.5.7 Encourage cycling of	and walking, through	developing safe tracks and paths
Delivery Progra			
	vide bicycle paths to encourag	ge physical activity	
	Measure		
Asset Planner	KPI Requirement	Status	Comments/Results
Transport	Community satisfaction with ability to safely ride the City	Met	Nil complaints received relating to existing bicycle lanes. Community satisfaction has not been obtained through a formal survey.

Delivery Program Action(s) 1.4.1.9 Review the Pedestrian Access Mobility Plan				
Lead Position	Measure			
Asset Planner	KPI Requirement	Status	Comments/Results	
Transport	1. PAMP reviewed and	Assessment	PAMP scheduled to be reviewed August 2016. Council has advertised for	
	initiatives implemented in	premature	intern students to undertake cost evaluation of the PAMP actions and budget	
	accordance with the		required for future works.	
	resources provided in the			
	Operational Plan			

KEY DIRECTION 2 OUR ECONOMY

Objective Strategy	 Our economy is strong and diversified and attracts people to work, live and invest Create greater collaboration and strategic planning capacity with a view to identifying opportunities and increasing economic activity 					
Delivery Progra						
	2.1.1.1 Collaborate with relevant partners to plan a summit to discuss economic conditions and unite leaders for a whole-of-City approach					
Lead Position	economic development					
Manager	KPI Requirement	Status	Comments/Results			
Economic	Economic summit held	Assessment	Economic Development Strategic Overview meeting held May 2016.			
Development		premature	Purpose of meeting to gain a strategic overview of economic and small			
& Culture			business activity in Broken Hill and review opportunity to support sustained			
			small business growth. Manager Economic Development & Culture in			
Dallara Dara ann	A - # (-)		attendance.			
Delivery Progra 2.1.1.2 Cor		formation to a divers	e audience in relation to economic activity in the City			
Lead Position	Measure	omanon to a divers	e addience in relation to economic activity in the city			
Manager	KPI Requirement	Status	Comments/Results			
Economic	1. Up to date economic	Met	Data on Broken Hill's economy and demographics is readily available and			
Development	information available widely		currently on Council's website.			
& Culture						
Delivery Progra						
		sure inclusion in the	Resources for Regions program for mining affected communities			
Lead Position	Measure					
Manager	KPI Requirement	Status	Comments/Results			
Economic	1 Number of representations	Met	This was achieved in 2015. Successful application through Resources for			
Development & Culture	made		Regions achieved in 2015 \$5.1 million for Civic Centre up-grade.			
& Collore			Unsuccessful application for Argent Street Illumination of \$5.1 million in 2016.			

Strategy Delivery Program		ent strategies and pa	rtnerships to encourage new investment opportunities within the region
		industry partners to e	explore investment opportunities for the City
Lead Position	Measure	maddiny parmiers to e	Applete intrestition in appearation in a city
Manager	KPI Requirement	Status	Comments/Results
Economic Development & Culture	1. 4 representations to Government per annum	Met	Meetings, presentations and representations held with Ministers and government representatives across tourism, infrastructure, resources, arts, film, transport, sustainable energies.
	2. Number of informative responses to potential investors	Met	Investors receive direction and packaged information relating to the economy. Eleven enquiries serviced in 2015/2016.
Delivery Progra			
	vely pursue options for investm	ent in the Broken Hill :	Studios to meet its objectives as a creative and cultural hub
Lead Position	Measure		
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	1. Head Lessee/Tenants/Sale of Broken Hill Studios	Likely to meet	Council adopted at its April 2016 meeting, minute no. 45238, for the sale be auction of the Broken Hill Studio Precinct. EOI's for the sale of the site were sought from interested Real Estate Agents and expressions closed June 22 2016.
Strategy	2.1.3 Investigate transport	hub options for Broke	n Hill and surrounds to drive and support economic activity
Delivery Progra		•	
	ocate to maintain or improve	air, rail and road acc	ess to the region
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Economic Development & Culture	Positive Community Satisfaction levels indicate transport access is improved	Continuing	Community satisfaction will not be surveyed within this year. Council continues to advocate in areas concerning rail and air in particular.
Strategy	2.1.4 Increase economic o	pportunities by activ	ating public spaces
Delivery Progra			
			icularly in Argent Street and Patton Village, to encourage the establishmen
	novative tourism and hospitalit	y ventures	
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Economic	1. Include opportunities for	Progressing -	This will be reviewed in relation to the results of Council's Levels of Service
Development & Culture	Council owned assets in Tourism & Hospitality	Assessment premature	community consultation survey conducted in second quarter of 2015/201

visit			
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Economic	Main street strategy	Met	At Council's June 24, 2015 meeting, the Broken Hill Living Museum + Perfec
Development	developed		Light Project plan was adopted.
& Culture			
Strategy		o public infrastruct	ture to enhance economic opportunities
Delivery Progra			
	the state of the s	Plans for key Cound	cil owned tourism related assets to assure their economic viability and business
foc			
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Economic	Business Plans complete	Progressing	The Civic Centre business plan has been finalised. Further consultation
Development	for: Broken Hill Regional Art		required prior to drafting business plans relating to Broken Hill Regional Art
& Culture	Gallery; Albert Kersten		Gallery; Albert Kersten Mining & Mineral Museum; Living Desert; and Visito
	Mining & Mineral Museum;		Information Centre.
	Living Desert; Visitor		
	Information Centre; Civic		
	Information Centre; Civic Centre		
Strategy	Information Centre; Civic Centre 2.1.6 Secure high-speed by	roadband for the (City
Delivery Progra	Information Centre; Civic Centre 2.1.6 Secure high-speed by m Action(s)		
Delivery Progra 2.1.1.12 Adv	Information Centre; Civic Centre 2.1.6 Secure high-speed by m Action(s)		
Delivery Progra 2.1.1.12 Adv Hill	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Action(s) cocate to improve opportunities		City and innovation, including the roll-out of high speed broadband to include Brok
Delivery Progra 2.1.1.12 Adv Hill Lead Position	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Action(s) vocate to improve opportunities Measure	s for technology a	and innovation, including the roll-out of high speed broadband to include Brok
Delivery Progra 2.1.1.12 Adv Hill Lead Position Manager	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Action(s) cocate to improve opportunities Measure KPI Requirement	s for technology a	and innovation, including the roll-out of high speed broadband to include Brok Comments/Results
Delivery Progra 2.1.1.12 Adv Hill Lead Position Manager Economic	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Maction(s) cocate to improve opportunities Measure KPI Requirement 1. Far West Economic	s for technology a Status Assessment	and innovation, including the roll-out of high speed broadband to include Brok Comments/Results
Delivery Progra 2.1.1.12 Adv Hill Lead Position Manager Economic Development	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Medium Action(s) vocate to improve opportunities Measure KPI Requirement 1. Far West Economic Update annually indicates	s for technology a	and innovation, including the roll-out of high speed broadband to include Brok Comments/Results
Delivery Progra 2.1.1.12 Adv Hill Lead Position Manager Economic	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Medium Action(s) Proceeds to improve opportunities Measure KPI Requirement 1. Far West Economic Update annually indicates an increase in technology	s for technology a Status Assessment	and innovation, including the roll-out of high speed broadband to include Brok
Delivery Progra 2.1.1.12 Adv Hill Lead Position Manager Economic Development & Culture	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Action(s) cocate to improve opportunities Measure KPI Requirement 1. Far West Economic Update annually indicates an increase in technology related advancements	s for technology a Status Assessment	and innovation, including the roll-out of high speed broadband to include Brok Comments/Results
Delivery Progra 2.1.1.12 Adv Hill Lead Position Manager Economic Development & Culture Delivery Progra	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Action(s) cocate to improve opportunities Measure KPI Requirement 1. Far West Economic Update annually indicates an increase in technology related advancements Im Action(s)	s for technology a Status Assessment premature	Comments/Results Economic updates are received quarterly in conjunction with RDA Far We
Delivery Progra 2.1.1.12 Adv Hill Lead Position Manager Economic Development & Culture Delivery Progra 2.1.1.13 Dev	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Action(s) Vocate to improve opportunities Measure KPI Requirement 1. Far West Economic Update annually indicates an increase in technology related advancements Im Action(s) Velop a program to position Co	s for technology a Status Assessment premature	and innovation, including the roll-out of high speed broadband to include Brok Comments/Results
Delivery Progra 2.1.1.12 Adv Hill Lead Position Manager Economic Development & Culture Delivery Progra 2.1.1.13 Dev Lead Position	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Action(s) Vocate to improve opportunitie Measure KPI Requirement 1. Far West Economic Update annually indicates an increase in technology related advancements Im Action(s) Velop a program to position Co	Status Assessment premature uncil and the City	Comments/Results Economic updates are received quarterly in conjunction with RDA Far Wo
Delivery Progra 2.1.1.12 Adv Hill Lead Position Manager Economic Development & Culture Delivery Progra 2.1.1.13 Dev Lead Position Manager	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Action(s) Vocate to improve opportunitie Measure KPI Requirement 1. Far West Economic Update annually indicates an increase in technology related advancements Im Action(s) Velop a program to position Co Measure KPI Requirement	Status Assessment premature uncil and the City Status	Comments/Results Economic updates are received quarterly in conjunction with RDA Far W for High Speed Broadband implementation Comments/Results
Delivery Progra 2.1.1.12 Adv Hill Lead Position Manager Economic Development & Culture Delivery Progra	Information Centre; Civic Centre 2.1.6 Secure high-speed by the Action(s) Vocate to improve opportunitie Measure KPI Requirement 1. Far West Economic Update annually indicates an increase in technology related advancements Im Action(s) Velop a program to position Co	Status Assessment premature uncil and the City	Comments/Results Economic updates are received quarterly in conjunction with RDA Far W for High Speed Broadband implementation

Strategy	2.1.7 Pursue new ideas and approaches for business and industry investment including creative industries, renewable energy and technology related projects				
Delivery Progra	O ,	ea projects			
	llaborate with key stakeholders t	to increase value for	new and existing businesses		
Lead Position	Measure				
Manager	KPI Requirement	Status	Comments/Results		
Economic Development & Culture	Collaborative participation in meetings and projects	Met	Participation in Destination Far West - a newly formed tourism body for the region. Ongoing meetings with other lead agencies in Broken Hill (Chamber of Commerce, Foundation Broken Hill, and RDA Far West).		
	2. 4 forums/workshops held per year	Met	Due to the formation of Destination Far West and Inland NSW Tourism taking an active role in industry development, Council no longer facilitates industry forums for tourism. Council has presented to forums and workshops associated with industry and service clubs concerning budgets and levels of service engagement.		
2.2.1.1 Par Lead Position	am Action(s) ticipate in tourism industry board Measure	ds and working parti	es		
Tourism &	KPI Requirement	Status	Comments/Results		
Events Coordinator	Active participation	Met	Participation on Steering Committee for Destination Far West and Inland NSW Tourism Board.		
Dolivory Progra					
2.2.1.2 Cor and	d promotional initiatives	ith Inland NSW, Dest	ination NSW and local operators to develop & implement future marketing		
2.2.1.2 Cor	ntinue to work collaboratively w	rith Inland NSW, Desti	ination NSW and local operators to develop & implement future marketing Comments/Results		

Delivery Progra			
		an effective industr	y governance model for tourism in Broken Hill and the Far West
Lead Position Manager	Measure KPI Requirement	Status	Comments/Results
Economic Development & Culture	1. Final report	Met	Finalised in previous year resulting in the formation of Destination Far West. New regional tourism structure for NSW pending State Government announcement in July 2016.
Delivery Progra	m Action(s)		
	re the strategies contained wit	hin Broken Hill Strate	egic Tourism Plan remain informed
Lead Position	Measure		
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	1. Strategy review undertaken	Likely to meet	Participation on the Steering Committee for Destination Far West and implementation of the Destination Management Plan for Outback NSW. Review of Broken Hill Strategic Plan 2010-20 will be scheduled prior to expiration date of that Plan.
	yield from tourism m Action(s)	historians in develop	hospitality and retail sectors to enhance visitor experience and maximise oing materials and interpretation experiences more targeted towards the ten Hill in history
Lead Position	Measure		
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	1. 2 new heritage tourism products developed annually	Met	Outback Museum Stories project complete. Brochure and website launched.
Delivery Progra	m Action(s)		
2.2.1.14 Und	ertake a benchmark study of c	ther heritage listed	mining cities world-wide to understand their strategies for tourism
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Economic Development & Culture	Global benchmark study is finalised	Not likely to meet	Funding and resources not allocated in this reporting period to undertake this project.

Delivery Progra 2.2.1.6 Col		anaa visitam aya	and and maximiza viold
Lead Position	laborate with businesses to enha	ance visitors experi	ence and maximise yield
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	Increased participation in tourism partnership program	Met	Council ceased to collect tourism partnership fees and charges this financial year due to the formation of Destination Far West - to enable their capacity to attract membership from industry.
Delivery Progra 2.2.1.7 Inve	um Action(s) estigate sustainability training an	nd accreditation pr	ograms for tourism operators
Lead Position	Measure	ia accreananen pr	
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	1. Conduct 2 industry forums	Likely to meet	Industry training is now referred to Destination Far West and the new regional tourism structure for NSW with Council support where applicable.
Strategy Delivery Progra 2.1.1.15 Imp	ım Action(s)	·	othentic visitor products and experiences d cultural enterprises in the tourism industry
Lead Position	Measure	ioipanori or ans an	a control of not phase in the reconstructed by
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	Increased participation of arts and cultural enterprises in tourism related initiatives	Continuing	Art trails and galleries are promoted via the VIC and engagement of industry is achieved through Destination Far West, the Visitors Guide and the Travel In website
Delivery Progra			
		r new and potentic	al residents to promote living in Broken Hill
Lead Position	Measure		
Manager Economic	KPI Requirement	Status	Comments/Results
Development & Culture	Information pack developed and distributed	Progressing - Likely to meet	An online resource will be developed in 2016/17.
Delivery Progra	ım Action(s)		
	mote the Albert Kersten Mining o	and Mineral Museu	m as a tourist attraction
Lead Position	Measure		
Cultural	KPI Requirement	Status	Comments/Results
Facilities Coordinator	Number of people visiting per annum/number of visitors	Met	10,178 visitors in 2015/2016 which is an increase of 1% on the previous year.

Delivery Progro 2.2.1.11 Program		ist attraction	
Lead Position	mote the Living Desert as a tour Measure	si diliacilori	
Environment,	KPI Requirement	Status	Comments/Results
Waste & Recycling Specialist	Number of people visiting per annum/number of visitors	Continuing	27,112 visitors recorded for 2015/2016. A decrease of 8% on previous year.
Delivery Progra 2.2.1.19 Und	um Action(s) dertake an audit for tourism rela	ted signage in the (City
Lead Position	Measure		
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	1. Audit undertaken	Met	Audit completed November 2015.
	erate the Visitor Information Cer	ntre as a hub for the	e visitor economy
Lead Position	Measure		
Cultural	KPI Requirement	Status	Comments/Results
Facilities Coordinator	Number of people visiting centre per annum	Met	104,089 visitors recorded during 2015/2016. A decrease of 5% on 2014/2015 financial year.
	2. Number of hits to the website per annum	Met	Total web page views for <u>www.brokenhillaustralia.com.au</u> was 369,517 during 2015/2016.
	3. Participation by industry in tourism programs	Met	Industry participation in the Visitors Guide and through promotion at the VIC. Additional industry participation through website and social media activities and in forums associated with tourism.
	4. Tourist and Travellers Centre 90% occupancy maintained	Not likely to meet	The retail vacancies at the Visitor Information Centre remain in the rear quadrants of the Centre. These were once more activated areas through coach travel, which has declined overall Australia-wide as grey nomads have increased self-drive touring capacity. This retail space is available for lease and may suit a range of travel-related purposes. Overall retail vacancies in Broken Hill can pose a challenge for many landlords. Council remains open to expressions of interest.

Delivery Program Action(s)

	mote the Regional Art Gallery as	s a tourist attraction	<u> </u>
Lead Position	Measure		
Cultural	KPI Requirement	Status	Comments/Results
Facilities	1. Number of people visiting	Met	20,936 visitors during 2015/2016. This is an increase of 99 visitors compared to
Coordinator	per annum/number of		the previous financial year.
	visitors		
Strategy	2.2.6 Improve accessibility	for visitors to and fr	om Broken Hill
Delivery Progra			
2.2.1.16 Ope	erate the Broken Hill Airport		
Lead Position	Measure		
Infrastructure	KPI Requirement	Status	Comments/Results
Projects	1. Meet CASA and other	Met	All CASA requirements met. Audit conducted in June 2015. Five non
Engineer	legislative requirements		compliances notified and Council has addressed them to CASA requirements
Delivery Progra	m Action(s)		
	nsider alternative airport manag	ement and operat	ion arrangements
Lead Position	Measure		
Acting Deputy	KPI Requirement	Status	Comments/Results
General	1. Council report	Progressing -	Expression of Interest completed. Consultant engaged to undertake review
Manager		Likely to meet	and report alternative airport management and operation arrangements in
			July 2016.
Delivery Progra			
		obby to allow an up	ograde to the Broken Hill Airport in accordance with the Airport Master Plan
Lead Position	Measure		
Infrastructure	KPI Requirement	Status	Comments/Results
Projects	1. Number of	Likely to meet	Funding application lodged under Infrastructure NSW. Council was
Engineer	representations made		unsuccessful in its bid. Further funding opportunities will be explored in line
			with the recommendations of the Management and Operation of BH Airport
			Report.
Delivery Progra		mather to a material to the	and the second s
		acity to service the	caravan and motor home market
Lead Position	Measure	Ol arterio	O construction (Proceed)
Tourism &	KPI Requirement	Status	Comments/Results
Events	1. Review complete	Progressing -	Currently working with AVAN Campers Caravans & Motorhomes to bring
Coordinator		Assessment	2018 National conference to Broken Hill.
		premature	

Strategy

Delivery Program Action(s)

Broken Hill City Council

	pt a 'whole of destination' appi en Hill	roach to the devel	opment, management and marketing of attractions and experiences for
Lead Position	Measure		
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	Broken Hill Attractions and Interpretation Strategy complete	Not likely to meet	Industry relationships are now managed by Destination Far West. Council has representation on this committee.
enco	elop and promote a Tourism ar ourage private-sector investme	The state of the s	ment Opportunities Portfolio that identifies and promotes opportunities to g. accommodation, retail, hospitality, film, arts)
Lead Position	Measure	Charless	Company and a / Populity
Manager Economic	KPI Requirement	Status	Comments/Results
Development & Culture	1. 2 new tourism investments achieved	Not likely to meet	Funding allocation for portfolio development was not provided in 2015/2016.
Delivery Program 2.2.1.12 Invest Lead Position	n Action(s) stigate opportunities arising fror Measure	m Broken Hill's listing	as a heritage city
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	Review of heritage opportunities is complete	Continuing	Opportunities through heritage are addressed through marketing of Broken Hill and its cultural assets/heritage landmarks and stories, Living Museum and Perfect Light Project, grant applications, Heritage and Museums Advisors.
Delivery Program 2.2.1.20 Integ		and communicatio	on objectives for the City including external and internal audiences
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Economic Development & Culture	Brand integrated into all relevant programs and communications	Continuing	Broken Hill brand is embedded in all communications including visual and value based. New photography library and branded videos have been developed. Council has adopted values and corporate style to reflect the community brand.

Establish and deliver a consistent destination brand and image that positions Broken Hill as a significant outback

destination in Australia

	_	on and commodie	to analysis in order to inform tourism related decision-making			
Lead Position	Measure					
Tourism &	KPI Requirement	Status	Comments/Results			
Events	1. Annual report provided to	Met	Industry reporting for tourism is now the role of Inland NSW Tourism and			
Coordinator	industry		Destination Far West and an annual report has been provided.			
Strategy	2.2.8 Develop a strategic and proactive approach to the development, management and marketing of conferences, ev and filming activities					
Delivery Progra						
		nded stay itinerarie	es suitable for tourists, media, dignitaries and conference delegates			
Lead Position	Measure					
Tourism &	KPI Requirement	Status	Comments/Results			
Events Coordinator	Itineraries are developed and distributed	Continuing	Ongoing itinerary development through Council's Visitor Information Centre and Events team.			
Lead Position	measure					
Tourism &	KPI Requirement	Status	Comments/Results			
Events Coordinator	BH Conference and Events Strategy is developed	Met	Currently in draft form and will be incorporated into MICE / Civic Centre business plan.			
		onference and en	tertainment in Regional Australia			
Lead Position	Measure					
Tourism &	KPI Requirement	Status	Comments/Results			
Events Coordinator	1. 15% increase in usage of Civic Centre across all event categories	Met	Patronage at the Civic Centre showed a 16.6% increase in attendance in 2015/2016, taking into account the closure for the refurbishment during the months of April – June 2016. This surpasses Council's Delivery Program succes measure of a 15% increase in the usage of the Civic Centre across all event categories. Marketing in relevant industry publications progressing in			

Delivery Progra		Chile Cambra late	
2.2.1.23 Dev Lead Position	Measure	Civic Centre into a t	facility that would appeal to conferences and events
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	Council report	Met	A refurbishment funded by \$5.1 million Resources for Regions grant is underway and will be finalised in 2016/2017.
Delivery Progra 2.2.1.24 Part		ted stakeholders to p	pursue the opportunity for an annual 'signature' festival for Broken Hill
Lead Position	Measure		
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	1. Forum is held	Met	Not required. Signature festival taken on by industry with Council planning support.
	mote Broken Hill as a centre fo	or film and productio	n in Regional Australia and secure film activity for the City and region
Lead Position Tourism &	Measure KPI Requirement	Status	Comments/Results
Events Coordinator	1. 6 productions annually	Met	TVC -7 TV Series - 1 (USA Drama); Documentaries - 4; Movie Launch - 1 International famile - 1; Education groups - 2
		b for film, tourism, ar	ts, education and events as contained in the Broken Hill Film, Studios and
Lead Position	Measure		
Tourism &	KPI Requirement	Status	Comments/Results
Events Coordinator	1. 6 activities annually	Not meeting	Three education activities and one film series during 2015/2016.
Objective Strategy		erstanding about skill	es strength and opportunity Is gaps in Broken Hill that are important to both social inclusion as well as
		be completion of a	abilla avadit for the City
2.3.1.1 Adv	ocate for funding to enable t	he completion of a	skills audit for the City
		he completion of a s	skills audit for the City Comments/Results

Delivery Program Action(s)

2.3.1.2 Prov	vide input into the Broken Hill sk	ilis audii	
Lead Position	Measure		
Division	KPI Requirement	Status	Comments/Results
Manager Corporate and Human	Input provided as required	Not likely to meet	The skills audit project is due to commence once funding has been successfully obtained from RDA Far West. Detailed project outline to be developed based upon funding achieved.
Services			developed based open fortaling defleved.
Strategy	2.3.2 Identify and develop	partnership opport	unities with education and training service providers to increase participation
Delivery Progra			
2.3.1.3 Part	ticipate on committees and wo	orking parties assoc	iated with education and training
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Economic Development & Culture	Active participation	Assessment premature	Meetings with RDA Far West, Chamber of Commerce and Broken Hill Foundation have assessed the skill and training shortcomings with a view for a forum to be conducted in 2016/17.
	port the development of indig	enous tourism prod	uct in terms of arts and culture
Legg Position	Measure		
Lead Position Tourism &	Measure KPI Requirement	Status	Comments/Results
			Comments/Results Formation of Destination Far West will see future implementation of the Destination Management Plan where indigenous product will be addressed. Council has a seat on Destination Far West and the Broken Hill Aboriginal Community Working Party. The 2016 Far West Aboriginal and Torres Strait Islander Art Prize was also held at the Broken Hill Regional Art Gallery in
Tourism & Events Coordinator Strategy Delivery Progra	KPI Requirement 1. Participation of Council staff in indigenous cultural projects 2.3.4 Consider strategies of facilities locally am Action(s)	Status Met	Comments/Results Formation of Destination Far West will see future implementation of the Destination Management Plan where indigenous product will be addressed. Council has a seat on Destination Far West and the Broken Hill Aboriginal Community Working Party. The 2016 Far West Aboriginal and Torres Strait Islander Art Prize was also held at the Broken Hill Regional Art Gallery in conjunction with West Darling Arts. overcome issues relating to accessing education and training providers and
Tourism & Events Coordinator Strategy Delivery Progra 2.3.1.4 Adv	KPI Requirement 1. Participation of Council staff in indigenous cultural projects 2.3.4 Consider strategies of facilities locally am Action(s)	Status Met	Comments/Results Formation of Destination Far West will see future implementation of the Destination Management Plan where indigenous product will be addressed. Council has a seat on Destination Far West and the Broken Hill Aboriginal Community Working Party. The 2016 Far West Aboriginal and Torres Strait Islander Art Prize was also held at the Broken Hill Regional Art Gallery in conjunction with West Darling Arts.
Tourism & Events Coordinator Strategy Delivery Progra	KPI Requirement 1. Participation of Council staff in indigenous cultural projects 2.3.4 Consider strategies of facilities locally im Action(s)	Status Met	Comments/Results Formation of Destination Far West will see future implementation of the Destination Management Plan where indigenous product will be addressed. Council has a seat on Destination Far West and the Broken Hill Aboriginal Community Working Party. The 2016 Far West Aboriginal and Torres Strait Islander Art Prize was also held at the Broken Hill Regional Art Gallery in conjunction with West Darling Arts. overcome issues relating to accessing education and training providers and

Delivery Progra	m Action(s)					
2.3.1.5 Prov	ide publicly available equipme	nt and space at the	e BH Regional Library for tertiary education students			
Lead Position	Measure					
Library Services	KPI Requirement	Status	Comments/Results			
Coordinator	Facilities provided and promoted	Met	Nine computers are available at the Library for tertiary education students. The facilities are promoted via print media and online media.			
Delivery Program	m Action(s)					
2.3.1.6 Deve	elop and maintain partnerships	with Universities the	at provide value to our local community			
Lead Position	Measure					
Manager	KPI Requirement	Status	Comments/Results			
Economic Development & Culture	All partnership relationships provide value to the city	Met	Partnerships with Sydney University. More than 35 students visited Broken Hill to work on projects relating to heritage, tourism, marketing and architecture. Council also provided support and advice to Aust. Film and Television School on filming in the region.			
Delivery Program	m Action(s)					
2.3.1.7 Whe	ere invited, participate in initiativ	es to encourage a	n increase in completed tertiary education in our City			
Lead Position	Measure					
Manager	KPI Requirement	Status	Comments/Results			
Economic Development	Active participation	Assessment premature	Council has supported industry placements and residentials for tertiary students in Broken Hill with a view to expose community to tertiary			
& Culture		premarate	opportunities. Council has supported its own staff to achieve tertiary qualifications.			

KEY DIRECTION 3 OUR ENVIRONMENT

Objective Strategy Delivery Prog						
	Implement the recommendations of the Waste Management Strategy in relation to waste management & pricing in accordance with state guidelines and best practice					
Lead Position	Measure					
Environment, Waste & Recycling Specialist	KPI Requirement 1. Actions are und indicated in the O Plan		Status Continuing	Comments/Results Weighbridge completed and operational. Standard fees and charges adopted. Drop off area re-design commenced. Community Recycling Centre (CRC) officially opened in November 2015; shed extension completed December 2015. Since opening the centre has collected 4 tonnes of Household Hazardous Wastes (HHW). Bulk shredding of green waste occurred in January 2016. New 2016 Compost and Organics Exemptions have been released by EPA, these are being reviewed.		

Delivery Program Action(s)

Lead Position	Measure		
Environment,	KPI Requirement	Status	Comments/Results
Waste &	1. Increased tonnage of	Progressing -	Bulk shredding of stockpiled green waste was undertaken in January 2016.
Recycling	green waste processed	Assessment	Waste Exemptions for composting and mulches have affected how green
Specialist	green wasie processed	premature	waste exemptions for compositing and molecules have affected now green waste can be used, and provide effective re-use arrangements. Self-haul
pecialist		premarate	and kerbside will require separate processing. Procedures are under
			development for this processing arrangement. An education campaign in
			relation to the contamination of green waste to improve the quality is unde
			development for delivery to residents. Contamination of green waste is hig
			therefore an education campaign must be undertaken with residents to
			improve the quality of the green waste being delivered and received on
			site. Previous year comparison unavailable due to change in data collection
			through weighbridge.
Delivery Progra		to all out of the second	Salara de la desta de la companya del companya de la companya del companya de la
		to divert commerci	ial and industrial waste from landfill
Lead Position Environment,	Measure KPI Requirement	Status	Comments/Results
Waste &	Decrease the amount of	Not meeting	Weighbridge installation monitors commercial waste and options for
Recycling	commercial and industrial	Normeening	diversion of waste are investigated in consultation with commercial users.
	commercial and macsinal		artersion of traste are intestigated in consolidation train continue ciai oscis.
Specialist	waste delivered to landfill		Existing paper and cardboard options have not been expanded due to
Specialist	waste delivered to landfill		Existing paper and cardboard options have not been expanded due to limited options for the reprocessing.
·		able resources and	limited options for the reprocessing.
Specialist Strategy Delivery Progra	3.1.2 Increase use of renew	able resources and	
Strategy Delivery Progra	3.1.2 Increase use of renew		limited options for the reprocessing. I decrease the use of non-renewable resources
Strategy Delivery Progra 3.1.1.5 Inve	3.1.2 Increase use of renew m Action(s)		limited options for the reprocessing. I decrease the use of non-renewable resources
Strategy Delivery Progra	3.1.2 Increase use of renew m Action(s) estigate and develop strategies		limited options for the reprocessing. I decrease the use of non-renewable resources used across the organisation Comments/Results
Strategy Delivery Progra 3.1.1.5 Inve Lead Position Environment, Waste &	3.1.2 Increase use of renew m Action(s) estigate and develop strategies Measure KPI Requirement 1. Reduction in energy	to reduce energy u	limited options for the reprocessing. It decrease the use of non-renewable resources used across the organisation Comments/Results Energy monitoring continued through the Planet Footprint. The Broken Hill
Strategy Delivery Progra 3.1.1.5 Inve Lead Position Environment, Waste & Recycling	3.1.2 Increase use of renew m Action(s) estigate and develop strategies Measure KPI Requirement	to reduce energy u	limited options for the reprocessing. It decrease the use of non-renewable resources Used across the organisation Comments/Results Energy monitoring continued through the Planet Footprint. The Broken Hill Regional Art Gallery, Council Administration Building, Visitor information
Strategy Delivery Progra 3.1.1.5 Inve Lead Position Environment, Waste &	3.1.2 Increase use of renew m Action(s) estigate and develop strategies Measure KPI Requirement 1. Reduction in energy	to reduce energy u	limited options for the reprocessing. If decrease the use of non-renewable resources Used across the organisation Comments/Results Energy monitoring continued through the Planet Footprint. The Broken Hill Regional Art Gallery, Council Administration Building, Visitor information Centre and Airport has saved Council \$66,200 and 159,940 kWh since
Strategy Delivery Progra 3.1.1.5 Inve Lead Position Environment, Waste & Recycling Specialist	3.1.2 Increase use of renew m Action(s) estigate and develop strategies Measure KPI Requirement 1. Reduction in energy consumption	to reduce energy u	limited options for the reprocessing. It decrease the use of non-renewable resources Used across the organisation Comments/Results Energy monitoring continued through the Planet Footprint. The Broken Hill Regional Art Gallery, Council Administration Building, Visitor information
Strategy Delivery Progra 3.1.1.5 Inve Lead Position Environment, Waste & Recycling Specialist Delivery Progra	3.1.2 Increase use of renew m Action(s) estigate and develop strategies Measure KPI Requirement 1. Reduction in energy consumption m Action(s)	to reduce energy u Status Met	limited options for the reprocessing. If decrease the use of non-renewable resources used across the organisation Comments/Results Energy monitoring continued through the Planet Footprint. The Broken Hill Regional Art Gallery, Council Administration Building, Visitor information Centre and Airport has saved Council \$66,200 and 159,940 kWh since retrofitting in May 2014.
Strategy Delivery Progra 3.1.1.5 Inve Lead Position Environment, Waste & Recycling Specialist Delivery Progra 3.1.1.6 Inve	3.1.2 Increase use of renew m Action(s) estigate and develop strategies Measure KPI Requirement 1. Reduction in energy consumption m Action(s) estigate and develop strategies	to reduce energy u Status Met	limited options for the reprocessing. It decrease the use of non-renewable resources Used across the organisation Comments/Results Energy monitoring continued through the Planet Footprint. The Broken Hill Regional Art Gallery, Council Administration Building, Visitor information Centre and Airport has saved Council \$66,200 and 159,940 kWh since
Strategy Delivery Progra 3.1.1.5 Inve Lead Position Environment, Waste & Recycling Specialist Delivery Progra 3.1.1.6 Inve Lead Position	3.1.2 Increase use of renew m Action(s) estigate and develop strategies Measure KPI Requirement 1. Reduction in energy consumption m Action(s) estigate and develop strategies Measure	Status Met to reduce water co	limited options for the reprocessing. If decrease the use of non-renewable resources used across the organisation Comments/Results Energy monitoring continued through the Planet Footprint. The Broken Hill Regional Art Gallery, Council Administration Building, Visitor information Centre and Airport has saved Council \$66,200 and 159,940 kWh since retrofitting in May 2014.
Strategy Delivery Progra 3.1.1.5 Invel Lead Position Environment, Waste & Recycling Specialist Delivery Progra 3.1.1.6 Invel Lead Position Environment,	3.1.2 Increase use of renew m Action(s) estigate and develop strategies Measure KPI Requirement 1. Reduction in energy consumption m Action(s) estigate and develop strategies Measure KPI Requirement	Status Met to reduce water co	limited options for the reprocessing. If decrease the use of non-renewable resources used across the organisation Comments/Results Energy monitoring continued through the Planet Footprint. The Broken Hill Regional Art Gallery, Council Administration Building, Visitor information Centre and Airport has saved Council \$66,200 and 159,940 kWh since retrofitting in May 2014. Consumption used across the organisation Comments/Results
Strategy Delivery Progra 3.1.1.5 Inve Lead Position Environment, Waste & Recycling Specialist Delivery Progra 3.1.1.6 Inve Lead Position	3.1.2 Increase use of renew m Action(s) estigate and develop strategies Measure KPI Requirement 1. Reduction in energy consumption m Action(s) estigate and develop strategies Measure	Status Met to reduce water co	limited options for the reprocessing. If decrease the use of non-renewable resources used across the organisation Comments/Results Energy monitoring continued through the Planet Footprint. The Broken Hill Regional Art Gallery, Council Administration Building, Visitor information Centre and Airport has saved Council \$66,200 and 159,940 kWh since retrofitting in May 2014.

Strategy	3.1.3 Change consumer be	ehaviour to reduce in	npacts on the environment without affecting quality of life
Delivery Progra			
	vide information to our commu	nity in relation to the	ir environment
Lead Position	Measure		0 10 11
Environment,	KPI Requirement	Status	Comments/Results
Waste &	1. State of the City report	Likely to meet	State of the City report to be developed in accordance with compliance
Recycling Specialist	prepared		requirements and presented to the October 2016 Council meeting.
Delivery Progra			
	ourage activities that support of	clean environment	
Lead Position	Measure	01.1	
Environment,	KPI Requirement	Status	Comments/Results
Waste &	1. Involvement in relevant	Met	Council participates in Tidy Towns meetings and provides support to the Tidy
Recycling	activities		Towns Committee activities. Participation in Clean Up Australia Day with 24
Specialist			volunteers participating, over 65kg of rubbish collected on the day, which
			consisted mainly of take away food wrappers. Girl Guides also cleaned up Block 10 Lookout.
Chrants and	2.1.4 Daysa and recycling	of vocasing and in	
Strategy		or resources is embre	aced by the community
Delivery Progra 3.1.1.7 Con	•	params to reinferce t	he message of reduce, recycle, reuse
Lead Position	Measure	ograms to reinforce i	The message of reduce, recycle, reose
Environment,	KPI Requirement	Status	Comments/Results
Waste &	1. Number of waste	Likely to meet	One school presentation and waste tour was undertaken in August 2015. The
Recycling	education activities	Likely to meet	Community Recycling Centre (CRC), was officially opened in November
Specialist	undertaken		2015, which included radio advertising provided through the NetWaste
opecialist	ondendken		partnership, and flyers handed out at the Waste Facility promoting the new
			recycling opportunities available to the community. Waste flyers advertising
			existing recycling facilities, opportunities and green waste services are
			available on Council's website.
	1		an amanara an addition of the Manual

Strategy Delivery Progra 3.1.1.8 Part	m Action(s)		secure, clean, reliable and sustainable water supply for the city
Lead Position	Measure		
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Attendance at stakeholder meetings	Met	Council has taken part in teleconferences and face-to-face meetings with various Ministers and the Mayor has corresponded to various Government departments in relation to Menindee Lakes and water security for Broken Hill. Council has a strong relationship with Essential Water and will continue to communicate in regards to this important matter. Premier announced \$500M to secure Broken Hill's water supply via pipeline from the Murray River.

		e groups in relation to	
Environment,	KPI Requirement	Status	Comments/Results
Waste & Recycling Specialist	Participation at stakeholder group meetings	Met	End of Life Mine Plan was received by CBH for Rasp Mine during this period. Council coordinated and chaired Lead Reference Group Meetings in February and May 2016. Presentations at the meetings included - blood lead levels of children in Broken Hill for 2015, CBH Community Lead Management Plan, and Broken Hill Environmental Lead Program Communications Strategy. Council received \$480,000 in grant funding from the Broken Hill Environmental Lead Program, to undertake a range of project activities to reduce community exposure to high lead dust/soils. Funding has been allocated to: 1. Installation of additional sprayers in the new Street Sweeper to ensure dust produced from the activity of sweeping is minimised; 2. Undertake extra street sweeping, particularly after rain events, to remove sediment from priority areas; 3. Monitor and undertake rehabilitation works on land obtained by Council during the Sale of Lands process, which are located in known high lead areas; and 4. Complete the major project behind Queen Street which includes erection of 1.8m high fencing to restrict access to the site; cover and/or remove high lead level soils; replace soils with limestone, new soil and mulch; and cap areas of the old tailing dams where there has been damage from motorbike and vehicle access.

Objective Strategy Delivery Program	3.2.1 Protect and enhance maction(s)	regeneration areas f	enhanced and protected or the benefit of the City
		wanagement for the	Regeneration Areas in the city
Lead Position	Measure	Charles	Community (Domith
Environment, Waste &	KPI Requirement	Status	Comments/Results
Recycling	Plan of management for regeneration area adopted	Progressing	Former draft management plans have been reviewed with Living Desert Rangers, and a new draft plan will be finalised in the 2016/2017.
Specialist	and implemented		
Strategy	3.2.2 Increase awareness a	nd understanding of	the natural environment
Delivery Program			
			community about our local flora and fauna to increase awareness and
	erstanding of the natural enviro	nment.	
Lead Position	Measure		
Environment,	KPI Requirement	Status	Comments/Results
Waste &	1. Communications material	Met	Educational flyers are available for tourists at the Living Desert that highlight -
Recycling	developed and distributed		kangaroo and wallaroos, plants of the Living Desert, Sturt Desert Pea,
Specialist			feeding of kangaroos and the birds of the Sanctuary.
Delivery Program			
	cipate in school education pro	grams and fours of e	environmental tacilities.
Lead Position	Measure		
Environment,	KPI Requirement	Status	Comments/Results
Waste &	1. At least 3 school	Met	Tours held with school groups this reporting period include: MLC private
Recycling	education visits undertaken		school - four groups of 25 students, Methodist Girls School, Broken Hill North
Specialist	annually		Primary School and Morgan St Primary School), and one tour with Students
			from the Sydney University. Four Astrologist photography groups were
			provided with afterhours access to have a night photographing the stars. Three other photography groups also utilised the site. Staff and volunteers
			undertake informal tours with bus groups, and visitors when on site.

Delivery Program			
	ement the actions included in	the plans of manag	gement for
1.	The Living Desert		
2.	The Regeneration Areas		
3.	The Willyama Common		
Lead Position	Measure		
Environment,	KPI Requirement	Status	Comments/Results
Waste &	Actions implemented in	Met	Regular inspections of Living Desert, Willyama Common and Regeneration
Recycling	accordance with		Areas are occurring. Weed control activities have been undertaken on all
Specialist	timeframes where funding is		three reserves and walking track maintenance has occurred at the Living
	available		Desert.
Strategy	3.2.3 Increase involvement	in actively protecti	ng the natural environment
Delivery Program			
			al groups to actively protect and enhance the natural environment at the
	g Desert Reserve, the Regener	ation Areas and the	e Willyama Common
Lead Position	Measure		
Environment,	KPI Requirement	Status	Comments/Results
Waste & Recycling Specialist	Volunteer base retained and enhanced	Met	Living Desert volunteer numbers are steady with the volunteers undertaking a wide range of activities on a regular basis, with monthly working bees. Volunteer activities include: site maintenance, roster for opening and closing the reserve to support the Rangers, undertaking training as tour guides and leading tour groups.
Strategy	3.2.4 Manage the impact o	f pests and weeds	on Broken Hill's natural environment
Delivery Progra	m Action(s)		
			weeds and pests and implement control measures to ensure that they are
	trolled in an appropriate mann	er	
Lead Position	Measure		
Environment,	KPI Requirement	Status	Comments/Results
Waste &	1. Annual assessment	Met	Noxious weed identification assessment of Willyama Common, Regeneration
Recycling Specialist	undertaken		Areas and Living Desert completed. A weed removal project was completed with a focus on boxing glove cactus and mesquite in the Willyama Common. This project was funded by both Council and Public Reserve Management Funds. A final report completed and returned to the Public Reserve Management Fund Staff.

	m Action(s) elop and implement a develo	·	h for the city that incorporates sustainable building and subdivision design
Lead Position	ciples Measure		
Heritage and Planning Officer	KPI Requirement 1. Development Control Plan adopted and implemented	Status Progressing - Assessment premature	Comments/Results Council adopted the Draft Development Control Plan (DCP) for public exhibition at its June 2016 meeting. Final DCP will be presented to Council at its August 2016 meeting for adoption.
	m Action(s) ew the Local Environmental P	lan	
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Planning, Development & Compliance	1. LEP review undertaken	Likely to meet	LEP has been reviewed as part of LEP Amendment No. 2. LEP will also be reviewed any time an amendment is proposed or required. Planning propose is to be prepared to allow for an additional permitted use at the Broken Hill
	3.3.2 Preserve the heritage	e and streetscapes	Airport. of the City
city	m Action(s) ement the recommendations	·	
Delivery Program 3.3.1.2 Implicity Lead Position	m Action(s) ement the recommendations Measure	of the Heritage Str	of the City ategy in relation to all objectives to preserve and enhance the heritage of the
Delivery Program 3.3.1.2 Implicity	m Action(s) ement the recommendations	·	of the City
Delivery Program 3.3.1.2 Implicitly Lead Position Heritage and Planning Officer Delivery Program 3.3.1.6 Prep	m Action(s) ement the recommendations Measure KPI Requirement 1. Recommendations implemented where funding is available	Status Likely to meet	of the City ategy in relation to all objectives to preserve and enhance the heritage of the Comments/Results Funding provided for small projects. Council's Heritage Advisory service
Delivery Program 3.3.1.2 Implicity Lead Position Heritage and Planning Officer Delivery Program	m Action(s) ement the recommendations Measure KPI Requirement 1. Recommendations implemented where funding is available m Action(s)	Status Likely to meet	of the City ategy in relation to all objectives to preserve and enhance the heritage of the Comments/Results Funding provided for small projects. Council's Heritage Advisory service

Delivery Program			
3.3.1.7 Revi	ew the storm water asset mand Measure	agement plan for C	ouncii
Infrastructure Projects Engineer	KPI Requirement 1. Plan reviewed	Status Likely to meet	Comments/Results Draft Stormwater Asset Management Plan has been developed and will be presented to Council by November 2016.
	ement storm water asset mand	gement plan actic	ons
Lead Position Infrastructure	Measure	Ctt	Canada anta /Dan dita
Projects Engineer	KPI Requirement 1. Actions completed within timeframes where resources available	Progressing - Likely to meet	Comments/Results Draft Stormwater Asset Management Plan to be presented to Council by November 2016. Actions to be costed and implemented.
3.3.1.4 Give		or reuse of building:	s when reviewing Council assets
Acting Deputy	KPI Requirement	Status	Comments/Results
General Manager	Repurpose/Reuse is considered in asset planning	Assessment premature	Levels of Service community consultation survey conducted in November 2015. This identified community desire to maintain/decrease budget allocation for buildings. The implication of this may be the repurposing/reuse/disposal of some building assets. Council management is consulting with user groups concerning requirements to determine the feasibility of repurpose, reuse or disposal of buildings assets.
Delivery Program			
3.3.1.5 Ensu	re compliance activities promo	ote a public safety	ana environmentai control
Manager	KPI Requirement	Status	Comments/Results
Planning, Development & Compliance	Development control activities undertaken in accordance with legislation	Met	Activities are undertaken in accordance with relevant legislation. This is ongoing.

KEY DIRECTION 4 OUR LEADERSHIP

Objective Strategy Delivery Progi			aking ne community increases confidence in decision-making
4.1.1.1 A		t the commencer	ment of each Council meeting to allow public input prior to a decision being
Lead Position	Measure		
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Participation at public forum	Met	Instruction on how to participate in the Public Forum Session and registration forms are available on Council's website, at the Customer Relations Counter and placed on seats in the gallery at the Council Meetings.
Delivery Progr 4.1.1.12 Co		aims at increasin	g information regarding matters requiring a decision by Council.
Lead Position	Measure		
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Increased community confidence in Council	Progressing - Likely to meet	Whilst an overall strategy has not commenced, strategies are developed to assist with decisions and programs supported and developed by Council. Communication strategies are developed for individual projects.
Delivery Progr 4.1.1.13 M Lead Position		est practice metho	ods and ensure compliance with various guidelines and legislation
Executive	KPI Requirement	Status	Comments/Results
Support Officer	1. 100% compliance	Met	Ongoing compliance with Office of Local Government requirements and legislation.
	2. Increased community confidence in Council	Progressing - Likely to meet	Current policies are being reviewed for best practice.
Delivery Progr		iness papers are m	nade available on Council's website
Lead Position	Measure		
Governance	KPI Requirement	Status	Comments/Results
Officer	1. 100% compliance with publications guide	Met	Documents loaded onto relevant sections on Council's website.
	ram Kov Borformanco Indicators I		2014 Page 40

Strategy		tal and economic	sustainability is considered when making decisions
	gram Action(s) When making decisions Council c	onsiders social env	vironmental and economic sustainability
Lead Position	Measure		The first and decitorine sostalitability
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Increased community confidence in Council	Met	The social, environmental and economic implications of Council's decisions are addressed in reports to Council by aligning with the relevant strategic direction.
Strategy		s provide account	ability through planning and reporting frameworks
	gram Action(s)		
4.1.1.10 The Lead Position	ne Integrated Planning and Repo Measure	rfing Framework is	implemented
Division	KPI Requirement	Status	Comments/Results
Manager Corporate and Human Services	Level of improvement in implementation of IPRF	Met	Cambron software continues to be further developed within the Business Plan, Human Resources, and Governance modules. Corporate Services staff attended Cambron training for the aligning and further development of modules.
	gram Action(s) Council's records system is maintai	ned in accordanc	e with leaislation
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Information Services	1. 100% compliance	Met	Council's records system is maintained in accordance with the legislative requirements set out in the State Records Act 1998.
	gram Action(s)		the Court all a Condense of Court and
4.1.1.2 A Lead Position	Il conflicts of interest are declared Measure	a in accordance w	vitri Council s Code of Conduct
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Number of Code of Conduct complaints finding breach in conflict provisions	Met	Nil complaints received. Council's Code of Meeting Practice allows for Councillors and staff to declare their interest in items at Council Meetings and annual pecuniary interest forms are completed by Councillors and appropriate staff.

	ram Action(s)	wall tagathar to s	onyo tha cammunity
Lead	ne Council leadership group works Measure	well logether to s	erve the continuing
Position			
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Number and cost of Code of Conduct complaints	Met	Nil Code of Conduct complaints received.
	2. Increased confidence in Council	Continuing	Workshops are held prior to Council meetings each month, and additional workshops and briefings are held when required.
	ram Action(s)		
	uarterly Budget Reviews are comp	oleted quarterly in	accordance with guidelines
Lead Position	Measure		
Finance	KPI Requirement	Status	Comments/Results
Manager	1. 100% compliance with guidelines	Met	All quarterly budget reviews were completed on time and in full compliance with guidelines.
	ram Action(s)		
4.1.1.7 A	review of Delivery Plan Objectives	s is provided six-mo	onthly in accordance with guidelines
Lead Position	Measure		
Division	KPI Requirement	Status	Comments/Results
Manager Corporate and Human Services	1. 100% compliance with guidelines	Progressing - Likely to meet	Reporting on the progress of the Delivery Program to December 2015 adopted at Council's February 2016 meeting. Report to June 2016 to be presented to August 2016 meeting.
Delivery Prog	ram Action(s)		
4.1.1.8 A	n Annual Report is prepared in ac	cordance with gu	idelines
Lead Position	Measure		
Division	KPI Requirement	Status	Comments/Results
Manager Corporate and Human Services	1. 100% compliance with guidelines	Met	Annual Report 2014/15 adopted by Council November 25, 2015. Report uploaded to Council's website and link provided to the Office of Local Government (OLG) November 30, 2015.

Broken Hill City Council

inance	KPI Requirement	Status	Comments/Results
Manager	1.100% compliance with guidelines	Met	Financial Statements completed in mid-October. Statements finalised and lodged with the Office of Local Government in October 31, 2015. Financial Statements adopted by Council, November 25, 2015.
Objective		ers make smart deci	
Strategy	4.2.1 Support I gram Action(s)	leaders through the p	process of making difficult decisions
	Decisions are made in a timely m	nanner to ensure effe	ective delivery
ead Position	Measure		
xecutive	KPI Requirement	Status	Comments/Results
Support Officer	 Number of decisions delayed or overturned 	Likely to meet	There were 10 matters deferred at Council meetings during 2015/2016.
	2. Increased confidence in	Likely to meet	Matters reported to Council in a timely manner. Decisions of Council are implemented and Council and the community is kept informed of the
Delivery Pro	gram Action(s)		progress of decision through the monthly Action List report. ed on external decisions and information that may impact local decisions
4.2.1.12 N	4.2.2 Our lea gram Action(s)		progress of decision through the monthly Action List report.
Delivery Prop 4.2.1.12 M Lead Position	4.2.2 Our lea gram Action(s) Monitor potential changes to go community Measure	vernment policy and	progress of decision through the monthly Action List report. ed on external decisions and information that may impact local decisions d legislation and make submission where considered important for the local
Delivery Production A.2.1.12 Market Position Executive	4.2.2 Our lea gram Action(s) Monitor potential changes to go community Measure KPI Requirement	vernment policy and	progress of decision through the monthly Action List report. In don external decisions and information that may impact local decisions It legislation and make submission where considered important for the local Comments/Results
Delivery Pro 4.2.1.12 / 2.ead Position Executive Support	4.2.2 Our lea gram Action(s) Monitor potential changes to go community Measure	vernment policy and	progress of decision through the monthly Action List report. ed on external decisions and information that may impact local decisions d legislation and make submission where considered important for the local
Delivery Production 4.2.1.12 Decad Position Executive Support Officer Delivery Production 4.2.1.13	4.2.2 Our lea gram Action(s) Monitor potential changes to go community Measure KPI Requirement 1. Submissions made as appropriate gram Action(s)	Status Met	progress of decision through the monthly Action List report. In don external decisions and information that may impact local decisions. It legislation and make submission where considered important for the local Comments/Results A number of submissions have been made in relation to matters impacting
Delivery Production 4.2.1.12 Decad Position Executive Support Officer Delivery Production 4.2.1.13	4.2.2 Our lea gram Action(s) Monitor potential changes to go community Measure KPI Requirement 1. Submissions made as appropriate gram Action(s) Accept opportunities to attend t	Status Met	progress of decision through the monthly Action List report. In don external decisions and information that may impact local decisions. It legislation and make submission where considered important for the local Comments/Results A number of submissions have been made in relation to matters impacting upon Broken Hill.
Delivery Production Lead Position Executive Support Difficer Delivery Production 4.2.1.13	4.2.2 Our lea gram Action(s) Monitor potential changes to go community Measure KPI Requirement 1. Submissions made as appropriate gram Action(s) Accept opportunities to attend to	Status Met	progress of decision through the monthly Action List report. In don external decisions and information that may impact local decisions. It legislation and make submission where considered important for the local Comments/Results A number of submissions have been made in relation to matters impacting upon Broken Hill.

Delivery Program Action(s)
4.1.1.9 Financial Statements are prepared on an annual basis in accordance with accounting standards and accounting codes

Lead Position	Measure		
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Attendance at working groups and committees	Met	Community Round Table Committee meetings are attended by community members and representatives from stakeholder agencies. The meetings are advertised for public attendance and a public forum session is held during the meeting. The councillors, General Manager and senior staff have participated in public Library Relocation and Budget Session workshops to provide the Broken Hill community the opportunity to comment on budget allocations. The Mayor or councillor representative have participated in the Mining Task Force groups and other working groups and committees attended to provide Council input on matters affecting Broken Hill. The Mayor and General Manager have attended numerous meetings of the Far West Initiative.
	gram Action(s) Monitor demographic changes wi	thin the community	and consider the likely implications upon Council and the City
Lead Position	Measure		
Manager	KPI Requirement	Status	Comments/Results
Economic Developme nt & Culture	Annual assessment undertaken and reported to Council	Likely to meet	The demographic changes of Broken Hill continue to be monitored on an ongoing basis through the various reports and submissions for available gran funding opportunities.
	gram Action(s)		
4.2.1.2 El Lead Position	ncourage attendance at meeting Measure	gs and workshops	
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Attendance at Council meetings, workshops and committees	Met	Council Meetings and the Community Round Table Meetings are advertised in the Barrier Daily Truth and Council's website for the community to attend and participate.

Delivery Program Action(s)

		nications strategy t	o increase confidence in Council's decision making
Lead Position	Measure		
ecutive	KPI Requirement	Status	Comments/Results
Support Officer	Communications strategy developed and adopted	Progressing - Likely to meet	While an overarching communication strategy has not been developed, key Council decisions are publicised through media releases, staff availability to speak post Council meetings and a greater use of social media. This includes Mayoral comments taken up by local media post Council meetings.
Strategy		are aware of eme	rging issues and new information in order to respond appropriately
	gram Action(s) ncrease leadership capacity withir	. Council	
Lead Position	Measure		
Executive	KPI Requirement	Status	Comments/Results
Support Officer	1. Community satisfaction	Progressing - Likely to meet	Councillors and staff attend training considered of value to the City on a case by case basis. Supervisory Leadership Skills and Aspiring Leaders training is being considered.
	gram Action(s)	contrara de calaca	and and planning and initial
4.2.1.11 S Lead Position	trengthen staff capacity through v Measure	vorktorce developi	neni ana pianning activities
Human	KPI Requirement	Status	Comments/Results
Resources Manager	1. 100% skills reviews complete	Not meeting	75% complete.
	gram Action(s)		
	Develop strong relationships with ke	ey government dep	partments and personnel
Lead Position	Measure		
Executive	KPI Requirement	Status	Comments/Results
Support Officer	Number of representations made	Met	Mayor and General Manager have met with various Ministers and have exchanged regular correspondence.

	gram Action(s)		
	mplement strategies to address Co	ouncil's financial su	stainability
Lead Position	Measure 		
Finance	KPI Requirement	Status	Comments/Results
Manager	Improvement in Council's long term financial sustainability	Progressing	Financial strategies continue to be developed. Significant savings realised through ongoing organisation restructure and sale of land for rates. Current strategies include, building utilisation and services reviews.
	gram Action(s) Develop a strategy to reduce Cou	ncil's reliance on th	ne mining industry for revenue generation
Lead Position	Measure		
Finance	KPI Requirement	Status	Comments/Results
Manager	Reduction of reliance on mining industry for revenue	Met	A strategy is in place to cap mining rates at 10% of total rateable income, by progressively transferring 1% of mine rates to residential rates each year. This strategy has been endorsed by Council and implemented by management. 2015/2016 saw the third consecutive year of the strategy implemented. A total of \$144,411 was transferred from the mining sector to residential properties. This impacted each residential property by an average increase in rates of \$15.00 for the 2015/16 financial year. This also assisted in aligning the rating structure to levy rates in proportion to land valuation, whereas at the moment it is highly skewed towards the mining sector. This has reduced the reliance the City has on the mining sector for rates income and reduced the severity of the impact on residential ratepayers if the mines land valuation decreased significantly due to a reduction in mining operations or the mines ceasing to operate. If the mines did cease operation without this strategy in place, residential properties would see an average increase of approximately \$293 per property, a sudden increase of 33.5%. The overall impacts of the strategy during the course of the eight years is to transfer approximately \$823,768 from mining rates to residential rates, which is an average increase of \$11 per year per residential property.

Lead Position	Measure		
Infrastructure Projects Engineer	KPI Requirement	Status	Comments/Results
	Increased confidence in asset management planning	Progressing - Assessment premature	Ongoing mentoring and training provided to Infrastructure staff. Drafted Asset Management Plans required to be reviewed in consideration with the Levels of Service community consultation and new condition data. No actions from previous improvement plan implemented. The Asset Management Authority system is under development and is expected to be completed for implementation in 2016/2017.
	ram Action(s)		
4.2.1.6 U Lead Position	Measure	ensure service deliv	ery meets the community's needs
Business	KPI Requirement	Status	Comments/Results
Systems Analyst	At least one service level review undertaken annually	Progressing - Likely to meet	Service level reviews will be undertaken at a holistic level across all functions of Council. A Level of Service Survey was conducted with the community in November 2015 and the outcomes of the survey will be reflected in the 2016/2017 planning documents. Further community consultation will be undertaken in regards to community halls.
	ram Action(s) eview Council's brandina, includi	na logo takina into d	consideration branding activities undertaken for the City in 2011
Lead	Measure	ig roge raimig ime c	
Position			0 1 10 11
Position Corporate Services	KPI Requirement	Status	Comments/Results

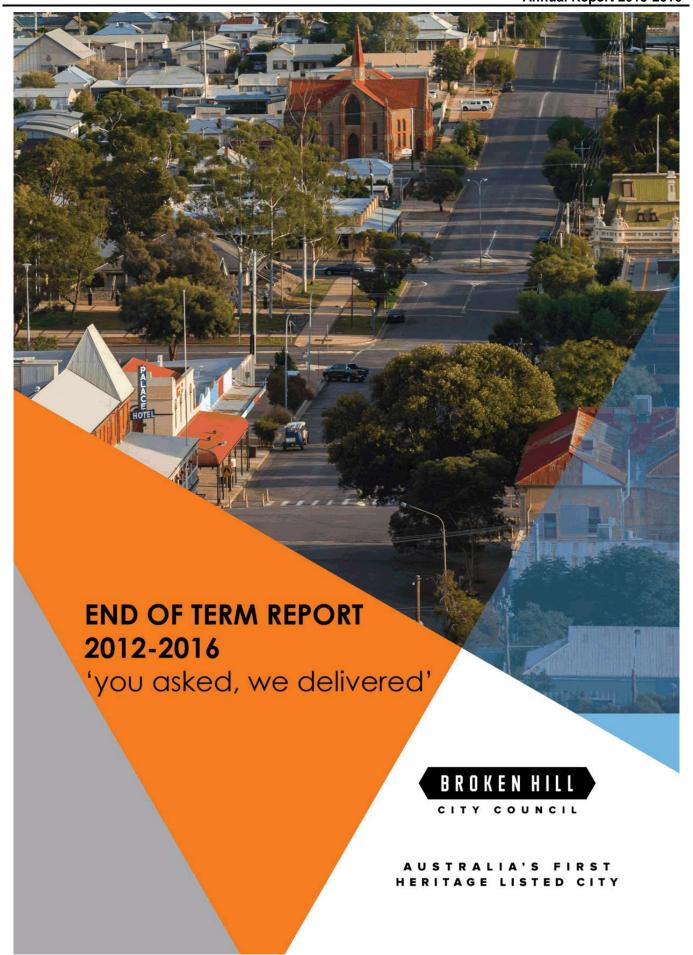
Delivery Program Action(s)

4.2.1.9 Im	prove performance managemer	nt and reporting for t	he organisation
Lead	Measure		
Position			
Division	KPI Requirement	Status	Comments/Results
Manager Corporate	Increased productivity measured by community	Progressing - Assessment	Internal process and module reviews have occurred on standards used by services and will be implemented in a CRM update upon which customer
and Human Services	satisfaction in council services	premature	satisfaction can then be measured.
Strategy	4.3.1 Opportunitie	es to work together o	re identified and relationships are developed and maintained for the benefit
	of the comm	nunity	
Delivery Progr			
		roups for key issues a	nd projects impacting Council and the City
Lead Position Executive	Measure KPI Requirement	Status	Comments/Results
Support Office	· ·		
	1. Committee member satisfaction with value derived from collaboration	Likely to meet	Council has adopted the inclusion of the newly formed BIU Band Hall Committee, the Broken Hill Living Museum + Perfect Light Project Steering Group, disbanding Disability Access Advisory Committee and creation of Disability Inclusion Action Plan Working Group.
	pport Council's section 355 Comr	mittees in undertakin	g their duties with Council
Lead Position Division		Chartus	Canamanta/Dasulta
Manager	KPI Requirement	Status	Comments/Results
Corporate an Human Services	volunteer base retained	Likely to meet	Council's \$355 volunteer base has marginally reduced to 82 volunteers. This is due to the dissolution of the Sister City Committee in September 2015 and the BIU Band Hall and Soccer Complex Community Committee in Decembe 2015. The introduction of the Broken Hill Heritage City Event Advisory Committee has seen six additions to the volunteer base, together with five volunteers joining various \$355 asset committees.
Delivery Progr	· ,		
	aintain a strong relationship and r	egularly engage with	n the local State Member.
Lead Position Executive	Measure KPI Requirement	Status	Comments/Results
Support Office		Met	The Mayor and General Manager have met with the State member on
30pport Office	quarterly	Mei	more than six occasions in the reporting period.

•		drive the implementation of the Community Strategic Plan and report on
ram Action(s)		
ovide leadership, structure and s	upport to the Comm	unity Roundtable in their review and management of the Community
rategic Plan		
Measure		
KPI Requirement	Status	Comments/Results
1. Satisfaction of members	Met	Ongoing positive comments are received in relation to worth of meetings.
on the roundtable that		Future meetings will invite representation from Regional Development
value is being achieved		Australia and Chamber of Commerce.
	ity within our commu	unity is increased
evelop project management pla	nning practices that	identify key stakeholders for projects and activities undertaken by Council
Measure		
KPI Requirement	Status	Comments/Results
1. Project management	Met	Project management practices in place.
planning practices adopted		
4.3.4 Partnerships, role mod	lels and joint success	s is celebrated and promoted
ram Action(s)		
ovide support through advocacy	/ towards maintaining	g a level of non-council services based upon the needs of the community
ovide support through advocacy Measure	/ fowards mainfaininę	g a level of non-council services based upon the needs of the community
	y fowards maintaining Status	g a level of non-council services based upon the needs of the community Comments/Results
Measure		
Measure KPI Requirement	Status	Comments/Results
Measure KPI Requirement 1. Advocacy provided	Status	Comments/Results
Measure KPI Requirement 1. Advocacy provided where required ram Action(s)	Status Met	Comments/Results
Measure KPI Requirement 1. Advocacy provided where required ram Action(s)	Status Met	Comments/Results Advocacy actively led by the Mayor.
Measure KPI Requirement 1. Advocacy provided where required ram Action(s) onsider and further investigate th	Status Met	Comments/Results Advocacy actively led by the Mayor.
Measure KPI Requirement 1. Advocacy provided where required ram Action(s) onsider and further investigate the Far West	Status Met	Comments/Results Advocacy actively led by the Mayor.
Measure KPI Requirement 1. Advocacy provided where required ram Action(s) onsider and further investigate the Far West Measure	Status Met e concept and pote	Comments/Results Advocacy actively led by the Mayor. ntial for value through a strengthened whole of government approach for Comments/Results
Measure KPI Requirement 1. Advocacy provided where required ram Action(s) onsider and further investigate the Far West Measure KPI Requirement	Status Met e concept and pote	Comments/Results Advocacy actively led by the Mayor. ntial for value through a strengthened whole of government approach for
r	ram Action(s) ovide leadership, structure and strategic Plan Measure KPI Requirement 1. Satisfaction of members on the roundtable that value is being achieved 4.3.3 The leadership capacram Action(s) evelop project management pla Measure KPI Requirement 1. Project management planning practices adopted 4.3.4 Partnerships, role modram Action(s)	ovide leadership, structure and support to the Commitmategic Plan Measure KPI Requirement 1. Satisfaction of members on the roundtable that value is being achieved 4.3.3 The leadership capacity within our commutant Action(s) evelop project management planning practices that Measure KPI Requirement 1. Project management planning practices adopted 4.3.4 Partnerships, role models and joint success ram Action(s)

Objective	4.4 Our community is engo	aged and informe	d
Strategy	4.4.1 Increase community i		
Delivery Progra			
4.4.1.2 De	velop and implement individual	communications	and engagement plans for service level reviews and rating variation
COI	nsiderations		
Lead Position	Measure		
Business	KPI Requirement	Status	Comments/Results
Systems	1. Communications and	Continuing	Plans continue to be developed when required.
Analyst	engagement plans		
3574	implemented		
Strategy		ty through informe	ation and activities aimed at increased participation
Delivery Progre			
	evelop a communications strateg	gy aimed at incre	asing information provision and engagement of our community
Lead Position	Measure	V-	
Executive	KPI Requirement	Status	Comments/Results
Support	1. Communications strategy	Met	Strategies are developed to assist with decisions and programs supported
Officer	developed		and developed by Council. This has included greater use of social media,
			proactively seeking media support through advertising and making staff
			available to talk on various issues.
Strateav	4.4.3 Increase knowledge	and awareness of	available to talk on various issues.
Strategy Delivery Progre		and awareness of	
Delivery Progra	am Action(s)		available to talk on various issues. challenges and opportunities facing the City
Delivery Progra 4.4.1.3 Und	am Action(s)		available to talk on various issues. challenges and opportunities facing the City
Delivery Progra 4.4.1.3 Und	am Action(s) dertake activities in Local Gover		available to talk on various issues. challenges and opportunities facing the City
Delivery Progra 4.4.1.3 Und Loc	am Action(s) dertake activities in Local Gover cal Government		available to talk on various issues.
Delivery Progra 4.4.1.3 Und Loc Lead Position	am Action(s) dertake activities in Local Gover cal Government Measure	nment week aime	available to talk on various issues. challenges and opportunities facing the City ed at increasing the community's understanding of the role and responsibility of Comments/Results
Delivery Progra 4.4.1.3 Und Loc Lead Position Tourism &	am Action(s) dertake activities in Local Gover cal Government Measure KPI Requirement	nment week aime	available to talk on various issues. challenges and opportunities facing the City ed at increasing the community's understanding of the role and responsibility of
Delivery Progra 4.4.1.3 Und Loc Lead Position Tourism & Events Coordinator	am Action(s) dertake activities in Local Gover cal Government Measure KPI Requirement 1. Activities undertaken	nment week aime	available to talk on various issues. challenges and opportunities facing the City ed at increasing the community's understanding of the role and responsibility of Comments/Results The Volunteer recognition activities were run in conjunction with Local
Delivery Progra 4.4.1.3 Und Loc Lead Position Tourism & Events Coordinator Delivery Progra	am Action(s) dertake activities in Local Gover cal Government Measure KPI Requirement 1. Activities undertaken am Action(s)	Status Met	available to talk on various issues. challenges and opportunities facing the City ed at increasing the community's understanding of the role and responsibility of Comments/Results The Volunteer recognition activities were run in conjunction with Local Government Week in 2015.
Delivery Progra 4.4.1.3 Und Loc Lead Position Tourism & Events Coordinator Delivery Progra	am Action(s) dertake activities in Local Gover cal Government Measure KPI Requirement 1. Activities undertaken am Action(s)	Status Met	available to talk on various issues. challenges and opportunities facing the City ed at increasing the community's understanding of the role and responsibility of Comments/Results The Volunteer recognition activities were run in conjunction with Local
Delivery Progra 4.4.1.3 Und Loc Lead Position Tourism & Events Coordinator Delivery Progra 4.4.1.4 Edu	am Action(s) dertake activities in Local Gover cal Government Measure KPI Requirement 1. Activities undertaken am Action(s) ucate the community and creat	Status Met	available to talk on various issues. Challenges and opportunities facing the City ed at increasing the community's understanding of the role and responsibility of Comments/Results The Volunteer recognition activities were run in conjunction with Local Government Week in 2015.
Delivery Progra 4.4.1.3 Und Loc Lead Position Tourism & Events Coordinator Delivery Progra 4.4.1.4 Edu Lead Position	am Action(s) dertake activities in Local Gover cal Government Measure KPI Requirement 1. Activities undertaken am Action(s) ucate the community and creat Measure	Status Met de discussion in rel	available to talk on various issues. challenges and opportunities facing the City ed at increasing the community's understanding of the role and responsibility of Comments/Results The Volunteer recognition activities were run in conjunction with Local Government Week in 2015. ation to issues and opportunities impacting upon Council and the community
Delivery Progra 4.4.1.3 Una Loc Lead Position Tourism & Events Coordinator Delivery Progra 4.4.1.4 Edu Lead Position Executive	am Action(s) dertake activities in Local Gover cal Government Measure KPI Requirement 1. Activities undertaken am Action(s) ucate the community and creat Measure KPI Requirement	Status Met te discussion in rel	available to talk on various issues. challenges and opportunities facing the City ed at increasing the community's understanding of the role and responsibility of Comments/Results The Volunteer recognition activities were run in conjunction with Local Government Week in 2015. ation to issues and opportunities impacting upon Council and the community Comments/Results
Delivery Progra 4.4.1.3 Una Loc Lead Position Tourism & Events Coordinator Delivery Progra 4.4.1.4 Edu Lead Position Executive Support	am Action(s) dertake activities in Local Gover cal Government Measure KPI Requirement 1. Activities undertaken am Action(s) ucate the community and creat Measure KPI Requirement	Status Met te discussion in rel	available to talk on various issues. challenges and opportunities facing the City ed at increasing the community's understanding of the role and responsibility of Comments/Results The Volunteer recognition activities were run in conjunction with Local Government Week in 2015. ation to issues and opportunities impacting upon Council and the community Comments/Results Council has actively sought and participated in community information
Delivery Progra 4.4.1.3 Una Loc Lead Position Tourism & Events Coordinator Delivery Progra 4.4.1.4 Edu Lead Position Executive Support	am Action(s) dertake activities in Local Gover cal Government Measure KPI Requirement 1. Activities undertaken am Action(s) ucate the community and creat Measure KPI Requirement	Status Met te discussion in rel	available to talk on various issues. challenges and opportunities facing the City ed at increasing the community's understanding of the role and responsibility of Comments/Results The Volunteer recognition activities were run in conjunction with Local Government Week in 2015. ation to issues and opportunities impacting upon Council and the community Comments/Results Council has actively sought and participated in community information sessions and public forums. The General Manager and Acting Deputy

 Delivery Program Action(s) 4.4.1.5 Actively participate in undertaking presentations for community groups and associations in relation to Council activities, projects, challenges and opportunities 					
Lead Position	Measure				
Executive	KPI Requirement	Status	Comments/Results		
Support Officer	1. Number of presentations made	Met	Senior management continue to attend and provide presentations to community groups where requested. Council has proactively sought community groups and organisations to deliver key messaging around the Budget, Library Relocation, Civic Centre Upgrade and Broken Hill Living Museum + Perfect Light Project Steering Group. The Community Round Table remains active in information sharing across the City. The Round Table allows the various stakeholders to take information back for greater dissemination across the various parties they represent.		



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EXECUTIVE SUMMARY

The End of Term Report is a report on Council's achievements in implementing the Community Strategic Plan over the previous four years (during its term in office).

The Community Strategic Plan has four key directions, which detail the objectives with community focussed outcomes for each of the objectives.

KEY DIRECTION 1: OUR COMMUNITY

The focus of the Key Direction – Our Community is our people and how we can work together to ensure we position ourselves to retain our sense of identity, our health, wellbeing, social inclusion and connectedness.

KEY DIRECTION 2: OUR ECONOMY

A sustainable economy is inclusive, equitable and diverse. It is an economy where businesses prosper and everyone stands to benefit. The performance of our economy directly impacts on the way we work, live and play and the mining peaks and troughs do provide a challenge.

KEY DIRECTION 3: OUR ENVIRONMENT

This Key Direction relates to the conservation and preservation of the natural environment and greater reduction of the human impact on the surrounding environment to ensure a sustainable and healthy community. It contains a number of strategies to better manage and use the natural resources within the Broken Hill region.

KEY DIRECTION 4: OUR LEADERSHIP

Local Government is the level of government closest to the people, the voice of the community and its strength of leadership directly impacts upon the wellbeing of our people in Broken Hill.

BROKEN HILL COMMUNITY STRATEGIC PLAN

During 2009 the Office of Local Government released the finalised guidelines and manual for the implementation of Integrated Planning and Reporting (IPR). The purpose of the framework is to ensure that councils remain effective, efficient and accountable to their community for the works and services they provide. The guidelines and manuals continually make reference to councils being accountable to their community and to fully engage with their community in the development of plans and strategies.

The Broken Hill 2033 Community Strategic Plan is a document for the whole community that encompasses all aspects of life in the iconic City of Broken Hill and sets a vision for the future. The Plan acknowledges that not one party alone can make this happen. It takes a partnership to achieve this vision. Government, business and industry, community groups and individuals all have a role to play. The Plan outlines the social, economic, environmental, governance and leadership directions expressed by the Broken Hill community includes:

- Objectives where do we want to be?
- Strategies how do we achieve this?
- Measures how do we know we are heading in the right direction?
- Contributors who has a role to play?

Taking action:

 Our Community Strategic Plan requires and deserves commitment and action from all of our community.
 Therefore residents, government, business and community groups will all need to work with the Plan and take responsibility for key areas.

INTEGRATED PLANNING AND REPORTING – LINKING THE PLANS

Measuring the Community Strategic Plan under the framework, Council used the Community Strategic Plan to determine which goals and strategies could be implemented at a Local Government level. These goals and strategies are included in a four year Council Delivery Program. Progress reports are provided to the Council with respect to the principal activities detailed in the Delivery Program, at least six monthly. To ensure that Council has the required resources to achieve the goals and strategies set out in the Delivery Program, a Resourcing Strategy has also been prepared to address long term asset management, financial management and workforce planning. The Operational Plan is a plan which focuses on the short term. It provides a one year detailed plan of which activities and projects from the Delivery Program will be implemented. Each year, our success in achieving the goals and strategies set out in these plans are reported through Council's Annual Report.

COMMUNITY ENGAGEMENT

The first Community Strategic Plan for Broken Hill was endorsed in 2010 and we are proud of the achievements made since this time. The Plan was subsequently reviewed after a significant community engagement exercise in 2013.

OUR VISION

Broken Hill is a vibrant, prosperous and culturally rich Heritage City shared with visitors from around the world.

OUR MISSION

Council provides high quality services and leadership to enhance community living and facilitate a prosperous economy.

OUR STATEMENT OF VALUES

Inspiring

We're leading Broken Hill into the Future

This means we:

- Recognise change starts with us
- Share our passion
- Act as positive role models
- Are focused on delivering results

Oper

We're transparent and honest

This means we:

- Are united
- Are reliable when we make a decision we stick to it
- Can be trusted
- Are always available to listen

Original

We're pioneering new ideas while remembering what makes us unique

This means we:

- Won't forget our past, even when forging our future
- Are open to new ideas and think outside the square
- Champion our uniqueness
- Look for new solutions rather than relying on the old ways

Human

We're involved in the community

This means we:

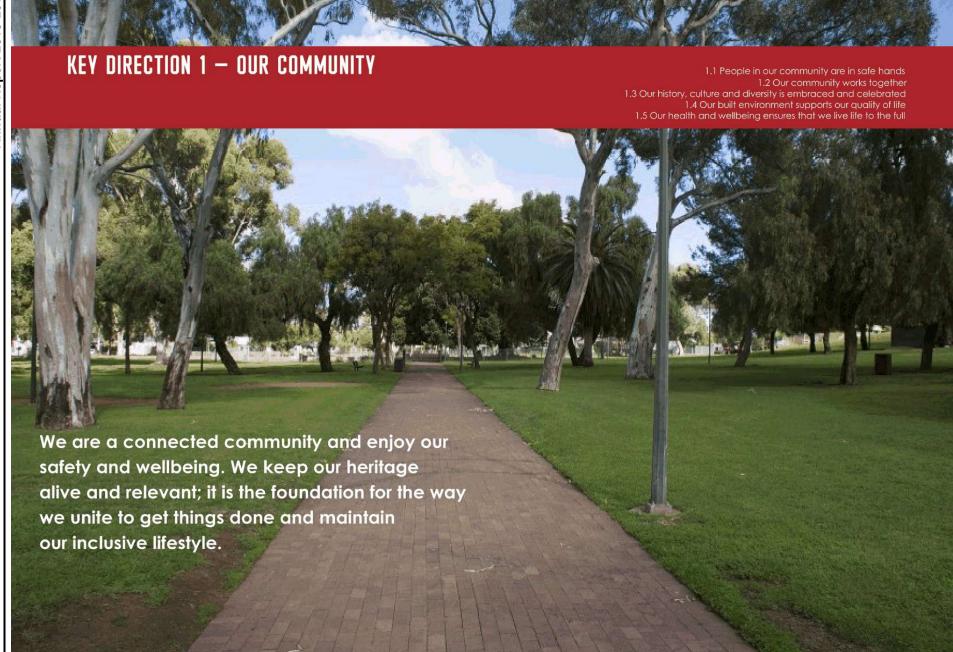
- Are inclusive
- Respect diversity and how different people think
- Value doing it together
- Have a genuine sense of humanity

Fearless

We're up for the challenge

This means we:

- Strive to solve our own problems
- Defend what's important to our community
- Are prepared to take the lead
- Take opportunities and make something of them
- Are not afraid to make tough decisions



ANNUAL REPORT 2015/2016

Broken Hill City Council

1.1 People in our community are in safe hands

Pool/Skate Park Transport Project

This project provided transport home for youth from the Broken Hill Regional Aquatic Centre and Skate Park, and was a joint project with a local Taxi service.



Traffic Facilities

Construction of new traffic facilities at Galena Street, Argent/Iodide Streets and Wright/Warnock Streets (funded by Roads and Maritime Services) were completed. The projects have improved the safety for both motorists and pedestrians.

Companion Animal Desexing Program

In 2015 Council was successful in its application for dollar for dollar grant to the Office of Local Government's Responsible Pet Ownership Grant. Low income residents benefited from free desexing, microchipping and vaccinations. This was the first step toward reducing numbers of stray and surrendered animals to Council's Pound Facility and saw a boost in responsible pet ownership within the City. Council Rangers provided information and support to pet owners during this time, along with a collection service for owners who were unable to transport their animals to the RSPCA to receive treatment.



\$15,000 Responsible Pet Ownership Grant = 143 dogs and cats microchipped. vaccinated and desexed

Companion Animal Registration **Door-Knock Program**

In an effort to increase dog and cat registration within the City and compliance with the Companion Animals Act, Council conducted two door-knock programs, one in 2012 and another in 2015. The result was an increase in microchipped and reaistered doas and

Federation Way Upgrade

Major rehabilitation works occurred on Federation Way. The road design has improved safety at the bends and at night. Three areas of depression on the road have been rectified and improved drainage will minimise erosion. Funding for the reconstruction of Federation Way was administered by the Roads and Maritime Services (RMS). The work was carried out primarily by Council staff and supplemented by contractors for specialist work, such as the construction of kerbs. Works were completed in November 2014 and the road reopened to the public on December 27, 2014.



Federation Way Upgrades

The Road Safety Awareness Cross

Broken Hill City Council and Broken Hill South Rotary signed a Memorandum of Understanding (MOU), regarding the Road Safety Awareness Cross located at the intersection of Argent and Garnet Streets. The MOU aims to ensure the historic aspect of the Road Safety Awareness Cross is observed. The cross will be lit white all year round and in the unfortunate event of a road fatality within the Barrier Local Area Command, it is to be lit red for seven days following. The Road Safety Awareness Cross plays an important role in maintaining awareness of road safety in our community, as well as providing a place for friends and loved ones to commemorate those they have lost to road accidents.



The Road Safety Awareness Cross

Parking Strategy

Community consultation was undertaken to investigate parking options throughout the City, with Council adopting a Parking Strategy in February 2016, Parking, particularly in the Central Business District (CBD), was raised as a priority as part of the recently adopted CBD renewal plan.

Actions from the Strategy included:

- Parking in Argent Street to be all two hour limit with signage to remain unchanged.
- Parking in all cross streets, including Oxide, Chloride, Sulphide, Bromide,

- and Kaolin Streets to be four hour limit. Regulatory signage to remain unchanaed.
- That owners, employers and employees of businesses in the Argent Street precinct be encouraged to utilise the carpark in Beryl Street between Chloride and Oxide Streets.
- To provide all day parking at the Town Hall Facade and Art Gallery carparks.
- Provide one 'Loading Zone' car space at the rear of Town Hall Facade.
- Patton Street to be all day parking.
- To retain the 15 minute parking in Chloride Street adjacent to Post Office.

Street Signs

Council commenced the erection of approximately 400 street signs in June 2016. Council completed all necessary administration works associated with this project including such issues as dial before you dig. All new posts have also been installed. This work is being carried out in conjunction with many other much needed capital works in our community.



Street signs go up

359 NEW CARERS
REGISTERED WITH FAR
WEST COMMONWEALTH
RESPITE AND CARELINK
CENTRE 2012-2016

DISABILITY SERVICES
PROVIDED 143,043 HOURS OF
DAY ACTIVITY PROGRAMS
FOR YOUNG ADULTS WITH A
DISABILITY 2012-2016

Swimming Pool Inspection Program

A number of changes have been made to the Swimming Pools Act 1992 and its Regulation. Council adopted and subsequently reviewed a locally appropriate inspection program under this Act. Council inspected over 80 swimming pools, with each pool requiring an average of two inspections.

1.2 Our community works together

Late Residents Honoured through Asset Naming

Council has acknowledged and honoured many late residents and their hard work and dedication to Broken Hill.

Those persons honoured include:

- The Late Bob Crow 'Bob Crow 25m Indoor Pool' at the Broken Hill Regional Aquatic Centre
- The Late Bill O'Neil 'The Bill O'Neil Room' at the Broken Hill Regional Aquatic Centre
- The Late Nydia Edes 'Nydia Edes Volunteer Hall of Fame'
- The Late Jamie Mitchell 'Jamie Mitchell Disability Swing' at AJ Keast
- The Late John Simons 'The John Simons Flora and Fauna Sanctuary' at the Living Desert
- The Late Pro Hart 'The Pro Hart Outback Art Prize', and annual Art Award



The crowd gathers at the inaugural 'The Pro Hart Outback Art Prize' event

Harmony Day

Harmony Day was celebrated in March 2013, at the HACC Centre with a cultural feast. The activity was a joint project between Council's Community Services staff and local TAFE students.

Ageing Strategy

Council consulted with the community to support the development of a new Ageing Strategy in 2015. The focus was on the health and wellbeing of all members of the community. The new strategy is titled 'Living Well Ageing Strategy 2016-2021'.

AGE GROUPS IN 2011







Community Services Networking

Broken Hill City Council's Community Services facilitated two Community Services networking events bringing community members, organisations and service providers together to share ideas and provide service updates. The events were held in October 2015 and April 2016. International Day of People with Disability (IDPwD) is a United Nations sanctioned day that aims to promote an understanding of people with disability and encourage support for their dignity, rights and wellbeing. Council's Community Services acknowledges and promotes the day each year with the 2015 celebrations including a morning tea, line dancing and a tour of the HACC Centre facilities.

Council maintains around \$236 million worth of public assets.

Levels of Service Community Consultation

During November 2015, Broken Hill City Council encouraged community input into shaping future budget decisions and what the community would like to see improved, maintained and in some cases decreased across the range of Council services and facilities.

Councillors and Council staff were present at various locations throughout the City, conducting a series of intensive community consultation. During the Levels of Service Consultation, Council asked the Community what they were willing to pay for services. The information collected from the consultation sessions will assist Council in preparing budgets, long term plans and help with future grant funding applications.

To assist the community, Council utilised various methods of engaging the community from face to face discussions and using an on-line tool called Budget Allocator. This online budget simulator enabled users to instantly see how

expenditure on Council services and facilities impacts on rates.



Council staff facilitate consultation

The five areas that the community was invited to comment on were:

- Community Centres and Halls
- Arts, Culture and Tourism
- Parks and Open Spaces
- Sportsgrounds and Aquatic Centre
- Roads and Footpaths

Results are detailed in Key Direction 4: Our Leadership

1.3 Our history, culture and diversity is embraced and celebrated

Heritage City Listing

In recognition of its outstanding contribution to Australia, the City of Broken Hill became the Nation's First Nationally Heritage Listed City on January 20, 2015. Inclusion in the National Heritage List is the highest heritage honour in Australia. It recognises and protects our most valued natural, indiaenous and historic heritage sites and is a collection of 103 sites which have been deemed to have 'outstanding significance to the nation'. Broken Hill City Council (BHCC) first nominated the City for listing in 2005, with environmental lawyer and the Chairman of the International National Trusts Organisation, Professor Simon Molesworth AO, QC, spearheading the campaign over the last 10 years. The City was assessed against nine values by the Australian Heritage Council (AHC).

ANNUAL REPORT 2015/2016



Mayor Wincen Cuy, Peter Oldsen, Elizabeth Vines and Professor Simon Molesworth

The City of Broken Hill met eight of the nine criteria by demonstratina the followina:

- Historic value taking into account its mining importance, industrial relations significance, and the initiatives with respect to regeneration of native vegetation
- Rarity as a mining town with more than 125 years of continuous mining activity
- Research value with respect to mining inventions and diverse ore bodies
- Ability to demonstrate the principal characteristics of an evolving mining
- Aesthetic significance
- Creative and technical achievements through the discovery of new and revolutionary mining processes
- A place with strong community spirit and resilience
- Recognition of significant people such as Charles Rasp, WL Baillieu, WS Robertson and GD Delprat



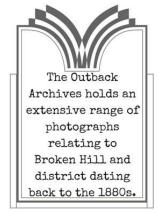
The Outback Archives

The Outback Archives collection is made up of a variety of materials relating to the Broken Hill region and surrounding areas. The collection holds an extensive range of photographs relating to Broken Hill and district dating back to the 1880s. A 'Significance Assessment Report' was completed in 2015/2016 funded by a Community Heritage Grant from the National Library of Australia and conducted by Museum Consultant, Yvonne Routledge. This report provided valuable insight into the nationally significant resources held in the collection of the Charles Rasp Memorial Library Outback Archives.

The collection contains 10 groups of records classified as highly significant and most of the remaining collection is significant. There are no record groups that warrant disposal although all support or duplicate collections are held elsewhere. The collection is the main and preferred repository for paper records that illustrate the history of this unique and nationally important region and its communities.

The collection is well preserved, ordered. stored, documented and made available to researchers, visitors, locals and broader communities. It has been identified by Council that the main challenge for the city's archive collection will be the future planning for the growth of the collection.

A Community Heritage Grant for a Preservation Needs Assessment of the Archive Collection was successful in 2015/2016, this follows the recommendation in the Significance Assessment Report completed in 2014. The final assessment report will be finalised in November 2016.



Digitisation of images (photographs, negatives and glass plates) in the Outback Archives collection commenced utilising volunteers in June 2016.



Library Books on Wheels

This is a free volunteer run Library service that delivers resources to those persons bedridden or housebound due to illness and frailty. A total of 7,913 items were delivered to 172 library members of this service.

The Milton Lavers Collection

Some of the world's most beautiful mineral specimens are from Broken Hill, and Milton Lavers assembled arouably one of the most significant collections from this locality. His collection numbered three thousand specimens ranging from thumbnail size to large cabinet and museum-sized specimens. The Milton Lavers Collection was recognised as being of not just national, but also of international significance and has featured in many mineral publications. In March 2011, Council resolved to facilitate the acquisition of the collection. Unfortunately, Council was unsuccessful in its bid to achieve this goal by the time of Milton's death on July 17, 2014. The Milton Lavers Collection was jointly purchased by Crystal Classics (Ian Bruce, England) and Crystal Universe (Rob Sielecki, Melbourne) who approached the Albert Kersten Mining & Minerals Museum (GeoCentre), Museum Victoria and SA Museum with first choice to purchase specimens from the sale held in the Crystal Universe premises in Melbourne, in an effort to retain as many specimens as possible to remain in Australia in public institutions. With the generous assistance of the Broken Hill community including the 'buy a tile' drive through the GeoCentre, \$17,000 was raised, enabling the purchase of eight specimens, which are on display at the GeoCentre.

Inland Tourism Awards 2015

In July 2015, Council were announced as a finalist in the Inland Tourism Awards for the 'Broken Hill for Real' campaign and 'Broken Hill Heritage City'. The For Real campaign was recognised as a finalist in the Destination Marketina category, while Heritage City was recognised as a finalist in the Cultural Tourism category. The awards were held in Broken Hill and attracted operators and those in the industry from across the state. While Council was not successful, the opportunity to highlight our City was a boost for tourism and our economy.

Signage Audit

During 2015/2016, Council hosted the Tourist Attractions and Signposting Assessment Committee (TASAC) Western Region. TASAC is a group formed by the NSW State Government to have overall responsibility for the planning and implementation of tourist signposting systems on State Roads in NSW. The group ensures that the signage assists motorists to arrive safely at their destination.

The signs also inform visitors of the range of major attractions and services available within a destination. TASAC will assist with the development of future signage projects in relation to advice and will shortly be working with Council to assist in the renewal of tourist directional signage in the City. TASAC's key activities include:

- Developing Tourist Signposting Policy NSW
- Assessing applications for tourist signposting to determine their eliaibility
- Providing input to National Tourist Signposting Policy
- Consultation with other agencies to develop strategies and identify priorities in implementation of signposting initiatives
- Project management of signposting initiatives across the state
- Communication of Tourist Signposting Policy, initiatives and issues to stakeholders
- Quality control of tourist signposting

McCulloch Street Roadworks

After completing a thorough City wide condition assessment of the road network, in April 2016, Council's Infrastructure Strategy team prioritised the repair of roads in consideration of locale, usage and cost of required works. McCulloch Street was identified as a critical area, particularly outside North Broken Hill Public School.

The reconstruction project was fully funded by the Roads to Recovery Programme initiated by the Australian Government Department of Infrastructure and Regional Development to the amount of \$450.000.

Council staff worked with contractors to complete the project. It is also of note the residents cooperation with Council in this project and their adaptation to changed traffic conditions.



McCulloch Street

1.4 Our built environment supports our quality of life

Sensory Garden

The opening of the Sensory Garden and Activity Centre, and the opening of the AJ Keast Accessible Play Park, were both held on Wednesday, October 24, 2012.



Council's Sensory Garden

Major Development Activities

Major developments during 2012-2016 included:

- GP Super Clinic
- Student Accommodation in Morgan Lane and Cummins Street
- Excelsior Lifestyle Village
- Primitive Camping Ground
- Landfill Extension
- Renovation of Hotel and Restaurant Old Royal Hotel
- Broken Hill Village, including Coles, Target and Cheap as Chips
- Change of use from Retail Shop to Offices for Juvenile Justice
- Offices including Training Room HACC Centre
- New Workshop for Truck Servicing, Truck and Part Sales – Kanandah Road
- Internal alterations to create offices at Flight Services Building for RFDS
- Alterations to Existing Offices and Medical Areas at RFDS Hangar
- New Canopy and Refit of Store Caltex Service Station
- Internal refurbishment of Supermarket – Woolworths
- New other short term accommodation – Lavender Estate Lifestyle Village and Broken Hill Holiday Park Development
- Refurbishment of the Civic Centre
- New telecommunication tower
- Renovations to The Barrier Social Democratic Club
- Upgrade of and renovations to the Maari Ma Health Aboriginal Corporation building
- Alterations to the West Darling Hotel
- New residential dwellings
- Demolition of old dilapidated dwellings
- New industrial development



Electronic Housing Code

Council switched on the Department's Electronic Housing Code in September of 2015, an online system which lets customers lodge an application for a complying development certificate for a new home or home renovation.

A complying development is a straightforward project that meets all the buildings standards for complying development, without the need for a development application.

The Electronic Housing Code means:

- Faster planning approval times for straightforward home building or renovations.
- No more paper applications or queues at councils with planning rules online, and applications can be submitted electronically twenty-four hours a day, seven days a week.
- Conveniently-located and simple to understand information on what is allowed on a property without a development application.

The Electronic Housing Code was a \$15,000 grant achieved through the NSW Department Planning and Environment, and is a tremendous tool that offers a range of advantages the old paper system just cannot match.

For more information, please go to www.electronichousingcode.com.au

Development Application (DA) TrackingThe tool makes information about

The tool makes information about development applications easy to find and ensures there is plenty of time for the local community to comment on new proposals.

This collaboration demonstrates Council's support of the Planning Department's commitment to the introduction of more online services for NSW citizens through its ePlanning Program and the NSW Planning Portal. The program seeks to provide the community and industry with easy online access to planning services and authoritative information from anywhere at any time. The online tool features improved functionality, including a mapping function allowing people to see where new developments are proposed.

DA tracking ensures that people can find the information they need at their fingertips in order to keep track of the progress of an application and make an informed and well-considered submission to Council. This type of tool also assists in ensuring transparency in the assessment process.

Home and Community Care (HACC) Centre Upgrades

In May 2011, Council was successful in securing one-off funding to extend and enhance the existing Home and Community Care Centre (HACC Centre). This was quite an extensive process and took some time to complete, with the purchase of the land on which the HACC Centre sits finalised in early 2014. The building works were completed in June 2015 and services relocated into the two new offices soon after. These offices

currently house the Disability Services Support Planners and the Commonwealth Home Care Packages team (CHSP), There is also a good sized meeting or training room that accommodates up to 12 people, making it suitable for network meetings or as a meeting venue with clients and family members who require community care services. One of the more interesting features of the new building is the indoor/outdoor vergola area between the new offices and the main HACC Centre building. The vergola has a roof that opens to provide sunshine on pleasant days, and shade on warmer days. There are seats and planter boxes that provide people with a welcomina environment.





HACC Upgrades

Roads - Major Projects

Notable projects completed 2012-2016 included:

- Thomas Street Reconstruction Value \$321,599
- Oxide/Lane Streets Roundabout Reconstruction – Value \$332,304



- Federation Way Value \$640,000
- Creedon/Ryan Streets Intersection Reconstruction – Value \$429.245
- Gypsum Street Heavy Patch Works Value \$122,535
- Kanandah Road Heavy Patch Works Value \$164, 035
- Bus Shelters Value \$43,746
- McCulloch Street Reconstruction between Lane and Chapple Streets – Value \$442,946
- McCulloch Street Drainage Renewal Value \$122.535
- Blende Street Reconstruction between Kaolin and Garnet Streets – Value \$163,335

A total of \$5,188,994 was spent on maintaining the City's parks, sportsgrounds and facilities.

Parks and Open Spaces: Major Projects

Council maintained and improved parks in Broken Hill. Key projects included:

 \$35,303 spent on new equipment at the North Family Play Centre

- AJ Keast Park accessible play area: Council was successful in obtaining grant funding to establish the City's first accessible play area in the AJ Keast Park. The equipment installed included an L shaped ramp for wheelchair access to the playground rides, four accessible swing sets as well as shade sails and new seating facilities.
- Duff Street Park: The NSW Environment Protection Authority (EPA) and Council collaborated to commence work on reducing the exposure of lead in Broken Hill playarounds for children. The EPA allocated \$225,000 in funding from the Environmental Trust through the Contaminated Land Management Program for additional measures to address lead contamination in playarounds that were identified as being high risk. The funding allowed for a series of remediation works to take place at the Duff Street Park, resulting in a mulched garden, synthetic lawn, play equipment, a water bubbler and signage to promote hygiene - all important in terms of reducina lead exposure.



NSW Environment Minister Mark Speakman joined Broken Hill City Councillor Christine Adams and Broken Hill Environment Lead Program Project Manager Peter Oldsen for an inspection of Duff Street Park

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New Strategic Land Use Plan 2012

The Broken Hill Strategic Land Use Plan was developed and completed in September 2012.

Environmental planning instruments such as the Local Environmental Plan are legal documents that regulate land use and development.

Importantly, these planning instruments are underpinned by broader strategic frameworks which provide strategic land use directions for the development of an area. These strategic frameworks, or Strategic Land Use Plans, analyse a range of information about issues and opportunities relevant to a Council area and combine these with community vision and aspirations to identify key directions for land use.

The Strategic Land Use Plan then provides the framework for more detailed planning policy to be developed and contained within local environmental plans, which are one of the primary development assessment tools used by Councils to make planning decisions. The Strategic Land Use Plan is an important document as it establishes the framework for future planning and development decisions in Broken Hill and will guide the development and use of land into the future.

The preparation of the Broken Hill Strategic Land Use Plan (BHSLUP) was jointly funded by Council and the New South Wales Department of Planning under the New South Wales Government's Planning Reform Program.

New Local Environmental Plan 2013

Further to the development of a new Strategic Land Use Plan, Council developed a new Local Environmental Plan (LEP). The new LEP was gazetted in 30 August 2013 and can be viewed at http://www.legislation.nsw.gov.au/#/view /EPI/2013/506

The plan aims to make local environmental planning provisions for land in Broken Hill in accordance with the relevant standard environmental planning instrument under section 33A of the Act.

The particular aims of this Plan are to:

- Encourage sustainable economic growth and development
- Encourage and provide opportunities for local employment growth, and the retention of the population
- Encourage the retention of mining and acknowledge that industry's heritage and regional significance
- Identify, protect, conserve and enhance Broken Hill's natural assets
- Identify and protect Broken Hill's built and nationally significant cultural heritage assets for future generations
- Provide for a range of housing types and living opportunities
- · Allow for the equitable provision of services and facilities for the community
- Provide for future tourist and visitor accommodation in a sustainable manner that is compatible with, and will not compromise, the natural resource and heritage values of the surroundina area

1.5 Our health and wellbeing ensures that we live life to the full

The Charles Rasp Memorial Library

The Library was successful in receiving several grants to assist the community increase knowledge and connectivity:

- Revitalising Communities Grant allowing the purchase of two additional computers, for extension of the IT section in the public grea
- Tech Savvy Seniors Grant to coordinate sessions in Information technology (IT) for our senior citizens

The Library increased online connectivity with the introduction of Facebook and

Twitter accounts, and the inclusion of eBooks and ancestry.com to its resources.

Dementia Awareness

A Memory Walk and breakfast was held in March 2014 to promote the increasing prevalence of dementia within the community.

The Broken Hill Regional Aquatic Centre

The management and operation of the Broken Hill Regional Aquatic Centre was transferred to the YMCA in December 2012.



Free Online and Interactive Food Safety Training – I'm Alert Food Safety

In December 2013 Council included on their website a

free and interactive food safety program.

The exciting new product provides unlimited access to participants, and is intended to assist food businesses in providing their food handlers with valuable skills and knowledge in

food safety and hygiene, which will help to ensure only safe and suitable food is produced at our food businesses.

To date

200 food

handlers have

the free

community

program.

cticipated in

The program is presented in an interactive, easy to follow, and entertaining format, and includes the ability for the user to print an acknowledgement form and a certificate upon completion of the program, that can be kept as a part of business staff records.

The training program assists food business managers in ensuring that all staff are trained thereby reducing the risk of food borne illness resulting from poor food handling practices.

Water Submission to Select Committee for the Murray Darling Basin Plan

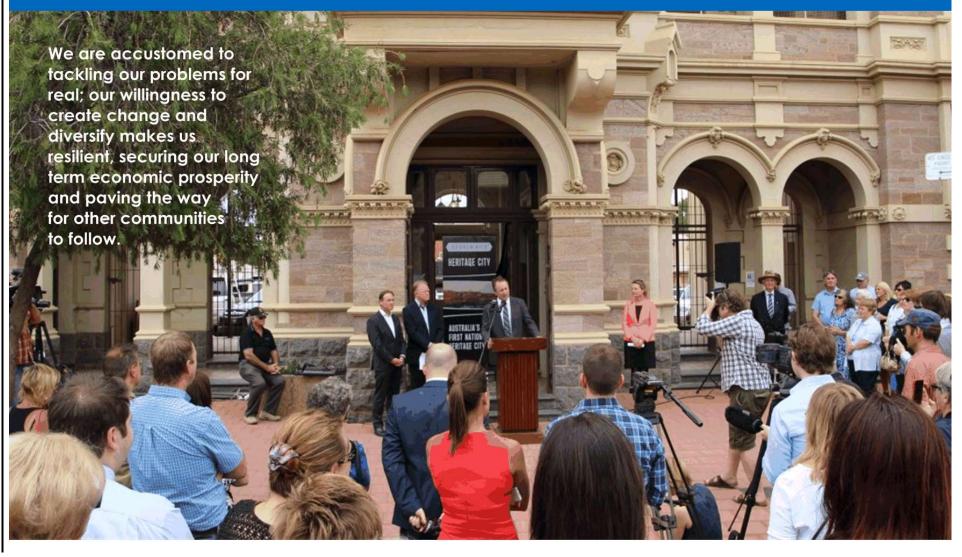
Council continues to lobby and advocate for our region in terms of water supply. Council put the following submission forward to the Select Committee for the Murray Darling Basin Plan at its public hearing on October 26, 2015:

- 1. That Council requests a thorough review of the current "trigger point" for NSW Government control of the Menindee Lakes system. That the trigger point should be set at a minimum of 640 GL for NSW control and above 800GL before Murray-Darling Basin Authority can have access to a call on water releases.
- 2. That any trigger point is based on accessing retrievable water.
- 3. That a surface water drinking supply is avaranteed for the Broken Hill and Menindee communities.
- 4. That the Murray-Darlina Basin Authority acknowledge that the Menindee Lakes system is a vital asset for the ongoing liveability, economic prosperity and recreational needs of Broken Hill and the Far West and it will continue to work with communities to ensure its long term viability and security.
- That any changes to the Menindee Lake system or the implementation of emergency provisions are done at no additional or ongoing cost to the Broken Hill community.



KEY DIRECTION 2 - OUR ECONOMY

2.1 Our economy is strong and diversified and attracts people to work and live
2.2 We are a destination of choice and provide a real experience that encourages increased visitation
2.3 A supported and skilled workforce provides strength and opportunity



2.1. Our economy is strong and diversified and attracts people to work and live

BHP Billiton Announcement

In January 2016, BHP Billiton Chief Executive Officer, Andrew Mackenzie, announced a donation of \$5.7m from the BHP Billiton Foundation toward projects identified in the Broken Hill Living Museum + Perfect Light Project: Argent Street Mineral and Art Intersections and the Broken Hill Archives.

DONATED TO BROKEN HILL FROM THE BHP BILLITON **FOUNDATION**

The Foundation's support will allow Council to continue to build on Broken Hill's heritage to lead its future and deliver an enduring legacy for this community.



BHP Billiton Announcement by Chief Executive Officer, Andrew Mackenzie

Specific projects include:

Broken Hill Living Museum + Perfect **Light Project**

A course of action to renew the CBD, maximise the National Heritage Listing and diversify the economy.

Combined with a range of associated infrastructure and activation strategies (Airport Master Plan, Tourism Plan 2020 etc.) the holistic Broken Hill Living Museum + Perfect Light Project envisions a City transformed to meet a renewed future through the Vision Aspects: Construct, Illuminate, Activate, Interpret, Transform and Position.

Project briefs have been and are in the process of continuing development in readiness for any available funding opportunity.

Argent Street Mineral and Art Intersections

The intersections of cross streets with Argent Street will be created into a public space offering creative and passive interpretation of minerals, mining and the benefits to everyday life.

The intersections will each be designed to reflect its street name (Kaolin, Bromide, Sulphide, Chloride, Oxide, lodide and Argent). The properties of the minerals, their uses and relevance will be made evident in artwork, seating and paving.

They will contribute to an understanding of the formation of Australia and more than 2,300 million years of the earth's history.

They will 'unearth' the elements of the 'mineralogical rainforest' that was significant in gaining Broken Hill's National

Entrepreneurialism

Heritage Listing. Public art will be integral and artist(s) will design elements of the intersection-paving inlay, custom furniture, sculpture or installation.

The Broken Hill Archives

The Broken Hill Archives project will catalogue and protect the archival heritage of the City through funding achieved in 2016, and present it in a way that can provide opportunity for the future, including:

- The immediate requirement to audit and protect archival material related to Broken Hill before it becomes at risk
- The opportunity to network with other museums and collections pivotal to the archival telling of the Broken Hill
- Develop/deliver a digital archive program
- Purchasing digitising and other equipment for the purposes of archiving digital records

Outback Museum Stories: A Journey of Discovery, Diversity and Survival in Broken Hill and Silverton

Council staff have played a key role in the development and launch of a new website that will promote Broken Hill to all corners of the globe. Outback Museum Stories: A Journey of Discovery, Diversity and Survival in Broken Hill and Silverton was launched at the Albert Kersten Mining Minerals Museum (GeoCentre) by Professor Simon Molesworth AO QC. Joining Professor Molesworth was Project Manager and Council's Museum Advisor, Yvonne Routledge who praised all those who had supported the development of the interactive website.

The project is supported by Regional Arts NSW's VIM grant program, a devolved funding program administered by Museums & Galleries NSW on behalf of the NSW Government. The website is www.outbackmuseums.com.au



Position

Marketing and Communications

Content and Engagement

12

The museums on the trail are:

- Albert Kersten Mining & Minerals Museum (GeoCentre)
- Sulphide Street Railway and Historical
- Synagogue of the Outback Museum;
- West Darling Machinery Preservation Society
- Broken Hill Mosque Museum
- Outback Archives
- Silverton School Educational Museum
- Silverton Gaol Museum
- Bells 1950s Milk Bar
- Broken Hill Family History Group Inc
- White's Mineral Art and Living Mining Museum

LEGO

In July 2012, the 50th Anniversary of LEGO in Australia celebrations bought LEGO to Broken Hill, with a LEGO forest display at the Living Desert. The LEGO display attracted much interest and there were 7,266 visitors to Broken Hill during July 2012 compared to 3,752 visitors in July 2011.



The "LEGO" Desert



"Hillywood" of the Outback

Film projects attracted the type of media hype that put Broken Hill right back on the map as the 'Hillywood' of the Outback.



Some film and photographic highlights included:

- Films: Strangerland, Last Cab to
- Short Film: Aboriginal HeArt, The Painted State
- TV Shows: The History of Mining. Outback ER, Great Outdoors, Sydney Weekender, The Today Show, Weather, PlaySchool, Who Do You Think You Are?, Channel Nine News, Australia's Next Top Model, The Code, and HBO series The Leftovers
- TV Commercials: Subaru, CBUS Superfund and Sony
- Photography Shoots: New Idea. Harpers Bazaar, Sunday Telegraph Caravanning Australia, National Trust Festival Magazine and Men's Health Magazine

Thanks to the popular culture factor that comes with the movies, even the 'Escape Lounge' named Broken Hill as one of its hottest destinations for 2014 - alongside others like Hayman Island, the Gold Coast and Hobart.



"The Leftovers" – on location

2.2 We are a destination of choice and provide a real experience that encourages increased visitation

Civic Centre Upgrades

The refurbishment of Broken Hill's premiere conference and events venue begun with internal demolition works clearing the way for the \$5.1m redevelopment. The upgrade to the facility was approved through the NSW Government Resources for Regions Grant Program in 2015. The upgrade will provide the Broken Hill community with a venue comparable to city theatres, conference venues and performance spaces.

Council is committed to promoting Broken Hill and the region as a destination for conferences to grow the tourism market.

This is the first major refurbishment since its opening in 1971 and the community will see a big change in the look of the venue and the services it can provide. The project will consolidate Broken Hill's position as a hub for conferences and events in Outback Australia.

Council has been working with promoters to bring an exciting program of shows and conference bookings to date will contribute millions of dollars into the economy in October 2016 alone.

Emirates Melbourne Cup Tour

The Emirates Melbourne Cup Tour made its way to Broken Hill in 2015. The Cup visit provided many locals the opportunity to be part of the 2015 Melbourne Cup Celebrations. Broken Hill was one of 33 cities and towns across Australia and New Zealand to host the 2015 Cup Tour. The \$175,000 Gold Cup was a hit with young and old keen to get their hands on - and photos - with the 'People's Cup'.

Broken Hill is For Real

Council secured funding each year from Destination NSW and engaged with the local tourism industry for a Destination Marketina Program that aimed



to amplify the BROKEN HILL FOR REAL brand into the tourism sector. The Discover a Lost World campaign in 2012/13 achieved the following:

- A 14 % increase in researched destination appeal
- Strong national coverage in print, diaital and TV
- Integration with the RM Williams' summer campaian and LEGO (generating more than \$5 million in earned media coverage)
- A 21% increase in website traffic. when comparing the same period of the previous year

During 2013/14, strategies built on the strong Broken Hill brand position; the proposition to 'Discover A Lost World'; an extensive research framework; and funding partnerships with industry and government - resulting in the following outcomes for the 2012/13 campaign:

- 44,451 hits to website 149% above target. Thirty seven per cent of the total website traffic was delivered by the paid digital video placements
- 4,000 travel itineraries downloaded during the campaign with 600 of these saved by users
- Seven journalist familiarisation visits
- 148 Broken Hill and surrounding businesses created new business listing pages online

58,588 in online bookings for tour and accommodation, with 193 nights booked

> Through the Destination NSW Destination Marketing Program the past, present and future stories of Broken Hill have been amplified. Seven short videos have been produced highlighting many of the idiosyncrasies that make Broken Hill unique. The icons of Broken Hill and its characters are also told through the 32 short stories written to entice the reader to explore all that the City has

> http://www.brokenhillaustralia.com.a u/explore-and-discover/forreal/



Destination Appeal

Inside Story conducted a robust Advertising Impact study in conjunction with the first roll-out of the campaign in 2012. Their findings revealed a 142% increase in destination appeal for Broken Hill, reaching a score of 46% within the target market (from a 19% base precampaign). The campaign also increased the likelihood of the target audience to visit Broken Hill, with one in four rating their likelihood of visiting in the future as 80% or more.

Destination NSW

Destination NSW has compiled a list of four 'must-do' activities for visitors to Broken Hill which include:

- Sunset at The Living Desert Sanctuary: Seeing the sun go down at The Living Desert Sanctuary is the best way to end the day in Broken Hill. Located on Sundown Hill, an easy walking trail winds itself around 12 sandstone sculptures each telling a different story.
- Outback safari: For a true outback experience explore the Mutawintii National Park on a day trip with Tri

- State Safaris, where you'll have the opportunity to discover some of Australia's most sacred Aboriainal sites on a 4WD adventure.
- Happy days: One of the original 'milk bars' of Broken Hill, complete with original 1950s fixtures and fittings, take a trip down memory lane at Bell's Milk Bar for a cool malted milk or soda spider - the best (and original) way to cool down in town.
- I love the nightlife, I got to boogie: Experience a night like no other at the Palace Hotel, famous for featuring in the hit movie Priscilla Queen of the Desert. With funky retro interiors, great food and entertainment, get your dancing shoes on before resting your head at the hotel's pretty in pink bespoke Priscilla suite.

2.3 A supported and skilled workforce provides strength and opportunity

Increasing Skills at the Library

The Library provides several services and resources to the community to assist in increasing skills via formal study and self-study.

Eleven free to use public computers and a study space is available within the library, to all members of the community and visitors.

Wi-Fi is available within the library so that students, visitors and members can access the Internet via their own devices. Printing, scanning and photocopying is available at a fee.



Library during 2015/16.

The Library has its own website and online catalogue. The Library website has links to several databases including Britannica (10,713 visits during 2015/16); Science and Reference Centre; Complete Consumer Health; and Ancestry amonast others.

The Library Website had 11,049 visits during 2015/16

The Preventative Health and Lifestyle **Education Programs**

These programs allowed Council to offer its employees opportunities that will assist them to improve their overall health and wellbeing, and to also prioritise and effectively fund preventative and lifestyle projects. This has resulted in a twofold effect.

Firstly it has given employees information and advice on their lifestyle and habits and any modifications they need to make which should improve their overall health and therefore their on the job performance.

Secondly it has demonstrated that Council is committed to the health and safety of its employees and ensuring a safe workplace at all times. 'Fighting Fit Day' took this one step further, placing the focus on empowering employees with the knowledge and resources to take ownership over their own self-care and prevention strategies at home; and in their personal lives and relationships.

Training for Council Staff

Focussing on the importance of having staff that are multiskilled is crucial for an organisations success.

Staff completed training sessions in Heavy Rigid Truck Driving, Airport Reporting Officer duties, Chainsaw Operations, Chemcert Chemical Application, Elevated Work Platform, Work at Heights, Traffic Controller, Traffic Management, First Aid and Mental Health First Aid.

Fighting Fit Day for Council Staff

Held over one day, activities included the three key areas of diet and exercise, mental health and self-awareness.

This allowed for work areas to stagger attendance or for people to attend a range of topics; and the day was capped off with a Flu Vaccination Clinic.

Sessions included a Zumba fitness class and workshops on mental health and physical wellbeing topped off with healthy choice catering.

incentive payment for Injury Management Self Audit

performance.

Business Excellence

There have been several opportunities for Council staff to be formally recognised and awarded for their efforts:

In November 2012, Council received a silver award for improving gender equity and was one of only four councils countrywide to have reached that status.

The 5050Vision - Councils for Gender Equity Program 'is designed specifically to assist councils to identify and address gender equity issues both within their organisations and among their elected representatives and is designed to be accessed by all councils, regardless of their size, location and progress on gender equity'.

At the time, Council had only one female Senior Manager and two female councillors.

The 2015 Minister's Award for Women in Local Government, Senior Staff Member – Rural or Regional Council award was awarded to Council's Former General Manager, Therese Manns.



Former General Manager, Therese Manns and Member for Barwon, Kevin Humphries MP

Council won the Excellence in Leadership and Management at the New South Wales Local Government Excellence Awards held April 23, 2015, in recognition of 'Creating a Sustainable Change for Broken Hill'. The support of the staff and a commitment to ensuring Council's long-term financial sustainability resulted in Council being recognised as a recipient of this award.

The 2015 Trip Advisor Certificate of Excellence was awarded to Broken Hill's Visitor Information Centre and the Living Desert and Sculptures in reflection of Council's participation in enhancing the tourism experience of Broken Hill for the benefit of the economy and community.



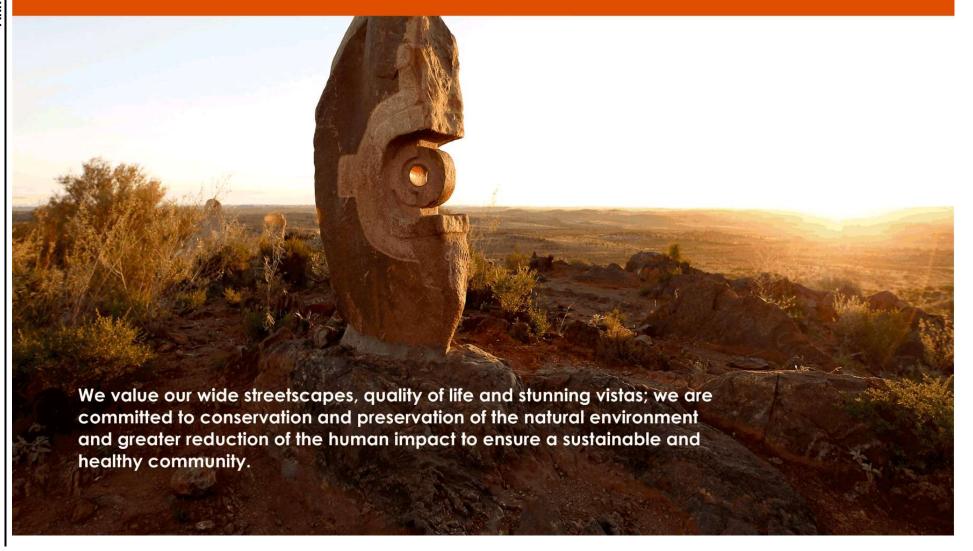
Council's Visitor Information Centre staff, Crystal White and Patrick Kreitner

In December 2015, Council was successful in being awarded a \$10,000 incentive payment from its Workers Compensation Insurer for its Injury Management Self Audit performance. This incentive payment will be utilised to support Council in preventing workplace injuries.

ANNUAL REPORT 2015/2016

KEY DIRECTION 3 — OUR ENVIRONMENT

3.1. Our environmental footprint is minimised 3.2 Natural flora and fauna environments are enhanced and protected 3.3 Proactive and responsible planning supports the community and the environment



ANNUAL REPORT 2015/2016

3.1. Our environmental footprint is minimised

Climate Control

A new climate controlled artwork storage facility was opened at the Broken Hill Regional Art Gallery and houses 1,800 artworks. This facility received the 2012 IMAGine Award - Highly commended accolade for collection management.



Waste Workshops - Primary Schools

Every two years Council engages EnviroMentors from Keep NSW Beautiful to undertake Waste Workshops for our local primary schools. These workshops are presented to the students free of charge and were held in 2012 and 2014. The workshops that were held included:

- Close the Loop: students learned about what can be recycled locally; value of waste as a resource; how recyclables are made from natural resources; the social and environmental benefits of recyclina; and importance of purchasing recycled and recyclable products.
- School Yard Harvest: creating a food garden: natural ways to manage pests; composting; how growing your own food benefits the environment and health benefits of your own food.
- Compost Critters: value of organic waste: greenhouse gases created when organics are buried; benefits of

- composting and how to care for your compost.
- In the Bin: benefits of sorting your waste; what goes in each bin; importance of waste avoidance and waste reductions; and what happens to the different types of waste produced.

The workshops are highly interactive, and engage students from Kindergarten to Year 6. Feedback from the schools has been very positive, and participation rates reflect this.

Waste Tours and Presentations - High School

Each year Broken Hill High School students undertake a major waste project that includes a 45 minute power point presentation on waste management in Broken Hill and a two hour tour of the Broken Hill Waste Management Facility.

Whilst on the tour, students have the opportunity to see the operations of the facility; recycling efforts; participate in games to sort their waste; see the green waste operations; and in recent years students have provided suggestions on how Council can improve the facility.



Weighbridge Installation

A range of upgrades to the Waste Management Facility have been undertaken. These upgrades are designed to improve the management of waste in our community, meet the requirements of state leaislation and provide increased recycling opportunities for the community.

The largest infrastructure development has been the installation of a weighbridge. This

infrastructure will assist in collecting more accurate data on waste received at the facility; enable implementation of fees and charges to all applicable facility users and improve communication between staff and facility users.



The new weighbridge being installed



The new weighbridge installed

Waste to Landfill 2012 - 2016 Note: Green Waste is not landfilled, and is stockpiled for processing Greenwaste - kerbside and dropoff 2015/2016 Municipal **= 2014/2015 2013/2014** Commercial and Industrial 2012/2013 Construction and Demolition 5000 10000 15000 20000

Waste Operations - Waste Received over the Term

Waste is divided into three main categories, municipal (household); commercial and industrial; and construction and demolition. Council has also included green waste (both drop off and kerbside). The above graph shows volumes of waste collected at the landfill for each waste source. It should be noted that the data up to 14/15 is estimated from manual collection methods, however data for 15/16 has been recorded through the weighbridge.

Household Hazardous Waste Collection

Council participates in annual Household Hazardous Waste (HHW) collections, in partnership with NetWaste. This annual collection is partially funded by the New South Wales Environment Protection Authority (EPA) and allows councils to collect hazardous items from households for reprocessing and recycling.

Participation rates have gradually increased for Broken Hill, with many participants returning each year. The most recent collection, held on November 14. 2015 saw 23 residents participate and 500kg of hazardous waste collected.

TONNES OF GREEN WASTE RECEIVED AT THE WASTE MANAGEMENT **FACILITY 2015/16**

Community Recycling Centre

A Community Recycling Centre (CRC) has been constructed at the Waste Management Facility. The CRC was funded with a grant of \$112,000 under the NSW EPA's 'Waste Less, Recycle More' initiative and supported by NSW Environmental Trust.

The CRC is designed to collect household hazardous wastes, including gas bottles, fire extinguishers, paint, fluorescent globes and tubes, car batteries, household batteries, motor and other oils and smoke detectors. The facility was officially opened on Wednesday, November 4, 2015 by Kevin Humphries, MP, Member for Barwon. Since the opening of the facility 4 tonnes of household hazardous waste has been removed for recycling and reprocessing by ToxFree.

Landfill Environmental Management Plan

During May and June of 2016 the Broken Hill Landfill Environmental Management Plan was updated to meet the new 'Solid Waste Landfill Guidelines: Version 2' released by NSW EPA in May 2016. The document is a working document that guides staff in the management of Council's Waste Management Facility.

Container Deposit Legislation for NSW

In January 2016 the NSW Government released a discussion paper on the introduction of a Container Deposit Legislation for NSW. Council submitted a submission supporting the implementation of Container Deposit Scheme (CDS) for NSW to assist in the reduction of litter for our City.

On May 8, 2016, the NSW Government announced it will introduce a 10c refund CDS that will significantly reduce litter across the state and is similar to the existing SA and NT schemes. The new scheme will commence from July 2017.

Landfill Operational Hours Review

Operational hours of the Waste Management Facility were reviewed during 2015/2016. The suggested new hours were 8am-4pm seven days per week, 8am-2pm public holidays and closed Christmas Day, Anzac Day, Good Friday. Surveys were provided to facility users, mailed to commercial customers and available online for the general public to comment. Approximately 100 surveys were completed. Following completion of the survey, operational hours introduced were:

- 8am 5.30pm Monday and Friday
- 8am 4pm Tuesday, Wednesday, Thursday and weekends
- 8am 2pm Public Holidays
- Closed Christmas Day, Anzac Day and Good Friday.

The new operational hours commenced July 1, 2016.

Community Energy Efficiency Program project, lighting upgrades and savings since installation, energy and water vision In 2013 Council received a grant from the Australian Government as part of the Community Energy Efficiency Program (CEEP) to retrofit four buildings with LED lighting. The buildings were:

- Administration Centre - First floor only
- Visitor Information Centre
- Broken Hill Regional Art Gallery
- Broken Hill Regional Airport Terminal



A review of the savings from the four sites upgraded with new LED lighting has continued to achieve savinas.

Comparison of data from the previous year showed savings across the four sites of \$35,005 during 2015/16.

Savings are also attributed to changes in supplier and price per kWh, as well as upgrades and more efficient practices by

The project contributed to the Community Energy Efficiency Programs objectives by reducing energy consumption, undertaking activities to engage staff and developing a sustainability fund.



Environment, Waste and Recycling Specialist, Libby Guest and Former General Manager, Therese Manns promoting energy savings at Council's Administration Building

The overall cost of the project was \$94,449, consisting of \$38,507 from CEEP (40.8%) and \$55,942 from Council (59.2%).

Major works included:

 Removal of 770 lights and the installation of 446 new **LED** lights across all four buildinas



Broken Hill Environmental Lead Program

The NSW Government provided \$13m in funding to address lead exposure issues in Broken Hill over a five year period, which commenced in July 2015. The funding was put towards a Broken Hill Environmental Lead Program in response to ongoing detections of elevated blood lead levels in children living in Broken Hill. The program is designed to coordinate research, education programs, undertake remediation, and prioritise work in response to the elevated blood lead levels in children, to establish a long term solution for the Broken Hill community.



Kevin Humphries MP, Mayor Wincen Cuy and Professor David Lyle at the official announcement of \$13m Lead Program Funding

ANNUAL REPORT 2015/2016

In May 2016, Council signed a Memorandum of Understanding (MOU) with the Broken Hill Environmental Lead Program confirming a partnership between the two organisations. The MOU outlines annual projects that will be completed by Council and funding provided for the year.

The first major lead rehabilitation project undertaken by Council, in partnership with the Broken Hill Environmental Lead Program, has commenced.

The project is located behind Queen Street, near Robinson College, and involves the following:

- removal and burial of soil that has high lead and other heavy metal
- · importation of clean soil and mulch around existing vegetation
- sealing of the old tailings dam where old tailings have been exposed
- installation of new fencing behind Queen Street to prevent vehicle access to the area

Hand Washing Stations for Local Parks Hand washing basins, and Led Ted

signage was installed at Sturt Park, AJ Keast Park and the Duke of Cornwall Park.

The basins operate hands free, for children to wash their hands after they play on the play equipment. The project works have been supported by the Broken Hill Environmental Program.

Lead Dust Sampling of Local Playgrounds

Council staff undertook monthly sampling of five local playarounds, gathering data on the level of lead and other heavy metal contamination on the equipment.

The samples are collected by hand wipes, both before and after playing on the equipment. Samples are also collected from two surface sample sites at each park for comparison.

The parks tested in this program are: Sturt Park; North Family Play Centre; AJ Keast Park; Patton Street Park; and Duff Street Park.

In December 2015, the testing was taken over by the Broken Hill Environmental Lead Program staff.

3.2 Natural flora and fauna environments are enhanced and protected

The Living Desert Reserve

The Living Desert Reserve includes The Sculptures and The John Simons Flora and Fauna Sanctuary. The site covers an area of 24.2km² and were established as a nature conservation and tourism facility. It continues to be a great attraction for visitors and locals alike attracting approximately 30,000 visitors annually. The grounds are maintained by Friends of the Flora and Fauna of the Barrier Ranges Community Committee: volunteers who carry out regular working bees, including maintenance to the walking tracks and arounds.



Flora and Fauna at The Living Desert

New Ticket Machine - Living Desert Reserve

In February 2015, a new ticket machine was installed at the entry gate for the Livina Desert.

This replaced the old envelope system, as fees moved to a per person amount, instead of per vehicle amount. The machine works on the same premise as obtaining a parking ticket. The machine has improved the management of the income for the Living Desert, and reduced costs for entry fee arrangement by approximately \$5,000 per year.



Living Desert Primitive Campground development and installation

In 2014, a primitive camparound commenced development within the Living Desert Reserve with initiatives to provide short stay camping options for visitors and locals alike.

The infrastructure is now in place, and final operational arrangements are continuing. The camparound has BBQ facilities; toilets and showers; tent area; and caravan/camper trailer area.



Living Desert Ablution Block for Primitive Camparound

The ablution block was funded through the Public Reserves Management Fund. Crown Lands and was completed in late

The ablution block includes disabled access toilet and shower; parenting facilities and unisex toilets; and showers.

Sculpture Symposium 20th Anniversary

On May 18, 2013, Council celebrated the 20 year anniversary since the installation of the Sculpture Symposium.

The Sculpture Symposium was officially opened on May 23, 1993 in the Living Desert. It has since become one of the most photographed landscapes in the region, had a major input into the local tourism industry, and has become one of Broken Hill's most iconic sites.

Work began on the Symposium in April 1993. Twelve sculptors from around the world worked 14 hours a day, seven days a week to complete four months of work in six weeks.

The huge sculptures were carved by hand from massive Wilcannia sandstone blocks. The blocks travelled 210kms in convoy and were set in place with the help of volunteer truck and crane operators.



Harold Williams Home – World Environment Day Presentation

Council gave a presentation to residents at the Harold Williams Home to celebrate World Environment Day, promoting some of the activities that Council undertakes to support our local environment. Topics covered included:

- Waste Management
- Tidy Towns Events
- Living Desert State Park
- Regeneration Reserve
- Willyama Common
- Energy Savings
- Lead Management

Clean Up Australia Day 2016

As with every year, Council again supported Clean Up Australia Day in 2016. Council and The Tidy Towns Community Committee organised 24 volunteers to focus on the Lions Reserve, Joe Keenan Lookout, areas surrounding Broken Hill Public School and Broken Hill High School, the TAFE College and the Visitor Information Centre. Volunteers collected 60kgs of rubbish with approximately 80% being take-away wrappers and drink containers. The Girl Guides also supported with focusing on Block 10 Lookout.

Broken Hill Tidy Towns Community Committee Awards (2012-2014) 2012

 Office of Environment & Heritage, Wildlife Corridors and Habitats Conservation Award (Category E, Population 10,001 – 25,000) – Broken Hill Living Desert Sanctuary - Winner

2013

 Overall Town (Category E, Population 10,001 – 25,000) – Third

2014

- Overall Town (Category E, Population 10.001 – 25.000) – Second
- Young Legends Award (Individuals E-F) – Dylan Stone – Winner
- Schools Environment Award (School Category 4, 160-300) – Alma Public School – Highly Commended
- Bush Spirit Award (Category E, Population 10,001 – 25,000) – Broken Hill St Patrick's Race Club – Highly Commended
- Packaging Stewardship Forum Waste Management and Litter Reduction Award (Category E, Population 10,001 – 25,000) – Schools leave nothing to Waste, Broken Hill - Winner



Council Officer Rebecca McLaughlin and Councillor Darriea Turley accept the 2013 Tidy Towns Award



2014 Tidy Towns Awards

3.3 Proactive and responsible planning supports the community and the environment

Willyama Weed Project

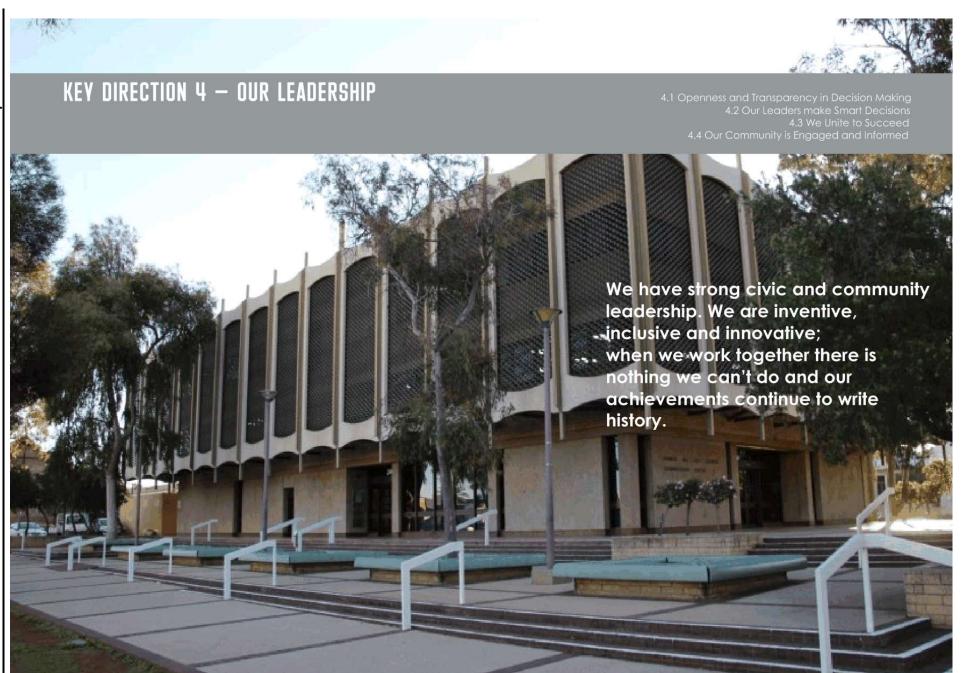
Council received funding through the Public Reserves Management Fund to undertake widespread noxious weed control on the Willyama Common.

Targeted species included mesquite and a range of cactus species. Local contractors were hired to undertake the works. The works have reduced the impact of these species on the Common, and prevent the infestations from spreading further, particularly into neighbouring properties. The works were highly successful, Council staff conduct follow up spraying to prevent the weed species from spreading.









4.1 Openness and Transparency in Decision Making

Levels of Service - Community Consultation

As part of directions set by the Office of Local Government (OLG) and required under reporting and audit legislation, Council was required to determine the community's expectations with regards to services by going out to the community and asking their willingness to pay for Council services now and into the future. This is known as determining levels of service. Council is required to address these expectations within its planning documents.

When Council has consulted with the community in the past it has collected information in regards to the community's expectations but not in their willingness to pay for levels of service. To gain community views about services and costs, Council staff and Councillors undertook a significant engagement program using an online tool called Budget Allocator.

The consultation asked the community to indicate funding expectations on five functional

- Parks and Open Spaces
- Sportsgrounds and Aquatic Centre
- Roads and Footpaths
- Community Centre and Halls
- Arts, Culture and Tourism

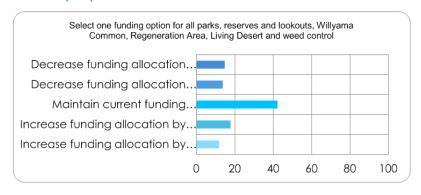
In addition to this, the community was also asked if they would like three additional services funded:

- Nature Strips (\$750k)
- Increased Parking Enforcement (\$120k)
- Heritage City Maximisation (\$250k)

The engagement process provided information which will support Council in developing plans and strategies for the City, and guide decision making.

Levels of Service Survey Results

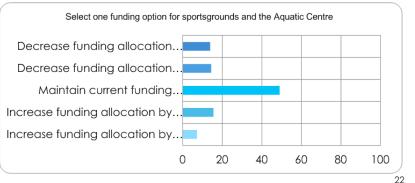
Parks and Open Spaces



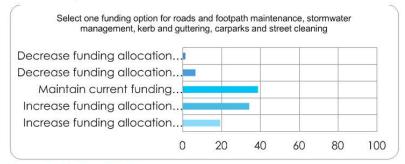
Consultation was held during November 2015. The survey was available online, and staff and Councillors conducted over 60 hours of face to face consultation. In total 606 surveys were completed.

WE ASKED RESIDENTS... WHAT DO YOU WANT TO PAY FOR?

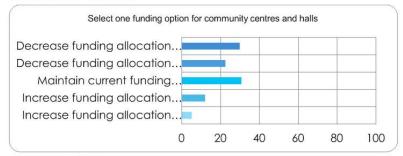
Sportsgrounds and Aquatic Centre



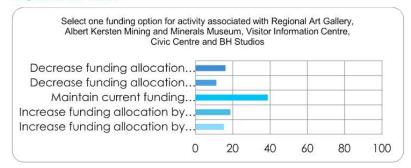
Roads and Footpaths



Community Centres and Halls



Arts, Culture and Tourism



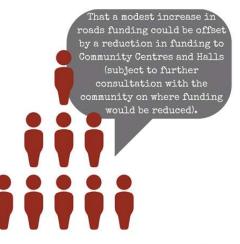
Results: The results did not indicate a significant change in service delivery, however the following was identified:

An indication from the community that they would support an increase in rates as long as they could see where the money was being spent.



On average,
the selections
made by the community
showed a willingness to
increase spending by
almost \$0.5m, this would
equate to an average
residential rate
increase of \$27.70
per year.

There was no overwhelming evidence that a significant majority of people support a special rate variation increase to fund service level changes.



4.2 Our Leaders make Smart Decisions

Councillors Come Online

Council successfully rolled out iPads to the elected body in September 2012. This project has seen a significant improvement in the process of providing agendas and

information to Councillors. The online facility ensures Councillors have access to all the relevant and current information at Council meetings held 2012-2016

the tip of their fingers to make informed decisions. Coinciding with the roll out of iPads, Council finalised an upgrade to the audio visual equipment in the Council Chambers and Council meetings now provide 'live minutes'.

Council Workforce Restructure

Council embarked on a significant restructure of its workforce during 2013/14. A review of Council's organisation structure was conducted concurrently with a review of Broken Hill's Community Strategic Plan (CSP), and of Council's Delivery Program. Draft versions of the revised CSP and Delivery Program were among the data used to inform development of a proposed organisational structure. Council's operating environment was also scanned. and factors related to its organisational structure identified. For the purpose of this analysis, three segments of the organisation's operating environment were considered:

- the internal environment, including the organisation's resources and capabilities
- the external macro-environment, incorporating the physical environment, as well as the political, economic, socio-cultural, technological and legal spheres

the external industry environment, including factors affecting the speed, intensity and predictability of changes to the NSW local government sector

The objectives of the workforce review were to:

- ensure that Council's workforce aligned to the priorities established in Council's Delivery Program
- acknowledge concerns raised through Council's staff survey in relation to a desire for greater leadership with clearer and shorter reporting lines
- improve Council's financial sustainability
- increase capacity in a number of key areas of the organisation

The first priority for the workforce review was to focus on the significantly affected functions and positions. The process was thorough and conducted at a



pace that would ensure a complete analysis was undertaken and that strategies were in place to support employees through the process of redundancies. While the restructure proved a difficult time for many of the staff, it also provided opportunities for the existing workforce to progress a career within local government, with many undertaking promotions, secondments and higher duties.

The result of the restructure has been a one off expenditure of \$2.2m and is offset by recurrent annual savings of approximately \$1.6m.

The complexity of the workforce review provided many challenges and required

Council to work with the United Services Union and Town Employees Union under the auidance of the Industrial Relations Commission during the early stages of transition. These challenges have ultimately forged better relationships between these parties. Employee consultation and position reviews were led through the Workplace Consultative Committee and to date the committee has overseen the update of 120 unique positions within the organisation. The employees of Council have demonstrated courage, resilience and a proactive approach during the transition. Many have been involved in the review of policy, procedures and work design to ensure that we are a more efficient organisation. A combination of on the job training, formal training and interdepartmental cross skilling has been offered to employees throughout this

4.3 We Unite to Succeed

Celebrating Council's Success Two reasons to celebrate Council's good

Two reasons to celebrate Council's good work and efforts:

- Awarded a \$10,000 incentive payment in December 2015, from our Workers Compensation Insurer for our Injury Management Self Audit performance. This incentive payment is to be utilised to support Council in preventing workplace injuries.
- Awarded Runner Up in Work Health & Safety Excellence Award 2013 – from State Cover.

4.4 Our Community is Engaged and Informed

\$355 Committees

Managing community assets is an essential part of Council activities and the community of Broken Hill has strong representation on a number of Council committees to help manage the City's interests and public assets.



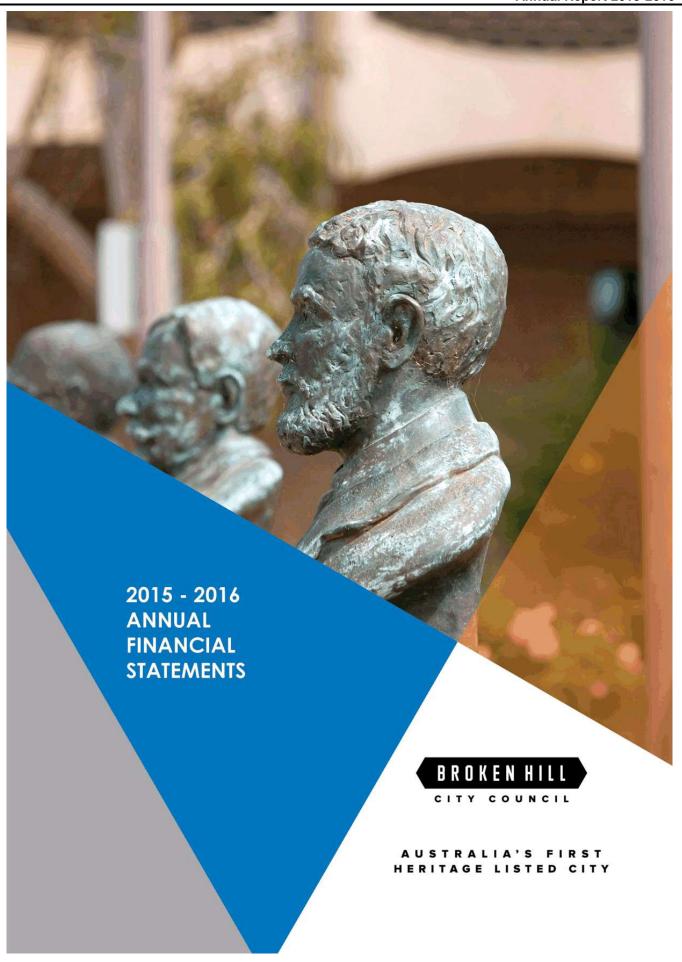
- Alma Oval Community Committee
- Broken Hill Heritage Committee
- Broken Hill Regional Art Gallery Advisory Committee
- BIU Band Hall Community Committee
- ET Lamb Memorial Oval Community
 Committee
- Friends of the Flora and Fauna of the Barrier Ranges Committee
- Memorial Oval Community Committee
- Norm Fox Sporting Complex Community Committee
- Picton Sportsground Community Committee
- Riddiford Arboretum Community Committee

The Broken Hill City Council Audit Committee

The Broken Hill City Council Audit Committee is responsible for assisting Council in the effective conduct of its responsibilities for financial reporting, management of risk and maintaining a reliable system of internal controls. Quarterly meetings are held to align with the quarterly budget review process. The Committee is responsible for making recommendations to Council in relation to external audits, financial reporting, internal controls and risk management. During 2015/16 the Committee was chaired by Mr Chris Nash (external independent member) and Councillor Representatives were Councillors Black and Algate.

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QUALITY CONTROL					
TRIM REFERENCES	D16/47692 – 11/26				
KEY DIRECTION	4. Our Leadership				
OBJECTIVE	4.1 Openness and Transparen	cy in Decision Making			
FUNCTION	Financial Management				
STRATEGY	4.1.1.9 Financial Statements are prepared on an annual basis in accordance with accounting standards and accounting codes				
RESPONSIBLE OFFICER	General Manager				
REVIEW DATE	July 2017				
COMPANY	Broken Hill City Council				
PHONE NUMBER	08 8080 3300				
EMAIL ADDRESS FOR ENQUIRIES ONLY	council@brokenhill.nsw.gov.au				
DATE	ACTION	MINUTE NO.			
31 August 2016	Draft Financial Statements presented to Council	45316			
6 October 2016	Draft Financial Statements reviewed by Audit Committee	N/A			
26 October 2016	Adopted by Council				
NOTES	© Copyright Broken Hill City Council 2016				
ASSOCIATED DOCUMENTS	Long Term Financial Plan 2017-2026 Annual Report 2015/2016				

2015-2016 Annual Financial Statements

COUNCIL OF THE CITY OF BROKEN HILL

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2016

"... is a vibrant, prosperous and culturally rich Heritage City shared with visitors from around the world."



Council of the City of Broken Hill

General Purpose Financial Statements

for the year ended 30 June 2016

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5. Independent Auditor's Reports:	
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Overview

- (i) These financial statements are General Purpose Financial Statements and cover the operations for Council of the City of Broken Hill.
- (ii) Council of the City of Broken Hill is a body politic of NSW, Australia being constituted as a local government area by proclamation and is duly empowered by the Local Government Act 1993 (LGA).

Council's Statutory Charter is detailed in Paragraph 8 of the LGA and includes giving Council;

- the ability to provide goods, services and facilities, and to carry out activities appropriate to the current and future needs of the local community and of the wider public,
- the responsibility for administering regulatory requirements under the LGA and
- a role in the management, improvement and development of the resources in the area.

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

- (iii) All figures presented in these financial statements are presented in Australian currency.
- (iv) These financial statements were authorised for issue by the Council on 17 October 2016. Council has the power to amend and reissue these financial statements.

Council of the City of Broken Hill

General Purpose Financial Statements for the year ended 30 June 2016

Understanding Council's financial statements

Introduction

Each year, individual local governments across New South Wales are required to present a set of audited financial statements to their council and community.

What you will find in the statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2016.

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

About the Councillor/Management Statement

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

About the primary financial statements

The financial statements incorporate five 'primary' financial statements:

1. The Income Statement

This statement summarises Council's financial performance for the year, listing all income and expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

This statement primarily records changes in the fair values of Council's infrastructure, property, plant and equipment.

3. The Statement of Financial Position

An end of year snapshot of Council's financial position indicating its assets, liabilities and equity ('net wealth').

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

Council's financial statements are required to be audited by external accountants (that generally specialise in local government). In NSW, the auditor provides 2 audit reports:

- An opinion on whether the financial statements present fairly the Council's financial performance and position, and
- Their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the financial statements?

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

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Council of the City of Broken Hill

General Purpose Financial Statements for the year ended 30 June 2016

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 31 August 2016.

Wincen Cuy Mayor

James Roncon General Manager Jay Nankivell

Responsible Accounting Officer

Council of the City of Broken Hill

Income Statement

for the year ended 30 June 2016

Budget 2016	\$ '000	Notes	Actual 2016	Actual 2015
	Income from continuing operations			
	Revenue:			
16,282	Rates and annual charges	3а	16,386	16,129
3,087	User charges and fees	3b	3,401	3,717
395	Interest and investment revenue	3с	899	434
309	Other revenues	3d	2,535	335
9,106	Grants and contributions provided for operating purposes	3e,f	10,459	9,496
5,200	Grants and contributions provided for capital purposes	3e,f	3,537	521
	Other income:			
	Net share of interests in joint ventures and			
	associates using the equity method	. 19 _		
34,379	Total income from continuing operations	_	37,217	30,632
	Expenses from continuing operations			
15,436	Employee benefits and on-costs	4a	13,776	16,024
459	Borrowing costs	4b	428	416
5.915	Materials and contracts	4c	5.646	6,476
6,124	Depreciation and amortisation	4d	6,767	5,945
_	Impairment	4d	_	_
4,578	Other expenses	4e	3,839	4,166
_	Net losses from the disposal of assets	5	154	22
32,512	Total expenses from continuing operations	_	30,610	33,049
1,867	Operating result from continuing operations		6,607	(2,417
	Discontinued operations			
	Net profit/(loss) from discontinued operations	24 _		_
1,867	Net operating result for the year	_	6,607	(2,417)
1 867	Not operating result attributable to Council		6 607	(2,417
-	Net operating result attributable to council Net operating result attributable to non-controlling interest	s	-	(2,417
1,867		le to non-controlling interest	le to non-controlling interests	le to non-controlling interests
	r the year before grants and	_		
	contributions provided for capital purposes	_	3,070	(2,938

¹ Original budget as approved by Council – refer Note 16

This statement should be read in conjunction with the accompanying notes.

Council of the City of Broken Hill

Statement of Comprehensive Income for the year ended 30 June 2016

\$ '000	Notes	Actual 2016	Actual 2015
Net operating result for the year (as per Income Statement)		6,607	(2,417)
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating res	sult		
Gain (loss) on revaluation of I,PP&E	_20b (ii)	568_	(20,049)
Total items which will not be reclassified subsequently to the operating result		568	(20,049)
Total other comprehensive income for the year		568	(20,049)
Total comprehensive income for the year	_	7,175	(22,466)
Total comprehensive income attributable to Council Total comprehensive income attributable to non-controlling interests	_	7,175	(22,466)

This statement should be read in conjunction with the accompanying notes.

Council of the City of Broken Hill

Statement of Financial Position

as at 30 June 2016

\$ '000	Notes	Actual 2016	Actual 2015
<u> </u>			
ASSETS			
Current assets			
Cash and cash equivalents	6a	18,343	8,153
Investments	6b	_	2,500
Receivables	7	2,788	2,754
Inventories	8	77	86
Other	8	330	153
Non-current assets classified as 'held for sale'	22		
Total current assets	-	21,538	13,646
Non-current assets			
Investments	6b	_	_
Receivables	7	143	186
Inventories	8	_	_
Infrastructure, property, plant and equipment	9	234,070	236,286
Total non-current assets		234,213	236,472
TOTAL ASSETS		255,751	250,118
LIABILITIES			
Current liabilities			
Payables	10	2,440	3,217
Borrowings	10	731	615
Provisions	10	3,896	4,120
Total current liabilities		7,067	7,952
Non-current liabilities			
Payables	10	_	_
Borrowings	10	5,126	5,940
Provisions	10	1,804	1,647
Total non-current liabilities		6,930	7,587
TOTAL LIABILITIES		13,997	15,539
Net assets		241,754	234,579
EQUITY		404.000	444.465
Retained earnings	20	121,089	114,482
Revaluation reserves	20	120,665	120,097
Council equity interest		241,754	234,579
Non-controlling equity interests			
Total equity		241,754	234,579
	=		

This statement should be read in conjunction with the accompanying notes.

Council of the City of Broken Hill

Statement of Changes in Equity for the year ended 30 June 2016

					Non-	
		Retained	Reserves	Council	controlling	Tota
\$ '000	Notes	earnings	(Refer 20b)	interest	Interest	equity
2016						
Opening balance (as per last year's audited accounts)		114,482	120,097	234,579	_	234,579
a. Correction of prior period errors	20 (c)	_	_	_	_	_
b. Changes in accounting policies (prior year effects)	20 (d)	_	_	_	_	_
Revised opening balance (as at 1/7/15)		114,482	120,097	234,579	_	234,579
c. Net operating result for the year		6,607	-	6,607	-	6,607
d. Other comprehensive income						
- Revaluations: IPP&E asset revaluation rsve	20b (ii)	_	568	568	_	568
Other comprehensive income		_	568	568	-	568
Total comprehensive income (c&d)		6,607	568	7,175	_	7,175
e. Distributions to/(contributions from) non-controlling Int	erests	_	_	_	_	_
f. Transfers between equity		_	_	_	_	_
Equity – balance at end of the reporting pe		121,089	120,665	241,754		241,754

					Non-	
		Retained	Reserves	Council	ontrolling	Total
\$ '000	Notes	Earnings	(Refer 20b)	Interest	Interest	Equity
2015						
Opening balance (as per last year's audited accounts)		116,731	140,314	257,045	_	257,045
a. Correction of prior period errors	20 (c)	168	(168)	_	_	_
b. Changes in accounting policies (prior year effects)	20 (d)	_	_	_	_	_
Revised opening balance (as at 1/7/14)		116,899	140,146	257,045	-	257,045
c. Net operating result for the year		(2,417)	_	(2,417)	_	(2,417)
d. Other comprehensive income						
 Revaluations: IPP&E asset revaluation rsve 	20b (ii)	_	(20,049)	(20,049)	_	(20,049)
Other comprehensive income		_	(20,049)	(20,049)	-	(20,049)
Total comprehensive income (c&d)		(2,417)	(20,049)	(22,466)	_	(22,466)
e. Distributions to/(contributions from) non-controlling In	terests	_	_	_	_	_
f. Transfers between equity		_	_	_	_	_
Equity – balance at end of the reporting pe	eriod	114,482	120,097	234,579	_	234,579

This statement should be read in conjunction with the accompanying notes.

Council of the City of Broken Hill

Statement of Cash Flows

for the year ended 30 June 2016

Budget 2016	\$ '000 Notes	Actual 2016	Actual 2015
	Cash flows from operating activities		
	Receipts:		
15,468	Rates and annual charges	16,393	16,038
2,995	User charges and fees	3,495	4,371
208	Investment and interest revenue received	740	340
13,877	Grants and contributions	13,996	10,337
13,077	Bonds, deposits and retention amounts received	13,990	10,007
299	Other	3,536	871
233	Payments:	3,330	071
(14 073)		(14 166)	(17.660
(14,973)	Employee benefits and on-costs	(14,166)	(17,669
(5,737)	Materials and contracts	(6,792)	(6,100
(459)	Borrowing costs	(362)	(355)
_	Bonds, deposits and retention amounts refunded	(21)	-
(4,441)	Other	(4,611)	(5,037
7,238	Net cash provided (or used in) operating activities	12,208	2,797
	Cash flows from investing activities		
	Receipts:		
_	Sale of investment securities	8,500	4,073
_	Sale of infrastructure, property, plant and equipment	138	82
_	Deferred debtors receipts	46	39
	Payments:		
_	Purchase of investment securities	(5,729)	(4,123
(8,308)	Purchase of infrastructure, property, plant and equipment	(4,275)	(2,203
(8,308)	Net cash provided (or used in) investing activities	(1,320)	(2,132)
	Cash flows from financing activities		
	Receipts:		
1,300	Proceeds from borrowings and advances	_	1,000
1,000	Payments:		1,000
(823)	Repayment of borrowings and advances	(698)	(352
477	Net cash flow provided (used in) financing activities	(698)	648
(593)	Net increase/(decrease) in cash and cash equivalents	10,190	1,313
3,555	Plus: cash and cash equivalents – beginning of year 11a	8,153	6,840
2,962	Cash and cash equivalents – end of the year 11a	18,343	8,153
	Additional Information:		
	plus: Investments on hand – end of year 6b	_	2,500
	place in recommended on the critical control of the cr		,

Please refer to Note 11 for additional cash flow information

This statement should be read in conjunction with the accompanying notes.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

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n/a - not applicable

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASBs), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

(a) Basis of preparation

(i) Background

These financial statements are general purpose financial statements, which have been prepared in accordance with:

- Australian Accounting Standards and Australian Accounting Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act (1993) and Regulation,
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

(ii) Compliance with International Financial Reporting Standards (IFRSs)

Because AASBs are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the not-forprofit sector (including local government) which are not in compliance with IFRSs, or
- (b) specifically exclude application by not-forprofit entities.

Accordingly, in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the *Local Government Act* (LGA), Regulation and Local Government Code of Accounting Practice and Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with AASBs.

(iii) New and amended standards adopted by Council

There have been no new accounting standards adopted in this year's financial statements which have had any material impact on reported financial position, performance or cash flows.

(iv) Early adoption of accounting standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2016.

For summary information relating to the effects of standards with future operative dates refer further to paragraph (ab).

(v) Basis of accounting

These financial statements have been prepared under the **historical cost convention** except for:

- certain financial assets and liabilities at fair value through profit or loss and available-forsale financial assets, which are all valued at fair value,
- (ii) the write down of any asset on the basis of impairment (if warranted), and
- (iii) certain classes of non-current assets (eg. infrastructure, property, plant and equipment and investment property) that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

(vi) Changes in accounting policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

There have also been no changes in accounting policies when compared with previous financial statements unless otherwise stated [refer Note 20 (d)].

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

(vii) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASBs).

Accordingly this requires management to exercise its judgement in the process of applying the Council's accounting policies.

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

- Estimated fair values of infrastructure, property, plant and equipment,
- (ii) Estimated remediation provisions.
- (iii) Estimated fair value of employee entitlements

Significant judgements in applying Council's accounting policies include the impairment of receivables — Council has made significant judgements about the impairment of a number of its receivables in Note 7.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to it, and specific criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the

type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

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

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets/contributed assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Revenue from contributions is recognised when the Council either obtains control of the contribution or the right to receive it, (i) it is probable that the economic benefits comprising the contribution will flow to the Council and (ii) the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3 (g).

Note 3 (g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of s94 of the *EPA Act 1979*.

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

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

A detailed note relating to developer contributions can be found at Note 17.

User charges, fees and other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

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

Sale of infrastructure, property, plant and equipment

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

Interest and rents

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

Interest income from cash and investments is accounted for using the effective interest rate at the date that interest is earned.

Dividend income

Revenue is recognised when the Council's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other Income

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

(c) Principles of consolidation

These consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

(i) The Consolidated Fund

In accordance with the provisions of section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's consolidated fund unless it is required to be held in the Council's trust fund.

The consolidated fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the consolidated fund:

General Purpose Operations

Due to their immaterial value and nature, the following Committees, Entities & Operations have been excluded from consolidation:

- Alma Oval Management Committee
- Bill Renfrew Sportsground Management Committee
- BIU Band Hall & Soccer Complex Management Committee
- ET Lamb Oval Management Committee
- Memorial Oval Management Committee
- Norm Fox Sporting Complex Management Committee
- Picton Oval Management Committee

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

(ii) The trust fund

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

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

Trust monies and property held by Council but not subject to the control of Council have been excluded from these statements.

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

Joint arrangements

Council has no interest in any joint arrangements.

Associates

Council has no interest in any associates.

County councils

Council is not a member of any county councils.

Unconsolidated structured entities

Council has no interest in any unconsolidated structured entities.

(d) Leases

All leases entered into by Council are reviewed and classified on inception date as either a finance lease or an operating lease.

Finance leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased

property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

(e) Cash and Cash Equivalents

For Statement of Cash Flows (and Statement of Financial Position) presentation purposes, cash and cash equivalents includes;

- cash on hand,
- deposits held at call with financial institutions,
- other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value, and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

incorporated into cash and cash equivalents for presentation of the Cash Flow Statement.

(f) Investments and other financial assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- financial assets at fair value through profit or loss.
- loans and receivables,
- held-to-maturity investments, and
- available-for-sale financial assets.

Each classification depends on the purpose or intention for which the investment was acquired and at the time it was acquired.

Management determines each investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

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

Financial assets at fair value through profit or loss include financial assets that are 'held for trading'.

A financial asset is classified in the 'held for trading' category if it is acquired principally for the purpose of selling in the short term.

Derivatives are classified as held for trading unless they are designated as hedges.

Assets in this category are primarily classified as current assets as they are primarily held for trading and/or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in

some cases ability) of selling the resulting receivable.

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

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

In contrast to the 'loans and receivables' classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in noncurrent 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 are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

Financial assets - reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term.

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

General accounting and measurement of financial instruments:

(i) Initial recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at 'fair value through profit or loss', directly attributable transactions costs.

Purchases and sales of investments are recognised on trade-date – the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

(ii) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value.

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

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as 'fair value through profit or loss' category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as 'available-for-sale' are recognised in equity in the available-for-sale investments revaluation reserve.

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

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

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

(iii) Types of investments

Council has an approved Investment Policy in order to invest in accordance with (and to comply with) section 625 of the *Local Government Act* and s212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its Investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (eg. managed funds, CDOs, and equity linked notes), however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

(g) Fair value estimation – financial instruments

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding rates and annual charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off in accordance with Council's policy.

A provision for impairment (i.e. an allowance account) relating to receivables is established when objective evidence shows that Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the Income Statement.

(i) Inventories

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

(ii) Inventory held for distribution

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

(iii) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made.

Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(j) Infrastructure, property, plant and equipment (I,PP&E)

Acquisition of assets

Council's non-current assets are continually revalued (over a 5-year period) in accordance with the fair valuation policy as mandated by the Office of Local Government.

At balance date, the following classes of I,PP&E were stated at their fair value:

- Investment Properties refer Note 1(p),
- Operational Land (External Valuation Valuer General effective July 2011)
- Community Land (External Valuation Valuer General effective July 2011)
- Buildings Specialised/Non Specialised (External Valuation by Scott Fullerton Valuations effective 30th June 2013)

Plant and Equipment

(as approximated by depreciated historical cost) Impaired accordingly, in accordance with Council's internal condition report.

- Roads Assets incl. roads, bridges & footpaths
 (External Valuation Australis on 30th June 2015 on Gross
 Current Replacement Value Basis)
- Drainage Assets (External Valuation Australis on 30th June 2015 on Gross Current Replacement Value Basis)
- Land Improvements

(as approximated by depreciated historical cost)

- Other Structures

(as approximated by depreciated historical cost)

- Other Assets

(as approximated by depreciated historical cost)

Initial recognition

On initial recognition, an asset's cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (i.e. date of exchange) of the asset to arrive at fair value.

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date – being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Asset revaluations (including indexation)

In accounting for asset revaluations relating to infrastructure, property, plant and equipment:

- increases in the combined carrying amounts of asset classes arising on revaluation are credited to the asset revaluation reserve,
- to the extent that a net asset class increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss,
- net decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income Statement.

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water – Rates Reference Manual.

For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5-year cycle.

Capitalisation thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

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- council land	100% Capitalised
Plant and Equipment Earthmoving and Other Major Plant Motor Vehicles and Minor Plant	> \$5,000 > \$5,000
Furniture and Fittings	> \$5,000
Parks and Recreation	
Grassed and Landscaped Areas Playground Units	> \$5,000 > \$5,000
Buildings and Other Structures	
Segmentation of Buildings Other Structures	> \$5,000 > \$5,000
Building - construction/extensions	100% Capitalised
Transport Assets	
Road Assets Sealed	> \$2,000
Road Assets Unsealed	> \$5,000
Road and Reserve Furniture	> \$5,000
Landscaping in Road Reserves	> \$5,000
Footpath Assets Kerb and Gutter Assets	> \$5,000 > \$5,000
Carpark Assets	> \$2,000
Drainage Assets	> \$5,000
Other Assets	
Irrigation and Bore Assets	> \$5,000
Fencing	> \$5,000
Other Assets	> \$5,000
Other Infrastructure Assets	
Swimming Pools	> \$5,000
Other Open Space/Recreational Assets	> \$5,000
Other Infrastructure	> \$5,000

Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight-line method in order to allocate an asset's

10 - 30 years 20 - 30 years

to be determined

Financial Statements 2016

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

cost (net of residual values) over its estimated useful

Land is not depreciated.

Transportation Assets

Estimated useful lives for Council's I,	PP & E include:
Plant and Equipment - Earthmoving and Other Major Plant - Motor Vehicles - Minor Plant - Furniture and Fittings	5 – 20 years 5 – 10 years 2 – 20 years 2 – 20 years
Parks and Recreation - Grassed and Landscaped Area - Playground Units	5 years 5 – 10 years
Buildings - Building	50 – 150 years
Segmentation of Buildings	

Segmentation of Buildings - Roof	20 - 60 years
- Fire Services	20 – 40 years
- Transportation Services	20 – 40 years
- Mechanical Services	20 – 40 years
- Floor Coverings	20 – 40 years
- Structural Shell	50 – 150 years
- Other Structures	10 – 100 years

- Sealed Surfaces	15 – 25 years
- Sealed Pavements	40 - 80 years
- Road and Reserve Furniture	5 – 50 years
- Landscaping in Road Reserves	5 years
Footpath Assets	
- Paved Surfaces	20 – 50 years
- Unsealed Surfaces	7 – 10 years

Kerb and Gutter Assets - Kerb and Gutter - Dish Crossing	40 – 80 years 80 years
Carpark Assets	
- Sealed Surfaces	15 – 25 years
- Sealed Pavements	40 – 80 years
- Unsealed Pavements	7 – 10 years

Drainage Assets	
- Pipe Length	80 - 100 years
- Pit/Access Point	30 years
- Drainage Structure	50 years
- Lined and Unlined Open Drains	80 years

Other Assets	
- Facilities and Other Structures	10 years
- Pipelines	80 – 100 years
- Pumps/Bores	20 - 40 years
- Dams/Retention Basins	80 – 120 years

All asset residual values and useful lives are reviewed and adjusted (if appropriate) at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount - refer Note 1 (s) on asset impairment.

Disposal and derecognition

- Irrigation and Bore Assets

- Other Assets

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

(k) Land

Land (other than land under roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either operational or community.

This classification of land is disclosed in Note 9 (a).

(I) Land under roads

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

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

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

(m) Intangible assets

Council has not classified any assets as intangible.

(n) Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council.

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

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

Representations are currently being sought across state and local government to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

(o) Rural fire service assets

Under section 119 of the Rural Fires Act 1997, 'all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed'.

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to exclude the assets, their values and depreciation charges from these financial statements.

(p) Investment property

Investment property comprises land and/or buildings that are principally held for long-term rental yields, capital gains or both, that is not occupied by Council.

Investment property is carried at fair value, representing an open-market value determined annually by external valuers.

Annual changes in the fair value of investment properties are recorded in the Income Statement as part of 'other income'.

Full revaluations are carried out every year.

(q) Provisions for close down, restoration and for environmental clean-up costs – including tips and quarries

Close down, restoration and remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations that are expected to arise from future disturbance.

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, restoration and remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the Income Statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4 (b).

Other movements in the provisions for close down, restoration and remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.

These costs are then depreciated over the lives of the assets to which they relate.

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

Provision is made for the estimated present value of the costs of environmental clean-up obligations outstanding at the balance sheet date.

These costs are charged to the Income Statement.

Movements in the environmental clean-up provisions are presented as an operating cost, except for the unwind of the discount, which is shown as a borrowing cost.

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

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example, in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Specific information about Council's provisions relating to close down, restoration and remediation costs can be found at Note 26.

(r) Non-current assets (or disposal groups) 'held for sale' and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles, which are turned over on a regular basis. Plant and motor vehicles are retained in non-current assets under the classification of infrastructure, property, plant and equipment – unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as noncurrent assets 'held for sale', an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets 'held for sale' are not depreciated or amortised while they are classified as 'held for sale'.

Non-current assets classified as 'held for sale' are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of Council that has been disposed of or is classified as 'held for sale' and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the Income Statement.

(s) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where an asset is not held principally for cashgenerating purposes (for example infrastructure assets) and would be replaced if the Council was deprived of it, then depreciated replacement cost is used as value in use, otherwise value in use is estimated by using a discounted cash flow model.

Non-financial assets (other than goodwill) that suffered a prior period impairment are reviewed for possible reversal of the impairment at each reporting date.

Goodwill and other intangible assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

(t) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year that are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

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

(v) Borrowing costs

Borrowing costs are expensed

(w) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events,
- it is more likely than not that an outflow of resources will be required to settle the obligation, and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision due to the passage of time is recognised as interest expense.

(x) Employee benefits

(i) Short-term obligations

Short-term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave expected to be wholly settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

All other short-term employee benefit obligations are presented as payables.

Liabilities for non-vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages and salaries, annual leave and vesting sick leave are all classified as current liabilities.

(ii) Other long-term obligations

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be wholly settled within the 12 months after the reporting

period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how long service leave can be taken, all long service leave for employees with 4 or more years of service has been classified as current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death.

Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels,

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the 'Local Government Superannuation Scheme – Pool B'.

This scheme has been deemed to be a 'multiemployer fund' for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

However the position is monitored annually and the actuary has estimated that as at 30 June 2016 the prior period deficit still exists.

Effective from 1 July 2009, employers are required to contribute additional contributions to assist in extinguishing this deficit.

Council's share of that deficiency cannot be accurately calculated as the scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the scheme require immediate payment to correct the deficiency.

Defined contribution plans

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

(iv) Employee benefit on-costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation and workers compensation expenses which will be payable upon the future payment of certain leave liabilities accrued as at 30/06/16.

(y) Self-insurance

Council does not self-insure.

(z) Allocation between current and non-current assets and liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if it is not expected to be settled within the next 12 months.

In the case of inventories that are 'held for trading', these are also classified as current even if not expected to be realised in the next 12 months.

(aa) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does, however, have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Goods and Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Cash Flow Statement are on a gross basis, i.e. they are inclusive of GST where applicable.

Investing and financing cash flows are treated on a net basis (where recoverable from the ATO), i.e. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows that are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

(ab) New accounting standards and Interpretations issued (not yet effective)

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2016.

Council has not adopted any of these standards early.

Apart from the AASB disclosures below, there are no other standards that are 'not yet effective' that are expected to have a material impact on Council in the current or future reporting periods and on foreseeable future transactions.

Council's assessment of the impact of upcoming new standards and interpretations that are likely to have an effect are set out below.

AASB 9 - Financial Instruments

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement and has an effective date for reporting periods beginning on or after 1 January 2018 (and must be applied retrospectively).

The overriding impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets and financial liabilities.

These requirements are designed to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories:

- fair value, and
- amortised cost (where financial assets will only be able to be measured at amortised cost when very specific conditions are met).

Council is yet to undertake a detailed assessment of the impact of AASB 9.

AASB 15 – Revenue from Contracts with Customers and associated amending standards

AASB 15 will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.

AASB 15 will introduce a 5-step process for revenue recognition with the core principle of the new standard being that entities recognise revenue so as to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

The changes in revenue recognition requirements in AASB 15 may cause changes to accounting policies relating to the timing and amount of revenue recorded in the financial statements, as well as additional disclosures.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2018

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 1. Summary of significant accounting policies (continued)

Council is yet to undertake a detailed assessment of the impact of AASB 15.

AASB ED 260 Income of Not-for-Profit Entities

The AASB previously issued exposure draft AASB ED 260 on Income of Not-for-Profit Entities in April 2015.

The exposure draft proposed specific not-for-profit entity requirements and guidance when applying the principles of AASB 15 to income from certain transactions.

Much of the material in AASB 1004 is expected to be replaced by material included in AASB ED 260.

Specific revenue items that may considerably change are Grants and Contributions.

The most likely financial statement impact is the deferred recognition of Grants and Contributions (i.e. recognition as unearned revenue [liability]) until Council has met the associated performance obligation/s relating to the Grants or Contribution.

At this stage there is no specific date of release for a standard or a date of applicability.

AASB16 - Leases

AASB 116 Leases replaces AASB 117 Leases and some associated lease-related Interpretations.

AASB 16 introduces a single lease accounting model (for lessees) that will require all leases to be accounted for on the balance sheet (ie. recognition of both a right-of-use asset and a corresponding lease) for all leases with a term of more than 12 months unless the underlying assets are determined to be of 'low value'. There will also be detailed disclosure requirements for all lessees.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2019.

Council is yet to undertake a detailed assessment of the accounting impacts from AASB 16. However, based on preliminary assessments, impacts from the first time adoption of the standard are likely to include:

- a significant increase in lease assets and financial liabilities recognised on the balance sheet
- a reduction in reported equity as the carrying amount of lease assets will reduce more quickly than the carrying amount of lease liabilities,
- lower operating cash outflows and higher financing cash flows in the statement of cash flows as principal repayments on all lease liabilities will now be included in financing activities rather than operating activities.

AASB2015-6 – Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities

From 1 July 2016, AASB 124 Related Party Disclosures will apply to Council.

This means that Council will be required to disclose information about related parties and Council transactions with those related parties.

Related parties will more than likely include the Mayor, Councillors and certain Council staff. In addition, the close family members of those people and any organisations that they control or are associated with will be classified as related parties (and fall under the related party reporting requirements).

(ac) Rounding of amounts

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

(ad) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(ae) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

ANNUAL REPORT 2015/2016

Financial Statements 2016

Broken Hill City Council

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

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

\$ '000	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(b).												
Functions/activities		from cont	•	Expenses from continuing operations			Operating result from continuing operations			Grants included in income from continuing operations		Total assets held (current & non- current)	
	Original			Original			Original						
	budget	Actual	Actual	budget	Actual	Actual	budget	Actual	Actual	Actual	Actual	Actual	Actual
	2016	2016	2015	2016	2016	2015	2016	2016	2015	2016	2015	2016	2015
Governance	_	-	_	1,331	1,012	809	(1,331)	(1,012)	(809)	_	94	4,967	6,756
Administration	72	554	264	6,252	5,374	8,495	(6,180)	(4,820)	(8,231)	_	_	11,073	10,745
Public order and safety	78	73	82	1,357	898	723	(1,279)	(825)	(641)	471	14	775	752
Health	27	23	23	232	131	211	(205)	(108)	(188)	_	_	520	504
Environment	3,606	3,366	3,158	4,454	3,069	2,613	(848)	297	545	1,360	109	91	88
Community services and education	5,932	5,562	3,835	4,791	4,384	4,739	1,141	1,178	(904)	3,537	3,509	14,800	14,363
Housing and community amenities	626	575	576	993	1,062	909	(367)	(487)	(333)	103	_	4,742	4,601
Recreation and culture	552	957	746	7,349	5,755	7,235	(6,797)	(4,798)	(6,489)	711	544	62,405	60,558
Transport and communication	2,344	2,327	1,523	2,223	5,583	4,545	121	(3,256)	(3,022)	1,010	304	152,973	148,447
Economic affairs	844	4,312	1,541	3,530	3,342	2,770	(2,686)	970	(1,229)	1,734	14	3,405	3,304
Total functions and activities	14,081	17,749	11,748	32,512	30,610	33,049	(18,431)	(12,861)	(21,301)	8,926	4,588	255,751	250,118
Share of gains/(losses) in associates													
and joint ventures (using the equity method)	_	_	_	_	_	_	_	_	_	_	_	_	_
General purpose income ¹	20,298	19,468	18,884	-	_	_	20,298	19,468	18,884	4,722	4,799	_	_
Operating result from													
continuing operations	34,379	37,217	30,632	32,512	30,610	33,049	1,867	6,607	(2,417)	13,648	9,387	255,751	250,118

^{1.} Includes: rates and annual charges (incl. ex-gratia), untied general purpose grants and unrestricted interest and investment income.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

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

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

GOVERNANCE

Costs relating to the Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance.

ADMINISTRATION

Corporate Support and Other Support Services (not otherwise attributed to the listed functions / activities).

PUBLIC ORDER AND SAFETY

Fire protection, animal control, beach control, enforcement of local government regulations, emergency services, other.

HEALTH

Inspection, immunisations, food control, health centres, other, administration.

ENVIRONMENT

Noxious plants and insect/vermin control, other environmental protection, solid waste management, street cleaning, drainage, stormwater management.

COMMUNITY SERVICES AND EDUCATION

Administration, family day care, child care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

HOUSING AND COMMUNITY AMENITIES

Housing, town planning, street lighting, other sanitation and garbage, public cemeteries, public conveniences, other community amenities.

RECREATION AND CULTURE

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

TRANSPORT AND COMMUNICATION

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RMS works, other.

ECONOMIC AFFAIRS

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, saleyards and markets, real estate development, commercial nurseries, other business undertakings.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 3. Income from continuing operations

		Actual	Actual
\$ '000	Notes	2016	2015
(a) Rates and annual charges			
(-)			
Ordinary rates			
Residential		8,154	7,964
Farmland		20	12
Mining		2,455	2,540
Business		3,320	3,232
Less: rates levied on Council properties		(93)	(87)
Total ordinary rates	_	13,856	13,661
Special rates			
Nil			
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic waste management services		2,530	2,468
Total annual charges	_	2,530	2,468
TOTAL RATES AND ANNUAL CHARGES	_	16,386	16,129
	_		

Council has used 2013 year valuations provided by the NSW Valuer General in calculating its rates.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 3. Income from continuing operations (continued)

\$ '000	Notes	Actual 2016	Actual 2015
(b) User charges and fees			
Specific user charges (per s.502 – specific 'actual use' charges)			
Waste management services (non-domestic)		709	591
Total user charges		709	591
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Animal control		50	22
Inspection services		54	53
Private works – section 67		349	879
Regulatory/ statutory fees		145	146
Section 149 certificates (EPA Act)		82	80
Section 603 certificates		29	30
Other		153	48
Total fees and charges – statutory/regulatory		862	1,258
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Airport		646	743
Art gallery		48	51
Burial fees		196	194
Community development		_	38
Community services and aged care fees		149	206
Film studio		3	2
Land development		65	53
Living desert fees		149	120
Museum		36	39
Public halls		69	83
Royalties		58	78
Swimming centre / pool		89	12
Tourism and area promotion		197	203
Waste disposal tipping fees		101	_
Other		24	46
Total fees and charges – other		1,830	1,868
TOTAL USER CHARGES AND FEES	_	3,401	3,717

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 3. Income from continuing operations (continued)

\$ '000 Notes	Actual 2016	Actual 2015
	2010	
(c) Interest and investment revenue (including losses)		
Interest		
- Interest on overdue rates and annual charges (incl. special purpose rates)	173	159
 Interest earned on investments (interest and coupon payment income) 	455	232
Fair value adjustments		
 Fair valuation movements in investments (at fair value or held for trading) 	271	43
TOTAL INTEREST AND INVESTMENT REVENUE	899_	434
Interest revenue is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	173	159
General Council cash and investments	717	265
Restricted investments/funds – external:		
Development contributions		
- Section 94	9	10
Total interest and investment revenue recognised	899	434
(d) Other revenues		
Legal fees recovery – rates and charges (extra charges)	118	_
Commissions and agency fees	54	34
Diesel rebate	20	15
Insurance claim recoveries	35	_
Sales – general	81	53
Sundry income	447	233
Sale - Shorty O'Neil Bed Licences	1,780	_
TOTAL OTHER REVENUE	2,535_	335

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 3. Income from continuing operations (continued)

	2016	2015	2016	2015
\$ '000	Operating	Operating	Capital	Capita
(e) Grants				
General purpose (untied)				
Financial assistance – general component	3,890	4,055	_	_
Financial assistance – local roads component	481	487	_	-
Pensioners' rates subsidies – general component	351_	257_		_
Total general purpose	4,722	4,799	_	_
Specific purpose				
Pensioners' rates subsidies:				
 Domestic waste management 	1	94	_	-
Aged care	3,537	3,509	_	-
Animal control	_	14	_	-
Art gallery	112	46	_	_
Economic development	20	10	2,183	_
Environmental protection	_	_	1,159	225
Heritage and cultural	23	61	_	-
Library	171	166	_	-
Living desert	_	_	2	-
Noxious weeds	7	8	_	_
Parks and reserves and horticulture	405	42	_	_
Recreation and culture	_	4	_	-
Street lighting	103	101	_	_
Transport (roads to recovery)	655	300	_	_
Transport (other roads and bridges funding)	355	4	_	_
Waste site	_	_	193	-
Other		4		_
Total specific purpose	5,389	4,363	3,537	225
Total grants	10,111	9,162	3,537	225
Grant revenue is attributable to:				
 Commonwealth funding 	5,810	6,150	_	_
– State funding	4,301	3,011	1,825	225
– Other funding	_	1	1,712	_
-	10,111	9,162	3,537	225

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 3. Income from continuing operations (continued)

\$ '000	2016 Operating	2015 Operating	2016 Capital	2015 Capital
(f) Contributions				
Developer contributions:				
(s93 & s94 - EP&A Act, s64 of the LGA):				
S 94A – fixed development consent levies	38	39		_
Total developer contributions 17	38	39		_
Other contributions:				
Aged and disabled services	82	66	_	_
Heritage/cultural	1	_	_	_
Recreation and culture	32	31	_	_
RMS contributions (regional roads, block grant)	153	181	_	296
Tourism	34	15	_	_
Other	8	2		_
Total other contributions	310	295	_	296
Total contributions	348	334		296
TOTAL GRANTS AND CONTRIBUTIONS	10,459	9,496	3,537	521

\$ '000	Actual 2016	Actual 2015
(g) Restrictions relating to grants and contributions		
Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:		
Unexpended at the close of the previous reporting period	1,000	1,410
Add: grants and contributions recognised in the current period but not yet spent:	3,879	373
Less: grants and contributions recognised in a previous reporting period now spent:	(374)	(783)
Net increase (decrease) in restricted assets during the period	3,505	(410)
Unexpended and held as restricted assets	4,505	1,000
Comprising:		
 Specific purpose unexpended grants 	4,030	572
 Developer contributions 	475	428

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1,000

4,505

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 4. Expenses from continuing operations

ė 2000	Actual	Actual
\$ '000 Notes	2016	2015
(a) Employee benefits and on-costs		
Salaries and wages	9,521	9,703
Employee termination costs (where material – other than vested leave paid)	_	2,271
Travel expenses	135	139
Employee leave entitlements (ELE)	2,521	2,473
Superannuation	1,406	1,474
Workers' compensation insurance	272	185
Fringe benefit tax (FBT)	(18)	25
Training costs (other than salaries and wages)	195	154
Other	59	46
Total employee costs	14,091	16,470
Less: capitalised costs	(315)	(446)
TOTAL EMPLOYEE COSTS EXPENSED	13,776	16,024
Number of 'full-time equivalent' employees (FTE) at year end	160	161
(b) Borrowing costs		
(i) Interest bearing liability costs Interest on loans	362	354
	362	354
Total interest bearing liability costs expensed		334
(ii) Other borrowing costs		
Discount adjustments relating to movements in provisions (other than ELE)		
- Remediation liabilities 26	66	62
Total other borrowing costs	66	62
TOTAL BORROWING COSTS EXPENSED	428	416
(c) Materials and contracts		
Raw materials and consumables	1,926	2,469
Contractor and consultancy costs	3,330	3,792
Auditor resumentian (1)	74	21
Auditors remuneration V		
	207	106
Legal expenses: - Legal expenses: debt recovery - Legal expenses: other	207 78	106 57
Legal expenses: - Legal expenses: debt recovery - Legal expenses: other Operating leases:	78	57

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 2016	Actual 2015
(c) Materials and contracts (continued)			
1. Auditor remuneration			
During the year, the following fees were incurred for services provided by the Council's Auditor:			
(i) Audit and other assurance services			
 Audit and review of financial statements: Council's Auditor 		53	21
Remuneration for audit and other assurance services		53	21
Total Auditor remuneration	_	53	21
2. Operating lease payments are attributable to:			
Fibre optic network		31	31
		31	31

	Impa	irment costs	Depreciation	Depreciation/amortisation	
	Actual	Actual	Actual	Actual	
\$ '000 Notes	2016	2015	2016	2015	
(d) Depreciation, amortisation and impa	irment				
Plant and equipment	_	_	457	452	
Office equipment	_	_	45	58	
Furniture and fittings	_	_	87	93	
Land improvements (depreciable)	_	_	(38)	_	
Infrastructure:					
 Buildings – non-specialised 	_	_	2,472	2,470	
 Buildings – specialised 	_	_	120	95	
 Other structures 	_	_	55	108	
Roads	_	_	2,801	2,032	
Footpaths	_	_	301	273	
 Stormwater drainage 	_	_	167	107	
Swimming pools	_	_	108	104	
 Other open space/recreational assets 	_	_	151	104	
Other assets					
 Library books 	_	_	7	16	
- Other	_	_	5	4	
Asset reinstatement costs 9 & 26			29	29	
TOTAL DEPRECIATION AND					
IMPAIRMENT COSTS EXPENSED			6,767	5,945	

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 4. Expenses from continuing operations (continued)

	Actual	Actual
\$ '000 Notes	2016	2015
(e) Other expenses		
Other expenses for the year include the following:		
Advertising	172	155
Bad and doubtful debts	18	120
Bank charges	56	48
Contributions/levies to other levels of government	483	462
Councillor expenses – mayoral fee	39	32
Councillor expenses – councillors' fees	180	145
Donations, contributions and assistance to other organisations (Section 356)	137	130
Electricity and heating	478	542
Insurance	799	812
Internet access	15	27
Investment fees	5	5
Postage	78	63
Printing and stationery	51	62
Promotion	45	21
Street lighting	296	301
Subscriptions and publications	145	194
Telephone and communications	138	110
Water charges and consumption	526	651
Other	178	286
TOTAL OTHER EXPENSES	3,839	4,166

Note 5. Gains or losses from the disposal of assets

Plant and equipment		
Proceeds from disposal – plant and equipment	137	82
Less: carrying amount of plant and equipment assets sold/written off	(120)	(104)
Net gain/(loss) on disposal	17	(22)
Infrastructure		
Proceeds from disposal – infrastructure	1	_
Less: carrying amount of infrastructure assets sold/written off	(172)	
Net gain/(loss) on disposal	(171)	
Financial assets		
Proceeds from disposal/redemptions/maturities – financial assets	8,500	4,073
Less: carrying amount of financial assets sold/redeemed/matured	(8,500)	(4,073)
Net gain/(loss) on disposal		
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS	(154)	(22)
		page 36

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Balance at the beginning of the year

Disposals (sales and redemptions)

Balance at end of year

- Long term deposits

Additions

Comprising:

Total

Note 6a. – Cash assets and Note 6b. – investments

÷ 1000		2016 Actual	2016 Actual	2015 Actual	2015 Actua
\$ '000	Notes	Current	Non-current	Current	Non-currer
Cash and cash equivalents (Note 6a	a)				
Cash on hand and at bank	^)	1,843	_	2,653	
Cash-equivalent assets ¹		1,010		2,000	
Short-term deposits		16,500	_	5,500	
Total cash and cash equivalents		18,343	_	8,153	
Investments (Note 6b)					
- Long term deposits				2,500	
Total investments					
TOTAL CASH ASSETS, CASH				2,500	
<u>FOTAL CASH ASSETS, CASH</u> EQUIVALENTS AND INVESTMENT	rs	18,343	_	10,653	
Those investments where time to maturity (from date		ase) is < 3 mths.			
Cash, cash equivalents and investments classified at year end in accordance with AASB 139 as follows:					
Cash and cash equivalents				- 0.450	
a. 'At fair value through the profit and loss'		18,343		8,153	
nvestments					
a. 'Held to maturity'	6(b-i)	_	_	2,500	
nvestments			_	2,500	
Note 6(b-i) Reconciliation of investments classified as 'held to maturity'					
olussified as field to maturity		0.500		4 = 0.0	

2,500

(2,500)

Refer to Note 27. Fair value measurement for information regarding the fair value of investments held.

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1,500

1,000

2,500

2,500

2,500

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

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

		2016	2016	2015	2015
		Actual	Actual	Actual	Actual
\$ '000		Current	Non-current	Current	Non-curren
Total cash, cash equivalents					
and investments		18,343		10,653	
and investments		10,343		10,653	
attributable to:					
External restrictions (refer below)		8,037	_	4,047	-
Internal restrictions (refer below)		5,046	_	1,362	-
Unrestricted		5,260	_	5,244	-
		18,343	_	10,653	
2016		Opening	Transfers to	Transfers from	Closing
\$ '000		balance	restrictions	restrictions	balance
External restrictions – included in liabilit Bonds reserve External restrictions – included in liabilit		45			4!
External restrictions – included in liabilit	ties	45_			45
External restrictions – other					
Developer contributions – general	(D)	428	47	_	475
Specific purpose unexpended grants	(F)	572	3,458	_	4,030
Domestic waste management	(G)	2,639	459	_	3,098
Royalties		363	63	(37)	389
External restrictions – other		4,002	4,027	(37)	7,992
Total external restrictions		4,047	4,027	(37)	8,037
Internal restrictions					
Infrastructure replacement		21	_	-	2
Employees leave entitlement		949	_	(27)	922
Plant purchase reserve		82	811	_	893
Security bonds, deposits and retentions		69	_	(30)	39
Other (Innovation reserve		_	700	_	700
Other (Infrastructure replacement		_	2,000	_	2,000
Other (Regional Aquatic Centre Reserve)		-	89	_	8
Other		241	141		382
Total internal restrictions		1,362	3,741	(57)	5,040
TOTAL RESTRICTIONS		5,409	7,768	(94)	13,083

D Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1 (b))

G Water, sewerage, domestic waste management (DWM) and other special rates/levies/charges are externally restricted assets and must be applied for the purposes for which they were raised.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 7. Receivables

	20	16	20	2015	
\$ '000 Notes	Current	Non-current	Current	Non-current	
Purpose					
Rates and annual charges	1,704	_	2,069	_	
Interest and extra charges	385	_	542	_	
User charges and fees	710	_	436	_	
Accrued revenues					
 Interest on investments 	66	_	21	_	
 Other income accruals 	177	_	210	_	
Deferred debtors	43	143	46	186	
Net GST receivable	_	_	73	_	
Total	3,085	143	3,397	186	
Less: provision for impairment					
Rates and annual charges	(137)	_	(495)	_	
User charges and fees	(160)	_	(148)	_	
Total provision for impairment – receivables	(297)	_	(643)	_	
TOTAL NET RECEIVABLES	2,788	143	2,754	186	
Externally restricted receivables Nil Internally restricted receivables Nil					
Unrestricted receivables	2,788	143	2,754	186	
TOTAL NET RECEIVABLES	2,788	143	2,754	186	

Notes on debtors above:

- (i) Rates and annual charges outstanding are secured against the property.
- (ii) Doubtful rates debtors are provided for where the value of the property is less than the debt outstanding.

 An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates and charges at 8.50% (2015 8.50%). Generally all other receivables are non-interest bearing.
- (iv) Please refer to Note 15 for issues concerning credit risk and fair value disclosures.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 8. Inventories and other assets

		20	16	20	115
\$ '000	lotes	Current	Non-current	Current	Non-current
(a) Inventories					
(i) Inventories at cost				00	
Trading stock		77		86_	
Total inventories at cost		77		86_	
(ii) Inventories at net realisable value (NR Nil	RV)				
TOTAL INVENTORIES		77		86	_
(b) Other assets					
Prepayments		330		153	
TOTAL OTHER ASSETS		330	_	153	_

Externally restricted assets

There are no restrictions applicable to the above assets.

Other disclosures

Inventory write downs

There were no amounts recognised as an expense relating to the write down of inventory balances held during the year.

Refer to Note 27. Fair value measurement for information regarding the fair value of other assets held.

Broken Hill City Council

Financial Statements 2016

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 9a. Infrastructure, property, plant and equipment

s :000	0.0000000000000000000000000000000000000				Asset movements during the reporting period				1=1140104.5-813							
	as at 30/6/2015			Additions A	Additions Carrying	Degreciation Adjustme	Adjustments	Revuluation to increments	as at 30/6/2016							
	At cost f	At Eair value	Accumulated		Carrying		rivina discontra	value of disposals	expense	and transfers	to equity	At	At	Accumulated		Carrying
			depreciation	impairment	value		22,000,000,000	Or tesposies.	TATELLINE	The late of the second	(ARR)	cost	fair value	depreciation	impairment	value
Capital work in progress	1,164	-	-	-	1,164	(419)	-		-		-	745		-	-	745
Plant and equipment		9,883	6,979	23	2,904	100	835	(120)	(457)	499	-		10,873	7,211		3,662
Office equipment	-	1,326	1,224		102	-	100	1100	(45)	-	-	-	1,326	1,269		57
Furniture and fittings	-	1,472	1,001	2	471	-	-	-	(87)	-		_	1,472	1,088	- 2	384
Land:																
- Operational land	-	5,202	1-	-	5,202		697	(5)		93	-	-	5,986	-		5,986
- Community land		3,999	-		3,999	-	-	12	-	-	-	-	3,999	-	-	3,999
Land improvements – depreciable	-	-	12	2	-	-	- 2		38	(38)	-	-		-	- 2	
Infrastructure:		www.co.co.co.co.co.co.co.co.co.co.co.co.co.	200000				1,000			0,00				0.0000		
- Buildings - non-specialised	-	133,682	74,013	-	59,669	-	1,132	-	(2,472)	-		-	134,814	76,485	-	58,329
- Buildings - specialised	-	2,858	1,160	-	1,698	-	-	(24)	(120)	442	-	-	3,778	1,782		1,996
- Other structures	-	8,423	1,397	-	7,026			(3)	(55)	(1,035)	-	-	6,630	697	-	5,933
- Roads	-	162,217	44,839		117,378	517	1,223	(4)	(2,801)	28	-	-	164,001	47,656	- 2	116,345
- Footpaths	-	11,754	4,070	-	7,684	-	-	84	(301)	-		-	11,754	4,371	-	7,383
- Stormwater drainage		12,353	3,538	23	8,815	-	44	72	(167)		-	-	12,397	3,705	- 2	8,692
- Swimming pools	1-0	10,472	1,564		8,908	-	- C	5.40	(108)	-		-	10,472	1,672	- 20	8,800
- Other open space/recreational assets	-	2,452	871	2	1,581	-	189	(140)	(151)	-	-		2,424	946	- 2	1,478
Other assets:		27.75	Accessor.											2-000		
- Library books		352	345		.7	-		-	(7)	-	-	-	352	352	-	5.5
- Art	-	9,131		-	9,131	+	-	-	-	11	568	-	9,756	48	-	9,708
- Other	-	278	220	123	58	-	-		(5)	-	-	-	278	223	-	55
Reinstatement, rehabilitation and restoration assets (refer Note 26):		100,000	5.500										225			
- Tip assets	-	902	413		489	-	5.20	2.2	(29)	57	-	_	959	441	23	518
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIP.	1,164	376,756	141,634		236,286	98	4,120	(292)	(6,767)	57	568	745	381,271	147,946		234,070

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

Refer to Note 27. Fair value measurement for information regarding the fair value of other infrastructure, property, plant and equipment.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 9b. Externally restricted infrastructure, property, plant and equipment

\$ '000			tual				tual	
Class of asset	At	At	A/Dep &	Carrying	At	At	15 A/Dep &	Carrying
	cost	fair value	impairm't	value	cost	fair value	impairm't	value
Domestic waste management								
Plant and equipment	2,962	_	2,040	922	3,051		2,002	1,049
Land								
- Operational land	-	228	-	228	-	135	_	135
Buildings	-	2,161	508	1,653	-	1,493	462	1,031
Other assets	987	_	465	522	1,188	_	496	692
Total DWM	3,949	2,389	3,013	3,325	4,239	1,628	2,960	2,907
TOTAL RESTRICTED I,PP&E	3,949	2,389	3,013	3,325	4,239	1,628	2,960	2,907

Note 9c. Infrastructure, property, plant and equipment – current year impairments

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

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 10a. Payables, borrowings and provisions

	20	16	2015		
\$ '000 Note:	s Current	Non-current	Current	Non-current	
Payables					
Goods and services – operating expenditure	1,278	_	1,870	_	
Payments received In advance	803	_	781	_	
Accrued expenses:					
- Borrowings	16	_	16	_	
 Salaries and wages 	146	_	376	_	
Other expenditure accruals	104	_	60	_	
Bonds	45	_	45	_	
Security bonds, deposits and retentions	48	_	69	_	
Total payables	2,440	_	3,217	_	
Borrowings					
Loans – secured 1	731	5,126	615	5,940	
Total borrowings	731	5,126	615	5,940	
Provisions					
Employee benefits:					
Annual leave	1,462	_	1,627	_	
Sick leave	109	_	105	_	
Long service leave	2,286	717	2,338	626	
Time in lieu	39	_	50	_	
Sub-total – aggregate employee benefits	3,896	717	4,120	626	
Asset remediation/restoration (future works) 26	_	1,087	_	1,021	
Total provisions	3,896	1,804	4,120	1,647	
TOTAL PAYABLES, BORROWINGS					
AND PROVISIONS	7,067	6,930	7,952	7,587	
(i) Liabilities relating to restricted assets					
	20	16	20	15	
	Current	Non-current	Current	Non-current	
Externally restricted assets					
Bonds	45		45	_	
Liabilities relating to externally restricted assets	45	_	45		
Internally restricted assets Nil					
Total liabilities relating to restricted assets	45	_	45	_	
Total liabilities relating to unrestricted assets	7,022	6,930	7,907	7,587	
TOTAL PAYABLES, BORROWINGS AND					

^{1.} Loans are secured over the general rating income of Council Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 15.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 10a. Payables, borrowings and provisions (continued)

\$ '000	Actual 2016	Actual 2015
(ii) Current liabilities not anticipated to be settled within the next twelve months		
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	963	1,269
_	963	1,269

Note 10b. Description of and movements in provisions

	2015			2016		
Class of provision	Opening balance as at 1/7/15	Additional provisions	Decrease due to payments	Remeasurement effects due to discounting	Unused amounts reversed	Closing balance as at 30/6/16
Annual leave	1,627	(165)	_	_	_	1,462
Sick leave	105	4	_	_	_	109
Long service leave	2,964	39	_	_	_	3,003
Time in lieu	50	(11)	_	_	_	39
Asset remediation	1,021	66	_	_	_	1,087
TOTAL	5,767	(67)	_	_	_	5,700

a. Employees leave entitlements and on-costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

b. Asset remediation, reinstatement and restoration provisions represent the present value estimate of future costs Council will incur in order to remove, restore and remediate assets and/or activities as a result of past operations.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 11. Statement of cash flows – additional information

\$ '000	Notes	Actual 2016	Actual 2015
φ 000	Notes	2010	2013
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6a	18,343	8,153
Less bank overdraft	10		
Balance as per the Statement of Cash Flows	-	18,343	8,153
(b) Reconciliation of net operating result to cash provided from operating activities			
to cash provided from operating activities			
Net operating result from Income Statement		6,607	(2,417)
Adjust for non-cash items:			
Depreciation and amortisation		6,767	5,945
Net losses/(gains) on disposal of assets		154	22
Losses/(gains) recognised on fair value re-measurements through	the P&L:		
 Investments classified as 'at fair value' or 'held for trading' 		(271)	(43)
Unwinding of discount rates on reinstatement provisions		66	62
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		309	177
Increase/(decrease) in provision for doubtful debts		(346)	120
Decrease/(increase) in inventories		9	252
Decrease/(increase) in other assets		(177)	5
Increase/(decrease) in payables		(592)	766
Increase/(decrease) in accrued interest payable		_	(1)
Increase/(decrease) in other accrued expenses payable		(186)	(950)
Increase/(decrease) in other liabilities		1	(371)
Increase/(decrease) in employee leave entitlements		(133)	(770)
Net cash provided from/(used in)			
operating activities from the Statement of Cash Flows	_	12,208	2,797

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 11. Statement of cash flows – additional information (continued)

\$ '000	Notes	Actual 2016	Actual 2015
(c) Non-cash investing and financing activities			
Nil			
(d) Financing arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Credit cards/purchase cards		73	78
Total financing arrangements		73	78
Amounts utilised as at balance date: – Credit cards/purchase cards		25	8
Total financing arrangements utilised		25	8
(ii) Secured Ioan liabilities Loans are secured by a mortgage over future years rate revenue	only.		

Note 12. Commitments for expenditure

(a) Capital commitments (exclusive of GST)

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

Property, plant and equipment		
Infrastructure	4,515	_
Plant and equipment	256	258
Total commitments	4,771	258
These expenditures are payable as follows:		
Within the next year	4,771_	258
Total payable	4,771	258
Sources for funding of capital commitments:		
Externally restricted reserves	_	258
Internally restricted reserves	4,771_	
Total sources of funding	4,771	258

Details of capital commitments

Waste compactor for domestic waste

(b) Finance lease commitments

Nil

(c) Operating lease commitments (non-cancellable)

Nil

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 13a(i). Statement of performance measurement – indicators (consolidated)

	Amounts	Indicator	Prior p	eriods
\$ '000	2016	2016	2015	2014
Local government industry indicators – co	nsolidated			
Operating performance ratio Total continuing operating revenue (1) excluding capital grants and contributions less operating expenses Total continuing operating revenue (1) excluding capital grants and contributions	2,953 33,409	8.84%	-9.84%	-27.99%
2. Own source operating revenue ratio Total continuing operating revenue (1) excluding all grants and contributions Total continuing operating revenue (1)	22,950 36,946	62.12%	67.25%	68.41%
3. Unrestricted current ratio Current assets less all external restrictions (2) Current liabilities less specific purpose liabilities (3, 4)	13,501 6,059	2.23x	1.45x	1.43x
4. Debt service cover ratio Operating result (1) before capital excluding interest and depreciation/impairment/amortisation Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	10,148 1,126	9.01x	4.43x	-0.13x
5. Rates, annual charges, interest and extra charges outstanding percentage Rates, annual and extra charges outstanding Rates, annual and extra charges collectible	1,952 18,793	10.39%	11.60%	10.20%
6. Cash expense cover ratio Current year's cash and cash equivalents plus all term deposits Payments from cash flow of operating and financing activities	18,343 2,221	8.26 mths	4.3 mths	2.9 mths

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any real estate and land for resale not expected to be sold in the next 12 months.

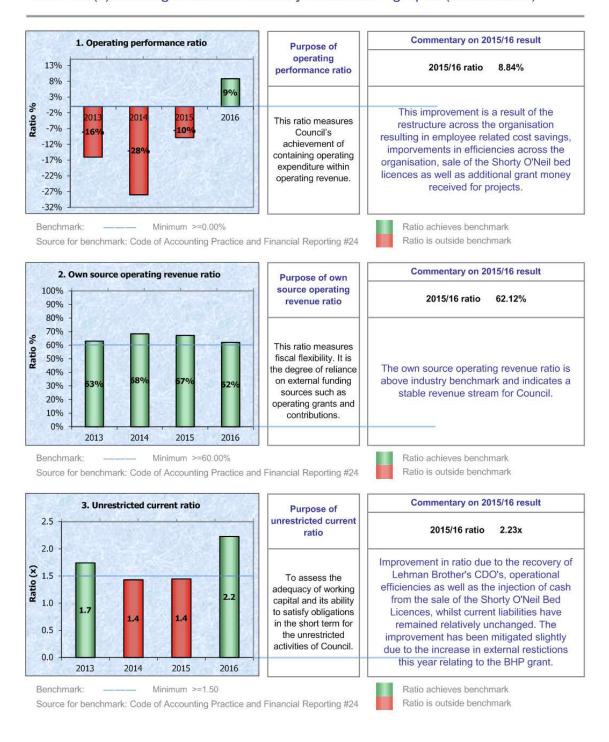
⁽³⁾ Refer to Note 10(a).

⁽⁴⁾ Refer to Note 10(a)(ii) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 13a(ii). Local government industry indicators - graphs (consolidated)

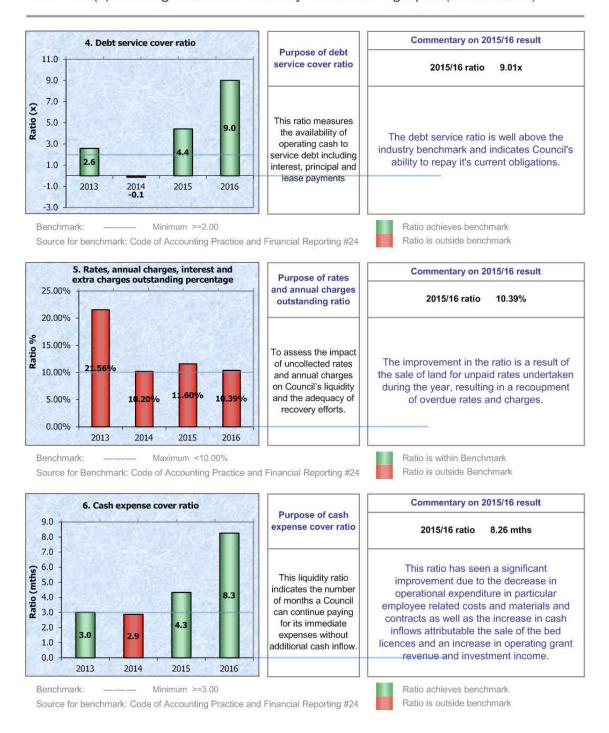


Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 13a(ii). Local government industry indicators - graphs (consolidated)



Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 14. Investment properties

\$ '000

Council has not classified any land or buildings as 'investment properties'.

Note 15. Financial risk management

Risk management

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

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

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

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

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

	Carrying value		Fair v	alue
	2016	2015	2016	2015
Financial assets				
Cash and cash equivalents	18,343	8,153	18,343	8,153
Investments				
- 'Held to maturity'	_	2,500	_	2,500
Receivables	2,931	2,940	2,931	2,940
Total financial assets	21,274	13,593	21,274	13,593
Financial liabilities				
Payables	1,637	2,436	1,637	2,436
Loans/advances	5,857_	6,555	5,857	6,555
Total financial liabilities	7,494	8,991	7,494	8,991

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables are estimated to be the carrying value that approximates market value.
- Borrowings and held-to-maturity investments are based upon estimated future cash flows discounted by the current
 mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) 'at fair value through profit and loss' or (ii) 'available-for-sale' are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27. Fair value measurement for information regarding the fair value of financial assets and liabilities.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 15. Financial risk management (continued)

\$ '000

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

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and Minister's investment order. This policy is regularly reviewed by Council and it's staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

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

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

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

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

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of val	ues/rates	Decrease of va	lues/rates
2016	Profit	Equity	Profit	Equity
Possible impact of a 10% movement in market values	_	_	_	_
Possible impact of a 1% movement in interest rates	43	43	(43)	(43)
2015				
Possible impact of a 10% movement in market values	_	_	_	_
Possible impact of a 1% movement in interest rates	_	_	_	_

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 15. Financial risk management (continued)

\$ '000

(b) Credit risk

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

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

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

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

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

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

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

A profile of Council's receivables credit risk at balance date follows:

		2016	2016	2015	2015
		Rates and		Rates and	
		annual	Other	annual	Other
		charges	receivables	charges	receivables
(i) Ageing of receivables	- %				
Current (not yet overdue)		0%	46%	0%	49%
Overdue		100%	54%	100%	51%
		100%	100%	100%	100%
		Rates and		Rates and	
(ii) Ageing of receivables	s – value	annual	Other	annual	Other
Rates and annual charges	Other receivables	charges	receivables	charges	receivables
Current	Current	_	695	_	746
< 1 year overdue	0 – 30 days overdue	1,704	829	2,069	768
		1,704	1,524	2,069	1,514
(iii) Movement in provisi	on for impairment			2016	2015
Balance at the beginning of	of the year			643	523
+ new provisions recognis	ed during the year			12	120
- amounts already provide	ed for and written off this ye	ear		(358)	
Balance at the end of the	e year			297	643

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 15. Financial risk management (continued)

\$ '000

(c) Liquidity risk

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

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

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

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Subject							Total	Actual
	to no			payal	ole in:			cash	carrying
	maturity	≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs	outflows	values
2016									
Trade/other payables	48	1,589	_	_	_	_	_	1,637	1,637
Loans and advances		1,060	1,060_	706_	606	573_	1,883	5,888	5,857
Total financial liabilities	48_	2,649	1,060	706_	606	573_	1,883	7,525	7,494
2015									
Trade/other payables	69	2,018	_	_	_	_	_	2,087	2,436
Loans and advances		1,060	1,060	1,060	706	639	3,237	7,762	6,555
Total financial liabilities	69	3,078	1,060	1,060	706	639	3,237	9,849	8,991

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

The following interest rates were applicable	20	16	2015		
to Council's borrowings at balance date:	Carrying	Average	Carrying	Average	
	value	interest rate	value	interest rate	
Trade/other payables	1,637	0.00%	2,436	0.00%	
Loans and advances – fixed interest rate	5,426	5.97%	6,009	5.87%	
Loans and advances – variable interest rate	431	3.84%	546	3.58%	
	7.494		8,991		

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 16. Material budget variations

\$ '000

Council's original financial budget for 15/16 was adopted by the Council on 15 June 2016.

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

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

Note that for variations* of budget to actual:

Material variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable budget variation, **U** = Unfavourable budget variation

\$ '000	2016 Budget	2016 Actual	2016 Variance*			
User charges and fees	3,087	3,401	314	10%	F	
Higher than expected private works income from in the expected use of Council's facilities has had		0	ne year, as we	ll as an inc	rease	
Interest and investment revenue	395	899	504	128%	F	
Increased cash was avalaible for investment due the recovery of Lehman Brother CDO's.	to sale of Shorty O'Ne	eil bed licences,	additional gra	nt money a	nd	
Other revenues	309	2,535	2,226	720%	F	
Sale of Shorty O'Neil Bed Licences for \$1.8M, wa	as not budgeted for.					
Operating grants and contributions	9,106	10,459	1,353	15%	F	
Additional grant money was received for local and remediation project.	d state road maintenar	nce as well as g	rant money for	r a dam		
Capital grants and contributions	5,200	3,537	(1,663)	(32%)	U	
Civic Centre restoration grant of \$5m was budget Remainder of grant will be received in 16/17. The grant partly received during the year which was n	impact of the Civic Ce					

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 16. Material budget variations (continued)

	2016	2016	2016		
\$ '000	Budget	Actual	Var	iance*	
EXPENSES					
Employee benefits and on-costs	15,436	13,776	1,660	11%	F
Favourable variance due to ongoing savings fro positions throughout the year.	m the organisation restr	ructure as well a	s savings fron	n vacant	
Depreciation and amortisation	6,124	6,767	(643)	(10%)	U
Change in depreciation method for infrastructure increased rate of depreciation. These changes was a second control of the change of the chang		0	doption which	resulted ir	n an
Other expenses	4,578	3,839	739	16%	F
	ices has resulted in effic				

Budget variations relating to Council's Cash Flow Statement include:

Cash flows from operating activities	7,238	12,208	4,970	68.7%	F
A reduction in employee related costs has resulted in s	ignificant improv	ements as well a	s the addition	nal income	
received from the sale of the Shorty O'Neil bed licences	s and additional	investment incon	ne due to incr	eased cash	

received from the sale of the Shorty O'Neil bed licences and additional investment income due to increased cash reserves, better investment management and recovery of Lehman Brother CDO's.

Cash flows from investing activities	(8,308)	(1,320)	6,988	(84.1%)	F
Planned capital expenditure, specifically the purcha the year which has resulted in less cash outflow.	se of additional fleet a	and plant, was	not fully carr	ried out durir	ıg
Cash flows from financing activities	477	(698)	(1,175)	(246.3%)	U

A loan planned for the purchase of additional plant and fleet was not drawn down during the year due to a better financial position as well as not purchasing the full budgeted plant items. This has resulted in an unfavourable cash flow.

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Notes to the Financial Statements

for the year ended 30 June 2016

Note 17. Statement of developer contributions

\$ '000

Council recovers contributions, raises levies and enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions and levies and the value of all remaining funds which are 'restricted' in their future use.

SUMMARY OF CONTRIBUTIONS AND LEVIES

		Contrib	outions	Interest	Expenditure	Internal	Held as	Cumulative internal
PURPOSE	Opening	received du	ring the year	earned	during	borrowing	restricted	borrowings
	balance	Cash	Non-cash	in year	year	(to)/from	asset	due/(payable)
S94A levies – under a plan	428	38	_	9	_	-	475	_
Total S94 revenue under plans	428	38	_	9	_	_	475	_
Total contributions	428	38	_	9	_	_	475	_

S94A LEVIES – UNDER A PLAN

PURPOSE	Opening balance	Contrib received du Cash	outions ring the year Non-cash	Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
Aged Care Facility	428	38	_	9	_	_	475	_
Total	428	38	_	9	_	_	475	-

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Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 18. Contingencies and other assets/liabilities not recognised

\$ '000

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

LIABILITIES NOT RECOGNISED:

1 Guarantees

(i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The schemes most recent full actuarial review indicated that the net assets of the scheme were not sufficient to meet the accrued benefits of the schemes defined benefit member category with member councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from it's defined benefit scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable – similar to the accounting for defined contributions plans.

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

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

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

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

(iv) Other guarantees

Council has provided no other guarantees other than those listed above

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2016

Note 18. Contingencies and other assets/liabilities not recognised (continued)

\$ '000

LIABILITIES NOT RECOGNISED (continued):

2. Other liabilities

(i) Third party claims

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

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

(ii) S94 plans

Council levies section 94/94A contributions upon various development across the Council area through the required contributions plans.

As part of these plans, Council has received funds for which it will be required to expend the monies in accordance with those plans.

As well, these plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's general funds.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent Council's intention to spend funds in the manner and timing set out in those plans.

ASSETS NOT RECOGNISED:

(i) Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

(ii) Infringement Notices/Fines

Fines & Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau.

Councils Revenue Recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at Year End, there is a potential asset due to Council representing issued but unpaid Infringement Notices.

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

Note 19. Interests in other entities

Council has no interest in any controlled entities, joint arrangements or associates.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 20. Retained earnings, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

\$ '000	Notes	Actual 2016	Actual 2015
(a) Retained earnings			
Movements in retained earnings were as follows:			
Balance at beginning of year (from previous years audited accounts)		114,482	116,731
a. Correction of prior period errors	20 (c)	_	168
b. Net operating result for the year		6,607	(2,417)
Balance at end of the reporting period		121,089	114,482
(b) Revaluation reserves			
(b) Nevaldation reserves			
(i) Reserves are represented by:			
 Infrastructure, property, plant and equipment revaluation reserve 		120,665	120,097
Total		120,665	120,097
(ii) Reconciliation of movements in reserves:			
Infrastructure, property, plant and equipment revaluation reserv	е		
 Opening balance 		120,097	140,314
 Revaluations for the year 	9(a)	568	(20,049)
 Correction of prior period errors 	20(c)		(168)
– Balance at end of year		120,665	120,097
TOTAL VALUE OF RESERVES		120,665	120,097

(iii) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

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

(c) Correction of error/s relating to a previous reporting period

Council made a correction to the prior periods revaluation reserve for 168K. This was to recognise the disposal of assets that occurred in the prior year, but had not been written out of revaluation reserve.

(d) Voluntary changes in accounting policies

Council updated it's Asset Accounting Policy. This changed the useful lives and capitalisation values for certain asset groups. This had no material impact on Council's Statements.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 21. Financial result and financial position by fund

\$ '000

Council utilises only a general fund for its operations.

Note 22. 'Held for sale' non-current assets and disposal groups

Council did not classify any non-current assets or disposal groups as 'held for sale'.

Note 23. Events occurring after the reporting date

Events that occur between the end of the reporting period (30 June 2016) and the date when the financial statements are 'authorised for issue' have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable 'authorised for issue' date relating to these General Purpose Financial Statements.

Accordingly, the 'authorised for issue' date is 17/10/16.

Events that occur after the reporting period represent one of two types:

(i) Events that provide evidence of conditions that existed at the reporting period

These financial statements (and the figures therein) incorporate all 'adjusting events' that provided evidence of conditions that existed at 30 June 2016.

(ii) Events that provide evidence of conditions that arose after the reporting period

These financial statements (and figures therein) do not incorporate any 'non-adjusting events' that have occurred after 30 June 2016 and which are only indicative of conditions that arose after 30 June 2016.

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

Note 24. Discontinued operations

Council has not classified any of its operations as 'discontinued'.

Note 25. Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Council is unaware of any control over intangible assets that warrant recognition in the financial statements, including either internally generated and developed assets or purchased assets.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 26. Reinstatement, rehabilitation and restoration liabilities

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

	Estimated		
	year of	NPV o	of provision
Asset/operation	restoration	2016	2015
Landfill site	2030	1,087	1,021
Balance at end of the reporting period	10(a)	1,087	1,021

Under AASB 116 – Property, Plant and Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 – Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Reconciliation of movement in provision for year:

Balance at beginning of year	1,021	959
Amounts capitalised to new or existing assets:		
Amortisation of discount (expensed to borrowing costs)	66	62
Total – reinstatement, rehabilitation and restoration provision	1,087	1,021

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 27. Fair value measurement

\$ '000

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

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

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

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

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

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

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

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

	Fair value n	t hierarchy		
2016	Level 1	Level 2	Level 3	Total
	Quoted	Significant	Significant	
Recurring fair value measurements	prices in	observable	unobservable	
	active mkts	inputs	inputs	
Infrastructure, property, plant and equipment				
Plant and equipment	_	_	3,662	3,662
Office equipment	_	_	57	57
Furniture and fittings	_	_	384	384
Operational land	_	_	5,986	5,986
Community land	_	_	3,999	3,999
Buildings – non-specialised	_	_	58,329	58,329
Buildings – specialised	_	_	1,996	1,996
Other structures	_	_	5,933	5,933
Roads	_	_	116,345	116,345
Footpaths	_	_	7,383	7,383
Stormwater drainage	_	_	8,692	8,692
Swimming pools	_	_	8,800	8,800
Open spaces and other recreation	_	_	1,478	1,478
Library books	_	_	_	_
Art	_	_	9,708	9,708
Other	_	_	55	55
Tip remediation	_	_	518	518
Total infrastructure, property, plant and equipment	_	_	233,325	233,325

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values: (continued)

, ,	Fair value n	t hierarchy]	
2015	Level 1	Level 2	Level 3	Total
	Quoted	Significant	Significant	
Recurring fair value measurements	prices in	observable	unobservable	
	active mkts	inputs	inputs	
Financial assets				
Investments				
 - 'Designated at fair value on initial recognition' 			2,500	2,500
Total financial assets			2,500	2,500
Infrastructure, property, plant and equipment			0.004	
Plant and equipment	_	_	2,904	2,904
Office equipment	_	_	102	102
Furniture and fittings	_	_	471	471
Operational land	_	_	5,202	5,202
Community land	_	_	3,999	3,999
Buildings – non-specialised	_	_	59,669	59,669
Buildings – specialised	_	_	1,698	1,698
Other structures	_	_	7,026	7,026
Roads	_	_	117,378	117,378
Footpaths	_	_	7,684	7,684
Stormwater drainage	_	_	8,815	8,815
Swimming pools	_	_	8,908	8,908
Open spaces and other recreation	_	_	1,581	1,581
Library books	_	_	7	7
Art	_	_	9,131	9,131
Other	_	_	58	58
Tip remediation			489	489
Total infrastructure, property, plant and equipment	_	_	235,122	235,122

(2) Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values

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

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

Financial assets

Council has invested in financial assets including term deposits.

Council values these assets at fair value based on valuations provided at the end of each month and year end that are prepared by external industry experts in the finance field.

Although there are markets for these financial assets, they have been deemed by Council to be inactive and as such these assets have been classified as level 3. Valuation techniques remained the same for the reporting period.

Infrastructure, property, plant and equipment (IPP&E)

Community land

Assets within the "Community Land" class are:

- Council owned land and
- Care Control Management land [Crown] of which Council derives current and future economic benefits arising from the use of the land asset.

Council's community land is valued on the Unimproved Capital Value (UCV), provided by the Valuer General. Currently all Council assets in this asset class are based on UCV, however, should Council have an asset in future for which an UCV is not provided, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

Operational land

Council's operational land includes all of Council's land classified as operational land under Local Government Act 1993.

Council's operational land is valued using a modelled market based valuation process.

Currently all Council assets in this asset class are based on a modelled market based valuation process,

however, should Council have an asset in future for which this valuation process is not available,

the replacement cost will be used. Replacement cost will be based on average

unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

Stormwater drainage

and residual value.

The Stormwater Drainage asset class consists of Council's pits and Culverts. Australis completed the valuation of these assets using replacement cost approach and the last valuation was completed in June 2015. Replacement costs (unit rates) and useful lives for Stormwater Drainage assets were determined through professional judgement on behalf of Australis, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on asset location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life,

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Infrastructure, property, plant and equipment (IPP&E) (continued)

Other structure

Council's other structure assets comprise of fences, flagpoles, monuments and the like.

Council engaged Scott Fullarton to value all buildings, structures and shelters in 2013.

The valuation methodology adopted was based on current replacement cost of the asset.

Replacement costs (unit rate) and useful lives of Council's other structure assets were determined using technical knowledge from council staff (engineers and asset management) and external valuers. Other significant inputs considered in the valuation of these assets are condition rating, remaining useful life, pattern of consumption, dimensions, components and residual value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Buildings - non specialised and specialised

Council engaged Scott Fullarton to value all buildings and shelters in 2013. The valuation methodology adopted was based on current replacement cost of the asset.

The valuation aspects are generally, but not limited to the location, size, condition,

style and utility of the asset. Replacement cost, asset condition, remaining useful life and building components are some of the inputs used in fair value determination. Since most of these inputs require judgement and are unobservable, the asset class has been classified as Level 3. Valuation techniques remained the same for this reporting period.

Roads

Council's roads are componentised into the pavement, surface and formation and further separated into segments for inspection and valuation. The revaluation of road assets is undertaken annually.

The valuation, which is completed by Australis Valuers, was completed in June 2015.

The current replacement cost approach was adopted to value Council roads. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided

by Council's asset planners and professional judgement on behalf of Australis.

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, dimensions, components, residual value and type of road.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Footpaths

Council's footpath register consists of all pedestrian walkways and cycleways within the Council area. Australis Valuers complete the valuation of the Footpath assets annually and the last valuation was in June 2015. Replacement costs (unit rates) and useful lives of Councils footpaths were determined using technical knowledge Australis's professional judgement. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, dimensions, components and residual value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Infrastructure, property, plant and equipment (IPP&E) (continued)

Open space / recreational assets

Councils recreational facilities includes assets within our sports fields and park locations.

This includes but is not limited to, playing courts, playgrounds, and cricket nets. Scott Fullarton was engaged in 2013 for the valuation of these assets. Replacement costs (unit rates) and useful lives of Council's recreational facilities were determined using technical knowledge from Council staff (engineers and asset management) and Scott Fullarton's professional judgement. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components and residual value. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period

Swimming pool

The swimming pool includes all assets located within the facility.

Scott Fullarton Valuers valued the building components of the swimming pool in June 2013 as part of the building revaluation and other substantial components of the pool are valued using replacement cost method. Replacement costs were determined using square metre rates and other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, components, dimensions and residual value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period

Plant and equipment, office equipment, and furniture and fittings

This asset category includes:

Plant & Equipment - Motor vehicles, trucks, mowers, buses, earthmoving equipment

Office Equipment - Computer equipment

Furniture & Fittings - Chairs, desks, cabinets, display systems

These assets are valued at cost in Council's books and reported at Fair value in the notes due to the nature of the items. The cost of these assets are based on current invoices and contracts, which are based on observable inputs, however the remaining useful life and residual value is based on internal factors which are unobservable in the market therefore placing these assets in Level 3. Valuation techniques remained the same for this reporting period.

Library books and other assets

This asset category comprises of assets such as library books, journals, magazines, Cd's and Dvd's. The library books are reported at Fair value in the notes however, due to the nature of these items they are valued at cost. There are no major variances between the fair value and carrying amount of these assets. The cost of these assets are based on current invoices and contracts, which are based on observable inputs, however the remaining useful life and residual value is based on internal factors which are unobservable in the market making it a Level 3 asset. Valuation techniques remain the same for this reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Infrastructure, property, plant and equipment (IPP&E) (continued)

Artwork

Council engaged Australian Valuation Solutions to value all artwork in 2016.

This information was updated into Council's asset register.

The valuation was completed using the replacement cost approach and market value in accordance with AASB 116. The replacement value for artworks was determined by the price at which the items could be

purchased from a reputable dealer, gallery or retail outlet.

Where the fair value of an asset could not be determined by sale on the open market, a depreciable replacement cost has been adopted. Other significant inputs considered in the valuation are the condition of the asset, pattern of consumption and remaining useful life. This asset class is categorised as Level 3 as some of the above mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Tip remediation

Council operates a landfilling operation as well as a range of waste services, including recycled and reclaimed products. It has been recognised that there will be significant costs associated with the closure and post closure management of the landfill site.

Closure of the landfill will involve a wide range of activities including preparation of a Landfill Closure and Management Plan, final capping of the landfill waste and site re-vegetation, decommissioning and removing infrastructure and equipment that will not be required post-closure, and fencing sensitive infrastructure. The key unobservable inputs are the discount rate, cost escalation rate, actual timing of costs and future environmental management requirements. There has been no change to the valuation process during the reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

	Plant and equipment	Operational land	Community land	Buildings non specialised	Total
Opening balance – 1/7/14	4,041	5,202	3,999	63,619	76,861
Purchases (GBV) Disposals (WDV) Depreciation and impairment Adjustments and transfers Revaluation increment/decrement	182 (105) (603) - (37)	- - - -	- - - -	43 - (2,470) (465) (1,058)	225 (105) (3,073) (465) (1,095)
Closing balance – 30/6/15	3,478	5,202	3,999	59,669	72,348
Transfers from/(to) another asset class Purchases (GBV) Disposals (WDV) Depreciation and impairment	499 835 (120) (589)	93 697 (5) –	- - -	1,132 - (2,472)	592 2,664 (125) (3,061)
Closing balance – 30/6/16	4,103	5,987	3,999	58,329	72,418
	Buildings specialised	Other structures	Roads	Footpaths	Total
Opening balance – 1/7/14	2,154	2,024	138,087	10,255	152,520
Purchases (GBV) Depreciation and impairment Adjustments and transfers Revaluation increment/decrement	(95) (141) (221)	(108) 465 4,646	784 (2,032) — (19,459)	(273) - (2,299)	784 (2,508) 324 (17,333)
Closing balance – 30/6/15	1,697	7,027	117,380	7,683	133,787
Transfers from/(to) another asset class Purchases (GBV) Disposals (WDV) Depreciation and impairment	442 - (24) (120)	(1,035) - (3) (55)	28 1,740 - (2,801)	_ _ _ (301)	(565) 1,740 (27) (3,277)
Closing balance – 30/6/16	1,995	5,934	116,347	7,382	131,658

Council of the City of Broken Hill

Notes to the Financial Statements

for the year ended 30 June 2016

Note 27. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Stormwater drainage	Swimming pools	Open spa- -ces /other recreational	Library books	Total
Opening balance – 1/7/14	10,160	9,452	1,622	24	21,258
Purchases (GBV) Depreciation and impairment Revaluation increment/decrement	5 (107) (1,243)	75 (104) (515)	- (104) 63	- (17) -	80 (332) (1,695)
Closing balance – 30/6/15	8,815	8,908	1,581	7	19,311
Purchases (GBV) Disposals (WDV) Depreciation and impairment	44 - (167)	_ _ (108)	189 (140) (151)	- - (7)	233 (140) (433)
Closing balance – 30/6/16	8,692	8,800	1,479		18,971
	Art	Other	Tip	Financial	
			remedia- -tion	assets	Total
Opening balance – 1/7/14	8,915	62	remedia-		Total 11,902
Opening balance – 1/7/14 Depreciation and impairment Adjustments and transfers Revaluation increment/decrement	8,915 _ 141 75	62 (4) 	remedia- -tion	assets	
Depreciation and impairment Adjustments and transfers	_ 141		remedia- -tion 518	assets	11,902 (33) 141
Depreciation and impairment Adjustments and transfers Revaluation increment/decrement	- 141 75	(4) _ _	remedia- -tion 518 (29) -	2,407	11,902 (33) 141 75

(5). Highest and best use

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



Council of the City of the Broken Hill General Purpose Financial Statements Independent Auditor's Report

Level 11 | 1 York Street | Sydney | NSW | 2000 GPO Box 4137 | Sydney | NSW | 2001 t: +61 2 9256 6600 | f: +61 2 9256 6611 sydney@uhyhn.com.au www.uhyhnsydney.com.au

Report on the Financial Statements

We have audited the accompanying financial statements of Council of the City of Broken Hill (the Council), which comprises the statement of financial position as at 30 June 2016, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by Councillors and Management.

Councillor's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Councillors, as well as evaluating the overall presentation of the financial statements.

Our audit responsibility does not extend to the original budget information disclosed in the income statement, statement of cash flows, note 2(a), note 16 budget variation explanation, note 17 forecast information, nor the attached special schedules and accordingly, we express no opinion on them. In addition, our audit did not include an analysis of the prudence of business decisions made by Councillors or Management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the general purpose financial statements of Council of the City of Broken Hill for the year ended 30 June 2016 published in the annual report and included on Council's website. The Council is responsible for the integrity of the website. We have not been engaged to report on the integrity of this website. The auditor's report refers only to the financial statements identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial statements. If users of the financial statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements to confirm the information contained in this website version of the financial statements.

Auditor's Opinion

In our opinion,

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13 part 3 Division 2 (the Division); and
- (b) the financial statements:
 - (i) have been presented, in all material respects, in accordance with the requirements of this Division;
 - (ii) are consistent with the Council's accounting records;
 - (iii) presents fairly, in all material respects, the Council's financial position as at 30 June 2016 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the Local Government (General) Regulations 2005; and
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that have come to light during the course of the audit.

M.D. Nicholaeff

Partner

UHY Haines Norton
Chartered Accountants

11H4 Hairs Norton

Signed in Sydney on 17th October 2016

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17 October 2016

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The Mayor Council of the City of Broken PO Box 448 BROKEN HILL NSW 2880

Dear Mayor,

Report on the Conduct of the Audit Year Ended 30 June 2016

We are pleased to advise completion of our audit of the General and Special Purpose Financial Statements for Council of the City of Broken Hill for the year ended 30 June 2016, in accordance with Section 415 of the Local Government Act, 1993 ("the Act"); and that our audit opinion provided under Section 417(2) of the Act has been issued to Council. The following report on the conduct of the audit is issued in compliance with Section 417(3) of the Act.

The Councillors and Council Management are responsible for the preparation and true and fair presentation of the financial statements, which includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements. While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We have conducted our audit in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the Council's financial statements are free of material misstatement. An audit is influenced by factors such as professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We have reviewed that the accounts have been prepared in accordance with Australian Accounting Standards and the Local Government Code of Accounting Practice and Financial Reporting.

We offer the following comments on the financial statements and the audit:

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STATEMENT OF COMPREHENSIVE INCOME

MOVEMENT IN RESULTS OVER PRIOR YEAR

Council's Net Operating Result before Grants and Contributions provided for capital purposes indicates a surplus of \$3.070 million for the year ended 30 June 2016 compared to a deficit of \$2.938 million for the year ended 30 June 2015.

The Net Operating Result after Grants and Contributions for capital purposes has improved \$9.024 million to a surplus of \$6.607 million (2015: deficit of \$2.417 million).

Commentary on the major movements within the income and expense categories within the income statement is detailed below:

MOVEMENT IN REVENUE ITEMS 2015-2016

	2016	2015	(Decrease)
	\$'000	\$'000	\$'000
Rates and Annual Charges	16,386	16,129	257
Grants & Contributions Provided for Operating Purposes	10,459	9,496	963
Interest and Investment Revenue	899	434	465
Other Revenue	2,535	335	2,200

RATES AND ANNUAL CHARGES

Rates and annual charges have increased by \$257,000 (1.6%). The rates and annual charges increased for all categories viz. residential, business etc in line with the permissible rate increase granted by the Minister for Local Government. This increase was partially offset by decrease in mining rates. Council reduced the ad-valorem for 15/16 on mining rates (from 9.41 to 9.09) in line with the Community Strategic Plan

GRANTS AND CONTRIBUTIONS PROVIDED FOR OPERATING PURPOSES

Grants and contributions provided for operating purposes has increased by \$963,000 (10%) to \$10.459 million. The increase is largely due to the receipt of the additional grants of \$710,000 for state and local road maintenance and \$400,000 grant for dam remediation. This is offset by slight decrease in various other grants.

INTEREST AND INVESTMENT REVENUE

Interest and investment revenue has increased by \$465,000 (102%) to \$899,000. The main reason for the increase in interest and investment income is largely due to the increase is cash and cash equivalents as a result of surplus during the year.

OTHER REVENUE

Increase in other revenue is mainly due to sale of Shorty O'Neil Bed licenses for \$1.78 million.

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MOVEMENT IN EXPENSE ITEMS 2015-2016

	2016	2015	Increase (Decrease)
	\$'000	\$'000	\$'000
Employee Benefits and On-costs	13,776	16,024	(2,248)
Materials and Contracts	5,646	6,476	(830)
Depreciation and Amortisation	6,767	5,945	822

EMPLOYEE BENEFITS & ON-COSTS

Employee benefits & on-costs expense has decreased by \$2.248 million (14%) to \$13.776 million. The decrease is mainly because no termination expense is incurred in the current year. In the prior year, termination expenses were incurred as part of restructure of the Council.

MATERIALS AND CONTRACTS

Materials & contracts expense has decreased by \$830,000 (13%) to \$5.646 million. The decrease can mainly be attributed to a decrease in contractor and consultancy costs. This was a reduction in road maintenance and private works for the year 2015/16. Instead the resources were more focused on capital road works (reconstruction of McCulloch street and Blende street). It also relates to improved efficiencies within the workplace such as decrease in administrative expense, cleaning etc.

DEPRECIATION AND AMORTISATION

Depreciation and amortisation expense has increased by \$822,000 (14%) to \$6.767 million. The increase is mainly due to change in depreciation method resulting in increased depreciation rate for infrastructure assets.

STATEMENT OF FINANCIAL POSITION

During the year, the Council's net assets increased by \$7.175 million to \$241.754 million. The major movements within the balance sheet was:

Increase of \$7.690 million in cash and investments securities.

CASH AND INVESTMENTS SECURITIES

The increase is mainly due to surplus produced during the year.

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STATEMENT OF CASH FLOWS

	2016	2015	Increase (Decrease)
	\$'000	\$'000	\$'000
Net Cash Flows from Operations	12,208	2,798	9,410
Net Cash Flows from Investing	(1,320)	(2,132)	812
Net Cash Flows from Financing	(698)	648	(1,346)

NET CASH FLOWS FROM OPERATIONS

Net cash provided from operating activities amounted to \$12.208 million in 2016 compared to \$2.798 million in the prior year. The increase is mainly on account of operating surplus produced during the year.

NET CASH FLOWS FROM INVESTING

Net cash used in investing activities amounted to \$1.320 million for the year ended 30 June 2016 compared to net cash provided of \$2.132 million for the prior year.

The decrease is largely due to sale of investment securities.

NET CASH FLOWS FROM FINANCING

Net cash used in financing activities amounted to \$698,000 for the year ended 30 June 2016 compared to net cash provided of \$648,000 in the prior period. The swing is mainly because no new borrowings were undertaken during the year and some of the prior period borrowings were repaid.

TOTAL INVESTMENTS AND CASH BALANCES

	2016	2015	Increase (Decrease)
	\$'000	\$'000	\$'000
Externally Restricted Cash	8,037	4,047	3,990
Internally Restricted Cash	5,046	1,362	3,684
Unrestricted Cash	5,260	5,244	16
Total Cash, Cash Equivalents and Investments	18,343	10,653	7,690

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EXTERNALLY RESTRICTED CASH

Externally restricted cash and investments are restricted in their use by externally imposed requirements. The increase is mainly on account of \$2.87 million unexpended grant received from BHP.

INTERNALLY RESTRICTED CASH

Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect identified programs of works and any forward plans identified by Council. The increase is mainly due to amounts allocated to innovation reserve and infrastructure replacement programs

UNRESTRICTED CASH

Unrestricted cash and investments are those funds available to provide liquidity for day to day operations.

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WORKING CAPITAL (NET CURRENT ASSETS)

	2016	2015	Increase (Decrease)
	\$'000	\$'000	\$'000
Current Assets	21,538	13,646	7,892
Current Liabilities	(7,087)	(7,952)	865
Net Current Assets	14,451	5,694	8,757
Add: Current Liabilities not anticipated to be settled within the next 12 months	963	1,269	-306
Adjusted Net Current Assets	13,488	6,963	6,525
Add: Current Liabilities expected to be settled within the next 12 months			
- Borrowings	731	615	116
- Provisions	2,933	2,851	82
- Security Bonds, Deposits and Retentions	48	23	25
Less: Externally Restricted Assets	(7,992)	(4,002)	(3,990)
Less: Internally Restricted Assets	(5,046)	(1,362)	(3,684)
Working Capital as at 30 June	4,162	5,088	(926)

Council's balance of working capital has decreased by \$925k to \$4.162 million for the 2016 financial year. This decrease is mainly because of increase in restricted assets.

PERFORMANCE INDICATORS AND TRENDS

Our comments in regard to Council's performance for the 2016 year are based on those performance indicators that are considered meaningful.

The indicators we have reviewed are as follows:

	2016	2015
Unrestricted Current Ratio	2.35 : 1	1.45 : 1
Debt Service Cover Ratio	9.01:1	4.43:1
Operating Performance Ratio	8.84%	-9.84%
Own Source Operating Revenue Ratio	62.12%	67.25%
Rates and Annual Charges Outstanding Percentage	10.39%	11.60%
Cash Expense Cover Ratio	8.26	4.33

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UNRESTRICTED CURRENT RATIO

The unrestricted current ratio is used to assess the adequacy of available current assets and Council's ability to satisfy its obligations in the short term after taking into account any external restrictions over the use of the current assets. The ratio of 2.35 has increased from the prior year's ratio of 1.45. This year the Council has exceeded Local Government industry benchmark. Improvement in ratios is due to some recovery of Lehman Brother's CDO's, improved operational efficiencies as well as injection of cash from sale of Shorty O'neil Bed Licenses.

DEBT SERVICE COVER RATIO

At 30 June 2016 Council had outstanding borrowings of \$5.857 million compared with \$6.555 million as at 30 June 2015. The debt service cover ratio measures the availability of operating cash to service debt repayments. For the 2016 financial year the ratio indicated that operating results before capital, interest, depreciation and amortisation covered payments required to service debt, with a ratio of 9.01 to 1. The ratio has increased as a result of improved financial performance during the financial year and is well above the local government benchmark of >2.

OPERATING PERFORMANCE RATIO

This ratio is essentially measures Council's ability to contain operating expenditure within its operating revenue, excluding capital grants and contributions. For the 2016 financial year, this indicator was 8.84%, which has shown significant improvement since 2015 and well above industry benchmark.

OWN SOURCE OPERATING REVENUE RATIO

The own source operating revenue ratio measures Council's fiscal flexibility and their degree of reliance on external funding sources such as grants and contributions. For the 2016 financial year, this indicator was 62.12% and exceeded the benchmark of >60%

RATES AND ANNUAL CHARGES OUTSTANDING PERCENTAGE

The rates and annual charges outstanding percentage is used to assess the impact of uncollected rates and annual charges on liquidity and the adequacy of debt recovery efforts. The percentage of rates and annual charges outstanding has decreased from 11.60% to 10.39% in the current year. This indicates that debtors are being collected at a slightly better rate than in the prior year.

CASH EXPENSE COVER RATIO

This liquidity ratio indicates the number of months that Council can continue to pay its immediate expenditure items with available cash and term deposit balances, without the need for additional cash inflow. For 2016, this ratio stood at 8.26 months compared to the benchmark of greater than 3 months.

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REPORTING TO MANAGEMENT

A management letter highlighting matters arising from our interim audit has been prepared and issued where considered necessary or appropriate. Matters raised in the letter included suggestions for improvement and management's comments and proposed actions.

We wish to record our appreciation to your General Manager, Deputy General Manager, Chief Financial Officer and their staff for the co-operation and courtesy extended to us during the course of our audit and commend their efforts in the timely completion of the financial statements.

M.D. Nicholaeff

Partner

Signed at Sydney on 17th October 2016

UHY Haines Norton
Chartered Accountants

WHY Hairs Norton

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Council of the City of Broken Hill SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2016

"... is a vibrant, prosperous and culturally rich Heritage City shared with visitors from around the world."

BROKEN HILL

SPFS 2016

Council of the City of Broken Hill

Special Purpose Financial Statements for the year ended 30 June 2016

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Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- (ii) The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.
 - Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.
- (iii) For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.
 - These include (a) those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and (b) those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities). (c) those activities with a turnover of less than \$2 million that Council has formally declared as a business activity (defined as a category 2 activities)
- (iv) In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must (a) adopt a corporatisation model and (b) apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Council of the City of Broken Hill

Special Purpose Financial Statements for the year ended 30 June 2016

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

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

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

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

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

Signed in accordance with a resolution of Council made on 31 August 2016.

Wincen Cuy

James Roncon General Manager

Councillor

Responsible Accounting Officer

Council of the City of Broken Hill

Income Statement of Council's Other Business Activities

for the year ended 30 June 2016

Civic Centre (Entertainment centre)

Shorty O'Neil Village

	Cat	egory 2	Category 2		
\$ '000 Notes	Actual 2016	Actual 2015 (Restated)*	Actual 2016	Actual 2015 (Restated)*	
Wotes -		,			
Income from continuing operations					
User charges	43	68	45	128	
Grants and contributions provided for non-capital purposes	_	_	_	158	
Other income	13	4	_	1	
Total income from continuing operations	56	72	45	287	
Expenses from continuing operations					
Employee benefits and on-costs	70	156	18	103	
Materials and contracts	30	34	96	607	
Depreciation and impairment	495	501	255	245	
Other expenses	71	92_	141	168_	
Total expenses from continuing operations	666	783	510	1,123	
Surplus (deficit) from continuing operations before					
capital amounts	(610)	(711)	(465)	(836)	
Grants and contributions provided for capital purposes					
Surplus (deficit) from continuing operations after					
capital amounts	(610)	(711)	(465)	(836)	
Surplus (deficit) from discontinued operations			_		
Surplus (deficit) from all operations before tax	(610)	(711)	(465)	(836)	
Less: corporate taxation equivalent (30%) [based on					
result before capital]	_	-	_	-	
SURPLUS (DEFICIT) AFTER TAX	(610)	(711)	(465)	(836)	
Plus opening retained profits 1(a)	(1,502)	(1,122) (i)	746	444 (i	
Plus/less: prior period adjustments	_		-	_ `	
Plus adjustments for amounts unpaid: Add:					
 Subsidy paid/contribution to operations 	180	331	227	1,138	
Closing retained profits	(1,932)	(1,502)	508	746	
Return on capital %	-7.4%	-8.2%	-7.8%	-13.4%	
Subsidy from Council	788	1,032	595	1,025	

^{*} Refer to Note 1A for the details of the restatement.

Council of the City of Broken Hill

Income Statement of Council's Other Business Activities

for the year ended 30 June 2016

		Air	rport	Commercial waste		
		Cate	egory 2	Cate	egory 2	
\$ '000	Notes	Actual 2016	Actual 2015 (Restated)*	Actual 2016	Actual 2015 (Restated)*	
Income from continuing energians						
Income from continuing operations User charges		646	742	816	659	
Other income		5	4	5	20	
Total income from continuing operations		651	746	821	679	
Expenses from continuing operations						
Employee benefits and on-costs		267	285	135	145	
Borrowing costs		22	22	_	_	
Materials and contracts		233	201	485	475	
Depreciation and impairment		413	118	3	16	
Other expenses		77	80	24	2	
Total expenses from continuing operations		1,012	706	647	638	
Surplus (deficit) from continuing operations before						
capital amounts		(361)	40	174	41	
Grants and contributions provided for capital purposes				_		
Surplus (deficit) from continuing operations after capital amounts		(361)	40	174	41	
Surplus (deficit) from discontinued operations		_	_	_	_	
Surplus (deficit) from all operations before tax Less: corporate taxation equivalent (30%) [based on		(361)	40	174	41	
result before capital]		_	(12)	(52)	(12)	
SURPLUS (DEFICIT) AFTER TAX		(361)	28	122	29	
Plus opening retained profits	1(a)	904	2,968 (iii)	730	788 (iv)	
Plus/less: prior period adjustments		_	_	-	-	
Plus adjustments for amounts unpaid: - Corporate taxation equivalent Add:		_	12	52	12	
Subsidy paid/contribution to operations		44	(2,104)	160	(99)	
Closing retained profits		587	904	1,064	730	
Return on capital %		-3.1%	0.5%	17.7%	5.0%	
Subsidy from Council		577	281	_	_	

^{*} Refer to Note 1A for the details of the restatement.

Council of the City of Broken Hill

Statement of Financial Position – Council's Other Business Activities as at 30 June 2016

Civic Centre (Entertainment centre)

Shorty O'Neil Village

		(Entertainin	ent centre)		
		Categ	ory 2	Categor	y 2
		Actual	Actual	Actual	Actual
		2016	2015	2016	2015
\$ '000	Notes		(Restated)*		
ASSETS					
Current assets					
Cash and cash equivalents		_	_	_	_
Investments		_	-	_	_
Receivables		44	13	1	_
Inventories		_	_	_	_
Other		_	_	_	_
Non-current assets classified as held for sale	_				
Total Current Assets		44	13	1	_
Non-current assets					
Investments		_	_	_	_
Receivables		_	_	_	_
Inventories		_	_	_	_
Infrastructure, property, plant and equipment	1(a)	8,214	8,709 (v)	5,993	6,249
Investments accounted for using equity method		_	_	_	_
Investment property		_	_	_	_
Total non-current assets		8,214	8,709	5,993	6,249
TOTAL ASSETS		8,258	8,722	5,994	6,249
LIABILITIES					
Current liabilities					
Bank overdraft		_	_	_	_
Payables		2	9	45	45
Borrowings		_	_	_	_
Provisions		_	25	_	17
Total current liabilities		2	34	45	62
Non-current liabilities					
Payables		_	_	_	_
Borrowings		_	_	_	_
Provisions		_	2	_	_
Total non-current liabilities	_	_			_
TOTAL LIABILITIES	_	2	36	45	62
NET ASSETS	_	8,256	8,686	5,949	6,187
NETAGGETO	_	0,200		0,040	0,107
EQUITY					
Retained earnings		(1,932)	(1,502) (v)	508	746
Revaluation reserves		10,188	10,188	5,441	5,441
Council equity interest		8,256	8,686	5,949	6,187
Non-controlling equity interest		_	_	_	_
TOTAL EQUITY		8,256	8,686	5,949	6,187
		,		, -	

Council of the City of Broken Hill

Statement of Financial Position – Council's Other Business Activities as at 30 June 2016

	Airpo	ort	Commercia	al waste
	Catego	ory 2	Catego	ry 2
	Actual 2016	Actual 2015	Actual 2016	Actual 2015
\$ '000 Not		2010	2010	2010
ASSETS				
Current assets				
Cash and cash equivalents				
Investments	_	_	_	_
Receivables	- 45	- 62	_ 112	56
Inventories	40	02	112	50
	_	_	_	_
Other	_	_	_	_
Non-current assets classified as held for sale				
Total Current Assets	45	62	112	56
Non-current assets				
Investments	_	_	_	_
Receivables	-	_	_	_
Inventories	_	_	_	_
Infrastructure, property, plant and equipment	10,980	11,354	982	828
Investments accounted for using equity method	_	_	_	_
Investment property	_	_	_	_
Other	_	_	_	_
Total non-current assets	10,980	11,354	982	828
TOTAL ASSETS	11,025	11,416	1,094	884
LIABILITIES				
Current liabilities				
Bank overdraft	_	_	_	_
Payables	_	_	_	_
Borrowings	_	_		
Provisions		67		109
Total current liabilities		67		109
Total current habilities	_	07	_	109
Non-current liabilities				
Payables	_	_	_	_
Borrowings	_	_	_	_
Provisions		7		15
Total non-current liabilities		7		15
TOTAL LIABILITIES		74		124
NET ASSETS	11,025	11,342	1,094	760
EQUITY				
	587	904	1,064	730
Retained earnings				
Revaluation reserves	10,438	10,438	30	30
Council equity interest Non-controlling equity interest	11,025	11,342	1,094	760
TOTAL EQUITY	11,025	11,342	1,094	760
	- 1,525			page 6
				h-9- 0

Council of the City of Broken Hill

Special Purpose Financial Statements for the year ended 30 June 2016

Contents of the notes accompanying the financial statements

Note	Details	Page
1	Summary of significant accounting policies	8
1 (a)	Errors and changes in accounting policies	11

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2016

Note 1. Significant accounting policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Office of Local Government.

For the purposes of these statements, the Council is not a reporting not-for-profit entity.

The figures presented in the SPFS, unless otherwise stated, have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB), and
- Australian Accounting Interpretations.

The disclosures in the SPFS have been prepared in accordance with:

- the Local Government Act (1993) NSW,
- the Local Government (General) Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 government policy statement, *Application of National Competition Policy to Local Government*.

The Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality, issued by the Office of Local Government in July 1997, has also been adopted.

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

Declared business activities

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

Category 1

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

Nil

Category 2

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

a. Civic Centre (Entertainment Centre)

Venue for the conduct of shows, festivals, civic activities & significant events.

b. Shorty O'Neil Hostel

Aged Care Retirement Village

c. Broken Hill Airport

Facility for aircraft arrivals & departures, aircraft accommodation, workshop & associated activities.

d. Commercial Garbage Service

Garbage collection & disposal service provided to the business & commercial sector.

Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars.

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2016

Note 1. Significant accounting policies (continued)

(i) Taxation-equivalent charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council-nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate - 30%

<u>Land tax</u> – the first **\$482,000** of combined land values attracts **0%**. For that valued from \$482,001 to \$2,947,000 the rate is **1.6%** + **\$100**. For the remaining combined land value that exceeds \$2,947,000, a premium marginal rate of **2.0%** applies.

Payroll tax – **5.45%** on the value of taxable salaries and wages in excess of \$750,000.

Income tax

An income tax equivalent has been applied on the profits of each reported business activity.

While income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain or loss from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

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

Since this taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations, it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The 30% rate applied is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2016

Note 1. Significant accounting policies (continued)

return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(iii) Return on investments (rate of return)

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

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The rate of return on capital is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 2.17% at 30/6/16.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

(iv) Dividends

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

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2016

Note 1a. Errors and changes in accounting policies

Correction of Prior Period Errors

(i) 14/15 comparative restated due to prior period error.

Opening retained profits for Civic Centre in 14/15, did not match the closing retained earnings for 13/14, this was due to a presentation error and incompleteness of the retained profits disclosure in the Income Statement. The disclosure for opening retained profits has reduced by \$3,312 (previously stated as \$2,190). The completion of the 'Subsidy paid/contribution to operations' disclosure (previously stated as \$0) for 14/15 as well as the opening retained profits correction has resulted in altering the closing retained profits disclosure by a decrease of \$2,981 (previously \$1,479). This error has had no impact on Retained Earnings in the Balance Sheet.

(ii) 14/15 comparative restated due to prior period error.

Opening retained profits for Shorty O'Neil Village in 14/15, did not match the closing retained earnings for 13/14, this was due to a presentation error and incompleteness of the retained profits disclosure in the Income Statement. The disclosure for opening retained profits has increased by \$4,583 (previously stated as -\$4139). The completion of the 'Subsidy paid/contribution to operations' disclosure (previously stated as \$0) for 14/15 as well as the opening retained profits correction has resulted in altering the closing retained profits disclosure by an increase of \$5,721 (previously -\$4,975). This error has had no impact on Retained Earnings in the Balance Sheet.

(iii) 14/15 comparative restated due to prior period error.

Opening retained profits for the Airport in 14/15, did not match the closing retained earnings for 13/14, this was due to a presentation error and incompleteness of the retained profits disclosure in the Income Statement. The disclosure for opening retained profits has increased by \$1,741 (previously stated as \$1,227). The completion of the 'Subsidy paid/contribution to operations' disclosure (previously stated as \$0) for 14/15 as well as the opening retained profits correction has resulted in altering the closing retained profits disclosure by a decrease of \$363 (previously \$1,267). This error has had no impact on Retained Earnings in the Balance Sheet.

(iv) 14/15 comparative restated due to prior period error.

Opening retained profits for Commercial Waste in 14/15, did not match the closing retained earnings for 13/14, this was due to a presentation error and incompleteness of the retained profits disclosure in the Income Statement. The disclosure for opening retained profits has increased by \$142 (previously stated as \$646). The completion of the 'Subsidy paid/contribution to operations' disclosure (previously stated as \$0) for 14/15 as well as the opening retained profits correction has resulted in altering the closing retained profits disclosure by an increase of \$43 (previously \$687). This error has had no impact on Retained Earnings in the Balance Sheet.

(v) 14/15 comparative restated due to prior period error.

14/15 comparative for Civic Centre restated as it was represented as the full at cost figure for Infrastructure, property, plant and equipment, not the carrying value. Previously disclosed as \$10,634. This had the effect of reducing total assets by \$1,925 and impacting retained earnings and total equity by reducing these amounts by the same. (\$1,925).



Council of the City of Broken Hill Special Purpose Financial Statements Independent Auditor's Report Level 11 | 1 York Street | Sydney | NSW | 2000 GPO Box 4137 | Sydney | NSW | 2001 t: +61 2 9256 6600 | f: +61 2 9256 6611 sydney@uhyhn.com.au www.uhyhnsydney.com.au

Report on the Financial Statements

We have audited the accompanying financial statements, being the special purpose financial statements, of Council of the City of Broken Hill (the Council), which comprises the statement of financial position by business activity as at 30 June 2016, the income statement by business activity for the year then ended, notes to the financial statements for the business activities identified by Council and the statement by Councillors and Management.

Councillor's Responsibility for the Financial Statements

The Councillors of the Council are responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements are appropriate to satisfy the requirements of the *Local Government Act 1993* and meet the needs of the NSW Office of Local Government. The Councillors responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Councilors, as well as evaluating the overall presentation of the financial statements.

Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Passion beyond numbers



Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the special purpose financial statements of Council of the City of Broken Hill for the year ended 30 June 2016 included on Council's website. The Council is responsible for the integrity of the website. We have not been engaged to report on the integrity of this website. The auditor's report refers only to the financial statements identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial statements. If users of the financial statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements to confirm the information contained in this website version of the financial statements.

Auditor's Opinion

In our opinion the special purpose financial statements of Broken Hill City Council:

- a) have been prepared in accordance with the requirements of those applicable Australian Accounting Standards detailed in note 1 and the Local Government Code of Accounting Practice and Financial Reporting;
 - i) is consistent with the Council's accounting records;
 - ii) presents fairly, in all material respects, the financial position of Council's nominated Business Activities as at 30 June 2016 and the results of their operations for the year then ended;
- b) all information relevant to the conduct of the audit has been obtained; and
- there are no material deficiencies in the accounting records or financial report that we have become aware of in the course of the audit.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the requirements of the NSW Office of Local Government. As a result, the financial report may not be suitable for another purpose.

M.D. Nicholaeff

Partner

Signed in Sydney on 17th October 2016

UHY Haines Norton
Chartered Accountants

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Council of the City of Broken Hill

SPECIAL SCHEDULES

for the year ended 30 June 2016

"... is a vibrant, prosperous and culturally rich Heritage City shared with visitors from around the world."



Council of the City of Broken Hill

Special Schedules

for the year ended 30 June 2016

Contents		Page
Special Schedules ¹		
Special Schedule 1	Net Cost of Services	2
Special Schedule 2(a)	Statement of Long Term Debt (all purposes)	4
Special Schedule 7	Report on Infrastructure Assets	5
Special Schedule 8	Permissible Income Calculation	9

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
 - the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
 - the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - · the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

¹ Special Schedules are not audited (with the exception of Special Schedule 8).

Council of the City of Broken Hill

Special Schedule 1 – Net Cost of Services for the year ended 30 June 2016

\$'000

Function or activity	Expenses from continuing		e from operations	Net cost of services
	operations	Non-capital	Capital	or services
Governance	1,012	_	_	(1,012)
Administration	5,374	554	_	(4,820)
Public order and safety				
Fire service levy, fire protection,				
emergency services	562	_	-	(562)
Beach control		_	-	
Enforcement of local government regulations	I .	22	-	(123)
Animal control	191	51	-	(140)
Other		_	-	
Total public order and safety	898	73	_	(825)
Health	131	23	_	(108)
Environment				
Noxious plants and insect/vermin control	17	7	_	(10)
Other environmental protection	-	_	_	-
Solid waste management	2,787	3,166	193	572
Street cleaning	225	_	-	(225)
Drainage	-	_	-	-
Stormwater management	40	_		(40)
Total environment	3,069	3,173	193	297
Community services and education				
Administration and education	-	-	-	-
Social protection (welfare)	-	_	-	-
Aged persons and disabled	4,365	5,562	-	1,197
Children's services	19	_	-	(19)
Total community services and education	4,384	5,562	_	1,178
Housing and community amenities				
Public cemeteries	284	191	_	(93)
Public conveniences	35	_	_	(35)
Street lighting	327	103	_	(224)
Town planning	416	281	_	(135)
Other community amenities	-	_	-	-
Total housing and community amenities	1,062	575	I	(487)

Council of the City of Broken Hill

Special Schedule 1 - Net Cost of Services (continued) for the year ended 30 June 2016

\$'000

\$'000	Expenses from		e from operations	Net cost
Function or activity	continuing			of services
	operations	Non-capital	Capital	
B				
Recreation and culture	045	405		(720)
Public libraries	915	185	_	(730)
Museums	268	65	_	(203)
Art galleries	555	229	_	(326)
Community centres and halls	326	1	_	(325)
Performing arts venues	_	_	_	_
Other performing arts			_	(47)
Other cultural services	32	15	_	(17)
Sporting grounds and venues	658	_	_	(658)
Swimming pools	1,085	89	_	(996)
Parks and gardens (lakes)	1,916	373	_	(1,543)
Other sport and recreation		_	_	(4.700)
Total recreation and culture	5,755	957	_	(4,798)
Fuel and energy	_	_	_	_
Agriculture	_	_	_	_
Mining, manufacturing and construction				
Building control	_	_	_	_
Other mining, manufacturing and constructio	- I	_	_	_
Total mining, manufacturing and const.	_	_	_	_
Transport and communication				
Urban roads (UR) – local	4,090	1,340	_	(2,750)
Urban roads – regional	11	305	_	294
Sealed rural roads (SRR) – local	'_	_		204
Sealed rural roads (SRR) – regional	_	_	_	_
Unsealed rural roads (URR) – local	_	_	_	_
Unsealed rural roads (URR) – regional	_	_	_	_
Bridges on UR – local	_	_	_	_
Bridges on SRR – local	_	_	_	_
Bridges on URR – local	_	_	_	_
Bridges on regional roads	_	_	_	_
Parking areas	44	_	_	(44)
Footpaths	316	_	_	(316)
Aerodromes	1,063	651	_	(412)
Other transport and communication	59	31	_	(28)
Total transport and communication	5,583	2,327	_	(3,256)
Economic affairs				
Camping areas and caravan parks	_	_	_	_
Other economic affairs	3,342	968	3,344	970
Total economic affairs	3,342	968	3,344	970
Totals – functions	30,610	14,212	3,537	(12,861)
General purpose revenues (1)		19,468		19,468
Share of interests – joint ventures and				
associates using the equity method	_	_		_
NET OPERATING RESULT (2)	30,610	33,680	3,537	6,607

⁽¹⁾ Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose (2) As reported in the Income Statement grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges

Broken Hill City Council

ANNUAL REPORT 2015/2016

Council of the City of Broken Hill

Special Schedule 2(a) – Statement of Long Term Debt (all purpose) for the year ended 30 June 2016

\$'000

	- 1	Principal outstanding at beginning of the year					Transfers to sinking	Interest	Principal outstanding at the end of the year		
Classification of debt	Current	Non- current	Total	during the year	From revenue	Sinking funds	funds	for year	Current	Non- current	Total
Loans (by source)											
Commonwealth government	-	_	_	_	-	_	-	-	_	_	_
Treasury corporation	-	_	_	_	-	_	-	-	_	_	_
Other state government Public subscription	_	_	_	_	_	_	_	_	_	_	_
Financial institutions	615	5,940	6,555		698		_	362	731	5,126	5,857
Other	013	5,940	0,555	_	090	_	_	302	731	5,120	3,037
Total loans	615	5,940	6,555	_	698	_	-	362	731	5,126	5,857
Other long term debt											
Ratepayers advances	-	_	_	_	-	_	-	_	_	_	_
Government advances	-	_	_	_	-	_	-	_	_	_	_
Finance leases	-	_	_	_	-	_	-	_	_	_	-
Deferred payments	_	_	_	_	-	_	-	_	_	_	-
Total long term debt	_	_	_	_	_	_	_	_	_	_	_
Total debt	615	5,940	6,555	-	698	_	_	362	731	5,126	5,857

Notes: excludes (i) internal loans and (ii) principal inflows/outflows relating to loan re-financing.

This schedule is prepared using the face value of debt obligations, rather than fair value (which are reported in the GPFS).

ANNUAL REPORT 2015/2016

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016

\$'000

Asset class A		Estimated cost to bring assets to satisfactory	Estimated cost to bring to the agreed level of	to bring to the 2015/16	2015/16 Actual maintenance	Carrying	Gross replacement cost (GRC)	replacement cost				
	Asset category	standard	service set by Council	maintenance ^a				1	2	3	4	5
Buildings	Council Offices /											
	Administration Centre	400	400	308	299	6,041	17,210		100%			0%
	Council Works Depot	40	40	64	62	1,801	4,116			100%		0%
	Libraries	500	500	40	39	1,025	3,313				100%	0%
	Museums	100	100	22	21	1,546	2,773			100%		0%
	Film Studio	_	_	9	9	7,221	21,153			100%		0%
	Public Halls	530	530	90	87	4,041	10,108			100%		0%
	Civic Centre	5,000	5,000	7	7	7,900	18,641	100%				0%
	Amenities	50	50	22	21	387	710		100%			0%
	Shorty O'Neil & HACC	200	200	72	70	11,235	18,710			100%		0%
	Airport	120	120	522	507	2,934	5,986		100%			0%
	Art Gallery	120	120	31	30	2,712	3,629	100%				0%
	Tourist and Travellers Centre	250	250	11	11	2,237	4,055		100%			0%
	Parks & Reserves	750	750	1,352	1,313	8,583	23,605			100%		0%
	Cemetery	_	_	68	66	253	403			100%		0%
	Waste Site	_	_	24	23	1,653	2,162	100%				0%
	Other	_	_	168	163	756	2,017			100%		0%
	Sub-total	8,060	8,060	2,810	2,728	60,325	138,591	17.6%	20.2%	59.8%	2.4%	0.0%
Other	Other structures	_	_	_	_	5,933	6,630			100%		0%
structures	Sub-total	_	_	_	_	5,933	6,630	0.0%	0.0%	100.0%	0.0%	0.0%

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016 (continued)

\$'000

		Estimated cost to bring assets to satisfactory	to bring assets to bring to the 2015/16 2015/16 Gross to satisfactory agreed level of Required Actual Carrying replacement		Actual		Gross replacement	replacement cost				
Asset class	Asset category	standard		cost (GRC)	1	2	3	4	5			
Roads	Sealed Roads Surface	18,030	18,030	682	568	22,330	33,406	3%	26%	47%	22%	2%
	Sealed Roads Structure	4,507	4,507	298	248	64,599	87,188	100%	2070	11 70		0%
	Unsealed roads	100	100	14	12	1,116	1,633	10070	100%			0%
	Footpaths	1,500	1,500	143	119	7,383	11,754		100%			0%
	Kerb & Gutter	500	500	114	95	18,624	27,612		100%			0%
	Airport Assets	300	300	_	_	7,574	11,268			100%		0%
	Other road assets	_	_	_	_	113	121		100%			0%
	Carparks	50	50	_	_	1,250	1,806			100%		0%
	Roundabouts	200	200	_	_	739	968		100%			0%
	Sub-total	25,187	25,187	1,250	1,042	123,728	175,756	50.2%	28.9%	16.4%	4.2%	0.4%
Stormwater	Stormwater drainage	200	200	_	_	8,692	12,397			100%		0%
drainage	Sub-total	200	200	_	_	8,692	12,397	0.0%	0.0%	100.0%	0.0%	0.0%
Open space/	Swimming pools	100	100	28	27	8,800	10,472	100%				0%
recreational	Other Recreation	_	_	_	_	1,478	2,424		100%			0%
assets	Sub-total	100	100	28	27	10,278	12,896	81.2%	18.8%	0.0%	0.0%	0.0%
	TOTAL – ALL ASSETS	33,547	33,547	4,088	3,797	208,956	346,270	35.5%	23.4%	37.7%	3.1%	0.2%

Notes:

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

Infrastructure asset condition assessment 'key'

1 Excellent No work required (normal maintenance)

2 Good Only minor maintenance work required

Average Maintenance work required

4 Poor Renewal required

Very poor Urgent renewal/upgrading required

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2016

	Amounts	Indicator	Prior periods		
\$ '000	2016	2016	2015	2014	
Infrastructure asset performance indicate consolidated	ors *				
1. Infrastructure renewals ratio Asset renewals (1) Depreciation, amortisation and impairment	4,060 6,175	65.75%	0.00%	5.19%	
2. Infrastructure backlog ratio Estimated cost to bring assets to a satisfactory standard Carrying value of infrastructure assets	33,547 208,956	16.05%	0.00%	0.96%	
3. Asset maintenance ratio Actual asset maintenance Required asset maintenance	3,797 4,088	0.93	1.00	1.00	
4. Capital expenditure ratio Annual capital expenditure Annual depreciation	3,926 6,767	0.58	0.35	0.25	

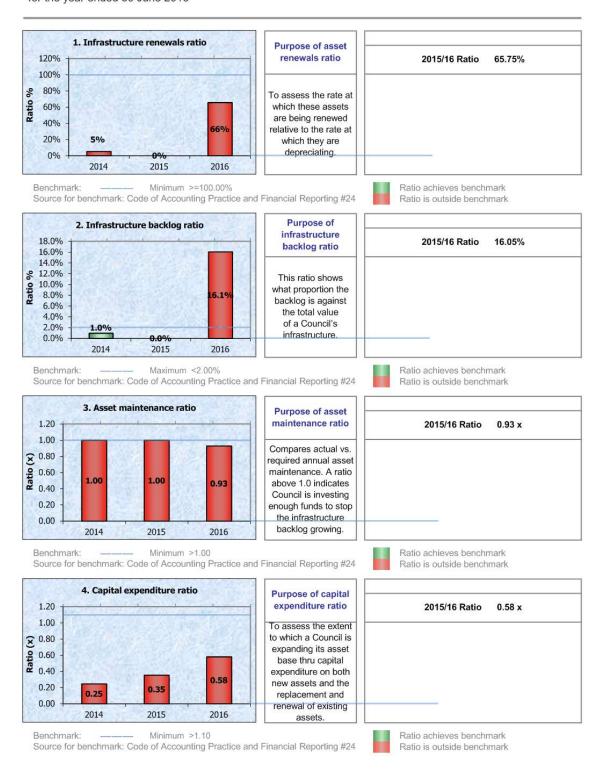
Notes

^{*} All asset performance indicators are calculated using the asset classes identified in the previous table.

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

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2016



Council of the City of Broken Hill

Special Schedule 8 – Permissible Income Calculation

for the year ended 30 June 2017

\$'000		Calculation 2015/16	Calculation 2016/17
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	а	14,115	14,439
Plus or minus adjustments (2)	b	3	(2)
Notional general income	c = (a + b)	14,118	14,437
Permissible income calculation			
Special variation percentage (3)	d	0.00%	0.00%
or rate peg percentage	е	2.40%	1.80%
or crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
Less expiring special variation amount	g	_	_
Plus special variation amount	$h = d \times (c - g)$	_	_
Or plus rate peg amount	$i = c \times e$	339	260
Or plus Crown land adjustment and rate peg amount	j = c x f		_
Sub-total	k = (c + g + h + i + j)	14,457	14,697
Plus (or minus) last year's carry forward total	1	(12)	6
Less valuation objections claimed in the previous year	m		
Sub-total	n = (I + m)	(12)	6
Total permissible income	o = k + n	14,445	14,703
Less notional general income yield	р	14,439	14,689
Catch-up or (excess) result	q = o - p	6	14
Plus income lost due to valuation objections claimed (4)	r	_	_
Less unused catch-up (5)	S		
Carry forward to next year	t = q + r - s	6	14

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from Council's Special Schedule 8 in the financial data return (FDR) to administer this process.



Council of the City of Broken Hill

Special Schedule 8 – Independent Auditor's Report For the year ended 30 June 2017

Level 11 | 1 York Street | Sydney | NSW | 2000 GPO Box 4137 | Sydney | NSW | 2001 t: +61 2 9256 6600 | f: +61 2 9256 6611 sydney@uhyhn.com.au www.uhyhnsydney.com.au

Report on Special Schedule 8

We have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule 8) of the Council of the City of Broken Hill for the year ending 30 June 2017.

Responsibility of the Council for Schedule 8

The Council is responsible for the preparation and fair presentation of Special Schedule 8 in accordance with the *Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 23.* This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Special Schedule 8 that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on Special Schedule 8 based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether Special Schedule 8 is free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Special Schedule 8. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Special Schedule 8, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule 8.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule 8 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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Passion beyond numbers



Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, Special Schedule 8 of Council of the City of Broken Hill for 2016/17 is properly drawn up in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.

Basis of Accounting

Without modifying our opinion, we advise that this schedule has been prepared for distribution to the Office of Local Government for the purposes of confirming that Council's reconciliation of Council's total permissible general income is presented fairly. As a result, the schedule may not be suitable for another purpose.

M.D. Nicholaeff

Partner

UHY Haines Norton

Chartered Accountants

UHY Hairs Norton

Signed in Sydney on 17th October 2016

M. Much Joff

An association of independent firms in Australia and New Zealand and a member of UHY International, a network of independent accounting and consulting firms.

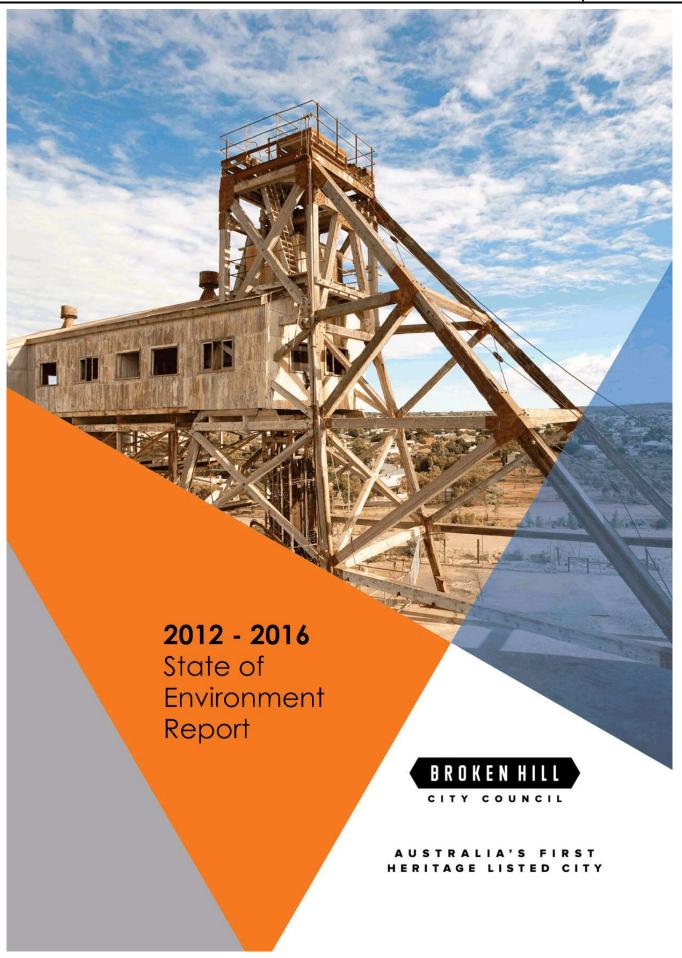
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Broken Hill City Council





QUALITY CONTROL				
KEY DIRECTION	3 Our Environment			
OBJECTIVE	3.1 Our Environmental footprint is minimised			
FUNCTION	Public Order			
STRATEGY	3.1.1.10 Provide information to our community in relation to their environment			
FILE REFERENCE No	11/146	TRIM No		D16/42252
RESPONSIBLE OFFICER	Environment, Waste and Recycling Specialist			
REVIEW DATE	2020			
DATE	ACTION		MINUTE No	
26 October 2016	Adopted by Council			
NOTES	Images sourced from Council's Image Library © Copyright Broken Hill City Council 2016			
ASSOCIATED DOCUMENTS	Community Strategic Plan 2033 Annual Report 2015/2016			

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State of Environment Report 2012-2016

EXECUTIVE SUMMARY

STATE OF ENVIRONMENT REPORT

The State of Environment Report (SoE) is a report on the environmental issues relevant to the objectives established in Broken Hill City Council's (Council) Community Strategic Plan. The SoE is prepared in accordance with the Office of Local Government's Integrated Planning and Reporting Manual and the Local Government Act 1993, s428(2).

The report is included in Council's Annual Report in the year in which an ordinary election is held. The report is for the period 1 July 2012 to 30 June 2016.

BROKEN HILL COMMUNITY STRATEGIC PLAN

During 2009 the Office of Local Government released the finalised guidelines and manual for the implementation of Integrated Planning and Reporting (IPR). The purpose of the framework is to ensure that councils remain effective, efficient and accountable to their community for the works and services they provide. The guidelines and manuals continually make reference to councils being accountable to their community and to fully engage with their community in the development of plans and strategies.

The Broken Hill Community Strategic Plan 2033 is a document for the whole community that encompasses all aspects of life in the iconic City of Broken Hill and sets a vision for the future. The Plan acknowledges that not one party alone can make this happen. It takes a partnership to achieve this vision. Government, business and industry, community groups and individuals all have a role to play.

The Plan outlines the social, economic, environmental, governance and leadership directions expressed by the Broken Hill community and includes:

- Objectives where do we want to be?
- Strategies how do we achieve this?
- Measures how do we know we are heading in the right direction?
- Contributors who has a role to play?

Taking action:

 Our Community Strategic Plan requires and deserves commitment and action from all of our community. Therefore residents, government, business and community groups will all need to work with the Plan and take responsibility for key areas.

Key Direction 3: Our Environment

We all depend upon our natural environment. It provides the essentials of life; the air we breathe, the water we drink. It is central to our health and wellbeing and inspires us through the personal and economic benefits derived from its existence.

At the same time we value the natural environment, using it for our social and economic gain but human activity leaves a footprint. Our consumption of resources and raw materials and our subsequent disposal impacts not only our local environment but the greater global environment.

As custodians of this land for future generations, we have an obligation to treat the natural environment with care and minimise the impact we have today. Many of the environmental challenges for our community are similar to those of people across the world as sustainability is given greater focus and importance for our future generations.

KEY DIRECTION 1: OUR COMMUNITY

KEY DIRECTION 2: DUR ECONOMY

KEY DIRECTION 3: OUR ENVIRONMENT

This Key Direction relates to the conservation and preservation of the natural environment and greater reduction of the human impact on the surrounding environment to ensure a sustainable and healthy community. It contains a number of strategies to better manage and use the natural resources within the Broken Hill region.

KEY DIRECTION 4: OUR LEADERSHIP

State of Environment Report 2012-2016

During development of the Community Strategic Plan 2033, three objectives were identified as priorities and included as part of Key Direction 3: Our Environment:

- Objective 3.1 Our environmental footprint is minimised
- Objective 3.2 Natural flora and fauna environments are enhanced and protected
- Objective 3.3 Proactive and responsible planning supports the community and the environment

Integrated Planning and Reporting - Linking the Plans

Measuring the Community Strategic Plan under the framework; Council used the Community Strategic Plan to determine which goals and strategies could be implemented at a Local Government level. These goals and strategies are included in a four year Council Delivery Program. Progress reports are provided to the Council with respect to the principal activities detailed in the Delivery Program, at least six monthly. To ensure that Council has the required resources to achieve the goals and strategies set out in the Delivery Program, a Resourcing Strategy has also been prepared to address long term asset management, financial management and workforce planning. The Operational Plan is a plan which focuses on the short term. It provides a 1 year detailed plan of which activities and projects from the Delivery Program will be implemented. Each year, our success in achieving the goals and strategies set out in these plans are reported through Council's Annual Report. The State of Environment Report is a report that is required in the year in which an ordinary election is held, and included in the Annual Report.

Community Engagement

In preparing the State of Environment Report 2012-2016, Council invited the community to provide input on the environmental objectives in accordance with the Community Strategic Plan. Contributions were received from key stakeholders and are included in the report.

OUR VISION

Broken Hill is a vibrant, prosperous and culturally rich Heritage City shared with visitors from around the world.

State of Environment Report 2012-2016

OUR MISSION

Council provides high quality services and leadership to enhance community living and facilitate a prosperous economy.

OUR STATEMENT OF VALUES

Inspiring

We're leading Broken Hill into the Future This means we:

- Recognise change starts with us
- Share our passion
- Act as positive role models
- Are focused on delivering results

Open

We're transparent and honest

This means we:

- Are united
- Are reliable when we make a decision we stick to it
- Can be trusted
- Are always available to listen

Original

We're pioneering new ideas while remembering what makes us unique

This means we:

- Won't forget our past, even when forging our future
- Are open to new ideas and think outside the sauare
- Champion our uniqueness
- Look for new solutions rather than relying on the old ways

Human

We're involved in the community

This means we:

- Are inclusive
- Respect diversity and how different people think
- · Value doing it together
- Have a genuine sense of humanity

Fearless

We're up for the challenge This means we:

- Strive to solve our own problems
- Defend what's important to our community
- · Are prepared to take the lead
- Take opportunities and make something of them
- Are not afraid to make tough decisions

KEY DIRECTION 3: OUR ENVIRONMENT OBJECTIVE 3.1 – OUR ENVIRONMENTAL FOOTPRINT IS MINIMISED

The strategies adopted in the Community Strategic Plan to meet Objective 3.1 – Our Environmental Footprint is Minimised are:

- **3.1.1** Reduce resource consumption and minimise waste
- **3.1.2** Increase use of renewable resources and decrease the use of non-renewable resources
- **3.1.3** Change consumer behaviour to reduce impacts on the environment without affecting quality of life
- **3.1.4** Reuse and recycling of resources is embraced by the community
- **3.1.5** Secure a clean, reliable and sustainable water supply for the area
- **3.1.6** Investigate and plan for the minimisation of environmental impacts associated with mining activity on the City

Council and other key stakeholders have been involved in and undertaken a range of projects to address the strategies identified and work towards minimising of our environmental footprint.

3.1.1 Reduce Resource Consumption and Minimise Waste

Annual Household Hazardous Waste Collections

Council participates in annual Household Hazardous Waste (HHW) collections, in partnership with NetWaste. This annual collection is partially funded by the NSW EPA and allows councils to collect hazardous items from households for reprocessing and recycling.

Collections are normally held during October or November, and participation rates have gradually increased with participants returning annually.

State of Environment Report 2012-2016

The following table provides participation rates and volume of HHW collected:

Year	2012	2013	2014	2015
Number of Participants	13	27	16	23
Volume of HHW Collected	269kg	570kg	384kg	500kg



Household Hazarddous Waste includes toxic materials...



...and paint

Green Waste

Green Waste is collected at the Waste Management Facility by either self-haulage or through the Garden Organics Kerbside Collection.

Green Waste is processed on site and used as a dust suppressant around the facility. A quantity of green waste is sent to landfill when contamination levels are too high.

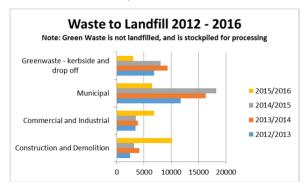
The volume of green waste collected during 2015/16 is significantly lower than previous years, however it is the first year using weighbridge data instead of vehicle estimates.

Green Waste Collected at Landfill

10000
9000
8000
7000
6000
5000
4000
3000
2000
1000
0
2012/2013 2013/2014 2014/2015 2015/2016

Waste Collected at the Waste Management Facility

Waste is divided into three main categories in Broken Hill - Municipal (households); Commercial and Industrial; and Construction and Demolition. Council services have also included Green Waste (both self haulage and kerbside collection).



State of Environment Report 2012-2016

The graph provided shows volumes of waste collected at the landfill for each waste source. It should be noted that the data up to 2014/15 is estimated, and 2015/16 is the first weighed data.

The data collected for 2015/16 is more accurate with all business waste being weighed and recorded, and domestic waste continuing to be estimated. Clean fill is included in the data collection for construction and demolition waste, explaining the large increase in 2015/16.

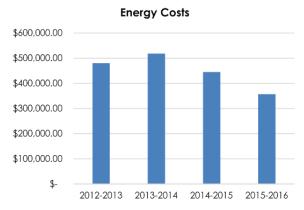
3.1.2 Increase use of renewable resources and decrease the use of non-renewable resources

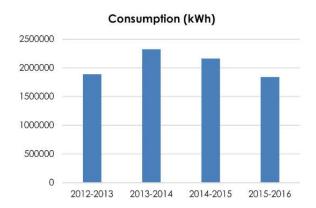
What is Councils Energy Consumption?

Council monitors its energy consumption through the subscription service Planet Footprint.

During 2012-2016 Council undertook a major LED lighting project to assist in reducing energy costs – see Council LED Lighting Project on the following page.

A combination of the results of this project included changing energy suppliers for our larger sites, gaining a reduced kW/hour price and reduced usage at some sites has reduced Council's energy costs from \$480,350 at the commencement of the reporting period to \$356,871 by the final year of the reporting period. Energy usage has also now reduced below the 2012/13 year, following increases in 2013/14.





Council LED Lighting Project



In 2013 Council received a grant of \$38,500 from the Australian Commonwealth Government as part of the Community Energy Efficiency Program to retrofit four buildings with LED lighting. The buildings were:

- Administration Centre first floor only
- · Visitors Information Centre
- Broken Hill Regional Art Gallery
- Broken Hill Regional Airport

The project contributed to the Community Energy Efficiency Programs objectives by reducing energy consumption, undertaking activities to engage staff and developing a sustainability fund.

The overall cost of the project was \$94,448.64, with Council contributing the remaining funds required.

Major works included:

 Removal of 770 lights and the installation of 446 new LED lights across all four buildings

Building	Lights removed	Lights installed
Administration Building	400	172
Visitor Information Centre	22	20
Broken Hill Regional Art Gallery	189	189
Broken Hill Regional Airport	159	65

State of Environment Report 2012-2016

The use of LED panel lights significantly reduced the number of lights that needed to be re-installed in both Council's Administration Centre and the Airport Terminal.



The Airport Terminal before the lighting upgrade



The Airport Terminal after the lighting upgrade

A payback period of 4 years was predicted for the whole project cost. Savings have already surpassed Council's contribution to the project, in just over 2 years. Since installation of the new lights in May 2014 Council has saved \$66,200 and 159,940kWh. These savings were also influenced by changing Council's electricity supplier and a change in kWh pricing in some locations.

Council staff were involved in the project through competitions to see which work areas could undertake the most energy efficient actions, including turning off their computers and monitors at the end of each work day and over the weekends. Staff were presented with certificates and prizes for their efforts.

The project included the development of an organisation wide water and energy vision to instil a commitment to saving energy and water now and into the future.

3.1.3 Change consumer behaviour to reduce impacts on the environment without affecting quality of life

Waste Workshops - Primary Schools

Every 2 years Council engages EnviroMentors from Keep NSW Beautiful to undertake Waste Workshops for our local primary schools. These workshops are presented to the students free of charge and were held in 2012 and 2014. The workshops that were held included:

- Close the Loop: students learned about what can be recycled locally; the value of waste as a resource; how recyclables are made from natural resources; the social and environmental benefits of recycling; and importance of purchasing recycled and recyclable products.
- School Yard Harvest: creating a food garden; natural ways to manage pests; composting; how growing your own food benefits the environment and health benefits of your own food.
- Compost Critters: value of organic waste; greenhouse gases created when organics are buried; benefits of composting and how to care for your compost.
- In the Bin: benefits of sorting your waste; what goes in each bin; importance of waste avoidance and waste reductions; and what happens to the different types of waste produced.

The workshops are highly interactive, and engage students from Kindergarten to Year 6. Feedback from the schools has been very positive, and participation rates reflect this.



The Compost Critters at work

State of Environment Report 2012-2016

Waste Tours and Presentations - High School

Each year Broken Hill High School students undertake a major waste project that includes a 45 minute power point presentation on waste management in Broken Hill and a 2 hour tour of the Waste Management Facility.

Whilst on the tour, students have the opportunity to see the operations of the facility; recycling efforts; participate in games to sort their waste; see the green waste operations; and in recent years students have provided suggestions on how Council can improve the facility

Landfill Upgrades

A range of upgrades to the Waste Management Facility have been undertaken. These upgrades are designed to improve the management of waste in our community, meet the requirements of state legislation and provide increased recycling opportunities for the community.

The largest infrastructure development has been the installation of a weighbridge. This infrastructure will assist in collecting more accurate data on waste received at the facility; enable implementation of fees and charges to all applicable facility users and improve communication between staff and facility users.

In the first 12 months of operation there were 65,539 vehicles entering the facility to dispose of waste.



The new weighbridge in operation

3.1.4 Reuse and recycling of resources is embraced by the community

Community Recycling Centre

A Community Recycling Centre (CRC) has been constructed at the Broken Hill Waste Management Facility. The CRC was funded with a grant of \$112,000 from the NSW Environment Protection Authority (EPA) Waste Less, Recycle More initiative and supported by the NSW Environmental Trust.

The CRC is designed to collect household hazardous wastes, including gas bottles, fire extinguishers, paint, fluorescent globes and tubes, car batteries, household batteries, motor and other oils and smoke detectors. The facility was officially opened on 4 November 2015 by Kevin Humphries, MP, Member for Barwon.

Since the opening of the facility, 4 tonnes of household hazardous waste has been removed for recycling and reprocessing by ToxFree.



The Community Recycling Centre



Inside the Community Recycling Centre, which has sorting bins available for distinguishable deposits

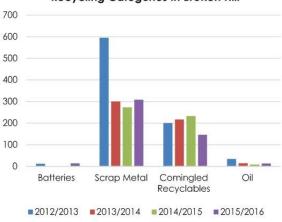
Waste Recycled

Recycling figures are low for Broken Hill and will remain low while recycling is dependent on residents and businesses delivering their own recycling to the Waste Management Facility.

State Targets are:

•	Municipal (household)	70%
•	Commercial and Industrial	70%
•	Construction and Demolition	80%

Recycling Categories in Broken Hill



The Broken Hill averages for recycling during 2012–2016 are:

•	Municipal (household)	26%
•	Commercial and Industrial	25%
•	Construction and Demolition	20%

The following graph provides a visual image of the main recycling categories that are monitored in Broken Hill. Commingled recyclables include paper/cardboard, plastics and aluminium cans.

Improving Broken Hill's recycling rates will require a shift in the culture of Broken Hill for waste management and will include further upgrades and changes to the Waste Management Facility to increase recycling and separation opportunities.

State of Environment Report 2012-2016

3.1.5 Secure a clean, reliable and sustainable water supply for the area

Essential Water - Catchment Management

Essential Water is the water business of Essential Energy. Essential Water is a water retailer and distributor with a 10GL water extraction licence from the Darling River. Essential Water operates services for a total of 18,500 customers, including 9,500 water services customers in Broken Hill, Menindee, Sunset Strip and Silverton and 9,000 sewerage services customers in Broken Hill.

Essential Water also operates and maintains three storages; Stephens Creek Reservoir, Umberumberka Reservoir and Imperial Lake Dam. Non-potable water is also supplied to; mines, parks and ovals, rural users along the Menindee to Broken Hill pipeline and Umberumberka to Broken Hill pipeline for stock and domestic purposes.

Essential Water – Water Quality Monitoring

Essential Water is committed to providing safe, secure, reliable and high quality water to their customers and the community. Essential Water has a comprehensive water sampling and quality control regime that includes testing for over 70 water quality parameters from 38 locations throughout the supply and distribution network. Water samples are analysed by an independent National Association of Testing Authority, Australia (NATA) accredited laboratory.

During 2012-2016 Essential Water reported only one non-compliance for Total Dissolved Solids (TDS) which was in 2016 and was against the water quality monitoring requirements. Criteria requirements met the criteria for each round of testing during 2012-2015.

Full report details are available on Essential Water's website:

http://www.essentialwater.com.au/content/water-quality-reports

Essential Water Imposed Water Restrictions

During the reporting period water restrictions were in place across the City.

Council's watering schedules were reviewed to meet Essential Water's water restrictions, to reduce water consumption. Council had watering exemptions in place with Essential Water under the following conditions:

- No watering is undertaken on Sunday and Mondays.
- All automated watering takes place between 11pm and 6am only.
- Any manual watering takes place between 6am and 9am only.

The actions were expected to provide a reduction in water consumption, however data is unavailable at the time of compiling this report and therefore Council is unable to provide a comparison of water usage for the reporting period.

AGL Solar Farm – Supporting Renewable Energy

In conjunction with the Australian Renewable Energy Agency (ARENA) and the NSW Government, AGL delivered two large-scale solar photovoltaic (PV) power plants with a total capacity of 155 MW (AC) at Nyngan (102 MW) and Broken Hill (53 MW) in regional New South Wales. ARENA provided \$166.7 million in funding and the NSW Government provided \$64.9 million.

The Broken Hill Solar Plant is expected to generate approximately 126,000 megawatt hours (MWh) of clean, renewable electricity each year.

On an annual basis, the Broken Hill Solar Plant will produce enough electricity to meet the needs of approximately 17,000 average sized homes in NSW.

The solar plant will reduce greenhouse gas (GHG) emissions by over 105,840 tonnes of CO2 equivalent per annum, assuming a rate of 0.84 tonnes per MWh of electricity. This is roughly equivalent to removing approximately 29,000 cars from the road. Particulate and heavy metal emissions will also be reduced. Source: https://www.agl.com.au/about-agl/how-we-source-energy/renewable-energy/broken-hill-solar-plant

State of Environment Report 2012-2016

3.1.6 Investigate and plan for the minimisation of environmental impacts associated with mining activity on the City

Broken Hill Environmental Lead Program - Background

On 13 February 2015, the NSW Government allocated more than \$13 million, over the 5 years from 1 July 2015 to 30 June 2020, to address the issue of lead exposure in Broken Hill and ongoing detection of elevated blood lead levels in local children.

The funding has established the Broken Hill Environmental Lead Program (BHELP), with an aim of developing sustainable solutions to ensure children aged 0-4 meet the National Health & Medical Research Council (NHMRC) guidelines for blood lead levels into the future. The program has a focus on Aboriginal children who have been shown to have higher incidences of elevated blood lead levels.



Kevin Humphries, MP, Member for Barwon, Mayor Wincen Cuy and Professor David Lyle at the official announcement of \$13m Lead Program Funding

Engaging and partnering with key local stakeholders and the community is key for the program's success, and several Memorandum of Understandings (MoU) have been established with the NSW Health Far West Local Health District (FWLHD), Council and Maari Ma Health Aboriginal Corporation (Maari Ma).

The funding partnership with FWLHD has already seen enhancements to the Child & Family Health's existing program of blood lead testing, monitoring and home assessments, and will allow the commencement of a research project, led by the University of Sydney's University Department of Rural Health (UDRH) to

State of Environment Report 2012-2016

identify risk factors influencing elevated blood lead levels in Broken Hill.

The MoU with Maari Ma has resulted in the start of a home assessment program, targeted at all Aboriginal children under the age of five. As part of their home assessments, both Maari Ma and Child & Family Health have been using an X-ray Fluorescence (XRF) Machine, funded under the program, to instantaneously detect lead levels in soil, dust and paint. This means action can be taken sooner to reduce children's exposure to lead in their home.

Memorandum of Understanding - Broken Hill Environmental Lead Program

In May 2016, the Broken Hill Environmental Lead Program (BHELP) commenced a formal partnership with the Council with the signing of a MoU, outlining a number of lead remediation projects over the 4 years to June 2020. The projects are aimed at managing and minimising exposure to lead in the local environment and addressing blood lead levels, particularly in children. These include:

 Joint co-ordination of the management of lead contaminated public land

This includes Council remediation of lead contaminated public land in accordance with an annual work plan. The annual work plan has been developed on a priority based system – focusing on projects identified by the BHELP Steering Committee requiring remediation to effectively manage exposure to lead on public sites/land.

The first remediation project commenced in June 2016 on the Willyama Common behind Queen Street residences and Robinson College. The works included excavations and covering or surface capping of lead contaminated soil with clean material – such as limestone, clean soil and mulch - to provide a barrier to loose soil and minimise lead dust. A new higher and stronger permanent fence has also been placed around the perimeter of the affected area to limit accessibility. Eroded areas on the sides of the tailings dams will also be repaired.

- Ongoing annual maintenance of Council parks and playground equipment
 High pressure cleaning of playground equipment and surrounding surfaces will continue weekly at Sturt Park and Duff Street Park. Facilities and signage will be regularly inspected and maintained at Duff, Sturt and AJ Keast Parks to ensure that children are able to wash their hands after playing and before eating. Bare surfaces at local parks and playgrounds will be tested regularly for lead levels and will be remediated with appropriate ground covers where necessary.
- Modification and scheduling of a new street sweeper

Modification of a newly purchased street sweeper has seen it fitted with a dust control system – to keep lead dust generated by sweeping activities to a minimum and to avoid recontamination of previous lead remediated sites. Council's street sweeping schedule envisions priority given to local streets with known high lead levels in storm water sediment/runoff.

Education

Ongoing education of Council staff on appropriate lead remediation processes and practices.

Partnership with Council - Playgrounds

The BHELP in partnership with Council has also completed a program to remove lead contaminated soil and minimise children's exposure to lead at Duff Street, Patton Street and Duke of Cornwall playgrounds.

Funding of \$225,000 was allocated to this project by the EPA through its Contaminated Land Management Program, funded through the Environmental Trust. The work included:

- Preliminary surveys and inspections
- Installation of roofing and hand washing facilities
- Installation of connections to allow high pressure equipment to clean playground surfaces
- Replacement of existing bare play surfaces with mulch, wood chips, synthetic grass, plants and gravel - providing a barrier to loose soil and minimising lead dust.



NSW Minister for the Environment Mark Spearman, Councillor Christine Adams, and Broken Hill Environmental Lead Program Project Manager Peter Oldsen at the new hand washing facility at Duff St Park

Broken Hill Lead Reference Group

The Broken Hill Lead Reference Group (BHLRG) is facilitated by Council. The group consists of representatives from a range of organisations and industries, including community representation.

Representatives include:

- Broken Hill City Council (Council)
- Broken Hill Environmental Lead Program
- Far West Local Health District
- Broken Hill University Department of Rural Health
- CBH Resources
- Perilya Limited
- Department of Industry
- Compass Housing Services
- NSW Environment Protection Authority (EPA)
- Western NSW Primary Health Network (WNSW PHN)
- Essential Energy (Essential Water)
- Local Member (MP)
- Community Representatives (2)
- Maari Ma Health
- Educational Institutions

The group was reformed in 2007/08 due to community concerns about falling participation levels in blood lead monitoring, and aims to provide a coordinated whole of community approach to the management of environmental lead in Broken Hill. The role of the group was modified following the funding of the Broken Hill Environmental Lead Program. The group meets quarterly to discuss many environmental lead issues for Broken Hill and is an important community consultation tool, providing guidance and feedback to each of the representatives in the group.

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NSW Environmental Protection Authority -Licencing and Monitoring

The NSW Environmental Protection Authority (EPA) had a significant reduction in reports about noise and vibration made to Environment Line during the reporting period. The Environment Line handles all general enquiries about environmental issues and takes reports of pollution for which the EPA has regulatory responsibilities.

The number of reports made to the Environment Line about air/dust and water pollution remained low during 2012-2016.

The EPA licences activities scheduled under the Protection of the Environment Operations Act 1997. There are nine premises within the Broken Hill Local Government Area (LGA) that are licensed with the EPA. The EPA regulates these activities via licence conditions and reporting. The regulation of activities by the EPA includes Environmental Protection Licence conditions that require some licensees to undertake monitoring, and all licensees to submit an annual return. The EPA also undertakes site inspections of the sites that it licences.

Blood Lead Levels

The 2014 annual report is the most current report available for blood lead testing and provides trends for the blood lead levels in children under the age of 5 years in Broken Hill since the early 1990s.

In 2011 several key strategies were implemented to improve the participation rates for voluntary blood lead level screening including:

- Alignment of lead testing with childhood immunisation clinics
- Introduction of text message reminders to reduce 'did not attend' rates and;
- Development of partnerships to improve initial testing and case management of children with high blood lead levels.

From 1998 there was progressive decline in the number of children voluntarily undertaking blood lead screening. However from 2011 there has been a reversal in this trend following the inclusion of the testing with routine immunisation at both Broken Hill Child and Family Health and Marri Ma.

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By 2014:

- 719 children were tested with no child having a blood lead level greater than 29uq/dL
- The average blood lead level was 5.2ug/dL, lower than 2012 and 2013
- The average Aboriginal blood lead level was 7.5ug/dL, also less than 2012 and 2013

Throughout the reporting period the National Health and Medical Research Council (NHMRC) reviewed the guidelines for blood lead levels from 10ug/dL to 5ug/dL, working on the premise that no lead level is safe.

In February 2016 the National Health and Medical Research Council introduced the new notifiable lead level of 5ug/dL, a decrease from 10ug/dL. This has a significant impact for the children of Broken Hill with average readings above 5ug/dL as follows:

All children 47%
Indigenous Children 79%
Non-indigenous Children 35%

The BHELP has been established to implement long term strategies to reduce blood levels in the children of Broken Hill with a particular emphasis on the Indigenous community.

CBH Resources Extension of Underground Mining - Project Approval

Broken Hill Operations Pty Ltd (BHOP) sought Project Approval under Section 75J the Environmental Planning and Assessment Act 1979 to extend underground mining to include Block 7 located on Consolidated Mining Lease 7 (CML7) at Broken Hill.

CBH Resources – Monitoring of Dust and Lead

BHOP monitors ambient air for total dust and total lead amounts as a requirement of the Environmental Protection Licence (EPL) 12559, under the Protection of the Environment Operations Act 1997, in accordance with using a network of three high volume air samplers, seven dust deposition gauges and two TEOM real-time ambient air monitors.

Monitoring results are available online at: http://www.cbhresources.com.au/operations/rasp-

mine/sustainablity/environment/environmentalmonitoring/

CBH Resources – Rehabilitation Works

Rehabilitation works included a waste rock trial over a sample free area. Free areas have no rock armoring or other ground cover to control dust other than the annual dust suppressant application. An area was selected on the west side of Kintore Pit as a representative sample of all site free areas. Approximately 3,100 tonnes of waste rock was applied at a thickness of 400 - 500 mm over an area of 3,000m2.

CBH Resources - Pollution Reduction Programs

BHOP has implemented Pollution Reduction Programs as prescribed in the Environmental Protection Licence (EPL) 12559 including lining of Ryan Street Dam to prevent seepage during high rainfall events.

CBH Resources - Dust Control

Scheduled maintenance for dust control continued throughout the reporting period including water truck spraying as required, use of a street sweeper on sealed roads and car parks and application of dust suppression chemicals. 100% of the dust suppression chemicals have been applied for the 2016 campaign. Spreading was completed in June. The chemical Total Ground Control has a guaranteed life of 18 months; reapplication is conducted every 12 months or earlier if the crust shows signs of breakdown. Total Ground Control is supplied by Reynolds Soil Technologies (RST).



Image of a dust suppression chemical application, where a green dye is added to a solution on PVA glue which is used as a crusting agent

Photo supplied by CBH Resources – Rasp Mine

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CBH Resources – Community Lead Management Plan

BHOP has revised the Community Lead Management Plan (CLMP) in accordance with the Project Approval 07_0018. The plan was prepared in consultation with the Broken Hill Lead Reference Group, including NSW Health Western NSW Local Health District and Council. The plan outlines the management measures undertaken by the Rasp Mine to minimise the potential for blood lead contamination in the community and how these measures will be assessed, monitored and communicated to the community. The CLMP has been submitted to the Department of Planning and Environment (DPE) for final approval.

CBH Resources - Health Risk Assessment

A revised Health Risk Assessment has been produced by independent consultant Pacific Environment Limited. The site Health Risk Assessment has been reviewed at length by the EPA; queries were lodged with the DPE during May 2016 as to whether the document was adequate. DPE found the document content to be acceptable meeting the Project Approval conditions. DPE issued a conditional approval in late June stating the sub-reports were to be compiled into a single document. The document was compiled and sent to DPE for approval.

CBH Resources – Funding Contributions

BHOP make available \$50,000 as a contribution in funding to NSW Health Far West Local Health District (FWLHD) each year for public health monitoring and public education. A submission was received from FWLHD for progressing works on the lead screening database module, signed by both parties - FWLHD and Cerner (the consultant) finalised on 17 June 2016. The application for the grant was accepted by BHOP management in July 2016, with the funding released in August.

Perilya Limited - Environmental Monitoring

Perilya undertake monthly environmental monitoring for both the Southern Operations and Potosi Operations.

Details of the environmental programs and monthly reports can be accessed online: http://www.perilya.com.au/health--safety-environment/environment

KEY DIRECTION 3: OUR ENVIRONMENT OBJECTIVE 3.2 - NATURAL FLORA AND FAUNA ENVIRONMENTS ARE ENHANCED AND PROTECTED

The Strategies adopted in the Community Strategic Plan to meet Objective 3.2 – Natural Flora and Fauna Environments are enhanced and protected are:

- **3.2.1** Protect and enhance regeneration areas for the benefit of the City
- **3.2.2** Increase awareness and understanding of the natural environment
- **3.2.3** Increase involvement in actively protecting the natural environment
- **3.2.4** Manage the impact of pests and weeds on Broken Hill's natural environment

3.2.1 Protect and enhance regeneration areas for the benefit of the City

Willyama Common and Regeneration Areas

The Willyama Common is an area of land approximately 87km² and makes up the bulk of the area within the Broken Hill Local Government Area (LGA), excluding the main urban area, the Living Desert Reserve, private leases, freehold land and a number of recreational areas. The common is of cultural significance to the Wiljakali people. The Common's use is governed by a Plan of Management, prepared by Council in 2003 under the Commons Management Act 1989.

Broken Hill's Regeneration areas almost encircle the City. The Regeneration areas are fully fenced to limit access as this provides the best results for natural regeneration of the sites. A management plan for the Regeneration areas will be developed over the next 2 years to ensure there is sufficient funding and actions taken to maintain these areas.

Both the Willyama Common and Regeneration areas are regularly inspected, which includes:

fence condition, replacement and repair needs

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- · monitoring of natural regeneration
- · weed monitoring and control activities
- weekly inspections are carried out to identify illegal dumping occurrences

Recently Council has received notification of over 200 Aboriginal Land Claims for the Broken Hill LGA, with many of these claims falling within the boundaries of the current Willyama Common and Regeneration areas. Council will be involved in providing advice on each claim as each claim is assessed.

The Living Desert

The Living Desert Reserve includes The Sculptures and The John Simons Flora and Fauna Sanctuary. The site covers an area of 24.2km² and were established as a nature conservation and tourism facility. It continues to be a great attraction for visitors and locals alike attracting around 30,000 visitors annually. The grounds are maintained by Friends of the Flora and Fauna of the Barrier Ranges Community Committee; volunteers who carry out regular working bees, including maintenance to the walking tracks and grounds. Friends of the Flora and Fauna of the Barrier Ranges Volunteers undertake track maintenance.

In February 2015, a new ticket machine was installed at the entry gate for the Living Desert. This replaced the old envelope system, as fees moved to a per person amount, instead of per vehicle amount. The machine works on the same premise as obtaining a parking ticket. The machine has improved the management of the income for the Living Desert, and reduced costs for entry fee arrangement by approximately \$5,000 per year.

Living Desert Visitor Numbers

Year	Number of Visitors
2012/2013	35 633
2013/2014	31 084
2014/2015	29 494
2015/2016	27 112

The Living Desert is a highly successful tourist attraction operated by Council staff, it is the only State Park that is listed that does not have a water view. It highlights and showcases the dry arid environment of outback Australia.

Living Desert Primitive Campground development and installation

In 2014, a primitive campground commenced development within the Living Desert Reserve with initiatives to provide short stay camping options for visitors and locals alike.

The infrastructure is now in place, and final operational arrangements are continuing. The campground has BBQ facilities; toilets and showers; tent area; and caravan/camper trailer area.



The new ablution block was funded through the Public Reserves Management Fund Program, administered through NSW Crown Land



20 designated caravan/camper trailer parking spaces

Sculpture Symposium – Twentieth Anniversary
On 18 May 2013, Council celebrated the
20 year anniversary since the installation of the
Sculpture Symposium.

The Sculpture Symposium was officially opened on 23 May 1993 in the Living Desert. It has a

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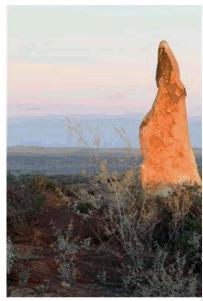
major input into the local tourism industry, and has become one of Broken Hill's most iconic sites.

Work began on the Symposium in April 1993. Twelve sculptors from around the world worked 14 hours a day, 7 days a week to complete 4 months of work in 6 weeks.

The huge sculptures were carved by hand from massive Wilcannia sandstone blocks. The blocks travelled 210kms in convoy and were set in place with the help of volunteer truck and crane operators.

The following photos highlight why the Sculptures have become one of the most photographed landscapes in the region.





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3.2.2 Increase awareness and understanding of the natural environment

Harold Williams Home – World Environment Day Presentation

Council gave a presentation to residents at the Harold Williams Home to celebrate World Environment Day, promoting some of the activities that Council undertakes to support our local environment.

Topics covered included:

- Waste Management
- Tidy Towns Events
- Living Desert State Park
- Regeneration Reserve
- Willyama Common
- Energy Savings
- Lead Management

3.2.3 Increase involvement in actively protecting the natural environment

Tidy Towns Community Committee

At the February 2015 Council meeting the Tidy Towns Community Committee was disbanded as it was determined the committee was not acting in an advisory capacity, which was the intended role of the committee. The committee was reclassified to the Tidy Towns Volunteer Group, and Council staff support was significantly reduced.

National Tree Planting Day

Tidy Towns supported National Tree Day during 3 of the 4 reporting years:

- 2012 Jubilee Oval with support from the AFL Broken Hill
- 2013 Queen Elizabeth Park with support from the Girl Guides Association
- 2014 Picton Oval with support from the Picton Sportsground Community Committee and Girl Guides Association

Following varied success with these plantings and implemented water restrictions, the Tidy Towns Group ceased tree plantings for the rest of the reporting period.

Clean Up Australia Day and other Clean Up Activities

The Tidy Towns Volunteer Group hosted Clean Up Australia Day (CUAD) activities annually in March; returning to the Barrier Highway town entrance (Adelaide entrance) each year. Each event has collected approximately 60-80kg of litter, mostly consisting of take away containers, and in 1 year also included 4-5 tyres.

In July 2015 the Tidy Towns Volunteer Group once again assisted Broken Hill with a spruce up of one of Broken Hill's popular roads, the "Back Track" (formally known as Holten Drive). The committee focused efforts on cleaning up the road from the railway tracks through to King Street and collected 4 x 3m³ dumper bins in one morning.

As with every year, Council again supported Clean Up Australia Day in 2016. Council and the Tidy Towns Volunteer Group organised 24 volunteers to focus on the Lions Reserve, Joe Keenan Lookout, areas surrounding Broken Hill Public School and Broken Hill High School, the TAFE College and the Visitor Information Centre. Volunteers collected 62kgs of rubbish with approximately 80% being take-away wrappers and drink containers. The Girl Guides also supported the event with a focus on Block 10 Lookout.



Volunteers at Clean Up Australia Day 2016

Tidy Towns Awards – Keep Australia Beautiful NSW

The Tidy Towns Volunteer Group works with local community members and Council staff to annually submit an entry in the Tidy Towns Awards.

Broken Hill is assessed with other towns with populations between 10,000 – 25,000 people.

Broken Hill has received an abundance of awards during the 2012-2016.

Awards received during 2012-2016 include: **2012**

 Office of Environment & Heritage, Wildlife Corridors and Habitats Conservation Award (Category E, Population 10,001 – 25,000) – Broken Hill Living Desert Sanctuary – Winner

2013

 Overall Town (Category E, Population 10,001 – 25,000) – Third

2014

- Overall Town (Category E, Population 10,001 – 25,000) – Second
- Young Legends Award (Individuals EF) Dylan Stone – Winner
- Schools Environment Award (School Category 4, 160-300) – Alma Public School – Highly Commended
- Bush Spirit Award (Category E, Population 10,001 – 25,000) – Broken Hill St Patrick's Race Club – Highly Commended
- Packaging Stewardship Forum Waste Management and Litter Reduction Award (Category E, Population 10,001 – 25,000) – Schools leave nothing to Waste, Broken Hill - Winner

2015

- Overall (Category E, Population 10,001 – 25,000) – Third
- Young Legends Award Jarrah Seager
- Australian Packaging Covenant Litter Reduction Award – Tidy Towns Strategic Plan for Litter Reduction (Highly Commended)
- Sustainable Business Award Tip Shop Life Line
- Office of Environment and Heritage

- Community Actions and Partnerships Award – Broken Hill Far West Festival of Respect
- Office of Environment and Heritage Conservation Partnerships Wildlife Corridors and Habitat Conservation Award – Broken Hill White Leeds Wetlands and Wildlife Refuge (Judges Commendation)
- Water Conservation Award Broken Hill White Leeds Wetlands and Wildlife Refuge (Highly Commended)
- Office of Environment and Heritage Cultural Heritage Award – Broken Hill Restoration – Replica of Royal State Coach (Highly Commended)
- Energy Efficiency Award Solar Evacuated Tube Installation – Alma Oval and Warnock Street Depot (Highly Commended)

2016 - Unsuccessful on awards submitted



Council Officer Rebecca McLaughlin and Councillor Darriea Turley accept the 2013 Tidy Towns Award



2014 Tidy Towns Awards

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3.2.4 Manage the impact of pests and weeds on Broken Hill's natural environment

Willyama Common Noxious Weed Project

Council received a total grant of \$22,000 through the Public Reserves Management Fund Program (PRMFP) to undertake widespread noxious weed control on the Willyama Common. Targeted species included mesquite and a range of cactus species. Local contractors were hired to undertake the works. The works have reduced the impact of these species on the Common, and prevent the infestations from spreading further, particularly into neighbouring properties. The works were highly successful and Council staff conduct follow up spraying to prevent the weed species from spreading.



Cactus following spraying

Essential Water - Noxious Weed Program

During the period July 2015 to June 2016 a noxious weeds control program was undertaken:

- Stephens Creek Reservoir;
 - 375 boxing glove cactus heads were treated. Plants were of average 750mm in height and treated by the Local Lands Services Western Region Department
 - Mesquite was treated
- Mesquite was also treated within the boundaries of;
 - Umberumberka Reservoir
 - South Waste Water Treatment Plant
 - Wills Street Waste Water Treatment Plant



Looking across the levees at Stephens Creek Photo supplied by Essential Water

KEY DIRECTION 3: OUR ENVIRONMENT OBJECTIVE 3.3 - PROACTIVE AND RESPONSIBLE PLANNING SUPPORTS THE COMMUNITY AND ENVIRONMENT

The Strategies adopted in the Community Strategic Plan to meet Objective 3.3 – Proactive and responsible planning supports the community and the environment are:

- **3.3.1** Encourage environmentally sustainable building and subdivision
- **3.3.2** Preserve the heritage and streetscapes of the City
- **3.3.3** Reuse and repurposing of the existing built environment is managed is a sustainable manner

3.3.1 Encourage environmentally sustainable building and subdivision

New Local Environmental Plan 2013

Subsequent to the development of a new Strategic Land Use Plan in 2012, Council commenced with the development of a new Local Environmental Plan (LEP). The new LEP was gazetted on 30 August 2013 and can be viewed at

http://www.legislation.nsw.gov.au/#/view/EPI/2 013/506

The plan aims to make local environmental planning provisions for land in Broken Hill in accordance with the relevant standard environmental planning instrument under section 33A of the Environmental Planning and Assessment Act 1979.

The particular aims of this Plan are as follows:

- to encourage sustainable economic growth and development in Broken Hill,
- to encourage and provide opportunities for local employment growth, and the retention of the population, in Broken Hill,
- to encourage the retention of mining and acknowledge that industry's heritage and regional significance,

- to identify, protect, conserve and enhance Broken Hill's natural assets,
- to identify and protect Broken Hill's built and nationally significant cultural heritage assets for future generations,
- to provide for a range of housing types and living opportunities,
- to allow for the equitable provision of services and facilities for the community,
- to provide for future tourist and visitor accommodation in a sustainable manner that is compatible with, and will not compromise, the natural resource and heritage values of the surrounding area.

3.3.2 Preserve the heritage and streetscapes of the City

National Heritage Listing

In recognition of its outstanding contribution to Australia, the City of Broken Hill became the Nation's First Nationally Heritage Listed City on 20 January 2015. Inclusion on the National Heritage List is the highest heritage honour in Australia. It recognises and protects our most valued natural, indigenous and historic heritage sites and is a collection of 103 sites which have been deemed to have "outstanding significance to the nation". Council first nominated the City for listing in 2005, with environmental lawyer and the Chairman of the International National Trusts Organisation, Professor Simon Molesworth AO, QC, spearheading the campaign over the last 10 years. The City was assessed against nine values by the Australian Heritage Council (AHC).

The City of Broken Hill met 8 of the 9 criteria by demonstrating the following:

- Historic value taking into account its mining importance, industrial relations significance, and the initiatives with respect to regeneration of native vegetation
- Rarity as a mining town with more than 125 years of continuous mining activity
- Research value with respect to mining inventions and diverse ore bodies
- Ability to demonstrate the principal characteristics of an evolving mining town
- Aesthetic significance
- Creative and technical achievements through the discovery of new and revolutionary mining processes

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- A place with strong community spirit and resilience
- Recognition of significant people such as Charles Rasp, WL Baillieu, WS Robertson and GD Delprat



large crowd gathered for the official announcement on 20 Janauary 2015



Mayor Wincen Cuy, Peter Oldsen, Elizabeth Vines and Professor Simon Molesworth

Heritage Advisory Service

Council provided a free heritage advisory service during the reporting period. This is a key service that provides free conservation assistance and expertise for the community on all areas of heritage conservation including:

- practical conservation advice for heritage places (commercial, residential and public)
- upgrades of building facades and verandahs
- external paint schemes for all properties
- preparation of heritage strategies and reports where required
- advocacy for heritage issues within the City in a wider arena.

Year	Number of People accessing the service
2012/2013	80
2013/2014	81
2014/2015	83
2015/2016	79

Built Heritage Activities

Council provides two programs to support Broken Hill's existing heritage – Commercial Paint Grants and the Verandah Revival Program.

The Commercial Paint Grants provide up to \$500 or 50% of the total project cost for residential premises and \$1,000 grants or 50% of the total project cost for commercial premises.

The Verandah Revival Program concentrates on the construction, reconstruction and/or restoration of verandahs for commercial buildings, particularly within the CBD.

Year	Heritage Paint Program	Verandah Restoration Program
2012/2013	21 grants	2 loans
2013/2014	18 grants	2 loans
2014/2015	16 grants	2 loans
2015/2016	9 grants	1 loan

3.3.3 Reuse and repurposing of the existing built environment is managed is a sustainable manner

Development Application Tracking

The NSW DPE has provided Council has provided Council with grant funding of \$15,000 to launch an upgraded online portal to make it easier for residents and local businesses to follow the progress of their Development Application (DA).

The tool provides easily locatable information about DAs and ensures there is sufficient time for the community to comment on new proposals, where permitted.

This collaboration demonstrates Council's Planning, Development & Compliance Department's support of the commitment to the introduction of more online services for NSW citizens through its ePlanning Program and the

NSW Planning Portal. The program seeks to provide the community and industry with easy online access to planning services and authoritative information from anywhere at any time. The online tool features improved functionality, including a mapping function allowing people to view where new developments are proposed.

DA tracking ensures that people can find the information they need at their fingertips in order to keep track of the progress of an application and make an informed and well-considered submission to Council. This type of tool also assists in ensuring transparency in the assessment process. To view the upgraded tracking portal, visit Council's DA tracking page www.datracker.brokenhill.nsw.gov.au

Electronic Housing Code

Council switched on the Department's Electronic Housing Code in September 2015.

A complying development is a straight-forward project that meets all the building standards for complying development, without the need for a development application.

The Electronic Housing Code means:

- Faster planning approval times for straightforward home building or renovations.
- Conveniently-located and simple to understand information on what is allowed on a property without a development application.

The Electronic Housing Code is a tremendous tool that offers a range of advantages that the old paper system can't match.

For more information, please visit www.electronichousingcode.com.au

Public Health Inspections

Council undertakes annual inspections and audits of food premises, cooling towers, skin penetration establishments, commercial swimming pools and spas, and septic tanks.

During 2012-2016 Council conducted inspections to local food premises and other commercial enterprises as listed in the table below.

Inspection Type and Number of inspections	2012 /13	2013 /14	2014 /15	2015 /16
Cooling Towers	0	8	8	8
Skin Penetration Establishment	26	7	5	6
Food Premises Public	149	136	210	195
Swimming Pools	n/a	34	30	20

Council received food complaints related to handling/hygiene, foreign matter and food quality. During 2012-2016 the number of complaints received has reduced, which could be attributed to regular inspections and support provided to local businesses.

Year	Number of Complaints Received
2012/2013	13
2013/2014	8
2014/2015	5
2015/2016	5

Development Activity

The following tables summarise development applications received by Council 2012-2016. The general trend is an annual decrease in the number and value of applications received.

Year	No. DA's	Value
2012/2013	206	\$19,800,766
2013/2014	197	\$14,903,631
2014/2015	188	\$13,094,814
2015/2016	170	\$23,824,789

Major Projects during the reporting period have included:

- Hungry Jacks Building Upgrades
- YMCA Building Upgrades
- · Additional 5 motel units
- Alterations to RSPCA
- Shop/Office added to the Uniting Church
- Health Club and Gymnasium
- Medical Centre
- New Holding Cells for the Court House
- Student accommodation
- Shed and amenities block at the Broken Hill Waste Management Facility
- Extensions and renovations to Barrier Social Democratic Club
- Extension to McDonald's Restaurant
- Upgrade to Civic Centre
- New hanger at Royal Flying Doctor Service
- Refurbishment of ground floor and basement at Broken Hill City Council Administration Building for Archives
- Development of RV site at Broken Hill Golf
 Club
- · Refurbishment of premises as funeral home



The new weigbridge at the Broken Hill Waste Management Facility



Council's General Manager James Roncon with Kevin Humphries, MP, Member for Barwon, inspecting the progress of the Civic Centre upgrades



The ground floor foyer at the Civic Centre during the upgrade



A concept design of how the Council Administration Building might look with the refurbishment of the ground floor to include a public display of the Broken Hill Archives

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