

Riverina Water County Council

Annual Report



2003/2004



CONTENTS

	Page
MISSION STATEMENT	3
DIRECTORY	4
REPRESENTATION	5-6
INTRODUCTION	
Organisation Structure	11
Chairperson's Message	12
NATIONAL COMPETITION POLICY	13
COUNCILLORS' FEES, FACILITIES AND EXPENSES	
Section 428(2)(f)	14
PERSONNEL & DELEGATION	
Section 428(2)(g) Employment of Senior Staff	15
Section 428(2)(m) Human Resource Activities Undertaken by Council	15-19
Section 428(2)(n) Activities Taken by Council to Implement its Equal Employment Opportunity Management Plan	19
Section 428(2)(o) External Bodies which have Exercised Council-Delegated Functions	20
Section 428(2)(r) Total Remuneration for Senior Staff (General Regulation Clause 31[I] [b])	20
ENVIRONMENTAL & SOCIAL MATTERS	
Section 428(2)(c) State of the Environment	25
Section 428(2)(i) Programmes undertaken to Preserve, Protect, Restore and Enhance the Environment	25-26
Section 428(2)(i1) Bush Fire Hazard Reduction	27
Section 428(2)(j) Programmes Promoting Services, and Access thereto, for people with diverse cultural and linguistic backgrounds	27
Section 428(2)(p) Companies in which Council held a controlling interest	27
Section 428(2)(g) Partnerships, Co-operatives and other joint ventures to which Council has been a party	27
Section 428(2)(r) Activities for Children (General Regulation Clause 31[I] [c])	27

OPERATION, CONSTRUCTION & MAINTENANCE

Section 428(2)(b)	Management Plan - Performance Targets 2003/2004	28-30
Section 428(2)(h)	Contracts Awarded During the Year	30
Section 428(2)(k)	Private Works Under Section 67(3) of the Act	30
	Water Supplied	33-34
	New Customers	35-36
	Construction	36-37

FINANCIAL INFORMATION

	Charges for Water	38
Section 428(2)(d)	Condition of Public Works under Council's Control	39
Section 428(2)(e)	Summary of Disclosable Legal Proceedings	40
Section 428(2)(l)	Amounts Contributed / Granted Under Section 356	40
Section 428(2)(r)	Overseas Visits Funded by Council (General Reg. Clause 31[l] [a])	40
Section 428(2)(r)	Rates & Charges Written Off - (Rates & Charges Reg. Clause 12)	40
	Freedom of Information	40
	Information Protection Act, 1998	41

FINANCIAL REPORTS

Section 428(2)(a)	Financial Reporting	42-93
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GENERAL INFORMATION

	Customer Information - Payment Facilities	94
	Emergency Numbers	95



MISSION STATEMENT

Mission:

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

Goals include:

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

RIVERINA WATER COUNTY COUNCIL



DIRECTORY

HEADQUARTERS	91 Hammond Ave, Wagga Wagga
POSTAL ADDRESS	PO Box 456, Wagga Wagga 2650
E-MAIL ADDRESS	admin@rwcc.com.au
WEB ADDRESS	www.rwcc.com.au
TELEPHONE	(02) 6922 0608
OFFICE HOURS	8.30 am to 4.00 pm, Monday to Friday
BANKERS	National Australia Bank Ltd
SOLICITORS	Messrs. Farrell Lusher
AUDITORS	John L. Bush & Campbell, Wagga Wagga

RIVERINA WATER COUNTY COUNCIL

For the construction, operation and maintenance of works of water supply within the Shires of Culcairn, Holbrook, Lockhart and Urana and the City of Wagga Wagga.

ANNUAL REPORT

For the Year July 2003 to April 2004 COUNCILLORS



Clr. P. Brassil AM
Wagga Wagga
Chairperson

Clr. I. Coghill
Urana Shire Council
Deputy Chairperson
July - October 2003

Clr. P. Yates
Lockhart Shire Council
Deputy Chairperson
October - April 2004



Clr. A Ffield AM
Culcairn Shire Council

Clr. J. McNerney
Holbrook Shire Council



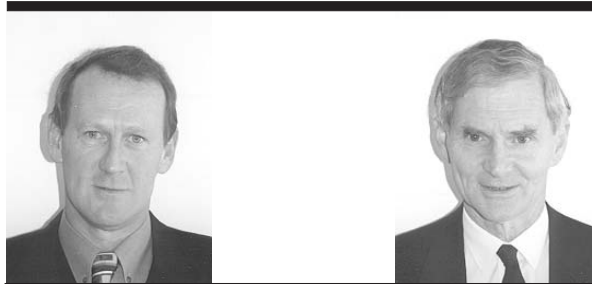
Clr. P. Dale
Wagga Wagga

Clr. M. Georgiou
Wagga Wagga

Clr. J. Harding
Wagga Wagga

Clr. L. Vidler
Wagga Wagga

MANAGERS



G.W. Pieper
General Manager

M.E. Nash
Manager Engineering

RIVERINA WATER COUNTY COUNCIL

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

ANNUAL REPORT

For the Year April 2004 to June 2004

COUNCILLORS



Clr. L. Vidler
Wagga Wagga
Chairperson

Clr. P. Yates
Lockhart Shire Council
Deputy Chairperson



Mr. D. Sexton
Administrator
Greater Hume Shire Council
from 26/5/04

Clr. A Ffield AM
Culcairn Shire Council
30/6/03 - 26/5/04

Clr. J. McInerney
Holbrook Shire Council
30/6/03 - 26/5/04

Clr. I. Kreutzberger
Urana Shire Council



Clr. R. Kendall
Wagga Wagga

Clr. D. Simpson
Wagga Wagga

Clr. K. Vidler
Wagga Wagga

Clr. K. Wales
Wagga Wagga

MANAGERS



G.W. Pieper
General Manager

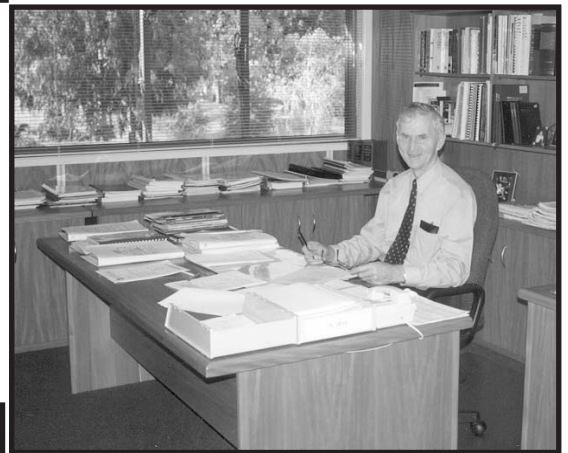
P.H. Clifton
Director of Engineering

**Clr. Lindsay Vidler (Wagga Wagga)
and Clr. Peter Yates (Lockhart)
elected
Chairperson & Deputy Chairperson
at Council's Meeting
held 10th May 2004**



**New Director of Engineering
Peter Clifton signing
contract
at Council's Meeting 10th
May 2004
watched by Clr. Lindsay
Vidler (Chairperson) and
Gerald Pieper (General
Manager)**

**Retirement
Murray Nash
Director of Engineering
7th December 1992 to 14th May 2004**



**Farewell Presentation
to outgoing
Chairperson
Pat Brassil AM
held on
23rd June 2004
L-R
Clr. Lindsay Vidler,
Pat & Anne Brassil
and Gerald Pieper**

PRESENTATION TO PAT BRASSIL AM

Mr. Pat Brassil AM was presented with a certificate of appreciation for his service to Council totalling over 26 years.

Pat was not re-elected at the Local Government Elections held on 27th March 2004.

Chairman Clr. Lindsay Vidler presented Pat with the certificate at a gathering held on Wednesday 23rd June, 2004.

Pat was elected the inaugural chairman of Riverina Water in 1997 and held that position until March 2004.

Council thanks Pat for his leadership during that period and wishes him, wife Anne and family all the best for the future.



Clr. Peter Dale & Pat Brassil AM



Cirs. Ian Kreutzberger & Peter Yates
congratulate Pat



Clr. Lindsay Vidler presents
Pat with certificate,
with Gerald Pieper General Manager
looking on



Staff enjoying the lunch



Chairperson Clr. Lindsay Vidler presenting Murray with a certificate of service



Hand crafted Trencher & Trailer made by Staff presented to Murray Nash

RETIREMENT Murray Nash

Director of Engineering

Murray Nash retired from Council on 14th May 2004 after twelve years with Council. Murray commenced employment in Local Government in 1959.

1997 - Present

Manager Engineering/Director of Engineering,
Riverina Water County Council

1995 - 1997

Interim Manager, Water Engineering
Energy South/Great Southern Energy

1992 - 1995

Manager, Water Supply Engineering,
Southern Riverina Electricity & Water

1979 - 1992

Shire Engineer, Tumut Shire Council

1971 - 1979

Consulting Engineer, Temora Municipal
Council

1968 - 1971

Shire Engineer, Temora Municipal Council

1968 - 1971

Shire Engineer, Coolamon Shire Council

1964 - 1968

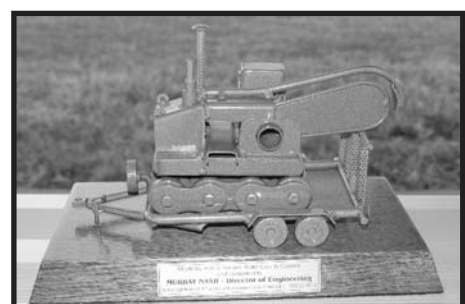
Assistant/Deputy Engineer, Dubbo City
Council

1959 - 1964

Cadet Engineer, Goobang Shire Council

An afternoon tea was held on 12th May 2004 for all members of staff and a function farewelling Murray was held on 14th May 2004 at the Garden Court Restaurant and attended by over seventy people.

Council's Chairman Clr. Lindsay Vidler presented Murray with a certificate of service at the function.





**3rd November 2003
Riverina Water “Goes Live”
with new Civica “Authority” Computer
Software**

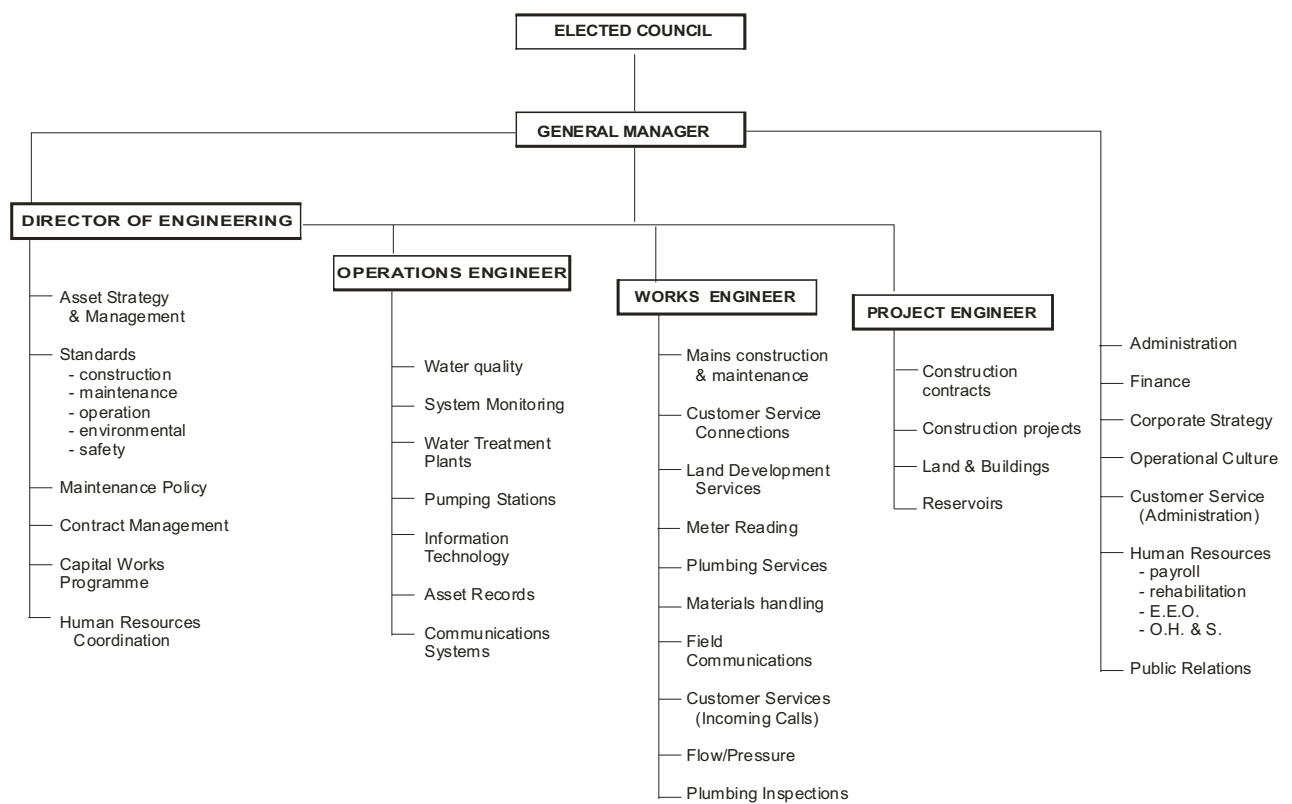
Administrative staff members
Graeme Geaghan, Wayne Schiller, Kerrie Fawcett,
Judi Dunning and John Reynoldson



Judi Dunning and Wayne Schiller
serving our first customer on
new computer system

INTRODUCTION

ORGANISATION STRUCTURE



CHAIRPERSON'S MESSAGE

Council had another successful year in 2003-2004 as it continued to supply water to the City of Wagga Wagga and Shires of Lockhart, Urana and Part Greater Hume.

Once again, Council achieved a surplus because of the higher than expected demand and increase in urban residential subdivision and increase (due to continuing dry conditions) of rural mains extensions.

Council is proud of its ability to meet increases in demand which occur because of climatic factors and the variability of our weather conditions, it is conscious of the fact that water is a scarce resource and encourages those practices which lower demand for the individual consumer.

As part of this, Council introduced water restrictions for the summer months banning the use of fixed sprinklers between 9.00 am and 6.00 pm. More stringent restraints were introduced at Humula, Rand and Walbundrie where water was needed to be carted to provide drinking water.

March 2004 saw Local Government elections in New South Wales and these affected the membership of Riverina Water as five new members came onto Council. These were Councillors Kreutzberger (Urana), Councillors Kendall, Simpson, Karen Vidler and Wales (Wagga Wagga). These joined Councillor Fifield (AM) (Culcairn), Councillor McInerney (Holbrook), Councillor Yates (Lockhart) and Councillor Lindsay Vidler (Wagga Wagga) who were re-elected by their respective Councils.

Council's inaugural Chairperson Pat Brassil AM, a position he held from 1997 – 2004 was not re-elected. Council recognised the contribution of Pat Brassil with a function on 23rd June 2004 when he was presented with a Certificate. Pat Brassil was instrumental in having Riverina Water formed, and his dedication and commitment to Council has assisted in Council being recognised as a leading water business in the state.

Ian Coghill who held the position of Deputy Chairperson for several years did not seek re-election, and Council wishes him well for the future.

On 26th May 2004 the Minister for Local Government The Hon. Tony Kelly MLC advised that a new Local Government area Greater Hume Shire which included Culcairn and Holbrook Shire Councils was constituted. An administrator, Mr. David Sexton was appointed for the interim period 26th May 2004 until the first election on 5th March 2005.

The proclamation for the Greater Hume Shire included provision to alter the membership of Council to omit the Culcairn and Holbrook Shire Councils and insert the Greater Hume Shire.

Council commitment to ensure that all requirements of the Occupational Health & Safety legislation have been introduced and that Council is providing a safe working environment, has seen Council working with the National Safety Council of Australia (NSCA) 5 star programme. This is the third year of this partnership and the grading audit was conducted in February. Management systems have been completed and the audit rating was 90%, Council received the highest level a 5 Star rating for its overall performance. This has been achieved by the willing involvement of employees in the implementation and monitoring of so many changes is deserving of high praise.

Director of Engineering Murray Nash retired from Council in May, having worked in local government for more than 45 years. Peter Clifton was appointed by Council to this position. Peter brings a wealth of knowledge and experience to the position having been an employee with Council for over 35 years.

I wish to thank all the staff, both indoor and outdoor for their dedicated service to our customers and the task of supplying good quality water to them in the most efficient manner. I thank the executive staff and in particular the General Manager, Gerald Pieper for their leadership and forward planning, and I thank my fellow Councillors, and especially the Deputy Chairperson Clr. Peter Yates for their commitment to the Council, working together to achieve Council goals.



Clr. Lindsay Vidler
CHAIRPERSON

NATIONAL COMPETITION POLICY

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

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

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

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

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

Council has developed a complaints management system.

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

As one of the intentions of the National Competition Policy is to provide a "level playing field" between Council's business activities and those provided by the private sector. The guidelines require calculations to be made to determine tax equivalents, debt guarantee fees (where the activity may obtain a lower borrowing rate than it may have faced if it were a private organisation) and dividends. These calculations do not have to appear in Council's external accounting processes but need to be calculated and recognised in Council's internal accounting arrangements. Calculations have been completed and included in the statistical notes of the financial statements for the 2003/2004 financial year.

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

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

v) The Council has not received any complaints in respect of Competition Neutrality during 2003/2004.

COUNCILLORS' FEES, FACILITIES AND EXPENSES

Section 428 (2) (f)

Chairperson's Allowance	\$ 3,650
Councillors' Fees	\$21,467
Councillors' Expenses	\$ 3,501

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

POLICY 5.3 - COUNCILLORS' EXPENSES & FACILITIES

POLICY TITLE

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

OBJECTIVES:

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

POLICY STATEMENT:

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

- 1) During the month of June in each year, the Council will review the fees and expenses paid to or facilities provided for the Chairperson and Councillors and determine the amounts to be paid for the ensuing year.
- 2) The amount of the annual fee for the Chairperson and Councillors will take into account the minimum and maximum amount determined by the Remuneration Tribunal and will be paid monthly in arrears.
- 3) The amount of expenses for conveyance by car will be determined by the rates provided in the Local Government State Award and will be paid monthly in arrears.
- 4) Provided that where a Councillor ceases to be the Chairperson, the fee to be paid will be calculated on a daily basis for the proportion of the month that the Councillor remained the Chairperson.

Similarly, where a Councillor is elected Chairperson, the fee to be paid will be calculated on a daily basis for the proportion of the month in which the Councillor became Chairperson.

- 5) Expenses incurred in attendance, authorised by the Chairperson or Council, at conference, seminars, training sessions, inspections and other authorised activities in relation to discharging of functions of the County Council, shall be conference etc., registration fee plus accommodation costs plus reasonable meal and out-of-pocket costs as verified by documentation normally required in accordance with internal audit procedures.
- 6) Facilities will be provided to allow the Chairperson to discharge the functions of the County Council by way of the necessary administrative services. The Chairperson is to be provided with a facsimile machine for the purpose of facilitating communication.

PERSONNEL & DELEGATION

EMPLOYMENT OF SENIOR STAFF

Section 428 (2) (g)

During the year 2003/2004 Council employed two senior staff, the General Manager and Director of Engineering, at a total remuneration cost of \$258,885 including salaries, superannuation, private use of a Council car and fringe benefits tax.

HUMAN RESOURCE ACTIVITIES - UNDERTAKEN BY COUNCIL

Section 428 (2) (m)

Riverina Water employs a workforce of 77 people to carry out the range of responsibilities in administering the organisation and supplying water to the communities. From time to time this workforce is supplemented by a small number of temporary staff. Three apprentices have been employed during the year through Riverina Group Training.

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

Staff turnover was a little higher than in previous years.

	Admin	Engineering	Waterworks	Depot Base	Rural	Totals
Perm. July 2003	6	6	20	34	5	71
Temp. July 03		2				2
TOTAL July 03	6	8	20	34	5	73
Retired						
Resigned				2		2
Terminated						
Appointed		1	2	4		7
Transfer				1	1	-
Transfer from				1	1	-
Temp. Appointed		1	1	3		5
Temp. Terminated		2				2
Perm. June 2004	6	7	22	36	5	76
Temp. June 04		1	1	3		5
TOTAL June 04	6	8	23	39	5	81

Recruitment practices follow the EEO guidelines.

Training

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

Training Undertaken 2003/2004

TRAINING COURSE	NUMBER OF PARTICIPANTS
Backhoe Assessment	1
Computer Applications for Office	1
Computer Operations	1
Confined Space Refresher – In house	19
Confined Spaces – Refresher	15
Dangerous Goods Licence Renewal	2
Dogging	1
Dogging – Enrolment	1
Elevated Work Platform Review	3
ETU Conference	1
EWP Assessments	2
EWP Platform	2
EWP Training	2
First Aid Refresher	20
Fluoride Operator Training	4
Fluoride Training	1
Future Safe Conference	2
HC Licence	3
Horticulture – Enrolment	1
Manual Handling & Risk Assessment	16
MR Truck Licence	1
Occupational First Aid Level 3	1
OH & S Awareness	4
OH & S Construction Green Card	2
OH & S Consultation	1
OH & S Consultation Refresher	6
OH & S Green Card	1
OH & S Supervising a Council work place	2
OH & S Supervisors	5
OH&S Auditor	1
Oxy Fuel – Safety	15
Plant Operator – Chemical dosing	3
Plant Operator P2 Course	4
Plumbing Technology – Enrolment	2
Plumbing Technology (Licence)	2
Plumbing Trade – Enrolment	2
Rescue Equipment training	18
Rockwells Supervisory	2
RTA Examiner	1
Surveying Practical	1
Training Meeting	5
Water Operator Training – Part 1	1
Water Quality in Dist. Systems	3
Workplace Hygiene	3
TOTAL	184

Enterprise Award

In 2003/2004 a revised Enterprise Award was negotiated with the various unions. The Riverina Water County Council Enterprise Award 2004 continues the concepts of an effective and cohesive workplace, and covers a three-year period, which commenced July 2004.

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

Staff Committees

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

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

Occupational Health and Safety Management

Riverina Water has engaged the services of the National Safety Council of Australia (NSCA) for the past three years to assist with the implementation of a health and safety management system that encourages all staff to become actively involved in identifying safety risks.

Due to the dedication and continuous commitment of staff to the program over the past three years Riverina Water has achieved 5 stars. This is the highest achievable star rating obtainable under the NSCA program. This achievement is a direct result of the entire workforce working together as one, and to date the results have shown a decrease in the number and severity of lost time injuries and improved safety culture.

To celebrate the 5 Star Achievement, a Safety Breakfast was held on the 1st April, 2004 with all staff in attendance for the official presentation.

OH&S – progress achieved

Strategies / Actions	Progress to 30 th June 2004
<ul style="list-style-type: none"> • Continue NSCA 5-Star program and establish achievable objectives and target dates for the grading audits. 	Star Grading, 5 stars after recent audit.
<ul style="list-style-type: none"> • Utilise safety committee to facilitate implementation of the system. Co-ordinate workgroups, monitor, report, make recommendations. 	Satisfying legal requirements. Reduction in workplace injury/accidents.
<ul style="list-style-type: none"> • Promote and encourage feedback • Encourage involvement with workplace design and workplace methods. • Encourage participation from ALL levels of the organisation. 	<ul style="list-style-type: none"> - Hazards being identified by employees within the workplace. - Improved workplace methods.
<ul style="list-style-type: none"> • Safety to be included on the agenda for all official meetings and recorded in minutes. 	Being done.
<ul style="list-style-type: none"> • Identify areas of non-compliance with acts and regulations. • Training of staff/management in health and safety responsibilities, specific needs. 	Audit report and follow up actions. In-house refresher training commenced.

Achievements this Year

- 5 Star Rating Achieved – Highest safety rating obtainable under NSCA safety program
- Implementation of internal safety team audit tool
- In-house training commenced this year by utilising internal training staff
- Ongoing training in all areas
- Ongoing improvements to policies, procedures and systems
- Shade sails erected for admin/works staff car parking
- Change made to style of pipe & fittings purchased to eliminate shoulder strain

Engineering controls of risk

- Waterworks security fence erected
- Rural Reservoir security fence erected
- Widening of Culvert on Western side of Waterworks
- Install work platforms in the oval well to allow access to motors
- West Wagga Aeration stage 2 completed. Safety features include:-
 - Monorail for confined space recovery from either basin
 - Sloping ladders for access to top of Aeration towers
 - Fibre reinforced plastic ladders with extendable stainless steel stiles used for access into the basins
 - Hand railing installed restricting access to roofed area
- Walla Aeration galvanised platform and FRP ladders installed
- Install dust extraction system with acoustic diffuser in builders workshop
- Install covers over open drain and valve chamber at Bellevue Reservoir
- Install safety chains across ladder openings at Ralvona
- Install fumigation cupboard in Waterworks control room
- Sealing damaged roadway in front of gravel bins

Watchout Safety Incentive Award Recipients

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

The Electrical Team - continued development in workplace OH & S:
Dennis Glazier, Bryce McDonell, Andrew Clarke, Darren Sheather, Robert Palframan, Brian Harmer and Craig Price

Continued development in workplace OH & S:
Col Fisher, Craig Willis, Darren Sheather, Andrew Clarke and Greg Vidler

Water 2 Maintenance Team -Continued awareness to safety & scoring 99% in the internal safety audit:
Brendan Plum and Trevor White

Filtration Plant Operators - Most improved team in the safety audit
Peter Outtrim , Phil McAlister, Aundre Haggard, Garry Sweet, Gary Watson, Robert McIntyre and Adam Gadd

Electricians - Whilst working on reservoir roofs – relocating eye bolts for floats thus eliminating entry into reservoir (confined space) & manual handling
Darren Sheather and Dermot McCormack

Workers Rehabilitation

This year the role of Rehabilitation Coordinator has had a name change to 'Return To Work Coordinator' to reflect the focus of this role – to assist employees in returning to work. Riverina Water is committed to assisting employees return to work regardless of whether it is work related or not. Support has been provided this year to employees returning to work under the following circumstances; following a lengthy period of illness, an injury sustained outside of work, workplace injuries, & personal difficulties.

An injured worker performing meaningful suitable duties adds value to Riverina Water's business activities by remaining productive whilst recovering from injury or illness and reducing the wage component in the overall claim's costs. The RTW program supports recovery and workforce motivation, and is a clear demonstration of Riverina Water's support for their injured workers.

Early return to work and provision of suitable duties has many psychological and social benefits for the worker, co-worker and Riverina Water. Return to work following injury is now a normal expectation, and workers gain a sense of job security and purpose, which contribute to a positive workplace culture.

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

Section 428 (2) (n)

The aim of Council's policy on EEO is as follows:

To eliminate and ensure the absence of discrimination in employment on the grounds of race, sex, marital status and physical impairment and to promote EEO for women, members of racial minorities and physically handicapped persons.

Council's EEO policy statement was endorsed by its Consultative Committee on 6th November 1997.

E.E.O. Strategies are:

- Maintain the wording of all of Riverina Water's advertisements for vacant positions to ensure that they offer all potential applicants equal employment opportunities.
- Review application forms to ensure fair selection and decision procedures.
- Provide career counselling.
- Improve career opportunities for staff currently employed in areas of limited career structure.
- Reinforce the staff appeal system and grievance committee procedures.
- Prevent harassment of staff.
- Continue the training programme for all staff.
- Continue with job rotation programmes and enhance these where flexible.
- Inform all staff about E.E.O. programme, work being done under it and subsequent progress and results.
- Make E.E.O. responsibilities a routine part of management and supervision functions.
- Continue to improve staff access to information about Riverina Water and conditions of employment.

EXTERNAL BODIES WHICH HAVE EXERCISED COUNCIL-DELEGATED FUNCTIONS

Section 428 (2) (o)

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

TOTAL REMUNERATION FOR SENIOR STAFF

Section 428 (2) (r) General Regulation (Clause 31 [I] [b])

The information required by this sub-section is the total of the salary component, employer's contribution to superannuation, private use of motor vehicle and fringe benefit taxes.

General Manager	\$129,168
Director of Engineering	\$129,717

25 AND 30+ YEARS OF SERVICE



Riverina Water presented long service awards to these staff at their Christmas gathering.

General Manager Gerald Pieper (front left) and Chairman Pat Brassil (front right) congratulate these staff members for their service:

(Front row left to right) Robert Palframan (25 years), Peter Clifton (35 years), Graeme Geaghan (32 years), Brian Harmer (31 years) (back row left to right) Dennis Glazier (34 years), Pat Davis (36 years), John Burton (30 years) and Steve Cutting (25 years).

and below

(L to R) Wayne Schiller (25 years), Eddie Dunn (30 years), Rod Walmsley (33 years) and Garry Watson (30 years).





Peter Gavican (NSCA) presenting 5 Star Award to Cllr. Pat Brassil AM (Council Chairman) and Colin Fisher (OH & S Chairman)

NSCA PRESENTATION to RIVERINA WATER



5 STAR ACHIEVEMENT

Peter Clifton (Operations Engineer), Cllr. Pat Brassil AM (Chairman), Gerald Pieper (General Manager) Peter Gavican (NSCA), Daryl Ryan (OH & S Coordinator), Colin Fisher (OH & S Chairman),

Judi Dunning (Return-to-Work Coordinator), Murray Nash (Director of Engineering)

at the presentation of 5 Star Achievement held at a Safety





WATCHOUT

SUPPORTING WORKPLACE SAFETY “Watchout” Safety Incentive Scheme

SAFETY AWARD WINNERS



Awarded to the
WATERWORKS ELECTRICIANS TEAM
for their continued development in
workplace OH & S.

Back Row: Gerald Pieper, General
Manager, Daryl Ryan, OH & S
Coordinator,

**Bryce McDonell, Andrew Clarke,
Darren Sheather,**

Colin Fisher (Chairman),

Front Row, **Dennis Glazier,**

Rob Palframan, Brian Harmer

& Sonia Clarke,

Wagga Mutual Credit Union

August 2003

Awarded to

**Greg Vidler, Darren Sheather,
Andrew Clarke, Colin Fisher and
Craig Willis (absent from photo)**

for their continued development in
workplace OH & S.

**(Design and fabrication of a variable
speed bore case rotation device)**

Pictured with Sonia Clarke, Wagga
Mutual Credit Union, Gerald Pieper,
General Manager and

Daryl Ryan, OH & S Coordinator

October 2003



Awarded to the
Water Two Maintenance Team
Brendan Plum and Trevor White
for their continued awareness to
safety and scoring 99% in their
last safety audit,

with Colin Fisher, OH & S
Chairperson, Daryl Ryan, OH & S
Coordinator and Sonia Clarke,
Wagga Mutual Credit Union
December 2003



WATCHOUT

SUPPORTING WORKPLACE SAFETY “Watchout” Safety Incentive Scheme

SAFETY AWARD WINNERS - Continued



Awarded to the
FILTRATION PLANT OPERATORS -
Peter Outtrim, Phil McAlister, Aundre Haggar, Garry Sweet
(Absent Gary Watson, Rob McIntyre, Adam Gadd)
for being the most improved team in the latest safety audit.
Pictured with Jennifer Adams (Wagga Mutual Credit Union),
Judi Dunning (Return-to-Work Coordinator) & Colin Fisher (OH & S Chairperson)
April 2004



Awarded to
DARREN SHEATHER & DERMOT McCORMACK
For “.....whilst working on reservoir roofs - relocating eye bolts for floats...thus eliminating entry into reservoir (confined space) and manual handling hazards.
All work can now be done on reservoir roof”
L-R Daryl Ryan, OH & S Coordinator; Jennifer Adams, Wagga Mutual Credit Union;
Dermot McCormack, Apprentice Electrician; Judi Dunning, Return-to-Work Coordinator;
Colin Fisher, OH & S Chairman and Gerald Pieper, General Manager
(Absent: Darren Sheather)
June 2004

ENVIRONMENTAL & SOCIAL MATTERS

STATE OF THE ENVIRONMENT

Section 428 (2) (c)

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

Environmental Protection – objectives and targets

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

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

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

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

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

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

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

Section 428 (2) (i)

A programme is well advanced to progressively upgrade the sludge and backwash disposal system at each filtration plant, to minimise suspended matter in effluent leaving the plant. Work currently scheduled in the capital works programme includes:

Wagga Wagga Waterworks *	Due for completion 2004/2005
Morundah	Completed 2003/2004

* a centrifuge or mechanical sludge separator has been installed and commissioned, and all water returned to the river is now of a higher standard than the river itself. One of the filtration plant flocculation tanks is currently being used in the process, pending completion of the second stage of this project.

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

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

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

Riverina Water has been part of the Sustainable Energy Development Authority programme, and will reduce electricity consumption, by installing higher efficiency equipment and minimising power losses. This will assist the reduction in greenhouse gas emissions in NSW.

An environmental project to restore native vegetation and generally improve the river bank and Marshalls Creek, at Council's Hammond Avenue property continued. Trees and shrubs have been planted along a 400mm section of the creek from the Highway to the footbridge. The stream bed and banks have been re-shaped and substantial rock gabions installed.

Water extracted from the river bores is measured by large bulk meters and over a year this volume is compared with the volume of water measured through all the customers individual meters. The difference is usually about 13% unaccounted for, but including such things as evaporation, flushing mains, firefighting, repairing burst mains, faulty customer meters, and illegal use of water. In the past bulk meters have only provided approximate readings and Riverina Water is progressively replacing these meters with the more accurate magnetic flow type. Comparisons will then be possible within different zones of Wagga Wagga and areas where discrepancies are higher can be further investigated.

Riverina Water gives strong support to the wise use of water, by involvement with the Waterwise Programme, and through publicity in advertising an editorial contributions when water is featured in the regional press. Riverina Water contributed part of the Water Week display in both equipment and personnel, and participated in the Murrumbidgee River canoe event for the launching of Water Week 2003.

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

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

BUSH FIRE HAZARD REDUCTION

Section 428 (2) (i1)

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

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

Section 428 (2) (j)

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

COMPANIES IN WHICH COUNCIL HELD A CONTROLLING INTEREST

Section 428 (2) (p)

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

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

Section 428 (2) (g)

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

ACTIVITIES FOR CHILDREN

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

Activities for children are undertaken by constituent Councils, and are not the responsibility of Riverina Water County Council.

OPERATION, CONSTRUCTION & MAINTENANCE

MANAGEMENT PLAN – PERFORMANCE TARGETS 2003/2004

Section 428 (2) (b)

Tabled below is a report on the progress achieved in the year for the various objectives set out in the 2003/2004 Management Plan.

Services

Strategies / Actions	Progress to 30 th June 2004
<ul style="list-style-type: none"> Regularly monitor urban and village growth, and augment supply as required in line with ten year plan, and current needs 	Customer needs met.
<ul style="list-style-type: none"> Maintain network analysis of Wagga urban water system 	Data current.
<ul style="list-style-type: none"> Maintain the water supply infrastructure in good working order. 	Some but infrequent breakdowns.
<ul style="list-style-type: none"> Monitor the operation of the water supply system to ensure continuity of supply. 	Continuity of supply. Some villages restricted due to drought..
<ul style="list-style-type: none"> Reinforce throughout the organisation that we are customer orientated. Maintain a request and complaint handling system that ensures both attention to the request and advice of action taken or to be taken. 	Short response time. System effective.
<ul style="list-style-type: none"> Use customer newsheets to disseminate information to customers. Utilise the local media when appropriate to increase awareness within the community. Meet with sectional or interest groups or invite them to meet with us to communicate and receive feedback on relevant issues. 	Included with account mailing. News items when appropriate, including Summer water wise & restrictions.
<ul style="list-style-type: none"> Increase inspection and documentation of consumer pipework where there is potential for contamination from backflow. 	Required Backflow Prevention devices in use.

Environment Protection

Strategies / Actions	Progress to 30 th June 2004
<ul style="list-style-type: none"> Water returned to the environment from the filtration plant will be monitored for quality. 	EPA standards achieved and maintained.
<ul style="list-style-type: none"> All field work-sites will be protected and restored to eliminate degradation. 	Being done.
<ul style="list-style-type: none"> Soiled water from Urban field site works will be returned for proper disposal. 	Being done.
<ul style="list-style-type: none"> S.E.D.A. consultations and advice will be acted on to reduce electricity consumption. 	Energy efficiency considered in all pumping and pipe system design. High efficiency Electric Motors used where available.
<ul style="list-style-type: none"> Marshalls Creek environmental project to restore native vegetation and protect creek bed. 	Native vegetation restored. Creek bed protected by gabions.
<ul style="list-style-type: none"> Unaccounted for water measured wherever possible, and identified losses reduced. Early detection and repair of leaks. 	Water unaccounted for in the year was 12%.
<ul style="list-style-type: none"> Participation in joint activities eg. Urban Salinity Committee. 	Group inactive.
<ul style="list-style-type: none"> Co-operation with other Councils in effluent re-use. 	Respond when needed.
<ul style="list-style-type: none"> Water pricing that gives incentive to avoid waste, coupled with customer education and information. 	Unstepped pricing achieved. Reduced consumption per tenement.

Asset Replacement

Strategies / Actions	Progress to 30 th June 2004
<ul style="list-style-type: none"> Develop and maintain a rolling replacement plan for all assets with review every 3 years. 	Program documented and executed.
<ul style="list-style-type: none"> Identify potential system capacity deficiencies and incorporate in capital works programme. 	Design completed to increase capacity to south of Wagga Wagga.
<ul style="list-style-type: none"> Maintain water network analysis programme to identify timetable of system improvements and extensions. 	Water distribution model is continually updated.
<ul style="list-style-type: none"> Utilise Asset Register and associated technology and pipeline breakage history to determine the timing of mains replacement to minimise over all costs. 	Number of water main bursts have decreased.

Sale of Assets

Strategies / Actions	Progress to 30 th June 2004
<ul style="list-style-type: none"> Monitor the plant and motor vehicle second hand market. Offer plant and vehicles for trade-in or alternate separate sale when appropriate. If all offers are unsatisfactory, consider disposal at an established public auction. 	Plant and vehicle replacements are up to date.
<ul style="list-style-type: none"> Scrap metal and other surplus sundry items will be made available for sale by written sealed offers. 	Monitoring for future sale.

Human Resources

Strategies / Actions	Progress to 30 th June 2004
<ul style="list-style-type: none"> Identify and develop leadership potential in staff. Extend delegation and matching accountability to all levels of the organisation. Establish mechanisms for team building and operation. 	Responsibilities accepted and met.
<ul style="list-style-type: none"> Continue system of position descriptions and skills based remuneration. 	Fair pay levels established. Negotiation completed for next 3 year award. Annual review completed.
<ul style="list-style-type: none"> Promote, enable and encourage multi-skilling. 	Needed skills in use.
<ul style="list-style-type: none"> Continue practical operations of Occupational Health & Safety Committee, and Staff Consultative Committee. 	Welfare of staff is given high priority. 5 Star NSCA rating achieved.
<ul style="list-style-type: none"> Continue staff training system (refer to training plan on next page). 	Training proceeding as per 2004 training plan.

Environmental Protection

Strategies / Actions	Progress to 30 th June 2004
<ul style="list-style-type: none"> Water returned to the environment from the filtration plant will be monitored for quality. 	EPA standards achieved & maintained.
<ul style="list-style-type: none"> All field work-sites will be protected and restored to eliminate degradation. 	No soil loss or siltation. Vegetation restored.
<ul style="list-style-type: none"> Soiled water from Urban field site works will be returned for proper disposal. 	No soiled water entering town drainage systems.
<ul style="list-style-type: none"> S.E.D.A. consultations and advice will be acted on to reduce electricity consumption. 	Time of use pumping in winter.
<ul style="list-style-type: none"> Marshalls Creek environmental project to restore native vegetation and protect creek bed. 	Native vegetation restored. Erosion protection constructed.
<ul style="list-style-type: none"> Unaccounted for water measured wherever possible, and identified losses reduced. Early detection and repair of leaks. 	Percentage of water unaccounted for in the year remains reasonable.
<ul style="list-style-type: none"> Participation in joint activities eg. Urban Salinity Committee. 	Annual summary sent.
<ul style="list-style-type: none"> Co-operation with other Councils in effluent re-use. 	Encouraging individual users.
<ul style="list-style-type: none"> Water pricing that gives incentive to avoid waste, coupled with customer education and information. 	Unstepped pricing achieved. Reduced consumption per tenement.

Finance & Revenue – Pricing

Strategies / Actions	Progress to 30 th June 2004
<ul style="list-style-type: none"> To continue a two part tariff, with a differential applying between Wagga Wagga & Rural, subject to some concession for large year round users. 	Two part pricing applied, concessional pricing for large industry.
<ul style="list-style-type: none"> New capital works are to continue to require capital contributions from developers. Specific works will be at full cost to the developer while headworks will be partly developer and partly water sales funded. 	Funding balance achieved.

CONTRACTS AWARDED DURING THE YEAR

Section 428 (2) (h)

Vermeer Sales & Service (NSW)	Supply of Chain Trencher	\$ 347,500
Gough & Gilmore	Supply of Backhoe	\$ 127,800
Country Energy	Supply of Electricity 2004/2007	\$1,230,000 (Estimate total for 3 years)

PRIVATE WORKS UNDER SECTION 67(3) OF THE ACT

Section 428 (2) (k)

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

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

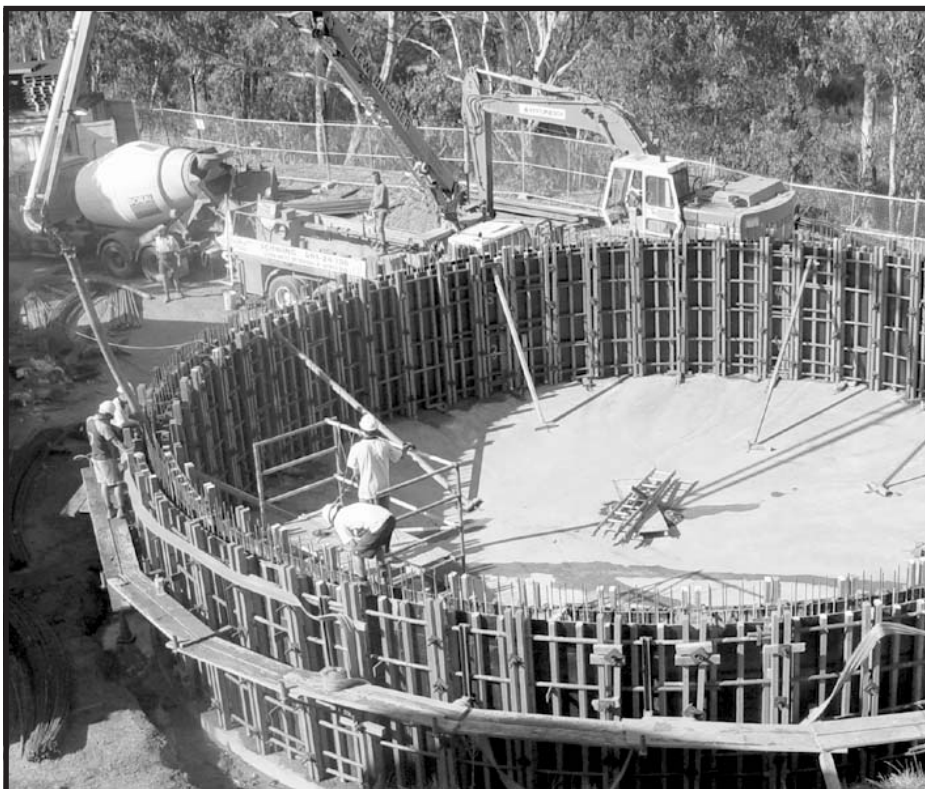
Work was undertaken (at full cost) for Gumly Gumly Private Irrigation District.

T455 VERMEER TRENCHER

Murray Nash (Director of Engineering) and Ross Matheson (Vermeer) inspect Riverina Water's new T455 Vermeer Trencher - February 2004

And

The Vermeer Trencher in action at Oxley Bridge Road (Uranquinty) doing a mains extension.



SLUDGE THICKENER TANK

First wall pour by
Contractors
Komplant
February 2004

**Removal of exotic
woody weeds
along
Murrumbidgee
River
Riverbank by
Kirwan Ground
Maintenance**



**Riverina
Water
Indoor
Cricket
Win**

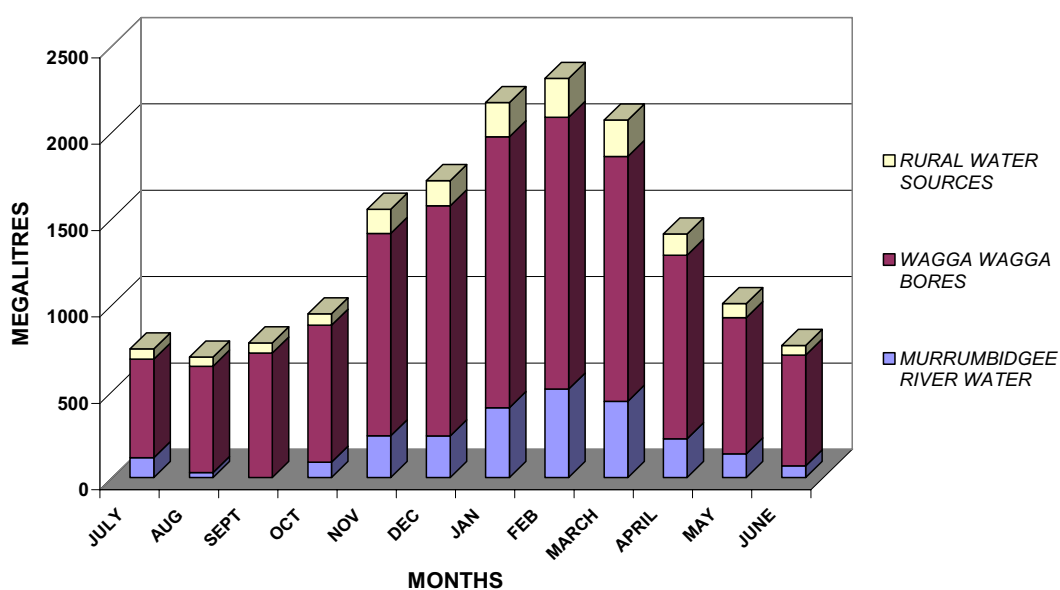
The Riverina Water sponsored indoor cricket team has managed to win the Division 1 competition in only their second season of playing the game.

L-R Back..David Pieper, Craig Price, Andrew Clarke, Bryce McDonell & Gerald Pieper
Front: Trevor Hogan, Daryl Ryan and Tytan Ritchie
(Absent: Aundre Haggar, Phil McAlister, Garry Sweet, Adam Carey & John Reynoldson).

WATER SUPPLIED

Riverina Water draws its supply from several sources, then treats and pumps water to Wagga Wagga and other towns, villages and rural areas in the region. Monthly consumption peaked at 2296 megalitres in February compared to the previous record of 2635 megalitres in January 2002, while the full year total of 16,109 megalitres was a 9% decrease on last years record consumption of 17,750 megalitres. This reduction in consumption would be, to a large part, due to realistic water restrictions and a public acceptance of the need to conserve water.

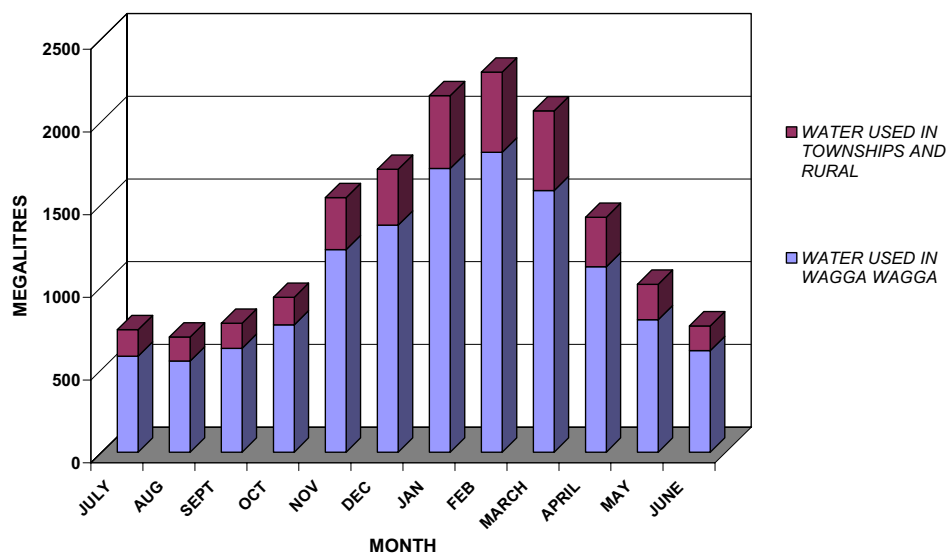
2003 / 2004 WATER PRODUCED



Water Use

	MEGALITRES USED		
	2001/2002	2002/2003	2003/2004
East Bomen	506	487	410
Estella	746	768	689
North Wagga	1090	1044	1043
Wagga Wagga – Low Level	2494	2809	2596
Wagga Wagga – High Level	7030	8294	7563
Wagga Wagga – Bellevue Level	406	498	463
SUB-TOTAL	12,272	13,900	12,764
Ladysmith	106	78	72
Brucedale	212	330	291
Currawarna	114	145	131
Rural south from Wagga Wagga	1452	1767	1494
Rural from Walla Walla Bore	128	203	181
Milbrulong, Lockhart and Boree Creek	298	384	339
Urana and Oaklands	270	305	260
Holbrook	290	364	330
SUB-TOTAL	2870	3575	3098
Woomargama	18	21	17
Humula	16	13	14
Tarcutta	60	70	58
Oura	40	46	45
Walbundrie	11	11	10
Rand	26	19	19
Morundah	10	11	9
Collingullie	75	85	75
SUB-TOTAL	256	275	247
TOTAL	15,398	17,750	16,109

2003 / 2004 WATER USED



NEW CUSTOMERS

New consumers were connected at the various centres listed below:

LOCATION	NUMBER CONNECTED					
	1998/99	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004
Boree Creek	0	0			2	
Brucedale-The Gap	7	2	3	4	1	3
Bulgary	2	0		2		
Collingullie	1	3	2	2		
Culcairn	1	0		1		
Currawarna	3	0	1	1	2	2
Forest Hill	3	1		4		
Henty	3	2	1	2	1	5
Holbrook	1	9		5	1	7
Humula	1	0		1		
Ladysmith	2	1	2	2		
Lockhart	3	2		2	1	6
Mangoplah	0	1	1		4	
Milbrulong	0	0		1		
Morundah	0	0		1		
Morven	0	0		1		
Oaklands	2	0		1		
Oura	1	2	1			3
Pleasant Hills	0	0	3		6	
Rand	0	0				
San Isidore	0	0				
Tarcutta	1	0	3			1
The Rock	3	6				7
Urana	2	1	3	1	5	5
Uranquinty	3	6	3	6	2	5
Wagga Wagga	252	274	166	278	280	334
Walbundrie	0	0			1	
Walla Walla	5	2	1		3	1
Woomargama	0	0				1
Yerong Creek	0	2		1		
TOTALS	296	313	190	316	309	380

Total customers at 30th June 2004:

Residential	- single dwellings	22,712
	- multiple dwellings	2,066
Non-Residential		<u>2,287</u>
Total connected customers		27,065

Pipeline Losses

Estimated pipeline losses due to bursts over the past 3 years are shown in the following table. While every burst or leak is of concern, the total is not excessive for a network of 1270 km of pipelines.

YEAR	WAGGA WAGGA		RURAL	
	BURST MAINS	ESTIMATED LOSS ML	BURST MAINS	ESTIMATED LOSS ML
2000/2001	111	13.3	260	50
2001/2002	138	5.8	174	28
2002/2003	156	21.1	153	26
2003/2004	149	1.9	121	18

CONSTRUCTION

Pipeline Construction

Pipelines were constructed in sizes ranging from 50mm diameter to 450 mm diameter to extend the water supply system and to replace pipelines that had reached the end of their useful life. A range of pipe material is used including PVC and Ductile iron.

	System Extensions Metres	Replacements Metres
Wagga Wagga	8999	1132
Rural & Village	37,592	2306

An extensive capital works programme was carried out in 2003/2004 including among other things, the following significant items:

System Extensions

Significant water main extensions were added to the rural supply systems including approximately 24.1 kilometres serving the Osborne water supply scheme – Pleasant Hills, 1.2 kilometres along Alleynside Road – The Gap, 2.2 kilometres along Yankee Crossing Road – Henty, 6.2 kilometres along Bourkes Creek Road between Uranquinty and The Rock, and 7.7 kilometres along Key Street and Oxley Bridge Road – Uranquinty.

In Wagga Wagga, water mains were also installed to cater for residential and rural-residential subdivisions in locations such as: Glenfield, Tatton, Springvale, Glenoak, Estella, Jubilee Heights and Bourkelands.

System Improvements included the upgrading of existing water mains due to increased number of connections along Spurrells Lane – Pleasant Hills, connecting water main “dead ends” along Olympic Way – The Rock, and installing and upgrading pressure control valves at Boree Creek reservoir, Urana Reservoir and in The Rock reticulation system.

A number of new line valves were installed in Wagga Wagga to improve the operation and maintenance of various parts of the reticulation system such as the installation of a 500mm valve with 80mm bypass in the high level rising main from the waterworks.

Rural Trunk Mains

Due to the increased number of rural and urban water main extensions, no significant works were undertaken on rural trunk mains.

Treatment Plants

- Wagga Wagga Waterworks - The sludge and backwash facility has progressed with the concrete construction mostly complete. The contractor is behind schedule on this part of the project and will delay commissioning until the end of 2004. This facility is required before we can re-commission the No.1 water treatment plant.
- West Wagga – The Aeration Basins have been completed and are now in service. Phase two of this project is the construction of the associated pumping station which will proceed this financial year.

Metering

A remote metering system is in the process of being trialled to allow water meters along the railway corridor from Wagga Wagga to Henty to be remotely read by a mobile receiver whilst travelling along Olympic Way. Potential also exists to install these remote metering devices at other locations where water meters might be difficult to access, or in high density residential areas where time savings can be made.

The program of installing magflow meters has continued. These meters are gradually replacing older mechanical meters and provided greater accuracy and the ability to interface with our SCADA system for remote monitoring of flows in the system. Additional meters are also installed at key locations to enable operators to better monitor the system.

Bores

New and improved borehole camera work has enabled more effective monitoring of bore conditions. As bore pumps are removed for maintenance, they are inspected using the specially developed cameras, and appropriate maintenance work on the bore completed.

A repair patch was placed in West Wagga No.2 Bore and extensive stainless steel relining of No.3 East Wagga Bore was completed.

A replacement for the original Tarcutta Bore has been drilled and commissioned. The original bore is some 40 years old and beyond what experience shows is a reasonable life for a mild steel bore. The replacement bore has been constructed in stainless steel and is expected to have a significantly higher life.

Test bores have been constructed in Humula and near Walbundrie. As a result of the test boring, production bores have been established (2 at Humula and 1 near Walbundrie) that will form part of the planned drought proofing of Humula, Walbundrie and Rand.

Water Quality Measures

Blue-Green algae has appeared in the Billabong Creek waters over the last three summers. To remove any potential toxins, the water must be treated with activated carbon. Riverina Water staff have developed and constructed dosing equipment that has been used at Rand over the last summer. A similar unit has been constructed and is on standby for use at Urana should the need arise. There has been low levels of blue-green algae evident in the Urana Channel during the last summer period.

Buildings and Grounds

Extensions have been made to car parking facilities at the Hammond Avenue site and the car park areas have been supplied with “sail” type sun shade facilities. This provides council and employee vehicles with protection from the elements.

FINANCIAL INFORMATION

CHARGES FOR WATER

"User Pay" system

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

The level of fixed charges (availability charge) and usage charges applied in 2003/2004 are set out below:

Urban Section:

(i) Domestic

Year	Usage Charge (per quarter)		Access Charge (per quarter)	
			Connected	Vacant
2003/2004	Non-Stepped Tariff	65 c per kl	\$20.00	\$10.00

(ii) Commercial

Year	Usage Charge (per quarter)		Access Charge (per quarter)	
			Connected	Vacant
2003/2004	1- 3000 kls/month	65 c per kl	\$30.00	\$10.00
	Balance above 3000 kls/month	56 c per kl		

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

Non-Urban Section:

(iii) Domestic

Year	Usage Charge (per quarter)		Access Charge (per quarter)	
			Connected	Vacant
2003/2004	Non-stepped tariff	77 c per kl	\$25.00	\$10.00

(iv) Commercial

Year	Usage Charge (per quarter)		Access Charge (per quarter)	
			Connected	Vacant
2003/2004	1 to 3000 kls/month	77 c per kl	\$31.25	\$10.00
	Balance above 3000 kls/month	67 c per kl		

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

CONDITION OF PUBLIC WORKS UNDER COUNCIL'S CONTROL

Section 428 (2) (d)

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

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

Asset Description	Asset Life	Replacement Cost \$	Weighted Remaining Life	Remaining Life Value at June 2004 \$
Water Mains – distribution, rural & reticulation	Iron 75 yrs Other 50 yrs	130,063,594	39.0 yrs	66,845,085
Reservoirs – 61 off	Steel 75 yrs Conc. 100 yrs	31,496,125	63.8 yrs	19,049,800
Pumping Stations – 70 off	*	11,297,572	-	5,648,786
Water Treatment Plants – 14 off Aeration – 7 Filtration – 7	75/100 yrs	29,312,210	56.1 yrs	14,937,345
Water Supply Bores – 26	25 yrs Stainless steel-40 yrs	2,230,714	21.3 yrs	1,250,502
Land & Buildings – other	-	3,980,000	-	2,825,800
TOTAL		208,380,215		110,557,318

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

The work required to bring those sections of the work that need improvement up to a satisfactory standard, the annual maintenance to maintain the standard, and the 2003/2004 programme of maintenance for the works is outlined in the following tables. The major need is for renewal of older water mains, based on the theoretical lifespan of each type of pipe. These mains are however still serving their intended purpose and the relative urgency of renewal is not critical.

Works	Improvement Need \$000	Annual Upgrading or Renewal Need \$000	2003/2004 Upgrading or Renewal Programme \$000	Annual Maintenance Need \$000	2003/2004 Maintenance Programme \$000
Water Mains – Trunk & Rural	11,000	2,200	2,159	489	489
Water Mains – Reticulation					
Reservoirs	209	200	39	57	57
Pumping Stations & Bores	710	460	536	532	532
Treatment Plants	1,360	400	754	55	55

SUMMARY OF DISCLOSABLE LEGAL PROCEEDINGS

Section 428 (2) (e)

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

AMOUNTS CONTRIBUTED / GRANTED UNDER SECTION 356

Section 428 (2) (l)

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

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

OVERSEAS VISITS FUNDED BY COUNCIL

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

No overseas visits undertaken by Councillors and others representing Council during 2003/2004.

RATES & CHARGES WRITTEN OFF

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

Pensioner Rebates written off totalled	\$332,231
A Pensioner subsidy was received for the value of	\$182,950
Sundry Write-offs totalled	\$ NIL

FREEDOM OF INFORMATION

In accordance with the provisions of the *Freedom of Information Act, 1989*, Council has completed its annual statistics for the twelve month period ended 30th June 2004. No applications were received by Council during the 2003/2004 period. Council has not received any enquiries from the Ombudsman under the *Freedom of Information Act* nor has it received any appeals under that Act to the District Court or the Supreme Court.

Statistical Details

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

INFORMATION PROTECTION ACT, 1998

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

The Privacy Management Plan provides for the protection of personal information and for the protection of the privacy of individuals. No applications were received by Council for review under Part 5 of the Act during the 2003/2004 period.

FINANCIAL REPORTS

Section 428 (2) (a) - Financial Reporting

Financial Reports for the year ending 30th June 2004

TABLE OF CONTENTS

	Page
Auditors Report [s.417 (2)]	44
Auditors Report [s.417 (3)]	45
Council's Statement [s.413 (2) (c)]	48
 <i>General Purpose Financial Reports</i>	
Statement of Financial Performance	49
Statement of Financial Position	50
Statement of Changes in Equity	51
Statement of Cash Flows	52
 <i>Notes to the Financial Statements</i>	
Note 1 Significant Accounting Policies	53
Note 2a Functions	58
Note 3 Expenses from Ordinary Activities	59
Note 4 Revenues from Ordinary Activities	60
Note 5 Gain or Loss on Disposal of Assets	61
Note 6a Cash Assets and Investment Securities	62
Note 6b Details of Movements & Utilisation of Restricted Cash Assets & investments	64
Note 7 Receivables	65
Note 8 Inventories and Other Assets	66
Note 9a Property, Plant and Equipment	66
Note 10a Payables, Provisions and Interest Bearing Liabilities	67
Note 11 Statement of Cash Flows	68
Note 12 Commitments for Expenditure	69
Note 13 Statement of Performance Measurement	69
Note 14 Conditions over Grants & Contributions	70
Note 15 Financial Instruments	71
Note 16 Material Budget Variations	73
Note 17 Statement of Contribution Plans	74
Note 18 Assets & Liabilities not recognised in Statement of Financial Position	74
 <i>Special Purpose Financial Reports</i>	75
 <i>Special Schedules</i>	
Special Schedule 1 Net Cost of Services	85
Special Schedule 2(a) Statement of Long-Term Debt (All Purpose)	86
Special Schedule 3 Water Supply Operations	87
Special Schedule 4 Water Supply - Net Assets Committed	92
Special Schedule 7 Condition of Public Works	93

RIVERINA WATER COUNTY COUNCIL

GENERAL PURPOSE FINANCIAL REPORT

INDEPENDENT AUDITOR'S REPORT

SCOPE

We have audited the general purpose financial report of Riverina Water County Council for the year ended 30 June 2004, comprising the Statement by Council, Statement of Financial Performance, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and accompanying Notes to the Accounts. The Council is responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the Council.

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

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

AUDIT OPINION

In our opinion

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

Yours faithfully

JOHN L BUSH & CAMPBELL



P J King
Partner

PK/KMC/RIVERWA

23 September 2004

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

Dear Sir

Having completed an examination of the books of account and associated records of the Riverina Water County Council for the 12 months ended 30 June 2004 we have pleasure in submitting our report in accordance of Section 417(3) of the Local Government Act 1993.

The financial statements for the year ended 30 June 2004 have been prepared to comply with Statements of Accounting Concepts and Applicable Australian Accounting Standards, the requirements of the Local Government Act 1993 and Regulations thereto, the Local Government Code of Accounting Practice and Financial Reporting and Local Government Asset Accounting Manual.

Operating Result and Financial Position

The operating result for the year was \$2.112 million. In addition Council received contributions for capital purposes of \$2.126 million and recorded a net gain on disposal of assets of \$82 thousand. The total change in net assets resulting from operations was \$4.238 million.

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

	2004 \$000	2003 \$000	2002 \$000	2001 \$000	2000 \$000
Net Assets 1 July 1997	20,627	20,627	20,627	20,627	20,627
Asset Revaluation	81,439	78,745	75,207	72,436	69,539
Change in net assets resulting from operations	21,647	17,409	12,849	10,309	8,282
Net Assets 30 June	<u>\$123,713</u>	<u>\$116,781</u>	<u>\$108,683</u>	<u>\$103,372</u>	<u>\$98,448</u>

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

Cash Investments and Working Capital

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

	2004 \$000	2003 \$000	2002 \$000	2001 \$000	2000 \$000
Cash (overdraft)	73	73	4	84	(432)
Investment	15,297	13,813	11,265	9,873	10,017
Working Capital	16,243	14,322	11,705	10,596	10,160

Cash and Investments held at the close of the year amounted to \$15.370 million. The statement of cashflows which includes bank overdrafts shows an increase in cash of \$1.484 million. Cash and Investments have not been restricted in their use by any externally imposed requirements. However they are restricted by internally imposed requirements. The healthy position of Council's working capital is reflected in the performance indicators detailed in the financial reports.

Actual Performance Compared to Budget

	2004 Actual \$000	2004 Budget \$000	2003 Actual \$000	2003 Budget \$000	2002 Actual \$000	2002 Budget \$000
Revenue						
Rates and Annual Charges	2,364	2,352	2,337	2,318	2,297	2,283
User charges and fees	9,514	8,736	10,365	8,516	8,987	8,249
Interest	698	470	605	375	527	420
Grants and Contributions	2,315	185	182	185	184	183
Other	732	323	1,597	482	996	484
Gain on disposal of assets	82	27	20	27	14	38
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	15,705	12,093	15,106	11,903	13,005	11,657
Expenses	11,467	10,509	10,546	10,576	10,465	10,475
Operating Result	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$4,238	\$1,584	\$4,560	\$1,327	\$2,540	\$1,182

Equity

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

	2004 \$000	2003 \$000	2002 \$000	2001 \$000	2000 \$000
Non Current Assets	114,956	110,467	105,304	101,225	97,287
Non Current Liabilities	7,486	8,008	8,326	8,449	8,999
Working Capital	16,243	14,322	11,705	10,596	10,160
Equity	\$123,713	\$116,781	\$108,683	\$103,372	\$98,448

The increase in net assets resulting from operations for the year of \$6.932 million was considerably better than the budget expectation of \$5.134 million.

In addition the actual cash flow surplus of \$1.484 million is well in excess of the budgeted decrease of \$2.845 million.


Other Matters

It is evident that at June 2004 the Council continues to preside over a fundamentally sound balance sheet. The excellent result for 2004 on top of the previous years continues Councils very strong position.

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

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

Yours faithfully

JOHN L BUSH & CAMPBELL

P J King
 Partner

RIVERINA WATER COUNTY COUNCIL

STATEMENT BY COUNCILLORS AND MANAGEMENT OF THE COUNCIL

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

1. The accompanying financial statements exhibit a true and fair view of the financial position of Riverina Water County Council as at 30th June 2004 and transactions for the twelve months then ended.
2. The Statements have been prepared in accordance with the provisions of the Local Government Act, 1993 (as amended) and the Local Government Regulations thereto; Statement of Accounting Concepts and Australian Accounting Standards.
3. All information provided has been prepared in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting, and the Local Government Asset Accounting Manual.

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

*Signed in accordance with a Resolution of Council
dated 25th August 2004.*



.....
Clr. L. Vidler
CHAIRPERSON
25th August 2004



.....
Clr. P. Yates
DEPUTY CHAIRPERSON
25th August 2004



.....
Mr. G.W. Pieper
GENERAL MANAGER
25th August 2004



.....
Mr. G.G. Geaghan
ACCOUNTING OFFICER
25th August 2004

RIVERINA WATER COUNTY COUNCIL

STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30th June 2004

Original Budget 2004 \$'000		Notes	Actual 2004 \$'000	Actual 2003 \$'000
	EXPENSES FROM ORDINARY ACTIVITIES			
4,198	Employee costs	3(a)	4,174	3,854
863	Borrowing Costs	3(b)	825	863
941	Materials & Contracts		1,113	709
3,468	Depreciation	3(c)	3,541	3,269
1,389	Other expenses from ordinary activities	3(d)	1,814	1,851
	Loss from the disposal of assets	5		
10,859	TOTAL EXPENSES FROM ORDINARY ACTIVITIES		11,467	10,546
	REVENUE FROM ORDINARY ACTIVITIES			
2,352	Rates & Annual Charges	4(a)	2,364	2,337
8,736	User Charges & Fees	4(b)	9,514	10,365
470	Interest	4(c)	698	605
323	Other revenues from ordinary activities	4(d)	732	650
185	Grants & Contributions for non capital purposes	4(e&f)	189	182
27	Gain from the sale of assets	5	82	20
12,093	REVENUE FROM ORDINARY ACTIVITIES BEFORE CAPITAL AMOUNTS		13,579	14,159
1,234	SURPLUS (DEFICIT) FROM ORDINARY ACTIVITIES BEFORE CAPITAL AMOUNTS		2,112	3,613
350	Grants & Contributions provided for capital purposes	4(e&f)	2,126	947
1,584	SURPLUS (DEFICIT) FROM ORDINARY ACTIVITIES AFTER CAPITAL AMOUNTS		4,238	4,560
1,584	SURPLUS (DEFICIT) FROM ORDINARY ACTIVITIES	2(a)	4,238	4,560

RIVERINA WATER COUNTY COUNCIL
STATEMENT OF FINANCIAL POSITION
as at 30th June 2004

	Notes	Actual 2004 \$'000	Actual 2003 \$'000
CURRENT ASSETS			
Cash assets	6	73	73
Investment Securities	6	15,297	13,813
Receivables	7	2,118	1,405
Inventories	8	880	763
Other	8	49	67
TOTAL CURRENT ASSETS		18,417	16,121
NON-CURRENT ASSETS			
Property, Plant and Equipment	9a	114,956	110,467
TOTAL NON-CURRENT ASSETS		114,956	110,467
TOTAL ASSETS		133,373	126,588
CURRENT LIABILITIES			
Payables	10a	536	623
Interest bearing liabilities	10a	500	500
Provisions	10a	1,138	676
TOTAL CURRENT LIABILITIES		2,174	1,799
NON-CURRENT LIABILITIES			
Interest bearing liabilities	10a	5,631	6,176
Provisions	10a	1,855	1,832
TOTAL NON-CURRENT LIABILITIES		7,486	8,008
TOTAL LIABILITIES		9,660	9,807
NET ASSETS		123,713	116,781
EQUITY			
Accumulated surplus		42,274	38,036
Asset revaluation reserve		81,439	78,745
TOTAL EQUITY		123,713	116,781

RIVERINA WATER COUNTY COUNCIL

**STATEMENT OF CHANGES IN EQUITY
For the Year ended 30th June 2004**

	TOTAL		ACCUMULATED SURPLUS		ASSET REVALUATION RESERVE	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
	2004	2003	2004	2003	2004	2003
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the reporting period	116,781	108,683	38,036	33,476	78,745	75,207
Change in equity recognised in the statement of financial performance	4,238	4,560	4,238	4,560		
Transfers to asset revaluation reserve	2,694	3,538			2,694	3,538
Transfer from asset revaluation reserve						
Balance at end of the reporting period	123,713	116,781	42,274	38,036	81,439	78,745

RIVERINA WATER COUNTY COUNCIL

STATEMENT OF CASH FLOWS

For the Year ended 30th June 2004

Budget 2004 \$'000		Notes	Actual 2004 \$'000	Actual 2003 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
	<u>Receipts:</u>			
2,352	Rates and annual charges		2,366	2,360
8,736	User charges & fees		9,394	10,262
470	Interest		649	629
535	Grants and Contributions		2,256	1,136
323	Other		744	662
	<u>Payments:</u>			
(4,008)	Employee costs		(4,174)	(3,854)
(980)	Materials & contracts		(1,113)	(709)
(863)	Interest		(827)	(865)
(1,530)	Other		(2,012)	(1,638)
<u>5,035</u>	Net cash provided by (or used in) operating activities	11(b)	<u>7,283</u>	<u>7,983</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
	<u>Receipts:</u>			
364	Sale of property, plant & equipment		437	262
	<u>Payments:</u>			
(7,744)	Purchase of property, plant & equipment		(5,691)	(5,136)
<u>(7,380)</u>	Net cash provided by (or used in) investing activities		<u>(5,254)</u>	<u>(4,874)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
	<u>Payments:</u>			
(500)	Borrowings		(545)	(492)
(500)	Net cash provided by (or used in) financing activities		(545)	(492)
<u>(2,845)</u>	Net increase/(decrease) in cash assets held		<u>1,484</u>	<u>2,617</u>
11,974	Cash assets at beginning of reporting period	11(a)	13,886	11,269
<u>9,129</u>	Cash assets at end of reporting period	11(a)	<u>15,370</u>	<u>13,886</u>

RIVERINA WATER COUNTY COUNCIL

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2004****Note 1****SIGNIFICANT ACCOUNTING POLICIES****1. The Local Government Reporting Entity**

- (i) Council's office is located at 91 Hammond Avenue, Wagga Wagga NSW 2650.
- (ii) 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.
- (iii) The Council is required under the Local Government Act to maintain a separate and distinct Trust Fund to account for all moneys and property received by the council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those moneys.

2. Basis of Accounting

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

2.1 Compliance

This general purpose financial report has been prepared in accordance with applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views, the Local Government Act and Regulations, the Local Government Code of Accounting Practice and Financial Reporting and the Local Government Asset Accounting Manual.

2.2 Basis of Accounting

This general purpose financial report has been prepared on the accrual basis of accounting. Except for assets which are at current cost valuation and employee leave entitlements which are shown at the present value of future cash flows, the report has been prepared in accordance with the historical cost convention.

The accounting policies adopted for the reporting period are consistent with those of the previous reporting period except where otherwise indicated.

2.3 Transition to International Financial Reporting Standards

The transition to international Financial Reporting Standards is being managed on an industry-wide basis. A National Local Government working party has been established, and the NSW Department of Local Government in conjunction with the Local Government Accounting Advisory Group will identify significant changes affecting the industry.

Due to the issue date of the Australian versions of the International Accounting Standards, the assessment and planning phase is continuing at the date of preparation of these reports.

It has been established that Council must identify certain properties as investment properties, and to apply to the provisions of AASB 140.

Council will be required to classify financial assets and liabilities in accordance with AASB 139. Additionally, Council will be required to recognise assets and liabilities of State defined superannuation plans.

Other matters will be identified by the above mentioned working parties during the current reporting period, and details will be provided in the 2004/05 Annual Financial Statements.

3. *Grants, Contributions and Donations*

Grants and contributions are recognised as revenues when the council obtains control over the assets comprising the contributions. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured.

Where grants and contributions are recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in these notes.

Also disclosed is the amount of grants and contributions recognised as revenues in a previous reporting period which were obtained in respect of the council's operations for the current reporting period.

4. *Property, Plant & Equipment*

4.1 Transitional Provisions

All assets were brought to account as at 1st July 1997. The effect of recognising the Land and Buildings and Infrastructure assets has been to increase Council's accumulated wealth by \$66M.

4.2 Materiality

For assets capitalised since 1st July 2003, the following rules of materiality have been applied where the asset has an economic life which is determined to be longer than one year:

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

4.3 Valuation of Assets

4.3.1 Recoverable Amounts Test

The Council is exempted from the “Recoverable Amount Test” under the provision of paragraph 2.1 of AAS 10 “Recoverable Amount of Non-Current Assets”.

Land and Buildings and Infrastructure assets are valued at written down replacement cost as at 1st July 2002, plus increase in C.P.I. and additions. Operating assets are valued at their historical cost less accumulated depreciation. Acquisitions after the date of valuation are carried at acquisition cost which materially equates to current cost. Current cost in relation to an asset, means the cost measures by reference to the lowest cost at which the gross service potential of that asset could currently be obtained in the normal course of business.

4.4 Plant & Equipment, Office Equipment & Furniture & Fittings

Valuations of these asset categories are based on historical cost subject to the materiality thresholds described in Note 4.2.

4.5 Depreciation of Non-Current Assets

All assets having a limited useful life are systematically depreciated over their useful lives in a manner, which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis, using a standard range of rates which are reviewed annually. Major depreciation periods are:-

Buildings	33 years
Vehicles	10 years
Office Equipment	10 years

5. *Investments*

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

6. *Employee Leave Entitlements*

In June 2001, The Australian Accounting Standards Board (AASB) issued a new standard on “Employee Benefits”, AASB 1028. The new standard replaces AAS 30 and applied to annual reporting periods beginning on or after 1st July 2002.

Employee benefits are accrued on a pro-rata basis for annual leave, sick leave and long service leave and gratuities in respect of services provided by employees up to the reporting date in accordance with AASB 1028. Such accruals are assessed as at each reporting date, having regard to a number of factors including experience of employee departures, projected employee rates of pay and their periods of service.

The Standard requires liabilities in respect of wages and salaries, annual leave, and sick leave (regardless of whether they are expected to be settled within 12 months of reporting date) to be measured at their “nominal” amounts. The Standard also requires employee benefits liabilities (other than wages and salaries, annual leave and sick leave) expected to be settled within 12 months of reporting date to be measured at their “nominal” amounts. The nominal basis of measurement uses remuneration rates that Council expects to pay as at each reporting period and does not discount cash flows to their present value.

Employee benefit liabilities (other than wages and salaries, annual leave and sick leave) expected to be settled more than 12 months after reporting date to be measured at “present value”. The Standard requires the market yields on national government bonds to be used in determining the present value of employee benefit liabilities.

Consistent with the revised Standard, Council has recognised the aggregate liability and aggregate asset arising from the employee benefits and related on-costs. In contrast to the previous Standard, Council previously disclosed the aggregate employee entitlement liability recognised which excluded on-costs.

The superannuation expense for the year is the amount of the statutory contribution the council makes to the superannuation plan which provides benefits to its employees.

The following disclosures are made pursuant to AASB 1028, paragraph 6.10:

As at balance date a number of council staff were making contributions to a defined superannuation scheme referred to as the Local Government Superannuation Scheme. That scheme was one of five superannuation schemes provided by State Super which were incorporated, without change, into the Local Government Superannuation Scheme from 1st July 1997. It is referred to in the trust Deed as Division D.

A defined benefit scheme may generally be described as one where the amount of benefits payable are, in part, defined by a members final salary. This scheme, which is heavily subsidised by the member’s employer, was closed to new members on 1st July 1985. The Local Government Superannuation Scheme is a \$2 billion fully funded Scheme and members are offered a range of benefits payable. The benefit payable on retirement is directly related to a member’s final salary and the level of their contributions. This benefit is drawn from a pool that contains the accumulated contributions of both the member and employer plus investment earnings.

The value of accrued benefits in respect of all defined benefits plans in which Council participates has been determined on the basis of the present value of expected payments which arise from its membership in the superannuation scheme at the date of actuarial review. The actuarial review was performed as at 30th June 2000. The economic assumptions used in calculating the gross liability of the various defined benefit schemes are as follows:

	2004 %	2005 %
Rate of Investment Return	7.5	13.0
Rate of Salary Increase	4.0	4.0
Rate of CPI Increase	2.5	2.8

The following table provides a dissection for the superannuation scheme contributed to:

Superannuation Scheme	Division B Scheme \$'000
Gross Liability Assessed as at 30 th June 2004	3,390
Less Investment Reserve Account Balance	3,754
Unfunded Liability/(Prepaid Contributions)	364

The total number of “equivalent full time” employees at the beginning and end of the financial year were 80.5 and 73.5 respectively.

7. Inventories

Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value. Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential. In both cases costs have been assigned to particular inventory items by the method of specific identification.

8. Monetary Amounts

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

9. Budget Information

The statement of financial performance provides budget information on major income and expenditure items. Details of material budget variations are detailed in note 16. Note 2(a) also provides budget information of revenues and expenditures. Budget figures represented are those approved by council at the beginning of the financial year and do not reflect council approved variations throughout the year.

10. Financial Instruments

AAS 33 – “Presentation & Disclosure of Financial Instruments”:

- Establishes rules for the classification of financial instruments as debt or equity;
- Extends the existing rules of ‘set off’; and
- Sets out detailed disclosure requirements on financial instruments.

Council has adopted all of the disclosure requirements required by AAS 33 and is detailed in Note 15.

11. Borrowings

Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it became due and is recorded as part of other creditors.

12. Payables and Other Current Liabilities

Creditors and other current liabilities are amounts due to external parties for the purchase of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 14 days after initial recognition. Interest is not payable on these.

NOTES TO THE FINANCIAL STATEMENTS

Note 2(a)

FUNCTIONS

	REVENUES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE WATER SUPPLY FUNCTIONS. DETAILS OF THIS FUNCTION IS PROVIDED									
	REVENUES		EXPENSES		OPERATING RESULTS		GRANTS INCLUDED IN REVENUES		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
FUNCTION	Orig Budget 2004 \$'000	Actual 2004 \$'000	Orig Budget 2004 \$'000	Actual 2004 \$'000	Orig Budget 2004 \$'000	Actual 2004 \$'000	Orig. Budget 2004 \$'000	Actual 2004 \$'000	Orig. Budget 2004 \$'000	Actual 2004 \$'000
Water Supplies	12,093	13,579	10,859	11,467	1,234	2,112	185	189	127,661	133,373
TOTALS	12,093	13,579	10,859	11,467	1,234	2,112	185	189	127,661	133,373

NOTES TO THE FINANCIAL STATEMENTS

Note 3

EXPENSES FROM ORDINARY ACTIVITIES
--

	Actual 2004 \$'000	Actual 2003 \$'000
(a) EMPLOYEE COSTS		
Salaries and Wages	2,706	2,922
Travelling	389	351
Employee Leave Entitlements	1,159	708
Superannuation	159	188
Worker's Compensation Insurance	116	127
FBT	24	24
Payroll Tax	207	202
Training Costs (excluding salaries)	96	46
Less Capitalised Costs	(682)	(714)
Total Employee Costs Expensed	4,174	3,854
(b) BORROWING COST EXPENSE		
Interest on Loans	825	863
Total Borrowing Cost Expensed	825	863
(c) DEPRECIATION		
Plant and equipment	714	486
Office equipment/Furniture	21	21
Buildings	80	75
Infrastructure		
- Water supply	2,726	2,687
Total Depreciation Costs Expensed	3,541	3,269
(d) OTHER EXPENSES		
Auditor's Remuneration		
- audit Services	14	14
Chairperson Fees	4	3
Member's Fees & Allowances	21	15
Members' Expenses	4	3
Insurance	77	44
Electricity & Heating	1,069	1,146
Telephone	73	80
Other	552	546
Total Other Expenses from Ordinary Activities	1,814	1,851

NOTES TO THE FINANCIAL STATEMENTS

Note 4

REVENUES FROM ORDINARY ACTIVITIES

	Actual 2004 \$'000	Actual 2003 \$'000		
a) RATES & ANNUAL CHARGES				
<u>Annual Charges</u> (pursuant to s.496 & s.501)				
Water Supply Services	2,364	2,337		
Total Rates & Annual Charges	2,364	2,337		
b) USER CHARGES & FEES				
<u>User Charges</u> (pursuant to s.502)	9,502	10,353		
Total User Charges	9,502	10,353		
<u>Fees</u>				
Private works	12	12		
Total User Charges & Fees	9,514	10,365		
c) INTEREST				
Interest on investments	698	605		
Total Interest Revenue	698	605		
d) OTHER REVENUES				
Lease Rental	8	11		
Commission & Agency Fees	-	2		
Connection Fees	542	488		
Other	182	149		
Total Other Revenue from Ordinary Activities	732	650		
	OPERATING Actual 2004 \$'000	OPERATING Actual 2003 \$'000	CAPITAL Actual 2004 \$'000	CAPITAL Actual 2003 \$'000
e) GRANTS				
General Purpose (Untied)				
- Pensioners' Rates Subsidies	183	175		
- Diesel and Alternative Fuels	6	7		
- Water Supplies			61	
Total Grants	189	182	61	
f) CONTRIBUTIONS & DONATIONS				
Water			2,065	947
Total Contributions & Donations			2,065	947
TOTAL GRANTS & CONTRIBUTIONS	189	182	2,126	947

NOTES TO THE FINANCIAL STATEMENTS

Note 5

GAIN OR LOSS ON DISPOSAL OF ASSETS

	Actual 2004 \$'000	Actual 2003 \$'000
GAIN (OR LOSS) ON DISPOSAL OF PLANT & EQUIPMENT		
Proceeds from disposal	437	262
Less: Carrying amount of assets sold	355	242
GAIN (OR LOSS) ON DISPOSAL	<u>82</u>	<u>20</u>
TOTAL GAIN (OR LOSS) ON DISPOSAL OF ASSETS	<u>82</u>	<u>20</u>

NOTES TO THE FINANCIAL STATEMENTS

Note 6a

CASH ASSETS AND INVESTMENT SECURITIES

	Actual 2004		Actual 2003	
	Current \$'000	Non- Current \$'000	Current \$'000	Non- Current \$'000
<u>CASH</u>				
Cash on Hand and at Bank	73		73	
Deposits at Call	15,297		13,813	
TOTAL CASH ASSETS	15,370		13,886	
TOTAL CASH ASSETS AND INVESTMENT SECURITIES	15,370		13,886	

RESTRICTED CASH ASSETS AND INVESTMENT SECURITIES

SUMMARY

	2004		2003	
	Current \$'000	Non- Current \$'000	Current \$'000	Non- Current \$'000
<u>INTERNAL RESTRICTIONS</u>				
Other	3,898		3,752	
TOTAL INTERNAL RESTRICTIONS			3,752	
TOTAL UNRESTRICTED	11,472		10,134	
TOTAL CASH AND INVESTMENT SECURITIES	15,370		13,886	

NOTES TO THE FINANCIAL STATEMENTS

Note 6a Continued

CASH ASSETS AND INVESTMENT SECURITIES

RESTRICTED CASH ASSETS AND INVESTMENT SECURITIES

DETAIL

	2004 \$'000	2003 \$'000
TOTAL INTERNAL RESTRICTIONS		
Included in liabilities		
- Employee Leave Entitlements	898	752
Other		
- Mains replacement	1,000	1,000
- Sinking Funds	800	800
- Sales Fluctuation	1,200	1,200
TOTAL INTERNAL RESTRICTIONS	3,898	3,752

a) Employee Leave Entitlements

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

b) Mains Replacement

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

c) Sinking Fund

A provision for early repayment of loan funds has been made.

d) Sales Fluctuation Reserve

Income from sales of water is largely dependent on seasonal weather conditions. Consumption for 2003/2004 has been based on the trend analysis undertaken, an amount of 13,200 megalitres. Should Council experience an abnormal year, such as 1993, then the consumption could be more around 10,710 megalitres. A sales fluctuation reserves purpose is to afford the Council's consumers some protection against extraordinary increases in the price of water resulting from a decrease in water sales due to unfavourable weather conditions.

NOTES TO THE FINANCIAL STATEMENTS

Note 6b

DETAILS OF MOVEMENTS & UTILISATION OF RESTRICTED CASH ASSETS AND INVESTMENTS

Restrictions	Notes	MOVEMENTS				PROPOSED UTILISATION OF RESTRICTION		
		Opening Balance 30 June 2003 \$'000	Transfers to Restriction \$'000	Transfers from Restriction \$'000	Closing Balance 30 June 2004 \$'000	Less than 1 Year	Between 1 and 5 Years	Greater than 5 Years
Internal								
<i>Mains Replacement</i>	6a	1,000			1,000		1,000	
<i>Loan Sinking Fund</i>	6a	800			800		800	
<i>Sales Fluctuation</i>	6a	1,200			1,200		1,200	
<i>Employee Leave Entitlement</i>	6a	752	146		898			898
Total		3,752	146		3,898		3,000	898

NOTES TO THE FINANCIAL STATEMENTS

Note 7

RECEIVABLES

	Actual 2004		Actual 2003	
	Current \$'000	Non- Current \$'000	Current \$'000	Non- Current \$'000
Rates and Annual Charges	237		239	
User Charges & Fees	935		827	
Accrued Interest on Investments	344		295	
Government Grants & Subsidies	80		21	
Other	522		23	
Total	<u>2,118</u>	<u></u>	<u>1,405</u>	<u></u>

Rates and Annual Charges

Annual charges are secured. The credit risk for this class of debtor is 100% of the carrying value.

User Charges and Fees

User charges and fees are secured. The credit risk for this class of debtor is 100% of the carrying value.

Government Grants

Government grants and subsidies have been guaranteed.

Private works

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

NOTES TO THE FINANCIAL STATEMENTS

Note 8

INVENTORIES AND OTHER ASSETS

	Actual 2004		Actual 2003	
	Current \$'000	Non- Current \$'000	Current \$'000	Non- Current \$'000
Inventories				
- Stores and Materials	880		763	
	<u>880</u>		<u>763</u>	
Other				
Prepayments	49		67	
	<u>49</u>		<u>67</u>	

NOTES TO THE FINANCIAL STATEMENTS

Note 9a

PROPERTY, PLANT AND EQUIPMENT

	At 30/6/2003				MOVEMENTS DURING YEAR				At 30/6/2004			
	At cost	At Valuation	Accum Depn	Book Value	Asset Purchases	Asset Disposals	Depn	Net Revaluation	At Cost	At Valuation	Accum Depn	Book Value
Plant & Equipment	7,968		5,378	2,590	2,039	355	714		9,652		6,091	3,561
Office Equipment/ Furniture	369		243	126	23		21		392		264	128
Land & Buildings		2,944	75	2,869	143		80			3,083	80	3,003
Infrastructure - Water Supply Network		107,569	2,687	104,882	3,486		2,726			110,990	2,726	108,264
TOTALS	8,337	110,513	8,383	110,467	5,691	355	3,541		10,044	114,073	9,161	114,956

NOTES TO THE FINANCIAL STATEMENTS

Note 10a

PAYABLES, PROVISIONS AND INTEREST BEARING LIABILITIES

	Actual 2004		Actual 2003	
	Current \$'000	Non- Current \$'000	Current \$'000	Non- Current \$'000
<u>Payables</u>				
Goods and Services	418		543	
Accrued Expenses	118		80	
TOTAL PAYABLES	536		623	
<u>Interest Bearing Liabilities</u>				
Loans	500	5,631	500	6,176
TOTAL INTEREST BEARING LIABILITIES	500	5,631	500	6,176
<u>Provisions</u>				
Annual Leave	486		364	
Sick Leave	248	321	112	427
Long Service Leave	404	1,534	200	1,405
TOTAL PROVISIONS	1,138	1,855	676	1,832

NOTES TO THE FINANCIAL STATEMENTS

Note 11

STATEMENT OF CASH FLOWS

	Actual 2004 \$'000	Actual 2003 \$'000
a) Reconciliation of Cash		
Total Cash Assets (per Note 6)	15,370	13,886
Balances as per statement of cash flows	<u>15,370</u>	<u>13,886</u>
b) Reconciliation of Surplus/(Deficit) from Ordinary Activities to Cash from Operating Activities		
Surplus/(deficit) from ordinary activities	4,238	4,560
Add: Depreciation	3,541	3,269
Increase in employee leave entitlements	485	129
Decrease in other current assets	18	
Increase in Payables		335
	<u>8,282</u>	<u>8,293</u>
Less:		
Increase in Receivables	713	52
Increase in Inventories	117	223
Increase in other current assets		15
Decrease in payables	87	
Gain on sale of assets	82	20
Net Cash provided by (or used in) operating activities	<u>7,283</u>	<u>7,983</u>

NOTES TO THE FINANCIAL STATEMENTS

Note 12

COMMITMENTS FOR EXPENDITURE

	Actual 2004 \$'000	Actual 2003 \$'000
CAPITAL COMMITMENTS		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
- Sludge Treatment Plant	246	
These expenditures are payable as follows:		
Not later than one year	246	
Later than one year and not later than 2 years		
Later than 2 years and not later than 5 years		
Later than 5 years	246	NIL

NOTES TO THE FINANCIAL STATEMENTS

Note 13

STATEMENT OF PERFORMANCE MEASUREMENT for the year 2003/2004

	Amounts	Current Yr Indicators	Current Yr -1	Current Yr -2	Current Yr -3
1. CURRENT RATIO					
Factors					
<u>Current Assets</u>	\$18,417				
<u>Current Liabilities</u>	\$ 2,174	Ratio <u>8.47:1</u>	<u>8.96:1</u>	<u>8.76:1</u>	<u>9.25:1</u>
2. UNRESTRICTED CURRENT RATIO					
Factors					
<u>Current Assets less All External Restrictions</u>	\$18,417	Ratio <u>8.47:1</u>	<u>8.96:1</u>	<u>8.76:1</u>	<u>9.25:1</u>
<u>Current Liabilities less Specific Purpose Liabilities</u>	\$ 2,174				
3. DEBT SERVICE RATIO					
Factors					
<u>Debt Service cost</u>	\$ 1,370	10.09%	9.57%	11.56%	12.22%
<u>Revenue from Ordinary Activities</u>	\$13,579				
4. RATE COVERAGE RATIO					
Factors					
<u>Rate & Annual Charges</u>	\$ 2,364	15.05%	15.47%	17.68%	19.05%
<u>Total Revenue</u>	\$15,705				
5. RATES & ANNUAL CHARGES OUTSTANDING PERCENTAGE					
Factors					
<u>Rates & Annual Charges Outstanding</u>	\$ 237	9.10%	9.20%	9.97%	12.73%
<u>Rates & Annual Charges Collectable</u>	\$2,603				

NOTES TO THE FINANCIAL STATEMENTS

Note 14

CONDITIONS OVER GRANTS & CONTRIBUTIONS

	Actual 2004		Actual 2003	
	\$'000 Grants	\$'000 Contrib.	\$'000 Grants	\$'000 Contrib.
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period but which are not yet expended in accordance with those conditions, are as follows:				
Unexpended at the close of the previous reporting period.				
Less:				
Expended during the current reporting period from revenues recognised in previous reporting periods.				
Plus:				
Amounts recognised as revenues in current reporting period but not yet expended in accordance with the conditions.				
Unexpended at the close of the current reporting period and held as restricted assets				
Net increase(decrease) in restricted assets in the current reporting period.	NIL	NIL	NIL	NIL

NOTES TO THE FINANCIAL STATEMENTS

Note 15

FINANCIAL INSTRUMENTS

Interest Rate Risk Exposures

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

2004	Notes	Floating interest rate \$'000	Fixed interest maturing in: ≤ 1 year \$'000	> 1 year ≤ 5 years \$'000	> 5 years \$'000	Non- interest bearing \$'000	Total \$'000
Financial Assets							
Cash and Deposits	6	8,354	7,016				15,370
Receivables	7					2,118	2,118
Total		8,354	7,016			2,118	17,488
Weighted Ave. Interest Rate		5.09%	5.50%				
Financial Liabilities							
Bank overdraft & loans	11,10		500	2,000	3,631		6,131
Bills Payable	10					536	536
Total			500	2,000	3,631	536	6,667
Weighted Ave. Interest Rate		10.14%					
Net Financial assets/(liabilities)		8,354	6,516	(2,000)	(3,631)	1,582	10,821

2003	Notes	Floating interest rate \$'000	Fixed interest maturing in: ≤ 1 year \$'000	> 1 year ≤ 5 years \$'000	> 5 years \$'000	Non- interest bearing \$'000	Total \$'000
Financial Assets							
Cash and Deposits	6	8,655	4,731	500			13,886
Receivables	7					1,405	1,405
Total		8,655	4,731	500		1,405	15,291
Weighted Ave. Interest Rate		5.04%	5.32%	5.5%			
Financial Liabilities							
Bank overdraft & loans	11, 10		500	2,000	4,176		6,676
Bills Payable	10					623	623
Total			500	2,000	4,176	623	7,299
Weighted Ave. Interest Rate		10.14%					
Net Financial assets/(liabilities)		8,655	4,231	(1,500)	(4,176)	782	7,992

NOTES TO THE FINANCIAL STATEMENTS

Note 15 Continued

FINANCIAL INSTRUMENTS

Reconciliation of Net Financial Assets

	Notes	2004 \$'000	2003 \$'000
Net financial assets from previous page		10,821	7,992
Non-financial assets and liabilities			
- Inventories	8	880	763
- Property, plant & equipment	9	114,956	110,467
- Other Assets	8	49	67
- Provisions	10	(2,993)	(2,508)
Net Assets per Statement of Financial Position		<u>123,713</u>	<u>116,781</u>

Net fair value of Financial Assets

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

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

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

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

		2004		2003	
	Notes	Carrying Amount \$'000	Net Fair Value \$'000	Carrying Amount \$'000	Net Fair Value \$'000
<u>Financial Assets</u>					
Trade debtors	7	1,172	1,172	1,066	1,066
Other debtors	7	946	946	339	339
Unlisted investments	6	15,370	15,370	13,886	13,886
Total		<u>17,488</u>	<u>17,488</u>	<u>15,291</u>	<u>15,291</u>
<u>Financial Liabilities</u>					
Other loans	10	6,131	6,131	6,676	6,676
Other liabilities	10	536	536	623	623
Total		<u>6,667</u>	<u>6,667</u>	<u>7,299</u>	<u>7,299</u>

NOTES TO THE FINANCIAL STATEMENTS

Note 16

MATERIAL BUDGET VARIATIONS

Council's original budget was incorporated as part of the Management Plan adopted by Council on 26th June 2002. The original projections on which the budget was based have been affected by climate conditions, interest rates and increase in capital expenditure.

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

Revenues

1. User Charges & Fees

User Charges & Fees were over budget by \$778 (F) (8.9%) primarily due to weather patterns.

2. Interest Received

The actual amount of interest revenue received was over budget by some \$228 (F) (48.5%). This was due to increase in funds as a result of better than expected results.

3. Other Operating Revenues

Main variance of other operating revenues related to the connection fees received, due to increase in development minor variations in amounts received from sundry income, resulted in over budget by \$409 (F) (126.6%).

4. Grants & Contributions

Increase in Urban residential subdivision and an increase due to drought conditions of rural main extensions resulted in \$1776 (F) (507.4%) over budget.

5. Gain from the Sale of Assets

Increase in sale price of assets resulted in \$55 (F) (203.7%) over budget.

Expenses

1. Materials and Contracts

As a result of increase in maintenance of water connections resulted in \$172 (U) (18.3%) over budget.

2. Other Expenses

Due to drought conditions increase in maintenance on pumps and reservoirs resulted in \$425 (U) (30.6%) over budget.

NOTES TO THE FINANCIAL STATEMENTS

Note 17

STATEMENT OF CONTRIBUTION PLANS

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

Purpose	Opening Balance \$'000	Contributions received during year*		Interest earned during year \$'000	Expended During Year \$'000	Expended in Advance \$'000	Held as restricted asset** \$'000	Works Provided to date \$'000
		Cash \$'000	Non- Cash \$'000					
Water Supply	NIL	2,065			2,065			2,065
Total Contributions	NIL	2,065			2,065			2,065

NOTES TO THE FINANCIAL STATEMENTS

Note 18

ASSETS AND LIABILITIES NOT RECOGNISED IN STATEMENT OF FINANCIAL POSITION

There are no assets and liabilities not recognised in the Statement of Financial Position.



**Special Purpose Financial Reports and Special Schedules
for the year ending 30th June 2004**

TABLE OF CONTENTS

	Page
Auditors Report	76
Council's Certificate	77
 Special Purpose Financial Reports	
Statement of Financial Performance by Water Supply Business Activity	78
Statement of Financial Position by Water Supply Business Activity	79
 Notes to the Special Purpose Financial Statements	
Note 1 Significant Accounting Policies	80
Note 2 Water Supply Best Practice Management Disclosure	83

SPECIAL PURPOSE FINANCIAL REPORTS

Independent auditor's report

SCOPE

We have audited the special purpose financial reports of Riverina Water County Council for the year ended 30 June 2004, comprising the Statement by Council, Statement of Financial Performance, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and accompanying Notes to the Accounts. The Council is responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the Council.

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

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

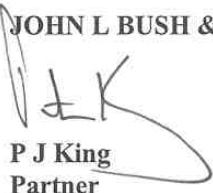
AUDIT OPINION

In our opinion

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

Yours faithfully

JOHN L BUSH & CAMPBELL



P J King
Partner

RIVERINA WATER COUNTY COUNCIL

STATEMENT BY COUNCILLORS AND MANAGEMENT OF THE COUNCIL

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

1. The accompanying special purpose financial reports exhibit a true and fair view of the financial position of Riverina Water County Council declared business activity as at 30th June 2004.
2. The special purpose financial reports have been prepared in accordance with:
 - NSW Government Policy Statement "Application of National Competition Policy to Local Government",
 - Department of Local Government Guidelines "Pricing and Costing for Council Businesses; A guide to Competitive Neutrality" and
 - The Department of Energy, Utilities and Sustainability Best Practice Management of Water Supply guidelines.
3. All information provided has been prepared in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting.

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

*Signed in accordance with a Resolution of Council
dated 25th August 2004.*



.....
Clr. L. Vidler
CHAIRPERSON
25th August 2004



.....
Clr. P. Yates
DEPUTY CHAIRPERSON
25th August 2004



.....
Mr. G.W. Pieper
GENERAL MANAGER
25th August 2004



.....
Mr. G.G. Geaghan
ACCOUNTING OFFICER
25th August 2004

RIVERINA WATER COUNTY COUNCIL

**STATEMENT OF FINANCIAL PERFORMANCE
OF BUSINESS ACTIVITIES**

For the year ended 30th June 2004

WATER CATEGORY 1

	Notes	Actual 2004 \$'000	Actual 2003 \$'000
EXPENSES FROM ORDINARY ACTIVITIES			
Employee costs		4,174	3,854
Borrowing Costs		825	863
Materials & Contracts		1,113	709
Depreciation		3,541	3,269
Loss on Sale of Assets			
Taxation Equivalent Payments		13	13
Other operating expenses		1,814	1,851
TOTAL EXPENSES FROM ORDINARY ACTIVITIES		11,480	10,559
REVENUE FROM ORDINARY ACTIVITIES			
Rates & Annual Charges		2,364	2,337
User Charges & Fees		9,514	10,365
Interest		698	605
Grants & Contributions for non capital purposes		189	182
Gain from the sale of Assets		82	20
Other revenues from ordinary activities		732	650
REVENUE FROM ORDINARY		13,579	14,159
SURPLUS(DEFICIT) FROM ORDINARY ACTIVITIES BEFORE REVENUE FOR CAPITAL PURPOSES		2,099	3,600
Grants & Contributions for capital purposes		2,126	947
SURPLUS(DEFICIT) FROM ORDINARY ACTIVITIES AFTER CAPITAL AMOUNTS		4,225	4,547
SURPLUS(DEFICIT) FROM ALL ACTIVITIES BEFORE TAX		4,225	4,547
Corporate Taxation Equivalent (30%) (based on Surplus result before capital)		1,268	1,364
SURPLUS(DEFICIT) AFTER TAX		2,957	3,183
Opening Retain profits			
Adjustments for Amounts Unpaid			
- Taxation Equivalent Payments		13	13
- Corporate Taxation Equivalent		1,268	1,364
Closing Retained Profits		4,238	4,560
RETURN ON CAPITAL (%)		2.54%	4.04%
Calculation of Dividend Payable:			
Surplus (deficit) after tax		2,957	3,183
Less: Capital grants & contributions (excl. developer contributions)		2,126	947
Surplus for dividend calculation purposes		831	2,236
Dividend calculated from surplus		402	1,105

RIVERINA WATER COUNTY COUNCIL

STATEMENT OF FINANCIAL POSITION BY BUSINESS ACTIVITIES
As at 30th June 2004

WATER CATEGORY 1

	Notes	Actual 2004 \$'000	Actual 2003 \$'000
CURRENT ASSETS			
Cash Assets		73	73
Investment Securities		15,297	13,813
Receivables		2,118	1,405
Inventories		880	763
Other		49	67
TOTAL CURRENT ASSETS		<u>18,417</u>	<u>16,121</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment		114,956	110,467
TOTAL NON-CURRENT ASSETS		<u>114,956</u>	<u>110,467</u>
TOTAL ASSETS		<u>133,373</u>	<u>126,588</u>
CURRENT LIABILITIES			
Bank overdraft			
Payables		536	623
Provisions		7,682	5,791
Interest bearing liabilities		500	500
TOTAL CURRENT LIABILITIES		<u>8,718</u>	<u>6,914</u>
NON-CURRENT LIABILITIES			
Provisions		1,855	1,832
Interest bearing liabilities		5,631	6,176
TOTAL NON-CURRENT LIABILITIES		<u>7,486</u>	<u>8,008</u>
TOTAL LIABILITIES		<u>16,204</u>	<u>14,922</u>
NET ASSETS		<u>117,169</u>	<u>111,666</u>
EQUITY			
Retained Profits		35,730	32,921
Asset Revaluation reserve		81,439	78,745
TOTAL EQUITY		<u>117,169</u>	<u>111,666</u>

RIVERINA WATER COUNTY COUNCIL

NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS

Note 1

SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 Government Policy statement on the *"Application of National Competition Policy to Local Government"*. The *"Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality"* issued by the Department of Local Government in July 1997 has also been adopted.

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

Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, council has declared that Council is a Category 1 business.

Monetary Amounts

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

(i) Taxation Equivalent Payments

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all council nominated business activities and are reflected in the SPFRs as expenses. For the purposes of disclosing comparative information relevant to the private sector equivalent the following taxation equivalents have been applied to all council nominated business activities (this does not include Council's non-business activities):

	Notional Rate Applied %
Corporate Tax Rate	30 %
Land Tax	1.7 %

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

Income Tax

An income tax equivalent has been applied on the profits of the business. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level (Operating Result before Capital Amounts) as would be applied by a private sector competitor - that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive Operating Result before Capital Amounts has been achieved. Since the taxation equivalent is notional, that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the overall operations of the council.

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

Local Government Rates & Charges

A calculation of the equivalent rates and charges for all Category 1 businesses have been applied to all assets owned or exclusively used by the business activity.

Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face "true" commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities. The debt guarantee fee represents the difference between the commercial and discount rate multiplied by the loan amount. Council re-structured its Loan portfolio during 1998/99 in which the borrowing costs is at commercial costs. No debt guarantee fee is payable.

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations. The overall subsidies from council is contained within the Operating Statement and is consistent with those subsidies disclosed in council's management plans.

(iii) Return on Investments (Rate of Return)

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field". The rates of return achieved from councils major business activities are paid to the council as owner of the business. The rate of return is calculated as follows:

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

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return can be calculated for each of council's business activities from the Statement of Business Activities and Statement of Financial Position and is disclosed at the bottom of the Statement of Business Activities. The return on capital achieved for Council's business is 2.54% and is consistent with that required for "Long Term Sustainability".

(iv) Dividends

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

Local Government Water Supply and Sewerage Businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus. The dividend, calculated and approved in accordance with the Best Practice Management Guidelines, must not exceed 50% of this surplus in any one year, or the number of water supply assessments at 30th June 2004 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a Dividend Payment form, Statement of Compliance, unqualified independent Financial Audit Report and Compliance Audit Report are submitted to the Department of Energy, Utilities and Sustainability.

RIVERINA WATER COUNTY COUNCIL

NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS

Note 2

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

Calculation and Payment of Tax-Equivalents

- (i) Calculated Tax- Equivalents
- (ii) No. of assessments multiplied by \$3/assessment
- (iii) Amounts payable for Tax-Equivalents (lesser of (i) and (ii))
- (iv) Amounts paid for Tax-Equivalents

Dividend from Surplus

- (i) 50% of Surplus before Dividends
(Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines)
- (ii) No. of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment
- (iii) Cumulative Surplus before Dividends for the 3 years to 30th June 2004, less the cumulative Dividends Paid for the 2 years to 30th June 2003
- (iv) Maximum Dividend from Surplus (least of (i),(ii) and (iii))
- (v) Dividend paid from Surplus

Required Outcomes for 6 Criteria

- (1) Completion for Strategic Business Plan (including Financial Plan)
- (2) Pricing with full cost-recovery, without significant cross subsidies
(Item 2(a) in Table 1 on page 18 of the Best Practice Guidelines)
Complying charges (a) Residential (Item 2(b) in Table 1)
(b) Non-residential (Item 2(b) in Table 1)
DSP with Commercial Developer Charges (Item 2(e) in Table 1)
- (3) Complete performance Reporting Form by 31st October each year
- (4) Sound Demand Management implemented
- (5) Sound Drought Management implemented (by June 2005)
- (6) Integrated Water Cycle Management Strategy (by June 2005)

\$	
	12,747
	81,198
	12,747
	12,747
	402,000
	799,233
	2,262,500
	402,000
	NIL
YES	NO
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**Special Schedules
for the year ending 30th June 2004**

TABLE OF CONTENTS

Page

Special Schedules (Not Audited)

Special Schedule 1	Net Cost of Services	85
Special Schedule 2a	Statement of Long term Debt (All Purpose)	86
Special Schedule 3	Water Supply Operations	87
Special Schedule 3	Notes	91
Special Schedule 4	Water Supply – Net Assets Committed	92
Special Schedule 7	Conditions of Public Works	93

RIVERINA WATER COUNTY COUNCIL

SPECIAL SCHEDULE NO. 1

NET COST OF SERVICES
For the year ended 30th June 2004

(\$'000)

FUNCTION OR ACTIVITY	OPERATING EXPENSES		OPERATING REVENUES		NET COST OF SERVICES	
	Expenses	Group totals	Revenues	Group totals	Net Cost	Group totals
WATER SUPPLIES TOTALS – FUNCTIONS						
CAPITAL GRANTS CONTRIBUTIONS ¹						
GENERAL PURPOSE REVENUES ²	11,467	11,467	15,705	15,705	4,238	4,238
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	11,467	11,467	15,705	15,705	4,238	4,238

¹Each function and activity should record the operating and expenses excluding any capital contributions.

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

²General purpose Revenue consists of:

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

RIVERINA WATER COUNTY COUNCIL

SPECIAL SCHEDULE NO. 2(a)

STATEMENT OF LONG-TERM DEBT (ALL PURPOSE) For the year ended 30th June 2004

(\$'000)

Classification of Debt	Principal Outstanding at beginning of Year (1)			New Loans Raised during the year (2)	Debt Redemption during the Year (3)		Interest applicable for year	Principal Outstanding at end of Year		
	Current	Non-Current	Total		From Revenue	Sinking Funds		Current (4)	Non-Current (5)	Total
LOANS (By source)										
Treasury Corporation										
Other State Government										
Financial institutions	500	6,176	6,676		545		825	500	5,631	6,131
Other										
TOTAL LOANS										
TOTAL LONG TERM DEBT	500	6,176	6,676		545		825	500	5,631	6,131

Exclude: Internal Loans

Refinancing of loans except for any additional borrowings

Please check that for each debt line category:

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

(1) Show same values as reported on previous year's Special Schedule 5(1). If values are different, please provide reason for variation.

(2) Values should agree with Proceeds from Loans and Other Borrowings shown on the Cash Flow Statement (Financing Activities).

(3) Values should agree with Reduction of Loans and Other Liabilities shown n the Cash Flow Statement (Financing Activities).

(4) Total should agree with Current Liabilities – Borrowings (Statement of Financial Position).

(5) Total should agree with Non-Current Liabilities – Borrowings (Statement of Financial Position).

RIVERINA WATER COUNTY COUNCIL

SPECIAL SCHEDULE NO. 3

**STATEMENT OF FINANCIAL PERFORMANCE
WATER SUPPLY
(GROSS INCLUDING INTERNAL TRANSACTIONS)
for the year ended 30th June 2004**

	2004 \$'000	2003 \$'000
<u>A. EXPENSES & REVENUES</u>		
<i>Expenses</i>		
Management	1,210	1,130
- Administration	443	430
- Engineering & Supervision		
Operation and Maintenance Expenses		
Mains		
- Operation Expenses	64	62
- Maintenance Expenses	535	489
Reservoirs		
- Operation Expenses	64	63
- Maintenance Expenses	46	57
Pumping Stations		
- Operation Expenses (excl. energy costs)	258	251
- Energy Costs	1,069	1,146
- Maintenance Expenses	510	532
Treatment		
- Operation Expenses (excl. chemical costs)	200	195
- Chemical Costs	462	421
- Maintenance Expenses	56	55
Other		
- Operation Expenses	400	352
- Maintenance Expenses	390	369
- Purchase of Water	59	56
Depreciation	2,807	2,761
- System Assets	734	508
- Plant and Equipment		
Miscellaneous	825	863
- Interest	1,335	806
- Other Expenses		
	<hr/>	<hr/>
	11,467	10,546
<u>Total Expenses</u>	<hr/>	<hr/>
<i>Revenues</i>		
Rates & Service Availability Charges		
- Residential	2,061	2,034
- Commercial	243	243
- Other	60	60

	2004 \$'000	2003 \$'000
<u>User Charges</u>		
- Sales of Water: Residential	6,653	7,063
- Sales of Water: Commercial	2,495	2,795
- Sales of Water: Other	354	495
Interest Income	698	605
Other Revenue (includes Profit on Sale)	826	682
Grants		
- Grants for Acquisition of Assets	61	
- Other Grants	189	182
Contributions		
- Developer Charges	2,065	947
<u>Total Revenues</u>	15,705	15,106
Operating Result	4,238	4,560
<u>Operating Result</u>		
(less Grants for Acquisition of Assets)	4,238	4,560

B. CAPITAL TRANSACTIONS

Non-Operating Expenditure

Acquisition of Fixed Assets		
- Subsidised Scheme	122	
- Other New System Assets	2,351	2,380
- Renewals	1,156	1,467
- Plant & Equipment	2,062	1,289
Repayment of Debt		
Loans	545	492
TOTALS	6,236	5,628
Non-Operating Funds Employed		
Proceeds from Disposal of Assets	437	262
TOTALS	437	262

C. RATES & CHARGES

(a) Urban

1. Number of Assessments		
- Residential (occupied)	20,399	19,905
- Residential (unoccupied)	679	596
- Non-Residential (occupied)	1,543	1,514
- Non-Residential (unoccupied)		

2. User Charge

If charge varies with usage, charges for various ranges:

Up to 125 Kl/a

Over 125 Kl/a

Non-stepped Tariff	0.65 c/KL	0.65 c/KL
--------------------	-----------	-----------

(b) Non-Urban

1. Number of Assessments		
- Residential (occupied)	4,378	4,352
- Residential (unoccupied)	564	574
- Non-Residential (occupied)	744	735
- Non-Residential (unoccupied)		

2. User Charge

If charge varies with usage, specify charges for various ranges

Up to 125 Kl/a

Over 125 Kl/a

Non-Stepped Tariff	0.77 c/KL	0.77 c/KL
--------------------	-----------	-----------

3. Annual Water Allowance for Minimum Rate or Charge

	2004 \$'000	2003 \$'000
4. Does Council have a Land Value component in its charging for:		
- Residential	NO	
- Non-Residential		
5. Typical Developer Charge	\$2,250	\$2,100
6. Number of ET's for which Developer Charges were received	520	415
7. Total Amount of Pensioner Rebates	332	318

RIVERINA WATER COUNTY COUNCIL

SPECIAL SCHEDULE NO. 3 Continued

WATER SUPPLY – CROSS SUBSIDIES
for the year ended 30th June 2004

D. BEST PRACTICE ANNUAL CHARGES & DEVELOPER CHARGES

Yes No Amount

27. Annual Charges

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

✓		
---	--	--

If Yes, go to 28a.

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

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

Council has not used land values since 1994

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

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

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

28. Developer Charges

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

	✓
--	---

b. Total cross-subsidy in water supply developer charges for 2002/03 (page 47 of Guidelines)

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

29. Disclosure of Cross Subsidies

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

NIL

Councils which have not yet implemented best-practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above. However, disclosure of cross-subsidies is **not** required where a council has implemented best-practice pricing and is phasing-in such pricing over a period of 3 years.

RIVERINA WATER COUNTY COUNCIL

NOTES TO THE SPECIAL SCHEDULES NO. 3

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

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

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

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

Operation Expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses

Maintenance Expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalization principles and the distinction between capital and maintenance expenditure).

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

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

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

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

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

* Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. In item 16 for water supply and item 17 for sewerage, and not in items 1a and 1b).

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

RIVERINA WATER COUNTY COUNCIL

SPECIAL SCHEDULE NO. 4

**WATER SUPPLY – NET ASSETS COMMITTED
(GROSS INCLUDING INTERNAL TRANSACTIONS)
as at 30th June 2004**

(\$'000)

	<u>Current</u>	<u>Non-Current</u>	<u>Total</u>
<u>ASSETS</u>			
<i>Cash and Investments</i>			
- Other	15,370		15,370
<i>Receivables</i>			
- Specific Purpose Grants	80		80
- Rates and Availability Charges	237		237
- Other	1,801		1,801
<i>Inventories</i>	880		880
<i>Property, Plant and Equipment</i>			
- System Assets		108,264	108,264
- Plant & Equipment		6,692	6,692
<i>Other Assets</i>	49		49
Total Assets	<u>18,417</u>	<u>114,956</u>	<u>133,373</u>
<u>LIABILITIES</u>			
<i>Bank Overdraft</i>			
<i>Creditors</i>	536		536
<i>Borrowings</i>			
- Loans	500	5,631	6,131
<i>Provisions</i>	1,138	1,855	2,993
Total Liabilities	<u>2,174</u>	<u>7,486</u>	<u>9,660</u>
NET ASSETS COMMITTED	<u>16,243</u>	<u>107,470</u>	<u>123,713</u>
<u>EQUITY</u>			
Accumulated Surplus	16,243	26,031	42,273
Asset Revaluation Reserve		81,439	
Total Equity	<u>16,243</u>	<u>107,470</u>	<u>123,713</u>

Notes to System Assets:

Current Replacement Cost of System Assets	195,741
Accumulated Current Cost Depreciation of system Assets	87,477
Written Down Current Cost of System Assets	108,264

RIVERINA WATER COUNTY COUNCIL
SPECIAL SCHEDULE NO. 7
**CONDITION OF PUBLIC WORKS
as at 30th June 2004**
(\$'000)

Asset Class	Asset Category	Depreciation Rate (5)	Depreciation Expense	Cost	Valuation	Accumulated Depreciation	WDV	Asset Condition	Estimated cost to bring to satisfactory	Annual Maintenance Expense	Program Maintenance Works
									(i)	(ii)	(iii)
		Per Note 1	Per Note 3	Per Note 9				Per Section 428(2d)			
Public Buildings	Council Offices/Depots	2.5	80		3,083	80	3,003	S			
	Houses	2.5	3			3		S			
Water	Treatment Plants	1.3	754		16,581	320	16,261	S	987	56	60
	Bores	4	76		1,117	76	1,041	S	Included In Pump Stations		
	Reservoirs	1	279		17,683	279	17,404		110	437	110
	Pipelines	2	1,883		68,519	1,883	66,636	S	10,483	534	653
	Pump Stations	1.3	534		7,090	168	6,922	S	500	508	515
Total – Classes	Total – All Assets		2,806		114,073	2,806	111,267		12,080	1,535	1,338

S = Satisfactory

CUSTOMER INFORMATION

PAYMENT FACILITIES

TELEPHONE Australia Post Telephone Billpay

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

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

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

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

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

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

BillEXPRESS Look for the **Bill EXPRESS** logo at participating newsagencies to pay this bill with cash, cheque, debit card, Visa, Master Card or Bankcard. Or, use the ServiceATM at most Coles Supermarkets (cards only). For locations call 1300 739 250 or visit www.billexpress.com.au **Biller ID and reference number is located beside the Bill EXPRESS symbol on the front of your account.**

EMERGENCY NUMBERS

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

GENERAL ENQUIRIES: (02) 6922 0608
SERVICE CENTRE: (02) 6921 4170
FAX: (02) 6921 2241
EMAIL: admin@rwcc.com.au
WEBSITE: www.rwcc.com.au

EMERGENCY & FIELD SERVICE

Wagga Wagga	(02) 6921 2455 (02) 6921 4170 AH.
The Rock	0428 694856
Lockhart	0428 694326
Uranquinty	0429 448968
Urana/Oaklands	0429 448969
Culcairn/Holbrook/Walla Walla	0427 102174

