



**NORTHERN
MIDLANDS
COUNCIL**

**2007-2008
Annual Report**



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Mission Statement

Northern Midlands Council is committed to providing effective, innovative and efficient service to the community it represents. It aims to encourage active local communities of distinct character and to foster a sense of pride in the Northern Midlands area.

Elected Members of Council

Back Row:

Deputy Mayor David Downie, Cr Michael Geeves, Cr Matthew Brooks, Cr Ian Goninon, Cr Andrew Calvert, Cr Jeff Carins

Front Row:

Cr Tim Polley, Mayor Kim Polley, C Richard Goss



Vision Overview

- ▣ Our vision for the Northern Midlands is that it will be vibrant, sustainable and resilient, promoting diversity and conserving the heritage values of our towns.
- ▣ Our competitive strengths will attract more people to the municipality, increase employment, business activity and property values.
- ▣ Our community pride will be based on co-operation and self help, evident by our care of natural and constructed assets and our leadership in environmental management.
- ▣ Each community's needs will be met with fair and appropriate quality services, creating high community satisfaction with Council's performance and high employee morale and well-being.

Profile

The Northern Midlands Council was created on the 2nd April 1993 from the merger of the former Municipalities of Longford, Evandale, Campbell Town and Ross, together with the towns of Rossarden, Avoca and Royal George from the Fingal municipality.

It covers an area of 5,130 square kilometres, extending from Liffey Bluff in the west to Mount St John in the east (150 kms) and from Relbia in the north to Tooms Lake in the south (95kms).

Northern Midlands is one of the largest and most diverse municipal areas in Tasmania. It ranges from mountainous country on its eastern and western boundaries to extensive grazing lands renowned for fine wool production, the rich agricultural river flats of the Esk, Lake and Macquarie Rivers; historic towns and villages, and from small businesses to multi-million dollar enterprises. Many of the towns and villages have distinctive heritage qualities which make them attractive places to live.

The population of the Northern Midlands was estimated to be 12,482 by the 2007 ABS figures. This was 2.51% of the estimated State population that totalled 493,341.

Council facts in brief

- ▣ 62% of population resides in 5% of area that is generally North of, and includes, Longford, Perth and Evandale.
- ▣ Responsible for maintenance of 980 kms roads - more than any other council in the state.
- ▣ Annual turnover (all functions) in 2007/2008 \$16.1 million (2006/2007 \$14.3 million).
- ▣ 49% of municipal total revenue comes from rates; 30% from Government Grants, the remainder comes from user fees and other sundry revenue.
- ▣ Total Ratepayer Equity is \$209 million.

Many of the features that make the Northern Midlands unique also present some challenges for Council and residents. These include:

- ▣ although large, it is an area with overall low population density, generating its financial resources from a comparatively small number of ratepayers.
- ▣ the various constituent communities have different levels of involvement in local government activities and services, and vary widely in their priorities and objectives.



Municipal Map



Northern Midlands Council

9 Councillors elected by the community under a single electoral district.

The Mayor and Deputy Mayor were elected by public polls in 2007 for a term of two-years.

Council Meetings are held once a month starting at 5.00 pm.

Employees

<input type="checkbox"/> Permanent	90	(72 EFT)
<input type="checkbox"/> Casual	5	(2 EFT)

Facilities Maintained

- 564 km of sealed roads
- 416 km of unsealed roads
- 129 concrete structures
- 53 timber deck bridges
- 8 ovals for sporting activities
- 24 community halls/centres
- 2 caravan parks
- 3 swimming pools
- 7 waste transfer stations
- 10 water schemes - (4,987 connections)
- 10 sewer schemes - (4,110 connections)

Council controls property, plant and infrastructure assets amounting to \$203.9 million including \$36.6 million of land and buildings, \$100.8 million of roads and bridges, \$57.3 million of water, sewer and stormwater.

Message from the Mayor



On behalf of Council, it is my pleasure to present the Northern Midlands Council 2007/08 Annual Report.

Prior to commenting about specific projects and achievements for the 2007/2008 period, it is important to convey to residents the significance of a decision made at the Council Meeting held on 15th October 2007 when the Strategic Plan for the period 2007-2017, titled “Mapping Our Direction”, was adopted. The plan creates the foundation stone on how Council proposes to do its share towards making our Northern Midlands area a better place to live, work and bring up our families. Council believes that it has developed a challenging plan and it will be a guide to the priorities, projects and programs over the next 10 years.

One of the highlights for me each year is when Council formally acknowledges and celebrates the significant contribution made by volunteers of the Northern Midlands area. During May 2008 – National Volunteer Week – a function was held at the Longford Bowls Club to recognise the contribution made by members associated with Emergency Service Organisations.

Presentation of the 2008 Northern Midlands Australia Day Citizen of the Year Award to Shirley Squires of Avoca and Young Citizen of the Year Award to Amanda Bayles of Bishopsbourne was held at a community breakfast at Valentines Park, Campbell Town.

In reflecting upon events over the past 12 months, it was certainly a very special occasion when the historic village of Ross was announced as Tasmanian’s Tidiest Town and at the National Tidy Towns Awards held in Hobart in April 2008, the Ross Village was announced as the winner of the National Heritage & Culture Award.

As the supply of water is a key ingredient in the sustainability of our district and the wellbeing of our communities, the fact that Council adopted a 10 year strategic plan which allows for future works and planning for water infrastructure was appropriate. A component and priority of the plan was the provision of the Campbell Town/Ross Water pipeline initiative and it is expected that the alternative water supply will become available to Ross residents by December 2008 or January 2009. A secondary stage of the pipeline project is the design and construction of a single treatment plant to service both Campbell Town and Ross with treated water.

Other priorities identified by Council include the supply of treated water to Cressy, the trunk main duplication between Longford and Mackinnon's Hill reservoir and a loop pipeline within the TRANSlink development. These will be progressed in order of priority and will compliment the Midlands water proposals as being evaluated by the Tasmanian Irrigation Development Board.

In reporting on the achievements of Council during the past 12 months, the capital works as listed hereunder indicate a commitment for municipal assets to be preserved and enhanced:

- ▣ Reconstruction of Lyttleton Street, Longford, and Church Street, Campbell Town;
- ▣ Upgrading of the Longford Village Green including improvements to the cenotaph, Australia Day plaque site in partnership with the Longford Rotary Club;
- ▣ Upgrading of roads, water and sewerage infrastructure;
- ▣ Improvements to municipal buildings and recreation grounds;
- ▣ Fibreglassing of the Cressy pool;
- ▣ Pedestrian bridge at Campbell Town.

In addition to the above projects, financial assistance was provided to various organisations to improve Council and community assets. In-kind support was made available to several organisations to assist in staging numerous special events including the Longford Blessing of the Harvest, Evandale Village Fair & National Penny Farthing Championships, Longford New Years Day Picnic Races, John Glover Arts Festival, Poatina Open Day, Longford and Campbell Town Shows and the Tasmanian Trout Expo at Cressy. All these magnificent events involved substantial voluntary involvement and attracted thousands of visitors to the Northern Midlands.

Finally, I wish to thank my fellow Councillors for their support and also acknowledge the incredible contribution made by Council's skillful and professional staff for their achievements under the outstanding leadership of the General Manager, Mr Mark Pitt.

Thank you for taking time to read this Report.



Kim Polley
MAYOR

The Elected Council

Mayor Kim Polley



I was elected to Council in early 1999 becoming Mayor in October 2000. I am a former teacher and now run a small beef fattening enterprise. Apart from my interests in family, art and agriculture, I devote my time to my role as Councillor and Mayor. I aim to assist Council to provide effective, innovative and efficient service to all ratepayers in the municipal area. I want all to enjoy living in the Northern Midlands of Tasmania.

Deputy Mayor David Downie



I am a farmer within the Cressy/Campbell Town area. I have been a Councillor on the Northern Midlands Council since its inception actively steering council to a strong financial position. I believe our community has great potential for future progress and development that requires a consultative council that works with the people of our communities to develop our region in an appropriate way, whilst respecting the diversity that exists.

Councillor Matthew Brooks



I was born and live in Longford with my wife Louisa and our young family. I am currently self employed in the transport industry. I consider myself to be a caring and compassionate person who enjoys being with people and working for them throughout the Northern Midlands community. I pride myself in helping people with problems relating to completing forms relating to planning and building applications. I also like to see people get treated the same across the municipality and given a fair go. I suppose you could say I love to help the battler. I have been an active member of local community clubs. My goals are to ensure Council is open and transparent at all times, to work with local communities to progress the Northern Midlands and to represent the public to the best of my ability.

Councillor Andrew Calvert



I am a family man and live at Longford. I was elected on to Council in October 2007. My profession is farming and rural consultancy. I respect the needs of both town and country ratepayers and the importance of communities pulling together. I support sound financial management, maintaining and improving essential services, generating economic growth and development creating job opportunities whilst respecting our heritage.

Councillor Jeff Carins



I was born in 1948, married to Kathryn with six children between us. I have lived and worked most of my life in Northern Midlands. Apart from my business as an electrical contractor and of late, a partner in Roberts Regional North, I have a long history of involvement with the community through sporting bodies, RSL, Show Society and numerous other organisations. I believe we have a strong and efficient Council which should continue to encourage sensible development in all areas of our community.

Councillor Michael Geeves



My wife Denise and I have lived in Perth for 18 years and have one child. I have worked in the Northern Midlands all that time. We currently own and operate a successful business and employ 14 local people.

I have been an active member of the Lions Club for the last 17 years and both my wife and I have been heavily involved with the Perth Community Centre for the last 7 years.

My aim is to maintain rates at sensible levels, ensuring all ratepayers are receiving value for money and to encourage sensible growth within the Northern Midlands area

Councillor Ian Goninon



My wife and I live at Devon Hills and we have 3 adult children. Apart from running a successful local business, it's been my privilege to be an active member of numerous community and industry organisations. Along with the usual responsibilities as a Councillor, I am keenly interested in fostering and encouraging business growth in the area, and have been campaigning for the upgrade of Evandale main road. My focus for the future includes encouraging my fellow business owners to employ young people; the supply of treated water for those townships with untreated water; minimising rate rises; strategic planning for the increased wellbeing of our community; and community safety.

Councillor Richard Goss



First elected in 2007, I am a high school teacher with a mechanical and construction trade background. I gained a tertiary education at the University of Tasmania - Bachelor of Education. I am married with three children and live at Longford. I grew up at Cressy and have gained first hand experience living, working and building my dreams and hopes in the Northern Midlands. I have a strong commitment to the environment and heritage and will ensure that all residents and businesses are fairly represented and consulted on the future decisions of the Northern Midlands.

Councillor Tim Polley



I am 31 years of age, and have a Degree in Environmental Health. I have had 10 years previous experience in the private sector, starting as an apprentice baker pastry cook and finishing as a manager of a bakery. I am actively involved in several community organisations. I believe we have to work hard to maintain the quality of life for which Tasmania is renowned. In the Northern Midlands we need to grow jobs, preserve our built and natural heritage as well as continue to build on the great community spirit that exists in our rural townships.

Council Executive Committee

Council executive committee consists of Mayor Kim Polley, Deputy Mayor David Downie and Councillor Jeff Carins.



Role of Council

The Local Government Act 1993 provides that Councillors have the following functions:

- i) To provide for the health, safety and welfare of the community;
- ii) To represent and promote the interests of the community;
- iii) To provide for the peace, order and good government of the municipal area.

In performing its functions, the Councillors are to consult, involve and be accountable to the community.

COUNCIL ATTENDANCE		
2007/08	2006/07	2005/06
96%	96%	98%

TOTAL REIMBURSEMENTS		
2007/08	2006/07	2005/06
\$130,137	\$130,492	\$124,775

NUMBER OF ITEMS CONSIDERED BY COUNCIL		
2007/08	2006/07	2005/06
338	463	441

COUNCILLOR ALLOWANCES & REIMBURSEMENTS		
	2007/08	2006/07
Mayor Polley	\$41,315	\$41,941
Deputy Mayor McShane	\$7,617	\$20,078
Deputy Mayor Downie	\$17,300	-
Cr D Downie	-	\$10,006
Cr R Anderson	\$2,965	\$10,237
Cr M Brooks	\$10,364	\$11,820
Cr A Calvert	\$6,568	-
Cr J Carins	\$8,680	\$8,518
Cr T Dowling	\$3,290	\$9,815
Cr M Geeves	\$5,908	-
Cr I Goninon	\$10,180	\$8,416
Cr R Goss	\$6,107	-
Cr T Polley	\$9,843	\$9,660



COUNCILLOR ATTENDANCE

Date	Meeting	Cr Anderson	Cr Brooks	Cr Calvert	Cr Carins	Cr Dowling	Cr Downie	Cr Geeves	Cr Goninon	Cr Goss	Cr McShane	Cr K Polley	Cr T Polley
16/07/07	Ordinary	✓	✓		✓	✓	✓		✓		✓	✓	✓
23/07/07	Special	✓	✓		✓	✓	✓		✓		✓	✓	✓
14/08/07	Special	x	✓		✓	x	x		x		✓	✓	✓
20/08/07	Ordinary	✓	✓		✓	✓	✓		✓		✓	✓	✓
17/09/07	Ordinary	✓	✓		✓	✓	✓		✓		✓	✓	✓
15/10/07	Ordinary	✓	✓		✓	✓	✓		✓		✓	✓	✓
12/11/07	Special		✓	✓	✓		✓	✓	✓	✓		✓	✓
19/11/07	Ordinary		✓	✓	✓		✓	✓	✓	✓		✓	✓
03/12/07	Annual		✓	x	✓		✓	✓	✓	✓		✓	x
17/12/07	Ordinary		✓	✓	✓		✓	✓	✓	✓		✓	✓
21/01/08	Ordinary		✓	✓	✓		✓	✓	✓	✓		✓	✓
18/02/08	Ordinary		✓	✓	✓		✓	✓	✓	✓		✓	✓
17/03/08	Ordinary		✓	✓	✓		✓	✓	✓	✓		✓	✓
21/04/08	Ordinary		✓	✓	✓		✓	✓	✓	✓		✓	✓
05/05/08	Special		✓	✓	✓		✓	✓	✓	✓		✓	✓
19/05/08	Ordinary		✓	✓	✓		✓	✓	✓	✓		✓	✓
16/06/08	Ordinary		✓	✓	✓		✓	✓	✓	✓		✓	✓

General Manager's Review



It gives me great pleasure to present my first Annual Report for the Northern Midlands Council. Since commencing in November 2007, I have visited all areas of the Municipality and met with a large and diverse range of constituents and community groups. I am continually impressed at the range of skills and dedication of the many people I have worked with over the past year and the level of opportunity that exists within our area.

The 2007/2008 year has been one that has seen a number of significant events and activities begin which will have a long and lasting effect on local government, not only in the Northern Midlands Municipality but across the State of Tasmania.

Council has completed the major review of the Strategic Plan and the focus is now on updating Council's Planning Scheme which covers the management of land use, now and into the future, to include the strategic priorities identified. To add to the review of the Planning Scheme, is the changes being brought about by the new State Government template. Council also entered into a memorandum of understanding, with the seven other councils in the Northern Region and the State Government, for a regional planning project which will assist in developing consistency in Planning Schemes within the region.

Council continues to make good progress on the key issues identified in the Strategic Plan which include the areas of water quality, economic development, sustainable development, community well being and maintaining the core functions of Council.

Of major significance during this reporting period was the State Government Water and Sewerage reforms. The pace of these reforms has been quickening since the release of the State Government Discussion Papers in early 2008. The resources that these reforms will consume over the coming year will be significant, as will be the direct impact on Council. The Northern Midlands Council has identified 11 staff members who will be directly affected by these reforms and who will be transferred to the new water and sewerage corporations once established.

This reporting period saw the prioritisation of a number of significant water projects including the Campbell Town/Ross pipeline, a water treatment plant to be built in Campbell Town to provide both townships with treated water and the Longford/Cressy pipeline to provide treated water to the township and Cressy. The

Ross pipeline tender (Contract No. 08/02) was awarded on the 16th of June 2008 to BPS Engineering.

This contract will commence in the next financial year and will bring an alternative water supply to the township of Ross and solve issues associated with algae contamination in the Macquarie River. The second phase of this project is the construction of a water treatment plant at Campbell Town to provide treated water. The quality of water has been an issue for a considerable period of time and this strategy will bring a conclusion to this problem.

Council's adopted Enterprise Bargaining Agreement was due to expire on the 30th of June 2008. Negotiations on updating this agreement commenced in earnest in early 2008 with ballots being conducted with a representative from the Australian Services Union in attendance. Northern Midland's staff agreed unanimously to accept the amended agreement for a two year period. I would like to place on record my thanks and congratulations to the members of Council's Consultative Committee who administered this process and conducted the negotiations in a spirit of goodwill and cooperation.

During this reporting period, Engineering Services Manager, Mr Andrew Howell, left the employ of Northern Midlands Council and took up a position in the private sector. I would take this opportunity to thank Mr Howell for his services to the Municipality and recognise the level of the contribution that he made whilst with Council.

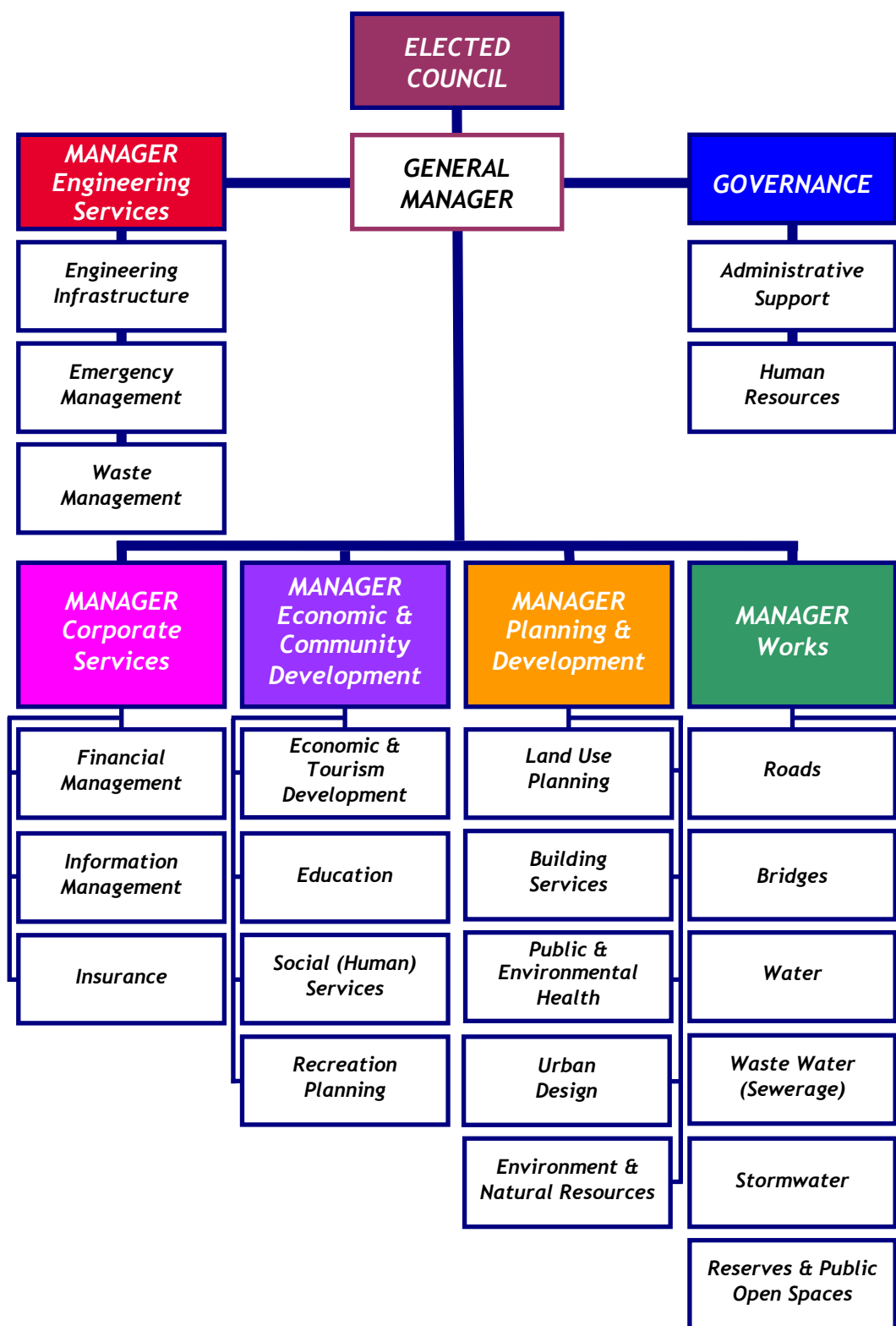
The staff of the Northern Midlands are a dedicated group of individuals who perform an amazing role and ensure the smooth running of the Council. To you, the staff, I offer my and the Council's thanks for your efforts and commitment. I would also acknowledge the management team of Council and their support over the past year. Also Council's thanks to Ms Maree Bricknell, Corporate Services Manager, who took on the Acting General Manager role for the four months until I took up my appointment.

The Mayor and Councillors of the Northern Midlands have every right to be proud of our Council and our community. I would also take this opportunity to thank the elected members for their support and encouragement during this year.

In conclusion I would like to express my and my family's thanks for the reception we received upon our move to the Northern Midlands. I have been made to feel exceptionally welcome and look forward to a very long and positive relationship with the Community and Council.



Organisation Structure





Members of Council & District Committees

Council

Mayor

Kim Polley

Deputy Mayor

Don McShane (to 12/11/07)

David Downie (from 12/11/07)

Councillors

Russell Anderson (to 12/11/07) Ian Goninon

Matthew Brooks

Jeff Carins

Tru Dowling (to 12/11/07)

David Downie (to 12/11/07)

Tim Polley

Andrew Calvert (from 12/11/07)

Michael Geeves (from 12/11/07)

Richard Goss (from 12/11/07)

Campbell Town Local District Forum

Mr G Duncombe (Chairperson)

Deputy Mayor D Downie

Mrs J Davis

Ms C McCallum

Mrs J Clarke

Mr P Jones (until 03/08)

Mr B Perkins

Mr D Dioguardi

Mr K Pearson-Smith

Mr J Ashman

Mrs J Lyne (from 03/08)

Evandale Local District Committee

Mr R Mortimer (Chairperson)

Cr J Carins

Mr J Lewis

Mr A Fairhurst

Mr D Falkiner

Mr F Deane (until 09/07)

Mrs J Crosswell

Mr I Lake

Mrs M Murray

Mr L Wotherspoon

Ms J Miller (from 12/07)

Ross Local District Committee

Mr G Cadogan-Cowper (Chairman)

Cr T Dowling (to 11/07)

Mrs J Bennett

Mr V Eaves (to 05/08)

Mr H Johnson

Mr A Cameron

Mr B Muir

Mr P Bewg

Mr A Thorpe

Mr F Dowling

Deputy Mayor D Downie (from (11/07))

Avoca / Royal George Local District Committee

Mr P Hazel (Chairman)

Mr G Marshall

Cr M Geeves (from 11/07)

Deputy Mayor D McShane (to 11/07)

Mrs S Freeman

Mr M Money

Mr T Gee

Mrs C Freeman

Mr A Whitehead

Mrs R Symes

Mrs M Knowles

Major Strategic Issues

Introduction

Council worked on a number of key issues which were identified in the Strategic Plan for the period 2007/2017. The Council has undertaken projects to address some of these issues and further initiatives have been identified in the Annual Plan for 2008/2009.

Water Quality

The State Government has introduced a major reform of Water and Sewerage in Tasmania which will mean that these services will be moved out of Tasmanian councils and bulk water authorities control to one of three council-owned regional water and sewerage corporations. A fourth common services corporation will also be established to provide common services to each of the three regional corporations.

Northern Midlands Council has continued to be proactive in planning for treated water to Ross, Campbell Town and Cressy townships and agreed to construct a trunk water main from Campbell Town to Ross, and proceed to design stage for construction of a water treatment plant at Campbell Town as well as a pipeline to carry treated water from Longford to Cressy.

Council will also continue to investigate options to provide good, clean drinking water to the smaller villages such as Conara, Avoca and Epping Forest, as well as consider options for sewage disposal at Avoca.

Economic Development

Council recognises that the future prosperity of the Northern Midlands area depends, in a large measure, on the community's ability to meet its own needs. Council's Economic & Community Development Unit continues to work in close association with the Northern Midlands Business Association and Northern Tasmania Development to co-ordinate programs that promote local economic, environmental and social sustainability.

Council facilitated the development of the Northern Midlands Business Association in 1999. The agreed objectives of the Association are:

- ☐ To identify economic development opportunities in the Northern Midlands and environs,
- ☐ To initiate and co-ordinate local community input on the directions and priorities for local economic development,
- ☐ To promote and market local economic development,
- ☐ To strengthen and diversify the economic base of the Northern Midlands and environs,
- ☐ To undertake any other activities that may assist in the development of the Northern Midlands and environs.

The Small Business Answers Service, funded by AusIndustry and managed by the Association continued to provide valuable assistance to small business owners and operators across Central Tasmania in 2007/2008 but government funding was discontinued as at 30 June 2008.

The Council continues to support Northern Tasmania Development and works with the eight member councils to promote economic development opportunities within the region.

Council's planned development of the Western Junction, TRANSlink area, continued to gather momentum over the last twelve months, with new businesses locating to the precinct on a regular basis.

The Business Association has worked closely with Council to lobby the State Government to upgrade Evandale Main Road which has become a major issue given the recent development in the area.

Tourism plays a pivotal role in the economic development of the Northern Midlands, and in acknowledgement of this, Council, in collaboration with the Southern Midlands Council, facilitated the creation of the Heritage Highway Tourism Region Association Inc. in 1998.

The objectives of the Association are:

- ☐ To promote the Heritage Highway as a tourism destination,
- ☐ To promote and maintain high levels of expertise within the tourism industry and in Visitor Information centres with the region,
- ☐ To represent the region to Governments, Councils and other tourism organisations.

The Council has also facilitated the creation of Local Tourism Groups at Longford/Cressy, Perth, Evandale, Campbell Town and Ross.

Council employs a part-time Tourism Officer to work closely with the Heritage Highway Tourism Region Association and the local tourism groups to implement their initiatives, including tear-off maps, signage, local projects and combined marketing of the region.

Sustainable Development

Council recognises that economic development is not the only measure of progress for our community. Environmental and social issues must be taken into account when encouraging economic development and also in the provision of land use planning, engineering infrastructure, waste management and environmental health. The community is also looking towards Council to play a proactive role in natural resource management through programs such as Landcare initiatives.

Council continued to work closely with the Regional Natural Resource Management Committee on implementing the Natural Resource Management (NRM) Strategic Plan for the Region. The Council has worked closely with NRM North, and the local community groups to facilitate and administer a number of projects, including Water Quality in the Nile Catchment, and preparation of 26 Property Management Plans. Council commissioned a State of Environment Report and Environmental Management Strategy as part of the review of Council's Strategic Plan and Planning Scheme review. A Northern Midlands Council Natural Resource Management Special Committee has been established.

Community Wellbeing

Council aims to provide leadership in the community, assisting Northern Midlands communities to identify, articulate and achieve their community and social goals, thereby empowering individuals and groups and achieving community capacity building.

Significant achievements across 2007/2008 included providing assistance to implement the No Dole Program at Cressy and Campbell Town District High Schools; and the establishment of a community safety and liaison committee.

Council has also actively supported numerous festivals and events throughout the Council area which promote our history and our heritage and are an important part of community life.

The Council has continued to resource the Local District Committees at Campbell Town, Ross, Evandale and the Avoca/Royal George/Rossarden area. Council has formed a new committee for the Perth community.

Maintaining Core Functions of Council

One of the Council's core responsibilities is the on-going management of its total asset base. While Council has acknowledged its expanding role in community development, it must balance this with adequate maintenance of its assets as this area is very often the critical difference between a well run and a poorly run organisation.

During 2007/2008 Council spent \$2.2 million towards upgrading the road network and \$1.6 million towards maintaining the road asset base. An amount of \$0.8 million was spent to replace thirteen (10) bridges, and \$1.4 million additional water, sewer and stormwater assets were recognised.

Future Funding

The Council continues to object to the problem of continued reallocation of responsibilities to Local Government from the Commonwealth and Federal Government without commensurate financial support.

The recent 'Review of Financial Sustainability of Local Government in Tasmania' by Access Economics Pty Ltd advised that one in five Tasmanian Councils may be financially unsustainable under existing policies and recommended that a multi-year financial framework needed to be developed as well as an improvement in external financial reporting.

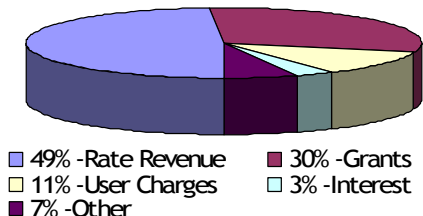
Council will continue to look for new development and other financial revenue streams to lighten the rate burden on its community. In the short term, however, the reform of water and sewerage in Tasmania has potential to place financial constraints on Council as a contribution of approximately \$400,000 is currently received from these services towards the overheads of Council's operation.

The Annual Plan sets out the objectives as listed in Council's Strategic Plan and shows the performance in each activity.

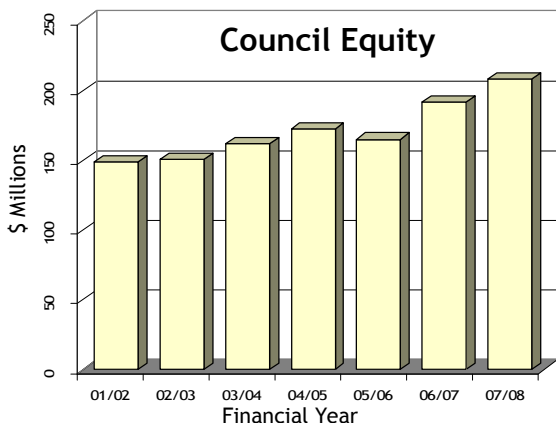
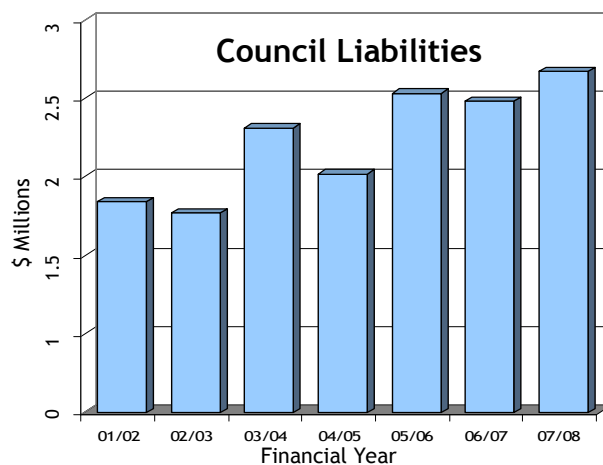
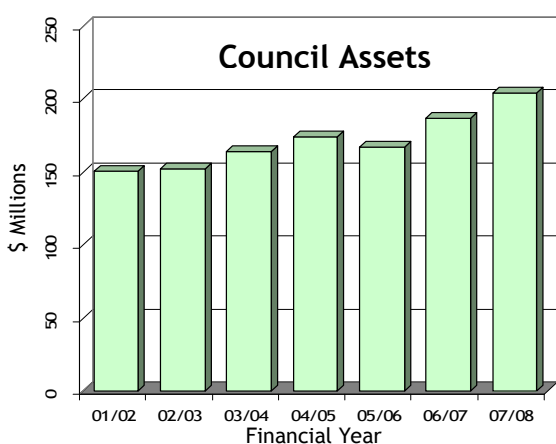
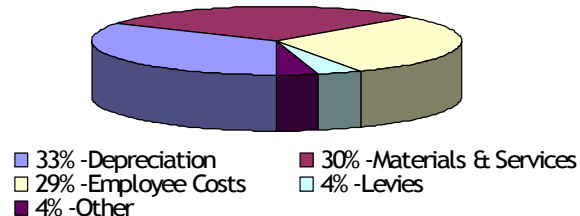


Performance Highlights

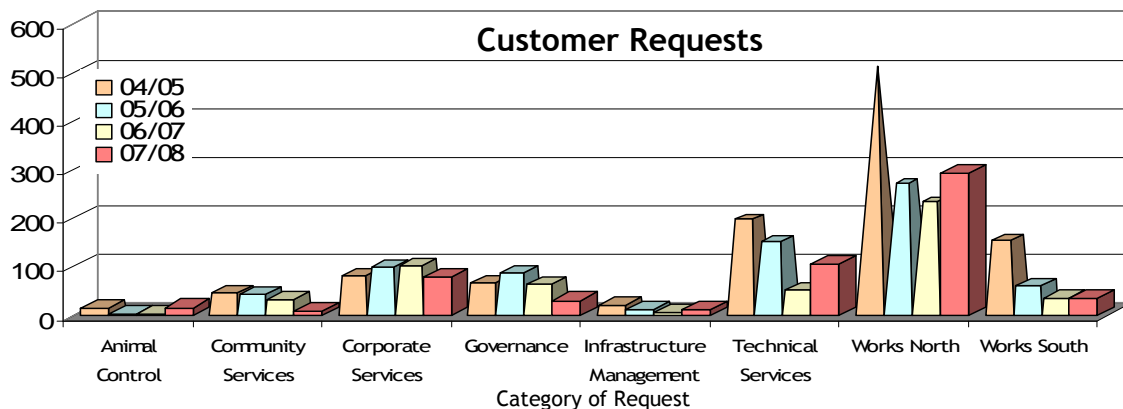
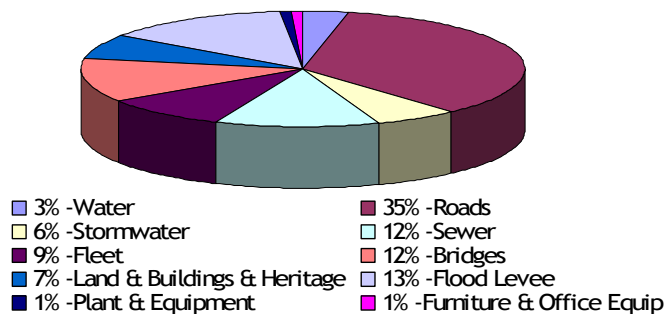
Where the dollars come from
Operating Income \$16,116,887



Where the dollars go
Operating Expenses \$14,781,188



Assets Purchased/ Constructed
\$6,528,656



Annual Review of Council Programs

Governance

Governance includes provision of elected representation, executive support, strategic planning and public relations

Objective

Performance

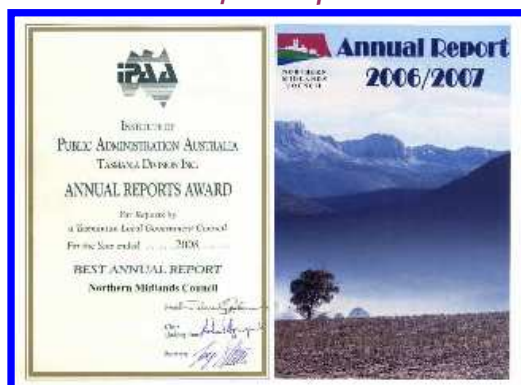
Governance:

To provide quality governance and effective leadership to support and enrich community life

An Australian Citizenship ceremony was held in conjunction with the 2008 Australia Day Celebrations – photographed below, new citizens (L-R) Arthur Whitehead, Joyce Buckler, Paul Kingston, Trudy Trapnell, David Trapnell, Bonnie Trapnell & Teresa Harris together with Mayor Kim Polley



Northern Midlands Council - winners of the 2008 IPAA Award for the best Annual Report in the Local Government section for the 2006/2007 report



13 Ordinary Meetings and 4 Special Meetings were held in 2007/2008. Attendance by the public was welcomed and copies of Meeting Agendas and supporting documentation were made available. A twenty (20) minute public question time was provided at each Council meeting at 6.45 pm.

Mayor Polley represented Council at the National Assembly of Local Government held in Darwin on 26-29th November 2007.

Mayor Polley and the General Manager attended the Local Government Managers Australia National Conference in Brisbane during May 2008.

Mayor Polley and the General Manager attended the Local Government of Tasmania Annual Conference in Launceston during June 2008.

Councillors had a Bus Tour of the municipal area meeting community groups and assessing budget priorities on 22 April 2008.

Adopted a new Strategic plan for 2007-2017.

In March 2008, Council's risk management systems were audited by public liability provider, Civic Mutual Plus. A score of 90% was achieved and Council was commended for strengthening its risk management framework. The score given showed that Council was ranked 4th out of the 29 councils in the state. Adopted an amended Risk Management Policy and Risk Management Strategy.

Participated as a shareholder in Northern Tasmanian Development.

Reviewed Council's Instrument of Delegation.

Local District Committees at Evandale, Avoca/Royal George/Rossarden, Campbell Town and Ross continued to provide valuable input into various issues considered by Council throughout the year. Established a new local district committee at Perth.

Council held its Annual General Meeting on 3 December 2007.

Objective

Performance

Community Representation & Relations:

To strive to advance Council's guiding principle of 'Encouragement of community confidence through communication, consultation and participation' with equitable, transparent, accessible and consistent governance by genuine engagement with the community



*Citizen of the Year 2008
Shirley Squires of Avoca (middle);
photographed with Mayor Kim Polley
and Mr Bill Horman - Australia Day
Ambassador*

*Young Citizen of the Year 2008
Amanda Bayles of Bishopsbourne*



Council supported efforts of the Launceston City Council on behalf of the Northern Midlands region to ensure adequate funding is provided to the Launceston General Hospital to allow it to provide and improve services to meet the medical and clinical needs of the community.

Supported in principle the Regional Aquatic Centre proposed at Windmill Hill, Launceston.

Lobbied the State Government for the upgrade of the Evandale Main Road from the Breadalbane roundabout to Evandale.

Endorsed a list of issues for establishment of the second Partnership Agreement with the State Government.

Continued to be an active member of Northern Tasmania Development.

Council news and activities were brought to the attention of residents via

- the Northern Midlands News (published as an insert in the Examiner) issued on a monthly basis
- the Examiner supplement - "Around the Region" published weekly, and
- a one page monthly publication in the Country Courier Newspaper.

Under Council's policy for Australia Day celebrations and award presentation venues are alternated between venues in the north and south of the municipal area - the 2008 Australia Day Awards were presented as part of a community breakfast held at Valentine's Park, Campbell Town by Mr Bill Horman, Australia Day Ambassador. In addition, Australian Citizenship was conferred upon seven new citizens as part of the celebrations.

The following Australia Day Awards were presented:

- Citizen of the Year 2008 - Mrs Shirley Squires of Avoca for the outstanding community service in the Northern Midlands area over many years.
- Young Citizen of the Year 2008 - Ms Amanda Bayles of Bishopsbourne for her outstanding achievements.
- Certificates of Merit 2008 - Jill Davis of Campbell Town, and Judy Freeman of Cressy for their community involvement.

Objective

Performance

Human Resources:

To provide a workplace that promotes high productivity and job satisfaction

Indoor Social Club Christmas Function



10 Years Service – Michelle Brown & Michelle Frankcombe



Total payroll cost in 2007/2008 was \$4,004,671 compared to \$3,680,908 in the previous year. Other employee costs including payroll tax, superannuation, workers compensation, insurance, corporate uniform and leave provisions amounted to \$696,185.

Continued to allocate a minimum of 2% of wage expenditure to staff training. During the past twelve months Benjamin Foot successfully completed Certificate II in Horticulture, Kristy Chugg successfully completed Certificate IV in Business Administration, and water and wastewater operators obtained statements of attainment for several water and sewer modules.

Provided performance appraisal and salary reviews for all staff.

Successfully negotiated a revised Enterprise Bargaining Agreement effective July 2008 providing staff with an 8 percent increase over the 2 year term of the agreement.

The following employees reached their Service milestones and were congratulated and presented with a Certificate of Service.

- 10 Years - Michelle Brown (Admin. Officer)
- 10 Years - Michelle Frankcombe (Admin. Officer)
- 10 Years - Bevan Pyke (Avoca WTS caretaker).

Continued a commitment to Workplace Health and Safety with the Employee Safety & Risk Management Committee meetings regularly throughout the year.

Adopted an amended Recognition of Service Policy, and an Anti-Discrimination and Harassment Policy.

Adopted a Code of Conduct for Elected Members.

Senior Staff Remuneration	2007/08	2006/07
Between \$120,000 - \$140,000	1	1
Between \$100,000 - \$120,000	2	-
Between \$ 80,000 - \$100,000	4	4
Specific Data	2007/08	2006/07
Payroll costs	\$4,004,671	\$3,680,908
Superannuation contributions	\$363,540	\$362,923
Workers Compensation Insurance/Expenses	\$53,283	\$61,079
Annual & Long Service Leave Provisions	\$1,026,274	\$1,005,081
% of Payroll Capitalised	6.3%	4.9%
Permanent Staff	72 EFT	74 EFT
Casual	2 EFT	1 EFT
Sick Leave Taken/Permanent Employees (paid days)	8.0	6.5

Corporate Services

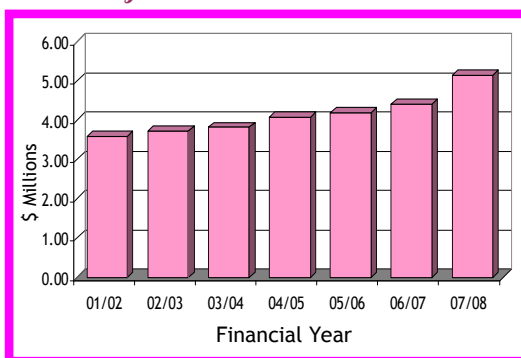
Corporate Services includes provision of financial services and information systems

Objective

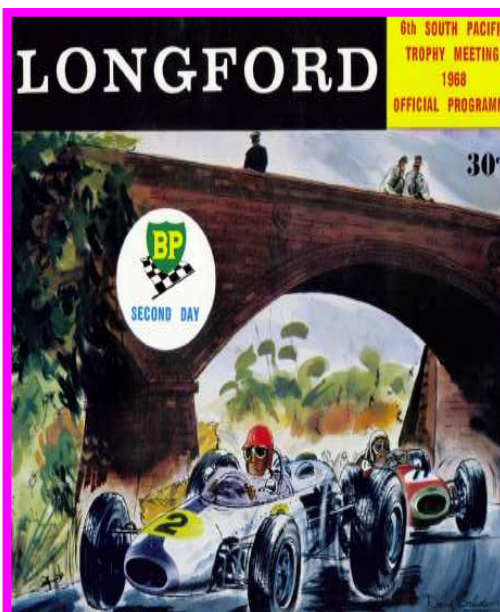
Financial Resources:

To provide practical, viable, sustainable financial management policies and procedures.

General Rate Revenue



1968 Official Programme for the 6th South Pacific Trophy Meeting – the last Motorsport event held in Longford



Performance

Adopted a 2007/2008 Annual Plan and Budget on the 16th July 2007.

The Financial Statement for the year ended 30 June 2008 is appended to this report. Included is the Independent Audit report provided by the Tasmanian Audit Office.

Council's revenue from ordinary activities was \$16.1 million and expenditure for ordinary activities was \$14.7 million, which resulted in an operating surplus of \$1.3 million from ordinary activities (net surplus of \$0.53 million after gain/loss on disposal of fixed assets).

Council introduced differential rating for the first time in 2007/08 based on the same amount of rate revenue as previous years for each land use category. The General Rate in the dollar of assessed annual value was increased by 6.15% resulting in total rate revenue amounting to \$7.9 million or 49% of operating revenue. Rate receivables at 30 June 2008 represent 3.1% of rate revenue.

Government Base Financial Grants increased by \$130,841 in 2007/08 to \$3.244 million. In addition, Council received \$1,651,652 special grant funding for projects including:

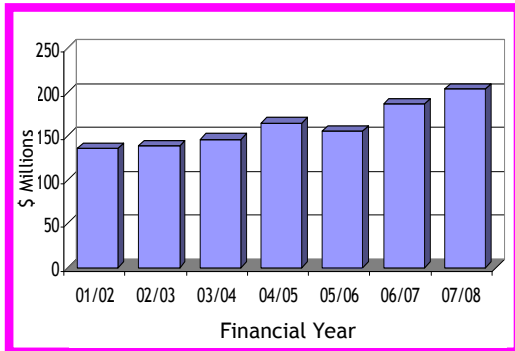
■ Roads to Recovery	\$685,071
■ Longford Flood Mitigation Project	\$535,154
■ Rural Remote Childcare Service	\$229,063
■ Main Street Project	\$64,000
■ Campbell Town Connection Bridge	\$46,250
■ Campbell Town Swimming Pool	\$22,300
■ Perth Childcare Service	\$18,499
■ NRM Regional Strategic Planning	\$15,000
■ Longford Historic Motorsport Event	\$9,000
■ National Youth Week	\$8,000
■ Playground Softfall Trial	\$6,405
■ Employee Training Programs	\$5,000

Council recorded a net increase in asset revaluation of non-current assets of \$16.4 million, and total changes in equity of \$16.9 million for the year.

Expenditure included \$4.938 million for depreciation that represents approximately 33.41% of expenditure for ordinary activities.

Objective

Property, Plant, Equipment & Infrastructure Asset Value



Performance

Council recorded non-current infrastructure assets with a written down value of \$203 million (or Gross Value of \$299 million) as at 30 June 2008. (Note 12 in the financial statement provides a breakdown of asset values recognised.)

Cost of purchase/construction of fixed assets totalled \$5.3 million.

Cash and investments totalling \$5.9 million were on hand at the end of the reporting period, which is an increase compared to last year of \$1.1 million. Cash and investments on hand represent money quarantined for the following areas:

■ Roads/Bridges/Stormwater Infrastructure	\$3.51m
■ Trust Funds & Employee Entitlements	\$0.91m
■ Water & Sewer Infrastructure	\$0.75m
■ General Funds	\$1.04m
■ Waste Management	\$0.22m
■ Special Committees	\$0.16m
■ Longford Flood Levee	-\$0.70m

External auditors Garrott & Associates were appointed for financial periods ending 30 June 2006 to 2010 at a cost in 2007/2008 of \$15,860.

Information Systems:

To deliver information management services to meet organisation, statutory and community needs.

IS Officer, Shayne Nash – provides technical support and services to Council



Active member of the Tasmanian Dataworks (Record Management) User Group.

- Upgraded the Mailbox Server \$8,669
- Upgraded 9 desktop computers, and 4 notebooks, \$17,381
- Purchased 2 durabook computers for water and sewer employees to have direct access to asset information and location details, \$4,200
- Upgraded to the latest version of all Microsoft software products for all users and network servers.
- Purchased Archive Manager software for email management and recording
- Purchased 3 digital camera's, 1 DVD recorder, several mobile phones and sundry items, \$6,456
- Installed a Cisco security router/firewall, and a network port switch, \$2,713
- Purchased new shredder machine, \$2,500
- Developed a new Spam Filter, redesign the Council website including display of Cemetery and Lake records.

Economic & Community Development

Economic and Community Development includes the provision of the following: Economic Development, Tourism Promotion, Education, Social (Human) Services, Environment and Natural Resources and Recreation

Objective

Performance

Economic Development:

To encourage sustainable economic development for the Northern Midlands region in conjunction with the Northern Midlands Business Association Inc.

Farewell to John Erwin on the closure of Central Tasmanian Small Business Service



Small Business Champions Awards 2007

Supported the Northern Midlands Business Association Inc. (NMBA) \$5,133 plus secondment of Council's Manager Economic and Community Development to serve as the Association's Executive Officer for the equivalent of one day per week.

Collaborated with NMBA on:

- The operation of the Small Business Central Tasmania Service;
- The ongoing management of the Northern Midlands Business Promotion and Visitor Information Centre at JJ's Bakery, Longford;
- The ongoing implementation of the TRANSlink marketing strategy - with the major activity being the Evandale Main Road Upgrade Campaign;
- The provision of educational and networking forums and visits for business owners and operators in the Northern Midlands;
- Assisting Campbell Town District High School staff and students to plan and implement a community bid to secure the right to stage the Triple J 'One Night Stand' national bands event in Campbell Town (our bid was runner-up and highly commended by the judges);
- Negotiations towards the provision of a Labour Hire service in the Midlands;
- Providing input to the federal government review of the Area Consultative Committees and to the development of the future role for these bodies.

Collaborated with the Department of Economic Development and the Area Consultative Committee to provide a further two statewide workshops on "Writing successful grant applications."

The Central Tasmanian Small Business Service was regrettably closed down at the end of June 2008 as the new federal government decided to cease funding the Building Entrepreneurship in Small Business Program nationally.

Objective

Tourism Promotion:

To promote Northern Midlands as a tourist destination to the benefit of the local economy, and to maximum advantage for residents

Snapshot of Heritage Highway Tourism Region website

www.heritagehighway.com.au



Flinty Creek Viaduct at Perth



Military Meet & Rendezvous



Performance

Supported Tasmania's Heritage Highway Tourism Region Association Inc. (HHTRA) with \$17,000.

Worked with HHTRA's Board to:

- Project manage the development and implementation of the Heritage Highway Interpretation Strategy (funded through the Australian Tourism Development Program);
- Form a strong partnership with the newly created Community, Place and Heritage Research Unit at the University of Tasmania, resulting in the development of three 'five star' tourism products within the Interpretation Strategy project;
- Develop a contemporary Heritage Highway website;
- Further progress bringing to the market the iwalk MP3 drive/walk tours of seven Heritage Highway towns and villages, including managing the successful launch of these innovative tourism products by the Minister for Tourism in November 2007;
- Repackage the Skulduggery games to create standalone sales entity for the games;
- Showcase the Heritage Highway Region at Northern Tasmania Development Tourism Forums.

Council's Manager Economic and Community Development served as the Northern Midlands representative on the inaugural Launceston / Tamar Valley and the North Tourism Zone Marketing Committee.

Worked with the local tourism groups to assist with the implementation of their individual Action Plans as defined in the Northern Tasmania Touring Route Strategy - resulting in the:

- Successful completion of the Campbell Town/ Elizabeth River Rejuvenation project;
- Collaboration with the Tasmanian Wool Centre and Parks and Wildlife to further progress the Ross Female Factory Interpretation project;
- Development of a steering committee comprising representatives of the University of Tasmania, The Tasmanian Spatial Sciences Institute and the Ross Tourism Group, to progress the Marking of the 42nd Parallel at Ross;
- Development of a project to interpret the heritage Flinty Bridge Viaduct at Perth;

Objective

Participants in the World Harmony Day Run event



The township of Ross received the Tidy Towns Tasmania Award 2007



2008 Blessing of the Harvest Festival



Performance

- Development of a website for Evandale;
- Continued the process to upgrade the town welcome signs across the Northern Midlands.

Actively supported the Woolmers Estate/Brickendon World Heritage Nomination bid by chairing the joint World Heritage Nomination Committee.

Served on the steering committee for the Midlands Military Meet and Rendezvous which resulted in the highly successful event being held across Easter 2008. Committee is planning to hold the second Meet and Rendezvous in November 2009.

Collaborated with the National Trust of Australia (Tas) to facilitate the establishment of the Norfolk Plains Museum and Heritage Centre in the former Lake Lodge Masonic Temple in Longford.

Planned a full days program across the Northern Midlands for the World Harmony Day Run team which resulted in extensive media coverage for the region; hard copy and on the internet.

Ongoing project management of the Northern Midlands Historic Cemeteries Preservation project.

Facilitated collaboration between the Visitor Centres across the Northern Midlands, to encourage sharing of resources/ideas and support.

The township of Ross was awarded the winner of the Tasmanian Tidy Towns Award.

Supported Special Events within the area with \$8,440 Grants to:

- | | |
|---|---------|
| ■ Targa Tasmania at Longford & Ross | \$2,662 |
| ■ Australia Day Celebrations at Campbell Town | \$1,650 |
| ■ Longford Cup | \$1,000 |
| ■ Village Fair at Evandale | \$733 |
| ■ Volunteer Recognition Event | \$664 |
| ■ Longford Fun Run | \$570 |
| ■ Tidy Towns | \$432 |
| ■ L.A.C. Midlands to Meander | \$300 |
| ■ Longford Show | \$255 |
| ■ Blessing of the Harvest at Longford | \$132 |
| ■ RSL Longford - Nat. Servicemen's Reunion | \$41 |

Objective

Performance

Social (Human) Services:

To develop a system for provision of human services within the limits of resource availability and without detriment to existing 'traditional' provision. Emphasis on provision by private and government services rather than Council.



National Youth Week

◀ *Talent Quest*

▼ *BBQ in Campbell Town*



*Youthspace – Campbell Town
Special Activities Session*



Continued to manage the Northern Midlands Child Care Service which provides a long day care service at Perth (5 days per week) and a mobile service (2 days per week at Cressy and Campbell Town, and 1 day per week at Avoca). Secured funding for the replacement of the service's Mercedes-Benz van.

Working with representatives of the Campbell Town community and Northern Children's Network towards the establishment of a 5 day/week long day care/early learning centre on the grounds of the District High School.

Continued the implementation of Council's Youth Policy through the activities of the Council's Youth Development Officer which included:

- Assisting local young people to provide input to local issues by strengthening the two Youth Support Networks.
- Continued the implementation of the Northern Midlands Police Caution Diversionary Program and collaborated on the provision of local Community Service Order placements.
- Continued the implementation of the Northern Midlands Employment Intensive Assistance Initiative.
- Working with at-risk young people and their families, providing individualised assistance/referral as appropriate.
- Collaborating on the development and implementation of the No Dole Program in the two District High Schools.
- Promoting a positive image of youth through National Youth Week and Leadership projects.

Continued to advocate for the provision of community health services for Northern Midlands Part A (the communities of Poatina, Cressy, Longford, Perth, Evandale and Devon Hills).

Served on a steering committee to investigate and secure a sustainable general practice service for the Campbell Town district.

Assisted Mental Health Services to undertake community consultations in the Northern Midlands as part of the development of the State Suicide Prevention Plan.

Worked with Australian Red Cross to plan and carry through the training of volunteers to assist with personal support in the event of an emergency.



Objective

*School Holiday Programme 2008
Longford Sports Centre*



Performance

Continued the implementation of Council's Discrimination Action Plan.

Collaborated with the University Department of Rural Health and the Department of Health and Human Services to manage the Northern Midlands Rural Health Teaching Site in Campbell Town.

Council's Economic and Community Development Manager served as the Local Government Association of Tasmania representative on the Tasmanian Rural Health Academic Reference Group.

Community Services:

To develop a system for provision of human services within the limits of resource availability and without detriment to existing 'traditional' provision. Emphasis on provision by private and government services rather than Council.

*Volunteer Recognition Awards
Mr Arthur Whitehead
of Rossarden photographed with
Mayor Kim Polley and
General Manager, Mark Pitt*



Council's Community Recovery Plan was tested with a desktop exercise in May 2008, with valuable learnings for all participating organisations and individuals.

Participated on the Regional Community Recovery Committee.

Continued implementation of Council's Positive Ageing Plan.

Council's Manager Economic and Community Development continued in the role of Council's Multicultural Liaison Officer.

Developed and adopted in October 2007 a Responsible Cat Ownership Policy.

Established a new dog exercise area at Saddlers Park, Evandale. Mayor Polley represented Northern Midlands Council (community) on the Elizabeth/Macquarie Water Trust.

Collaborated with the Rotary Club of Longford to design and construct a Northern Midlands Australia Day Awards display feature on the Village Green.

Provided input to the State Review of the Roadside Crash Marker Program, and collaborated with the Road Safety Branch on an innovative project that will raise awareness of road safety on the Midland Highway.

Established the Northern Midlands Community Safety and Liaison Committee which continues to meet on a bi-monthly basis.

Council's Manager Economic and Community Development served on the Tasmanian University Department of Rural Health steering committees managing the 'Sustainability of Rural Volunteers in Tasmania' and the 'Mobile Skilled

Objective

Northern Midlands Australia Day Awards display feature on the Village Green



Helping Hand Association – Longford



Glenn Paterson



Performance

Workforce to benefit Rural Communities' research projects.

Served on the steering committee to introduce the 'Lets Read' initiative to the Northern Midlands; achieved in June 2008.

Assisted P.A.S.S. (Proactive Agricultural Safety and Support Inc.) to prepare a successful submission to the Tasmanian Community Fund to assist with the development of the PASS website.

In accordance with Council's Volunteer Recognition Policy, held an award function recognising emergency service organisations in the municipal area.

Council's Manager Economic and Community Development is the Tasmanian representative on the Local Government Community Development and Community Services Association of Australia.

Adopted a policy to allocate \$750 to each school within the municipal area towards Chaplaincy programs.


Council provided Donations totalling \$15,396 under Section 77 of the Local Government Act to:

■ Cressy School - No Dole, Chaplaincy, & student achievement awards	\$5,800
■ Campbell Town School -No Dole & student achievement awards	\$5,050
■ Helping Hand Association	\$1,000
■ Longford Care-a-car Committee	\$1,000
■ Evandale Primary School Chaplaincy	\$750
■ Longford Support Group	\$500
■ Crimestoppers Tasmania	\$500
■ Campbell Town SES (in-kind support)	\$455
■ Longford Fire Brigade - Christmas Lolly Throw	\$100
■ Avoca, Evandale, Longford & Perth Primary School student achievement awards	\$100
■ Perth Fire Brigade - Christmas Lolly Throw	\$100
■ Remembrance Day	\$41

Sporting Achievement Donations totalling \$800 were provided to:

■ Mr Beau Thorp	Tas U16 Football Team	\$50
■ Mr Graham Tulich	Tas U16 Orienteering Team	\$50
■ Mr Latif Ucdereli	Tas U14 Rugby Union Team	\$50
■ Mr Glenn Paterson	Special Olympics	\$50
■ Mr Alex Pyecroft	Tas U16 Rugby Union Team	\$50



Objective	Performance
<p><i>Bridie Lee</i></p> 	<ul style="list-style-type: none"> ■ Mr Alexander Jack Tas U16 Rugby Union Team \$50 ■ Miss Jessica Little National All Schools Diving Championships \$50 ■ Mr William von Stieglitz Tas U12 Touch Football Team \$50 ■ Miss Danni'elle Pitt Nat. 2008 Netball Championships \$50 ■ Ms Melanie Morris 2008 World National Shearing Championships \$100 ■ Miss Bridie Lee Highland Dancing Championships \$50 ■ Mr Alex Pyecroft U16 School Cricket Team \$100 ■ Mr Thomas Hilder U15 Nth Tas Junior Soccer \$50 ■ Mr William Egan U15 Nth Tas Junior Soccer \$50

Burials/Placements performed in:	2007/08	2006/07	2005/06
Lawn Cemetery	18	16	26
Rose Gardens	8	4	7
Niche Wall	2	-	1

Animal Control	2007/08	2006/07	2005/06
Dog Registration	3,059	3,193	3,194
Kennel Licences	63	57	60
No. of Impounded Animals	109	106	81

Committees of Management & Non-Profit Organisations:

To support Council Committees of Management and Community Organisations.

Provided ongoing support for recreation facility Management Committees and non-profit community organisations.

Secured \$2,300 from Barbeques Galore to form a sponsorship program for community organisations in the Campbell Town area, and allocated funds to:

- Youth Space at Campbell Town - Fashion Parade \$600
- Campbell Town Playgroup, playground equipment \$600
- Midlands Men Shed, building improvements \$1,100

Special committees of Council managed the following facilities during 2007/2008:

- Avoca Hall/Community Centre
- Bishopsbourne Community Centre
- Cressy Memorial Hall
- Cressy Recreation Ground
- Cressy War Memorial Pool
- Evandale Community Centre
- Evandale War Memorial Hall

Ross Swimming Pool



Objective	Performance
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*Campbell Town Recreation Ground –
Classic Cars Exhibition*



- Evandale Recreation Ground
- Liffey Hall
- Longford Recreation Ground
- Perth Community Centre
- Perth Recreation Ground
- Ross Recreation Ground & Swimming Pool
- Royal George Hall

Special Committees represent \$191,730 (including Council maintenance grants) operating income and \$149,757 operating expenditure in Council's financial statement. Special Committees capitalised assets of \$6,167 in 2007/08 and ended the year with \$243,601 net assets.

Council allocated Special Project grants totalling \$26,986 to sporting and community groups as follows:

■ Perth Rec. Ground Committee, Irrigation System	\$5,000
■ Ross Sports Club, Rodeo Yards	\$1,126
■ Longford Rec. Ground Committee, improvements	\$5,000
■ Campbell Town Rec. Ground Comm., Fence repairs	\$4,500
■ Cressy Swimming Pool Committee, Notice Board	\$400
■ Evandale Community Centre Committee, Heating	\$2,110
■ Evandale Rotary Club, Morven Park Shed	\$1,850
■ Cleveland Progress Assoc., Pathway	\$3,000
■ Midlands Agriculture Assoc., Building Improvements	\$1,000
■ Longford Golf Club, Fairway upgrades	\$1,000
■ Fusion Australia, Hall Disabled Ramp	\$500
■ Fusion Australia, Chalet Disabled Ramp	\$500
■ Cressy District High School, Canteen	\$500

<i>Objective</i>	<i>Performance</i>
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Recreation:

To promote the use of existing Sport & Recreation facilities and plan for the development of new projects to meet the communities needs.

Northern Midlands Community Sports Centre, Longford – fitness room



Campbell Town Swimming Pool covers



Ongoing management of the Northern Midlands Community Sports Centre including the successful Longford Fun Run held in October 2007.

Collaborated with Tyre Recycling Tasmania to project manage the Lo-Pact project which will trial the use of chipped rubber tyres as softfall in the children’s play area on the Longford Village Green.

Developed Standard Operating Procedures, Risk Management Policies and Plans, and Emergency Action Plans for the three Council managed swimming pools, and Memorandums of Understanding with the Swimming Pool Committees.

Ongoing management of the leases for the Ross and Longford Caravan Parks.

Officially named reserve east of Red Bridge at Campbell Town ‘Blackburn Park.

Northern Midlands Community Sports Centre, Longford	2007/08	2006/07	2005/06	2004/05
Gym Membership fees	\$19,832	\$16,010	\$15,255	\$12,227

Planning & Development

Planning & Development includes the provision of the following: Building, Health, Planning Services & Environmental Management

Objective

Performance

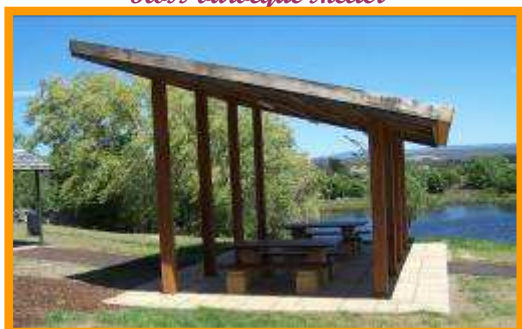
Building Services & Property Management:

To provide the regulatory framework to ensure all private and public buildings are constructed in accordance with the Building Code of Australia and other regulatory standards, and also manage the infrastructure needs of Council's public buildings

Machinery shed – Hay Street Depot



Ross barbeque shelter



Constructed a new multi purpose storage shed at Hay Street, Longford. This shed is purposely designed to also house the temporary flood protection infrastructure, \$74,025.

Fibreglassed the Cressy Swimming Pool, \$37,730.

Completed construction of a new Barbeque Shelter at Ross, \$14,590.

Constructed a new storage shed at the Longford Waste Transfer Station, \$8,848.

Issued 306 building approvals totalling \$28.66 million.

Issued 1,254 Property Certificates (Sec 132 & 337).

Leased the Ross Depot building to the Ross Men's Shed.

Formally leased the buildings at the Longford Recreation Ground to the Longford Football Club.

Resolved to sell part of Pioneer Park at Evandale and direct sale proceeds to redevelopment of the Morven Park Recreation Ground clubrooms.

Supported a proposal for a building at the Perth Recreation Ground to be named in honour of the late 'Mr Cliff Williams' for his involvement in cricket, football and ground administration at Perth over a 40 year period.

Specific Data	2007/08	2006/07	2005/06	2004/05
Applications	306	348	255	301
Dwellings	67	62	65	85
Add. to dwelling & out buildings	212	256	164	196
Industrial/Commercial	27	30	26	20
Value	\$28.66m	\$29.51m	\$19.35m	\$21.04m
Average Processing Time (Days)	15	14	12	17
No of Inspections	1,012	1,136	856	925
Septic Tank Applications	14	13	17	12
Licensed places of assembly	41	46	19	6

Objective	Performance
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Health:
To provide for community well being through a healthy living environment, promoting healthy lifestyles and reducing disease.

Macquarie River Water Supply



Endorsed a Community Health Report and adopted the targets, desired outcomes, strategies and performance measures. The Report is available from the Council Chambers, Longford.

The Community Health Report addressed targets within the areas of:

- Infection Disease Control
- Prevent and Control of Disease
- Unhealthy Premises
- Public Health Risk Activities
- Regulated Systems for Air (Cooling Towers)
- Water Quality
 - Drinking water quality
 - Recreation water quality
 - Environmental waterways
- Environmental Protection
 - Dairy sheds
 - Quarries
 - Refuse Transfer Stations
 - Environmental Incidents & Environment Nuisance Complaints
- Food Surveillance
 - Registered food premises
 - Food sampling program
 - Temporary food premises
- Cemeteries and Crematoria
- Management and Administration

Recruited assistant health officer on permanent part-time basis.

Specific Achievements or issues within the Community Health Report	2007/08	2006/07	2005/06
Notifiable diseases investigated	4	5	3
School immunisations administered	479	385	129
Drinking water health standard	98.07%	91.8%	92.8%
Recreation water tests	75.5%	70%	77%
Environmental nuisance complaints	28	11	14
Registered food premises	127	n/a	n/a
Food premises inspected	87	57	93
Registered temporary food premises	24	129	94
Public environmental incidents	3	4	3

Objective

Performance

Land Use & Planning:

To provide a co-ordinated land use plan to facilitate controlled growth within the parameters of infrastructure availability, while maintaining certainty and harmony with local environments and community expectations.

Bassett Subdivision - Cressy



Translink Warehouses



Proceeded with a project to review the Planning Scheme. This project included a review of all heritage lists and the preparation of a State of Environment Report and Environmental Management Plan.

Continue with the preparation and development of operational policy, addressing matters ranging from signage to climate change.

Initiated seven amendments to the Planning Scheme, including amendments to

- Rezone the Campbell Town Post Office to Commercial
- Rezone Evandale Butcher Shop to Commercial

Issued 384 approvals including:

- 17 warehouses at TRANSLink;
- a yoghurt factory at TRANSLink;
- a bio-diesel manufacturing plant at Cressy;
- a lamb feedlot at Cressy;
- a bottleshop in Wellington Street, Longford;
- a nursery/craft shop at Ross;
- a boat ramp upgrade at Tooms Lake;
- a wooden cross at Longford Catholic Church;
- sandpits at Cressy and Epping;
- many units in all townships; and
- many large sheds.

Participated in 11 planning appeals against Council decisions - six were determined by Consent Agreement; Council's decision was upheld in four; one was withdrawn during the formal hearing.

Objective

Performance

Environmental Management:

To facilitate and co-ordinate Council and community projects that protect and enhance the environment in a sustainable manner.

*Willow Removal
Excavator being used to assist in clearing*



▲ ▼ Cut & Paint method is utilized – leaving live stumps to protect the riverbank from erosion



Managed Council's NRM Facilitator position (The facilitator assisted with the implementation of the regional NRM strategy and also assisted local NRM groups on individual projects).

Continued with second stage of the National Action Plan for Salinity and Water Quality Program on farms adjacent to Backcreek.

Commenced implementation of the Environmental Management Strategy for the Northern Midlands.

Officially launched 26 Property Management Plans (round 2 & 3).

Supported the declaration of Northern Midlands as being drought affected, and called on the State Government to undertake an independent report on cloud seeding in Tasmania.

Represented by Councillor Tru Dowling on the Northern Tasmanian Natural Resource Management Association.

Commenced development of a weed management plan.

Working with the Ross and Avoca Landcare Groups established demonstration sites for best practice management of willows.

Established a Northern Midlands Resource Management Special Committee.

Administered Natural Resource Projects expenditure including:

- Natural Resource Management Officer \$63,700
- Water Quality Nile Catchment (Stage 3) \$1,977
- State of Environment Report \$7,987



Engineering Services

Engineering Services includes the provision of the following: Engineering Services, Waste & Infrastructure Management

Objective

Performance

Waste Management:

To manage the disposal of all forms of waste economically and effectively with a high level of environmental awareness. Strategy emphasises recycling, waste minimisation, litter reduction and service availability.

Participated in the Northern Tasmanian Development Regional Waste Management Committee, and supported the introduction of a Regional Waste Management Levy for management of regional waste management programs in 2007/2008.

Provided a 'Special' refuse collection service for all urban areas for the purpose of assisting those with limited access to Council's Waste Transfer Stations to dispose of unwanted goods.

Replacement of mobile garbage bins and recycle crates as required.

Tendered and appointed a new contractor for clearance of waste from the Waste Transfer Stations for a three year period with the option to renew for a further one year.

Closed the Royal George Waste Transfer Station and channelled savings into extended hours at the Avoca Waste Transfer Station.



Specific Data (tonnes)	2007/08	2006/07	2005/06
Recyclable material collected (tonnes)			
Glass	213.0	146.2	125.8
Aluminium Cans	7.7	24.1	11.1
Steel Cans	16.5	23.1	16.9
PET	17.9	17.4	14.2
HDPE Plastic Milk Containers	13.8	21.7	13.7
PVC	7.5	5.3	5.4
Milk Cartons	23.9	13.7	11.9
Newspapers & Magazines	135.3	115.0	91.9
White Paper/Cardboard	58.0	80.1	62.0
Note: Statistics include Longford, Cressy, Perth, Devon Hills, Evandale, Campbell Town, Ross, Conara and Epping Forest.			
	2007/08	2006/07	2005/06
Weight of kerbside rubbish collected (tonnes)	1,584	1,905	1,841
Weight of refuse disposed at WTS	1,989	1,953	1,974
Volume of green waste mulched at WTS (m ³)	4,146	2,427	1,956

Works

Works includes the provision of maintenance and construction of Council infrastructure and facilities

Objective

Roads:

To maintain by cost effective operations, a safe and effective road network to meet the needs of residents and visitors.

Upgrade of Main street, Perth



Flocon truck purchased



Performance

Road Reconstruction

Reconstructed 12,547 m² of urban and 732 m² rural pavement at a total cost of \$638,032.

Resheeted gravel roads at a total cost of \$208,113.

Reseals

Sealed 16,464 m² new or reconstructed pavement; and resealed 156,548 m² of the total sealed road network at a cost of \$828,379.

Roads to Recovery Projects (included in above)

- Lyttleton Street, Longford - reconstruction
 - Main Street, Cressy - verge reconstruction
 - Main Street, Perth - verge reconstruction
 - Church Street, Campbell Town - reconstruction
- at a cost of \$901,834.

Footpaths

Constructed/reconstructed footpaths at a cost of \$465,697:

- 6,087m² hotmix
- 440m² concrete.

Other Road Infrastructure

- Constructed 2,151m kerb and channel at a cost of \$248,022.
- Purchased road plant/vehicles at a net cost of \$426,462.
- Continued with the Main Street Improvement Projects at Longford, Perth and Ross.
- Allocated new street names
 - Country Field Court, Longford
 - Longford Close, Longford
 - Jetson Court, Cressy.

Objective

*Opening of the Longford Flood Levee
on 13 October 2007*



*Erection of the temporary flood
protection system*



Performance

Stormwater

- Completed construction of the Longford Flood Levee Protection Project and held an official opening on 13 October 2007, when Senator Guy Barnett, Hon Michael Polley and Mayor Polley unveiled the commemorative plaque.
- Purchased the Aluminium Temporary Flood Protection System at a cost of \$553,456.

Installed 2,381 metres of stormwater pipes and associated manholes and gully pits including:

- King Street, Perth (448m)
- Hobhouse Street, Longford (413m)
- Church Street, Campbell Town (280m)
- Paton Street, Longford (249m)
- Elizabeth Court, Campbell Town (169m)
- Gatenby Street, Cressy (150m)
- Lyttleton Street, Longford (130m)
- Smith Street, Longford (130m)
- George Street, Perth (123m)
- East Street, Campbell Town (120m)
- Pakenham Street, Longford (77m)
- Saundridge Road, Cressy (70m)
- Main Street, Perth (16m)
- High Street, Evandale (6m)

at a total cost of \$407,285.

Bridges:

*To manage bridges to
ensure safety and maximum
life span.*

Stoneycraft Bridge



Replaced 10 bridges, or 436m² of timber bridge deck area, with concrete at a total cost of \$506,495.

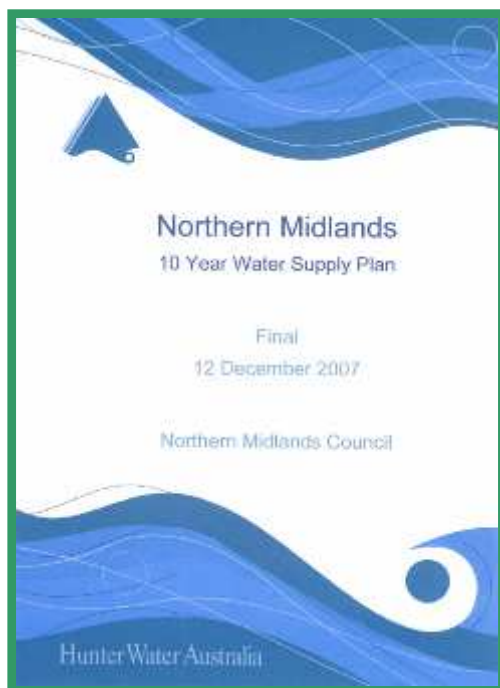
Constructed a new footbridge to provide safe access off the Midlands Highway for pedestrians to cross the Elizabeth River at Campbell Town, \$292,337.

Objective

Water:

To manage and operate a reticulated water system to residential areas and meet accepted environmental standards to residential areas.

Council's 10 Year Water Scheme Improvement Plan produced by Hunter Water Australia



Under the Government Prices Oversight Commission's guidelines Council must assess its cost recovery based on an upper and lower limit.

The lower limit is calculated using a standardised depreciation rate of 2%, and the upper limit uses Council's actual depreciation assessment, but adds a 7% cost of capital which is applied to Council's average value of infrastructure utilised to perform the service.

Performance

Agreed to pursue Water and Sewerage Reform.

Hunter Water Australia Pty Ltd was engaged to develop a 10 Year Water Scheme Improvement Plan.

Decided to proceed with design and treatment options to provide treated water to the townships of Cressy, Campbell Town and Ross.

Transported drinking water due to an algae problem in the normal water supply to the township of Ross. Appointed BPS Engineering to design and construct a pump station and 12km water pipeline from Campbell Town to Ross at an estimated cost of \$1.4m.

Enforced Level 1 Water Restrictions in all Northern Water schemes when the maximum forecasted temperature is forecast at 25 degrees celcius or higher.

Mayor Polley represented Northern Midlands Council (community) on the Elizabeth/Macquarie Water Trust.

Purchased land in Bedford Street, Campbell Town for a future water treatment plant site.

Replaced water mains at:

- Conara (750m)
- Church Street, Campbell Town (136m)

at a cost of \$67,810.

Constructed a roof on the Cressy Water Reservoir, \$66,048.

Installed telemetry and other monitoring equipment at the Longford Water Treatment Plant, Cressy Reservoir, Avoca, Campbell Town and Epping Pump Stations, \$40,265.

DETERMINATION OF FULL COST RECOVERY LEVELS

Cost Reconciliation	\$'000
Operating costs	1,378
Asset consumption (2% of replacement cost)	<u>480</u>
Lower Limit (minimum costs to be recovered)	1,858
Adjust depreciation to actual reported amount	62
Add cost of capital @ 7% of replacement cost of assets	1,681
Less Interest on Debt	-
Upper Limit (Maximum allowable revenue)	3,601

Objective

Performance

Real Rate of Return on non-current assets

Revenue

Revenue from fixed charges	1,267
Revenue from volume-based charges	680
Other Revenue	82
Council CSO payments	10
Council own use transfers	17
Total Revenue	2,056

Average Asset Valuation **\$24,020**

Real Rate of Return on water assets* **0.57%**

*Earnings before interest and tax/written down asset value.

Provided Water Rate concessions totalling approximately \$10,000 to Church properties, youth halls and other charitable or non-profit organisations if the land was used for advancement of religion, advancement of education, a purpose directed towards alleviating poverty or for some other charitable purpose.

Sewerage:

To manage and operate reticulated wastewater to residential, commercial and industrial areas in an economically and ecologically sustainable manner

Longford Sewer Lagoon Walkways



Constructed a new 1,629m sewer rising main from Paton Street pump station to Longford Waste Water Treatment Plant, \$489,825.

Installed Telemetry system at the Mill Road pump station Perth, \$24,820.

Upgraded the electrical cabinets and switchboards at the pump stations at Paton Street Longford, High Street Ross, and Evandale Sewer Reuse System, \$99,368.

Installed walkways, flowmeters, sampling point, non-return valves and a utility pump at the Longford Waste Water Treatment Plant, \$86,007.

Replaced pump and mag flow meter at Old Bridge Road Perth pump station, \$41,636, and purchased a new overflow backup pump for Paton Street Longford pump station, \$7,900.

Continued negotiations with Tasman Meats Abattoir for upgrading the Longford Waste Water Treatment Plant and a new trade waste agreement (commercial in confidence).

Decided to proceed with design of the Avoca Sewerage Scheme.

Objective

Performance

Continued to visually inspect manholes and private property sewer and stormwater systems at Longford and Perth to minimise stormwater infiltration into the sewer system.

Under the Government Prices Oversight Commissions guidelines the Real Rate of Return on sewer assets was negative 2.7%

Provided Sewer Rate concessions totalling approximately \$6,000 to Church properties, youth halls and other charitable or non-profit organisations if the land was used for advancement of religion, advancement of education, a purpose directed towards alleviating poverty or for some other charitable purpose.

Storage of Materials at Hay Street Depot



Longford Sewer Lagoon walkway improvements



Longford Main Street Project



Major Works

Action Plan Checklist - Legend

Completed
 In Progress/on track
 At Risk/deferred
 Ceased

Action Plan Checklists

Road Infrastructure:

Action

Longford

Latour Street Longford



Marlborough Street (Veterinary to South of Wellington St junction)	Reconstruct verge, kerb and footpath	<input checked="" type="checkbox"/>
Latour and Lyttleton Street (Latour to end)	Reconstruct road	<input checked="" type="checkbox"/>
Panshanger Road (Woolmers end from chn 0.00 to 500)	Reconstruct and realign road	<input type="checkbox"/>
Caravan Park	Reseal	<input checked="" type="checkbox"/>

Perth

Main Street (Scone to King)	Reconstruct road verge, kerb and footpath	<input checked="" type="checkbox"/>
Main Street (Talisker to Clarence)	Reconstruct road verge, kerb and footpath	<input checked="" type="checkbox"/>
Scone Street (Main to Frederick)	Reconstruct verge, kerb and footpath	<input checked="" type="checkbox"/>
Frederick Street (Midlands Hwy to Scone)	Reconstruct verge, kerb and footpath	<input checked="" type="checkbox"/>
King Street	Reconstruct road, reshape verge and kerb	<input type="checkbox"/>
George Street	Replace section of kerb	<input checked="" type="checkbox"/>

Cressy

Saundridge Road (Chn 10.35 to 11.53)	Reconstruction of road	<input type="checkbox"/>
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Avoca

Storys Creek Road	Installation of guardrail	<input checked="" type="checkbox"/>
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Evandale

Devon Hills (Christine Av & Summit Drive)	Upgrade verges, gutters & driveways	<input checked="" type="checkbox"/>
Nile Road	Reconstruct and seal 3 bridge approaches	<input type="checkbox"/>

Ross

Main Street Improvements	River reserve and clinic	<input checked="" type="checkbox"/>
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Campbell Town

Church Street (Midlands Hwy to bridge)	Reconstruct road, verge, kerb & footpath	<input checked="" type="checkbox"/>
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Road Infrastructure: *(continued)*

			<i>Action</i>
<i>Other</i>	Resealing	All areas	☑
	Resheeting	All areas	☑
	Crossover & Footpath Replacement Program	All areas	☑
	Street Tree Maintenance	All areas	🔄
	Street lighting	All areas	☑
	Replace plant as per the Plant Replacement Program		☑

Urban Stormwater:

			<i>Action</i>
	Campbell Town	Church Street (from Bridge)	☑
	Campbell Town	East Street (Extension from Grange)	☑
	Cressy	Gatenby Street	☑
	Cressy	Saundridge Road (from school)	☑
	Evandale	Cambock Lane	🔄
	Evandale	Stockmans Road	🔄
	Longford	Flood Levee	☑
	Longford	Hobhouse Street	☑
	Longford	5 Pakenham Street	☑
	Longford	Smith Street	☑
	Longford	Paton Street	☑
	Longford	Lyttleton Street	☑
	Longford	Union Street Pollutant Trap	🔄
	Longford	Purchase temporary flood protection system	☑
	Perth	Drummond St Design(Scone St to Youl Main Road)	🔄
	Perth	George Street	☑
	Perth	Arthur Street	☑
	Perth	King Street	☑
	Ross	The Boulevards	☑
	Ross	Tunbridge Tier Road	🔄
	Ross	New Street	☑

Kerb & channel - King Street, Perth



Bridges:

	<i>Bridges</i>	<i>Action</i>
Connection Bridge, Campbell Town	New Footbridge	☑
Stoneycroft Road, Cressy	2956	⌛
Chinta Road, Blackwood Creek	4142	☑
Stoneycroft Road, Cressy	8860	☑
Merrywood Road, Royal George	3518	⌛
Deddington Road, Evandale	1609	☑
Fernhill Road, Evandale	4124	☑
Deddington Road, Evandale	1067	☑
Nile Road, Evandale	3360	☑
Kingston Road, Evandale	3942	⌛
Kingston Road, Evandale	3944	⌛
Kingston Road, Evandale	4829	⌛
Tooms Lake Road, Ross	4620	☑
Milford Road, Avoca	5143 & 5144	⌛
Deddington Road, Evandale	5670	☑
Everton Lane, Evandale	9740	☑
Saundridge Road, Cressy	1129	⌛
Blackwood Creek Road, B'wood Ck	1172	⌛

Bridge 5670 Deddington Road



Water:

	<i>Action</i>
Lobby Govt for funding for the provision of treated water for Cressy, Campbell Town & Ross	🕒
Construct Avoca reservoir roof	⌛
Acquire a Water Treatment Site at Campbell Town	☑
Undertake a silt study at Lake Leake	☑
Upgrade reservoir rescue devices, ladders and walkways	🕒
Upgrade water mains at Campbell Town	🕒
Instal main chlorine injection at Conara	❌
Replace water trunk main at Conara	☑
Construct Cressy reservoir roof	☑
Replace trunk main from South Esk River to Reservoir	⌛
Replace water meters	☑
Upgrade water mains within Longford	🕒
Instal wireless link between WTP and depot	⌛
Prepare a 10 Year Water Improvement Plan	☑
Participate in the Water Reform agenda	🕒

Instal temporary cover over Ross reservoir	☑
Spray weeds in Macquarie River in Ross township	☑
Upgrade reservoir and reticulation at Rossarden	⌚
Progress Tooms Lake Management Strategy	🔄
Review water saving initiative policy	⌚

Sewer:

Action

Pipeworks at Longford Waste Water Treatment Plant



Replace reuse pump and tree planting at Campbell Town WWTP	⌚
Upgrade electrical cabinet and switchboard at Bedford Street Campbell Town	☑
Raise reuse system electrical cabinet and replace reuse pump at Evandale WWTP	☑
Acquire land for additional lagoons at Evandale WWTP	🔄
Instal a screening device for town flows at the Longford WWTP	☑
Construction of new rising main from Paton Street pump station to WWTP	☑
Construct a pipe outfall from the Longford WWTP to the South Esk River	⌚
Negotiate a new trade waste agreement with abattoir	🔄
Install walkways, security fencing, a lagoon bypass, and purchase of spectrometer, flowmeters and auto samplers at Longford WWTP	☑
Desludge Lagoon 2 & Sludge Drying areas at Longford WWTP	🔄
Investigate stormwater inflow into Longford system	🔄
Instal telemetry into 7 pump stations	☑
Upgrade electrical cabinet and switchboard at High Street, Ross	
Replace pump and mag flow meter at Ross WWTP	☑
Replace pump and mag flow meter at Old Bridge Road pumphouse at Perth	☑
Instal mag flow meter at Western Junction WWTP	
Construct under and over weirs (no longer required)	☒

Recreation, Building & Community:

Action

	Prepare a Longford landscape strategy	🕒
	Upgrade Longford Sports Centre fitness equipment	✅
	Upgrade Blackburn Park at Campbell Town	✅
	Provide security lighting at Saddlers Court, Evandale	🕒
	Allocate funding to Sporting and Community Groups for Special Projects	✅
	Install street furniture and playground equipment	✅
	Upgrade cenotaph, provide Australia Day commemorative and improve drainage and footpaths at Longford Village Green	✅
	Improvements to landscaping at the Longford Sports Centre	✅
	Willow removal adjacent to the South Esk River at Longford	✅
	Provide electricity to St George Square at Longford	🕒
	Landscape Old Bridge Road reserve near Puntification project	✅
	Construct machinery shed at Hay Street Depot, Longford	✅
	Heat the Campbell Town Swimming Pool	🕒
	Upgrade toilet facilities at the Longford Town Hall	🕒
	Fibreglass Cressy Swimming Pool	✅
	Provide BBQ facilities at Avoca	✅
	Instal a roof on the Rossarden BBQ Shelter	🕒
	Provide airconditioning at the Cressy Childcare centre	✅
	Participate in the state crown land transfer program	🕒
	Instal a new security key system	🕒

Fitness Room – Northern Midlands Sports Centre



General Items Not Complete:

Action

	Redraft Northern Midlands Planning Scheme	🕒
	IT Disaster Recovery Plan	🕒
	Improve Archive Storage	🕒
	Perth Reserve improvement & Signage Program	🕒



List of Contracts Awarded Over \$55,000

Description of Contract	Period of Contract	Periods of any options extending the contract	Value of Tender Awarded (excl. GST)	Business Name of successful contractor	Business Address of successful contractor	Minute Reference	Contract No.
Public Tenders							
Kerbside Waste Collection	1 July 2004 to 30 Nov 2009		\$75,313 p.a. plus cpi.	Jones Waste Management	PO Box 120, Prospect Vale	356/04	04/09
Kerbside Recycling Collection	1 Dec 2004 to 30 Nov 2009		\$71,711 p.a. plus cpi	Jones Waste Management	PO Box 120, Prospect Vale	357/04	04/10
Management of Waste Transfer stations	1 July 2007 to 30 June 2010	2 years	\$180,909 p.a. plus cpi	Rodney & Margaret Weller	186 Forest Hall Road, Cleveland	164/07	01/07
Clearance of waste material from Waste Transfer Stations	1 July 2008 to 30 June 2011		\$99,762 p.a. plus cpi	Aussie Waste Management	128 Mornington Road, Mornington 7018	150/08	03/08
Supply & installation of stormwater pipe in Hobhouse Street, Longford	January 2008		\$172,062	Nick Pel Pty Ltd	14 Stuart Avenue, Prospect	22/08	03/07
Ross water supply pipeline & pump station	May 2008 to December 2008		\$1,286,700	BPS Engineering	281 Gravelly Beach Rd, Gravelly Beach 7276	102/08	02/08
New roff structure for Cressy reservoir	16 July 2007		\$71,072	Grant Mawer Engineering	95 Clark Street Mowbray 7248	241/07	02/07
Supply & delivery 4WD John Deere Tractor Model 6230			\$56,363 (changeover)	Midlands Tractors	P O Box 3, Longford 7301	341/07	64/07



List of Contracts Awarded Over \$55,000 (continued)

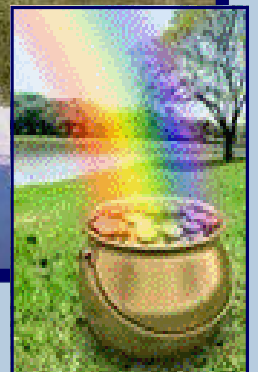
Description of Contract	Period of Contract	Periods of any options for extending the contract	Value of Tender Awarded (excl. GST)	Business Name of successful contractor	Business Address of successful contractor	Minute Reference	Contract No.
Public Tenders (continued)							
Supply and delivery of road construction and maintenance gravel	30 June 2008		Annual Tender	Brambles Industrial Services	P O Box 63, Perth	288/07	07/16
Supply and Bituminous resealing of roads	30 June 2008		Annual Tender	Vernarchie Contracting Pty Ltd	P O Box 395, Mowbray Heights	288/07	07/17
Construction of concrete kerb and gutter and crossovers	30 June 2008		Annual Tender	Crossrads Civil Contracting	73-79 Lilydale Road, Rocherlea	288/07	07/18
Construction of Asphalt footpaths and driveways and pedestrian refuges	30 June 2008		Annual Tender	Northseal Pty Ltd	5A Ray Street, Invermay	288/07	07/19
Spraying of roadsides and footpaths	30 June 2008		Annual Tender	Spider Pest & Weed Control	P O Box 329, Beauty Point	288/07	07/15
Supply of reach arm slashing of roadsides	30 June 2008		Annual Tender	Aaron Burke	P O Box 12, Bridport	288/07	07/14

Note: While *The Local Government (General) Regulations 2005* require Council to tender and report on all contracts with a value of \$100,000 (GST Exclusive) or greater, it is Council's Policy (number 2 - Code of Tendering) to tender and report all contracts with a value of \$50,000 (GST Exclusive) or greater.



30 June 2008

Financial Statement





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Income Statement

for year ended 30 June 2008

	Note	2008		2007		2008 (Budgeted)	
		\$	%	\$	%	\$	%
REVENUES FROM ORDINARY ACTIVITIES							
Rate Revenue		7,899,462	49.01	6,884,687	47.99	7,818,811	53.45
Grants	4	4,903,694	30.43	4,332,272	30.20	4,084,802	27.93
User Charges		1,839,578	11.41	1,467,680	10.23	1,730,324	11.83
Interest		493,057	3.06	479,142	3.34	475,360	3.25
Other		981,096	6.09	1,181,466	8.24	517,970	3.54
Total Revenues from Ordinary Activities		16,116,887		14,345,247		14,627,267	
EXPENSES FROM ORDINARY ACTIVITIES							
Employee Benefits	6	4,394,219	29.73	4,205,835	28.44	4,269,657	29.94
Materials & Services	7	4,326,177	29.26	4,782,260	32.33	3,974,529	27.87
Depreciation	8	4,937,984	33.41	4,685,483	31.68	4,983,082	34.95
Government Levies & Charges		570,715	3.86	472,089	3.19	575,820	4.04
Other	9	552,093	3.74	645,235	4.36	455,850	3.20
Total Expenses from Ordinary Activities		14,781,188		14,790,902		14,258,938	
SURPLUS FROM OPERATING ACTIVITIES		1,335,699		(445,655)		368,329	
Net Gain (Loss) on disposal of fixed assets	5	(917,068)		(288,864)		(331,000)	
Donated/Contributed Assets	12	120,000		98,000		-	
NET SURPLUS		538,631		(636,519)		37,329	

The Income Statement is to be read in conjunction with the notes to and forming part of the Financial Report.

Balance Sheet

as at 30 June 2008

	Note	2008		2007	
		\$	%	\$	%
CURRENT ASSETS					
Cash and Cash Equivalents		5,880,142	87.44	4,780,955	89.24
Trade and Other Receivables	10	819,629	12.19	736,616	10.54
Inventory	11	24,805	0.37	22,585	0.22
Total Current Assets		6,724,576		5,540,156	
NON-CURRENT ASSETS					
Trade and Other Receivables	10	10,969	0.01	36,104	0.04
Work in Progress - at cost		405,197	0.20	1,465,488	1.73
Property, Plant & Infrastructure	12	203,904,251	99.8	186,962,442	98.23
Total Non-Current Assets		204,320,417		188,464,034	
TOTAL ASSETS		211,044,993		194,004,190	
CURRENT LIABILITIES					
Trade and Other Payables	13	1,017,166	52.55	970,017	56.85
Provisions	14	918,533	47.45	888,506	43.15
Total Current Liabilities		1,935,699		1,858,523	
NON-CURRENT LIABILITIES					
Provisions	14	107,741	100.00	116,575	100.00
Total Non-Current Liabilities		107,741		116,575	
TOTAL LIABILITIES		2,043,440		1,975,098	
NET ASSETS		209,001,553		192,029,092	
RATEPAYER EQUITY					
Accumulated Surplus		116,543,645	55.80	116,005,014	70.50
Reserves		92,457,908	44.20	76,024,078	29.50
TOTAL RATEPAYER EQUITY		209,001,553		192,029,092	

The Balance Sheet is to be read in conjunction with the notes to and forming part of the Financial Report.

Statement of Changes in Equity

for year ended 30 June 2008

	Total		Accumulated Surplus		Asset Revaluation Reserve	
	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$
Ratepayer Equity at beginning of the year	192,029,092	165,380,357	116,005,014	116,641,533	76,024,078	48,738,824
Asset Revaluation	16,433,830	27,285,254	-	-	16,433,830	27,285,254
Surplus (Deficit) on Operations	538,631	(636,519)	538,631	(636,519)	-	-
<i>Ratepayer Equity at end of the year</i>	209,001,553	192,029,092	116,543,645	116,005,014	92,457,908	76,024,078

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the Financial Report.

Statement of Cashflows for year ended 30 June 2008

	Note	2008 \$	2007 \$
CASHFLOWS FROM OPERATING ACTIVITIES			
Outflows			
Employee Costs		(4,363,948)	(4,104,711)
Materials and Services		(5,224,210)	(6,028,886)
Levies paid		(570,715)	(472,089)
Other		(421,935)	(532,314)
Inflows			
Receipts from Ratepayers		7,660,979	6,799,149
Government Grants		4,996,444	4,373,185
User Charges		1,948,963	1,748,160
Interest Received		501,678	476,850
Other		1,006,231	1,211,509
Receipts from ATO		748,442	935,865
Net Cash Provided by Operating Activities	18	6,281,929	4,406,718
CASHFLOWS FROM INVESTING ACTIVITIES			
Outflows			
Purchase of fixed assets		(2,050,561)	(774,892)
Payment for construction of fixed assets		(3,297,805)	(6,979,697)
Inflows			
Proceeds from sale of fixed assets		165,624	241,392
Net Cash Used in Investing Activities		(5,182,742)	(7,513,197)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE PERIOD		1,099,187	(3,106,479)
Cash and Cash Equivalents at the Commencement of the Period		4,780,955	7,887,434
NET CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		5,880,142	4,780,955

The Cash Flow Statement is to be read in conjunction with the notes to and forming part of the Financial Report.

Notes to the Financial Report for the year ended 30 June 2008

1. Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Statement of Compliance

This general purpose financial report of the Northern Midlands Council has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Local Government Act 1993 (as amended).

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRSs). Some AIFRSs contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. Council has determined that it is a not-for-profit entity.

Northern Midlands Council is required to comply with AAS 27 “Financial Reporting by Local Government” and where AAS 27 conflicts with AIFRS, the requirements of AAS 27 have been applied. Where AAS 27 makes reference to another Australian accounting standard, the new AIFRS have been applied.

Except to the extent that these special provisions require, this financial report complies with AIFRSs.

(b) Adoption of New & Revised Accounting Standards

The following standards have been applied for the first time in the 2007/2008 reporting year:

AASB amendment	Standard affected	Outline of amendment	Application date of standard	Application date for Council
AASB 7 Financial Instruments Disclosures	Financial Instruments	Application has no impact on Councils financial results for financial instrument disclosure. See note 21	1/07/2007	1/07/2007
AASB 102 Inventories	Inventories	Application has no impact on Councils financial results	1/07/2007	1/07/2007

The following standards have been issued or amended and are applicable to Council but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

AASB amendment	Standard affected	Outline of amendment	Application date of standard	Application date for Council
AASB 2007-08 Amendment to Australian Accounting Standards arising from AASB 101	Amendments to Australian Accounting Standards arising from AASB 101 Presentation of Financial Statements		1/01/2009	1/07/2008
AASB 1004 Contributions	AAS 27 Financial Reporting by Local Governments		1/07/2008	1/07/2008
AASB 1051 Land Under Roads	AAS 27 Financial Reporting by Local Governments	In respect of land under roads acquired before 30 June 2008; allows Council to elect to recognise or not recognise an asset; requires any adjustments on recognition to be made against accumulated surpluses; requires a Council to disclose its accounting policy; allows a Council to elect to adopt the fair value or a previous revaluation; requires any above election to be made effective as at 1 July 2008. Requires that the land under roads acquired after 30 June 2008 is accounted for in accordance with AASB 116. The impact of any change that may be required cannot be reliably estimated and is not disclosed in the financial report.	1/07/2008	1/07/2008
AASB 1052 Disaggregated Disclosures	AAS 27 Financial Reporting by Local Governments	As this Standard broadly reproduces the requirements relating to disaggregated disclosures contained in AAS 27, there will be no direct impact on the financial report.	1/07/2008	1/07/2008
AASB 2007-9 Amendments to Australian Accounting Standards arising from the review of AAS 27	AAS 27 Financial Reporting by Local Governments Amendments to: AASB 3, AASB 5, AASB 8, AASB 101 AASB 114, AASB 116, AASB 127, AASB 137	As this Standard broadly reproduces the requirements relating to certain relevant requirements contained in AAS 27, there will be no direct impact on the financial report.	1/07/2008	1/07/2008
AASB 123 Borrowing Costs	AASB 123 Borrowing Costs	Initial application is not expected to have an impact on Councils financial results	1/01/2009	1/07/2008

(c) Basis of Accounting

This report has been prepared under the historical cost convention, as modified by the revaluation of certain classes of property, plant and equipment.

Management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

(d) Local Government Reporting Entity

All Funds through which Council controls resources to carry out its functions have been included in the financial reports.

In the process of reporting on the Northern Midlands Council as a single unit, all transactions and balances between those Funds (e.g. loans and transfers) have been eliminated. The recording of transactions and balances for internal borrowings has been eliminated.

(e) Revenue Recognition

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

i) Rates, grants and contributions

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

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured.

Donations and other contributions that are not subject to accompanying conditions that they be expended in a particular manner or for a particular purpose are recognised as revenue in the reporting period when Council obtains control over the assets comprising the contributions and donations.

ii) User charges

User charges and fines are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever occurs first. A provision for impairment of debts is recognised when collection in full is no longer probable.

iii) Sale of property, plant and equipment

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

iv) Interest and rents

Interest and rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

(f) Property Plant & Infrastructure Assets

i) The Council controls and owns assets that are required to provide the services for which it has responsibility. These assets include:- land, buildings, fleet, plant and equipment and infrastructure; i.e. roads, sewerage and water networks.

ii) Council has elected not to recognise land under roads as an asset in accordance with AASB 1045 Land under Roads which extends the requirement to recognise and measure land under roads as an asset of Council until the first full reporting period on or after 1 July 2008.

iii) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisition of assets.

‘Cost’ represents the fair value of these assets given as consideration plus costs incidental to their acquisition (including architects fees, engineering design fees, administration charges and all other costs incurred) in getting the asset ready for use.

In determining the cost of non-current assets constructed by the Council, ‘Cost’ includes all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. The cost of all materials includes all consulting and engineering fees.

Non-monetary assets received in the form of grants or donations are recognised as assets and revenues at their fair value at the date of receipt.

‘Fair value’ means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arms length transaction.

iv) Valuation of Non-Current Assets

Asset revaluations are accounted for in accordance with Australian Accounting Standard AASB 116.

All revaluation increments are credited directly to the asset revaluation reserve account. Any decrease in the fair value of a class of assets that marks a permanent impairment of its operating capability is recognised as an expense in the income statement. Except if this decrement reverses a revaluation increment previously credited to and still included in the balance sheet in the asset revaluation reserve in respect of the class of assets to

which that asset belongs, the revaluation decrement is debited directly to the asset revaluation reserve.

Council has adopted the following valuation basis for its non-current assets:

Asset	Valuation basis
Land	Fair value
Buildings	Fair value
Flood Levee Infrastructure	Cost
Furniture, Fittings & Office Equipment	Cost
Fleet	Cost
Plant & Equipment	Fair value
Roads Infrastructure	Fair value
Bridges	Fair value
Stormwater & Drainage	Fair value
Water & Sewerage Infrastructure	Fair value
Heritage Assets	Cost

v) *Impairment of Assets*

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For non-cash generating assets of Council such as roads, bridges, stormwater and drainage and the like, value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

vi) *Depreciation of Non-Current Assets*

All non-current assets which have a limited useful life are systematically depreciated over their useful life in a manner which reflects the consumption of the service potential of those assets. Land generally is not a depreciable asset. Non-current assets are those which provide a benefit to Council extending beyond twelve (12) months. Depreciation is recognised as per the schedule below. Rates of depreciation reflect the consumption of service potential of these assets.

The current useful lives used for depreciation are:

Asset	Life (Years)
Land	Unlimited
Buildings	100
Flood Levee Infrastructure - Depreciable Component	100
- Non-Depreciable Component	Unlimited
Furniture, Fittings & Office Equipment	2 - 20
Fleet	2 - 20
Plant & Equipment	10
Roads Infrastructure - Depreciable Component	10 - 70
- Non-Depreciable Component	Unlimited
Bridges	20 - 100
Stormwater & Drainage	70 - 80
Water & Sewerage Infrastructure	15 - 120

Earthworks carried out during road construction are included in the cost of the asset, and are considered to be a non-depreciable component of the asset.

vii) Inventory Measurement/Valuation

Inventories consists of materials held in store for maintenance and construction requirements and are carried at the lower of cost and net replacement value. Materials are taken into the store at cost price and issued at average price.

viii) Maintenance vs Capitalisation

Officers of the Council will determine at the occurrence of an event whether to capitalise or expense expenditure. The following formula is provided as a guide ... “maintenance, repair costs and minor renewals are charged as expenses as incurred unless their total value exceeds 10% of the written down current value and increases the economic life by more than 10%”.

(g) Employee Benefits

i) Wages and Salaries

Liability for wages and salaries is recognised and are measured as the amount unpaid at rates of pay expected to apply when the liability is settled, in respect of employees' services up to balance date.

ii) Superannuation

The superannuation expense within a reporting period is the amount of the statutory contribution the Northern Midlands Council makes to the Quadrant Superannuation Scheme administered by the Local Government Association of Tasmania which provides benefits to employees. It also includes amounts paid by Council to TasPlan. Details of those arrangements are set in Note 20.

iii) Annual Leave

A liability for annual leave (including leave loading) is recognised as the expected future payments to be made in respect of services provided by employees up to balance date at projected rates of pay, including related oncosts. Amounts expected to be settled beyond twelve months have not been inflated and discounted to their present value in accordance with AASB 119 "Employee Benefits" as the impact has been assessed as immaterial.

iv) Long Service Leave

The liability for employee entitlements to long service leave represents the value of the estimated future cash outflows to be made by Council resulting from employees' services provided up to the balance date. In determining "pre-conditional" entitlements, the amount of cash outflows required to be made by Council in the future have been estimated on a group basis after taking into consideration Council's experience with staff departures.

Long service leave entitlements expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on current wage and salary rates, and including related on-costs.

Other long service leave entitlements are measured at the present value of the estimated future cash outflows to be made. This involves estimating future increases in wage and salary rates, and discounting estimated future cash flows to present value.

Discount rates used are those attaching to national government guaranteed securities at balance date, which most closely match the terms to maturity of the related liabilities.

v) Sick Leave

Council does not recognise a liability for sick leave because such leave is non-vesting and because it is probable that sick leave expected to be taken in future reporting periods will be less than entitlements which are expected to accrue in those periods. Employees receive 10 days sick leave per year and the average sick leave taken by each employee for the 2007/08 financial year was 8.0 days (2006/2007 6.5 days).

vi) Rostered Days Off

A liability for accrued rostered days off is recognised at the current rates of pay including related oncosts, for expected future payments to be made in respect of accruals by employees of the Council.

vii) Number of Employees

as at 30 June are:

	Total 30/6/08	Full Time Equivalent 30/6/08	Total 30/6/07	Full Time Equivalent 30/6/07
Permanent	90	72	89	74
Casual	5	2	5	1
Total	95	74	94	75

(h) Trust Funds

The financial reports of the Council incorporate only those items over which the Council has control.

Amounts received as tender deposit and retention amounts controlled by Council are included in the amount disclosed as creditors with current liabilities until they are refunded or forfeited.

(i) Cash & Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(j) Accruals/Prepayments

Accruals and Prepayments are recognised in accordance with generally accepted accounting practices with materiality a major factor in determining their applicability.

(k) Net Fair Values of Financial Assets & Liabilities

Net fair values of financial instruments are determined on the following basis:

Monetary financial assets and liabilities - carrying amounts of trade debtors, trade creditors and accruals (which approximates net market value).

(l) Significant Business Activities

The Local Government Act requires the reporting of operating capital and competitive neutrality in respect of each significant business activity undertaken by Council. Council disclosure is recorded in Note 22.

Council has determined, based upon materiality, that Road Infrastructure, Sewerage Disposal and Water Reticulation are considered Council's significant business activities.

In preparing the information disclosed in relation to significant business activities, the following assumptions have been applied:

- ☐ The notional opportunity cost of capital was calculated by applying an interest rate of 9% which council has determined as an appropriate interest rate adjusted for a risk margin.
- ☐ Taxation equivalents were calculated by an applicable taxation rate of 30% applied to the activities notional accounting profit.
- ☐ Notional council rates have been calculated using actual rates and charges set by Council for the current financial period.
- ☐ The impact of fringe benefits tax credits, stamp duty and debits were determined to be immaterial and have not been included.

(m) Goods & Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount to GST recoverable or payable to the ATO is included as a current asset or current liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities that are recovered from, or paid to, the ATO are classified as operating cash flows.

(n) Budget Figures

The Budget figures which appear in the Income Statement represent amended budget figures and are not subject to audit.

(o) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest dollar.

(p) Prior Period Error - Recognition of Dam Assets, Lake Leake & Tooms Lake

Council had previously determined a value for these assets but because of their nature (majority relating to earthworks) had not recorded them in the financial report. However, on reviewing the treatment adopted, it was determined that the assets should have been recognised. Consequently, the assets have been recognised retrospectively, with 2006-07 comparative balances amended.

Reported Closing Written Down Value Water Infrastructure 2007			19,779,526
Adjustment to Opening Balance to recognise Dam Infrastructure			
Lake Leake - Gross Value	3,061,000		
- Accum Depreciation	(570,558)	1,490,442	
Tooms Lake - Gross Value	1,207,000		
- Accum Depreciation	(126,810)	1,080,190	3,570,632
Adjusted Water Infrastructure Opening Balance 30 June 2007			<u>23,350,158</u>

2. Water and Sewerage Reform

On 25 February 2008, the Treasurer announced that the Government was proceeding with a major regulatory and structural reform of the Tasmanian water and sewerage sector designed to facilitate the sustainability of the sector.

Under the reforms, three new local government owned and regionally based companies will be created. The intent is for all councils and existing bulk water authorities to transfer their direct and indirect water and sewerage activities, employees and infrastructure and related rights, assets and liabilities to the three new companies. In addition, a common service provider company, jointly owned by the regional companies, will be established to avoid unnecessary duplication in the regional companies and minimise costs to customers. The Water and Sewerage Corporations Act 2008 and the Water and Sewerage Industry Act 2008 giving affect to these changes received Royal Assent on 13 June 2008.

The timing of the reforms will result in the new companies commencing minimal operations from 1 January 2009. Councils will transfer assets, rights, liabilities and employees directly and indirectly associated with water and sewerage functions to the new companies on 1 July 2009. Assets likely to be transferred include land, pipes, pump stations, reservoirs, treatment plants and equipment.

The legislation defines water and sewerage functions as comprising:

WATER

- Collection and storage by way of bulk supply
- Treatment
- Conveyance and reticulation
- Supply

SEWERAGE

- Collection or storage
- Treatment
- Conveyance and reticulation
- Reuse systems

The above activities are disclosed in Note 22 against the significant business activities entitled Water Reticulation and Sewerage Disposal.

3. Functions/Activities of the Council

(a) Functions/Activities of the Council

Revenues, expenses and assets have been attributed to the following functions/activities:
Details of the functions/activities of each Business Unit are set out in Note 2 (b).

	Governance		Planning & Development		Economic & Community Development		Works		Engineering		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Revenues												
Grants	867,788	796,555	15,000	75,450	432,536	422,241	5,000	-	3,583,370	3,038,026	4,903,694	4,332,272
Other	2,478,860	2,020,311	214,361	345,193	971,642	738,925	4,237,327	4,298,567	2,513,935	2,419,115	10,416,125	9,822,111
Total	3,346,648	2,816,866	229,361	420,643	1,404,178	1,161,166	4,242,327	4,298,567	6,097,305	5,457,141	15,319,819	14,154,383
Expenditure												
	2,523,891	2,409,692	273,339	1,063,106	1,346,539	1,484,549	4,531,198	4,790,484	6,106,221	5,043,071	14,781,188	14,790,902
Change in Net Assets												
	822,757	407,174	(43,978)	(642,463)	57,639	(323,383)	(288,871)	(491,917)	(8,916)	414,070	538,631	(636,519)
ASSETS	38,542,850	33,849,407	287,008	284,965	399,475	354,417	2,915,619	3,349,999	168,902,075	156,165,402	211,044,993	194,004,190

(b) Component Functions/Activities

The activities relating to the Council's components reported in Note 3 (a) are as follows:

Governance

The provision of elected representation, executive support, strategic planning and public relations.

Planning & Development

The provision of the following services to Council:

- Planning & Building
- Health & Environmental Management
- Natural Resource Management

Economic & Community Development

The provision of the following services to Council:

- Community Services Management
- Economic Development
- Tourism Promotion
- Recreation Management

Works

The provision of maintenance and construction services to Council's infrastructure and facilities.

Engineering

The provision of the following services to Council:

- Infrastructure Management & Design
- Waste Management
- Emergency Management

4. Grant Revenue

Grants were received in respect of the following:

	2008		2007	
	\$	\$	\$	\$
Annual Grants:				
Base Grant	1,371,809		1,336,195	
Road and Bridge Grants	1,872,553		1,777,326	
		3,244,362		3,113,521
Other Grants				
Australia Day		250		-
Bishopsbourne Progress Assoc Bain-marie		-		2,685
Campbell Town Bridge Connection Project		46,250		141,250
Campbell Town Pool life Guard Training & PFDs		-		3,100
Community Road Safety Partnership		2,727		-
Conara Water Subsidy		1,783		19,390
Employee Training Programs		5,000		-
Envirofund Projects		-		45,450
Longford Flood Mitigation Project		535,154		-
Longford Historic Motorsport Festival 2010		9,000		-
Longford Main Street Makeover		64,000		-
NRM Regional Strategic Planning		15,000		30,000
Perth Child Care Service		36,997		36,307
Rural & Remote Child Care Service		218,245		136,989
Roads to Recovery		685,071		788,630
Rural & Remote Child Care Service		229,063		136,989
Softfall Trial Village Green Longford		6,405		-
Solar Heating of Campbell Town Pool		22,300		3,000
Strung Out		1,150		10,350
Women in Business - CTSBAS		2,000		-
Youth - National Youth Week		8,000		1,600
		4,903,694		4,332,272

Government funds received in relation to pensioner rates of \$362,416 (\$348,385 2006/2007) have been treated in the Income Statement as rate revenue.

Grants recognised as revenues during the reporting period which have yet to be applied to the purpose for which they were provided as at the reporting date:

	2008	2007
	\$	\$
Campbell Town Bridge Connection Project	-	58,000
Community Safety Partnership	2,727	-
Envirofund Projects	40,073	42,050
Longford Historic Motorsport Festival 2010	9,000	-
Longford Main Street Makeover	17,325	-
NRM Regional Strategic Planning	-	1,000
Roads to Recovery	357,040	-
Rural & Remote Child Care Service	17,361	11,505
Softfall Trial Village Green Longford	6,405	-
Solar Heating of Ross Pool	25,300	3,000
	475,231	115,555

5. Gain/(Loss) on Disposal of Assets

The profit/(loss) on sales of assets for the period was comprised of:

	2008 \$	2007 \$
Land		
Proceeds from sales/disposals	-	-
Written down value of assets sold/disposed	-	-
Profit/(loss) on sale	-	-
Buildings		
Proceeds from sales/disposals	-	-
Written down value of assets sold/disposed	10,256	28,799
Profit/(loss) on sale	(10,256)	(28,799)
Furniture, Fittings, Office Equipment & Computers		
Proceeds from sales/disposals	-	-
Written down value of assets sold/disposed	-	-
Profit/(loss) on sale	-	-
Fleet		
Proceeds from sales/disposals	165,624	241,392
Written down value of assets sold/disposed	130,328	137,230
Profit/(loss) on sale	35,296	104,162
Roads & Streets		
Proceeds from sales/disposals	-	-
Written down value of assets sold/disposed	286,538	324,207
Profit/(loss) on sale	(286,538)	(324,207)
Bridges		
Proceeds from sales/disposals	-	-
Written down value of assets sold/disposed	116,226	12,853
Profit/(loss) on sale	(116,226)	(12,853)
Stormwater & Drainage		
Proceeds from sales/disposals	-	-
Written down value of assets sold/disposed	496,192	-
Profit/(loss) on sale	(496,192)	-
Water Infrastructure		
Proceeds from sales/disposals	-	-
Written down value of assets sold/disposed	43,152	16,903
Profit/(loss) on sale	(43,152)	(16,903)
Sewer Infrastructure		
Proceeds from sales/disposals	-	-
Written down value of assets sold/disposed	-	10,264
Profit/(loss) on sale	-	(10,264)
Total		
Proceeds from sales/disposals	165,624	241,392
Written down value of assets sold/disposed	1,082,692	530,256
Profit/(loss) on sale	(917,068)	(288,864)

6. Employee Benefits

	2008		2007	
	\$	\$	\$	\$
Wages and Salaries	3,394,454		3,150,101	
Superannuation	363,540		362,923	
Annual/Sick/Long Service/Other Leave	610,217		530,807	
Total Employee Benefits Expenses		4,368,211		4,043,831
State Government Payroll Tax	220,932		202,128	
Workers Compensation	53,283		61,079	
Provision for Leave Entitlements	18,399		88,805	
Other employee Oncost Expenses	30,031		24,504	
Total Other Employee Related Expenses		322,645		376,516
LESS AMOUNTS CAPITALISED:		4,690,856		4,420,347
Non-current assets constructed		(269,637)		(214,512)
TOTAL EMPLOYEE BENEFITS AND RELATED EXPENSES		4,394,219		4,205,835

7. Materials & Services

	2008	2007
	\$	\$
Contractor Payments	1,502,132	1,986,954
Materials	1,301,239	1,342,192
Electricity Costs	543,225	503,014
Consultants Fees	438,985	458,646
Insurance	258,207	236,404
Telecommunication Costs	84,019	73,520
Other	198,370	181,530
	4,326,177	4,782,260

8. Depreciation & Amortisation Expense

Depreciation and amortisation expense for the year is as follows:

	2008	2007
	\$	\$
Buildings	350,655	334,676
Plant & Equipment	162,574	153,796
Flood Levee Infrastructure	10,890	-
Furniture, Fittings, Office Equipment & Computers	105,368	114,228
Fleet	310,414	277,633
Water Infrastructure	527,512	478,396
Sewer Infrastructure	676,331	620,564
Road Infrastructure	2,418,386	2,350,468
Bridges	212,147	203,516
Stormwater & Drainage	159,016	147,528
Heritage Assets	4,691	4,678
	4,937,984	4,685,483

9. Other Expenses

Other expenses for the year as follows:

	2008 \$	2007 \$
Auditors Remuneration - Audit Services	15,860	15,185
Councillors' Remuneration	130,137	130,492
Rate Remissions & Discounts	105,375	97,232
Bad & Doubtful Debts	29,056	18,069
Other Expenses	271,665	384,257
	552,093	645,235

10. Trade & Other Receivables

	2008		2007	
	\$	\$	\$	\$
CURRENT				
Trade Debtors - Sundry	521,854		538,546	
Rates Outstanding	417,349		284,241	
Less Provision for Impairment of Debts	(168,838)		(144,056)	
Accrued Income	49,264	819,629	57,885	736,616
NON CURRENT				
Debtors - Sewer Reuse Schemes		10,969		36,104
		830,598		772,720

11. Inventory

	2008 \$	2007 \$
Fuel - held for distribution at average cost	15,980	12,276
Timber - held for distribution at average cost	8,825	10,309
	24,805	22,585

12. Property, Plant, Equipment & Infrastructure

	2008		2007	
	\$	\$	\$	\$
LAND				
Gross Value				
Opening balance	4,642,065		4,325,105	
Additions - Purchased	185,319		84,815	
Additions - Donated or Contributed	-		95,000	
Disposals	-		-	
Revaluation Adjustment	7,212,935		137,145	
NET AMOUNT AT FAIR VALUE		12,040,319		4,642,065

Valuation of land was determined by Mr I Mason the Valuer General as at 1 July 2007.

BUILDINGS	2008		2007	
	\$	\$	\$	\$
Gross Value				
Opening Balance	33,556,421		9,045,845	
Additions - Purchased/Constructed	137,551		135,009	
Additions - Donated/Contributed	120,000		-	
Disposals	(12,916)		(28,799)	
Revaluation Adjustment	1,391,516		24,404,366	
Closing Balance		35,192,572		33,556,421
Accumulated Depreciation				
Opening Balance	10,148,864		991,872	
Depreciation Expense	350,655		334,676	
Disposals	(2,660)		-	
Revaluation Adjustment	74,008		8,822,316	
Closing Balance		10,570,867		10,148,864
NET AMOUNT AT FAIR VALUE		24,621,705		23,407,557

Valuation of buildings was determined by Mr Murray A Bugg, Dip Val. AAPL, Independent Certified Valuer as at 1 July 2006. Council officers have applied an indexation factor provided by the Local Government Association of Tasmania to determine a valuation as at 1 July 2007.

HERITAGE ASSETS	2008		2007	
	\$	\$	\$	\$
Gross Value				
Opening Balance	715,616		715,616	
Additions - Purchased/Constructed	12,781		-	
Additions - Donated/Contributed	-		-	
Disposals	-		-	
Closing Balance		728,397		715,616
Accumulated Depreciation				
Opening Balance	111,004		106,326	
Depreciation Expense	4,691		4,678	
Disposals	-		-	
Closing Balance		115,695		111,004
NET AMOUNT AT COST		612,702		604,612

FLOOD LEVEL INFRASTRUCTURE	2008		2007	
	\$	\$	\$	\$
Gross Value				
Opening Balance	4,152,810		-	
Additions - Purchased/Constructed	879,238		4,152,810	
Closing Balance		5,032,048		4,152,810
Accumulated Depreciation				
Opening Balance	-		-	
Depreciation Expense	10,890		-	
Closing Balance		10,890		-
NET AMOUNT AT COST		5,021,158		4,152,810

	2008		2007	
	\$	\$	\$	\$
FURNITURE, FITTINGS, OFFICE EQUIPMENT & COMPUTERS				
Gross Value				
Opening Balance	1,325,675		1,216,392	
Additions - Purchased/Constructed	62,443		109,788	
Disposals	-		(505)	
Closing Balance		1,388,118		1,325,675
Accumulated Depreciation				
Opening Balance	875,894		762,171	
Depreciation Expense	105,368		114,228	
Disposals	-		(505)	
Closing Balance		981,262		875,894
NET AMOUNT AT COST		406,856		449,781
FLEET				
Gross Value				
Opening balance	3,478,288		3,348,418	
Additions - Purchased/Constructed	592,086		614,944	
Additions - Donated or Contributed	-		3,000	
Disposals	(379,137)		(488,074)	
Closing Balance		3,691,237		3,478,288
Accumulated Depreciation				
Opening Balance	1,340,600		1,413,811	
Depreciation Expense	310,414		277,633	
Disposals	(248,809)		(350,844)	
Closing Balance		1,402,205		1,340,600
NET AMOUNT AT COST		2,289,032		2,137,688
PLANT & EQUIPMENT				
Gross Value				
Opening Balance	1,614,601		1,521,666	
Additions - Purchased/Constructed	54,949		50,160	
Disposals	-		-	
Revaluation Adjustment	32,148		42,775	
Closing Balance		1,701,698		1,614,601
Accumulated Depreciation				
Opening Balance	831,114		656,304	
Depreciation Expense	162,574		153,796	
Disposals	-		-	
Revaluation Adjustment	17,028		21,014	
Closing Balance		1,010,716		831,114
NET AMOUNT AT FAIR VALUE		690,982		783,487

Valuation of plant and equipment was determined by Council Officers as at 1 July 2000. Council Officers have applied a 'Council Cost' indexation factor provided by the Local Government Association of Tasmania to determine a valuation as at 1 July 2007.

ROADS & STREETS	2008		2007	
	\$	\$	\$	\$
Gross Value				
Opening Balance	124,945,951		119,791,379	
Additions - Purchased/Constructed	2,287,178		1,437,841	
Disposals	(2,030,492)		(1,254,611)	
Revaluation Adjustment	5,185,257		4,971,342	
Closing Balance		130,387,894		124,945,951
Accumulated Depreciation				
Opening Balance	38,477,004		35,580,356	
Depreciation Expense	2,418,388		2,350,467	
Disposals	(1,743,954)		(930,404)	
Revaluation Adjustment	1,596,796		1,476,585	
Closing Balance		40,748,234		38,477,004
NET AMOUNT AT FAIR VALUE		89,639,660		86,468,947

Valuation of Roads and Streets was determined by Moloney Asset Management Systems as at 1 July 2005. Council officers have applied a 'Council Cost' indexation factor provided by the Local Government Association of Tasmania to determine a valuation as at 1 July 2007.

BRIDGES	2008		2007	
	\$	\$	\$	\$
Gross Value				
Opening balance	15,683,554		14,794,775	
Additions - Purchased/Constructed	798,834		794,162	
Additions - Donated/Contributed	-		-	
Disposals	(454,312)		(698,648)	
Revaluation Adjustment	633,474		793,265	
Closing Balance		16,661,550		15,683,554
Accumulated Depreciation				
Opening Balance	5,344,841		5,630,598	
Depreciation Expense	212,147		203,516	
Disposals	(338,086)		(685,798)	
Revaluation Adjustment	220,789		196,525	
Closing Balance		5,439,691		5,344,841
NET AMOUNT AT FAIR VALUE		11,221,859		10,338,713

Valuation of bridges was determined by Council's Consultant Engineer, Mr H Galea as at 1 July 2005. Council officers have applied a 'Council Cost' indexation factor provided by the Local Government Association of Tasmania to determine a valuation as at 1 July 2007.

STORMWATER & DRAINAGE	2008		2007	
	\$	\$	\$	\$
Gross Value				
Opening Balance	15,257,272		12,114,713	
Additions - Purchased/Constructed	407,287		577,876	
Additions - Donated/Contributed	-		-	
Disposals	(604,488)		-	
Revaluation Adjustment	1,377,946		2,564,683	
Closing Balance		16,398,017		15,257,272
Accumulated Depreciation				
Opening Balance	2,783,610		2,417,004	
Depreciation Expense	159,016		147,528	
Disposals	(108,296)		-	
Revaluation Adjustment	146,580		219,078	
Closing Balance		2,980,910		2,783,610
NET AMOUNT AT FAIR VALUE		13,417,107		12,473,662

Valuation of stormwater & drainage was determined by Council's Engineer, Mr H Galea as at 1 July 2003. Council Officers have applied a 'Council Cost' indexation factor provided by the Local Government Association of Tasmania to determine a valuation as at 1 July 2007.

WATER INFRASTRUCTURE	2008		2007	
	\$	\$	\$	\$
Gross Value				
Opening Balance	35,832,523		34,712,640	
Additions - Purchased/Constructed	214,403		118,923	
Additions - Donated/Contributed	-		-	
Disposals	(51,408)		(107,237)	
Revaluation Adjustment	2,732,052		1,108,197	
Closing Balance		38,727,570		35,832,523
Accumulated Depreciation				
Opening Balance	12,482,365		11,697,211	
Depreciation Expense	527,512		478,396	
Disposals	(8,256)		(90,331)	
Revaluation Adjustment	1,036,571		397,089	
Closing Balance		14,038,192		12,482,365
NET AMOUNT AT COST		24,689,378		23,350,158

Valuation of water infrastructure was determined by Council's Engineer, Mr H Galea as at 1 July 2003. Council Officers have applied a 'Council Cost' indexation factor provided by the Local Government Association of Tasmania to determine a valuation as at 1 July 2007.

SEWERAGE INFRASTRUCTURE	2008		2007	
	\$	\$	\$	\$
Gross Value				
Opening Balance	34,823,134		32,258,024	
Additions - Purchased/Constructed	776,587		958,981	
Additions - Donated/Contributed	-		-	
Disposals	-		(25,405)	
Revaluation Adjustment	2,121,020		1,631,534	
Closing Balance		37,720,741		34,823,134
Accumulated Depreciation				
Opening Balance	16,670,172		15,258,671	
Depreciation Expense	676,331		620,564	
Disposals	-		(15,141)	
Revaluation Adjustment	1,120,745		806,078	
Closing Balance		18,467,248		16,670,172
NET AMOUNT AT FAIR VALUE		19,253,493		18,152,962

Valuation of sewerage infrastructure was determined by Council's Engineer, Mr H Galea as at 1 July 2003. Council Officers have applied a 'Council Cost' indexation factor provided by the Local Government Association of Tasmania to determine a valuation as at 1 July 2007.

TOTAL PROPERTY, PLANT EQUIPMENT & INFRASTRUCTURE

Gross Value

	2008		2007	
	\$	\$	\$	\$
Opening Balance	276,027,910		233,844,573	
Additions - Purchased/Constructed	6,408,656		9,035,309	
Additions - Donated/Contributed	120,000		98,000	
Disposals	(3,532,753)		(2,603,279)	
Revaluation Adjustment	20,646,348		35,653,307	
Closing Balance		299,670,161		276,027,910
Accumulated Depreciation				
Opening Balance	89,065,468		74,514,324	
Depreciation Expense	4,937,986		4,685,482	
Disposals	(2,450,061)		(2,073,023)	
Revaluation Adjustment	4,212,517		11,938,685	
Closing Balance		95,765,910		89,065,468
NET AMOUNT		203,904,251		186,962,442

13. Trade & Other Payables

CURRENT

	2008	2007
	\$	\$
Trade Creditor	560,402	439,923
Accrued Wages	113,828	104,750
Money held in trust	342,936	425,344
	1,017,166	970,017

14. Provisions

CURRENT

	2008		2007	
	\$	\$	\$	\$
Employee Benefits - Annual Leave	452,311		417,340	
Employee Benefits - Long Service Leave	314,014		324,857	
Employee Benefits - Oncosts	152,208	918,533	146,309	888,506
Non-Current				
Employee Benefits - Long Service Leave	90,654		97,227	
Employee Benefits - Oncosts	17,087	107,741	19,348	116,575
AGGREGATE EMPLOYEE BENEFITS		1,026,274		1,005,081

15. Capital Expenditure Commitments

CAPITAL/CONTRACTUAL COMMITMENTS

Estimated expenditure contracted for at balance date but not provided for:

	2008	2007
	\$	\$
- payable not later than one year	352,805	855,827
- payable later than one year but no later than two years	263,369	352,805
- payable later than two years	401,298	664,668
	1,017,472	1,873,300

16. Contingent Liabilities

Council has not recognised any contingent liabilities.

17. Special Committees

COMMITTEE NAME	Operating Income \$ 2008	Operating Expenditure \$ 2008	Amounts Capitalised \$ 2008	Net Assets \$ 2008
Avoca Community Centre	4,462	5,402	-	3,567
Avoca/Royal George Local District	1	-	-	244
Bishopsbourne Community Centre	34,458	26,560	2,904	38,513
Campbell Town Pool	26,752	3,744	-	45,335
Campbell Town Recreation Ground	-	-	-	682
Cressy Hall	2,818	1,545	-	12,081
Cressy Pool	28,857	20,601	-	38,927
Cressy Recreation Ground	3,827	1,323	3,263	8,429
Epping Hall	-	-	-	1,473
Evandale Community Centre and War Memorial Hall	19,678	19,291	-	21,426
Liffey Hall	173	272	-	1,751
Longford Community Sports Centre	-	-	-	260
Longford Recreation Ground	12,747	12,209	-	9,975
Morven Park Recreation Ground	6,954	6,898	-	11,452
Perth Community Centre	8,799	11,871	-	16,403
Perth Recreation Ground	7,382	5,132	-	3,103
Ross Community Sports Club	34,822	34,909	-	29,980
	191,730	149,757	6,167	243,601

18. Statement of Cash Flows

<i>Reconciliation of Increase in Net Assets Resulting from Operations to net cash inflow from Operating Activities</i>	2008 \$	2007 \$
Increase in net assets resulting from Operations	538,631	(636,519)
Add: Depreciation	4,937,984	4,685,483
Add: Net loss on Disposal of Fixed Assets	917,068	288,864
Less: Recognition of Assets Received at No Cost to Council	(120,000)	(98,000)
Changes in Operating Assets & Liabilities		
(Increase)/Decrease in Receivables	(66,499)	227,522
(Increase)/Decrease in Accrued Revenue	8,621	(2,292)
(Increase)/Decrease in Prepaid Expense	-	-
(Increase)/Decrease in Inventory	(2,220)	(2,932)
Increase/(Decrease) in Creditors	47,151	(147,210)
Increase/(Decrease) in Provisions	21,193	91,802
NET CASH INFLOWS FROM OPERATING ACTIVITIES	6,281,929	4,406,718

19. Related Party Disclosure

	2008	2007
a) Allowances & Reimbursements	\$	\$
Councillors Allowances and Reimbursements	130,137	130,492

b) Register of Interests - 2007/2008

Interests of Councillors notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings are detailed below:

NO MATERIAL INTEREST DECLARED:

Cr Russell Anderson	(term expired October 2007)
Cr Andrew Calvert	(elected November 2007)
Cr Matthew Brooks	
Cr Jeff Carins	
Cr Tru Dowling	(term expired October 2007)
Deputy Mayor David Downie	(elected as Deputy Mayor November 2007)
Cr Michael Geeves	(elected November 2007)
Cr Richard Goss	(elected November 2007)
Deputy Mayor Don McShane	(term expired October 2007)
Mayor Kim Polley	
Cr Tim Polley	

MATERIAL INTEREST DECLARED:

Cr Ian Goninon	Nature: Shareholder/Director
	Company: Workers Compensation Solutions
	Period: 1 July 2007 - 30 June 2008
	Relevant dealings: Provision of Debt Collection Services

20. Superannuation

The Northern Midlands Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund, which is a sub fund of the Quadrant Superannuation Scheme. The Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 32(b) of AASB 119, Council does not use defined benefit accounting for these contributions.

At the present time Council contributes 9.5% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, the Council is required to meet its share of the deficiency.

Bendzulla Actuarial Pty Ltd undertook the last actuarial review of the Fund at 30 June 2005. The review disclosed that at that time the net market value of assets available for funding members benefits was \$64,804,407, the value of vested benefits was \$58,913,097, the surplus was \$5,891,310 and the value of total accrued benefits was \$61,267,000. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in the Quadrant Superannuation Schemes financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

Net Investment Return	7.0% pa
Salary Inflation	4.0% pa
Price Inflation	n/a

In the opinion of the Actuary, the Scheme was adequately funded in that the assets were sufficient to cover the vested benefits of all members at the review date and the actuarial value of accrued past service benefits. The next full triennial review will be undertaken after 31 October 2008 for 30 June 2008.

Council also contributes on behalf of a number of employees to accumulation schemes (Quadrant and Tasplan), however Council has no ongoing responsibility to make good any deficiencies that may occur in these schemes.

During the year Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the Superannuation Guarantee (Administration) Act 1992.

During the reporting period the amount of contributions paid to defined benefit schemes was \$56,128 compared to \$63,234 in the previous reporting period, and the amount paid to accumulation schemes was \$307,394 compared to \$299,689 in the previous reporting period.

21. Financial Instruments

(a) Accounting Policy, Terms & Conditions

Financial Instruments	Note	Accounting Policy	Terms & Conditions
Financial Assets			
Cash & Cash Equivalents		Cash and cash equivalents are valued at face value. Interest is recognised as it accrues. Cash, surplus to requirements is held to maximise interest returns.	
Rate Debtors	10	Rates are carried at nominal amounts due plus interest and penalty. Rate debtors are charges attached to the property and are recoverable on sale, therefore allowance for impairment is only made when it is unlikely the property could be sold for an amount which will cover the costs of the sale.	Rates are payable by three equal instalments during the year, or alternatively by one payment within 30 days of demand, which provides a discount of 3% (any such discount allowed is shown as an expense of Council in its income statement). Overdue rates attract a penalty of 5% (5% 2006/2007), any such penalty imposed is shown as income of Council in its income statement. Arrears attract interest which is applied on a regular basis to the property at a rate of 7.5% pa (7.5% pa 2006/2007). Furthermore Council instigates collection proceedings in accordance with provisions of the Local Government Act 1993 (as amended), for any amounts which remain unpaid outside of Councils approved payment options.
Trade Debtors	10	Receivables are carried out at nominal amounts due less any allowance for impairment. An impairment loss is recognised when collection in full is no longer probable. Ability to collect overdue accounts is assessed on an ongoing basis.	Payment is required within 30 days of the issue of the account. Should amounts remain unpaid beyond 30 days, Council instigates collection proceedings in accordance with provisions of the Local Government Act 1993 (as amended).
Financial Liabilities			
Trade and Other Payables	13	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date.	General creditors are unsecured, not subject to interest charges and are normally settled within Councils standard ordering terms of 30 day from date of purchase.

(b) Financing Arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	2008 \$	2007 \$
Total Corporate Credit Cards Facility Limit	50,000	50,000
Corporate Credit Card Facility Limit Used at Reporting Date	945	1,386
	49,055	48,614

No other credit standby arrangements and loan facilities are used or available to be used as at 30 June 2008.

(c) Financial Risk Exposure & Mitigation

The General Manager has overall responsibility for the establishment and oversight of the Council's risk management framework. Risk Management policies are established to identify and analyse risks faced by the Council, to set appropriate risk limits and controls, and to monitor risk and adherence to limits.

The risk associated with Council's main financial instruments and our practices for minimising these risks are detailed below.

i) Credit Risk

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted, and arises principally from trade and other receivables and cash and investments. The carrying amount of financial assets recorded in the financial statements, net of any allowances for impairment losses, represents the Council's maximum exposure to credit risk without taking into account of any collateral or other security. Reference should be made to the Interest Rate Risk table on page 31 for the carrying amount of Council's financial assets at reporting date.

Receivables consist of a large number of customers, with material exposure to only one individual debtor. To help manage credit risk, Council ensures financial institutions maintaining Council cash deposits have sufficient security.

ii) Liquidity Risk

Liquidity risk is the risk that Council will not be able to meet its financial obligations as they fall due. Council's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities as they fall due. Council has no debt and significant amounts of readily available cash and as such its exposure to liquidity risk is deemed insignificant.

iii) Market Risk

Market risk is the risk that the fair value or future cash flows of Council's financial instruments will fluctuate because of changes in market prices, such as interest rates. The Council's exposure to market risks is primarily through interest rate risk with only insignificant exposure to other price risks and no direct exposure to foreign currency risk.

Council's liabilities are non-interest bearing, so there is no exposure to interest rate risk for existing financial liabilities.

A component of Council's cash is subject to floating interest rates. It is predicted any variations in future cash flows from interest rate movements will not have a material effect on Council's income. Interest rate risk on deposits is managed by adopting practices that ensures:

- ☐ Conformity with State and Federal regulations and standards
- ☐ Adequate safety
- ☐ Appropriate liquidity
- ☐ Monitoring of return on investments
- ☐ Staggering maturity dates to provide for interest rate variations
- ☐ Benchmarking of returns and comparisons with budget.

The exposure to interest rate risk of financial assets and financial liabilities, both recognised and unrecognised at balance date are as follows:

The Council's exposure to interest rate risk, repricing maturities and the effective interest rates on financial instruments at balance date.

	Weighted Average Effective Interest Rate 2008	Floating Interest Rate	1 Year or less	1 to 5 Years	Over 5 years	Non Interest Bearing	Total
Assets		\$	\$	\$	\$	\$	\$
Cash	5.40%	715,712					715,712
Investments	7.60%	1,164,430	4,000,000				5,164,430
Receivables							
- Rates	7.50%		248,511				248,511
- Sundry							
- Sewerage Reuse Schemes						496,752	496,752
- Sewerage Reuse Schemes	6.00%		5,969	5,969			11,938
Revenue Accrual						49,264	49,64
Total Financial Assets 2008		1,880,142	4,254,480	5,969		570,149	6,710,740
Liabilities							
Creditors							
- Sundry Creditors						647,230	674,230
- Monies held in Trust						342,936	342,936
Total Financial Liabilities 2008						1,017,166	1,017,166
Net Financial Assets /(Liabilities) 2008		1,880,142	4,254,480	5,969		(447,017)	5,693,574

The Council's exposure to interest rate risk, repricing maturities and the effective interest rates on financial instruments at balance date.

	Weighted Average Effective Interest Rate 2007	Floating Interest Rate	1 Year or less	1 to 5 Years	Over 5 years	Non Interest Bearing	Total
		\$	\$	\$	\$	\$	\$
Assets							
Cash	4.90%	280,263					280,263
Investments	6.60%	2,500,692	2,000,000				4,500,692
Receivables							
- Rates	7.50%		140,185				140,185
- Sundry						506,476	506,476
- Sewerage Reuse Schemes						43,334	43,334
- Sewerage Reuse Schemes	6.00%		12,902	11,938			24,840
Revenue Accrual						57,885	57,885
Total Financial Assets 2007		2,780,955	2,153,087	11,938		607,695	5,553,675
Liabilities							
Creditors							
- Sundry Creditors						544,673	544,673
- Monies held in Trust						425,344	425,344
Total Financial Liabilities 2007						970,017	970,017
Net Financial Assets /Liabilities) 2007		2,780,955	2,153,087	11,938		(362,322)	4,583,658
Credit Risk							

The carrying amount of financial assets represents the Council's maximum exposure to credit risk in relation to these assets.

(d) Impairment Losses

A provision for impairment loss is recognised when there is objective evidence that an individual receivable is impaired. The movement in the allowance for impairment for trade and rate receivables during the year was as follows:

	2008 \$	2007 \$
Balance at 1 July	144,056	128,364
Charge for the year	28,925	18,069
Amounts previously charged no longer impaired	(4,143)	(2,377)
Amounts written off	-	-
BALANCE AT 30 JUNE	168,838	144,056

(e) Sensitivity Disclosure Analysis

Taking into account base performances, future expectations, economic forecasts and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from the Federal Bank of Australia):

- A parallel shift of +1% and -2% in marked interest rates (AUD) from year end rates of 8%.

The table below discloses the impact on net operating result and equity for each category of financial instrument held by Council at year-end, if the above movements were to occur:

	Carrying Amount subject to interest	Interest Rate Risk			
		-2% 200 basis points		1% 100 basis points	
		Profit \$	Equity \$	Profit \$	Equity \$
2008					
FINANCIAL ASSETS	\$	\$	\$	\$	\$
Cash & Cash Equivalents	5,880,142	(117,603)	(117,603)	58,801	58,801
Receivables	11,938	(239)	(239)	119	119
FINANCIAL LIABILITIES	-	-	-	-	-

	Carrying Amount subject to interest	Interest Rate Risk			
		-2% 200 basis points		1% 100 basis points	
		Profit \$	Equity \$	Profit \$	Equity \$
2007					
FINANCIAL ASSETS	\$	\$	\$	\$	\$
Cash & Cash Equivalents	4,780,955	(95,619)	(95,619)	47,810	47,810
Receivables	24,840	(497)	(497)	248	248
FINANCIAL LIABILITIES	-	-	-	-	-

(f) Categories of Financial Assets & Liabilities

Carrying amounts classified as:

	2008	2007
	\$	\$
FINANCIAL ASSETS		
Receivables	830,598	772,720
Cash and cash equivalents	5,880,142	4,780,955
	6,710,740	5,553,675
FINANCIAL LIABILITIES		
Payables	1,017,166	970,017
	1,017,166	970,017
NET FINANCIAL ASSETS / (LIABILITIES)	5,963,574	4,583,658

(g) Analysis of Financial Assets Past Due But Not Impaired

	2008	2007
	\$	\$
Rate debtors over 60 days past due	248,511	140,185
Trade debtors Sundry, not past due	293,358	344,740
Trade debtors Sundry less than 30 days past due	45,964	95,140
Trade debtors Sundry over 30 days past due	25,008	85,019
Sundry debtors over 60 days past due	168,493	49,751
Accrued Income, Current	49,264	57,885
	830,598	772,720

22. Significant Business Activities

	Water Reticulation		Sewerage Disposal		Road Infrastructure	
	2008	2007	2008	2007	2008	2007
REVENUE						
Rates	1,266,670	1,187,702	807,122	661,407	1,511,306	1,208,596
Grants	1,783	34,390	-	28,000	2,833,972	2,866,456
User Charges	779,048	572,325	53,625	15,750	73	-
Interest	56,000	47,900	7,300	7,900	-	-
Reimbursements	15,715	36,002	359,380	603,173	7,795	63,199
Other	9,561	430	-	2,093	6,004	5,984
	2,128,777	1,878,749	1,227,427	1,318,323	4,359,150	4,144,235
EXPENDITURE						
Direct						
Employee Costs	331,525	316,127	298,898	263,288	489,790	537,435
Materials & Services	778,060	760,734	584,388	553,874	1,228,166	1,562,304
Levies	6,488	3,985	23,965	11,902	823	605
Interest	-	24,700	-	-	-	-
Loss on Disposal/Revaluation of	48,156	16,906	-	10,264	402,764	337,059
Other	33,030	47,290	13,235	6,367	2,793	1,090
	1,197,259	1,169,742	920,486	845,695	2,124,336	2,438,493
Indirect						
Administration & Engineering	174,047	162,390	139,420	117,680	260,756	296,010
Capital Costs						
Depreciation	542,125	492,474	683,392	627,440	2,630,534	2,553,983
Opportunity Cost of Capital	2,245,880	2,053,021	1,687,306	1,663,908	9,056,135	8,715,834
	2,788,005	2,545,495	2,370,698	2,291,348	11,686,669	11,269,817
COMPETITIVE NEUTRALITY COSTS						
	74,487	22,792	13,891	6,037	-	-

I, **MARK PITT**, certify that in my opinion:-

- 1) the financial report set out on pages one to thirty-five fairly presents
 - a) the financial position of the Northern Midlands Council as at 30th June 2008,
and
 - b) the results of the Council's operations, and
 - c) the cash flow of the Council.
- 2) the financial report has been prepared in accordance with the requirements of the Local Government Act 1993 (as amended), the Statement of Accounting Concepts and applicable Accounting Standards.



Mark Pitt
GENERAL MANAGER

Dated at Longford this 28th day of November 2008.



Tasmanian Audit Office

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INDEPENDENT AUDIT REPORT To the Councillors of Northern Midland Council

Financial Report for the Year Ended 30 June 2008

Report on the Financial Report

I have audited the accompanying financial report of Northern Midlands Council, which comprises the balance sheet as at 30 June 2008, the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

The Responsibility of the General Manager for the Financial Report

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and Section 84 of the *Local Government Act 1993*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

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

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
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Making a Difference

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget/estimate information in Council's financial report.

Independence

In conducting my audit, I have met applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In my opinion the financial report of Northern Midlands Council:

- (a) presents fairly, in all material respects, the financial position of Northern Midlands Council as at 30 June 2008, and of its financial performance, cash flows and changes in equity for the year then ended; and
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards (including Australian Accounting Interpretations).

TASMANIAN AUDIT OFFICE



J J Tongs
MANAGER FINANCIAL AUDIT

Delegate of the Auditor-General

HOBART
19 January 2008