

## **QUESTIONS ON NOTICE (yellow highlight in transcript)**

**Mr DAVID SHOEBRIDGE:** Do you all have a consistent approach to depreciation? Is that the purpose of this on the mid North Coast?

**Answer:** There has not been a consistent approach to measuring depreciation. In an endeavor to achieve consistency Nambucca Shire Council is a party to the Mid North Coast Regional Organisation of Councils (MIDROC) asset management benchmarking strategy which has been termed the "Apples with Apples" project. Coffs Harbour City Council has been the lead Council in facilitating the project. Coffs Harbour City Council is best able to answer this question on notice but attached to the covering email is an overview of the project.

**The Hon. CATHERINE CUSACK:** The other difference I want to highlight, and you may wish to take this on notice, was the really important issue you raised about non-rateable land. Some of it is Aboriginal land and some of it is national park. It seems to me to be unresolved as to how those deficits are financed. If we could we have some more detail about the extent of your non-rateable land, as it is an extra cost to be carried, that would be helpful. I might ask the Mayor of Nambucca Shire Council for a quick comment on that.

**Answer:** 41% of the Nambucca Shire is either National Park or State Forest that yields no rate revenue. If National Parks were valued at an average farmland valuation and levied at the farmland rate it would yield an income of \$670,899 or 6.8% of the 2015-16 rate income. State forest valued at an average farmland valuation and levied at the farmland rate would yield an income of \$724,605 or 7.3% of the 2015-16 rate income.

Other non-rateable properties comprise crown land not privately leased, and land owned by religious organisations, charitable bodies, public benevolent institutions, local Aboriginal land councils and schools. There are 399 properties falling into these categories with a combined valuation of \$57,476,151 with rates foregone of \$318,919 or 3.2% of Council's 2015-16 rate income.

**CHAIR:** ... I have a couple of questions for you to take on notice, since we only have about a minute remaining. Are any of you selling assets or do you plan to sell assets to help you become Fit for the Future? Could you please take that on notice.

**Answer:** Since 2006 the Council has been implementing a strategy to transfer community buildings and assets which provide no financial return to not-for-profit incorporated associations who continue their community use. The purpose of the strategy is to remove their significant depreciation and operating costs from Council's operating statement. Typically the buildings and assets are transferred for \$1 and in the case of the Macksville Showground and Saleyards, the Council is paying a subsidy for a fixed term to provide the Incorporated Association with time to generate other income sources. The community facilities which have been transferred in this way are the:

- Bowraville Community Centre
- Macksville Showground and Saleyards
- Nambucca Senior Citizens Centre
- Bowraville Folk Museum
- Eungai Pre-School (underway)
- Valla Community Pre-School (proposed)