



# Annual Report

2018-2019





# Strathbogie Shire Council

Report of Operations for the year ended 30th June 2018

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# Welcome

to the Report of Operations

The Strathbogie Shire Council is pleased to present our 2018-2019 Annual Report.

The Local Government Act 1989 requires Councils to submit an Annual Report each financial year.

This document is a key reporting mechanism and measures Council's performance against the objective details in the Council Plan 2017-2021 and Annual Budget.

In responding to the needs and expectations of the community, Council is committed to open and transparent decision making, good governance and effective community consultation. We also wanted to share with you some of our great achievements during the financial year.

# Snapshot of Council

Strathbogie Shire takes in the townships of Euroa, Nagambie, Avenel, Violet Town, Longwood, Strathbogie, Graytown and Ruffy

Strathbogie Shire covers 330,326 hectares

During 2018/2019 there were 217 planning permits approved with \$36M estimated worth of development across the Shire.

During the 2018/2019 year 90 babies were born.

78% of our residents live and work in the Shire

Since 2009 our population has grown from approximately 9,800 to approximately 10,645

Over the ten year period between 2006 and 2016 the census showed that the number of families living in the Shire grew by 6% and the number people aged over 65 years grew by 41%.



# Purpose

## Our Vision

Together we are building a flourishing community.

## Our Mission

To support our community to grow through effective partnerships, engagement and equitable and efficient delivery of services.

## Our Values

To be a respectful, innovative, open and transparent, inclusive, fair and ethical Council.

## Our Commitment to Engagement and Communication

We will be a more inclusive Council, by engaging and communicating in an open and honest manner with our local community and key stakeholders.



# Our Goals

Councillors and staff at Strathbogie Shire Council are committed to the following principles (values) as a guide to all our decisions and actions:

## **To enhance community health and wellbeing:**

- Plan for improved community health, wellbeing and liveability.
- Engage and participate with the community in Council / Community initiatives.
- Enhance community resilience including supporting and increasing the participation of volunteers.
- Support and drive community, arts and cultural events.

## **To sustainably manage our natural and built environment:**

- Promote and support sustainable environmental initiatives.
- Mitigate and adapt to a changing climate.
- Protect and enhance our natural environmental assets.
- Protect and enhance our built environment.
- Provide efficient and effective waste management programs.

## **To provide quality infrastructure:**

- Provide best practice management of all assets including roads, bridges and facilities.
- Provide passive and active recreational facilities.

## **To support and drive economic development:**

- Promote and support local business and produce.
- Support tourism and business development.
- Provide innovative and sustainable land use planning.
- Attract new residents.
- Grow investment and employment opportunities.

## **To be a high performing Shire:**

- To proactively develop and deliver quality services that achieve high customer satisfaction.
- Continue to focus on operational efficiencies.
- Continue to create a secure investment environment through sound financial management.
- To be equitable and fair in all decision making processes.
- To communicate and engage effectively with our community and key stakeholders.

## **The Shire will advocate on behalf of our community for the following:**

Diplomacy	Education
Environment	Funding
Health	Public Transport
Roads	Telecommunications
Tourism	Transport linkages
Utilities	Natural resources

# Fast Facts

There were a total of 79 movies over 147 screenings with a total number of 6,476 patrons



A combined total of 30,889 visits to the Shire's four pools (Avenel, Euroa, Nagambie & Violet Town)



23,403 calls were answered by Customer Service.

522 metres of new footpath were installed or renewed



1263.10 tonnes of organic waste and 1013.04 tonnes of recycling were diverted from landfill through kerbside collection



20.3 kilometres of road were resealed through Council's resealing program

38 animals were picked up and returned to their owners





# Highlights of the year

During the 2018 - 2019 financial year many Council Plan actions were completed with some really great projects across the organisation. Here is a snap shot of some of the highlights for the year:

## **Strategic Objective 1: To enhance community health and wellbeing**

- Community and Cultural workshops across the Shire were held to assist in the development of the Tourism, Arts and Culture Strategy.
- Strathbogie Shire Council, Primary Care Connect, Rotary Club of Euroa, the Euroa Agricultural Society Incorporated and the Euroa Forlonge Branch of the Country Women's Association hosted 'An evening to forget', a free event for farmers, rural businesses and their families.
- 350 Strathbogie Shire children participated in the VicHealth Walk to School program.
- Nagambie Youth Block Party and the appointment of Council's new role of a new Youth Community Development Officer.
- Youth Politics Camp in April 2019 coinciding with Victorian Youth Week, a camp hosted in partnership with Alpine, Benalla, Indigo, Strathbogie and Towong Shire Councils.
- Upgrade to the Avenel Preschool with funding from the Victorian Government and Strathbogie Shire Council.
- Community Engagement with the Nagambie community to obtain feedback on early concept design for an active youth hub in the Nagambie township.



# Highlights of the year

Continued...

- Council awarded \$80,758 to 22 different organisations for the 2018 Community Grants program, including:

Community Group	Amount	Purpose
Violet Town RSL Sub Branch	\$5,000	Centennial memorial mural
Violet Town Community House Inc	\$5,000	Arts in community garden - water feature and mosaics
Strathbogrie Voices	\$3,000	Twilight Hawkers' Market 2019
Ruffy Artfest 2018	\$2,000	Ruffy Artfest 2018
Avenel Heritage Writers Group	\$1,500	Avenel Heritage Writers Group
Euroa Arboretum	\$2,000	Bush tucker day at Euroa Arboretum with Taungurung Traditional Owners
Avenel Bowling Club Inc	\$1,000	New computer and printer/scanner/fax
Euroa Hockey Club	\$3,563	Basic equipment
Avenel Pools Working Group	\$3,000	Shade structure at Avenel pool
Euroa Basketball Association	\$5,000	Outdoor basketball court
Nagambie Pentaque Club Inc	\$5,000	Storage facility - temporary
Violet Town Recreational Reserve Committee	\$5,000	Children's playground completion
Gooram Soldiers Memorial Hall	\$5,000	Maintenance and emergency response project
Ruffy Recreation Reserve	\$1,620	New post and rail fence
Avenel Recreation Reserve	\$4,300	New floor coverings in canteen areas
Violet Town Gallery Museum Inc	\$5,000	Art gallery space fit-out
Euroa Lawn Tennis Club	\$4,500	Floor restoration
Violet Town Bowls Club Inc	\$5,000	Interior painting
Longwood Community Centre	\$5,000	Completion of oval fence
Euroa Junior Football Netball Club Inc	\$2,000	New netball court seating
Euroa Agricultural Society Inc	\$5,000	Repairs to electricity supply Charles Street Poultry pavillion
Avenel Heritage Story Board Group	\$2,275	Avenel heritage story boards

## Strategic Objective 2: To sustainably manage our natural and built environment

- A report by Sustainability Victoria ranked Strathbogrie Shire Council second in Victoria for diverting 67% of waste into recycling and organics rather than landfill.
- Council endorsed a new Waste and Resource Recovery Strategy, and is in partnership with Mitchell and Murrindindi Shire Councils to develop a Waste Education Strategy for the Southern Goulburn Region.
- Installation of Australia's first ultra-rapid electric vehicle charging station at the Euroa Service Station south-bound off the Hume Freeway.

- Nagambie Bowls Club worked with Strathbogie Shire Council to deliver a new solar power system in conjunction with Echo Group and Yarra Energy Foundation saving around \$1,500 in energy costs per year.
- Council, together with Carbonetix, hosted a free workshop for the community to learn about how the energy market operates and how to reduce energy bills.
- Council has expressed support for an end to logging and better protection of the Strathbogie State Forest.

### **Strategic Objective 3: To provide quality infrastructure**

- Avenel Recreation Reserve upgrades including new cricket nets, a second netball court and a new skate park.
- Council delivered and concluded the Flood Recovery Program costing \$5 million to repair and fix 900 infrastructure defects across the Shire.
- Redevelopment works commenced on the Friendlies Oval in Euroa
- Finalisation of an in-house model to manage Avenel, Nagambie and Violet Town Pools for the 2018-19 Summer
- The project delivery and opening of Southern Aurora Memorial garden in collaboration with the Violet Town community.

### **Strategic Objective 4: To support and drive economic development**

- GoFish Nagambie, the world's biggest fishing tournament and outdoor lifestyle festival operated from 25-28 April 2019 and attracted over 20,000 participants and observers to the region.

### **Strategic Objective 5: To be a high performing Shire**

- Council's customer service satisfaction survey results rated 75, above the State-average of 71
- 100 Christmas drawing submissions were received from Primary School's across Strathbogie Shire Council for the 2018 Mayor's Christmas Card Competition.

### **Strategic Objective 6: Advocating on behalf of our community**

- Council endorsement of the Violet Town and District Recognise Group in supporting and advocating for the Uluru Statement from the Heart for Aboriginal constitutional recognition and reform.
- Council advocated to the Australian Rail Track Corporation for a better design outcome for the Inland Rail project for Euroa's Anderson Street overpass, resulting in the establishment of an ARTC working group.

# Challenges and future outlook

## Challenges

- Maintaining service levels in an innovative way to deal with the long term effects of rate capping.
- Cost shifting from other levels of Government.
- Significant challenges with ongoing sustainability of waste services, specifically recycling.
- Ongoing commitment to asset renewal and rehabilitation.
- Substantial additional capital works for repairs associated with the December 2017 floods.

## The Future

- Continuing to manage service needs for our growing population.
- Renewal of major assets such as our community pools.
- New Chief Executive Officer to be appointed late 2019.
- Responsive action to the Victorian Auditor General's Office fraud and corruption control audit.
- Continuation of the Free from Violence and gender equity project across the organisation.



**Strathbogie**  
*shire*

**CUSTOMER  
SERVICE**

The year in review



# A message from the Mayor

It is with great pleasure that I present the 2018-2019 Annual Report on behalf of Strathbogie Shire Council. This report provides an overview of Council's project delivery and achievements in line with the objectives detailed in the 2017-2021 Council Plan and the 2018-2019 Council Budget in meeting legislative reporting requirements.



The past twelve months have presented some fantastic project outcomes, grant opportunities, funding celebrations, investment and progress for our region. We have experienced a change to the distribution of Federal Electorate boundaries, dividing the Strathbogie Shire in half, to the seats of Indi and Nicholls, and our region has participated in both the Victorian Government Election in November 2018, followed by the Australian Government Election in May 2019.

This year Council has continued to deliver on the key strategies set in our Council Plan and a significant Capital Works Program for the upgrade and replacement of infrastructure and community facilities, including the successful continuation of our Zero to One Roads Upgrade Program.

Highlights for the 2018-19 financial year have included:

Endorsement of the Strathbogie Community Pools Strategy 2019-2029 which guides the investment of \$9 million over the next 10 years and will assist Council in sourcing external funding needed to proceed with significant infrastructure upgrades;

Conducted Community and Culture workshops to assist with the development of the Tourism, Arts and Culture Strategy;

Endorsement of a new Waste and Resource Recovery Strategy, and partnership with Mitchell and Murrindindi Shire Councils to develop a Waste Education Strategy for the Southern Goulburn Region;

Supported the Violet Town and District Recognise Group in advocating for the Uluru Statement from the Heart movement and the process for Aboriginal recognition in the Constitution;

Assisted in achieving state-wide local government support and recognition for the Uluru Statement from the Heart in putting forward our resolution to the Municipal Association of Victoria State Council which was passed in May 2019;

Sponsored a number of major events across the Strathbogie Shire, including GoFish Nagambie 2019 fishing competition which attracted over 20,000 visitors to the region;

Sponsored and supported the Southern Aurora 50 Year Commemoration and dedication of the Memorial Gardens, which was hugely successful;

Opened the doors of our new Visitor Information Centre in Nagambie, which was made possible through a partnership with the Ryan family and Nagambie Development Enterprises;

Hosted the Youth Politics Camp, in partnership with Alpine, Benalla, Indigo and Towong Shire Councils.

Council has also faced some significant challenges, including extended power outages affecting Avenel and Nagambie residents, the uncertainty of the recycling industry primarily associated with China's decision to restrict the import of recyclable materials, the resignation of our Chief Executive Officer, Steve Crawcour and the Victorian Auditor General's Office (VAGO) Report into fraud and corruption control in Local Government.

Strathbogrie Shire Council was one of four councils who participated in the VAGO Audit, which concluded there was no fraud or corruption detected at Strathbogrie, but identified expenditure where it was unclear how residents and ratepayers benefited, practices that may not meet public expectations and non-compliance with some legislative requirements.

Council has put significant time and resources into addressing the findings identified in the VAGO Audit Report, with a strong focus on improving our governance, practices and culture by embracing the recommendations of the VAGO Audit report and implementing an action plan to improve policies and procedures. Council is committed to open and transparent engagement as we implement the action plan and we hope to continue the journey to improving our culture with the appointment of the next Chief Executive Officer (CEO) who will lead the organisation through these changes in 2019-20.

The commencement of the 2019-20 financial year presents Council the opportunity to strengthen our relationship with our community, continue our commitment to quality service delivery and be strong advocates for our municipality. We will continue to keep a focus on our vision of building flourishing communities as we lead into the last year of this current council term.

I would like to take this opportunity to thank our State and Federal representatives for their ongoing support and advocacy for the Strathbogrie Shire, including Ms Cathy McGowan, outgoing Federal Government Member for Indi, Dr Helen Haines MP, incoming Federal Government Member for Indi, Mr Damian Drum MP, Federal Member for Nicholls, The Hon. Jaclyn Symes Member of Legislative Council for Northern Victoria and Ms Steph Ryan MP, Victorian Member for Euroa. Through strong partnerships with our two other tiers of government, Council has been able to obtain over \$6.6 million in grants from the Australian Government this financial year and over \$6 million funding from State Government to help us to deliver some fantastic projects for our region, particularly significant infrastructure improvements.

Additionally, I would like to thank and congratulate my fellow Councillors for their hard work and dedication as representatives of our community and for their efforts in leading the organisation with a strong vision and great enthusiasm. As representatives elected by our community, we now head into the next financial year with the very important task of recruiting the next CEO. We take this responsibility very seriously and we are committed to undertaking a comprehensive process to find a candidate who is the best possible fit for the Strathbogrie Shire.

Thank you to the outgoing Chief Executive Officer, Mr Steve Crawcour for his contribution to the Strathbogrie Shire during his 10 years' service to our community. During his time as CEO, Steve was pivotal in leading the organisation to consistently deliver significant capital works programs which have brought infrastructure in the Strathbogrie Shire up to a much higher standard. We wish Steve the best for his future.

As a result of this change, I acknowledge Mr Phil Howard who stepped up as Acting CEO, and I thank him for his leadership in the interim period, as we commence the CEO recruitment process. I'd also like to extend my gratitude to Council staff for their dedication to implementing Council's decisions and vision for our community and for their ongoing commitment to high quality service delivery.

I am truly honoured to be afforded the opportunity to continue to lead as Mayor for the remainder of this council term and look forward to continuing to work with my fellow Councillors and Acting CEO, Phil Howard to deliver the best outcomes for Strathbogrie Shire.

Yours faithfully,



Cr Amanda McClaren  
Mayor of Strathbogrie Shire

# A message from the CEO

I am pleased to present the 2018-19 Annual Report and share Strathbogie Shire Council's strategic and operating outcomes during this period. The 2018-19 financial year saw many exciting opportunities, partnerships, project outcomes and challenges for Strathbogie Shire Council.



Collaboration was a strong theme for Council throughout the 2018-19 financial year. One of the highlights of the year was sponsoring and supporting the Southern Aurora Memorial Committee to realise their vision for the Memorial Gardens and Commemorative event to acknowledge the 50th anniversary of the Southern Aurora Rail Tragedy in Violet Town. Through the hard work and dedication of the committee, Violet Town held a moving commemorative event and created a wonderful place of reflection for such a significant historical event that impacted so many lives.

Through a strong focus on advocacy and grants, Council was able to attract over \$6 million from the Victorian Government and over \$6.6 million from the Australian Government in 2018-19 for a number of exciting projects and initiatives to contribute to the prosperity and liveability of our region. I'd like to take this opportunity to thank the state and federal government and our local Ministers and Members for their ongoing support and investment in our region.

Council also delivered a significant capital works program with a number of major projects completed, including the Avenel Recreation Reserve upgrade with new cricket nets, netball court and skate park, Violet Town Southern Aurora Memorial Gardens, Nagambie-Locksley Road upgrade, Nagambie Angle Parking and \$5 million Flood Recovery Program following the December 2017 flood event.

Other highlights from the 2018-19 financial year included:

Awarded \$80,000 through our Community Grants Program to fund 22 community initiatives across the Strathbogie Shire;

Supported the installation of 5.4kW solar system at Nagambie Bowls Club as the selected community solar donation to mark the end of a hugely successful Bogie Bulk Buy solar program;

Appointed a Nagambie Youth Officer for the delivery of a Nagambie Youth Program and hosted a Nagambie Block Party community event;

Was ranked number two out of 79 Councils in Victoria for diversion of waste into recycling, diverting 67% of waste into recycling and organics rather than landfill;

Council's Community Satisfaction Survey results reported a rating of 75 for Customer Service, above the State-average of 71, as well as general improvement in satisfaction levels across the board;

Adopted in-house model to manage Avenel, Nagambie and Violet Town Pools for the 2018-19 pool season, including the training and employment of local lifeguards;

Celebrated 15 years of entertainment at the Euroa Community Cinema with a celebratory screening of Love Actually;



Strathbogie Shire Council was one of four councils selected to participate in the Victorian Auditor General's Office (VAGO) Audit into fraud and corruption control in Local Government. The report, released in June 2019, concluded there was no fraud or corruption detected at Strathbogie, but identified expenditure where it was unclear how residents and ratepayers benefited, practices that may not meet public expectations and non-compliance with some legislative requirements.

Council has put significant time and resources into addressing the findings identified in the VAGO Audit Report, and as an organisation, we have a strong focus on improving our governance, practices and culture by embracing the recommendations of the VAGO Audit report and implementing our action plan to improve policies and procedures. We have also made a commitment to our community to provide them with ongoing updates on the progress of the Action Plan and will be inviting VAGO back in 2020 to review our progress.

This financial year also saw the departure of Chief Executive Officer, Steve Crawcour. I would like to acknowledge Steve Crawcour for his 10 years of service to the Strathbogie Shire. Steve was pivotal in closing the infrastructure renewal gap through significant investment in infrastructure and his ability to network and attract funding for the shire. On behalf of Strathbogie Shire Council I wish Steve all the very best in his future.

Finally, I would like to thank the Council for their leadership throughout the 2018-19 financial year in keeping the organisation focused on delivering the objectives we have set in our Council Plan. Congratulations to our fantastic staff for their ongoing dedication to the Strathbogie Shire community and commitment to quality service delivery.

Yours faithfully,



Phil Howard  
Acting Chief Executive Officer

# Financial Summary

The Shire of Strathbogie continues to be in a strong financial position. A summary of our performance is outlined below. Detailed information relating to Council's financial performance is included with the Financial Statements and Performance Statement sections of this report.

## Operating Position

The balance sheet indicates that current assets are more than adequate to meet current liabilities, which is an important measure of liquidity. Debt levels continue to be closely managed with debt decreasing to \$0.50 million at 30 June 2019

Debt levels remain low when comparing to Shire of Strathbogie's total asset base of \$308.42 million providing borrowing capacity for the future.

The 2018/19 operating surplus was \$6.40 million and the underlying position remains sound.

The Shire of Strathbogie's 2018/19 total revenue was \$35.05 million with rates and charges raising revenue of \$19.08 million, based on 7556 assessments. The reliance on rate revenue in 2018/19 was 54% compared with 57% in 2017/18.

The strong financial position reflects sound financial management and Shire of Strathbogie's commitment to infrastructure renewal and financial sustainability. It also strengthens Shire of Strathbogie's financial capacity to deliver on the objectives and strategies of the Council Plan and Strategic Resource Plan.

## Net Operating Result

The Shire of Strathbogie achieved an operating surplus of \$6.40 million compared to a budgeted deficit of \$0.26 million. The major reasons for this variance were grants received to repair flood damage which occurred in 2017 and timing of other grants.

## Capital Expenditure

During the 2018/19 year the Shire of Strathbogie invested \$13.79 million in capital works.

The extensive capital works program funds the ongoing renewal of the Shire of Strathbogie's existing physical assets \$8.73 million, as well as the construction of some new community assets \$2.24 million and the upgrade and expansion of existing assets \$2.82 million.

Infrastructure works included roads \$8.37million, bridges \$1.85 million, drains \$0.75 million, footpaths, kerb and channel \$0.13 million, buildings \$1.00 million.

## Borrowings

No new borrowings were undertaken in 2018/19. The Shire of Strathbogie has low levels of debt when comparing borrowings to total non-current assets. The outstanding loan amount as at 30 June 2019 was \$0.50 million.

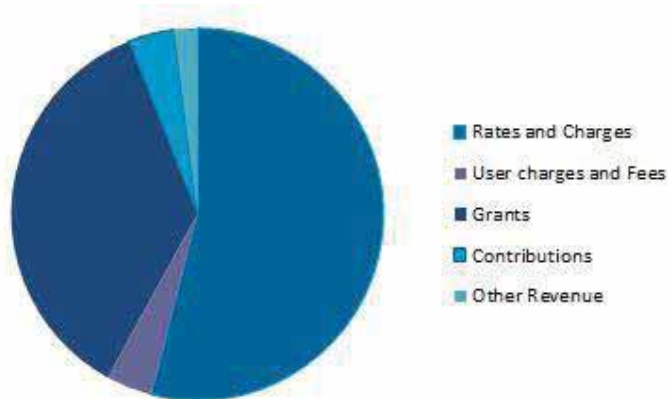
## Cash and Other Financial Assets

Cash and current assets at 30 June 2019 total \$15.96 million. The Shire of Strathbogie's liquidity position – (current assets / current liabilities) continues to be very strong with a ratio of 2.15 : 1. This ratio means that the Shire of Strathbogie has \$2.15 of cash and current assets for every \$1.00 of current liabilities. This ratio is slightly lower than 2018 (2.81 : 1) due to completion of capital works carried over from the previous year.

Legislative restrictions on Shire of Strathbogie's cash at 30 June 2019 total \$0.75 million. This statutory obligation means that the Shire of Strathbogie must set aside sufficient cash to fund amounts held in trust and developer levies.

## Income

	2018/19	2017/18	2016/17
Rates and charges	54%	57%	56%
User charges and fees	4%	4%	3%
Grants	36%	32%	35%
Contributions	4%	5%	3%
Other revenue	2%	2%	3%
Total	100%	100%	100%



## Expenditure

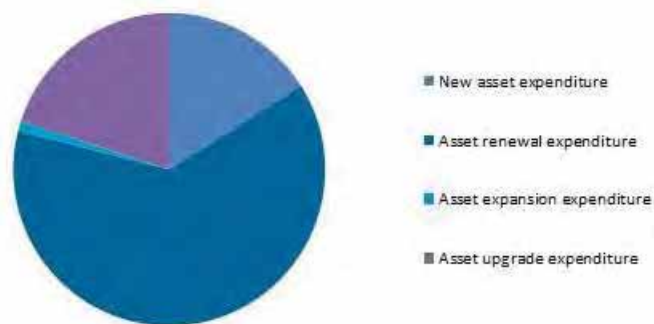
	2018/19	2017/18	2016/17
Employee cost	36%	29%	33%
Materials and services	40%	38%	42%
Depreciation	21%	18%	20%
Finance cost	0%	0%	1%
Other expenses	3%	15%	4%
Total	100%	100%	100%

# Financial Summary

continued...

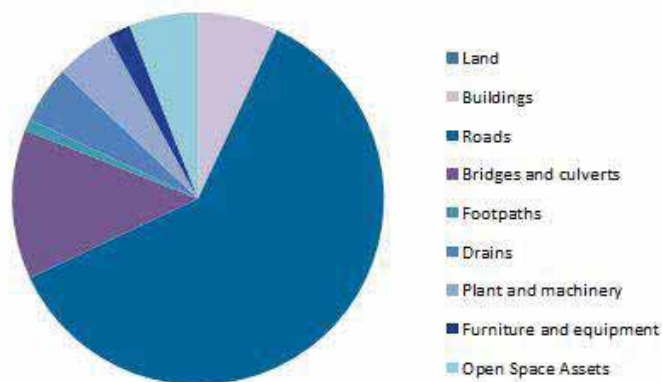
## Capital Works Program

	2018/19	2017/18	2016/17
New asset expenditure	16%	6%	13%
Asset renewal expenditure	63%	84%	80%
Asset expansion expenditure	1%	3%	2%
Asset upgrade expenditure	20%	7%	5%
Total	100%	100%	100%



## Capital expenditure in asset areas

	2018/19	2017/18	2016/17
Land	0%	0%	2%
Buildings	7%	7%	16%
Roads	61%	49%	55%
Bridges and Culverts	13%	24%	10%
Footpaths	1%	3%	3%
Drains	5%	8%	2%
Plant and machinery	5%	6%	8%
Furniture and equipment	2%	0%	4%
Open space assets	6%	3%	0%
Total	100%	100%	100%





# Description of Operations

Strathbogie Shire Council is responsible for an extensive array of services, ranging from the delivery of maternal and child health services to recreation reserves and youth facilities, waste management and community buildings. Central to its operations is the maintenance of its extensive road network, which is one of the largest in Victoria. In addition to this Council provides planning for appropriate development, fosters opportunities for continued economic growth and strives to play a lead role in the prosperity and ongoing development of its community.

It operates within the confines of its annual budget and in line with internal policies and long term financial strategies. Council also has a wide range of responsibilities under the Victorian and Australian legislations.

The delivery of a broad range of community services and infrastructure supports the overall wellbeing of Strathbogie Shire residents. Council's vision, strategic objectives and strategies to further improve services and facilities are detailed in the Strathbogie Shire Council Plan 2017 - 2021 (2018 - 2019 review) and the 2018 - 2019 Budget and are reported upon in this document.

The provision of services, facilities, support and advocacy reflect the strategic direction and objectives defined in the Council Plan and Budget and are assessed against a set of service performance indicators and measures.

Refer to the section on Our Performance for more information about Council Services.



## **Economic Factors**

Council was faced with numerous external influences. These included:

- The continued effects of rate capping
- Consumer Price Index (CPI) increases per annum
- Victoria Wage Price Index increases per annum
- Absorbing increased costs associated with the recycling industry changes
- Reduced investment returns due to falling interest rates

## **Major Changes**

- Goulburn River Valley Tourism ended operation at the end of the financial year
- A Roads Advisory Committee was formed to assist in the development and review of policy and strategy relating to our road network and the management of roadsides, including road safety issues and initiatives of community benefit.
- A review of the Governance and Statutory Services area resulted in an increase in service levels for the building department and bringing the Environmental Health role in house with a full time position also increased service levels.
- The role of Human Resources was elevated within the organisation structure to increase the focus on people and culture.

## **Major achievements**

- Council ranked number two for diversion of kerbside collected waste out of 79 local government areas in Victoria with a diversion rate of 67%.
- Council continues to advocate on behalf of the community in relation to the Australian Rail Track Corporation inland rail freight project.
- Extensive capital works were completed to repair damage to our roads and infrastructure from the December 2017 floods.

# Major Capital Works

Highlights from the 2018 - 2019 capital works program included:

## Maintaining Council's Road Network

### Flood Restoration Works

In December 2017 Strathbogie Shire experienced flooding that caused extensive damage to many of our rural roads. A cost estimate of \$7 million damage to essential public assets was identified and the majority of works were completed over a six month period. Under the Victorian Government's Natural Disaster Financial Assistance Council was able to recover these costs, which when completed totalled \$5million.

The following were some of the flood effected roads that were repaired:

- Horse Gully Road
- Siems Road
- Broughtons Road
- Burnside Road
- Seebers Road
- Sugarloaf Road
- Mt Wombat Road
- Old Euroa Road
- Geodetic Road
- Heals Road
- Walker Road
- Wood Road
- OSheas Road
- McBurneys Road

### Resealing Program

The 2018-19 reseal program completed a total of 19.5km of sealing works across Council's road network including rural roads, urban streets and final seals.

The reseal program was fully funded by Council at a cost of \$338,000.

### Gravel Road Resheet Program

Council's 2018-19 program completed gravel resheeting of approximately 25km of roads at a cost of \$600,000.

Before



After





## **Pavement Rehabilitation Works**

Strathbogrie Shire Council's pavement rehabilitation program included major reconstruction and pavement widening works on a further 2.3km of roads including:

- 0.7km of Coombs Road at Mangalore
- 0.8km of Zanelli Road at Nagambie
- 0.8km of Moormbool Road at Graytown

This was funded to an amount of \$500,000 by the State Government's Fixing Country Roads Program.

## **Shoulder Sealing**

This program continued in 2018-2019 with a further \$400,000 spent on the strengthening and sealing of gravel shoulders on sealed roads in order to provide a wider pavement and improved safety.

The program included major works on Longwood-Shepparton Road.

## **Nagambie-Locksley Road**

Works were completed on the reconstruction of 1.6km of Nagambie-Locksley Road and McDonalds Road intersection improvements with a grant of \$500,000 from the State Government's Local Roads to Market Program.

## **Bridge Works**

Council's bridge replacement and upgrade program continued in 2018-2019 with a total expenditure of \$1.8M with substantial funding received from the Roads to Recovery Program.

Bridges replaced included:

- Leckies Road Bridge No. 50
- Robinsons Road Bridge No. 94
- Ross Road Bridge No. 95
- Faithfuls Creek Road Bridge No. 6
- Moormbool Road Bridge No. 134

Bridges that received deck strengthening included:

- Grimwade Road Bridge No. 138
- Oak Valley Road Bridge No. 124
- Wattlevale Road Bridge No. 74
- Ankers Road Bridge No. 117

Killeens Hill Road flood repair work



# Major Capital Works

continued...

## Campbell Street Drainage

Works were completed to provide piped drainage for the full length of Campbell Street, Euroa. A Special Charge Scheme provided for property owners to contribute to the cost. The project included kerb and channel, pavement works, parking improvements and an upgrade of the intersection at Clifton St.

VicRoads contributed \$100,000 to intersection and parking improvements in Campbell Street in the vicinity of the Euroa Secondary College. Total project cost was \$724,000.

## Atkins Street Drainage

The final stage of this drainage improvement project was completed at a cost of \$122,000 which was fully funded by Council.

## Footpaths

New footpaths were completed at various locations including the Young St section to Nagambie Health, High St Nagambie, Clifton St and Brock St in Euroa.

## Nagambie Recreation Reserve

The upgrade of the building change rooms had a total budget of \$250,000, including \$100,000 from the Victorian Government's Country Football Netball Program, \$100,000 contribution from Strathbogie Shire Council, \$30,000 contribution from Bendigo Bank and in-kind support from a variety of the local user groups.

The end result was a complete refurbishment of the clubrooms, including:

- Female friendly facilities including updated toilet and change room facilities
- Updated toilet and change room facilities in the football rooms to adhere to relevant sporting guidelines
- An all-abilities toilet and shower facility including a baby-change station
- Designated umpire change rooms with toilet and shower facilities



## Violet Town Mens Shed

Council welcomed funding for the construction of the new Violet Town Men's Shed which will be located at the Shadforth Reserve.

The \$78,150 project will be funded through a \$52,000 grant from the Department of Health and Human Services, as well as a variety of in-kind support and voluntary labour from Strathbogie Shire Council, Violet Town Men's Shed and a number of generous local businesses and individuals.

Member for Northern Victoria, Ms Jaclyn Symes joined the Violet Town shedders to turn the first sod at the new site in August 2018. (Pictured right with Violet Town Men's Shed President Ian Brown)



## Loddings Lane Boat Ramp

A new deep water boat ramp and carpark was completed at Loddings Lane in Nagambie with grant funding of \$295,000 from the State Governments Boating Safety Facilities Program and \$100,000 from Council. The boat ramp provides deep water access directly to the Goulburn River.



## Euroa Maternal and Child Health Centre

The upgrade of the Euroa Maternal & Child Health building has been completed at a cost of \$130,000 funded by Council. The upgrade involved rearrangement of the internal layout to provide a larger consulting room, office and kitchen/meeting room with new accessible toilet facilities as well as improvement of the waiting room.

## Avenel PreSchool

The Avenel PreSchool has been upgraded by the addition of a new playroom, which will double the capacity of the service and alterations to the existing building. The facility provides for shared kitchen and toilet facilities between the two playrooms, new office, meeting room and Maternal and Child Health room as well as new accessible toilet.

The project is funded by a grant of \$350,000 from the State Government with the balance from Council and in kind from the kindergarten committee.

The Honorable Jaclyn Symes MP and Mayor Amanda McClaren turn the first sod together with the children from the Avenel Preschool.



# Southern Aurora Memorial Garden

On the 7th February 1969 approximately 1km South of Violet Town, in the heart of North East Victoria, the Southern Aurora overnight express service from Sydney to Melbourne collided head on with a freight train travelling in the opposite direction shortly after 7am.

Nine people died and 120 were injured in the burning entanglement of the high-speed crash.

It was the townspeople of Violet Town, the district and the local emergency services who were pivotal in helping those still living to escape the train wreckage. They held the fire at bay, smashed windows and pulled passengers to safety.

Fifty years on, many long-time residents of Violet Town still vividly remember the fateful day.

A committee was formed to create a memorial garden to honour and acknowledge all those that were involved or effected by the tragedy.

The Victorian Government provided a \$150,000 contribution to the memorial gardens and opening event.

The Federal Government also contributed \$13,000 towards the project, as well as \$16,500 from Australian Rail Track Corporation and a \$20,000 contribution from V/Line.

The committee also received significant support from Strathbogie Shire Council through a contribution of \$50,000, as well as a variety of in-kind and financial support from the local Violet Town community.

V/Line generously agreed to donate a Southern Aurora carriage to display centre stage in the garden area which is a feature used to help tell the story of the Southern Aurora and the tragedy of the aftermath.


The garden was opened with an official event held between 7th and 10th February 2019, to launch the gardens and give acknowledgement to all those affected by the tragedy; passengers, train staff, workers, community volunteers and their families.

The event commenced with a respectful vigil service at the crash site on the Thursday morning 7th February and festivities were held over the weekend which included a variety of art and museum exhibitions, a street parade of vintage emergency service vehicles, a free concert from the Choir of Hard Knocks and the well-known Violet Town Market. The weekend concluded with an official opening of the memorial garden on the Sunday.



# Our Council





Strathbogie Shire is a rural municipality located in Northern Victoria, approximately 90 minutes from Melbourne. It is comprised of the diverse and vibrant townships of Avenel, Euroa, Nagambie, Violet Town and Strathbogie. There are also a number of smaller communities, including places such as Boho, Graytown, Kirwans Bridge, Kelvin View, Longwood, Miepoll, Ruffy, Upotipotpon and Wahring.

The Shire is situated within the picturesque surrounds of the Strathbogie Ranges with a population of 10,329 recorded in the 2016 Census. The Shire encompasses 330,326 hectares and has a population density of 0.03 persons per hectare.

Major natural features include the Heathcote-Graytown National Park, Strathbogie Ranges, Goulburn River, Goulburn Weir, Lake Nagambie, Polly McQuinn's and Gooram Falls. The Shire's tourism appeal continues to grow, with the area home to a number of eateries and wineries, walking trails, waterways and breathtaking wilderness.

Strathbogie Shire is serviced by the Goulburn Valley Freeway, the Hume Freeway, the Goulburn Valley Highway and the Melbourne-Shepparton and

Melbourne-Wodonga railway lines, providing a number of freight and public transport options.

The Shire has an ageing population with 37.8 per cent of residents aged 60 years and over. Just over four per cent of the population are aged between 0-4 years of age, while 13.7 per cent are between five and 17 years of age. A young workforce aged between 25-34 years of age make up 8 per cent of the population, while parents and homebuilders between 35 and 49 years of age represent 18.1 per cent of the population. The 2016 Census revealed 81.4 per cent of residents were born in Australia and 3.1 per cent speak another language while also speaking English well or very well.

The Strathbogie Shire has a strong agricultural economic base, including wool, grain, sheep and cattle production, extensive vineyards, world class wineries and a wide range of intensive cool climate horticultural enterprises. The region also has a growing tourism sector, complemented by recent urban industrial and residential development.



## Council Offices



Euroa - Main office  
 109A Binney Street, Euroa  
 Opening hours 9am - 5pm Monday to Friday

Nagambie Customer Service  
 293 High Street, Nagambie  
 Opening hours 10am - 4pm Monday to Friday

## Contact Us



**Telephone** 1800 065 993 or 03 5795 0000



**Fax** 03 5795 3550



**Email** [info@strathbogie.vic.gov.au](mailto:info@strathbogie.vic.gov.au)



**Website** [www.strathbogie.vic.gov.au](http://www.strathbogie.vic.gov.au)



**Facebook** [www.facebook.com/StrathbogieShireCouncil](https://www.facebook.com/StrathbogieShireCouncil)



**Instagram** [www.instagram.com/lovestrathbogie](https://www.instagram.com/lovestrathbogie)



**Twitter** @lovestrathbogie



# Your Councillors

The Council was elected to provide leadership for the good governance of the municipal district and the local community. The municipality is divided into five wards, represented by one Councillor in each ward with the exception of two Councillors in the Lake Nagambie and Seven Creeks Wards.

The seven Councillors are the elected representatives of all residents and ratepayers across the Shire. They have responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation.

On 15 November 2016 a new Council was sworn in following Local Government elections and Amanda McClaren elected as Mayor. Amanda was unanimously re-elected to continue as Mayor for 2017-2018 on 14 November 2017 and again on the 13 November 2018 for a further two years which will lead the Council to the end of its four year term.



**Amanda McClaren**  
**Mayor**

Date Elected: 15 November 2016  
0409 700 958  
amanda.mcclaren@strathbogie.vic.gov.au



**Honeysuckle Creek Ward**

**Kate Stothers**

Date Elected: 15 November 2016  
0436 471 433  
kate.stothers@strathbogie.vic.gov.au



**Hughes Creek Ward**

**Malcolm Little**

Date Elected: 15 November 2016  
0407 549 020  
malcolm.little@strathbogie.vic.gov.au



**Lake Nagambie Ward**

**Debra Bower**

Date Elected: 15 November 2016  
0408 504 711  
debra.bower@strathbogie.vic.gov.au



**Mount Wombat Ward**

**Alistair Thomson**

Date elected: 15 November 2016  
0427 335 766  
alistair.thomson@strathbogie.vic.gov.au



## Seven Creeks Ward

### John Mason

Date Elected: 15 November 2016

0429 898 473

john.mason@strathbogie.vic.gov.au








### Graeme 'Mick' Williams

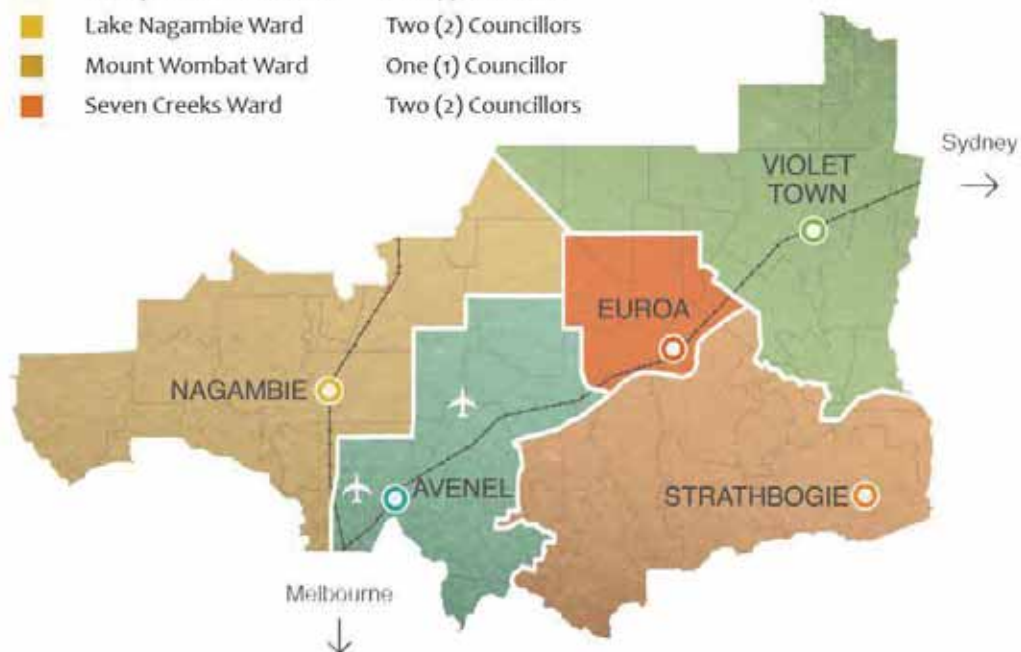
Date Elected: 15 November 2016

0417 317 151

mick.williams@strathbogie.vic.gov.au

## STRATHBOGIE SHIRE WARDS

	Hughes Creek Ward	One (1) Councillor
	Honeysuckle Creek Ward	One (1) Councillor
	Lake Nagambie Ward	Two (2) Councillors
	Mount Wombat Ward	One (1) Councillor
	Seven Creeks Ward	Two (2) Councillors



A man wearing a dark cap, a high-visibility neon green and dark blue long-sleeved shirt, and dark blue pants is smiling. He is holding a white and orange leaf blower with a black tube. The background shows a park with trees with yellow and orange autumn leaves and a wooden bridge.

Our People

# Chief Executive Officer and the Executive Management Team

## **Chief Executive Officer Steve Crawcour**

Steve was appointed the Chief Executive Officer (CEO) of Strathbogie Shire Council, effective 1 August 2011. Steve was previously Council's Director, Strategic and Community Development, a position he held since his commencement with Council in 2008.

Steve has over 30 years experience in Local Government and was previously employed by the Cities of Brimbank, Warrnambool and Springvale.

He has an Advanced Diploma of Business Management, Diploma and Certificate in Occupational Health and Safety, Certificate in Critical Incidents Management, a Certificate in Telecommunications (Contact Centres) and a Diploma of Management.

He is an Associate Fellow of the Australian Institute of Management, Fellow of LGPro (Local Government Professionals), a Member of the Safety Institute of Australia and a Member of the Australian Institute of Company Directors.



## **Director of Innovation & Performance / Deputy CEO Phil Howard**

Phil first started with the Strathbogie Shire Council in 2006 and was appointed Director of Sustainable Development in November 2011 and later became Deputy CEO as part of his role. Phil has worked in Local Government for over 20 years and has held roles in finance, human resources, corporate services, planning and economic development.

Prior to Local Government, Phil was an accountant for ANZ Bank. Phil is a full member of the Planning Institute of Australia (PIA) and past Board Member (VIC Division), and is also a member of LGPro, Victorian Planning & Environmental Law Association (VPELA), and member of the Goulburn Valley Regional Collaborative Alliance.

Phil has qualifications in Master of Arts (Community Development), Graduate Diploma Rural Regional Planning, Graduate Diploma in Management, Associate Diploma in Local Government, Diploma of Management, Graduate Alpine Valleys Leadership Program.



## **Group Manager of Corporate & Community**

### **David Roff**

David commenced with Strathbogie Shire Council in September 2016 and has extensive experience in local government in both NSW and Victoria. This experience has been in small rural Victorian councils, metropolitan Sydney, the Victorian growth corridor and a Victorian regional city.

Between 2007 and 2015, he was Chief Executive Officer with Mansfield Shire and prior to that spent six years as Director Business Services with Wodonga City Council.

David holds qualifications in local government and business.

Key areas of responsibility include finance, governance and regulation (environmental health, local laws, building services), community wellbeing, arts, culture and economy.



## **Group Manager of Community Assets**

### **Jeff Saker**

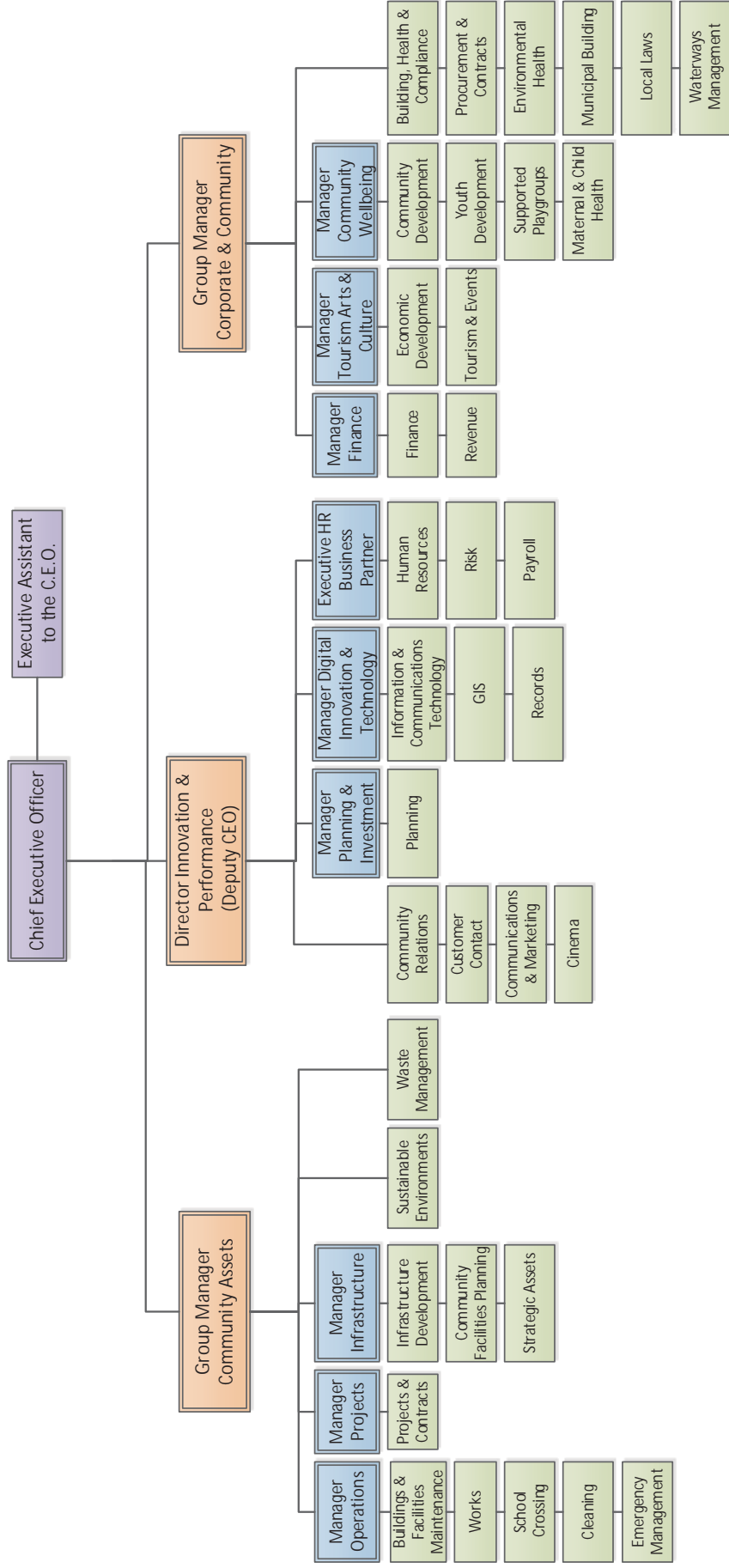
With almost 20 years experience in Local Government in the management of assets and infrastructure, Jeff was appointed as Group Manager Community Assets in June 2018. Before joining Strathbogie Jeff was employed in similar Executive roles at Mitchell Shire, Hepburn Shire, the City of Darebin and Parks Victoria where he gained a diverse array of experiences by managing urban, regional, state, national and coastal parks.

With qualifications in Business Management and Natural Resource Management, Jeff brings the benefits of considerable practical experience to this role and a passion for ensuring that community assets are responsibly and sustainably managed to ensure they continue to serve current and future communities.

Key areas of responsibility include Council Buildings, Roads, Parks & Gardens, Sporting Reserves, Bridges, Drains, Waste Management, Community Pools, Engineering, Capital Works, Major Projects, Emergency Management and Sustainability.



# Organisational Structure Chart



# Council Staff

A summary of the number of full time equivalent (FTE) Council staff by organisational structure, employment type and gender is set out below as at 30th June 2019.

Employee Type/ Gender	Executive FTE	Corporate & Community	Innovation & Performance	Community Assets	Total FTE
Permanent Full Time - Female	1	7	10	6	24
Permanent Full Time - Male	1	4	4	46	55
Permanent Part Time - Female	0	3.82	8.41	1.27	13.5
Permanent Part Time - Male	0	0.63	0	1.8	2.43
Casual - Female	0	0	0.95	1.08	2.03
Casual - Male	0	0.4	0	4.22	4.62
<b>Total</b>	<b>2</b>	<b>15.85</b>	<b>23.36</b>	<b>60.37</b>	<b>101.58</b>

A summary of the number of full time equivalent (FTE) Council staff categorised by employment classification and gender is set out below as at 30th June 2019.

Structure Classification	Band 1 FTE	Band 2 FTE	Band 3 FTE	Band 4 FTE	Band 5 FTE	Band 6 FTE	Band 7 FTE	Band 8 FTE	All Other FTE	Total FTE
Permanent Full Time - Female	0	0	1	3	5	6	4	1	4	24
Permanent Full Time - Male	0	0	24	7	5	6	2	2	9	55
Permanent Part Time - Female	0	0.35	0	4.75	5.08	2.14	0	0	1.18	13.5
Permanent Part Time - Male	0	1.18	0.62	0	0	0.63	0	0	0	2.43
Casual - Female	0.63	0.45	0	0.95	0	0	0	0	0	2.03
Casual - Male	0.21	0.52	3.49	0	0	0	0	0	0.4	4.62
<b>Total</b>	<b>0.84</b>	<b>2.5</b>	<b>29.11</b>	<b>15.7</b>	<b>15.08</b>	<b>14.77</b>	<b>6</b>	<b>3</b>	<b>14.58</b>	<b>101.58</b>



# Other Staff Matters

## Equal Employment Opportunity

Strathbogie Shire Council's Equal Opportunity Program supports a work environment that is free from discrimination. Council has in place an organisational wide policy framework which outlines the expected standards of behaviour based on requirements under the Equal Opportunity Act 2010. Equal opportunity principles are integral to employment practices, policies, procedures and day-to-day operations of the organisation. Council takes proactive, reasonable and proportionate measures to eliminate any form of discrimination against persons or groups of persons with the protected attributes as prescribed under the relevant Equal Opportunity and Antidiscrimination Legislation. Council recognises employees on the basis of their abilities, qualifications and skills and is committed to achieving a positive culture in the area of equal opportunity.

Council provides access to the Contact Officer network as an impartial and confidential forum for discussion of matters pertinent to equality in the workplace. In addition to eliminating discrimination, the program plays a critical role in the promotion of a workplace that is free from harassment and bullying, where all individuals associated with the organisation treat each other with respect. The indicators that measure the effectiveness of the program and the results for the year include the provision of equal opportunity training sessions to staff and the ease at which staff can access Contact Officers. A statistical report monitoring gender equality within the organisation is tabled to Executive Management. These indicators are monitored on an ongoing basis as part of Human Resource functions.

Additional actions supporting principles of the Equal Opportunity Program include Council's Parental Leave Kit, which provides management with practical tools to support staff in ensuring gender equality in areas such as breastfeeding in the workplace and enabling access to educational information relating to achieving a work-life balance.

## Enterprise Bargaining Agreement

A new Enterprise Bargaining Agreement took effect from 1 July 2015 and was successfully negotiated with the Enterprise Bargaining Committee, comprising of management representatives, nominated workplace delegates (union and non-union) and union officials. The agreement spans a four year period and included productivity improvements and reasonable wage increases consistent with CPI and the long term financial plan of Council.

Bargaining is currently underway for the 2019 – 2023 Enterprise Agreement, with the Committee and Unions involved.

## Professional Development

In order to ensure a highly skilled and productive workforce, Council provides a variety of avenues for professional development and personal growth. Opportunities to improve the capacity of the organisation and enhance skill levels are considered against identified strategic objectives and assessment of training needs, which are identified through individual performance and development plans.

Opportunities for flexible learning such as e-learning, facilitated workshops and mentoring are considered valuable and greatly benefit the individual staff member and Strathbogie Shire Council. Apprenticeships and traineeship schemes are effectively utilised within Council and provide an additional career pathway.

Study assistance is offered for employees undertaking relevant tertiary courses.

The list below details essential training undertaken across the organisation during the 2018-19 financial year:

- 58 employees undertook First Aid and CPR training
- 3 employees undertook a 5 day OHS training program
- 7 employees undertook Chainsaw Safety Training
- 17 employees undertook Chemical User Training
- 11 employees undertook Traffic Management Training
- 20 employees undertook Work Safely at Heights Training

## Staff Service

Strathbogie Shire Council values the important role its staff play in the success of the organisation. During the 2018-19 financial year a number of staff service awards were presented in recognition of key service milestones.

These included:

- 1 employee for 40 years
- 2 employees for 15 years
- 9 employees for 10 years
- 7 employees for 5 years

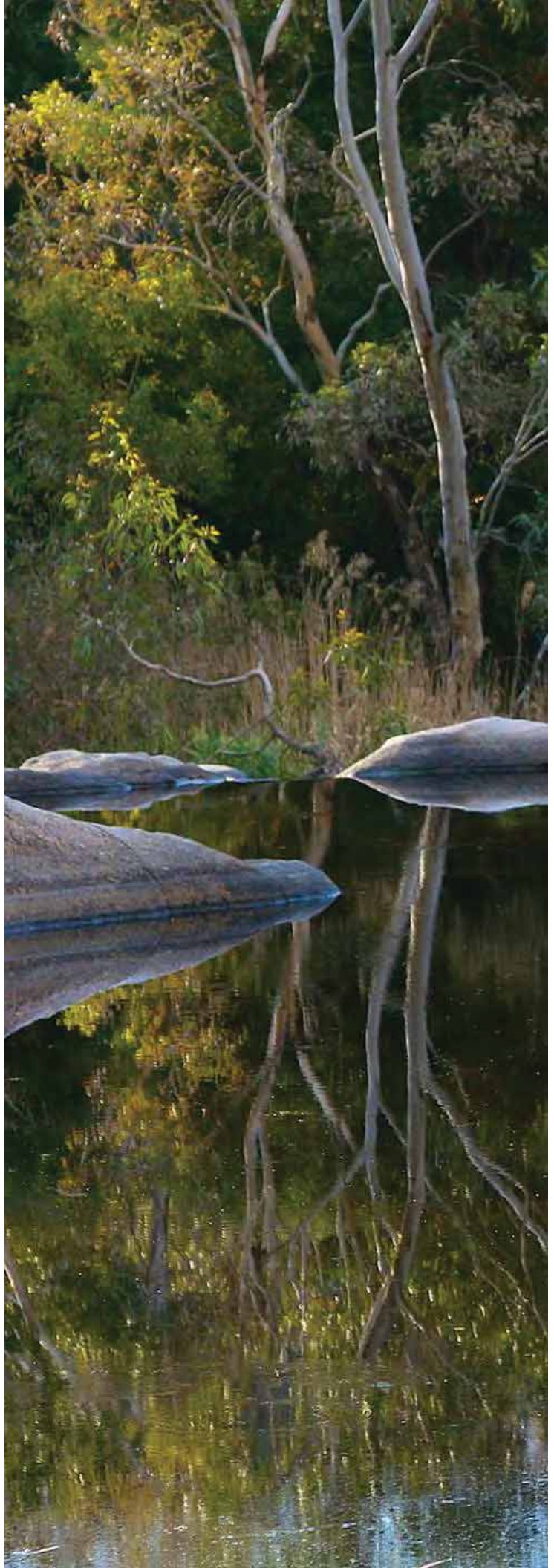
## Health and Safety

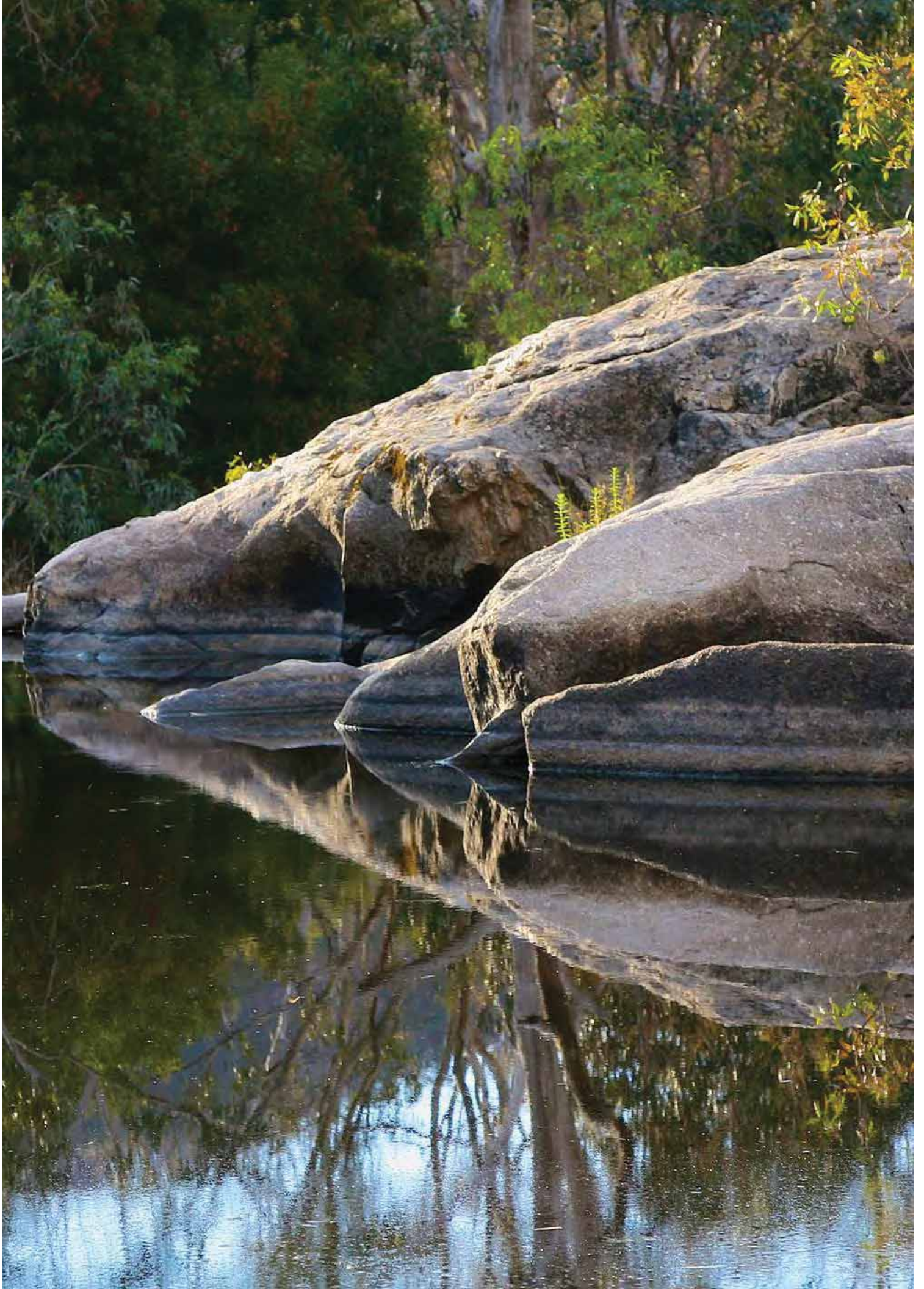
Strathbogie Shire Council is committed to ensuring the health, safety and wellbeing of all those associated with Council. This responsibility is achieved through allocating the necessary resources for practicable and identifiable health and safety purposes. The organisation views the health and safety of employees as a priority and takes a range of measures to achieve compliance with relevant legislation and best practice workplace safety.

Participation in the McArthur Life App Survey began in February 2017 and has been met with positive feedback. Initially on a monthly basis and now bi-monthly, the voluntary survey will capture a 12 month period. It allows employees to provide continuous feedback on seven key areas through the selection of emoji's ranging from 'Very Happy' to 'Very Unhappy'.

Involvement in the program provides an opportunity for the organisation to easily and effectively access how staff feel about each of the focus areas.

Strathbogie Shire is involved in a wide range of health and wellbeing activities and events aimed at promoting improved health and wellbeing at a staff and community level. Community awareness initiatives such as informed activities held internally are actively supported by the Executive Management Team and deemed to be effective in building awareness about a wide range of general health and wellbeing matters.





# Conversations Create Change: Say yes to gender equity and respect

Equality and respect are central to the values of Strathbogie Shire Council and we are committed to taking the lead on preventing violence against women by actively promoting gender equality.

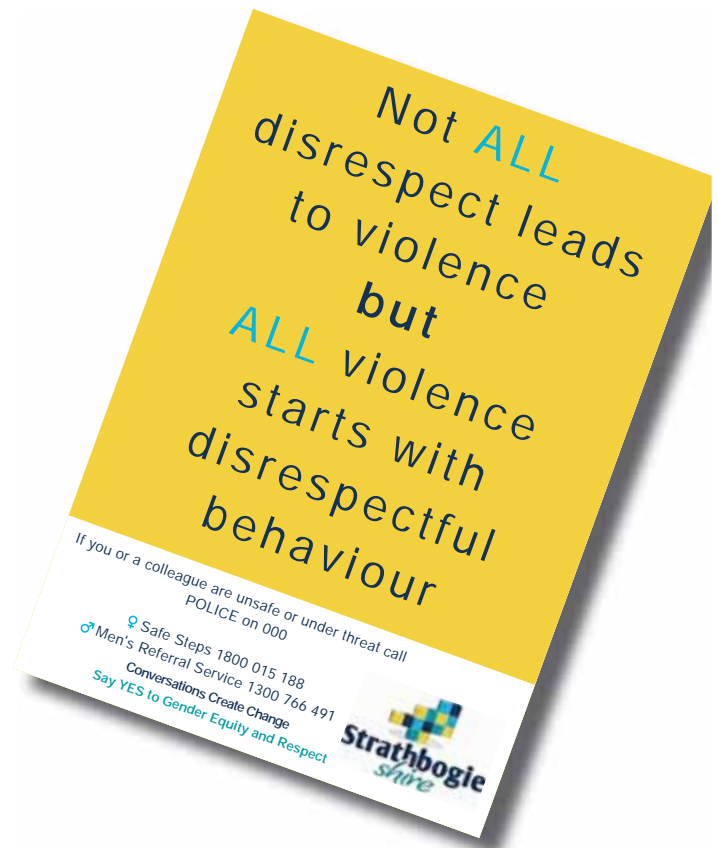
Achieving gender equality is important not only because it is 'fair' and 'the right thing to do,' but because it is also linked to a workplace's overall economic performance. Workplace gender equality is associated with:

- Productivity and economic growth
- Increased organisational performance
- Enhanced ability of companies to attract talent and retain employees
- Enhanced organisational reputation

Council acknowledges that every policy, practice, action and attitude in our workplace has the potential to reinforce or challenge existing gender inequities.

In December 2018, Council received grant funding from the Victorian State Government to deliver a Free From Violence Local Government Project. This project funding provides Council with an opportunity to be proactive and progressive in the promotion of gender equity and prevention of violence against women, where we can challenge established gender norms and foster an environment which is safe, inclusive and fair, providing numerous benefits to staff and the wider community.

The Conversations Create Change project aims to highlight, promote and normalise gender equality in our workplace.



The objectives of the project are to:

1. Facilitate Local government leadership on gender equality and family violence prevention; and
2. Create greater understanding in the workplace and the local community of how gender inequity can lead to violence against women.

Council has adopted the Workplace Equality and Respect Standards by Our Watch. These standards provide a comprehensive package of tools and resources, based on evidence and best-practice on the vital role of workplaces in preventing violence against women.

The following actions have been implemented in the first six months of the Conversations Create Change project:

- The Project Control Group consists of a wide representation of staff across all levels who meet monthly to guide the project.
- Development of Staff Disclosure and Family Violence Support CEO Directive to establish standard response to those who may be triggered by the content of discussions or disclose their experiences of Family violence as a result.
- Dissemination of a Staff Survey that reported a high level support that our workplace promotes a culture of respect for women (87.7%) and strong support for gender equality (98.44%).
- Analysis of data based on Key Progress Indicators from Workplace Equality and Respect Standards.
- Development of a suite of posters promoting the message of Gender Equity that have been posted in Council's bathroom facilities.
- Signatory to the Respect & Equality for All: A strategy to prevent violence against women in Goulburn and North East Victoria 2018-2021 by Women's Health Goulburn North East.

The plans for the final six months of the project include the:

- Development of a Gender Equity Policy and a Gender Equity Leadership Statement to provide clear statements and understanding of our organisation's position regarding gender and equity to management, staff, Councillors, community and contractors.
- Undertake Self-Assessment against the Workplace Equality and Respect Standards and develop an Implementation Plan for the next 2 years.



- Facilitated Discussions and further training with staff and Councillors around the frameworks to support action that promotes inclusivity and diversity, and shared standards to safely challenge and reject sexism, harassment, discrimination and inequality in the workplace.


Gender is entrenched in language, behaviour and workplace structures. Therefore, it is imperative that all parts of our organisation have an understanding of gender and are included as part of the solution to redress gender inequities and gender stereotypes both internally and externally in the community.

The Conversations Create Change Project has provided an opportunity for Council to demonstrate a high level of commitment to be a workplace that values inclusivity and diversity, and actively promotes equitable opportunities and outcomes for women and men.



A large window with a view of a lake and trees at sunset. The window is divided into several panes. The view outside shows a calm lake, silhouettes of trees, and a bright orange and yellow sky. A white text box is overlaid in the center of the image.

# Our Performance



In partnership with Nagambie Development Enterprises Council opened the doors to a new Visitor Information Centre in Nagambie in April 2019.

The modern, open layout of the information centre more effectively incorporates Council Customer Service and Visitor Information Services and is situated in prime position at the end of Jacobson's Outlook, overlooking the stunning lake and iconic Black Caviar statue.

Our Visitor Economy and Events Officer has worked hard to ensure the facility is an accredited Visitor Information Centre.

# Planning and Accountability Framework

The Planning and Accountability Framework is found in part six of the Local Government Act 1989 (The Act). The Act requires councils to prepare the following planning and reporting documents:

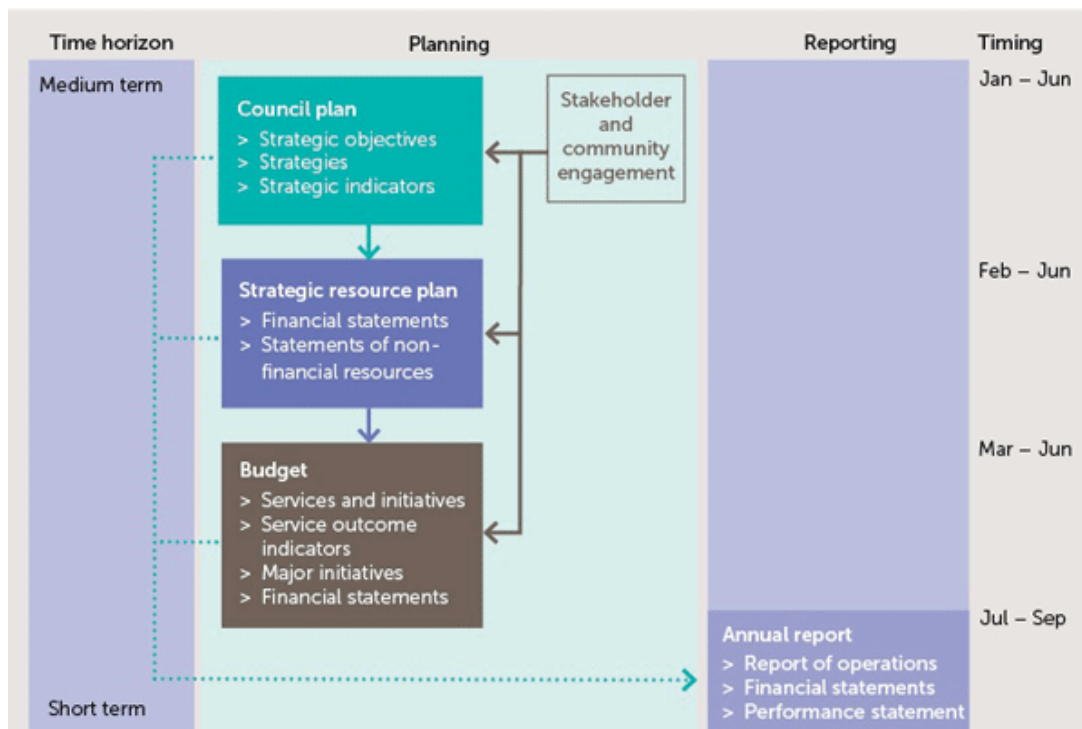
A Council Plan within the six months after each general election or by 30 June, whichever is later

A Strategic Resource Plan for a period of at least four years and include this in the Council Plan

A budget for each financial year

An Annual Report in respect of each financial year

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for Local Government. It also shows that there are opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle





# Council Plan

The Council Plan 2017-2021 includes strategic goals, strategies for achieving these for the four year period, strategic indicators for monitoring achievement of the strategic objectives and a Strategic Resource Plan.

The following are the five strategic goals as detailed in the Council Plan:



To enhance community health and wellbeing

Council continues to provide significant support for the community's wellbeing through provision of libraries, maternal and child health, animal management, environmental health, emergency and youth services as well as maintenance of parks and reserves.



To sustainably manage our natural and built environment

This area provides resourcing in the areas of sustainability and waste management and initiatives related to landcare, waste minimisation, climate change and enhancement of natural assets.



To provide quality infrastructure

Maintenance of a significant network of roads and bridges is a critical function of Council as is reviewing the assets that Council holds to ensure that they remain relevant to service needs. Buildings and swimming pools are also important to the community.



To support and drive economic development

This is an important part of Council's operations as it seeks to stimulate and maintain economic development throughout the Shire. This encompasses areas such as digital economy, investment attraction, land use planning and tourism.



To be a high performing shire

This includes the areas of Council and governance, customer service, financial management and advocacy.



# Performance

Council's performance for the 2018-2019 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the 2017-2021 Council Plan.

Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the Council Plan

- Progress in relation to the major initiatives identified in the Budget

- Services funded in the Budget and the persons or sections of the community who are provided those services

- Results against the prescribed service performance indicators and measures

## Strategic Objective One



### To enhance community health and wellbeing

#### Strategic Indicators

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/ Measure	Results	Comments
Plan for improved community health, wellbeing and liveability		
Work with Strathbogie Health and Community Services Consortium to deliver relevant projects.	80%	Continue to work with Euroa Health in relation to the Post Traumatic Stress Disorder Wellness Centre project proposal. Also working with Nagambie Health's accommodation project.
Work with Euroa Health to investigate project to support increased provision of allied health services.	80%	Wellness Centre for Post Traumatic Stress Disorder and associated support is the current project that is being advocated for. \$50,000 for the feasibility study funding approved by the Federal Government, Council to provide \$25,000.
Deliver initiatives which will support the prevention of family violence including achievement of accreditation as a workplace under the White Ribbon Australia Workplace Accreditation Program	50%	Free from Violence Project is progressing well. Staff survey was conducted to benchmark staff perspectives on gender equity in the workplace. A 60% response rate indicated there was a high level of support (98%) for gender equality in the organisation and strong knowledge of policies that protect and support staff who report incidents of gender-based violence, bullying, discrimination, or sexual harassment and where to go to report behaviour. The following key actions have been undertaken so far: <ul style="list-style-type: none"> <li>• Monthly project working group meetings are occurring</li> <li>• Developed posters to be displayed in all Council bathrooms</li> <li>• Developed responding to disclosures of family violence CEO Directive</li> <li>• Presented Conversations Create Change project objectives and actions at Goulburn Family Violence Executive meeting</li> <li>• Continuing to disseminate message to all staff through staff meetings and one on one discussions</li> <li>• Presented Conversations Create Change project objectives to the Senior Management Group at their monthly meeting</li> </ul> Implement and create awareness around the child safe standards. Training has been rolled out to all staff in the organisation through the learning seat application. Plans to roll out training to all Council volunteers in 2019/2020. Development of the next 3 year implementation plan is in progress but a review of the Child Safe Standards is also presently occurring at the State level.

Strategic Indicator/ Measure	Results	Comments
Complete the expansion of the Avenel Pre-School and Maternal and Child Health project	70%	Tender accepted by Council on 18th September 2018. Construction commenced on 28th February 2019. Construction has progressed to lock-up stage.
Continue to review and implement priorities from the Walking Tracks and Trails Strategy and Walking Strategy (including but not limited to the Apex Walking Track Euroa)	35%	<p>With the engagement of a new Economic Development and Project Officer in July, this review is now continuing in collaboration with the Discovery Map Sub-Committee. A recommendation was presented to Councillors in May to redevelop the Discovery Map Sub Committee into a stand alone Tracks and Trails committee.</p> <p>Council adopted the proposal of a revised group - Tracks and Trails Advisory Group. The first meeting of the new group took place on Thursday 27 June 2019, where priority actions were identified in line with both the Economic Development Strategy and the Tracks and Trails Strategy</p>
Implement the 2017 - 2021 Liveability Plan	50%	<p>The five priority areas that currently guide our health and wellbeing actions are:</p> <ul style="list-style-type: none"> <li>• Stronger together</li> <li>• Respectful relationships</li> <li>• Healthy lifestyle</li> <li>• Rural environment</li> <li>• Health systems</li> </ul> <p>Year 2 of the annual action plan has been developed and is presently being implemented.</p>
Develop and begin delivering on an implementation plan for Shire-wide Active Spaces Strategy	60%	<p>Outcomes for the Play and Recreation Framework have been considered in preparation of the 2019/20 budget and an amount of \$1.43M has been allocated over the next ten years for implementation. The next step required is a prioritisation of projects, which will occur in the coming months.</p>
Work with the community to implement provision of dogs off leash areas	75%	<p>Community consultation has occurred regarding potential locations for a dogs off leash area in Euroa and Nagambie. A report is to be presented to a future Council meeting for consideration.</p>
Review Council's Community Local Law - to reflect contemporary issues including drones and incinerators	10%	<p>Scoping work commenced and funding allocated in 2019/20 budget to complete.</p>



Strategic Indicator/ Measure	Results	Comments
Engage and participate with the community in Council / Community initiatives		
Continue to support local community planning processes across the Shire	85%	<p>All plans are endorsed except for Strathbogie Tableland Action Group (STAG). Rollover of funds requests have been approved for Violet Town Action Group (VTAG, \$7210) and Euroa Community Action Group (ECAG, \$9270). In ECAG's case they have indicated that the heritage column project (\$4,800) would be completed by 31.7.19. Ruffy Community Action Group (RCAG) request has yet to be approved - briefings are being prepared for this.</p> <p>There have been some minor amendments to the Community Planning Guidelines including:</p> <ul style="list-style-type: none"> <li>- Funding conditions are now in line with the Community Grant Program.</li> <li>- A cut off date for applications for their annual funds is September 30th each year.</li> <li>- The acquittal deadline is now 30th June each financial year.</li> </ul> <p>A combined Community Planning Reference Group meeting was held on 11th June with representatives from VTAG, ECAG, RCAG and STAG. No attendees from Longwood, Avenel, Nagambie and Graytown were present.</p> <p>Plans for two additional information combined sessions are underway to be held in August/ September, one in Euroa and one in Nagambie. By appointment meetings in the week of 12th - 16th August and 2nd - 6th September will also be available for community assistance.</p> <p>2018/2019 acquittals have been received from Graytown and VTAG (VTAG have rolled over their 2018/2019 funds). No applications from Action Groups for 2019/20 funding has been received as yet.</p>

Strategic Indicator/ Measure	Results	Comments
Seek to implement priority projects from Violet Town Action Group Community Plan, Violet Town Recreation Reserve Master Plan and Shadforth Reserve Master Plan	50%	<p>Community Assets undertook consultation of the sporting user groups during March 2019, to determine relevance of the Master Plan and any new additions to be considered.</p> <p>Feedback from the Football and Bowls Clubs are that they are contented with the current arrangements.</p> <p>The current Shadforth Reserve Master Plan was developed for major equestrian events, which has now ceased to be the main user for the reserve. Currently Council is talking to prospective user groups to become active and provide input for further development.</p> <p>Council is currently relocating the Men's Shed to the Shadforth Reserve.</p>
Develop Nagambie Lakes Public Parks Precinct Development Plan which includes Nagambie Recreation Reserve, Buckley Park, Jacobsons Outlook, bowl of Lake.	90%	Council has been successful in sourcing \$350,000 funding for the Boardwalk project behind the Commercial premises on the lake. Council will provide \$250,000 funding and GoNagambie \$102,000 for the \$702,000 project.
Enhance community resilience including supporting and increasing the participation of volunteers		
Develop an agreed recognition of our traditional custodians, in partnership with indigenous representative groups	90%	The 15 Councils in the Taungurung Settlement Agreement Area met at the first Local Government Forum.
Host a transport forum with transport service providers to discuss improvements to transport links across the Shire	0%	<p>Waiting on the outcomes from other areas that will have an impact on transport links across the municipality:</p> <ul style="list-style-type: none"> <li>- Euroa Township Strategy</li> <li>- Inland Rail project</li> <li>- Regional Local Road Investment Plan</li> </ul>
Recognise and profile the importance of volunteers in our local community	50%	<p>Training took place in November 2018 for the Visitor Information Centre volunteers in Nagambie prior to the new VIC opening. This will also be rolled out to the VIC volunteers in Euroa. The VIC will also be recognised with a Strathbogie Shire branded vest and shirt.</p> <p>VIC volunteers are invited to participate in 'familis' of our region and other areas in the GRVT at no cost to themselves. There is also an annual yearly summit that takes place in recognition of their services.</p> <p>Further recognition opportunities are also being investigated for other volunteers (ie. Euroa Cinema).</p> <p>No further development of this action to date.</p>

Strategic Indicator/ Measure

Results

Comments

Continue to support CFA Captain liaison group meetings

75%

Meetings have continued this financial year.

EUROA  
ARBORETUM

*growing back the bush*

Strategic Indicator/ Measure	Results	Comments
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Implement revised Community Grants program

90%

2018/2019 Acquittals  
 Active and Health - 4 out of 5 have been received. Euroa Hockey Club is still outstanding but have been sent a reminder.  
 Arts and Culture - 5 out of 6 received. Violet Town RSL have explained there has been a delay due to very hot weather which has affected the artists work. They have asked for an extension prior to the due date and they are working on completing the project.  
 Facilities and Infrastructure - 17 out of 18 received. Euroa Tennis Club outstanding, but have been sent a reminder.

2019-2020 Program  
 Community Grant program opened on the 18th March 2019 and closed on the 26th April 2019. We hosted 6 "By appointment" drop-in information sessions which were attended by 8 people and 4 information sessions which were attended by a total of 21 people.

Successful applications for each category are as follows:

- Arts and culture - 5 successful applicants
- Environment and Sustainability - 1 successful applicant
- Facilities and Infrastructure - 14 applicants

All successful applicants have been advised. Terms and conditions documents have been uploaded to smarty grants and are waiting completion by successful applicants which will trigger distribution of payments.





Strategic Indicator/ Measure	Results	Comments
Support and drive community, arts and cultural events		
Develop and implement an equitable shire wide youth program that focusses on cultural activities and civic participation	50%	<p>Upgrade works are progressing for the Nagambie Youth hub space. So far the internal of the building has been painted, blinds installed and new kitchen has been installed. New furniture and a smart TV has also been purchased for the space. The unisex pod, a fully accessible toilet, has been purchased and now preparations for the installation of this are underway. Along with the verandah construction and roof extension.</p> <p>EVOLVE presently has 10 young members aged 12-22 years. Fortnightly meetings are being held on Wednesday afternoons. Young people representing both Euroa, Nagambie and surrounding townships are on the committee.</p> <p>To date we have received 250+ responses to our 2019 Strathbogie Youth survey. We are going to target some additional pockets of the shire during school holidays and in the first two week of term 3 before closing the survey and analysing the data.</p> <p>Strathbogie Youth Engagement Network meetings which are chaired by the Goulburn Murray Local Learning Employment Network. Strathbogie provides the venue for these meetings. 20+ youth service providers attend these meetings.</p> <p>Recruitment is underway for a Youth Development Officer - applications close 12th July 2019.</p>

Strategic Indicator/ Measure	Results	Comments
Develop and prioritise actions from Tourism Arts and Culture Strategy	70%	<p>The Arts and Culture Strategy has been developed with the assistance of a consultant team, and is currently being reviewed in a draft format ready to circulate to the Tourism, Arts and Culture Committee for review.</p> <p>The next phase after initial content review will be to format the graphic design of the document, ready for submission to Council and public review prior to being adopted.</p> <p>A review of the content of the draft Arts &amp; Culture Strategy, and consultation and a workshop with the Cultural Development Network (CDN) on 22/1/2019 highlighted the need for a revision of the document by the Manager Arts, Culture and Economy to ensure that goals and actions are based on evidence which will in turn assist to inform the selection of future activities. The current work that was developed by the contracted consultant did not adequately address this, nor did it appropriately identify appropriate goals and outcomes, therefore more work needs to be undertaken by the Council officer to appropriately develop this strategy.</p> <p>Further review and refinement has been undertaken in the development of the Arts &amp; Culture Strategy. Aiming to have a draft ready for Council by June/July 2019 council meeting.</p> <p>The strategy document is now in it's final draft stages, with predicted presentation to Council in July/August 2019. It has been determined by the Tourism, Arts and Culture Advisory Group that further workshops should be conducted with key stakeholders in order to define the key actions for the 12 month action plan that will result from the goals of the Arts &amp; Culture Strategy.</p>
Investigate provision of an arts hub physical space within the Shire	0%	<p>This process will start once the Arts and Culture Strategy has been completed and further actions are outlined.</p> <p>As the strategy has still not been completed, this action is still waiting on further direction in order for it to proceed.</p>

Strategic Indicator/ Measure	Results	Comments
Implement artwork on Nagambie Water Tower	35%	<p>Initial quotes have been obtained for the painting of the water tower which were presented to and reviewed by the Tourism, Arts &amp; Culture Advisory Group (TACAG) at their October 2018 meeting.</p> <p>Further discussion has taken place in the February 2019 meeting of the TACAG, with a member of the group taking the lead to contact some local artists to gauge interest. Discussions around the need to have a working group to drive the project and determine the theme/design as well as what types of engagement should occur with the community around this project.</p> <p>Some funding has been provided in the 2018/19 Budget but additional funding needs to be sourced in order to fund the project.</p> <p>Further investigation has uncovered a potential heritage overlay and historical significance relating to the towers design and build by Sir John Monash. Other options, including lighting for the water tower are currently being investigated by the Tourism, Arts &amp; Culture Advisory Group.</p> <p>Investigation of other options (including lighting) for the Nagambie Water Tower are still ongoing.</p>

## Major Initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 2018 - 2019 budget for the year.

### Goal One

Council continues to provide significant support for the Community's wellbeing through provision of libraries, maternal and child health, animal management, environmental health, emergency and youth services as well as maintenance of parks and reserves.

## Services

The following statement provides information in relation to the services funded in the 2018-2019 budget and the persons or sections of the community who are provided that service.

Service	Description	Expenditure (Revenue) Net Cost \$
Environmental Health	This service protects the community's health and wellbeing by coordinating food safety support programs, Tobacco Act activities, immunisation programs and public health promotions. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls.	176,700 <u>(92,870)</u> <b>83,830</b>
Animal Management and Local Laws	This service provides for the management of domestic animals (mostly dogs and cats) through registration, education and enforcement where necessary. It is also concerned with issues that arise out of the application of Council's Community Local Law.	243,000 <u>(90,640)</u> <b>152,360</b>
Libraries and Arts	This service provides public library services at three locations and a community cinema in Euroa. It provides a customer focused service that caters for the cultural, educational and recreational needs of residents and provides a focal point for the community where they can meet, relax and enjoy the facilities and services offered.	377,296 <u>(60,000)</u> <b>317,296</b>
Community Grants and Recreational Planning	This service provides funding for the development of community facilities and activities.	185,564 <u>(5,200)</u> <b>180,364</b>
Maternal and Child Health	This service provides family oriented, visiting and centre based maternal and child health services.	264,594 <u>(185,000)</u> <b>79,594</b>
Youth Services	This service provides youth facilities and a range of recreation and education based youth activities. Programs include Freeza, National Youth Week and L2P driving experience program.	283,218 <u>(90,000)</u> <b>193,218</b>
Street Lighting	This service enhances public safety and community access by providing street lighting in urban areas.	110,000 <u>0</u> <b>110,000</b>
Parks and Reserves	This service is responsible for the management, maintenance and safety of parks and gardens, sporting grounds and playground facilities.	1,641,085 <u>(9,216)</u> <b>1,631,869</b>
Boating Operations and Safety	Council is the boating authority for Nagambie Lakes. This service area provides patrol services, maintenance of boating infrastructure and support for on-water recreational activities.	84,700 <u>(6,180)</u> <b>78,520</b>
Community Development	This program oversees activities in the areas of access and inclusion, committee of management support, community planning and other activities designed to strengthen communities.	197,646 <u>0</u> <b>197,646</b>
Emergency Services	This service includes financial assistance for the SES service, fire prevention activities and flood risk planning and mitigation.	209,838 <u>(165,500)</u> <b>44,338</b>
School Crossing Supervision	This program provides supervision of school crossings in Euroa and Nagambie before and after school hours.	50,670 <u>(27,000)</u> <b>23,670</b>

## Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/Measure	Results				Comments
	2016	2017	2018	2019	
<b>Animal Management</b>					
<b>Timeliness</b> <i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.33	1.26	1.19	4.40	Increase from 1 to 4 days tighter data collection.
<b>Service Standard</b> <i>Animals Reclaimed</i> [Number of animals reclaimed / Number of animals collected] x 100	59.38%	17.44%	24.55%	14.23%	Large number of feral cats not rehomed.
<b>Service Cost</b> <i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$61.74	\$61.72	\$61.93	\$56.03	No material variation.
<b>Health and Safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0	0	0	0	No material variation.
<b>Food Safety</b>					
<b>Timeliness</b> <i>Time taken to action food complaints</i> [Number of days between receipt of first response action for all food complaints / Number of food complaints]	1.50	1.67	1.20	3.20	Transition from contractor to in house provision - improvement expected in coming year.
<b>Service Standard</b> <i>Food Safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x 100	100%	102.27%	100%	84.78%	Changeover from contract to in house provision

Service/Indicator/Measure	Results				Comments
	2016	2017	2018	2019	
<b>Service Cost</b> <i>Cost of food safety service</i> Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$633.93	\$599.95	\$585.23	\$750.45	Cost of phones, IT, printing now directly allocated to service - not in previous years
<b>Health and Safety</b> <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x 100	0%	0%	0%	100%	6 notifications in 2018/2019 all followed up.
<b>Libraries and Arts</b>					
<b>Utilisation</b> <i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	2.29	2.20	2.27	2.38	No material variation.
<b>Resource Standard</b> <i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x 100	46.46%	46.79%	49.45%	50.73%	No material variation.
<b>Service Cost</b> <i>Cost of library service</i> [Direct cost of the library service/ Number of visits]	\$2.84	\$2.45	\$2.33	\$2.65	Regional library costs impacted by relief staff costs and increased provisions.
<b>Participation</b> <i>Active Library Members</i> [Number of active library members / Municipal population] x 100	27.16%	23.11%	22.30%	23.32%	No material variation.
<b>Maternal and Child Health</b>					
<b>Participation</b> <i>Participation in the MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x 100	101.20%	97.59%	98.85%	107.78%	No material variation.
<b>Service Standard</b> <i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x 100	100%	100%	100%	101.11%	No material variation.

Service/Indicator/Measure	Results				Comments
	2016	2017	2018	2019	
<b>Service Cost</b> <i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurse]	\$79.71	\$76.32	\$80.40	\$79.23	No material variation.
<b>Participation</b> <i>Participation in MCH Service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100	84.35%	83.87%	77.87%	73.96%	No material variation.
<b>Participation</b> <i>Participation in MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x 100	100%	100%	92.31%	87.50%	Number of children enrolled increased by 77% but participation increased by approx 62%



## Strategic Objective Two



### To sustainably manage our natural and built environment

#### Strategic Indicators

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/ Measure	Results	Comments
To promote and support sustainable environmental initiatives		
Prepare a Sustainable Strathbogie 2030 Plan to bring together Council's response to a range of environmental initiatives	85%	<p>The draft Sustainable Strathbogie 2030 Plan was presented to the March Council meeting for consideration for endorsement for public consultation. Consultation occurred during April - May 2019 with drop in sessions in Euroa, Avenel, Nagambie, Violet Town and Strathbogie, a survey completed by 61 residents and a forum hosted on councils website. Council heard submissions on 14th May 2019.</p> <p>A final report will be presented to Council for consideration at the August 2019 meeting.</p>
Continue to support Landcare groups and Catchment Management Networks to target weed and pest animal management on roadsides.	85%	<p>The Roadside Weed and Pest Program with Strathbogie Shire Landcare Groups and State Government funding is finalised for 2018/2019 - 2019/2020 funding years with 100% of funding expended.</p> <p>Significant council resources input into budget, landcare and contractor coordination, as well as following up resident weed and pest complaints. Castle Creek Euroa weed and pest eradication/rehabilitation also required major resourcing. Renewed RWPP funding was confirmed in June.</p>
Investigate opportunities to reduce the use of single use plastics in the Shire	70%	<p>An initiative has been included in the draft Sustainable Strathbogie 2030 Strategy in terms of initiating zero waste events across the shire potentially with a grant funded bespoke trailer for hire from the Shire. Support for this was strong from numerous community members in consultation during the Sustainable Strathbogie 2030 strategy.</p>





Strategic Indicator/ Measure	Results	Comments
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Support sustainable energy initiatives in the Strathbogie Shire in conjunction with the Sustainable Development Reference Group

85%

Council supported Euroa Environment Group's minigrid application, and other community battery pilots in remote areas. Included in the SS2030 Strategy as an ongoing action. Involved with the ongoing Local Government Renewable Power Purchase Agreement with 38 other Victorian Councils to purchase Council energy from renewable sources. Councils Corporate Greenhouse Program has commenced installation with 50kW of solar, delamping, LED lighting and voltage optimisers on pool pumps being installed on Council facilities. This will reduce greenhouse emissions by 141.4tCO<sub>2</sub>-e, and save approximately \$32,324 per annum. Another round of facilities will be completed before December. Leading the Carbon Crunching Councils project with Benalla, Murrindindi and Towong Shires to implement a shared carbon inventory, bill checking and payment service for utilities.

As part of Municipal Strategic Statement review, explore opportunities for native vegetation protection overlays on roadsides

10%

The planning scheme review has now been completed and is seeking adoption of the review report by Council at it's Planning Committee meeting in July after having been deferred at the June Planning Committee meeting. The Native Vegetation Protection Overlays were a discussion point as part of this review process however have not been identified at this stage as a high priority given the existing controls within the Planning Policy Framework of the Planning Scheme. Additionally within the lower priority section of this report, it was identified to undertake a landscape study to ensure areas of significance are protected through appropriate planning controls.



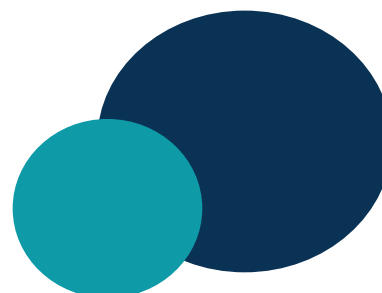
Nagambie Bowls Club were donated a 5.4kW solar system by Yarra Energy Foundation saving the club around \$1,500 in energy costs a year. The system was installed in February 2019

Strategic Indicator/ Measure	Results	Comments
Continue to support the Goulburn Broken Greenhouse Alliance	100%	Council continues to support the GBGA and has renewed its membership. Participating in 3 grant funded/partnership activities that promote economic/ environmental efficiencies with energy, carbon inventories and energy efficient street lighting.
Seek funding to develop a Business Case for Rural Sustainability Foundation	100%	Funding application from New Energy Jobs Fund unsuccessful. We will continue to seek funding.
<b>Mitigate and adapt to a changing climate</b>		
Review Council's Climate Adaptation Strategy	90%	An initial review of the 2011 Strengthening Strathbogie Climate Change report has been undertaken, noting each recommendation and where Council sits in terms of acting on same. Each assessed recommendation was integrated into the draft Sustainable Strathbogie 2030 Strategy as Action 1.07 "Update and extend the 2011 'Strengthening Strathbogie Climate Change Report' as a 2030 Resilience Plan, including a costed action plan, integration into contemporary regional plans and tools, alongside an evaluation/ future-proof of all Council policy and infrastructure in the context of a future medium-high global emissions scenario." The full Resilience Plan will act as a sister document of Sustainable Strathbogie 2030, and will require expert input. It is slated to occur in 2019/2020. This recommendation is to be consulted on as part of the full Sustainable Strathbogie 2030 strategy, then will go to Council for endorsement.
Support regional flood mitigation strategies to achieve flood mapping for townships	10%	Regional floodplain Study completed by Goulburn Broken Catchment Management Authority and they are now working toward having the amendment documentation prepared for the Planning Scheme Amendment to implement new mapping.
Hold a flood mitigation / drainage update meeting in Violet Town to form a consensus on future actions	50%	All programmed drainage works within the 2018/2019 Capital Works budget have been completed. Will arrange a town meeting to coincide with the release of concept designs for Cowslip Street (pedestrian crossing locations / school bus stop locations / car parking review / intersection designs with VicRoads arterial roads), to hold a combined update meeting. It is expected that this meeting will be held in November/ December this year.

Strategic Indicator/ Measure	Results	Comments
Include urban forestry into urban design frameworks to increase the shaded environment of our townships	75%	As part of the Sustainable Strathbogie 2030 an Urban Green Infrastructure Review of all street trees in Euroa, Nagambie, Avenel, Longwood, Violet Town and Strathbogie was undertaken in March/April. Baseline green cover, tree type, open space, social vulnerability to heat, water sensitive urban design, priority areas and key recommendations have been completed as part of the study. Report will be presented to Council in August 2019.
Develop a program to provide incentives for improved farm management through use of whole farm plans, mitigation of effects of climate change	100%	Council has partnered with the Arboretum, Landcare and CMN February - June 2019 offering facilities and the venue, to assist with the new Healthy Hectares course for small lot landowners new to the municipality. Team Leader Climate Change and Environment is attending North Eastern Dry Seasonal Conditions Coordination Group chaired by Agriculture Victoria to stay up to date with all information and incoming incentives, potential partnerships and activities for agricultural landholders in Strathbogie. Information has been communicated to all contacts regarding grants and rebates applicable.
Protect and enhance our natural environmental assets		
Adopt and implement Council's Tree Management Plan	90%	Council adopted the Tree Policy in June 2018. Tree Management Guidelines are being reviewed.
Seek advice on best practice techniques including weed management, neighbourhood safer places and fire emergency planning - Municipal Fire Management Planning Committee (MFMPCC)	75%	Ongoing discussions with CFA Vegetation Officer, MFMPCC and our Team Leader Climate Change and Environment. Progress is being made on the best practice in roadside weed and fuel management.  All Neighbourhood Safer Places have now been renamed. Place of Last Resort (PLR). All PLRs have been reviewed with the Euroa PLR moved from the Shell Service Centre to Kikland Avenue.
Investigate controls to preserve landscapes as part of Municipal Strategic Statement review	10%	The Planning Scheme review has now been completed and awaiting adoption by Council's Planning Committee. Identified within the lower priority section of the report is the need to undertake a landscape study to ensure areas of significance are protected through appropriate planning controls.

Strategic Indicator/ Measure	Results	Comments
Continue to assist new land owners in land management through New Residents booklet, website and other means	90%	Content was placed on the website under “Environment” and various areas to assist new landowners. Council has partnered with the Arboretum, Landcare and CMN Feb - June 2019 to assist with the new Healthy Hectares course for small lot landowners new to the municipality.
Protect and enhance our built environment		
Implement priority actions from the Stormwater Management Plan	50%	<p>Council has allocated funding to the identified storm water management projects within the 2019/2020 capital works budget, to carry on from projects undertaken within this financial year.</p> <p>Allocation of resources to undertake the required project management, designs and construction of the projects shall be undertaken in July.</p> <p>The drainage design for Boundary Road South is progressing.</p> <p>The following works have commenced construction: -</p> <ul style="list-style-type: none"> <li>~ Pit lid replacement program, all townships (to continue within 2019/2020)</li> <li>~ Scobie Street Avenel catchment - open drain construction (to continue within 2019/2020)</li> </ul> <p>The following drainage works have been completed:</p> <ul style="list-style-type: none"> <li>~ Murray Street, Violet Town</li> <li>~ Lily Street, Violet Town</li> <li>~ Primrose, Street Violet Town</li> <li>~ Atkins Street drainage improvement works, Euroa</li> <li>~ Hoskins Lane, Violet Town</li> </ul> <p>Successful in receiving funding for the Castle Creek flood protection works, Euroa</p> <p>Successful in receiving funding for undertaking a feasibility study into an alternative water supply for Nagambie - use of treated storm water for irrigation of open spaces and recreation reserves.</p> <p>In light of being unsuccessful in obtaining grant funding for the Nagambie industrial estate, will be commencing to progress the Nagambie industrial area scoping &amp; drainage specifications (to continue within 2019/2020).</p>

Strategic Indicator/ Measure	Results	Comments
Identify priority areas for additional street lighting and opportunities to implement additional street lighting	50%	<p>Requests for additional street lighting considered on an ongoing basis (no current budget for implementation). Township study to be implemented to determine current and desired levels of lighting and establish a street lighting program.</p> <p>Collection of data on existing infrastructure has commenced and the review of street lighting design requirements.</p> <p>Draft Street Lighting Policy has been completed and to be presented to EMT for approval, anticipating to go for Council approval at the August Council meeting.</p>
Implement prioritised improvements to playgrounds	50%	<p>A playground safety audit was undertaken during May 2017.</p> <p>Improvements to existing playgrounds have been prioritised based on the condition assessments and Non Compliance/Faults identified within the report.</p> <p>Renewal works for this financial year have been completed, a new list will be prepared after the adoption of the 2019/2020 Capital Works budget.</p>
Provide efficient and effective waste management programs		
Develop and implement a new Waste Management Strategy	100%	The final draft Strathbogie Waste and Resource Recovery Strategy was adopted by Council at the June 2019 Ordinary Council meeting.
Continue to monitor, investigate, implement improvements and / or extension of the waste service	80%	<p>This action has been included in the draft Strathbogie Waste and Resource Recovery Strategy which was adopted by Council in June 2019.</p> <p>A review of the Kerbside Collection Policy will be completed and presented to Council for consideration at the September 2019 Ordinary Council meeting.</p>
Promote reduce, recycle and recover / reuse through education programs / resources in conjunction with service providers including support for programs such as Boomerang bags	60%	A Waste Education Officer has been employed by the Goulburn Valley Waste and Resource Recovery Group. These opportunities will be discussed and included as the role progresses.



Strategic Indicator/ Measure	Results	Comments
Work with Goulburn-Murray Water to review and implement improved waste collection techniques on our waterways	30%	A meeting is to be held with Goulburn Murray Water in July 2019 to discuss opportunities for future consideration. Sustainable Strathbogrie 2030 action 3.08 is to engage specialist consultants to develop a stormwater infrastructure database and best practice audit, measurement and maintenance regime so Council can identify opportunities, challenges, and tailor our future approach to Water Sensitive Urban Design (WSUD) implementation (2019/2020 imp). This will assist with identifying waste flows before they hit our waterways.



## Celebrating our Roadsides and Landcare/Council Partnership

Seven years ago, in 2012, Council and Strathbogie Shire's 10 Landcare Groups joined forces to increase the effectiveness of the Victorian State Government funding Strathbogie Shire Council had newly received for the Roadside Weed and Pest Program. It turned out to be a significant and astute decision. Together the new partnership created a communications channel that grew to become an equitable, co-stewarding arrangement between the Landcare groups, contractors, and Council that exists to this day.

Our community knows many of Strathbogie's 3,300km of roadsides contain Victoria's last authentic remnant stands of native forest, and consider them living arks from a distant past, given that nearly 90% of surrounding farmland has been cleared. Since 2012 the group has treated approximately 1,000km of Blackberry, 500km of St John's Wort, 200km of Gorse, 900km of integrated rabbit control with landholders and roadsides, and held African Love Grass, Serrated Tussock and Chilean Needle Grass at bay by alerting contractors to eradicate these restricted and regionally prohibited weeds. In the spring and summer of 2018 the Strathbogie Roadside Weed and Pest partnership contracted Biodiversity Services to survey 2,300 km of roadside weeds, ecology, flora and fauna. They assessed nearly 300 roadsides, 113 combinations of conservation value and Ecological Vegetation Classes, took 24,000 geo-referenced photographs and 100,000 floristic species records. Council then assisted in the uploading of this spatially referenced data to online open mapping for our community on the Visualising Victoria's Biodiversity website here:

[http://www.vvb.org.au/vvb\\_map.php?view=7879\\_571d812](http://www.vvb.org.au/vvb_map.php?view=7879_571d812)

Today, ecologists and community travel to Strathbogie Shire from across Victoria to hear about and view our rare, threatened and unusual ecology, all found on our unique and treasured roadsides, and up to ten other councils have been inspired to undertake the same process. Through this engagement, and the online presentation of spatial data, we have bought the magic of some of our last stands of remnant Australian bushland to Victorian communities, and worked behind the scenes with our Landcare's to effectively protect it.



## Major Initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 2018 - 2019 budget for the year.

### Goal Two

This area provides resourcing in the areas of sustainability and waste management and initiatives related to landcare, waste minimisation, climate change and enhancement of natural assets.

## Services

The following statement provides information in relation to the services funded in the 2018-2019 budget and the persons or sections of the community who are provided that service.

Service	Description	Expenditure (Revenue) Net Cost \$
Sustainability Management	Council is committed to responsible and sustainable management of the Shire's natural resources. Programs in this service area include Pests and Weeds program, implementation of Council's environmental strategy and carbon footprint assessment program.	159,400 <u>(55,002)</u> <b>104,398</b>
Waste Management	This service includes kerbside garbage and recycling collections, transfer station operations and waste management of public areas.	2,664,531 <u>(2,644,072)</u> <b>20,459</b>





## Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/Measure	Results				Comments
	2016	2017	2018	2019	
<b>Waste Collection</b>					
<b>Satisfaction</b> <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x 100	102.8	32.86	73.73	44.82	Reflects actual number of requests.
<b>Service Standard</b> <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000	4.74	2.39	2.77	2.71	No material variation.
<b>Service Costs</b> <i>Costs of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin service / Number of kerbside garbage bins]	\$93.18	\$93.81	\$92.85	\$96.09	No material variation.
<b>Service Cost</b> <i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$86.98	\$87.54	\$87.68	\$111.85	Reflects impact of changes to the market for recyclables income no longer received to offset costs.
<b>Waste Diversion</b> <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside] x 100	68.24%	70.30%	69.75%	69.41%	No material variation.

## Strategic Objective Three



### To provide quality infrastructure

#### Strategic Indicators

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/ Measure	Results	Comments
Provide best practice management of all assets including roads, bridges and facilities		
Investigate and implement asset rationalisation	30%	Access to spatial data obtained. Next step is to identify candidate properties, several of which will be investigated.
Investigate options in consultation with the community for footpaths, kerb and channelling and parking at the east end of Bank Street, Avenel	100%	Community consultation on the concept design has been completed and the feedback collated to be incorporated within the detailed design. The design will be completed during the 2019/20 financial year, due a number of prospective new developments within the area (residential / commercial) that will have a direct affect to the intersections along Bank Street.
Target major capital works projects to seek government funding to reduce Council's costs	90%	Projects that meet funding program criteria continue to be submitted for consideration. In 2018/2019, Council has been successful in obtaining grant funding from the TAC Local Government Infrastructure Grant for pedestrian safety measures at the Scobie/Anderson/Mansfield Road intersection in Euroa, the Fixing Country Roads Program Rounds 1 and 2 100% State Government funding, and funding from the Natural Disaster Relief Fund for flood mitigation works on Castle Creek in Euroa. Council continues to apply for funding as other opportunities arise.
Ensure parking precinct plans for Euroa and Nagambie are included in urban design frameworks	10%	This will be identified as part of further work for consideration within the review of the Planning Scheme as an action when reviewing the Nagambie Growth Management Plan. The Euroa Township Plan has commenced and the Issues and Opportunities Report has identified that Euroa currently has sufficient parking and it is more about formalising the current arrangements.
Develop terms of reference for a Roads and Roadsides Advisory Committee	100%	Terms and conditions adopted by Council with Roads Advisory Group appointed in October 2018.

Strategic Indicator/ Measure	Results	Comments
Undertake condition assessment of public toilets and develop a strategy for progressive improvement - including but not limited to Violet Town, Avenel, Graytown	60%	Works continue with Violet Town Toilet to be replaced in 2019/2020. Other toilets to be considered.
Provide passive and active recreational facilities		
Investigate and consult in relation to providing link bridges from the Friendlies Reserve to Memorial Oval and Rockies over the Seven Creeks and over Hughes Creek between Kent Street and Watson Street in Avenel	60%	<p data-bbox="764 663 1170 695">Friendlies Reserve to Memorial Oval</p> <ul data-bbox="764 705 1390 1041" style="list-style-type: none"> <li>• Concept design has been finalised</li> <li>• Waiting on a formal written response from Goulburn Broken Catchment Management Authority (GBCMA) to any conditions to finalise the design</li> <li>• Consultant to apply for Works on waterways permit for GBCMA to undertake an assessment and if the proposed work is deemed as satisfactory, a permit shall be issued.</li> <li>• Once the permit is issued, Council shall tender the works for construction.</li> </ul> <p data-bbox="764 1083 1349 1146">Pedestrian Bridge over Hughes Creek between Kent Street and Watson Street in Avenel</p> <ul data-bbox="764 1157 1357 1493" style="list-style-type: none"> <li>• Concept designs have been issued and feedback provided, now waiting on revised designs for approval by Council</li> <li>• Main design issue to overcome is the fast flows along the Hughes Creek during floods, hence increase strengthening of the structure is required</li> <li>• Consultant to undertake hydraulic analysis of the bridge and submit to GBCMA for approval.</li> <li>• Once Council and GBCMA approve the design, Council shall tender the works for construction.</li> </ul> <p data-bbox="764 1535 1276 1566">Rockies Pedestrian Bridge over Seven Creeks</p> <ul data-bbox="764 1577 1382 1703" style="list-style-type: none"> <li>• Council has allocated funding within the 2019/20 Capital Works budget for Pedestrian Bridge Design, which shall be utilised for a concept design for the Rockies</li> </ul> <p data-bbox="764 1745 1390 1808">Timelines are very dependent upon details released from the GBCMA.</p>

Strategic Indicator/ Measure	Results	Comments
Continue to investigate funding opportunities for female change facilities at Euroa Memorial Oval	60%	<p>Opportunities exist for funding opportunities in the following programs with Sports Recreation Victoria:</p> <ul style="list-style-type: none"> <li>- SRV Country Football and Netball Program</li> <li>- SRV Female Friendly Facilities Fund</li> </ul> <p>Discussions took place with the Memorial Oval Committee on Wednesday 19 September in relation to these opportunities and the necessity for the Committee to review the guidelines of these documents and put together a feasibility study. It was discussed with the committee that this study/plan needs to ensure it incorporates all the required elements of female friendly design where practicable in order to have the best chance of achieving funding.</p> <p>No further action has been taken by the Memorial Oval in the development of the opportunities as discussed. There has been no further announcement made in relation to SRV funding opportunities.</p>
Ensure that the Seven Creeks Master Plan is used as a reference document in the Euroa Growth Strategy	60%	<p>The Euroa Township Strategy has completed it's first stage of consultation on the issues and Opportunities Report and all information has been compiled. A draft Strategy has been developed and in due course will be presented to Council for discussion before being put out for comment. This project has been on hold as a result of the Inland rail project to ensure that indicative plans for the railway precinct can be included to assist with any future additional funding applications which may be required. This has since progressed and is having some fine tuning and is nearing the second phase of consultation.</p>
Prioritise and implement the outcomes of the Community Pools Strategy	80%	<p>The Strathbogie Community Pools Strategy 2019-2029 was adopted by Council at the April 2019 Ordinary Council meeting. Implementation of actions will continue over the life of the Strategy.</p>
In partnership with the community support the priorities of the Nagambie Recreation Reserve Master Plan	75%	<p>Renovations of the Nagambie Pavilion have commenced. Irrigation system is to be retendered.</p>
Work with Friendlies Reserve Committee of Management to identify future funding models for upgrades	75%	<p>Work has commenced on renovation of the oval to be completed this calendar year.</p> <p>Other opportunities to be discussed and agreed.</p>
Seek Stage 2 funding for Stage 2 boardwalk Seven Creeks Park	100%	<p>Stage One has been finalised. Budget was allocated for Stage 2 in the 2019/2020 budget. Works to be completed this calendar year.</p>

## Major Initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 2018 - 2019 budget for the year.

### Goal Three

Maintenance of a significant network of roads and bridges is a critical function of Council as is reviewing the assets that Council holds to ensure that they remain relevant to service needs. Buildings and swimming pools are also important to the community.

## Services

The following statement provides information in relation to the services funded in the 2018-2019 budget and the persons or sections of the community who are provided that service.

<b>Service</b>	<b>Description</b>	<b>Expenditure (Revenue) Net Cost \$</b>
Municipal Buildings	This service area is responsible for the maintenance of Council owned and controlled buildings.	1,436,824 <u>(17,210)</u> <b>1,419,614</b>
Swimming Pools and Beaches	Council operates outdoor pools in Euroa, Nagambie, Violet Town and Avenel.	424,245 <u>(10,397)</u> <b>413,848</b>
Roads and Bridge Maintenance Operations	This service area is responsible for the maintenance of Council's roads and bridges network.	10,761,055 <u>(1,524,210)</u> <b>9,236,845</b>



## Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/Measure	Results				Comments
	2016	2017	2018	2019	
<b>Aquatic Facilities</b>					
<b>Service Standards</b>					
<i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	0	1	0	1	No material variation.
<b>Health and Safety</b>					
<i>Reportable safety incidents at aquatic facilities</i> [Number of Worksafe reportable aquatic facility safety incidents]	0	0	0	0	No material variation.
<b>Service Cost</b>					
<i>Cost of outdoor aquatic facilities</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$9.10	\$10.18	\$11.34	\$9.58	Significant maintenance such as painting of pool shells not required in 2018/19.
<b>Utilisation</b>					
<i>Utilisation of aquatic facilities</i> [Number of visits to pool facilities / Municipal population]	4.41	3.75	3.44	2.90	Attendances were down on previous year due to closure of one pool for a period while population increased.
<b>Roads</b>					
<b>Satisfaction of use</b>					
<i>Sealed local road requests</i> [Number of sealed local road requests / kilometres of sealed local roads] x 100	10.84	20.61	9.78	12.19	Reflects actual requests received - still less than 2 years ago.
<b>Condition</b>					
<i>Sealed local road below the intervention level</i> [Number of kilometres of sealed roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x 100	99.79%	99.79%	100%	100%	No material variation.
<b>Service Cost</b>					
<i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$14.58	\$44.37	\$40.03	\$38.79	No material variation.
<b>Service Cost</b>					
<i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$3.19	\$2.94	\$3.54	\$3.39	No material variation.
<b>Satisfaction</b>					
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	44	43	47	51	Survey results improved.



## Strategic Objective Four



### To support and drive economic development

#### Strategic Indicators

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/ Measure	Results	Comments
Promote and support local business and produce		
Encourage local produce sales in towns throughout the Shire	50%	<p>The development of the Food, Fibre and Flowers brochure has initiated this process. With the appointment of an Economic Development and Projects Officer in July, this action will be further explored in the Economic Development Mast Plan. Research is also being done on the advent of Agri-Tourism and ways of leveraging this new and emerging market.</p> <p>The review of the Economic Masterplan is still underway, no further progress has been made on this action at this time.</p>
Develop a Digital Business Transformation Strategy	0%	Information and Communication Technology Strategy will provide input and direction into Digital Business Transformation Strategy.
Support tourism and business development		
Develop options to facilitate camping at appropriate locations within the Shire	75%	<p>Paper outlining issues to be addressed in allowing camping to occur almost complete. Discussion to then occur.</p> <p>With the appointment of an Economic Development and Projects Officer in July, one of their first objectives was to generate interest and support in reinstating Business Enterprise Euroa (BEE). This was achieved in September 2018, and BEE have reformed and are currently in the process of becoming a Chamber of Commerce. Work is also being done with them to encourage and build a new membership base and discuss options for support programs that may be needed.</p> <p>The next phase will be to review business groups in other towns within the Shire to see what assistance may be required and what programs may need to be supported or developed.</p> <p>Further liaison with the two active business groups is being undertaken by the Economic Development Officer. A report has been developed to a funding support model for business groups within the Shire. The Economic Development Officer is working with the Business Community in Violet Town to develop a group there.</p>
Partner with business groups to develop support programs		



Strategic Indicator/ Measure	Results	Comments
Promote Graytown and other smaller communities through an increased presence on the Strathbogie Shire website and the investigation of interpretive signs and historical information	30%	<p>Working group commenced to discuss new website and content. Investigation into interpretive signs not commenced.</p> <p>Signage policy is currently being developed which may assist with the second part of action.</p> <p>Graytown was recognised as one of the identified blackspot areas within the Shire which may assist with providing Tourism Infrastructure. The development of a Strathbogie Shire Tourism App may also assist in the promotion of Graytown and other smaller communities.</p> <p>Graytown was recognised as a priority area in the latest funding round for mobile blackspot areas. Some work is also being done in regards to including information about Graytown and other smaller communities in the new Tourism App and in the new Official Visitors Guide.</p>
Seek funding and support from Federal and State Governments to implement Nagambie Infrastructure Development Business Case	80%	Funding of \$350,000 was successful for the Boardwalk project behind the commercial premises on the lake.
Develop Communications Plan for events in the Shire	100%	"What's on" program is being used as the comms plan for events which is updated monthly on social media and Website. Posters are also updated and put around townships. At the June Ordinary Meeting of Council the draft Communications and Engagement Plan was endorsed by Council to go out for public comment (closing 17 July 2019).
Develop a policy on town entry and roadside signage	100%	The Boundary, Town Entry and District Signage Policy has been approved by Council on the 18th June 2019.



Strategic Indicator/ Measure	Results	Comments
Assess options for involvement in regional tourism	55%	<p>Currently working with Goulburn River Valley Tourism (GRVT) to further develop opportunities to showcase both Strathbogie Shire and the broader region. Also developing some training opportunities with them for volunteers at the Visitor Information Centres and for those who undertake events within the Shire.</p> <p>The Manager Arts, Culture and Economy, recently attended a conference in Bendigo relating to Regional Tourism which was very informative. The same officer along with the Mayor and CEO attended the Victorian Tourism Industry Council (VTIC) forum where Regional Tourism was highlighted and talks by both Visit Victoria and Tourism Australia were given.</p> <p>Have been working with Go Nagambie on potential opportunities. Will also continue working with the other Shires of Mitchell and Murrindindi after the demise of GRVT to assess regional opportunities.</p> <p>Have applied for Nagambie Visitor Information Centre to be an accredited information centre and submitted all required supporting documents.</p> <p>Currently have an Economic Profile being developed by Urban Enterprise in relation to what impact the GoFish event had for both Nagambie and Strathbogie Shire overall. Once again involved with GRVT in participating in the Good Food and Wine Show in Melbourne in order to promote the region.</p>
Provide innovative and sustainable land use planning		
Review rural land strategy and have these outcomes included into the Municipal Strategic Statement	0%	<p>The Rural Land Use study is highlighted as a high priority within the Strathbogie Planning Scheme Review Report (2019) which is yet to be adopted by Council's Planning Committee - anticipated adoption date July 2019. Upon adoption of this report, we can proceed to scope out this project and upon completion the strategy can form a reference document within the Planning Scheme and actions identified for implementation.</p>
Review, in conjunction with the community, to identify options for Cowslip Street, Violet Town - footpaths, roads and kerb and channel works, similar to works identified for Bank Street, Avenel	100%	<p>Conducted research into the Violet Town Development Plan (2010), which was conducted by Council and Planning Consultants. Reviewed all supporting documentation (e.g. Bicycle Walking Path Strategy)</p> <p>Working with the Strategic Planner, initial community consultation on the streetscape has been undertaken.</p> <p>Discussions have taken place between VTAG, Rural Roads Victoria and Council in May that have identified options for Cowslip Street. Within the next 6 months, Council shall be undertaking the respective data collection and preparing concept designs for community input.</p>

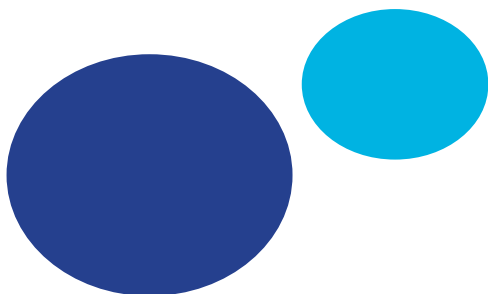
Strategic Indicator/ Measure	Results	Comments
Incorporate Gaming Policy Statement into the Planning Scheme	95%	Gaming Policy Statement, Planning Scheme Amendment C78 has been approved by the Minister. Awaiting final gazettal. The Department of Environment, Land, Water and Planning have recently requested that a further report with Council formal endorsement must be submitted to the Department to indicate the Gaming Authority had no objections to the amendment. Council officers are negotiating with the Department to set aside this requirement, as it has no effect on the actual proposed amendment.
Attract new residents		
Promote a rating package to attract new residents to the Strathbogie Shire	100%	Review planned for 2019/20.
Grow investment and employment opportunities		
Review, update and resource the Economic Development Master Plan and implement priority actions	70%	EDMP review almost complete, discussions held with Council to get feedback

## Major Initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 2018 - 2019 budget for the year.

### Goal Four

This is an important part of Council's operations as it seeks to stimulate and maintain economic development throughout the Shire. This encompasses areas such as the digital economy, investment attraction, land use planning and tourism.



## Services

The following statement provides information in relation to the services funded in the 2018-2019 budget and the persons or sections of the community who are provided that service.

Service	Description	Expenditure (Revenue) Net Cost \$
Planning	This service area processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal where necessary. It monitors the Council's Planning Scheme as well as preparing major policy documents shaping the future of the Shire. It also prepares and processes amendments to the Council Planning Scheme and carries out research on demographic, development, economic and social issues affecting Council.	819,394 <u>(207,416)</u> <b>611,978</b>
Building	This service area provides statutory building services to the community including processing of building permits, emergency management responsibilities, fire safety inspections, audits of Council buildings and investigations of complaints and illegal development.	85,000 <u>(51,000)</u> <b>34,000</b>
Economic Development	This service provides strategic planning and support for the pursuit of economic opportunities in the Shire.	536,950 <u>(0)</u> <b>536,950</b>
Tourism and Events	Strathbogie Shire has a high tourism profile with broad ranging attractions including, natural environment, water based activities, wineries events and festivals. This service area is responsible for promoting the area generally and supporting local tourism bodies and tourism related events. This service area provides support for the planning promotion and management of community based events.	368,052 <u>(36,480)</u> <b>331,572</b>
Caravan Parks	Council has control of caravan parks at Nagambie Lakes and Euroa.	22,500 <u>(260,728)</u> <b>(238,228)</b>
Saleyards	This service area refers to the Euroa Saleyards. The saleyards operate on an approximately one sale per month basis.	220,315 <u>(260,125)</u> <b>(39,810)</b>

## Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/Measure	Results				Comments
	2016	2017	2018	2019	
<b>Statutory Planning</b>					
<b>Timeliness</b> <i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	39	39	34	45	Decisions within timeframes are constant (about 90%) although some increase in days to process.
<b>Service Standard</b> <i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days + Number of VicSmart planning application decisions made within 10 days / Number of planning application decisions made] x 100	89%	92.89%	91.46%	89.08%	No material variation.
<b>Service Cost</b> <i>Cost of Statutory planning service</i> [Direct cost of the statutory planning service / Number of planning applications received]	\$2,301.12	\$2622.19	\$2,805.08	\$2,432.81	Reduced legal costs in 2018/19 compared to previous year.
<b>Decision Making</b> <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that upheld Council's decision in relation to a planning application / Number of decisions in relation to planning applications subject to review by VCAT] x 100	33.33%	0%	0%	0%	One appeal. Council decision set aside.



## Strategic Objective Five



### To be a high performing Shire

#### Strategic Indicators

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/ Measure	Results	Comments
To proactively develop and deliver quality services that achieve high customer satisfaction		
Continue to enhance customer experiences through ongoing development of customer relationship management	80%	The new customer relationship management system is being utilised internally by staff for customer request tracking. The customer service portals/external request tracking has been delayed by unforeseen issues with the software and privacy requirements. However, the commencement of the external application is envisaged early July.
Continue to focus on operational efficiencies		
Continue the service plan process to assist decision making and identify service enhancements	75%	Workforce Strategy Stage 3 update and Service Plans will follow.
Continue to explore the opportunities through the Shared Services Alliance (Goulburn Valley Regional Collaborative Alliance)	100%	The alliance's new governance structure is based on project by project submitted by relevant officers for approval by the Board. Current projects include: disaster recovery, procurement, Goulburn Valley Funding Finder and involvement in the "Development Hearings Panel" at Shepparton. In addition, Strathbogie Shire is exploring shared services options with neighbouring Councils, e.g. ICT shared platforms.
Corporate Planning - Conduct an organisation wide cultural change / innovation program that promotes a "can do philosophy", continuous improvement processes, culture of collaboration and a willingness to embrace positive change	80%	Community Satisfaction Survey has been conducted by the State Government and Customer Service top scored at 75 which is above the State Average and Small Councils Grouping. Overall the scores for most areas improved.
Prioritise outcomes of ICT strategy	95%	ICT strategy has been drafted, looking to present to Council meeting in August for adoption.
Link results of Community Satisfaction Survey to Council Plan actions	100%	The community satisfaction survey has been conducted, whilst only a small part of the community surveyed (400) will act a basis when dealing with actions under the Council Plan, for example customer service and responding to the community in a timely manner, project working groups that include senior staff, regular reporting back to council on activities, zero to one road program, reporting on advocacy activities.

Strategic Indicator/ Measure	Results	Comments
Continue to create a secure investment environment through sound financial management		
Review Procurement Policy and Guidelines	100%	Procurement Policy was reviewed and endorsed by Council at its June 2018 Council meeting. Procurement Guidelines are to go to the Executive Management Team, then to Assembly of Council and Council for approval. To be further reviewed early 2019/20.
To be equitable and fair in all decision making processes		
Ensure strategies are developed in conjunction with key stakeholders on a regional basis	80%	Continued working relationships through the North East Local Government Network, Alliance and Mayors and CEO's meetings ensure when dealing with strategies such as waste, roads and better regions funds we develop them noting the regional importance. Currently reviewing the Hume Regional Strategy with Hume Regional Development Australia. 11 of the 12 Councils have participated in Local Government Victoria's Transformational Program. The Eol has progressed to a full business case and so far 9 out of the 11 Councils have committed to the next stage.
Promote open and transparent reporting of Council decision making including Know Your Council Data	100%	Data for 2018/19 under preparation for publication early Oct/Nov 2019.
To communicate and engage effectively with our community and key stakeholders		
Review communications and Engagement Strategy in line with pending changes to Local Government Act	85%	At the June Ordinary Meeting of Council the draft Communications and Engagement Plan was endorsed by Council to go out for public comment (closing 17 July 2019).
Work with local business associations to develop a Shire-wide skills bank that values and recognises local knowledge	10%	This action is scheduled for 2019-2020. No action has been undertaken at this time. The Economic Development Officer is doing some work on developing a Local Procurement Policy which links in with this action item.  No further developments at this time
Actively seek partnerships to achieve our Council Plan	80%	This is ongoing.

## Major Initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 2018 - 2019 budget for the year.

### Goal Five

This includes the areas of Council governance, customer service, financial management and advocacy.

## Services

The following statement provides information in relation to the services funded in the 2018-2019 budget and the persons or sections of the community who are provided that service.

Service	Description	Expenditure (Revenue) Net Cost \$
Financial and Administration Services	This service area provides financial advice and support to providers of all Council services, including budget preparation, long term financial planning, periodic reporting, processing of debtors and creditors, and statutory financial requirements, including FBT and GST reporting.	1,324,258 0 <b>1,324,258</b>
Information Technology	This service maintains and improves Council's information technology systems, ensures compliance with legislation relating to records management including administering and recording all incoming correspondence. This also includes telephones, intranet, photocopiers, aerial photography and geographic information.	1,280,192 0 <b>1,280,192</b>
Human Resources and Risk Management	Management of recruitment and induction, occupational health and safety, procedures relating to employment matters, administration of insurances, staff training and development, employee assistance program.	555,466 <u>(150,000)</u> <b>405,466</b>
Community Relations	Customer service contact, media, communications, public notices, community surveys, website, marketing and community engagement.	831,740 <u>(6,000)</u> <b>825,740</b>
Governance and Statutory	This service area provides planning and management of a range of statutory services provided by Council, such as building, health, animal management etc.	312,636 0 <b>312,636</b>
Governance	The area of governance includes the Mayor, Councillors, Chief Executive Officer, regulatory reporting, Council elections, compliance with relevant Acts and other Executive Management costs which cannot be easily attributed to the direct service provision areas.	840,418 <u>(105,400)</u> <b>(735,018)</b>



## Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/Measure	Results				Comments
	2016	2017	2018	2019	
<b>Governance</b>					
<b>Transparency</b> <i>Council decisions made at meetings closed to the public</i> [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings or a special committee consisting only of Councillors] x 100	6.99%	15.45%	11.48%	12.02%	No material variation.
<b>Consultation and engagement</b> <i>Satisfaction with community consultation and engagement</i> [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	46	41	51	55	No material variation.
<b>Attendance</b> <i>Councillor attendance at Council meetings</i> [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x 100	89.01%	81.82%	84.82%	91.33%	No material variation.
<b>Service Cost</b> <i>Cost of Governance</i> [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$35,993	\$39,430	\$40,016	\$42,326	No material variation.
<b>Satisfaction</b> <i>Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	48	38	48	55	Survey result improved.



# Advocating for our community

Strathbogie Shire Councillors endorsed the review of the 2017-2021 Council Plan which affirms goals and key strategies for staff to action through programs, projects, and new initiatives to meet community needs and expectations.

In addition to Council's annual budget which provides over 100 services to residents, ratepayers and local business, it is important to advocate for additional funding and support to enhance investment and development opportunities across a broad range of key areas that the annual budget cannot accommodate for.

To successfully obtain support and funding for Local Government projects and services is not always an exact formula and often depends on the political climate, which is ever-changing. Therefore the need to align Council values, strategies and policy with authority, private enterprise or State and Federal Government representatives is the key.

Strathbogie Shire Council actively works with State and Federal Government, local authorities, township action groups, committees of management, business owners, developers, investors, residents and ratepayers to build flourishing communities to benefit the region's economic, environmental and social status.

While Council advocacy work primarily operates to obtain funding; other forms of support through meetings, conferences and collaborations may instead provide resources, information, partnerships, services, projects and access to benefit Council and the community it serves. Advocacy work is an important, interesting and dynamic area of Local Government but can also be difficult to measure.

In the 2019 Financial year, Strathbogie Shire Council's Mayor and CEO attended over 45 advocacy meetings with Local Government Associations, State Authorities, Victorian Government Ministers, Senators and Members and Australian Government Ministers, Senators and Members, and private and not-for-profit organisations and more.

Strathbogie Shire Council prides itself on maintaining strong relationships with State and Federal representatives, who are as follows:

Ms Cathy McGowan AO, Former Member for Indi;

Dr Helen Haines MP, Federal Government Incumbent Member for Indi;

Mr Damian Drum MP, Federal Member for Nicholls;

The Hon. Jaclyn Symes MLC, Member of Legislative Council for Northern Victoria, Minister for Agriculture, Minister for Resources and Minister for Regional Development;

Ms Steph Ryan MP, Victorian Member for Euroa, Deputy Leader of The Nationals, Shadow Minister for Water, Shadow Minister for Public Transport (Regional), Shadow Minister for Gaming and Liquor Regulation.

Strathbogie Shire advocate on behalf of our community to achieve outcomes for the following key areas outlined in the Council Plan:

- Diplomacy
- Education
- Environment
- Funding
- Health
- Public transport
- Child Care
- Roads
- Telecommunications
- Tourism
- Transport Linkages
- Utilities
- Utilities/ Natural Resources
- Inland Rail Project for Euroa





Examples of funding recently obtained by Strathbogie Shire Council:

- Roads - November 2018, \$500,000 from VicRoads Fixing Country Roads Program
- Tourism - February 2019, \$13,000 from the Australian Government for the Southern Aurora Memorial Garden and Event in Violet Town;
- Tourism - February 2019, \$16,500 from the Australian Rail Track Corporation for the Southern Aurora Memorial Garden in Violet Town;
- Tourism - February 2019, \$20,000 from V/Line for the Southern Aurora Memorial in Violet Town;
- Tourism - February 2019, \$150,000 from the Victorian Government for the Southern Aurora Memorial Garden and Event in Violet Town;
- Environment - March 2019, \$100,000 from Sustainability Victoria for the Strathbogie Corporate Greenhouse Implementation Plan in Euroa and Nagambie buildings;
- Infrastructure - March 2019, \$200,000 from the Victorian Government for the Friendlies Oval Footbridge in Euroa;
- Diplomacy - April 2019, \$80,000 from Regional Development Victoria to host the Rural Councils Victoria Summit 2020;
- Tourism - May 2019, \$350,000 from Mr Damian Drum MP, Federal Member for Nicholls for Stage 1 of the Nagambie Boardwalk;
- Health - May 2019, \$50,000 from Deputy Prime Minister Michael McCormack MP, Minister for Infrastructure to fund a feasibility study for the proposed Post-traumatic Stress Wellness Centre for Euroa;
- Education - June, 2019 \$33,000 TAC L2P Driver Program.



Governance,  
Management and  
other information

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# Governance

The Strathbogie Shire Council is constituted under the Act to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- taking into account the diverse needs of the local community in decision making
- providing leadership by establishing strategic objectives and monitoring achievements
- ensuring that resources are managed in a responsible and accountable manner
- advocating the interests of the local community to other communities and governments
- fostering community cohesion and encouraging active participation in civic life

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities. The community has many opportunities to provide input into Council's decision-making processes including community consultation, public forums and the ability to make submissions to the Special Committees of Council.

Council's formal decision making processes are conducted through Council meetings and Special Committees of Council. Council delegates the majority of its decision-making to Council staff. These delegations are exercised in accordance with adopted Council policies.

## Meetings of Council

Council conducts open public meetings on the third Tuesday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council Meetings also provide the opportunity for community members to submit a question to the Council, make a submission or speak to an item.

For the 2018 - 2019 year Council held the following meetings:

- 11 Ordinary Council Meetings
- 10 Special Council Meetings
- 7 Planning Committee Meetings

The following table provides a summary of Councillor attendance at Council Meetings and Special Council Meetings for the 2018 - 2019 financial year.

Councillor	Ordinary Council	Special Council Meeting	Planning Committee Meeting	Total
Cr Amanda McClaren (Mayor)	9	9	5	23
Cr Debra Bower	10	8	7	25
Cr Malcolm Little	10	10	7	27
Cr John Mason	11	9	7	27
Cr Kate Stothers	10	8	6	24
Cr Alistair Thomson	11	10	7	28
Cr Graeme Williams	10	9	7	26

## Special Committees

The Act allows Councils to establish one or more special committees consisting of:

- Councillors
- Council staff
- Other Persons
- Any combination of the above

The following table contains a list of all special committees and advisory groups established by Council that are in operation and the purpose for which each committee was established.

Special Committee	No of meetings	Purpose
Audit Committee	6	The primary objective of the Audit Committee is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and facilitating the organisation's ethical development.
Planning Committee	10	To delegate planning powers to a committee of Councillors who will have voting rights and meet fortnightly to consider planning applications normally referred to General Council. Urgent permit applications may be considered by General Council if a meeting is held before the fortnightly Planning Committee Meeting.
Nagambie Waterways Advisory Committee	6	Appointed to set policy and direction for the Nagambie waterways recreational and commercial users, to ensure that the activities on the Nagambie waterways meet the objectives and the vision on Council as set out in the Council Plan.
Community Pools Working Group	4	Appointed to facilitate the development of a Shire-wide pools strategy. This strategy will look at pools in the Strathbogie Shire holistically and provide for their planning and development now and into the future.
Tourism, Arts and Culture Advisory Group	9	<p>The objectives of the Committee are:</p> <ul style="list-style-type: none"> <li>• To provide a formal mechanism for Council to consult with key stakeholders, seek specialist advice and enable community participation in the development and implementation of a Tourism, Arts and Culture Strategy Plan.</li> <li>• Act as an advocates and champions for Tourism, Arts and Culture programs and projects with the Shire that are of community benefit.</li> <li>• Provide a forum for discussion of tourism, arts and culture industry trends and best practice in the Local Government sector.</li> </ul>

Special Committee	No of meetings	Purpose
Sustainable Development Reference Group	12	<p>The key responsibility of the Committee is to provide feedback and advice to Council on the following objectives:</p> <ul style="list-style-type: none"> <li>• Providing for the use and development of public land with the integration and acknowledgement of economic, environmental and social concerns throughout the decision making process.</li> <li>• Protecting the Shire's natural environment and enhancing and maintaining ecological processes and genetic diversity.</li> <li>• Enabling strategic planning decisions that enhance the Shire's climate security, ensuring safe and liveable urban and rural environments.</li> <li>• Conserving and enhancing culturally or socially significant buildings or areas.</li> <li>• Facilitating sustainable development.</li> <li>• Balancing the present and future interests of all Shire residents and visitors.</li> </ul>
Access and Disability Advisory Committee	8	<p>The aim is to liaise with community members and provide advice and recommendations regarding access and equity to Strathbogie Shire Council.</p> <p>Objectives;</p> <ul style="list-style-type: none"> <li>• Work in partnership with the community and Strathbogie Shire Council towards acknowledging and valuing people of all abilities.</li> <li>• Promote consultation and ensure participation mechanisms are in place for people with a disability, their carers, advocates and service providers to have meaningful input into Strathbogie Shire Council service planning and policy development</li> <li>• Support and raise community awareness of the needs of persons with a disability.</li> </ul>



## **Committees of Management Section 86 Special Committees**

The committees of Management are delegated by Council to manage Council owned and controlled facilities, such as recreation reserves, community halls and various other assets which are utilised by the community.

Below is a list of all of our Committees of Management that are Section 86 Special Committees:

Avenel Memorial Hall  
Boho South Hall  
Creightons Creek Recreation Reserve  
Euroa Band Hall  
Euroa Friendlies Reserve  
Goram Soldiers Memorial Hall  
Longwood Community Centre  
Miepoll Public Hall  
Moglonemby Hall  
Nagambie Recreation Reserve  
Ruffy Recreation Reserve  
Strathbogie Memorial Hall  
Strathbogie Recreation Reserve  
Tableland Community Centre  
Violet Town Recreation Reserve

Under the Local Government Act 1989 “special committee” means -

- (a) a committee established by a Council under section 86;
- (b) a committee that exercises a power, or performs a duty or function, of the Council that has been delegated to that committee under any Act.



## Code of Conduct

The Act requires Councils to develop and approve a Councillor Code of Conduct within 12 months after each general election.

On 21 February 2017, Council adopted a revised Councillor Code of Conduct which is designed to:

- assist Councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter
- attract the highest level of confidence from Council's stakeholders
- assist the Mayor and Councillors to discharge the responsibilities of their public office

In addition to setting out the Councillor Conduct Principles, the Code also outlines:

- other conduct definitions under the Act, such as those relating to misuse of position, improper direction, breach of confidentiality and conflict of interest.
- roles and relationships
- dispute resolution procedures

## Conflict of Interest

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires Councillors to act in the public interest. When a Council delegates its powers to a Council officer or committee, the committee or officer also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it. Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and Special Committee Meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflicts of interests.

During 2018-19, four (4) conflicts of interest were declared at Council Meetings, one (1) was declared at Special Council Meetings and five (5) for Planning Committee Meetings for Councillors.

For Executives there were three (3) conflicts of interest declared for Ordinary Council Meetings.

## Councillor Allowances

In accordance with Section 74 of the Act, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor is also entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to Councillors and Mayors. Councils are divided into three categories based on the income and population of each Council. In this instance Strathbogie is recognised as a category one (1) Council.

## Councillor Expenses

Section 3 of the Local Government Act 1989 (the Act) states that the role of a council is to provide leadership and good governance for the municipality and local community. It must seek the best outcomes for its community and have regard to the long term and cumulative impacts of its decisions.

Councillors require the support of the organisation, along with access to resources and facilities, to undertake these roles and responsibilities.

The duties and activities considered to be necessary for each councillor to perform in accordance with their role as defined by the Act include, but are not limited to:

- attending Ordinary and Special Council meetings, meetings of Advisory Committees of Council, formal briefing sessions and civic or ceremonial functions convened by the Council, the Mayor or the Chief Executive Officer
- attending meetings or workshops scheduled by the Council, the Mayor or the Chief Executive Officer
- attending meetings with community members, including conducting a site visit, in response to issues raised by a community member or ratepayer
- participating in delegations or deputations to which the councillor has been duly appointed as a representative of Council
- attending a meeting or function as the nominated representative of Council or the mayor
- attending meetings of community groups, organisations and statutory authorities to which the councillor has been appointed Council delegate or the nominated representative of Council
- attendance at site inspections or meetings relevant to a matter which is, or is anticipated to be, the subject of a decision of Council
- attending conferences, seminars, training or professional development courses as an attendee and/or speaker.

Section 75A of the Act states that council must reimburse a councillor for out-of-pocket expenses if:

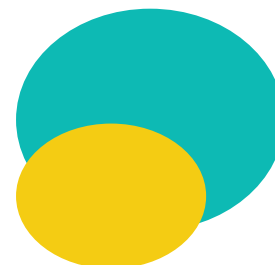
- the councillor applies in writing for reimbursement; and
- the councillor has demonstrated that the expenses were legitimately incurred whilst undertaking his or her duties as a councillor.

Section 75B of the Act requires all councils to prepare and adopt a councillor reimbursement policy, which can also be applied to council committees. The policy must:

- identify the types of out-of-pocket expenses that must be reimbursed if they were incurred performing legitimate duties as a councillor
- outline the procedures to be followed to claim reimbursement of these out-of-pocket expenses
- be available for public inspection.

Section 14 (2)(db) of the Local Government (Planning and Reporting) Regulations 2014 requires details of the expenses, including any reimbursed expenses, for each councillor and member of a council committee paid by the council, categorised separately as

- (i) travel expenses
- (ii) car mileage expenses
- (iii) childcare expenses
- (iv) information and communication technology expenses
- (v) conference and training expenses.



The table below identifies expenditure across these categories for each councillor, along with the total expenditure. To achieve maximum transparency, an additional expense category, named 'Other expenses' has been included to capture all expenses that have been reimbursed to councillors in their day to day duties.

Councillor	Child/ Family Care	Travel	Car Mileage**	IT & Comms*	Conference & Training	Other	Total Expenses
Mayor Amanda McClaren	\$0	\$790.38	\$12,693.89	\$847.92	\$10,259.72	\$0	\$24,591.91
Cr Debra Bower	\$0	\$27.62	\$6,542.52	\$181.88	\$818.85	\$198.18	\$7,769.05
Cr Malcolm Little	\$0	\$0	\$3,446.52	\$674.12	\$2,873.56	\$347.07	\$7,341.27
Cr John Mason	\$0	\$0	\$133.72	\$577.21	\$2,346.06	\$0	\$3,056.99
Cr Kate Stothers	\$0	\$0	\$0	\$644.02	\$0	\$0	\$644.02
Cr Alistair Thomson	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cr Greame Williams	\$0	\$0	\$1,314.54	\$758.28	\$2,586.76	\$0	\$4,659.58

IT and Comms\* no hardware costs incurred during this financial year

Car mileage\*\* excludes depreciation for Mayoral vehicle  
includes expenditure from Mayor's fuel card from Council's assets system excludes \$200 monthly payment from Mayor as vehicle contribution

Councillor	Allowance (incl super equiv)***
Mayor Amanda McClaren	\$64,556.37
Cr Debra Bower	\$22,411.04
Cr Malcolm Little	\$22,411.04
Cr John Mason	\$22,411.04
Cr Kate Stothers	\$22,411.04
Cr Alistair Thomson	\$22,411.04
Cr Greame Williams	\$22,411.04

Allowances\*\*\* includes the vehicle contribution deductions from the Mayoral allowance for Councillor McClaren



We are on our way to our target of zero net emissions by 2025 with the installation of 43kW on four key buildings across the municipality, kicking off with a 33kW installation at Council Offices in Euroa.

In addition to solar, Council will be undertaking key energy efficiency works including delamping and LED installations to its facilities.

# Management

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks lead to better decision making by Council. The Act requires Council to undertake an assessment against the prescribed governance and management checklist and include this in its Report of Operations.

Council's Governance and Management Checklists results are set out in the section below. The following items have been highlighted as important components of the management framework.

## Audit Committee

The Audit Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining and effective system of internal control and risk management and fostering and ethical environment.

The Audit committee consists of three independent members Alistair Purbrick, Claire Taranto, Robert Gardner and Councillor Graeme Williams.

Independent members are appointed for a three year term, the Chair is elected from amongst the independent members.

The Audit Committee met six (6) times during the last financial year. The Internal Auditor, Chief Executive Officer, Deputy Chief Executive Officer, Director Innovation and Performance, Group Manager Corporate and Community, Group Manager Community Assets and Manager Finance attend meetings. Other management representatives attend as required to present reports.

Recommendations from each Audit Committee Meeting are subsequently reported to, and considered by council.

## Internal Audit

Council's internal audit function provides independent and objective assurance that appropriate processes and controls are in place across Council. The department is resourced by an external provider. A risk based three-year Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's risk framework, the Council Plan, the impact of any change on operations, systems or the business environment, prior audit coverage and outcomes and management input.

The SIAP is reviewed and approved by the Audit Committee annually.

The responsible Director/Group Manager for each area reviewed is required to attend the Audit Committee Meeting to respond to questions in relation to the review. All audit issues identified are risk rated. Recommendations are assigned to the responsible Director/Group Manager and tracked in Council's electronic data management system. Directors/Group Managers provide status updates that are reviewed by the Internal Auditor and reported to the Executive Management Team and the Audit Committee.

The following reviews were conducted in 2018/19:

- Governance
- Occupational Health and Safety
- Contract Management- and Outsourced Services
- Information Technology and Cyber Security
- Purchasing Cards

The committee also considered a Draft Enterprise Risk Management Framework, the Annual Budget and Financial Statements.

## External Audit

Council is externally audited by the Victorian Auditor General. For the 2018-19 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor General's office.

The External Auditors attend the May and September Audit Committee meetings to present the annual Audit Plan and Independent Audit Report. The external audit management letter and responses are also provided to the Audit Committee.

## Risk Management

In December 2015, Council adopted the Risk Management Policy and Framework in line with current best practice in the management of business enterprise risks and current AS/N S 31000 guidelines.

This policy applies to all areas of Council operations and includes Council, Councillors, Council Staff, contractors and volunteers undertaking any function for or on behalf of Council.

Council continues and reinforces its commitment to the management of risk to reduce the impact of risk on achieving Council's objectives, minimising any interruption to its business and confidently pursuing opportunities that are identified.

Council's Insurance Brokers Jardine Lloyd Thompson (JLT) have been engaged to review all current risk management documentation and assist by providing Council with new documentation such as:

- Risk management policy and framework
- Risk management procedures; and
- Risk Appetite Statement (RAS);

Bringing these in-line with the International Standards for Risk Management : ISO 31000:2018, Council endeavours to manage risk by achieving the following scope and objectives;

- Establish objectives with Council.
- Review against the Council Plan.
- Liaise with relevant information (to be provided by Council) relating to the proposal.
- Conduct a review against the Australian Standards AS/N S ISO31000:2018.
- Delivery of a risk management report.

# Governance and Management Checklist

The following are the results in the prescribed form of Council's assessment against the prescribed governance and management checklist.

	<b>Governance and Management Items</b>	<b>Assessment</b>
1	<b>Community engagement policy</b> (policy outlining Council's commitment to engaging with the community on matters of public interest)	Draft prepared for adoption by Council August 2019
2	<b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Draft prepared for adoption by Council August 2019
3	<b>Strategic Resource Plan</b> (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next four financial years)	Adopted in accordance with section 126 of the Act. Date adopted 25th June 2019
4	<b>Annual budget</b> (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act. Date adopted 25th June 2019
5	<b>Asset management plans</b> (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans Date of operation of current plans: General overarching 28th October 2016 Transport 21st October 2016 Bridges 16th March 2015 Water (drainage) 16th December 2016 Land 26th January 2013 Buildings 16th September 2016 Open Space 9th January 2013 Plant and Equipment 27th November 2012 Culture and Heritage 27th November 2012
6	<b>Rating strategy</b> (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Adopted with Budget 25th June 2019
7	<b>Risk Policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 15th June 2019
8	<b>Fraud Policy</b> (policy outlining Council's commitment and approach to minimising the risks of fraud)	Policy Date of operation and current policy: 20th February 2018
9	<b>Municipal emergency management plan</b> (plan under Section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with Section 20 of the Emergency Management Act 1986. Date of preparation 18th September 2018
10	<b>Procurement policy</b> (policy under Section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with Section 186A of the Local Government Act 1989. Date of approval: 20 June 2018
11	<b>Business continuity plan</b> (plan setting out the action that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Draft completed. Not yet adopted.

	<b>Governance and Management Items</b>	<b>Assessment</b>
12	<b>Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan Date of approval: 24th May 2017
13	<b>Risk management framework</b> (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 15th June 2019
14	<b>Audit Committee</b> (advisory committee of Council under Section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical and regulatory requirements)	Established in accordance with Section 139 of the Local Government Act Date of establishment: 20th November 2001
15	<b>Internal Audit</b> (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged. Date of engagement of current provider: 15th May 2018
16	<b>Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance indicators referred to in section 131 of the Act)	Framework Date of operation of current framework: 1st July 2015
17	<b>Council Plan reporting</b> (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators for the first six months of the financial year)	Produced quarterly for Council Date presented to Council 17/7/2018, 20/11/2018, 19/3/2019, 16/4/2019, 21/5/2019
18	<b>Financial reporting</b> (quarterly statements to Council under Section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with Section 138(1) of the Local Government Act Date statements presented: 18/9/2018, 20/10/2018, 20/11/2018, 18/12/2018, 19/2/2019, 19/3/2019, 16/4/2019, 21/5/2019
19	<b>Risk Reporting</b> (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Quarterly discussion with Audit Committee on risk exposures
20	<b>Performance Reporting</b> (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Reports Business Management System reported to Council monthly
21	<b>Annual Report</b> (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Considered at a meeting of Council in accordance with Section 134 of the Local Government Act Date statements presented 16th October 2018
22	<b>Councillor Code of Conduct</b> (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of conduct reviewed in accordance with Section 76C of the Act Date adopted: 21st February 2017

	<b>Governance and Management Items</b>	<b>Assessment</b>
23	<b>Delegations</b> (a document setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with Section 98(6) of the Act Date of review: Not presented 2018/19
24	<b>Meeting Procedures</b> A local law governing the conduct of meetings of council and special committees)	Meeting procedures local law made in accordance with Section 91(1) of the Act and adopted by Council 16th December 2014

I certify that this information presents fairly the status of Council's governance and management arrangements.

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Phil Howard  
Acting Chief Executive Officer  
Dated: 17th September 2019

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Cr Amanda McClaren  
Mayor  
Dated: 17th September 2019



# Statutory Information

The following information is provided in accordance with legislative and other requirements applying to Council.

## Documents available for public inspection

In accordance with the regulation 12 of the Local Government (General) Regulations 2015 the following are prescribed documents that are available for inspection or copies of the documents can be obtained for the purposes of section 222 of the Act at 109a Binney Street, Euroa:

- A document containing details of overseas or interstate travel (other than interstate travel by land for less than 3 days) undertaken in an official capacity by a Councillor or any member of Council Staff in the previous 12 months, including -
  - (i) The name of the Councillor or member of Council staff
  - (ii) The dates on which the travel began and ended
  - (iii) The destination of the travel
  - (iv) The purpose of the travel
  - (v) The total cost to the Council of the travel, including accommodation costs
- The agenda for, and minutes of Ordinary and Special Meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- The minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- A register of delegations kept under sections 87(1) and 98(4), respectively, of the Act, including the date on which the last review took place under sections 86(6) and 98 (6), respectively, of the Act
- A document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease
- A register maintained under section 224(1A) of the Act of authorised officers appointed under that section
- A list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.



## **est alue**

As required by the Act, Strathbogie Shire Council complies with the Best Value Principles as part of its day to day operations in providing services to the community. These principles are:

- (i) All services provided by a Council must meet quality and cost standards
- (ii) All services provided by a Council must be responsive to the needs of the community
- (iii) Each service provided by a Council must be accessible to those members of the community for whom service is intended
- (iv) A Council must achieve continuous improvement in its provision of services for its community
- (v) A Council must develop a program of regular consultation with its community in relation to the services it provides
- (vi) A Council must report regularly to its community on its achievements in relation to the Best Value Principles.

In applying the Best Value Principles, a council may take into account (in accordance with 208C), among other factors:

- (i) The need to review services against the best on offer in both the public and private sectors
- (ii) An assessment of value for money in service delivery
- (iii) Community expectations and values
- (iv) The balance of affordability and accessibility of services to the community
- (v) Opportunities for local employment growth or retention
- (vi) The value of potential partnerships with other Councils and State and the Commonwealth Governments
- (vii) Potential environmental advantages for the Council's municipal district

Council incorporates Best Value Principles through regular business planning and performance monitoring together with its focus on continuous improvement. Involvement in Shared Services and Agreed Purchasing arrangements where appropriate, which is aimed at reducing operating expenditure and improving efficiencies and Strathbogie's integrated approach to service planning further highlights Council's commitment to achieving best value.

## **Contracts**

During the year Council did not enter into any contracts valued at \$150,000 or more for services or \$200,000 or more for works of a kind specified in section 186(5)(a) and (c) of the Act. It also did not enter into any other contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without engaging in a competitive process.

## Disability Action Plan

In accordance with section 38 of the Disability Act 2006, as Council has prepared a Disability Action Plan it must report on the implementation of this Plan in its Annual Report. Council has now incorporated the Disability Action Plan into the Municipal Public Health and Wellbeing 'Liveability Plan'.

The Liveability Plan 2017-2021 has been created to address health and wellbeing challenges and pursue opportunities to improve future outcomes for individuals and the community across the life course.

The Plan has five key focus areas which are:

**Stronger together** establishing strong partnerships and increase collaboration

**Respectful relationships** - supporting the community to build and nurture respectful relationships

**Healthy Lifestyle** - encourage people to actively participate in healthy lifestyle habits to improve their physical and mental health

**Rural Lifestyle** - promote the building of infrastructure that minimises barriers and encourages an active lifestyle whilst promoting sustainable actions

**Health systems** provide prevention and promotion strategies that increase knowledge, awareness of how to maintain good health.

By addressing these areas through strategic planning, policy making and partnerships, Strathbogie strives to build stronger, healthier and more inclusive communities into the future.

The key actions that were implemented during 2018/2019 are as follows:

- Facilitation of the Access and Disability Advisory Committee (ADAC)
- Two new members joined the ADAC. Current members represent Avenel, Euroa and Nagambie. Access and Support Officer attends. Representatives from Assets and the Planning department also make up the committee. Meetings occur on a six weekly basis.
- Guests attend ADAC meetings to share key topics of interest and relevance throughout the year.
- Sensory screenings at the Euroa Community Cinema were introduced this year.
- Implementation of International Day of Disability event at Euroa Secondary College on 4th December 2018. Keynote speakers with lived experience of disabilities and introduction of Wheelchair AFL and Basketball activities for students were available on the day.
- Investigation occurring to look at accessibility ramps for the Violet Town pool.
- Implementation of Good Access = Good Business via the local business groups.



## Supported Playgroups Facilitator

Strathbogrie Shire Council's Community Development Department have welcomed new funding from the Victorian Government for increased and better support for young children in the region.

The Victorian Government funding is being utilised by Council to deliver supported playgroups and in-house support for families in need of a helping hand.

The supported playgroup and in-house support offered by Council is based on an evidence based intervention program called SmallTalk, developed by a Parenting Research Centre. The program objectives introduce parents to a number of essential skills that help them to become aware of the importance of engaging in quality parent-child interactions in the early home learning environment. The program also supports families to become aware of other Council community services such as community playgroups or more intensive early childhood specialist services.

Through the delivery of the supported playgroup program in Strathbogrie Shire Council the following has been achieved:

- Implementation of Supported Playgroup across the Shire
- Excellent collaboration with Primary Schools and Kindergartens to access space to deliver Supported Playgroups
- Improved support for families when transitioning children to Kinder
- Provide Children aged 0-5 with access to safe, quality early childhood services and support to learn, play and grow
- Establish foundations of social, emotional, mental and physical health and wellbeing which is having a positive impact on children's cognitive development and language and literacy skills
- Engagement with families and opportunities for parents to learn about local services, meeting other parents for support and friendship and to build social support networks in the communities in which they live
- Support for the Violet Town Supported Playgroup to build capacity which enabled them to transition to a Community Playgroup. This is now running independently
- Currently supporting the Avenel Supported Playgroup to transition to a Community Playgroup
- Previous to the implementation of the Supported Playgroup program there were no playgroups in Violet Town or Avenel
- Improved learning and development outcomes for children
- Parents/Carers increased knowledge of skills and strategies to support their child's learning and development



## Domestic animal management plan

Council adopted the Domestic Animal Management Plan 2012-16 in October 2013, with the current Domestic Animal Management Plan 2017-21 adopted by Council in July 2017, revised March 2019. The Plan was developed in accordance with Part 5A of the Domestic Animals Act 1994.

The purpose of the Plan is to guide Council's planning and decision-making in relation to regulatory controls and service provision that promote the value of responsible pet ownership and high standards of animal welfare.

Key actions and outcomes detailed in the plan for the 2018/19 financial year are captured below:

No. of registered dogs	2021
No. of registered cats	400
No. of reports of domestic animals collected	267
No. of impounded animals returned to owners	38
No. of reported animal attacks	24
No. of declared menacing dogs	3
No. of animals rehomed	8

## Food Act Ministerial Directions

In accordance with section 7E of the Food Act 1984, Council is required to publish a summary of any Ministerial Directions received during the financial year in its Annual Report.

No such Ministerial Directions were received by Council during the 2018-2019 financial year.

## Road Management Act Ministerial Direction

In accordance with section 22 of the Road Management Act 2004, Council must publish a copy or summary of any Ministerial direction in its Annual Report. No such Ministerial directions were received by Council during the 2018-2019 financial year.



## Freedom of Information

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the Freedom of Information Act 1982, Council is required to publish certain statements in their Annual Report or separately such as on its website, concerning its functions and information available.

Council has chosen to publish the statements separately however provides the following summary of the application and operation of the Freedom of Information Act 1982.

Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in section 17 of the Freedom of Information Act 1982 and in summary as follows:

- it should be in writing
- it should identify as clearly as possible which document is being requested
- it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Requests for documents in the possession of Council should be addressed to the Freedom of Information Officer. Requests can also be lodged online or by email.

Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges).

Further information regarding freedom of information requests can be found at [www.foi.vic.gov.au](http://www.foi.vic.gov.au) and on the Strathbogie Shire Council website at [www.strathbogie.vic.gov.au](http://www.strathbogie.vic.gov.au)

## Protected disclosure procedures

The Protected Disclosure Act 2012 aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures.

Strathbogie Shire Council supports a workplace culture where the making of protected disclosures is valued by the organisation. Council recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal improper conduct. The organisation is committed to the aims and objectives of the Protected Disclosure Act 2012 and does not tolerate improper conduct by Councillors, Council officers or employees.

Strathbogie Shire's Protected Disclosure Policy provides for the receipt and effective management of information relating to a Councillor, Council officer or employee engaging in improper conduct and ensures effective processes are in place to support people who have made protected disclosure. This policy, takes all steps to ensure confidentiality for the content of disclosure and identity of the complainant.

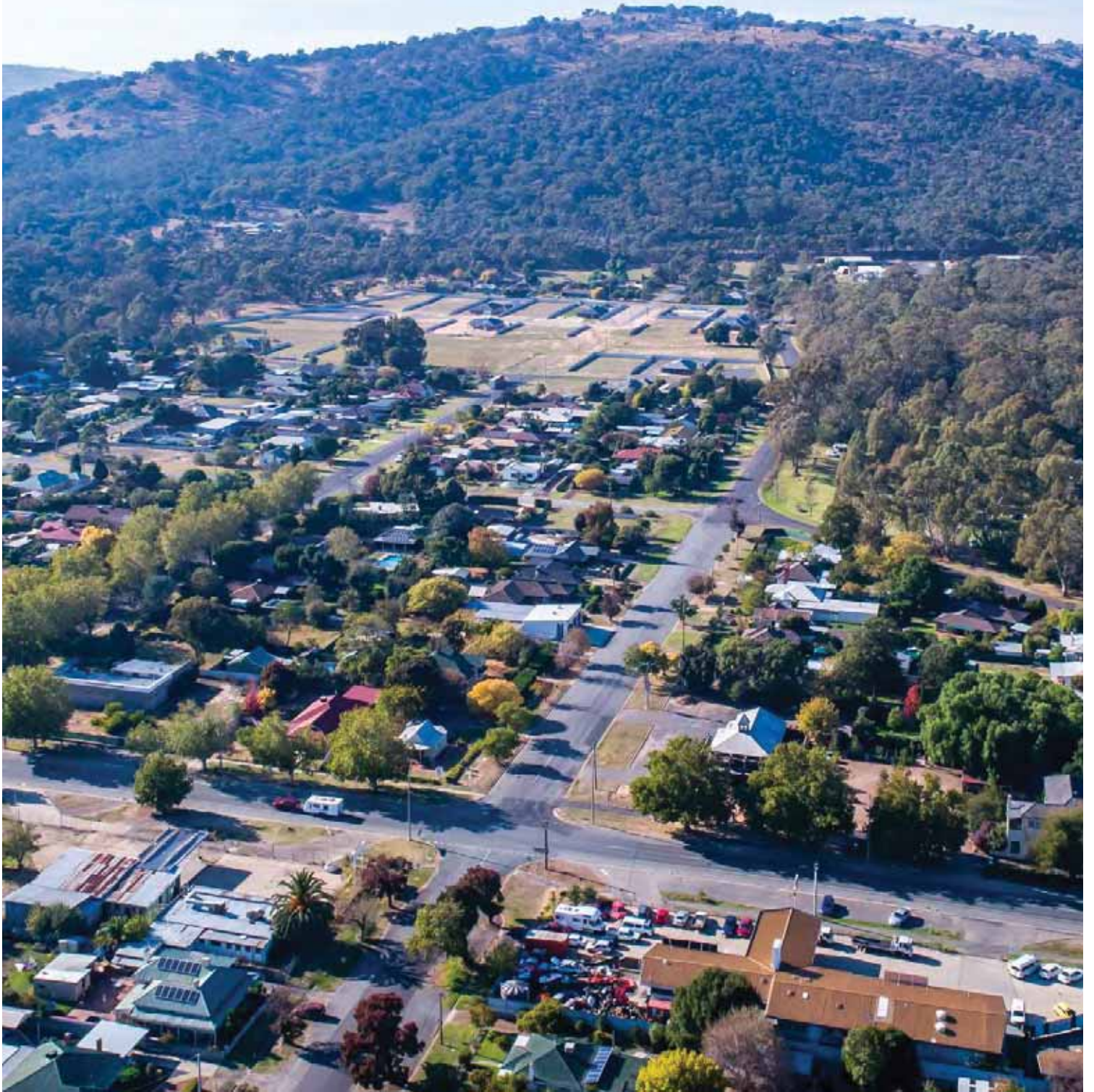
An Appointed Protected Disclosure Officer acts as a primary contact point for general advice about the operation of the Act for any person wishing to make a disclosure. The Protected Disclosure Officer is available to receive disclosures made internally within Strathbogie or from external sources.

Procedures on how to make a disclosure are publicly available on Council's website at - [www.strathbogie.vic.gov.au/council/plans\\_policies\\_strategies\\_a\\_reports/corporate](http://www.strathbogie.vic.gov.au/council/plans_policies_strategies_a_reports/corporate)

During the 2018-2019 year no disclosures were notified to the Protected Disclosure Officer appointed to receive disclosures, or to IBAC.

# Performance Statement

For the year ended 30th June 2019



# Description of the municipality

Strathbogrie Shire is a rural municipality located approximately two hours from the Melbourne CBD and covers 330,326 hectares.

We have diverse and picturesque communities served by townships such as Euroa, Nagambie, Violet Town, Avenel, Longwood, Ruffy and Strathbogrie with a population of over 10,000 and growing.

The shire has an ageing population with 38% of residents aged 60 years and over. Approximately eight out of ten residents were born in Australia and about 5% of people came from countries where English was not their first language.

The Strathbogrie Shire has a rural economic base of wool, grain, sheep and cattle production, extensive vineyards, world class wineries and a wide range of intensive cool climate horticultural enterprises. The region is also known as the Horse Capital of Victoria due to its ever expanding horse industry. Thoroughbred breeding studs are the cornerstone of this important industry, with many prestigious Melbourne Cup winners bred and trained in the shire. Nagambie is also the birthplace of Black Caviar, the world champion horse, and now has a life-size bronze statue sitting pride of place at Jacobson's Outlook.





# Sustainable Capacity Indicators

For the year ended 30 June 2019

Indicator/measure	Results				Material variations
	2016	2017	2018	2019	
<b>Population</b>					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$2,903.83	\$2,614.58	\$3,031.18	\$2,691.78	Expenses in 2017/18 included one off adjustment to landfill provision of \$3.7M which inflated operating expenditure
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$24,896.09	\$24,806.95	\$24,569.20	\$24,376.51	% increase in asset values was outpaced by % increase in population meaning that infrastructure per head of population decreased marginally (0.78%)
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	4.15	4.36	4.41	4.49	No material variations
<b>Own source revenue</b>					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,955.13	\$1,943.07	\$1,972.55	\$1,991.64	No material variations
<b>Recurrent grants</b>					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$578.77	\$999.52	\$747.68	\$671.58	Recurrent capital grants less in 2018/19 due to timing of allocation of Roads to Recovery funding
<b>Disadvantage</b>					
<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	3.00	3.00	3.00	4.00	As per new advice

## Definitions

“adjusted underlying revenue” means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

“infrastructure” means non-current property, plant and equipment excluding land

“local road” means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004

“population” means the resident population estimated by council

“own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

“relative socio-economic disadvantage”, in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

“SEIFA” means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

“unrestricted cash” means all cash and cash equivalents other than restricted cash.



# Sustainable Capacity Indicators

For the year ended 30 June 2019

Indicator/measure	Results				Material variations
	2016	2017	2018	2019	
<b>Aquatic facilities</b>					
<b>Utilisation</b> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	4.41	3.75	3.44	2.90	Attendances were down on previous year due to closure of one pool for a period while population increased.
<b>Animal management</b>					
<b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0.00	0.00	0.00	0.00	No prosecutions in 2018/2019
<b>Food safety</b>					
<b>Health and safety</b> <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	0.00%	0.00%	0.00%	100.00%	6 notifications in 2018/19 all followed up
<b>Governance</b>					
<b>Satisfaction</b> <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	48.00	38.00	48.00	55.00	Improved survey result

Indicator/measure	Results				Material variations
	2016	2017	2018	2019	
<b>Libraries</b>					
<b>Participation</b> <i>Active library members</i> [Number of active library members / Municipal population] x100	27.16%	23.11%	22.30%	23.32%	No material variations
<b>Maternal and child health</b>					
<b>Participation</b> <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	84.35%	83.87%	77.87%	73.96%	No material variations
<b>Participation</b> <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in a year) / Number of Aboriginal children enrolled in the MCH service] x 100	100%	100%	92.31%	87.50%	Number of children enrolled increased by 77% but participation increased by 62%
<b>Roads</b>					
<b>Satisfaction</b> <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	44.00%	43.00%	47.00%	51.00%	No material variations

Indicator/measure	Results				Material variations
	2016	2017	2018	2019	
<b>Statutory Planning</b>					
<b>Decision making</b> <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	33.33%	0.00%	0.00%	0.00%	One appeal. Council decision set aside
<b>Waste Collection</b>					
<b>Waste diversion</b> <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	68.24%	70.30%	69.75%	69.41%	No material variations



## Definitions

“Aboriginal child” means a child who is an Aboriginal person

“Aboriginal person” has the same meaning as in the Aboriginal Heritage Act 2006

“active library member” means a member of a library who has borrowed a book from the library

“annual report” means an annual report prepared by a council under sections 131, 132 and 133 of the Act

“CALD” means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English

“class 1 food premises” means food premises, within the meaning of the Food Act 1984, that have been declared as class 1 food premises under section 19C of that Act

“class 2 food premises” means food premises, within the meaning of the Food Act 1984, that have been declared as class 2 food premises under section 19C of that Act

“Community Care Common Standards” means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

“critical non-compliance outcome notification” means a notification received by council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

“food premises” has the same meaning as in the Food Act 1984

“HACC program” means the Home and Community Care program established under the Agreement entered into for the purpose of the Home and Community Care Act 1985 of the Commonwealth

“HACC service” means home help, personal care or community respite provided under the HACC program

“local road” means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004

“major non-compliance outcome notification” means a notification received by a council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

“MCH” means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

“population” means the resident population estimated by council

“target population” has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth

“WorkSafe reportable aquatic facility safety incident” means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the Occupational Health and Safety Act 2004.

# Financial Performance Indicators

For the year ended 30 June 2019

Dimension/ Indicator/measure	Results					Forecasts				Material variations	
	2016	2017	2018	2019	2020	2021	2022	2023			
<b>Efficiency</b>											
<b>Revenue level</b> <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,939.62	\$1,967.20	\$1,998.20	\$2,035.00	\$2,093.80	\$2,156.60	\$2,221.20	\$2,228.00			No material variations
<b>Expenditure level</b> <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,477.38	\$3,375.75	\$3,961.38	\$3,581.75	\$3,524.25	\$3,609.88	\$3,677.38	\$3,776.50			
<b>Workforce turnover</b> <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations/ Average number of permanent staff for the financial year] x 100	11.35%	12.75%	8.47%	17.43%	9.43%	9.43%	9.43%	9.43%			6 vacancies unfilled at 30 June 2019 which reflected in higher number of resignations during year and lower employment number at 30 June 2019.

Dimension/ Indicator/measure	Results						Forecasts			Material variations
	2016	2017	2018	2019	2020	2021	2022	2023		
<b>Liquidity</b> <b>Working capital</b> <i>Current assets compared to current liabilities</i> [Current assets/ Current liabilities] x 100	203.69%	244.00%	281.00%	215.08%	132.02%	114.69%	115.42%	114.31%	Reflects degree of capital works carried over at the end of the year	
<b>Unrestricted cash</b> <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x 100	129.44%	197.06%	138.10%	91.96%	84.08%	66.12%	67.14%	64.82%	Reflects degree of capital works carried over at the end of the year	
<b>Obligations</b> <i>Asset renewal compared to depreciation</i> [Asset renewal expenses/ Asset depreciation] x 100	121.97%	98.28%	147.87%	147.17%	177.59%	100.94%	100.48%	112.46%		
<b>Loans and borrowings</b> <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	9.81%	6.65%	3.73%	2.65%	1.22%	0.95%	0.69%	0.45%	Debt reducing - Council repaying but not borrowing. Rates income increasing.	



Dimension/ Indicator/measure	Results						Forecasts				Material variations
	2016	2017	2018	2019	2020	2021	2022	2023			
<b>Loans and borrowings</b> <i>Loans and borrowings repayments compared to rates</i>	3.17%	3.13%	3.05%	1.17%	0.75%	0.23%	0.23%	0.22%	Debt reducing - Council repaying but not borrowing. Rates income is increasing.		
<b>Indebtedness</b> <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	14.90%	9.53%	30.38%	24.74%	19.49%	14.24%	9.65%	5.57%			
<b>Operating position</b> <b>Adjusted underlying result</b> <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	-16.00%	11.41%	-6.33%	1.03%	-8.38%	1.98%	2.96%	3.17%	Impact of timing of Financial Assistance Grant payments and 2017/18 includes increased landfill provision		

Dimension/ Indicator/measure	Results						Forecasts				Material variations	
	2016	2017	2018	2019	2020	2021	2022	2023				
<b>Stability</b>												
<b>Rates concentration</b> <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	78.10%	59.27%	62.16%	65.83%	76.28%	69.38%	69.44%	69.50%				
<b>Rates effort</b> <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality ] x100	0.66%	0.64%	0.64%	0.58%	0.56%	0.57%	0.58%	0.59%				Reflects valuation growth exceeding growth in rate revenue

## Definitions

“adjusted underlying revenue” means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

“adjusted underlying surplus (or deficit)” means adjusted underlying revenue less total expenditure

“asset renewal expenditure” means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

“current assets” has the same meaning as in the AAS

“current liabilities” has the same meaning as in the AAS

“non-current assets” means all assets other than current assets

“non-current liabilities” means all liabilities other than current liabilities

“non-recurrent grant” means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council’s Strategic Resource Plan

“own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants

“population” means the resident population estimated by council

“rate revenue” means revenue from general rates, municipal charges, service rates and service charges

“recurrent grant” means a grant other than a non-recurrent grant

“residential rates” means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

“restricted cash” means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

“unrestricted cash” means all cash and cash equivalents other than restricted cash.

## Other Information

### For the year ended 30 June 2018

#### asis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 25 June 2019 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.



# Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.



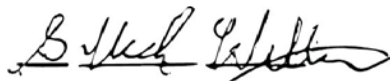
*Upul Sathurusinghe*  
**Principal Accounting Officer**  
Date: 17th September 2019  
*Euroa, Victoria*

In our opinion, the accompanying performance statement of the Shire of Strathbogie for the year ended 30 June 2019 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.  
The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.  
We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.



*Amanda McClaren*  
**Councillor**  
Date: 17th September 2019  
*Euroa, Victoria*



*Graeme Williams*  
**Councillor**  
Date: 17th September 2019  
*Euroa, Victoria*



*Phil Howard*  
**Acting Chief Executive Officer**  
Date: 17th September 2019  
*Euroa, Victoria*

# Independent Auditor's Report

## *To the Councillors of Strathbogie Shire Council*

<p><b>Opinion</b></p>	<p>I have audited the accompanying performance statement of Strathbogie Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• description of municipality for the year ended 30 June 2019</li> <li>• sustainable capacity indicators for the year ended 30 June 2019</li> <li>• service performance indicators for the year ended 30 June 2019</li> <li>• financial performance indicators for the year ended 30 June 2019</li> <li>• other information for the year ended 30 June 2019 (basis of preparation)</li> <li>• certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2019, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
<p><b>Basis for Opinion</b></p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Performance Statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<p><b>Councillors' responsibilities for the performance statement</b></p>	<p>The Councillors of the council are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
<p><b>Auditor's responsibilities for the audit of the performance statement</b></p>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance</p>

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Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether the performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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MELBOURNE  
25 September 2019

  
Jonathan Kyvelidis  
*as delegate for the Auditor-General of Victoria*



# ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2019



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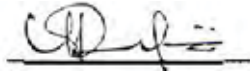
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## Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, the Australian Accounting Standards and other mandatory professional reporting requirements.



*Upul Sathurusinghe CPA*  
**Principal Accounting Officer**

Date : 17 September 2019  
*Euroa*

In our opinion the accompanying financial statements present fairly the financial transactions of Strathbogie Shire Council for the year ended 30 June 2019 and the financial position of the Council as at that date.

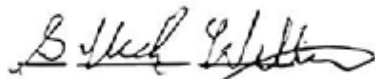
As at the date of signing, we are not aware of any circumstances that would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.



*Amanda McClaren*  
**Councillor**

Date : 17 September 2019  
*Euroa*



*Graeme (Mick) Williams*  
**Councillor**

Date : 17 September 2019  
*Euroa*



*Phil Howard*  
**Acting Chief Executive Officer**

Date : 17 September 2019  
*Euroa*

# Independent Auditor's Report

## To the Councillors of Strathbogie Shire Council

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<b>Opinion</b>	<p>I have audited the financial report of Strathbogie Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2019</li><li>• comprehensive income statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• statement of cash flows for the year then ended</li><li>• statement of capital works for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• certification of the financial statements.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2019 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the financial report</b>	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

---

MELBOURNE  
25 September 2019



Jonathan Kyvelidis

*as delegate for the Auditor-General of Victoria*

## Comprehensive Income Statement For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
<b>Income</b>			
Rates and charges	3.1	19,077,636	18,525,521
Statutory fees and fines	3.2	537,718	537,871
User fees	3.3	802,550	683,933
Grants - operating	3.4	6,587,782	5,764,534
Grants - capital	3.4	6,129,548	4,499,780
Contributions - monetary	3.5	386,742	375,105
Contributions - non monetary	3.5	748,380	1,285,840
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	72,133	97,362
Other income	3.7	711,670	778,324
<b>Total income</b>		<u>35,054,159</u>	<u>32,548,270</u>
<b>Expenses</b>			
Employee costs	4.1	(10,455,706)	(9,095,532)
Materials and services	4.2	(11,398,828)	(12,102,109)
Depreciation and amortisation	4.3	(5,929,723)	(5,802,643)
Borrowing costs	4.5	(36,015)	(54,019)
Share of net profits (or loss) of associates and joint ventures	6.3	(17,555)	(8,514)
Other expenses	4.6	(817,424)	(4,629,091)
<b>Total expenses</b>		<u>(28,655,251)</u>	<u>(31,691,908)</u>
<b>Surplus for the year</b>		<u>6,398,908</u>	<u>856,363</u>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation	6.2	(2,655,794)	(3,370,958)
<b>Total comprehensive result</b>		<u>3,743,114</u>	<u>(2,514,595)</u>

The above comprehensive income statement should be read in conjunction with the accompanying notes.

## Balance Sheet As at 30 June 2019

	Note	2019	2018
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	10,616,477	14,077,793
Trade and other receivables	5.1	3,532,818	2,185,052
Non-current assets classified as held for sale	6.1	273,000	718,400
Other assets	5.2	1,538,959	511,059
<b>Total current assets</b>		<u>15,961,254</u>	<u>17,492,303</u>
<b>Non-current assets</b>			
Trade and other receivables	5.1	83,325	48,771
Other financial assets	5.1	2,032	2,032
Investments in associates, joint arrangements and subsidiaries	6.3	218,432	235,987
Property, infrastructure, plant and equipment	6.2	292,152,621	286,718,423
<b>Total non-current assets</b>		<u>292,456,410</u>	<u>287,005,213</u>
<b>Total assets</b>		<u>308,417,664</u>	<u>304,497,516</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	3,089,020	2,806,578
Trust funds and deposits	5.3	685,487	893,656
Provisions	5.5	3,511,174	2,338,305
Interest-bearing liabilities	5.4	136,373	185,720
<b>Total current liabilities</b>		<u>7,422,054</u>	<u>6,224,259</u>
<b>Non-current liabilities</b>			
Trust Funds and deposits		64,203	64,203
Provisions	5.5	4,812,215	5,696,602
Interest-bearing liabilities	5.4	368,541	504,914
<b>Total non-current liabilities</b>		<u>5,244,959</u>	<u>6,265,718</u>
<b>Total liabilities</b>		<u>12,667,013</u>	<u>12,489,978</u>
<b>Net assets</b>		<u>295,750,651</u>	<u>292,007,538</u>
<b>Equity</b>			
Accumulated surplus		93,389,208	86,990,300
Reserves	9.1	202,361,443	205,017,238
<b>Total Equity</b>		<u>295,750,651</u>	<u>292,007,538</u>

The above balance sheet should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity For the Year Ended 30 June 2019

2019	Note	Total \$	Accumulated Surplus \$	Revaluation Reserve \$	Other Reserves \$
Balance at beginning of the financial year		292,007,536	86,990,300	204,158,278	858,958
Surplus/(deficit) for the year		6,398,908	6,398,908	-	-
Net asset revaluation increment/(decrement)	6.2	(2,655,794)	-	(2,655,794)	-
<b>Balance at end of the financial year</b>		<b>295,750,650</b>	<b>93,389,208</b>	<b>201,502,484</b>	<b>858,958</b>

2018		Total \$	Accumulated Surplus \$	Revaluation Reserve \$	Other Reserves \$
Balance at beginning of the financial year		294,531,425	86,289,937	207,529,238	712,250
Surplus/(deficit) for the year		856,363	856,363	-	-
Net asset revaluation increment/(decrement)	6.2	(3,370,958)	-	(3,370,958)	-
Transfers to other reserves	9.1	(2)	(150,000)	(2)	150,000
Transfers from other reserves	9.1	(9,292)	(6,000)	-	(3,292)
<b>Balance at end of the financial year</b>		<b>292,007,536</b>	<b>86,990,300</b>	<b>204,158,278</b>	<b>858,958</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.



Statement of Cash Flows  
For the Year Ended 30 June 2019

	Note	2019 Inflows/ (Outflows) \$	2018 Inflows/ (Outflows) \$
<b>Cash flows from operating activities</b>			
Rates and charges		18,789,132	18,496,088
Statutory fees and fines		537,718	463,093
User fees		802,550	683,723
Grants - operating		4,434,221	6,793,808
Grants - capital		6,109,464	3,234,111
Contributions - monetary		370,242	375,105
Interest received		228,732	282,507
Dividends received		586	-
Trust funds and deposits taken		1,863,597	1,867,187
Other receipts		168,489	441,479
Net GST refund/payment		2,355,628	1,977,509
Employee costs		(10,167,224)	(9,073,531)
Materials and services		(13,211,326)	(14,628,715)
Trust funds and deposits repaid		(1,949,546)	(1,325,253)
Other payments		(366,032)	(301,654)
<b>Net cash provided by operating activities</b>		<b>9,966,232</b>	<b>9,285,457</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.2	(13,789,970)	(10,189,917)
Proceeds from sale of property, infrastructure, plant and equipment		584,157	1,105,718
Reclassification of financial assets as cash		-	2,200,000
<b>Net cash provided by/(used in) investing activities</b>		<b>(13,205,813)</b>	<b>(6,884,199)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(36,015)	(54,019)
Repayment of borrowings		(185,720)	(511,551)
<b>Net cash provided by/(used in) financing activities</b>		<b>(221,735)</b>	<b>(565,570)</b>
Net increase (decrease) in cash and cash equivalents		(3,461,316)	1,835,688
Cash and cash equivalents at the beginning of the financial year		14,077,793	12,242,105
<b>Cash and cash equivalents at the end of the financial year</b>		<b>10,616,477</b>	<b>14,077,793</b>
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

The above statement of cash flows should be read in conjunction with the accompanying notes.

Statement of Capital Works  
For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
<b>Property</b>			
Land		-	-
Buildings		1,003,441	707,899
<b>Total property</b>		<u>1,003,441</u>	<u>707,899</u>
<b>Plant and equipment</b>			
Plant, machinery and equipment		659,068	464,281
Fixtures, fittings and furniture		214,849	155,205
<b>Total plant and equipment</b>		<u>873,917</u>	<u>619,486</u>
<b>Infrastructure</b>			
Roads		8,375,415	5,007,585
Bridges and culverts		1,852,102	2,461,137
Footpaths and cycleways		133,716	311,939
Drainage		747,652	808,337
Parks, open space and streetscapes		803,727	273,533
<b>Total infrastructure</b>		<u>11,912,612</u>	<u>8,862,531</u>
<b>Total capital works expenditure</b>		<u>13,789,970</u>	<u>9,482,017</u>
<b>Represented by:</b>			
New asset expenditure		2,242,729	660,388
Asset renewal expenditure		8,725,654	8,580,986
Asset expansion expenditure		37,856	230,644
Asset upgrade expenditure		2,783,731	717,899
<b>Total capital works expenditure</b>		<u>13,789,970</u>	<u>10,189,917</u>

The above statement of capital works should be read in conjunction with the accompanying notes.

## OVERVIEW

### Introduction

The Strathbogrie Shire Council was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate.

The Council's main office is located at the corner of Binney and Bury Streets, Euroa, Victoria 3666.

### Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, and the Local Government (Planning and Reporting) Regulations 2014.

### Significant accounting policies

#### (a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- other areas requiring judgements

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$100,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 26 June 2018. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

1.1 Income and expenditure

	Budget 2019 \$	Actual 2019 \$	Variance 2019 \$	Variance %	Ref
<b>Income</b>					
Rates and charges	19,093,000	19,077,636	(15,364)	0%	
Statutory fees and fines	429,000	537,718	108,718	25%	1
User fees	818,000	802,550	(15,450)	-2%	
Grants - operating	3,255,000	6,587,782	3,332,782	102%	2
Grants - capital	2,773,000	6,129,548	3,356,548	121%	3
Contributions - monetary	270,000	386,742	116,742	43%	4
Contributions - non monetary	-	748,380	748,380	0%	5
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(500,000)	72,133	572,133	-114%	6
Other income	845,000	711,670	(133,330)	-16%	7
<b>Total income</b>	<b>26,983,000</b>	<b>35,054,159</b>	<b>(8,071,159)</b>	<b>-30%</b>	
<b>Expenses</b>					
Employee costs	(9,455,000)	(10,455,706)	1,000,706	-11%	8
Materials and services	(12,158,000)	(11,398,828)	(759,172)	6%	9
Depreciation and amortisation	(5,301,000)	(5,929,723)	628,723	-12%	10
Borrowing costs	(35,000)	(36,015)	1,015	-3%	
Share of net profits/(losses) of associates and joint ventures	-	(17,555)	17,555	0%	
Other expenses	(295,000)	(817,424)	522,424	-177%	11
<b>Total expenses</b>	<b>(27,244,000)</b>	<b>(28,655,251)</b>	<b>1,411,251</b>	<b>-5%</b>	
<b>Surplus/(deficit) for the year</b>	<b>(261,000)</b>	<b>6,398,908</b>	<b>(6,659,908)</b>	<b>2552%</b>	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory fees and fines	Increased building fees (\$26K), planning fees (\$41K), animal registrations (\$14K), fire prevention notices (\$24K)
2	Grants - operating	VGC early payment of 2019/20 instalment (\$2,914K). Unbudgeted grants Maternal & Child Health (\$54K), Commonwealth access roads (\$42K), centralised valuations (\$30K), freedom from violence project (\$70K), Southern Aurora memorial (\$100K), environmental projects (\$32K)
3	Grants - capital	Unbudgeted grant for flood event December 2017 (\$3,880K), budgeted grant Nagambie Locksley Rd received 2017/18 (\$140K), grants partially received, balance 2018/19 (\$261K), grants budgeted 2018/19 not received (\$1.01M), unbudgeted grants received 2018/19 (\$864K)
4	Contributions - monetary	Unbudgeted developer contributions (\$42K), other unbudgeted project contributions (\$75K)
5	Contributions - non monetary	Unbudgeted non-monetary contributions and assets identified for first time per Note 6.2 (\$748K)
6	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Budget recognises WDV on assets replaced as asset disposal, now required to be included as other expenses (Budget \$500K, Actual \$451K), unbudgeted surplus on disposal (\$71K)
7	Other income	Shared services project discontinued - budgeted income not received (\$103K), recycling revenue discontinued (\$79K), unbudgeted trust funds reallocation to revenue (\$98K), increased interest revenues (\$40K), decreased WorkCover/ income protection claims reimbursement (\$96K), fire prevention notice process reviewed - reduced revenue \$38K
8	Employee costs	Discount rate impact on employee provisions - see note 5.5 (\$163K), transfer of contractors to employees (\$373K), redundancies \$86K), increased - superannuation costs (\$93K) income protection (\$50K) FBT (\$36K), additional labour costs MYR offset by grant revenue (\$55K)
9	Materials and services	Transfer of contractors to employees (\$373), savings - shared services (\$127K), waste management (\$189K), advertising (\$55K), IT/communications (\$78K), community expenses (\$48K), staff training (\$69K), increased costs plant operating (\$162K)
10	Depreciation and amortisation	2018/19 Budget under-estimated (cf actual 2017/18 (\$5.80M), revaluation impacts
11	Other expenses	Budget recognises WDV on assets replaced as asset disposal, now required to be included as other expenses (Budget \$500K, Actual \$451K), increased audit costs (\$49K)

Note 1 Performance against budget (cont'd)

1.2 Capital works

	Budget 2019 \$	Actual 2019 \$	Variance 2019 \$	Variance 2019 %	Ref
<b>Property</b>					
Buildings	2,227,000	1,003,441	(1,223,559)	-55%	1
<b>Total buildings</b>	<b>2,227,000</b>	<b>1,003,441</b>	<b>(1,223,559)</b>	<b>-55%</b>	
<b>Total property</b>	<b>2,227,000</b>	<b>1,003,441</b>	<b>(1,223,559)</b>	<b>-55%</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,066,000	659,068	(406,932)	-38%	2
Fixtures, fittings and furniture	545,000	214,849	(330,151)	-61%	3
<b>Total plant and equipment</b>	<b>1,611,000</b>	<b>873,917</b>	<b>(737,083)</b>	<b>-46%</b>	
<b>Infrastructure</b>					
Roads	6,050,000	8,375,415	2,325,415	38%	4
Bridges	2,122,000	1,852,102	(269,898)	-13%	5
Footpaths and cycleways	427,000	133,716	(293,284)	-69%	6
Drainage	1,750,000	747,652	(1,002,348)	-57%	7
Parks, open space and streetscapes	1,252,000	803,727	(448,273)	-36%	8
<b>Total infrastructure</b>	<b>11,601,000</b>	<b>11,912,612</b>	<b>311,612</b>	<b>3%</b>	
<b>Total capital works expenditure</b>	<b>15,439,000</b>	<b>13,789,970</b>	<b>(1,649,030)</b>	<b>-11%</b>	
<b>Represented by:</b>					
New asset expenditure	2,949,000	2,242,729	(706,271)	-24%	
Asset renewal expenditure	8,668,000	8,725,654	57,654	1%	
Asset expansion expenditure	725,000	37,856	(687,144)	-95%	
Asset upgrade expenditure	3,097,000	2,783,731	(313,269)	-10%	
<b>Total capital works expenditure</b>	<b>15,439,000</b>	<b>13,789,970</b>	<b>(1,649,030)</b>	<b>-11%</b>	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Buildings	Carried forward to 2019/20 (\$1.09M), balance of Avenel pre school project (\$147)
2	Plant, machinery and equipment	Plant replacement unexpended (\$294K), motor vehicle replacement unexpended (\$113K)
3	Fixtures, fittings and furniture	Carried forward to 2019/20 (\$190K), projects unexpended (\$143K)
4	Roads	Carried forward to 2019/20 (\$300K), unbudgeted works flood event December 2017 (\$3.35M), zero class roads upgrade project unexpended (\$232K), savings - reseal program (\$338K), rehabilitation (\$262K)
5	Bridges	Carried forward to 2019/20 (\$310K)
6	Footpaths and cycleways	Carried forward to 2019/20 (\$220K), not expended Balmattum Hill (\$20K) Walking Track Program (\$30K), Pedestrian Bridge Design (\$10K)
7	Drainage	Carried forward to 2019/20 (\$391K), not expended - Nagambie Industrial Estate (\$555K), Violet Town Murray Street drain (\$100K)
8	Parks, open space and streetscapes	Carried forward to 2019/20 (\$237K), Southern Aurora Memorial transferred to operating (\$50K), unexpended Euroa Caravan Park tree replacement (\$115K)

Note 2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2 (a) **Executive and Corporate**

Executive and Corporate services provides effective governance, policy development, strategic and financial management of the organisation. Service areas include governance, executive services, regulatory services, local laws, financial management and emergency management.

**Community Wellbeing**

Community Wellbeing provides high quality community focused programs. Service areas include maternal and child health, youth, seniors, community grants, arts and culture, tourism and economic development programs.

**Innovation and Performance**

Innovation and Performance includes strategic and statutory land use planning, organisation performance (human resources), community relations and information management.

**Community Assets**

Community Assets is responsible for constructing new infrastructure and maintaining existing infrastructure across a diverse range of assets that underpin the wellbeing of the community. Service areas include capital works, infrastructure maintenance, engineering services, environment and waste, parks and gardens, swimming pools and saleyards.

Note 2.1 Analysis of Council results by program

2.1 (b) Summary of revenues, expenses, assets and capital expenses by program

	Income	Expenses	Surplus / (Deficit)	Grants included in income	Total assets
	\$	\$	\$	\$	\$
<b>2019</b>					
Executive and Corporate	17,776,706	6,546,358	11,230,348	3,597,264	16,980,459
Community Wellbeing	517,256	827,417	(310,161)	419,535	-
Innovation and Performance	552,670	4,061,966	(3,509,296)	77,691	-
Community Assets	12,695,209	13,707,191	(1,011,982)	8,622,840	291,437,205
	<b>31,541,841</b>	<b>25,142,932</b>	<b>6,398,909</b>	<b>12,717,330</b>	<b>308,417,664</b>
	Income	Expenses	Surplus / (Deficit)	Grants included in income	Total assets
	\$	\$	\$	\$	\$
<b>2018</b>					
Executive and Corporate	20,249,982	3,373,379	16,876,603	3,323,519	18,401,326
Community Wellbeing	491,936	1,743,282	(1,251,347)	334,331	-
Innovation and Performance	464,262	4,367,345	(3,903,083)	-	-
Community Assets	11,342,090	22,207,901	(10,865,811)	6,606,464	286,096,191
	<b>32,548,270</b>	<b>31,691,907</b>	<b>856,363</b>	<b>10,264,314</b>	<b>304,497,516</b>



Note 3 Funding for the delivery of our services	2019	2018
3.1 Rates and charges	\$	\$

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the valuation of the land and all improvements on the land.

The valuation base used to calculate general rates for 2018/19 was \$3.270 million (2017/18 \$2.837 million).

General rates	14,679,052	14,339,771
Municipal charge	1,808,780	1,785,711
Waste management charge	2,542,519	2,402,955
Special rates and charges	47,285	(2,917)
<b>Total rates and charges</b>	<b>19,077,636</b>	<b>18,525,520</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 01 January 2019, and the valuation will be first applied in the rating year commencing 01 July 2019.

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

### 3.2 Statutory fees and fines

Building fees	80,310	56,219
Planning fees	248,395	234,279
Health registrations	69,792	70,483
Animal registrations	96,529	81,122
Land information certificates	18,204	20,889
Boating infringements	-	543
Fire Prevention Notice Infringements	24,488	74,336
<b>Total statutory fees and fines</b>	<b>537,718</b>	<b>537,871</b>

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

### 3.3 User fees

Tip fees	122,972	130,561
Nagambie Lakes events	35,239	12,723
Saleyard operations revenue	293,117	244,958
Swimming pools revenue	23,432	5,529
Rent/lease Charges	90,573	40,072
Private works	-	1,180
Euroa Cinema	72,131	63,750
Debt collection expenses recovered	-	62,656
Septic tank fees	14,101	18,951
Other user charges and contributions	150,985	103,553
<b>Total user fees</b>	<b>802,550</b>	<b>683,933</b>

User fees are recognised as revenue when the service has been provided or council has otherwise earned the income.

### 3.4 Funding from other levels of government

Grants were received in respect of the following :

#### Summary of grants

Commonwealth funded grants	6,640,613	7,404,930
State funded grants	6,076,716	2,859,383
<b>Total grants received</b>	<b>12,717,329</b>	<b>10,264,313</b>

	2019	2018
	\$	\$
(a) Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Financial Assistance Grants	5,717,136	5,191,999
Senior Citizens Grants	2,600	20,086
<i>Recurrent - State Government</i>		
Maternal & child health	164,940	128,561
Community safety	40,146	34,041
Youth	91,667	55,000
Median Strip Subsidy	-	7,000
Pests and Plants Program	58,364	53,364
Municipal Emergency Resource Programme	60,000	60,000
Engage Youth	-	18,333
Supported Playgroup	75,387	41,250
Recycling	-	13,800
Vulnerable Persons Register	17,691	-
<b>Total recurrent operating grants</b>	<b>6,227,931</b>	<b>5,664,534</b>
<i>Non-recurrent - State Government</i>		
Revaluation Assistance	29,927	-
LGA Small Scale Infrastructure Grant	12,455	-
Recreation-Non Capital	15,000	90,000
Southern Aurora Commemoration	150,000	-
Recycling - Non-recurrent	11,140	-
Local Government Energy Saver Grants - Operating	23,908	-
Free From Violence Project	69,941	-
Carbon Crunching Grant	32,480	-
Vic Health Walk To School	15,000	10,000
<b>Total non-recurrent operating grants</b>	<b>359,851</b>	<b>100,000</b>
<b>Total operating grants</b>	<b>6,587,782</b>	<b>5,764,534</b>
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	920,877	2,151,745
<b>Total recurrent capital grants</b>	<b>920,877</b>	<b>2,151,745</b>
<i>Non-recurrent - State Government</i>		
Local Government Energy Saver Grants - Capital	50,000	-
Roads and Bridges	550,000	609,000
Buildings	103,834	222,270
Recreation	403,700	221,096
Footpaths	-	20,000
Euroa Flood Levee	-	10,000
Pick My Project	81,409	-
Water Management	32,000	-
Other Flood Recovery Grants	123,084	-
Flood Event 12/2017-Capital	3,864,644	1,265,668
<b>Total non-recurrent capital grants</b>	<b>5,208,671</b>	<b>2,348,034</b>
<b>Total capital grants</b>	<b>6,129,548</b>	<b>4,499,779</b>
(c) Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	399,696	-
Received during the financial year and remained unspent at balance date	30,000	399,696
Received in prior years and spent during the financial year	399,696	-
Balance at year end	<b>30,000</b>	<b>399,696</b>

Grant income is recognised when Council obtains control of the contribution. Control is normally obtained upon receipt (or acquittal).

	2019	2018
	\$	\$
<b>3.5 Contributions</b>		
Monetary	386,742	375,105
Non-monetary	748,380	1,285,840
<b>Total contributions</b>	<b>1,135,122</b>	<b>1,660,945</b>

*Contributions of non monetary assets were received in relation to the following asset classes.*

Roads	174,189	223,935
Bridges	41,513	
Land under roads	30,600	108,266
Footpaths	97,940	230,600
Kerb & channel	-	98,580
Drainage	383,388	624,459
Other	20,750	-
<b>Total non-monetary contributions</b>	<b>748,380</b>	<b>1,285,840</b>

Monetary and non monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

### 3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

Proceeds of sale	584,157	1,105,718
Written down value of assets disposed	(512,024)	(1,008,356)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>72,133</b>	<b>97,362</b>

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

### 3.7 Other income

Interest	232,886	282,507
Interest on rates	112,078	95,685
Diesel rebate	65,830	60,158
Insurance recoveries	92,829	122,756
Regional Shared Services	-	100,000
Parental Leave Reimbursement	10,071	31,945
Green Organics	-	74,713
Other	197,976	10,560
<b>Total other income</b>	<b>711,670</b>	<b>778,324</b>

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

## Note 4 The cost of delivering services

### 4.1 (a) Employee costs

Wages and salaries	9,086,602	7,943,310
WorkCover	203,259	165,915
Superannuation	815,758	722,884
Fringe benefits tax	175,489	139,189
Other	174,598	124,234
<b>Total employee costs</b>	<b>10,455,706</b>	<b>9,095,532</b>

	2019	2018
	\$	\$
<b>(b) Superannuation</b>		
Council made contributions to the following funds:		
<b>Defined benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	74,084	71,993
Employer contributions - other funds	-	-
	<u>74,084</u>	<u>71,993</u>
Employer contributions payable at reporting date.	-	-
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	377,456	376,892
Employer contributions - other funds	354,787	261,014
	<u>732,243</u>	<u>637,906</u>
Employer contributions payable at reporting date.	9,431	12,985

Refer to note 9.3 for further information relating to Council's superannuation obligations.

#### 4.2 Materials and services

Building maintenance	231,825	605,828
General maintenance	4,585,895	4,982,940
Utilities	383,019	415,617
Office administration	1,591,500	1,482,799
Information technology	627,637	558,640
Insurance	356,410	345,687
Consultants	1,355,922	1,493,042
Legal fees	122,530	183,219
Waste Management	2,144,090	2,034,337
<b>Total materials and services</b>	<u>11,398,828</u>	<u>12,102,109</u>

#### 4.3 Depreciation and amortisation

Property	987,595	853,471
Plant and equipment	496,287	500,928
Furniture and Equipment	199,703	193,104
Infrastructure	4,246,138	4,255,141
<b>Total depreciation</b>	<u>5,929,723</u>	<u>5,802,644</u>
Intangible assets	-	-
<b>Total depreciation and amortisation</b>	<u>5,929,723</u>	<u>5,802,644</u>

Refer to note 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

#### 4.4 Bad and doubtful debts

##### Movement in provisions for doubtful debts

Balance at the beginning of the year	7,025	7,025
Balance at end of year	<u>7,025</u>	<u>7,025</u>

Provision for doubtful debt is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

	2019	2018
	\$	\$
<b>4.5 Borrowing costs</b>		
Interest - Borrowings	36,015	54,019
Less capitalised borrowing costs on qualifying assets	-	-
<b>Total borrowing costs</b>	<u>36,015</u>	<u>54,019</u>

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

#### 4.6 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	35,000	44,900
Auditors' remuneration - Internal	88,857	41,630
Councillors' allowances	201,423	180,341
Other Councillor expenses	40,753	28,595
WDV of Infrastructure Assets Renewed	451,392	615,521
Violet Town Landfill Provision	-	3,718,104
<b>Total other expenses</b>	<u>817,425</u>	<u>4,629,091</u>

#### Note 5 Our financial position

##### 5.1 Financial assets

###### (a) Cash and cash equivalents

	2019	2018
	\$	\$
Cash on hand	2,770	4,563
Cash at bank	2,408,995	1,873,230
Term deposits	8,204,712	12,200,000
<b>Total cash and cash equivalents</b>	<u>10,616,477</u>	<u>14,077,793</u>

###### (b) Other financial assets

Share in MAV Purchasing Scheme	2,032	2,032
<b>Total other financial assets</b>	<u>2,032</u>	<u>2,032</u>
<b>Total financial assets</b>	<u>10,618,509</u>	<u>14,079,825</u>

Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

- Trust funds and deposits (Note 5.3)	749,690	893,656
<b>Total restricted funds</b>	<u>749,690</u>	<u>893,656</u>
<b>Total unrestricted cash and cash equivalents</b>	<u>9,866,787</u>	<u>13,184,137</u>

#### Intended allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

- cash held to fund carried forward capital works	2,933,000	4,521,000
- Open space reserve	108,958	108,958
- Bridge replacement reserve	750,000	750,000
<b>Total funds subject to intended allocations</b>	<u>3,791,958</u>	<u>5,379,958</u>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

	2019	2018
	\$	\$
(c) Trade and other receivables		
<b>Current</b>		
<i>Statutory receivables</i>		
Rates debtors	1,433,595	1,173,549
Special rate assessment	-	6,096
Net GST Receivable	344,459	346,385
<i>Non statutory receivables</i>		
Other debtors	1,761,789	666,047
Provision for doubtful debts - other debtors	<u>(7,025)</u>	<u>(7,025)</u>
Total current trade and other receivables	<u>3,532,818</u>	<u>2,185,052</u>
<b>Non-current</b>		
<i>Statutory receivables</i>		
Special rate scheme	<u>83,325</u>	<u>48,771</u>
Total non-current trade and other receivables	<u>83,325</u>	<u>48,771</u>
<b>Total trade and other receivables</b>	<u>3,616,143</u>	<u>2,233,823</u>

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

**(d) Ageing of Receivables**

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	887,792	524,638
Past due by up to 30 days	25,555	17,366
Past due between 31 and 180 days	424,156	124,043
Past due between 181 and 365 days	352,557	-
Past due by more than 1 year	<u>71,729</u>	<u>-</u>
Total trade and other receivables	<u>1,761,789</u>	<u>666,047</u>

5.2 Non-financial assets	2019	2018
	\$	\$
<b>Other assets</b>		
Prepayments	239,106	330,874
Accrued income	1,286,045	173,969
Inventories	13,808	6,216
<b>Total other assets</b>	<b>1,538,959</b>	<b>511,059</b>
<b>5.3 Payables</b>		
<b>(a) Trade and other payables</b>		
Trade payables	2,971,586	2,523,289
Accrued expenses	117,434	283,288
<b>Total trade and other payables</b>	<b>3,089,020</b>	<b>2,806,577</b>
<b>(b) Trust funds and deposits</b>		
<b>Current</b>		
Refundable deposits	-	10,650
Fire services levy	352,952	444,231
Retention amounts	178,103	191,650
Other refundable deposits	154,432	247,125
<b>Total Current trust funds and deposits</b>	<b>685,487</b>	<b>893,656</b>
<b>Non-current</b>		
Trust funds bequested	64,203	64,203
<b>Total Non-Current trust funds and deposits</b>	<b>64,203</b>	<b>64,203</b>
<b>Total trust funds and deposits</b>	<b>749,690</b>	<b>957,859</b>

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

***Purpose and nature of items***

Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

5.4 Interest-bearing liabilities	2019	2018
	\$	\$
<b>Current</b>		
Bank overdraft	-	-
Borrowings - secured	136,373	185,720
Finance leases	-	-
	<u>136,373</u>	<u>185,720</u>
<b>Non-current</b>		
Borrowings - secured	368,541	504,914
Finance leases	-	-
	<u>368,541</u>	<u>504,914</u>
<b>Total</b>	<u>504,914</u>	<u>690,634</u>

Borrowings are secured by (insert security details)

(a) The maturity profile for Council's borrowings is:

Not later than one year	136,373	185,720
Later than one year and not later than five years	368,541	504,914
Later than five years	-	-
	<u>504,914</u>	<u>690,634</u>

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

#### 5.5 Provisions

	Employee	Landfill restoration	Total
	\$	\$	\$
<b>2019</b>			
Balance at beginning of the financial year	2,538,065	5,496,841	8,034,906
Additional provisions	1,065,143	257,281	1,322,424
Amounts used	(1,020,109)	-	(1,020,109)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	163,091	(176,924)	(13,833)
Balance at the end of the financial year	<u>2,746,190</u>	<u>5,577,198</u>	<u>8,323,388</u>
<b>2018</b>			
Balance at beginning of the financial year	2,544,253	1,778,738	4,322,991
Additional provisions	711,861	3,718,103	4,429,964
Amounts used	(721,389)	-	(721,389)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	3,340	-	3,340
Balance at the end of the financial year	<u>2,538,065</u>	<u>5,496,841</u>	<u>8,034,906</u>



	2019	2018
(a) Employee provisions	\$	\$
Current provisions expected to be wholly settled within 12 months		
Annual leave	609,053	589,217
Long service leave	385,973	132,171
Other	31,444	31,444
	<u>1,026,470</u>	<u>752,832</u>
Current provisions expected to be wholly settled after 12 months		
Annual leave	432,896	398,787
Long service leave	1,051,808	1,186,687
	<u>1,484,704</u>	<u>1,585,474</u>
Total current employee provisions	<u>2,511,174</u>	<u>2,338,305</u>
Non-current		
Long service leave	235,016	199,760
Total non-current employee provisions	<u>235,016</u>	<u>199,760</u>
Aggregate carrying amount of employee provisions:		
Current	2,511,174	2,338,305
Non-current	235,016	199,760
Total aggregate carrying amount of employee provisions	<u>2,746,190</u>	<u>2,538,066</u>

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

***Wages and salaries and annual leave***

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

***Long service leave***

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability.

**Key assumptions:**

- discount rate - weighted average	1.16%	2.32%
- index rate	2.00%	2.15%

**(b) Landfill restoration**

Current	1,000,000	-
Non-current	4,577,199	5,496,842
	<u>5,577,199</u>	<u>5,496,842</u>

Council is obligated to restore [landfill] site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

**Key assumptions:**

- discount rate	1.15%	2.32%
- index rate	2.25%	3.00%

### 5.6 Financing arrangements

	2019	2018
The Council has the following funding arrangements in place as at 30 June 2019.	\$	\$
Bank overdraft	2,290,000	1,145,000
Loan facilities	504,914	690,634
Lease facilities	-	500,000
Credit card facilities	100,000	100,000
<b>Total facilities</b>	<b>2,894,914</b>	<b>2,435,634</b>
Used facilities	(517,410)	(784,284)
<b>Unused facilities</b>	<b>1,772,590</b>	<b>1,651,350</b>

### 5.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

2019	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$	\$	\$	\$	\$
<b>Operating</b>					
Open space management	798,378	453,564	-	-	1,251,942
Governance	74,618	101,728	101,728	-	278,074
Human Resources	12,944	14,005	14,005	-	40,954
Finance	26,756	26,756	80,268	-	133,780
<b>Total</b>	<b>912,696</b>	<b>596,053</b>	<b>196,001</b>	<b>-</b>	<b>1,704,750</b>
<b>Capital</b>					
Bridges	216,127	-	-	-	216,127
Roads	21,226	-	-	-	21,226
Total Capital	277,623	-	-	-	277,623
<b>Total</b>	<b>514,976</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>514,976</b>

2018	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$	\$	\$	\$	\$
<b>Operating</b>					
Open space management	455,283	467,404	157,773	-	1,080,460
Planning	120,436	-	-	-	120,436
Governance	273,362	129,613	121,136	-	524,111
Human Resources	12,408	-	-	-	12,408
Flood Damage	6,097,152	-	-	-	6,097,152
<b>Total</b>	<b>6,958,641</b>	<b>597,017</b>	<b>278,909</b>	<b>-</b>	<b>7,834,567</b>
<b>Capital</b>					
Bridges	1,013,954	-	-	-	1,013,954
Roads	476,611	-	-	-	476,611
Plant	984,809	-	-	-	984,809
<b>Total</b>	<b>2,475,374</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,475,374</b>

*Operating lease commitments*

At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):

	2019	2018
	\$	\$
Not later than one year	126,891	140,444
Later than one year and not later than five years	328,406	421,556
Later than five years	-	33,741
	<u>455,297</u>	<u>595,741</u>

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

Note 6 Assets we manage	2019	2018
6.1 Non current assets classified as held for sale	\$	\$
Cost of acquisition	<u>273,000</u>	<u>718,400</u>
<b>Total non current assets classified as held for sale</b>	<u><b>273,000</b></u>	<u><b>718,400</b></u>

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

6.2 Property, infrastructure, plant and equipment

6.2 a Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2018 \$	Additions \$	Contributions \$	Revaluation \$	Depreciation \$	Disposal \$	Write-off \$	Transfers \$	At Fair Value 30 June 2019 \$
Property	74,624,147	292,059	30,600	6,999,775	(987,594)	-	-	18,200	80,977,186
Plant and equipment	2,554,799	873,917	-	-	(695,990)	(67,234)	-	64,734	2,730,225
Infrastructure	205,796,796	10,873,302	717,780	(9,655,569)	(4,246,138)	(451,392)	-	3,493,407	206,528,180
Work in progress	3,742,681	1,750,691	-	-	-	-	-	(3,576,341)	1,917,030
	286,718,423	13,789,970	748,380	(2,655,794)	(5,929,723)	(518,626)	-	-	292,152,621

Summary of Work in Progress

	Opening WIP \$	Additions \$	Write-off \$	Transfers \$	Closing WIP \$
Property	77,153	711,381	-	(18,200)	770,334
Plant and equipment	64,734	-	-	(64,734)	-
Infrastructure	3,600,793	1,039,309	-	(3,493,407)	1,146,696
Total	3,742,680	1,750,691	-	(3,576,341)	1,917,030

Notes to the Financial Report for the  
Year ended 30 June 2019

(a) Property

	Land - specialised	Land - non specialised	Land under roads	Total Land	Buildings - specialised	Buildings - non specialised	Total Buildings	Work In Progress	Total Property
	\$	\$	\$	\$	\$	\$	\$	\$	\$
At fair value 1 July 2018	23,921,862	5,419,567	670,306	30,011,735	70,851,238	3,010,360	73,861,598	771,153	103,950,486
Accumulated depreciation at 1 July 2018	-	-	-	-	(28,253,700)	(995,487)	(29,249,187)	-	(29,249,187)
	23,921,862	5,419,567	670,306	30,011,735	42,597,538	2,014,873	44,612,411	771,153	74,701,299
<b>Movements in fair value</b>									
Additions	-	-	-	-	292,059	-	292,059	711,381	1,003,441
Contributions	-	-	30,600	30,600	-	-	-	-	30,600
Revaluation	2,580,105	530,034	(486,841)	2,623,298	6,950,506	295,316	7,245,823	-	9,869,121
Disposal	-	-	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	18,200	-	18,200	(18,200)	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-
	2,580,105	530,034	(456,241)	2,653,898	7,260,766	295,316	7,556,082	693,181	10,903,161
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	-	-	(987,594)	-	(987,594)	-	(987,594)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	(2,771,688)	(97,657)	(2,869,345)	-	(2,869,345)
Transfers	-	-	-	-	-	-	-	-	-
	-	-	-	-	(3,759,282)	(97,657)	(3,856,940)	-	(3,856,940)
At fair value 30 June 2019	26,501,967	5,949,601	214,065	32,665,633	78,112,004	3,305,676	81,417,680	770,334	114,853,647
Accumulated depreciation at 30 June 2019	-	-	-	-	(32,012,982)	(1,093,144)	(33,106,127)	-	(33,106,127)
	26,501,967	5,949,601	214,065	32,665,633	46,099,021	2,212,532	48,311,553	770,334	81,747,521

(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Work In Progress	Total plant and equipment
	\$	\$	\$	\$	\$
At fair value 1 July 2018	5,719,552	3,339,797	-	64,734	9,124,083
Accumulated depreciation at 1 July 2018	(3,793,201)	(2,711,349)	-	-	(6,504,550)
	<b>1,926,351</b>	<b>628,448</b>	<b>-</b>	<b>64,734</b>	<b>2,619,533</b>
<b>Movements in fair value</b>					
Additions	659,068	214,849	-	-	873,917
Contributions	-	-	-	-	-
Revaluation	-	-	-	-	-
Disposal	(352,616)	-	-	-	(352,616)
Write-off	-	-	-	-	-
Transfers	-	64,734	-	(64,734)	-
Impairment losses recognised in operating result	-	-	-	-	-
	<b>306,452</b>	<b>279,583</b>	<b>-</b>	<b>(64,734)</b>	<b>521,302</b>
<b>Movements in accumulated depreciation</b>					
Depreciation and amortisation	(496,287)	(199,703)	-	-	(695,990)
Accumulated depreciation of disposals	285,381	-	-	-	285,381
Impairment losses recognised in operating result	-	-	-	-	-
Transfers	-	-	-	-	-
	<b>(210,906)</b>	<b>(199,703)</b>	<b>-</b>	<b>-</b>	<b>(410,609)</b>
At fair value 30 June 2019	6,026,004	3,619,380	-	-	9,645,385
Accumulated depreciation at 30 June 2019	(4,004,107)	(2,911,052)	-	-	(6,915,159)
	<b>2,021,897</b>	<b>708,328</b>	<b>-</b>	<b>-</b>	<b>2,730,226</b>

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Kerb and channel	Waste Management	Parks open spaces and streetscapes	Cultural and heritage assets	Work In Progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
At fair value 1 July 2018	186,161,609	74,392,536	4,365,819	14,809,290	6,512,576	-	6,472,913	584,112	3,600,793	296,899,648
Accumulated depreciation at 1 July 2018	(52,066,573)	(24,273,019)	(1,265,448)	(4,110,185)	(2,420,442)	-	(3,366,396)	-	-	(87,502,063)
	134,095,036	50,119,517	3,100,371	10,699,105	4,092,134	-	3,106,517	584,112	3,600,793	209,397,585
<b>Movements in fair value</b>										
Additions	8,367,299	1,470,079	133,716	519,841	85,351	-	297,016	-	1,039,309	11,912,612
Contributions	174,189	-	97,940	301,938	-	-	-	-	-	574,067
Revaluation	(5,146,125)	(6,492,826)	-	-	-	-	-	888	-	(11,638,063)
Disposal	-	(977,221)	(14,400)	-	-	-	-	-	-	(991,621)
Recognised First Time	-	56,090	-	99,110	-	-	-	20,750	-	175,950
Write-off	-	-	-	-	-	-	-	-	-	-
Transfers	3,259,104	43,113	-	152,284	-	-	38,905	-	(3,493,407)	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-
	6,654,466	5,900,765	217,256	1,073,173	85,351	-	335,922	21,638	(2,454,097)	32,945
<b>Movements in accumulated depreciation</b>										
Depreciation and amortisation	(2,892,823)	(705,921)	(89,912)	(149,876)	(108,891)	-	(298,716)	-	-	(4,246,138)
Accumulated depreciation of disposals	-	533,029	7,200	-	-	-	-	-	-	540,229
Revaluation	-	1,982,494	-	-	-	-	-	-	-	1,982,494
Recognised First Time	-	(14,577)	-	(17,660)	-	-	-	-	-	(32,237)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
	(2,892,823)	1,795,025	(82,712)	(167,536)	(108,891)	-	(298,716)	-	-	(1,755,652)
At fair value 30 June 2019	192,816,075	68,491,772	4,583,075	15,882,463	6,597,927	-	6,808,835	605,750	1,146,696	296,932,593
Accumulated depreciation at 30 June 2019	(54,959,396)	(22,477,994)	(1,348,160)	(4,277,721)	(2,529,333)	-	(3,665,112)	-	-	(89,257,715)
	137,856,680	46,013,778	3,234,915	11,604,742	4,068,594	-	3,143,723	605,750	1,146,696	207,674,878

**Acquisition**

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

	Depreciation Period	Threshold Limit \$
<b>Asset recognition thresholds and depreciation periods</b>		
<b>Property</b>		
land	-	10,000
<b>Buildings</b>		
buildings	60 to 100 years	5,000
<b>Plant and Equipment</b>		
plant, machinery and equipment	2 to 20 years	1,000
furniture and equipment	2 to 10 years	1,000
leased plant and equipment	3 to 5 years	5,000
<b>Infrastructure</b>		
road pavements - sealed	40 to 130 years	5,000
road pavements - unsealed	18 to 25 years	5,000
road seals	18 to 40 years	5,000
formation and earthworks	100 years	5,000
bridges deck	50 to 120 years	5,000
bridges substructure	60 to 250 years	5,000
culverts	60 to 250 years	5,000
footpaths	18 to 100 years	5,000
drainage	100 years	5,000
kerb and channel	50 to 100 years	5,000

**Land under roads**

Council recognises land under roads it controls at fair value after 30 June 2008.

**Depreciation and amortisation**

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

**Finance leases**

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. There are no leased assets at balance date.



**Repairs and maintenance**

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

**Leasehold improvements**

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, there are no leasehold improvements.

**Valuation of land and buildings**

Valuation of land and buildings were undertaken by a qualified independent valuer (Alistair Mann of LG Valuation Services for Land and John Dixon, of FG Dixon Group for Buildings). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date of the current valuation is detailed in the following table. An indexed based revaluation was conducted in the current year, this valuation was based on an increase in the Land Index of 9.78% and an increase in the Building Price Index of 9.81% since the last full valuation. A full revaluation of these assets will be conducted in 2019/20.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2019 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Land	-	5,950	-	Jun-18
Specialised land	-	-	26,502	Jun-18
Land under roads	-	-	214	Jun-18
Buildings	-	2,213	46,099	Jun-18
<b>Total</b>	-	<b>8,162</b>	<b>72,815</b>	

**Valuation of infrastructure**

The valuation is at fair value as at 30 June 2018 plus all 2018-19 additions at cost and is based on replacement cost less accumulated depreciation as at the date of valuation. The base valuation of infrastructure assets conducted at 30 June 2018 was made by Uwe Paffarth, Certified Municipal Engineer.

The Parks, open space and streetscapes assets category are all valued at cost as at 30 June 2019 (\$3,143,720) and are excluded from the following fair value table.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2019 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Roads	-	-	137,857	Jun-18
Bridges	-	-	46,014	Jun-18
Footpaths and cycleways	-	-	3,235	Jun-18
Drainage	-	-	11,605	Jun-18
Kerb & channel	-	-	4,069	Jun-18
Other infrastructure	-	-	606	Jun-18
<b>Total</b>	-	-	<b>203,384</b>	

*Description of significant unobservable inputs into level 3 valuations*

*Specialised land and land under roads* is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 85% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.48 and \$565 per square metre.

*Specialised buildings* are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$200 to \$7,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 20 years to 120 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

*Infrastructure assets* are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 18 years to 120 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

The Road asset class was subject to a revaluation decrement of of \$5.146M due to the write of impairment caused by a Dec 2017 flood event and the Bridge asset class was subject to a revaluation decrement of \$6.5M due to a reduction in standard unit rate for that asset class.

	2019	2018
	\$	\$
Reconciliation of specialised land		
Parks and reserves	19,287,996	17,650,764
Waste management	937,303	853,801
Civic centres	2,448,870	2,230,707
Council depts	1,003,443	613,849
Caravan parks	2,086,281	1,900,420
Pre schools	399,599	364,000
Saleyards	338,475	308,321
<b>Total specialised land</b>	<b>26,501,967</b>	<b>23,921,862</b>

	2019	2018
6.3 Investments in associates, joint arrangements and subsidiaries	\$	\$

**(a) Investments in associates**

Investments in associates accounted for by the equity method are:

- Goulburn Valley Regional Library Corporation	218,432	235,987
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The Goulburn Valley Regional Library Corporation was formed under the provisions of section 196 of the Local Government Act 1989 on 15/09/2009 to provide library services within the local government area of Strathbogrie Shire, Moira Shire and City of Greater Shepparton. Council holds 9.89% (2017/18 9.89%) of equity in the Corporation. Council has two directors on the board of nine. Council has the ability to influence rather than control its operations.

Fair value of Council's investment in Goulburn Valley Library Corporation	<u>218,432</u>	<u>235,987</u>
<b>Council's share of accumulated surplus/(deficit)</b>		
Council's share of accumulated surplus/(deficit) at start of year	235,987	244,501
Reported surplus/(deficit) for year	<u>(17,555)</u>	<u>(8,514)</u>
Council's share of accumulated surplus/(deficit) at end of year	<u>218,432</u>	<u>235,987</u>
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	235,987	244,501
Share of surplus/(deficit) for year	<u>(17,555)</u>	<u>(8,514)</u>
Carrying value of investment at end of year	<u>218,432</u>	<u>235,987</u>

**Committees of management**

The value of land and buildings occupied and/or utilised by Council committees of management is consolidated in Council's balance sheet as at 30 June 2019.

The following committees of management as at 30 June 2019 are not included in this financial report as they are not controlled by Council and accordingly prepare their financial reports separately.

Avenel Memorial Hall  
Boho South Hall  
Creighton's Creek Recreation Reserve  
Euroa Band Hall  
Euroa Friendlies Reserve  
Gooram Soldiers' Memorial Hall  
Longwood Community Centre  
Miepoll Public Hall  
Moglonemby Hall  
Nagambie Recreation Reserve  
Ruffy Recreation Reserve  
Strathbogrie Memorial Hall  
Strathbogrie Recreation Reserve  
Tableland Community Centre Committee (Ruffy)  
Violet Town Recreation Reserve

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related Parties

Strathbogie Shire Council is the parent entity.

*Subsidiaries and Associates*

Interests in associates are detailed in Note 6.3.

(b) Key Management Personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

<b>Councillors</b>	Amanda McClaren (Mayor)		
	Malcolm Little		
	John Mason		
	Kate Stothers		
	Debra Bower		
	Alistair Thomson		
	Graeme (Mick) Williams		
	Chief Executive Officer (27 June 2019)		
	Group Manager - Corporate & Community		
	Group Manager - Community Assets		
	Group Manager - Innovation and Performance		
		2019	2018
		No.	No.
<b>Total Number of Councillors</b>		7	7
<b>Total of Chief Executive Officer and other Key Management Personnel</b>		4	4
<b>Total Number of Key Management Personnel</b>		<u>11</u>	<u>11</u>

(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

Short-term benefits	991,113	883,325
Post employment benefits	83,002	66,704
Long-term benefits	16,635	16,297
<b>Total</b>	<u>1,090,750</u>	<u>966,326</u>

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

		*
\$20,000 - \$29,999	6	6
\$60,000 - \$69,999	1	1
\$160,000 - \$169,999	1	1
\$180,000 - \$189,999	1	2
\$230,000 - \$239,999	1	1
\$320,000 - \$329,999	1	-
	<u>11</u>	<u>11</u>

\* As a result of contract negotiations in 2017/18 a senior executive ceased making motor vehicle contributions in the last month of the 2017/18 financial year

(d) Senior Officer Remuneration

A Senior Officer is an officer of Council, other than Key Management Personnel, who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$148,000

The number of Senior Officers are shown below in their relevant income bands:

Income Range:	2019 No.	2018 No.
\$150,000 - \$159,999	3	1
\$170,000 - \$179,999	1	-
	<u>4</u>	<u>1</u>

Total Remuneration for the reporting year for Senior Officers included above, amounted to	630,870	154,783
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Note: Remuneration includes motor vehicle allowances as part of salary arrangements and does not include actual non-monetary benefits arising from private use of motor vehicles.

7.2 Related party disclosure

(a) Transactions with related parties

During the period Council paid \$260,911 to the Goulburn Valley Regional Library Corporation.

Councillor Graeme (Mick) Williams's son employed by the Council as a full time employee.

There was a transaction between Cave Communications Ltd and the Council during the financial year. The proprietor of Cave Communications Ltd is a related party to the Acting CEO.

(b) Outstanding balances with related parties

There are no balances outstanding at the end of the reporting period in relation to transactions with related parties that require disclosure.

(c) Loans to/from related parties

There are no loans in existence at balance date that have been made, guaranteed or secured by the council to a related party.

(d) Commitments to/from related parties

Council has a commitment to pay Goulburn Valley Regional Library Corporation a contribution of \$267,450 during the 2019/20 financial year.

## Note 8 Managing uncertainties

### 8.1 Contingent assets and liabilities

#### (a) Contingent assets

##### Flood event December 2017

A major flood event in December 2017 has resulted in a natural disaster claim for infrastructure restoration works estimated at \$5.5 million. There was a \$4.5 million contingent asset in relation to the balance of the claim reported in 2017/18. A total of \$4.98 million funds were claimed progressively during the reporting period.

#### (b) Contingent liabilities

##### Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

##### *Future superannuation contributions*

In addition to the disclosed contributions, Strathbogie Shire Council has paid no unfunded liability payments to Vision Super during the 2018/19 year ( \$0 paid during the 2017/18 year). No contributions are expected to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2020.

##### Landfill

Council operates a landfill. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

##### Insurance claims

There are no any major insurance claims that could have a material impact on future operations.

##### Legal matters

There are no major legal matters that could have a material impact on future operations.

##### Building cladding

Council does not exposed to any potential contingents that may exist in relation to rectification works or other matters associated with building cladding that may have the potential to adversely impact on Council.

##### Liability Mutual Insurance (where applicable)

Council is (was) a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

#### (c) Guarantees for loans to other entities

Council does not have any financial guarantees.

## 8.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2019 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

### *Revenue from contracts with customers (AASB 15) (applies 2019/20 for LG sector)*

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

### *Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016-7) (applies 2019/20)*

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

### *Leases (AASB 16) (applies 2019/20)*

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

Council has elected to adopt the modified retrospective approach to the transition to the new lease standard. This will mean that only existing operating leases for non low value assets, with remaining terms greater than 12 months, will be recognised on transition (1 July 2019). Based on our current lease commitments and an assumption of a continuation of the current leasing arrangements Council expects that the transition to the new standard will see the initial recognition of \$436,911 in lease related assets and an equivalent liability

### *Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)*

This standard is expected to apply to certain transactions currently accounted for under *AASB 1004 Contributions* and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable a not-for-profit entity to further its objectives.

## 8.3 Financial instruments

### **(a) Objectives and policies**

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

### **(b) Market risk**

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

#### *Interest rate risk*

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

**(c) Credit risk**

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- council have a policy for establishing credit limits for the entities council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.



#### (d) Liquidity risk

Liquidity risk includes the risk that, as a result of council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

#### (e) Sensitivity disclosure analysis

Taking into account past performance, 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:

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

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

### 8.4 Fair value measurement

#### *Fair value hierarchy*

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

*Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from < > to < > years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

*Impairment of assets*

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

**8.5 Events occurring after balance date**

Council has advertised for the new CEO and the recruitment process is underway.

Note 9 Other matters

	Balance at beginning of reporting period	Increment (decrement)	Share of increment (decrement) on revaluation of by an associate	Balance at end of reporting period
	\$	\$	\$	\$
<b>9.1 Reserves</b>				
<b>(a) Asset revaluation reserves</b>				
<b>2019</b>				
<b>Property</b>				
Land and land improvements	24,645,565	2,623,297.72	-	27,268,863
Buildings	41,803,908	4,376,477.54	-	46,180,386
	<b>66,449,473</b>	<b>6,999,775</b>	-	<b>73,449,248</b>
<b>Infrastructure</b>				
Roads	94,515,772	(5,146,125)	-	89,369,647
Bridges	34,595,573	(4,510,333)	-	30,085,240
Footpaths and cycleways	1,600,498	-	-	1,600,498
Drainage	4,026,118	-	-	4,026,118
Kerb and Channel	2,954,641	-	-	2,954,641
Other infrastructure	16,205	888	-	17,093
	<b>137,708,807</b>	<b>(9,655,570)</b>	-	<b>128,053,237</b>
<b>Total asset revaluation reserves</b>	<b>204,158,280</b>	<b>(2,655,795)</b>	-	<b>201,502,485</b>
<b>2018</b>				
<b>Property</b>				
Land and land improvements	24,645,565	-	-	24,645,565
Buildings	41,262,389	541,519	-	41,803,908
	<b>65,907,954</b>	<b>541,519</b>	-	<b>66,449,473</b>
<b>Infrastructure</b>				
Roads	98,182,816	(3,667,044)	-	94,515,772
Bridges	34,262,241	333,332	-	34,595,573
Footpaths and cycleways	1,600,498	-	-	1,600,498
Drainage	4,548,109	(521,991)	-	4,026,118
Kerb and Channel	3,011,415	(56,774)	-	2,954,641
Other infrastructure	16,205	-	-	16,205
	<b>141,621,284</b>	<b>(3,912,477)</b>	-	<b>137,708,807</b>
<b>Total asset revaluation reserves</b>	<b>207,529,238</b>	<b>(3,370,958)</b>	-	<b>204,158,280</b>

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$	\$	\$	\$
<b>(b) Other reserves</b>				
<b>2019</b>				
Bridge replacement reserve	750,000	-	-	750,000
Open space reserve	108,958	-	-	108,958
<b>Total Other reserves</b>	<b>858,958</b>	-	-	<b>858,958</b>
<b>2018</b>				
Bridge replacement reserve	600,000	150,000	-	750,000
Open space reserve	112,250	(3,292)	-	108,958
<b>Total Other reserves</b>	<b>600,000</b>	<b>150,000</b>	-	<b>858,958</b>

	2019	2018
	\$	\$
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>		
Surplus/(deficit) for the year	6,398,908	856,363
Depreciation/amortisation	5,929,723	5,802,643
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(72,133)	(97,362)
Written down value of infrastructure assets replaced	512,024	615,521
Contributions - Non-monetary assets	(748,380)	(1,285,840)
Borrowing costs	36,015	54,019
Trust funds and other deposits repaid	873,666	541,934
Share of net profits of associates	17,555	8,514
WIP expended 2016/17 - reclassified as operating expense 2017/18		4,839
Payments from Open Space Reserve		(9,292)
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	(1,382,320)	(414,177)
(Increase)/Decrease in other assets	-	(190,535)
(Increase)/decrease in prepayments	91,768	-
Increase/(decrease) in accrued income	(1,112,076)	-
Increase/(decrease) in trade and other payables	(282,443)	(314,717)
(Increase)/decrease in inventories	(7,592)	1,632
Increase/(decrease) in provisions	(288,482)	3,711,915
<b>Net cash provided by/(used in) operating activities</b>	<b>9,966,233</b>	<b>9,285,457</b>

### 9.3 Superannuation

Council makes majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in Comprehensive Operating Statement when they are made or due.

#### Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2019, this was 9.5% as required under Superannuation Guarantee (SG) legislation).

#### Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

#### Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2018, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 106.0%. The financial assumptions used to calculate the VBIs were:

Net investment returns 6.0% pa

Salary information 3.5% pa

Price inflation (CPI) 2.0% pa.

Vision Super has advised that the estimated VBI at 30 June 19 was 107.1%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2018 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

#### Employer contributions

##### Regular contributions

On the basis of the results of the 2018 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2019, this rate was 9.5% of members' salaries (9.5% in 2017/2018). This rate will increase in line with any increases in the SG contribution rate.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

##### Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers including the Council are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

##### The 2018 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer.

Generally, a full actuarial investigation conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2018 and a full actuarial investigation was conducted as at 30 June 2017.

The Fund's actuarial investigations identified the following for the Defined Benefit category of which Council is a contributing employer:

	2018 \$m	2017 \$m
A VBI surplus	\$131.90	\$69.80
A total service liability surplus	\$218.30	\$193.50
A discounted accrued benefits surplus	\$249.10	\$228.80

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2018.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2018.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2018.

Council was notified of the 30 June 2018 VBI during August 2018 (2017: August 2017).

##### The 2019 interim actuarial investigation

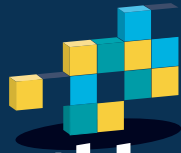
An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2019 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2019.

##### Superannuation contributions

Contributions by Council to the above superannuation plans for the financial year ended 30 June 2018 are detailed below:

Scheme	Type of scheme	Rate	2019 \$	2018 \$
Vision Super	Defined benefits	9.50%	74,084	71,993
Vision Super	Accumulation	9.50%	377,456	376,892
Other funds	Accumulation	9.50%	354,787	261,014

Council hasn't paid any unfunded liability payments to Vision Super in 2018/19 or 2017/18. Council does not expect to pay to the Defined Benefit category of Vision Super for the year ending 30 June 2020.



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