



STRATHBOGRIE SHIRE COUNCIL

Notice is hereby given that the Ordinary Meeting of the Strathbogrie Shire Council will be held, virtually, on Tuesday 20 October 2020, commencing at 6.00 p.m.

Chair: Amanda McClaren (Mayor) *(Lake Nagambie Ward)*

Councillors: Robert Gardner *(Lake Nagambie Ward)*
Malcolm Little *(Hughes Creek Ward)*
John Mason *(Seven Creeks Ward)*
Chris Raeburn *(Honeysuckle Creek Ward)*
Alistair Thomson *(Mount Wombat Ward)*
Graeme Williams OAM *(Seven Creeks Ward)*

Officers: Julie Salomon Chief Executive Officer *(CEO)*
David Roff Director, Corporate Operations *(DCO)*
Dawn Bray Executive Manager, Governance and Customer Service *(EMGCS)*
Kristin Favaloro Executive Manager, Communications and Engagement *(EMCE)*
Emma Kubeil Acting Director, Community and Planning *(ADCP)*
Melissa Crane Acting Manager, Planning and Investment *(AMPI)*

Until further notice, all meetings conducted by Strathbogrie Shire Council will be virtually, and live streamed on our website at www.strathbogrie.vic.gov.au. This ensures we are meeting the Victorian Government's social distancing requirements to slow the spread of coronavirus (COVID-19) and help keep our communities safe

We encourage all community members to watch the meeting online, given we have had to close the public gallery until further notice following legal advice around how to comply with COVID-19 social distancing rules.

As per Clause 112.2 of Council's Election Period Policy, the Public Question Time component of Council's Business is suspended during the election (caretaker) period.

1. Welcome
2. Acknowledgement of Traditional Land Owners
'I acknowledge the Traditional Owners of the land on which we are meeting. I pay my respects to their Elders, past and present'
3. Apologies / Leave of Absence
4. Disclosure of Conflicts of Interest
5. Confirmation of Minutes of Previous Meetings
- *Ordinary Council Meeting Tuesday 15 September 2020*
6. Petitions
7. Reports of Mayor and Councillors and Delegates
8. Public Question Time

Public Question Time will be conducted as per Rule 31 of Strathbogie Shire Council's Governance Rules. A copy of the required form for completion and lodgment, and associated Procedural Guidelines, are attached for information.

As the questions are a permanent public record and to meet the requirements of the Privacy and Data Protection Act 2014, only the initials of the person asking the question will be used together with a Council reference number.

Response/s to Public Questions raised and responded to at the Ordinary Council meeting held on Tuesday 15 September 2020 were documented in the Minutes of the meeting.

9. Officer Reports
10. Notices of Motion
11. Notices of Rescission
12. Urgent Business
13. Confidential Business

Julie Salomon
CHIEF EXECUTIVE OFFICER

16 October 2020

Council does not generally permit individuals to make audio recordings of meetings. Individuals are required to make a written request addressed to the Council (Director, Corporate Operations) should they seek to obtain permission to do so.

NEXT MEETING

The next Meeting of Strathbogie Shire Council will be determined following the election of a new Council on Saturday 24 October 2020



Council Ref. / 2020

Public Question Time Form Ordinary Council Meeting

Strathbogie Shire Council has allocated a time for the public to ask questions in the business of an Ordinary Meeting of the Council.

How to ask a question:

Questions submitted to Council must be:

- (a) in writing, state the name, address and telephone number of the person submitting the question and generally be on this form, approved by Council; and
- (b) submitted to Council in person or electronically.

The Chair may refrain from reading a question or having a question read if the person who submitted the question is not present in the gallery at the time when the question is due to be read. Please refer to the back of this form for procedural guidelines.

Question/s: (please print clearly with a maximum of 25 words)

1.....
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2.....
.....
.....
.....
.....

Name:

Address:

Telephone Number:

Signature: (signature not required if submitted by email)

Date of Ordinary Council Meeting:

Privacy Declaration: Personal information is collected on this form to allow Council to undertake follow-up / response and to confirm identity for future reference where necessary. The questioner's initials only, together with a question reference number, will be included in Council's Minutes. Council Minutes are a public document which will be published on Council's Website and are available for public scrutiny at any time. Other personal details included on this form will not be included in the Minutes and will be kept for Council reference only, unless disclosure is required for law enforcement purposes or under any other statutory requirement.

Public Question Time - Procedural Guidelines

Question Time

- (1) There must be a public question time at every Ordinary meeting to enable members of the public to submit questions to Council.
- (2) Sub-clause (1) does not apply during any period when a meeting is closed to members of the public in accordance with section 66(2) of the Local Government Act 2020 (the Act)
- (3) Public question time will not exceed in duration any time limit imposed by the Chairperson, in the Chairperson's discretion in order to ensure that Council has sufficient time in which to transact Council business.
- (4) Questions submitted to Council must be:
 - a) in writing, state the name and address of the person submitting the question and generally be in a form approved or permitted by Council; and
 - b) submitted to Council in person or electronically.
- (5) No person may submit more than 2 questions at any 1 meeting.
- (6) If a person has submitted 2 questions to a meeting, the second question:
 - a) may, at the discretion of the Chair, be deferred until all other persons who have asked a question have had their questions asked and answered; or
 - b) may not be asked if the time allotted for public question has expired.
- (7) The Chair, a Councillor or a member of Council staff nominated by the Chair may read to those present at the meeting a question which has been submitted in accordance with this clause.
- (8) Notwithstanding sub-clause (6), the Chair may refrain from reading a question or having a question read if the person who submitted the question is not present in the gallery at the time when the question is due to be read.
- (9) A question may be disallowed by the Chair if the Chair determines that it:
 - a) relates to a matter outside the duties, functions and powers of Council;
 - b) is defamatory, indecent, abusive, offensive, irrelevant, trivial or objectionable in language or substance;
 - c) deals with a subject matter already answered;
 - d) is aimed at embarrassing a Councillor or a member of Council staff;
 - e) relates to personnel matters;
 - f) relates to the personal hardship of any resident or ratepayer;
 - g) relates to industrial matters;
 - h) relates to contractual matters that are commercial in confidence;
 - i) relates to proposed developments;
 - j) relates to legal advice;
 - k) relates to matters affecting the security of Council property; or
 - l) relates to any other matter which Council considers would prejudice Council or any person.
- (10) Any question which has been disallowed by the Chair must be made available to any other Councillor upon request.
- (11) All questions and answers must be as brief as possible, and no discussion may be allowed other than by Councillors for the purposes of clarification.
- (12) Like questions may be grouped together and a single answer provided.
- (13) The Chair may nominate a Councillor or the Chief Executive Officer to respond to a question.
- (14) A Councillor or the Chief Executive Officer may require a question to be put on notice. If a question is put on notice, a written copy of the answer will be sent within 14 days to the person who asked the question.
- (15) A Councillor or the Chief Executive Officer may advise Council that it is his or her opinion that the reply to a question should be given in a meeting closed to members of the public. The Councillor or Chief Executive Officer (as the case may be) must state briefly the reason why the reply should be so given and, unless Council resolves to the contrary, the reply to such question must be so given.

REPORTS INDEX

		Page No.
9.	OFFICER REPORTS	
9.1	Planning Applications Received - 1 to 30 September 2020	1
9.2	Adoption of 2019/20 Annual Financial Report	8
9.3	Adoption of Performance Statement 2019/20 and Governance and Management Checklist 2019/20	61
9.4	Business Management System	84
10.	NOTICES OF MOTION	100
11.	NOTICES OF RESCISSION	100
12.	URGENT BUSINESS	100
13.	CONFIDENTIAL BUSINESS	100

9. OFFICER REPORTS

9.1 Planning Applications Received - 1 to 30 September 2020

Responsible Officer: Manager Planning and Investment (Acting)

Following are listings of Planning Applications Received for the period 1 to 30 September 2020.

RECOMMENDATION

That the report be noted.

Planning Applications Received

Tuesday, 1 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
8 Moran Court, Graytown VIC 3608	P2020-064 - PC1	Use and development of land for a dwelling and shed	\$0.00

Thursday, 3 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
69 Vickers Road, Nagambie VIC 3608	P2018-049 - PC2	Use and development of land for a dwelling and shed	\$0.00

Monday, 7 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
Wattlevale Road, Mitchellstown VIC 3608	P2019-011 - PC1	Use and development of land for warehouse facility (fireworks, ammunition and explosives storage)	\$0.00

Tuesday, 8 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
533 Zanelli Road, Nagambie VIC 3608	P2020-112	Use and development of land for a code of practice small quarry for the extraction of clay to supply to customers for road base and earthen fill	\$25,000.00

Wednesday, 9 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
197 Cusack Road, Euroa VIC 3666	P2020-113	Development of land for a detached extension to existing dwelling	\$70,000.00
6 McGuinness Street, Euroa VIC 3666	P2020-111	Development of land for an extension to a dwelling and shed	\$175,000.00
632 Ponkeen Creek Road, Tarcombe VIC 3666	P2020-114	Construction of a farm machinery shed	\$100,000.00

Friday, 11 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
18 Granite Court, Euroa VIC 3666	P2018-043-1	Amended to endorsed plans	\$0.00

Monday, 14 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
247 High Street, Nagambie VIC 3608	P2020-122	Four (4) Lot Subdivision	\$0.00
40 River Street, Nagambie VIC 3608	P2020-115	Use and development of land for five (5) dwellings; Five (5) lot subdivision; Creation of easement	\$2,500,000.00

Tuesday, 15 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
244 Smiths Road, Boho VIC 3669	P2020-116	Three (3) Lot Subdivision	\$0.00
55 Anderson Street, Avenel VIC 3664	P2018-178 - PC1	Four (4) lot subdivision	\$0.00

Wednesday, 16 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
378 Goulburn Weir-Murchison Road, Goulburn Weir VIC 3608	P2020-013 - PC1	Use and development of the land for a dwelling and shed	\$0.00

Thursday, 17 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
2654 Heathcote-Nagambie Road, Graytown VIC 3608	P2020-119	Use and Development of land for a Telecommunications Facility (Mobile Blackspot Program)	\$200,000.00

Friday, 18 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
36-38 Jones Street, Avenel VIC 3664	P2020-117	Development of land to construct a fence more than 2 metres high in the road reserve	\$2,000.00
75 Spring Creek Road, Strathbogie VIC 3666	P2020-118	Construction of a carport and veranda	\$8,000.00

Wednesday, 23 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
21 Magilton Drive, Strathbogie VIC 3666	P2020-120	Development of land for verandah and carport	\$9,200.00

Thursday, 24 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
1669 Merton-Strathbogie Road, Strathbogie VIC 3666	P2019-121-1	Construction of a 6x6 lean to attached to the farm shed	\$3,200.00
21 De Boos Street, Euroa VIC 3666	P2020-121	Subdivision of land in to 2 lots. Lot 1 will wholly contain an existing dwelling.	\$0.00

Friday, 25 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
281 Coach Road, Strathbogie VIC 3666	P2020-126	Development of land for a shed (Hayshed)	\$50,000.00
575 Balmattum North Road, Balmattum VIC 3666	P2018-022 - PC1	Use and development of land for a dwelling, shed, hothouse, well being facility and group accommodation	\$0.00

Monday, 28 September 2020

Site Address	Application Number Display	Application Description	Cost Of Works
10 Magiltan Drive, Strathbogie VIC 3666	P2018-132 - 1	Amendment of permit to include an outbuilding in the proposal	\$0.00
70 Allason Road, Strathbogie VIC 3666	P2020-123	Development of land for a garage	\$50,000.00

82 Kirwans Bridge Road, Nagambie VIC 3608	P2020-124	Use and development of land for camping and caravan park; Two (2) Lot Subdivision; Creation of Easements; Development of land for jetties and boat ramps.	\$15,000,000.00
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9.2 **Adoption of 2019/20 Annual Financial Report**

Author: Director Corporate Operations

Responsible Director: Director Corporate Operations

EXECUTIVE SUMMARY

The Local Government Act 1989 (the Act) states it is essential there is a legislative framework that provides for councils to be accountable to their local communities in the performance of functions and the exercise of powers and the use of resources. It is a statutory requirement under the Act that councils prepare and report on medium and short term plans to discharge their duties of accountability and transparency to their communities.

The Act specifically requires that Council pass a resolution giving its approval in principle to the Annual Financial Report prior to formally submitting to the Auditor-General Victoria and the Hon. Shaun Leane MP, Minister for Local Government. The Act further requires that Council must authorise two Councillors to approve the Report.

The Audit Committee, at its meeting on Friday 9 October 2020, in accordance with the Local Government Act 1989, having reviewed the Annual Financial Report consisting of the Financial Statements and Notes, recommends the 2019/20 Annual Financial Report be considered for approval by Council.

Section 132 of the 1989 Local Government Act applies to this report , with similar provisions in the 2020 Act (Section 99) applicable from 24 October 2020.

Draft copies of the Annual Financial Report have been circulated to Councillors with this report for their consideration , and are tabled for information purposes.

RECOMMENDATION

That Council:

1. ***Notes the Recommendation of the Audit Committee to approve the Financial Statements;***
2. ***Approve in principle the 2019/20 Annual Financial Report;***
3. ***Authorise Councillors McClaren and Gardner to sign the 2019/20 Annual Financial Report;***
4. ***Authorise the Chief Executive Officer to make minor amendments to the 2019/20 Annual Financial Report, if required, and brief Council if amendments are made;***
5. ***Authorise the Chief Executive Officer to certify the 2019/20 Annual Financial Report; and***

9.2 Adoption of 2019/20 Annual Financial Report (cont.)

- 6. Upon receipt of the Auditor's Certified Report, submit the Annual Report to the Hon. Shaun Leane MP, Minister for Local Government and make the Annual Report available for public inspection.**

PURPOSE AND BACKGROUND

The Victorian Auditor-General's Office has completed the external audit of the 2019/20 Financial Report.

The Annual Financial Report consisting of the Financial Statements and Notes (refer Appendix A) has been prepared in accordance with relevant legislation, applicable Australian Accounting Standards and other related accounting guidelines.

The Victorian Auditor-General's certification is anticipated in October 2020.

ISSUES, OPTIONS AND DISCUSSION

The Annual Financial Report is prepared strictly in accordance with the applicable Australian Accounting Standard which includes the Australian equivalent to International Financial Reporting Standards (AIFRS). These Standards require the preparation of five mandatory statements. These statements include –

- "Comprehensive Income Statement" (Operating – Accrual Statement). This comprises non-cash items such as Depreciation and cost of goods (assets) sold, and excludes Capital Expenditure and Transfers to and from Other Reserves.
- "Balance Sheet" which lists Councils' assets and liabilities. It indicates the overall financial position of Council as at 30th June 2020.
- "Statement of Changes in Equity". This indicates movements in Council's Reserve Funds.
- "Statement of Cash Flows". This indicates all cash expended and received for all activities during the financial year.
- "Statement of Capital Works" which details Council's capital works expenditure for the financial year. It sets out the expenditure on creating or buying property, infrastructure, plant and equipment by each category of asset.

9.2 Adoption of 2019/20 Annual Financial Report (cont.)

For the 2019/20 financial year, Council is also required to prepare two “Budget Comparison Notes” with variance explanations to the 2019/20 Annual Budget. These being –

1. Income and Expenditure
2. Capital Works

The following analysis of the 2019/20 Annual Financial Report is at a macro level, which reflects the nature of the Report’s disclosures. It is not designed nor intended to be used as a Management report that provides details of programs, or resultant variances. No analysis has been provided for the Statement of Changes in Equity.

1. Income Statement

The operating result represents the accrual accounting treatments, which includes the non-cash items of depreciation and cost of goods (assets) sold, but excludes expenditure on Capital items, loan proceeds and loan principal repayments and transfers to and from other reserves.

For the year ended 30 June 2020, Council reported an Operating surplus of \$4,863,476. Operating costs were similar to 2018/19.

The result was also impacted by changes in Accounting Standards as follows:

- Need to reduce operating grant income by \$273,582 to reflect grants received but with obligations still attached at 30 June – will adjust in 2020/21 so no overall impact
- Need to reduce Capital grant income by \$1,164,948 similar to above
- Recognition of expense of \$221,199 for amortisation of “right of use” assets , finance costs for leases (non cash Item)

2. Balance Sheet

Council’s Balance Sheet indicates that Council’s overall financial position and its cash and liquidity position is sound and within acceptable financial parameters.

Council’s cash position as at 30 June 2020 was represented by cash on hand and investments of \$16.58 million. This represents an increase in cash holdings of \$5.96 million during the 2019/20 financial year due primarily to receipt of significant capital grants and less than budgeted expenditure on capital works. A number of capital works will also be carried over into the 2020/21 financial year.

The value of Council’s property, infrastructure, plant and equipment non-current assets as at 30 June 2020 is \$280.82 million, a decrease of \$11.33 million, due primarily to the acquisition of assets as part of Council’s capital works program offset by the effects of an external revaluation of property assets.

9.2 Adoption of 2019/20 Annual Financial Report (cont.)

Council's end-of-year working capital ratio is 2.65:1 which is greater than the target ratio of 1.1:1. This ratio is used to assess Council's ability to meet current commitments and is derived by dividing current assets by current liabilities.

3. Cash Flow Statement

Cash flow reflects expenditure on capital works and there are a number of projects carried forward to 2020/21.

4. Statement of Capital Works

Council completed \$6.8 million worth of projects for 2019/20, a decrease of 50% over the previous year as there remain carried over works to be completed in 2020/21, some of which are attached to substantial grant funding received in 2019/20.

COMMUNITY ENGAGEMENT

One of the Overarching governance principles in section 9 of the Local Government Act 2020 is that the municipal community is to be engaged in strategic planning and strategic decision making.

The Annual Financial Statements are prepared and audited and once completed Council is required to advertise the fact that they are available for inspection as part of the Annual Report

POLICY CONSIDERATIONS

Council Plans and Policies

The report is consistent with Council Policies, key strategic documents and the Council Plan.

Regional, State and National Plans and Policies

Some of the items completed during the year are consistent with Policies of other levels of government, some of which have provided funding to assist.

LEGAL CONSIDERATIONS

The Annual Statements have been prepared in accordance with timelines laid out in the Local Government Act and in accordance with relevant Accounting Standards.

Conflict of Interest Declaration

All officers, and / or contractors, involved in the preparation of this report have signed a written declaration that they do not have a conflict of interest in the subject matter of this report.

Transparency

The Annual Statements will be presented to an open Council meeting and will then be available on the website and at the Customer Service Desk at Euroa and Nagambie for public review.

9.2 Adoption of 2019/20 Annual Financial Report (cont.)

FINANCIAL VIABILITY CONSIDERATIONS

The annual Statements show Council to be in a sound financial position, with the Long Term Financial Plan to be updated to reflect the end of year result and any items required to be carried over into 2020/21 (both income and expenditure).

SUSTAINABILITY CONSIDERATIONS

Economic

The financial report and associated documentation provide published evidence and data on the financial costs and benefits across the main areas of Strathbogie Shire Council income and expenditure. Our report is intended to inform the community of the wider financial and economic impact of council expenditure.

Social

Strathbogie Shire Council, in partnership with other levels of government, is responsible for aspects of everyday life that our community value – from our public open spaces, to accessible libraries, to strong local business and employment opportunities. Effective planning and reporting by councils is essential for ensuring transparency and accountability to the community and other levels of government as to how public money is being spent and the quality of services delivered.

INNOVATION AND CONTINUOUS IMPROVMENT

Council continues to refine its end of year processes and with the advent of Coronavirus COVID-19, the audit has been conducted remotely and officers have adapted to this way of working

COLLABORATION

Council staff and Council's external auditor, the Victorian Auditor-General's Office and Council's Audit Committee have worked cooperatively in the preparation of these reports.

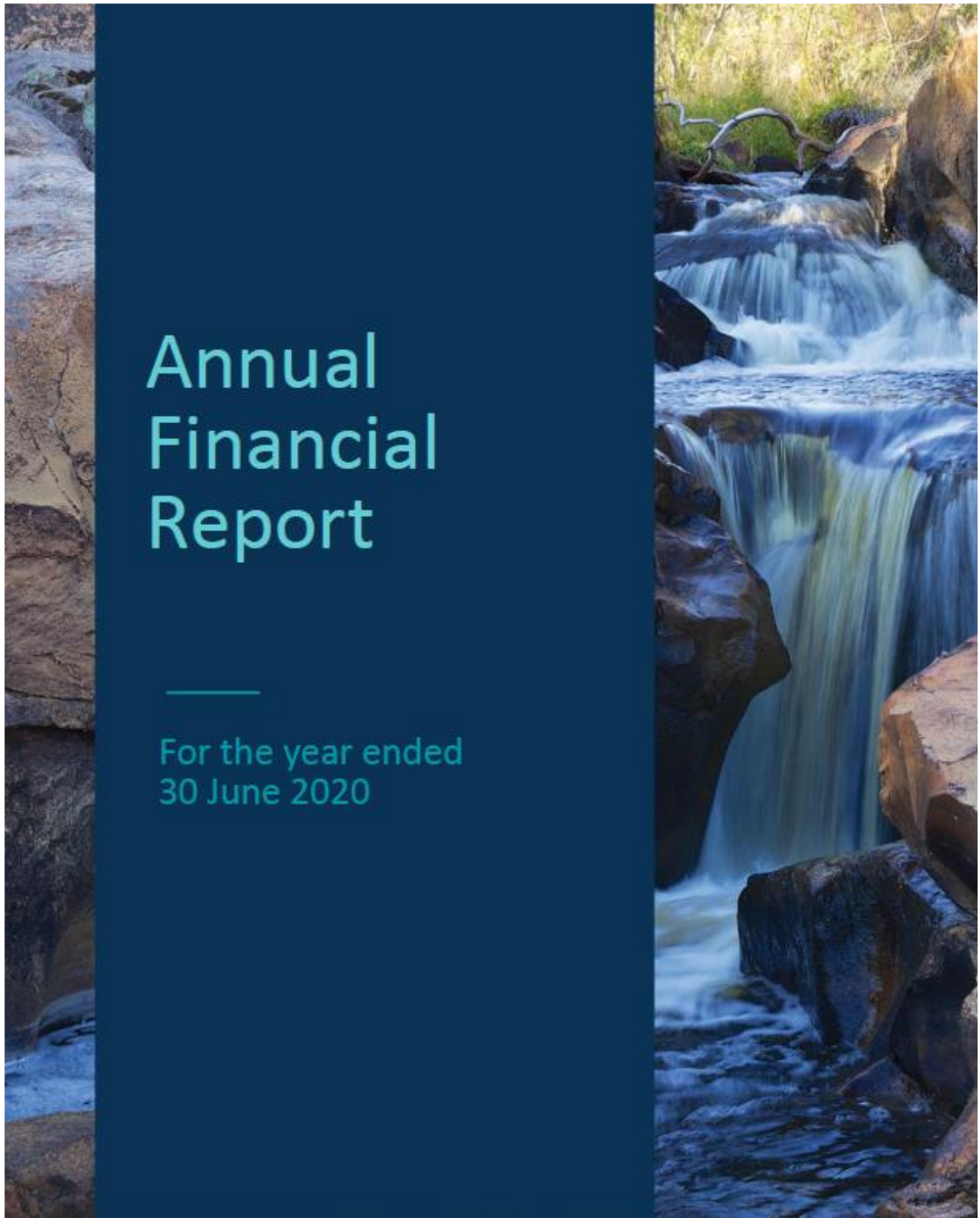
CONCLUSION

This report summarises the end of year result and recommends approval in principle of the Annual Financial Report.

ATTACHMENTS

Attachment 1: Annual Financial Report 2019/20

ATTACHMENT 1:



Strathbogrie Shire Council Financial Report Table of Contents

FINANCIAL REPORT	Page
Certification of the Financial Statements	1
Financial Statements	
Comprehensive Income Statement	4
Balance Sheet	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Statement of Capital Works	8
Overview	9
Notes to Financial Statements	
Note 1 Performance against budget	10
1.1. Income and expenditure	10
1.2. Capital works	11
Note 2 Analysis of Council results by program	12
Note 3 Funding for the delivery of our services	14
3.1. Rates and charges	14
3.2. Statutory fees and fines	14
3.3. User fees	14
3.4. Funding from other levels of government	14
3.5. Contributions	16
3.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment	16
3.7. Other income	17
Note 4 The cost of delivering services	17
4.1. Employee costs	17
4.2. Materials and services	17
4.3. Depreciation	18
4.4. Amortisation - Intangible assets	18
4.5. Amortisation - Right of use assets	18
4.6. Bad and doubtful debts	18
4.7. Borrowing costs	18
4.8. Finance Costs - Leases	18
4.9. Other expenses	18
Note 5 Our financial position	19
5.1. Financial assets	19
5.2. Non-financial assets	21
5.3. Payables	21
5.4. Interest-bearing liabilities	22
5.5. Provisions	22
5.6. Financing arrangements	23
5.7. Commitments	24
5.8. Leases	24
Note 6 Assets we manage	26
6.1. Non current assets classified as held for sale	26
6.2. Property, Infrastructure plant and equipment	27
6.3. Investments in associates, joint arrangements and subsidiaries	34
Note 7 People and relationships	35
7.1. Council and key management remuneration	35
7.2. Related party disclosure	36

Note 8	Managing uncertainties	37
	8.1. Contingent assets and liabilities	37
	8.2. Change in accounting standards	38
	8.3. Financial Instruments	38
	8.4. Fair value measurement	40
	8.5. Events occurring after balance date	40
Note 9	Other matters	41
	9.1. Reserves	41
	9.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	42
	9.3. Superannuation	42
Note 10	Change in accounting policy	45

Strathbogrie Shire Council
2019/2020 Financial Report

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 Sethurusinghe CPA
Principal Accounting Officer

Date : <Date>
Euroe

In our opinion the accompanying financial statements present fairly the financial transactions of Strathbogrie Shire Council for the year ended 30 June 2020 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 : <Date>
Euroe

Robert 'Bob' Gardner
Councillor

Date : <Date>
Euroe

Julie Salomon
Chief Executive Officer

Euroe

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Strathbogie Shire Council
2019/2020 Financial Report

**Comprehensive Income Statement
For the Year Ended 30 June 2020**

	Note	2020 \$	2019 \$
Income			
Rates and charges	3.1	19,824,720	19,077,636
Statutory fees and fines	3.2	401,657	537,718
User fees	3.3	663,298	802,550
Grants - operating	3.4	7,405,568	6,587,782
Grants - capital	3.4	4,174,796	6,129,548
Contributions - monetary	3.5	355,983	386,742
Contributions - non monetary	3.5	-	748,380
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	99,764	72,133
Share of net profits (or loss) of associates and joint ventures	6.3	8,714	-
Other income	3.7	474,943	711,670
Total income		33,409,443	35,054,159
Expenses			
Employee costs	4.1	(10,334,810)	(10,455,706)
Materials and services	4.2	(11,318,009)	(11,398,828)
Depreciation	4.3	(6,030,979)	(5,929,723)
Amortisation - intangible assets	4.4	(59,845)	-
Amortisation - right of use assets	4.5	(199,732)	-
Bad and doubtful debts	4.6	(50,233)	-
Borrowing costs	4.7	(25,783)	(36,015)
Share of net profits (or loss) of associates and joint ventures	6.3	-	(17,555)
Finance costs - leases	4.8	(21,467)	-
Other expenses	4.9	(505,109)	(817,424)
Total expenses		(28,545,967)	(28,655,251)
Surplus(deficit) for the year		4,863,476	6,398,908
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	6.2	(17,565,870)	(2,655,794)
Total comprehensive result		(12,702,394)	3,743,114

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

Strathbogie Shire Council
2019/2020 Financial Report

Balance Sheet
As at 30 June 2020

	Note	2020 \$	2019 \$
Assets			
Current assets			
Cash and cash equivalents	5.1	2,873,672	10,616,477
Trade and other receivables	5.1	3,118,075	3,532,818
Other financial assets	5.1	13,704,764	-
Non-current assets classified as held for sale	6.1	690,384	273,000
Other assets	5.2	762,932	1,538,959
Total current assets		21,149,827	15,961,254
Non-current assets			
Trade and other receivables	5.1	57,513	83,325
Other financial assets	5.1	2,032	2,032
Investments in associates, joint arrangements and subsidiaries	6.3	227,146	218,432
Property, infrastructure, plant and equipment	6.2	280,818,279	292,152,621
Right-of-use assets	5.8	872,530	-
Intangible assets	5.2	106,703	-
Total non-current assets		282,084,203	292,456,410
Total assets		303,234,030	308,417,664
Liabilities			
Current liabilities			
Trade and other payables	5.3	2,154,303	3,089,020
Trust funds and deposits	5.3	381,474	685,487
Unearned income	5.3	1,441,712	-
Provisions	5.5	3,695,814	3,511,174
Interest-bearing liabilities	5.4	86,116	136,373
Lease liabilities	5.8	230,029	-
Total current liabilities		7,989,448	7,422,054
Non-current liabilities			
Trust funds and deposits	5.3	64,203	64,203
Provisions	5.5	4,752,639	4,812,215
Interest-bearing liabilities	5.4	282,425	368,541
Lease liabilities	5.8	652,421	-
Total non-current liabilities		5,751,688	5,244,959
Total liabilities		13,741,137	12,667,013
Net assets		289,492,893	295,750,651
Equity			
Accumulated surplus		98,252,685	93,389,208
Reserves	9.1	191,240,208	202,361,443
Total Equity		289,492,893	295,750,651

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

Strathbogrie Shire Council
2019/2020 Financial Report

**Statement of Changes in Equity
For the Year Ended 30 June 2020**

	Note	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
		\$	\$	\$	\$
2020					
Balance at beginning of the financial year		295,750,650	93,389,208	201,502,484	858,958
Impact of change in accounting policy - AASB 15 Revenue from Contracts with Customers	10	-	-	-	-
Impact of change in accounting policy - AASB 1058 Income of Not-for-Profit Entities	10	-	-	-	-
Impact of change in accounting policy - AASB 16 Leases	5.8	-	-	-	-
Adjusted Opening balance		295,750,650	93,389,208	201,502,484	858,958
Surplus/(deficit) for the year		4,863,476	4,863,476	-	-
Net asset revaluation increment/(decrement)	6.2	(17,565,870)	-	(17,565,870)	-
Assets recognised first time	6.2	6,444,636	-	6,444,636	-
		289,492,892	98,252,684	190,381,250	858,958
Balance at end of the financial year		289,492,892	98,252,684	190,381,250	858,958
2019					
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)	-
Balance at end of the financial year		295,750,650	93,389,208	201,502,484	858,958

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

Strathbogie Shire Council
2019/2020 Financial ReportStatement of Cash Flows
For the Year Ended 30 June 2020

	Note	2020 Inflows/ (Outflows) \$	2019 Inflows/ (Outflows) \$
Cash flows from operating activities			
Rates and charges		19,149,820	18,789,132
Statutory fees and fines		401,657	537,718
User fees		527,310	802,550
Grants - operating		9,091,084	4,434,221
Grants - capital		5,595,329	6,109,464
Contributions - monetary		359,165	370,242
Interest received		179,278	228,732
Dividends received		-	586
Trust funds and deposits taken		1,703,481	1,863,597
Other receipts		459,685	168,489
Net GST refund/payment		1,781,544	2,355,628
Employee costs		(10,209,745)	(10,167,224)
Materials and services		(13,843,090)	(13,211,326)
Trust funds and deposits repaid		(1,985,486)	(1,949,546)
Other payments		(334,169)	(366,032)
Net cash provided by/(used in) operating activities		12,875,863	9,966,232
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.2	(6,770,973)	(13,789,970)
Payments for intangible assets	5.2 (b)	(31,629)	-
Proceeds from sale of property, infrastructure, plant and equipment		262,134	584,157
Payments for investments - Other Financial Assets		(13,704,764)	-
Net cash provided by/(used in) investing activities		(20,245,232)	(13,205,813)
Cash flows from financing activities			
Finance costs		(25,783)	(36,015)
Repayment of borrowings		(136,373)	(185,720)
Repayment of lease liabilities		(211,279)	-
Net cash provided by/(used in) financing activities		(373,435)	(221,735)
Net increase (decrease) in cash and cash equivalents		(7,742,804)	(3,461,316)
Cash and cash equivalents at the beginning of the financial year		10,616,477	14,077,793
Cash and cash equivalents at the end of the financial year		2,873,672	10,616,477
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.

Strathbogie Shire Council
2019/2020 Financial Report

**Statement of Capital Works
For the Year Ended 30 June 2020**

	Note	2020 \$	2019 \$
Property			
Buildings		1,104,510	1,033,441
Total property		<u>1,104,510</u>	<u>1,033,441</u>
Plant and equipment			
Plant, machinery and equipment		353,183	659,068
Fixtures, fittings and furniture		223,985	214,849
Intangible Assets		31,629	-
Total plant and equipment		<u>608,796</u>	<u>873,917</u>
Infrastructure			
Roads		3,219,159	8,375,415
Bridges and culverts		206,434	1,852,102
Footpaths and cycleways		317,817	133,716
Drainage		132,183	747,652
Parks, open space and streetscapes		1,213,703	803,727
Total infrastructure		<u>5,089,297</u>	<u>11,912,612</u>
Total capital works expenditure		<u>6,802,602</u>	<u>13,819,970</u>
Represented by:			
New asset expenditure		340,246	2,242,729
Asset renewal expenditure		4,863,710	8,725,654
Asset expansion expenditure		-	37,856
Asset upgrade expenditure		1,598,646	2,783,731
Total capital works expenditure		<u>6,802,602</u>	<u>13,789,970</u>

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

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

OVERVIEW

Introduction

The Strathbogie 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)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- 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 (except where transitional requirements of AASB 15 Revenue from Contracts with Customers, AASB 16 Leases and AASB 1058 Income of Not-for-Profit Entities do not require restatement of comparatives under the modified retrospective approach adopted by the Council), and disclosure has been made of any material changes to comparatives.

(b) COVID 19

On 30 January 2020, COVID 19 was declared as a global pandemic by world health organisation. Since then, various measures were taken by all three levels of Government in Australia to reduce the spread of COVID-19. This crisis and measures taken to mitigate it has impacted council operations in the following areas for the financial year ended 30 June 2020:

- In response to significant decrease in demand / government directive amidst the COVID-19 outbreak, the libraries and community centres were closed. These closures resulted in a decrease in the council user fee revenue less than \$50,000.
- Council activated its hardship policy in response to this crisis on 1/05/ 2020. Take up has been minimal (-\$10,000) with an increased number of ratepayers entering into repayment arrangements.
- Council extended the payment date for the 4th instalment until 30 June 2020 and in July payments of approx. \$150,000 more than in July 2019 were received, meaning a net increase in rate debtors of approx. \$550,000.
- Financial impact till date from deferral of rates revenue/ interest free period is \$10,000. This has also resulted in the debtor balance as at 30 June 2020 to increase by \$709,000 compared to last year.

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020**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.

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 2020	Actual 2020	Variance 2020	Variance 2020	Ref
	\$	\$	\$	%	
Income					
Rates and charges	19,844,000	19,824,720	(19,280)	0%	
Statutory fees and fines	530,000	401,657	(128,343)	-24%	1
User fees	771,000	663,298	(107,702)	-14%	2
Grants - operating	3,316,000	7,405,568	4,089,568	123%	3
Grants - capital	4,334,000	4,174,796	(159,204)	-4%	4
Contributions - monetary	373,000	355,983	(17,017)	-5%	
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(500,000)	99,764	599,764	-120%	5
Share of net profits/(losses) of associates and joint ventures	-	8,714	8,714	0%	
Other income	416,000	474,943	58,943	14%	6
Total income	29,084,000	33,409,443	4,325,443	15%	
Expenses					
Employee costs	10,483,000	10,334,810	148,190	1%	7
Materials and services	11,488,000	11,318,009	169,991	1%	8
Depreciation	5,900,000	6,030,979	(130,979)	-2%	9
Amortisation - Intangible assets	-	59,845	(59,845)	0%	
Amortisation - Right of use assets	-	199,732	(199,732)	0%	10
Bad and doubtful debts	-	50,233	(50,233)	0%	
Borrowing costs	23,000	25,783	(2,783)	-12%	11
Finance costs - Leases	-	21,467	(21,467)	0%	
Other expenses	300,000	505,109	(205,109)	-68%	12
Total expenses	28,194,000	28,545,967	(351,967)	-1%	
Surplus(deficit) for the year	890,000	4,863,476	4,677,410	526%	

(i) Explanation of material variations

1	Statutory fees and fines	Reduction in animal registration (\$26K), building fee (\$29K), written off health registration due to COVID-19 (\$62K) and subdivision fees (\$12K)
2	User fees	Reduction in fees due to less economic activities from COVID-19 impact. Some reductions are cinema (\$9K), saleyard (\$23K) and miscellaneous (\$155K).
3	Grants - operating	Increase due to early payment of 50% Grants Commission 2020/21 allocation (\$2.8 million); unbudgeted grants 'Working for Victoria' (\$752K) and storm event grant accrual (\$379K).
4	Grants - capital	Additional grants of R2R (\$720K), unbudgeted drought relief grants (\$900K) less unearned grant income (\$1,165K).
5	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Budgeted fleet replacement program has been delayed until 2020/21 financial year.
6	Other income	Miscellaneous income increase (\$39K), insurance recoveries (\$22K) and rent income (\$13K)
7	Employee costs	Savings due to vacancies during the year.
8	Materials and services	Unbudgeted emergency management (\$434K), savings in building maintenance (\$330K), general maintenance (\$376K) and consulting (\$236K).
9	Depreciation	Change in assets value after revaluation of buildings and recognition of heritage assets.
10	Amortisation - Right of use assets	Recognition of new expense under new accounting standard.
11	Borrowing costs	Minor variance due to lower interest expense in the budget.
12	Other expenses	Increased audit expenditure (\$22K) and other minor variations.

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020

1.2 Capital works

	Budget 2020 \$	Actual 2020 \$	Variance \$	Variance %	Ref
Property					
Buildings	2,027,000	1,104,510	(922,490)	-46%	1
Total property	2,027,000	1,104,510	(922,490)	-46%	
Plant and equipment					
Plant, machinery and equipment	1,100,000	353,183	(746,817)	-68%	2
Fixtures, fittings and furniture	505,000	223,985	(281,016)	-56%	3
Intangible Assets	-	31,629	31,629	0%	
Total plant and equipment	1,605,000	608,796	(996,204)	-62%	
Infrastructure					
Roads	7,017,000	3,219,159	(3,797,841)	-54%	4
Bridges	954,000	206,434	(747,566)	-78%	5
Footpaths and cycleways	274,000	317,817	43,817	16%	6
Drainage	907,000	132,183	(774,817)	-85%	7
Parks, open space and streetscapes	1,871,000	1,213,703	(657,297)	-35%	8
Total infrastructure	11,023,000	5,089,297	(5,933,703)	-54%	
Total capital works expenditure	14,655,000	6,802,602	(7,852,398)	-54%	
Represented by:					
New asset expenditure	733,000	340,246	(392,754)	-54%	
Asset renewal expenditure	10,478,000	4,863,710	(5,614,290)	-54%	
Asset upgrade expenditure	3,444,000	1,598,646	(1,845,354)	-54%	
Total capital works expenditure	14,655,000	6,802,602	(7,852,398)	-54%	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Buildings	Carried forward projects Nagambie High Street Toilets (\$362K), Euroa RSL Clubroom Expansion (\$148K) and other projects (\$541K) which partly offset by overspent in some projects.
2	Plant, machinery and equipment	Fleet replacement delayed to 2020/21 (\$500K).
3	Fixtures, fittings and furniture	Carry forward Euroa theatre seating (\$60K), IT replacement (\$199K).
4	Roads	Projects carry forward to next year due to project delays which include road rehabilitation (\$2.5m), roads zero class program (\$307Kk) and other road projects (\$607K).
5	Bridges	Carry forward bridges (\$63K) and unbudgeted Moornbool road (\$110K)
6	Footpaths and cycleways	Unbudgeted projects from drought funding (\$114K).
7	Drainage	Carry forward projects (\$591K).
8	Parks, open space and streetscapes	Carry forward Nagambie active open space (\$416K), Nagambie rec. reserve (\$250K).

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

Note 2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2 (a) Community & Planning

Community & Planning 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. It also includes strategic and statutory land use planning.

Corporate Leadership

Corporate Leadership provides effective governance, policy development, communication and human resources.

Corporate Operations

Corporate Operations provides strategic and financial management of the organisation. Service areas include regulatory services, local laws, financial management, emergency management, assets management, operations and emergency management.

Mayor & Councillors

Mayor & Councillors provides services for mayor and elected members.

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

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

	Income	Expenses	Surplus / (Deficit)	Grants included in income	Total assets
	\$	\$	\$	\$	\$
2020					
Community & Planning	2,119,604	(4,391,647)	(2,272,043)	1,636,548	46,650,962
Corporate Leadership	26,081	(2,273,961)	(2,247,880)	-	24,155,509
Corporate Operations	31,257,163	(21,570,860)	9,686,303	9,943,816	229,139,857
Mayor & Councillors	6,595	(309,499)	(302,904)	-	3,287,702
	33,409,443	(28,545,967)	4,863,476	11,580,364	303,234,030
	Income	Expenses	Surplus / (Deficit)	Grants included in income	Total assets
	\$	\$	\$	\$	\$
2019					
Community & Planning	6,289,656	(5,243,401)	1,046,255	5,571,814	64,321,760
Corporate Leadership	96,144	(2,049,727)	(1,953,583)	-	25,144,377
Corporate Operations	25,152,026	(17,502,713)	7,649,313	7,145,516	214,644,629
Mayor & Councillors	4,015	(351,091)	(347,076)	-	4,306,898
	31,541,841	(25,146,932)	6,394,909	12,717,330	308,417,664

Note: Council has done an organisation restructure during 2019/20 financial year. Comparatives has been adjusted to reflect the new organisation structure.

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020

Note 3	Funding for the delivery of our services	2020	2019
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 2019/20 was \$3.514 million (2018/19 \$3.270 million).		
	General rates	16,220,930	14,679,052
	Municipal charge	913,057	1,808,780
	Waste management charge	2,689,797	2,542,519
	Special rates and charges	936	47,285
	Total rates and charges	19,824,720	19,077,636
	The date of the latest general revaluation of land for rating purposes within the municipal district was 01 January 2020, and the valuation will be first applied in the rating year commencing 01 July 2020.		
	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	66,113	80,310
	Planning fees	217,164	248,395
	Health registrations	14,212	69,792
	Animal registrations	83,824	96,529
	Land information certificates	16,983	18,204
	Fire Prevention Notice Infringements	3,361	24,488
	Total statutory fees and fines	401,657	537,718
	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	148,373	122,972
	Nagambie Lakes events	20,320	35,239
	Saleyard operations revenue	231,965	293,117
	Swimming pools revenue	10,193	23,432
	Rent/lease Charges	93,337	90,573
	Euroa Cinema	54,520	72,131
	Septic tank fees	14,787	14,101
	Other user charges and contributions	89,803	150,985
	Total user fees	663,298	802,550
	User fees by timing of revenue recognition		
	User fees recognised at a point in time	663,298	802,550
	Total user fees	663,298	802,550
	User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.		
3.4	Funding from other levels of government		
	Grants were received in respect of the following :		
	Summary of grants		
	Commonwealth funded grants	8,659,624	6,640,613
	State funded grants	2,920,741	6,076,717
	Total grants received	11,580,365	12,717,330

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

	2020	2019
	\$	\$
(a) Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Financial Assistance Grants	5,592,672	5,717,136
Senior Citizens Grants	2,600	2,600
<i>Recurrent - State Government</i>		
Maternal & Child Health	196,893	164,940
Community Safety	9,763	40,146
Youth	94,167	91,667
Pests and Plants Program	60,231	58,364
Municipal Emergency Resource Programme	60,000	60,000
Supported Playgroup	34,981	75,387
Vulnerable Persons Register	17,947	17,691
Boat Ramp Maintenance	8,500	-
School Crossing Supervision	24,696	-
Other	4,960	-
Total recurrent operating grants	6,107,410	6,227,931
<i>Non-recurrent - Commonwealth Government</i>		
Environmental planning	5,000	-
<i>Non-recurrent - State Government</i>		
Revaluation Assistance	-	29,927
LGA Small Scale Infrastructure Grant	10,395	12,455
Recreation-Non Capital	-	15,000
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
Emergency & Disaster Management	378,861	-
Working for Victoria	751,631	-
Planning and Business Case	59,271	-
Greening Euroa	-	-
Creative Victoria-Youth	25,000	-
Water/Waterways Management	28,000	-
Rural Council Victoria Summit	40,000	-
Total non-recurrent operating grants	1,298,158	359,851
Total operating grants	7,405,568	6,587,782

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020

	2020	2019
	\$	\$
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	2,159,352	920,877
Total recurrent capital grants	2,159,352	920,877
<i>Non-recurrent - Commonwealth Government</i>		
Drought Funding	900,000	-
<i>Non-recurrent - State Government</i>		
Local Government Energy Saver Grants - Capital	-	50,000
Roads and Bridges	886,194	550,000
Buildings	175,000	103,834
Recreation	59,300	403,700
Footpaths	33,000	-
Pick My Project	9,950	81,409
Water Management	-	32,000
Other Flood Recovery Grants	18,720	123,084
Flood Event 12/2017-Capital *	(127,125)	3,864,644
Environment	60,406	-
Total non-recurrent capital grants	2,015,444	5,208,671
Total capital grants	4,174,796	6,129,548

(c) Unspent grants received on condition that they be spent in a specific manner

<i>Operating</i>		
Balance at start of year	30,000	399,696
Received during the financial year and remained unspent at balance date	273,582	30,000
Received in prior years and spent during the financial year	30,000	399,696
Balance at year end	273,582	30,000
<i>Capital</i>		
Balance at start of year	-	-
Received during the financial year and remained unspent at balance date	1,164,948	-
Received in prior years and spent during the financial year	-	-
Balance at year end	1,164,948	-

Grant income is recognised at the point in time when the council satisfies its performance obligations as specified in the underlying agreement.

* Debit balance in grant income is due to reversal of excess income accrued in 2018/19 which include flood event grant \$112,125 and Southern Aurora Memorial Garden grant \$15,000.

3.5 Contributions

Monetary	355,983	386,742
Non-monetary	-	748,380
Total contributions	355,983	1,135,122

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

Roads	-	174,189
Bridges	-	41,513
Land under roads	-	30,600
Footpaths	-	97,940
Drainage	-	383,388
Other	-	20,750
Total non-monetary contributions	-	748,380

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	262,134	584,157
Written down value of assets disposed	(162,370)	(512,024)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	99,764	72,133

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

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020

	2020	2019
	\$	\$
3.7 Other income		
Interest	182,861	232,886
Interest on rates	101,606	112,078
Diesel rebate	64,318	65,830
Insurance recoveries	22,586	92,829
Parental Leave Reimbursement	-	10,071
Other	103,572	197,976
Total other income	474,943	711,670

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	8,981,108	9,086,602
WorkCover	173,593	203,259
Superannuation	828,063	815,758
Fringe benefits tax	134,925	175,489
Other	217,121	174,598
Total employee costs	10,334,810	10,455,706

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	61,144	74,084
Employer contributions - other funds	-	-
	61,144	74,084
Employer contributions payable at reporting date.	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	422,704	377,456
Employer contributions - other funds	326,921	354,787
	749,625	732,243
Employer contributions payable at reporting date.	17,295	9,431

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

4.2 Materials and services

Building maintenance	441,156	231,825
General maintenance	4,108,107	4,585,895
Utilities	267,025	383,019
Office administration	1,493,265	1,591,500
Information technology	687,652	627,637
Insurance	326,537	356,410
Consultants	1,235,190	1,355,922
Legal fees	134,774	122,530
Emergency Expense	434,399	-
Waste Management	2,189,904	2,144,090
Total materials and services	11,318,009	11,398,828

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020

	2020	2019
	\$	\$
4.3 Depreciation		
Property	985,866	987,595
Plant and equipment	382,357	496,287
Furniture and Equipment	221,613	199,703
Infrastructure	4,441,143	4,246,138
Total depreciation	6,030,979	5,929,723
<i>Refer to note 5.2(c), 5.8 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.</i>		
4.4 Amortisation - Intangible assets		
Software	59,845	-
Total Amortisation - Intangible assets	59,845	-
4.5 Amortisation - Right of use assets		
Property	9,206	-
Plant and equipment	190,526	-
Total Amortisation - Right of use assets	199,732	-
4.6 Bad and doubtful debts		
Rates debtors	429	-
Other debtors	49,804	-
Total bad and doubtful debts	50,233	-
Movement in provisions for doubtful debts		
Balance at the beginning of the year	7,025	7,025
New provisions recognised during the year	28,806	-
Balance at end of year	35,831	7,025
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.		
4.7 Borrowing costs		
Interest - Borrowings	25,783	36,015
Less capitalised borrowing costs on qualifying assets	-	-
Total borrowing costs	25,783	36,015
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.		
4.8 Finance Costs - Leases		
Interest - Lease Liabilities	21,467	-
Total finance costs	21,467	-
4.9 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	48,400	35,000
Auditors' remuneration - Internal	50,890	88,857
Councillors' allowances	196,479	201,423
Other Councillor expenses	11,724	40,753
WDV of Infrastructure Assets Renewed	170,940	451,391
Election Expenses	26,676	-
Total other expenses	505,109	817,424

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

Note 5	Our financial position	2020	2019
5.1	Financial assets	\$	\$
	(a) Cash and cash equivalents		
	Cash on hand	1,827	2,770
	Cash at bank	1,621,845	2,408,995
	Term deposits	1,250,000	8,204,712
	Total cash and cash equivalents	2,873,672	10,616,477
	(b) Other financial assets		
	Share in MAV Purchasing Scheme	2,032	2,032
	Term deposits	13,704,764	-
	Total other financial assets	13,706,796	2,032
	Total financial assets	16,580,468	10,618,509

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)	445,677	749,690
Total restricted funds	445,677	749,690
Total unrestricted cash and cash equivalents	2,427,995	9,866,787

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	3,498,000	2,933,000
- Open space reserve	108,958	108,958
- Bridge replacement reserve	-	750,000
- Caravan Park (operating and capital expense)	73,289	-
Total funds subject to intended allocations	3,680,247	3,791,958

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.

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

	2020	2019
	\$	\$
(c) Trade and other receivables		
Current		
Rates debtors	2,134,307	1,433,595
Special rate assessment	9,184	-
Net GST Receivable	212,575	344,459
Other debtors	797,840	1,761,789
Provision for doubtful debts - other debtors	(35,831)	(7,025)
Total current trade and other receivables	3,118,075	3,532,818
Non-current		
Statutory receivables		
Special rate scheme	57,513	83,325
Total non-current trade and other receivables	57,513	83,325
Total trade and other receivables	3,175,588	3,616,143

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)	504,879	887,792
Past due by up to 30 days	2,454	25,555
Past due between 31 and 180 days	163,932	424,156
Past due between 181 and 365 days	43,255	352,557
Past due by more than 1 year	83,320	71,729
Total trade and other receivables	797,840	1,761,789

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

5.2 Non-financial assets	2020	2019
	\$	\$
(a) Other assets		
Prepayments	255,819	239,106
Accrued income	501,824	1,286,045
Inventories	5,289	13,808
Total other assets	762,932	1,538,959
(b) Intangible assets		
Software	106,703	-
Total intangible assets	106,703	-
	Software	Total
	\$	\$
Gross carrying amount		
Balance at 1 July 2019	888,419	888,419
Additions from internal developments	-	-
Other additions	31,629	31,629
Balance at 1 July 2020	920,048	920,048
Accumulated amortisation and impairment		
Balance at 1 July 2019	(753,499)	(753,499)
Amortisation expense	(59,845)	(59,845)
Balance at 1 July 2020	(813,344)	(813,344)
Net book value at 30 June 2019	134,920	134,920
Net book value at 30 June 2020	106,703	106,703

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

5.3 Payables	2020	2019
	\$	\$
(a) Trade and other payables		
Trade payables	1,646,384	2,971,586
Accrued expenses	507,919	117,434
Total trade and other payables	2,154,303	3,089,020
(b) Trust funds and deposits		
Current		
Fire services levy	114,670	352,952
Retention amounts	133,432	178,103
Other refundable deposits	133,372	154,432
Total Current trust funds and deposits	381,474	685,487
Non-current		
Trust funds bequested	64,203	64,203
Total Non-Current trust funds and deposits	64,203	64,203
Total trust funds and deposits	445,677	749,690
(c) Unearned income		
Grants received in advance - Operating	273,582	-
Grants received in advance - Capital	1,164,948	-
Other	3,182	-
Total unearned income	1,441,712	-

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020

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

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	2020	2019
	\$	\$
Current		
Bank overdraft	-	-
Borrowings - secured	86,116	136,373
	<u>86,116</u>	<u>136,373</u>
Non-current		
Borrowings - secured	282,425	368,541
	<u>282,425</u>	<u>368,541</u>
Total	<u>368,541</u>	<u>504,914</u>

Borrowings are secured by (insert security details)

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

Not later than one year	86,116	136,373
Later than one year and not later than five years	282,425	368,541
Later than five years	-	-
	<u>368,541</u>	<u>504,914</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
	\$	\$	\$
2020			
Balance at beginning of the financial year	2,746,190	5,577,198	8,323,388
Additional provisions	1,030,226		1,030,226
Amounts used	(888,515)	-	(888,515)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(36,911)	20,265	(16,646)
Balance at the end of the financial year	<u>2,850,990</u>	<u>5,597,463</u>	<u>8,448,453</u>
2019			
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>

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

	2020	2019
	\$	\$
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	415,968	609,053
Long service leave	34,103	385,973
Other	31,444	31,444
	<u>481,515</u>	<u>1,026,470</u>
Current provisions expected to be wholly settled after 12 months		
Annual leave	578,246	432,896
Long service leave	1,551,652	1,051,808
	<u>2,129,898</u>	<u>1,484,704</u>
Total current employee provisions	<u>2,611,413</u>	<u>2,511,174</u>
Non-current		
Long service leave	239,577	235,016
Total non-current employee provisions	<u>239,577</u>	<u>235,016</u>
Aggregate carrying amount of employee provisions:		
Current	2,611,413	2,511,174
Non-current	239,577	235,016
Total aggregate carrying amount of employee provisions	<u>2,850,990</u>	<u>2,746,190</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	0.87%	1.16%
- index rate	1.60%	2.00%

(b) Landfill restoration

Current	1,084,402	1,000,000
Non-current	4,513,062	4,577,199
	<u>5,597,464</u>	<u>5,577,199</u>

Council is obligated to restore Violet Town 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. Council has engaged a contractor to estimate future restoration works, this work will be completed in early part of 2020/21 financial year.

Key assumptions:

- discount rate	0.87%	1.15%
- index rate	1.25%	2.25%

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30th June 2020.

Bank overdraft	2,290,000	2,290,000
Loan facilities	368,541	504,914
Credit card facilities	100,000	100,000
Total facilities	<u>2,758,541</u>	<u>2,894,914</u>
Used facilities	(376,363)	(517,410)
Unused facilities	<u>2,382,178</u>	<u>2,377,504</u>

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

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.

	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
	\$	\$	\$	\$	\$
2020					
Operating					
Open space management	219,391	-	-	-	219,391
Governance	90,497	-	-	-	90,497
Home care services	13,992	13,609	-	-	27,601
Cleaning contracts for council buildings	44,553	44,553	122	-	89,228
Total	368,433	58,162	122	-	426,717
Capital					
Buildings	-	-	-	-	-
Roads	-	-	-	-	-
Drainage	-	-	-	-	-
Total	-	-	-	-	-
	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
	\$	\$	\$	\$	\$
2019					
Operating					
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
Total	912,696	596,053	196,001	-	1,704,750
Capital					
Bridges	216,127	-	-	-	216,127
Roads	21,226	-	-	-	21,226
Plant	277,623	-	-	-	277,623
Total	514,976	-	-	-	514,976

5.8 Leases

Policy applicable before 1 July 2019

As a lessee, council classifies leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to council.

Operating lease payments, including any contingent rentals, were recognised as an expense in the comprehensive income statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset was not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease were recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives were received to enter into operating leases, the aggregate cost of incentives were recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis was more representative of the time pattern in which economic benefits from the leased asset were consumed.

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020**Policy applicable after 1 July 2019**

Council has applied AASB 16 Leases using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information. The council applied the approach consistently to all leases in which it is a lessee.

On transition to AASB 16 Leases, Council elected to apply the practical expedient to 'grandfather' the assessment of which transactions are leases. The council has applied this practical expedient to all of its contracts and therefore applied AASB 16 Leases only to contracts that were previously identified as leases.

At inception of a contract, all entities would assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Council has elected to apply the temporary option available under AASB 16 Leases which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Right-of-Use Assets

	Property	Plant & Equipment	Total
	\$	\$	\$
Balance at 1 July 2019	36,822	644,775	681,597
Additions	-	390,665	390,665
Amortisation charge	(9,206)	(190,526)	(199,732)
Balance at 30 June 2020	27,616	844,914	872,530

Lease Liabilities	2020
Maturity analysis - contractual undiscounted cash flows	\$
Less than one year	250,791
One to five years	690,556
More than five years	-
Total undiscounted lease liabilities as at 30 June:	941,347

Lease liabilities included in the Balance Sheet at 30 June:

Current	230,029
Non-current	652,421
Total lease liabilities	882,450

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020**Short-term and low value leases**

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2020
Expenses relating to:	\$
Short-term leases	16,564
Leases of low value assets	-
Total	16,564
Variable lease payments (not included in measurement of lease liabilities)	-

i. Leases classified as operating leases under AASB 117 Leases

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at Council's incremental borrowing rate as at 1 July 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. Council applied this approach to all applicable leases.

Council used the following practical expedients when applying AASB 16 Leases to leases previously classified as operating leases under AASB 117

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Adjusted the right-of-use assets by the amount of AASB 137 Provisions, Contingent Liabilities and Contingent Assets onerous contract provision immediately before the date of initial application, as an alternative to an impairment review.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

ii. Leases previously classified as finance leases

For leases that were classified as finance leases under AASB 117 Leases, the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are determined at the carrying amount of the lease asset and lease liability under AASB 117 Leases immediately before that date.

Council is not required to make any adjustments on transition to AASB 16 Leases for leases in which it acts as a lessor, except for a sub-lease. Council accounted for its leases in accordance with AASB 16 Leases from the date of initial application.

Impact on financial statements

On transition to AASB 16 Leases, Council recognised an additional \$681,597 of right-of-use assets and \$681,597 of lease liabilities.

When measuring lease liabilities, Council discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted-average rate applied is 2.79%.

	2019
	\$
Operating lease commitment at 30 June 2019 as disclosed in Council's financial statements	455,297
Discounted using the incremental borrowing rate at 1 July 2019	(66,700)
Waste Management Contract	256,177
Property Lease	36,823
Finance lease liability recognised as at 1 July 2019	681,597

Note 6 Assets we manage	2020	2019
6.1 Non current assets classified as held for sale	\$	\$
Cost of acquisition	690,384	273,000
Total non current assets classified as held for sale	690,384	273,000

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.

Strathbogie Shire Council 2019/2020
Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2019	Additions	Recognised First Time	Revaluation	Depreciation	Disposal	Write-off	Transfers	At Fair Value 30 June 2020
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Property	80,977,186	888,934	-	(19,107,070)	(985,886)	-	-	279,893	62,053,057
Plant and equipment	2,730,225	577,167	-	1,541,200	(603,970)	(162,370)	-	470,830	4,553,083
Infrastructure	206,528,180	4,385,005	6,444,635	-	(4,441,123)	(170,940)	-	282,199	213,027,957
Work in progress	1,917,030	919,868	-	-	-	-	(67,469)	(1,585,247)	1,184,182
	292,152,621	6,770,973	6,444,635	(17,565,870)	(6,030,979)	(333,310)	(67,469)	(552,324)	280,818,279

Summary of Work in Progress

	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$	\$	\$	\$	\$
Property	770,334	215,576	(20,737)	(697,277)	267,896
Plant and equipment	-	-	-	-	-
Infrastructure	1,146,696	704,292	(46,732)	(887,969)	916,286
Total	1,917,030	919,868	(67,469)	(1,585,247)	1,184,183

Strathbogie Shire Council 2019/2020
Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

(a) Property

	Land - specialised	Land - non specialised	Land under roads	Total Land	Buildings - specialised	Buildings - non specialised	Total Buildings	Cultural and heritage assets	Work In Progress	Total Property
	\$	\$	\$	\$	\$	\$	\$		\$	\$
At fair value 1 July 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 1 July 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
Movements in fair value										
Additions	-	-	-	-	888,934	-	888,934	-	215,576	1,104,510
Contributions	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	(16,157,438)	-	(16,157,438)	1,062,032	-	(15,095,406)
Reclassification	-	-	-	-	(2,541,860)	-	(2,541,860)	1,236,868	(126,467)	(1,431,459)
Write-off	-	-	-	-	-	-	-	-	(20,737)	(20,737)
Transfers	(329,560)	(87,824)	-	(417,384)	570,810	-	570,810	-	(570,810)	(417,384)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-
	(329,560)	(87,824)	-	(417,384)	(17,239,553)	-	(17,239,553)	2,298,900	(502,438)	(15,860,476)
Movements in accumulated depreciation										
Depreciation and amortisation	-	-	-	-	(985,886)	-	(985,886)	-	-	(985,886)
Reclassification	-	-	-	-	1,304,992	-	1,304,992	-	-	1,304,992
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	(4,011,664)	-	(4,011,664)	-	-	(4,011,664)
Transfers	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	(3,692,558)	-	(3,692,558)	-	-	(3,692,558)
At fair value 30 June 2020	26,172,407	5,861,777	214,065	32,248,249	60,872,450	3,305,676	64,178,127	2,298,900	267,896	98,993,172
Accumulated depreciation at 30 June 2020	-	-	-	-	(35,705,541)	(1,093,144)	(36,798,685)	-	-	(36,798,685)
	26,172,407	5,861,777	214,065	32,248,249	25,166,910	2,212,532	27,379,442	2,298,900	267,896	62,194,487

Strathbogie Shire Council 2019/2020
Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecom.	Cultural and heritage assets - Arts & Monuments	Work In Progress	Total plant and equipment
	\$	\$	\$	\$	\$	\$
At fair value 1 July 2019	6,026,004	3,619,380	-	-	-	9,645,385
Accumulated depreciation at 1 July 2019	(4,004,107)	(2,911,052)	-	-	-	(6,915,159)
	2,021,897	708,328	-	-	-	2,730,226
Movements in fair value						
Additions	353,183	223,985	-	-	-	577,167
Contributions	-	-	-	-	-	-
Revaluation	-	-	-	1,541,200	-	1,541,200
Disposal	(646,219)	-	-	-	-	(646,219)
Reclassification	-	-	-	-	-	-
Transfers	(888,419)	-	-	605,750	-	(282,669)
Impairment losses recognised in operating result	-	-	-	-	-	-
	(1,181,455)	223,985	-	2,146,950	-	1,189,479
Movements in accumulated depreciation						
Depreciation and amortisation	(382,357)	(221,613)	-	-	-	(603,970)
Accumulated depreciation of disposals	483,849	-	-	-	-	483,849
Impairment losses recognised in operating result	-	-	-	-	-	-
Transfers	753,499	-	-	-	-	753,499
	854,991	(221,613)	-	-	-	633,378
At fair value 30 June 2020	4,844,549	3,843,365	-	2,146,950	-	10,834,864
Accumulated depreciation at 30 June 2020	(3,149,116)	(3,132,665)	-	-	-	(6,281,781)
	1,695,434	710,700	-	2,146,950	-	4,553,083

Strathbogie Shire Council 2019/2020
Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

(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 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 1 July 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
Movements in fair value										
Additions	2,514,867	206,434	317,817	132,183	-	-	1,213,703	-	704,292	5,089,297
Reclassification	-	(5,918,395)	-	-	-	-	-	2,288,263	126,467	(3,503,665)
Revaluation	-	-	-	-	-	-	-	-	-	-
Disposal	-	(388,500)	-	-	-	-	-	-	-	(388,500)
Recognised First Time	-	-	-	-	-	-	13,696,800	-	-	13,696,800
Write-off	-	-	-	-	-	-	-	-	(46,732)	(46,732)
Transfers	-	352,118	5,327	363,443	-	-	293,549	(605,750)	(1,014,436)	(605,750)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-
	2,514,867	(5,748,343)	323,144	495,626	-	-	15,204,052	1,682,513	(230,409)	14,241,450
Movements in accumulated depreciation										
Depreciation and amortisation	(2,941,405)	(637,039)	(97,324)	(155,386)	(109,459)	-	(500,510)	-	-	(4,441,123)
Accumulated depreciation of disposals	-	217,560	-	-	-	-	-	-	-	217,560
Recognised First Time	-	-	-	-	-	-	(7,252,165)	-	-	(7,252,165)
Reclassification	-	3,630,132	-	-	-	-	-	-	-	3,630,132
Transfers	-	-	-	-	-	-	-	-	-	-
	(2,941,405)	3,210,653	(97,324)	(155,386)	(109,459)	-	(7,752,675)	-	-	(7,845,596)
At fair value 30 June 2020	195,330,942	62,743,429	4,906,219	16,378,089	6,597,927	-	22,012,886	2,288,263	916,286	311,174,042
Accumulated depreciation at 30 June 2020	(57,900,801)	(19,267,341)	(1,445,484)	(4,433,107)	(2,638,792)	-	(11,417,787)	-	-	(97,103,311)
	137,430,142	43,476,088	3,460,735	11,944,983	3,959,135	-	10,595,099	2,288,263	916,286	214,070,732

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020**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 purchase. 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 \$
Asset recognition thresholds and depreciation periods		
Property		
land	-	10,000
Buildings		
buildings	10 to 100 years	5,000
Plant and Equipment		
plant, machinery and equipment	2 to 20 years	1,000
furniture and equipment	2 to 10 years	1,000
leased plant and equipment including right of use assets	3 to 5 years	5,000
Infrastructure		
road pavements - sealed	40 to 130 years	5,000
road pavements - unsealed	25 to 40 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	10 to 60 years	5,000
drainage	100 years	5,000
parks open spaces and streetscapes	15 to 100 years	5,000
kerb and channel	50 to 100 years	5,000
cultural and heritage assets	-	5,000

Council recognises land under roads it controls at fair value.

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.

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.

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Liquid Pacific. 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. A full revaluation of these assets has been conducted in 2019/20.

Land and building asset values are not expected to be materially impacted by COVID-19 as at 30 June 2020. A formal revaluation was undertaken for buildings and structures during in June 2020.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2020 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
Land	-	5,861,777	-	Jun-18
Specialised land	-	-	26,172,407	Jun-18
Land uner roads	-	-	214,065	Jun-18
Heritage Buildings	-	-	2,298,900	Jun-20
Buildings & site improvements	-	8,392,275	18,987,167	Jun-20
Total	-	14,254,052	47,672,539	

Valuation of infrastructure

The valuation is at fair value as at 30 June 2019 plus all 2019/20 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 2019 was made by Uwe Paffrath, Certified Municipal Engineer.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2020 are as follows:

Cultural and Heritage Assets - Infrastructure

Two bridges that were recorded under Bridges in previous years were reclassified as 'Cultural and Heritage Assets' during 2019/20. The Council has not undertaken a revaluation of these bridges during 2019/20. Instead, the written down value of \$2,288,263 as of 1st July 2019 was transferred to 'Cultural and Heritage Assets'.

	Level 1	Level2	Level 3	Date of Valuation
Roads	-	-	137,430,142	Jun-19
Bridges	-	-	43,476,088	Jun-19
Footpaths and cycleways	-	-	3,460,735	Jun-19
Drainage	-	-	11,944,983	Jun-19
Kerb and channel	-	-	3,959,135	Jun-19
Waste management	-	-	-	Jun-19
Parks, open space and streetscapes	-	-	10,595,099	Jun-19
Total	-	-	210,866,182	

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

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 are 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.

	2020	2019
Reconciliation of specialised land	\$	\$
Parks and reserves	19,287,996	19,287,996
Waste management	937,303	937,303
Civic centres	2,448,870	2,448,870
Council depts	673,883	1,003,443
Caravan parks	2,086,281	2,086,281
Pre schools	399,599	399,599
Saleyards	338,475	338,475
Total specialised land	26,172,407	26,501,967

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020

	2020	2019
	\$	\$
6.3 Investments in associates, joint arrangements and subsidiaries		
(a) Investments in associates		
- Goulburn Valley Regional Library Corporation	227,146	218,432
Background		
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 Strathbogie Shire, Moira Shire and City of Greater Shepparton. Council holds 9.86% (2018/19: 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	227,146	218,432
Council's share of accumulated surplus(deficit)		
Council's share of accumulated surplus(deficit) at start of year	218,432	235,987
Reported surplus(deficit) for year	8,714	(17,555)
Transfers (to) from reserves	-	-
Distributions for the year	-	-
Council's share of accumulated surplus(deficit) at end of year	227,146	218,432
Council's share of reserves		
Council's share of reserves at start of year	-	-
Transfers (to) from reserves	-	-
Council's share of reserves at end of year	-	-
Movement in carrying value of specific investment		
Carrying value of investment at start of year	218,432	235,987
Share of surplus(deficit) for year	8,714	(17,555)
Share of asset revaluation	-	-
Distributions received	-	-
Carrying value of investment at end of year	227,146	218,432

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Committees of management

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as committees of management, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

Avenel Memorial 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
 Strathbogie Memorial Hall
 Strathbogie Recreation Reserve
 Tableland Community Centre Committee (Ruffy)
 Violet Town Recreation Reserve

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020

	2020 No.	2019 No.
Note 7 People and relationships		
7.1 Council and key management remuneration		
(a) Related Parties		
Parent entity		
Strathbogie Shire Council is the parent entity.		
Subsidiaries and Associates		
Interests in subsidiaries and 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:		
Councillors		
Cr Amanda McClaren (Mayor)		
Cr John Mason		
Cr Malcolm Little		
Cr Kate Stothers (01/07/19 to 6/12/19)		
Cr Debra Bower (01/07/19 to 31/12/19)		
Cr Alistair Thomson		
Cr Graeme (Mick) Williams		
Cr Robert 'Bob' Gardner (from 28/01/20)		
Cr Chris Raeburn (from 31/03/20)		
Chief Executive Officer (from 13/01/2020)		
Group Manager Community Assets (01/07/2019 to 07/02/2020)		
Acting Group Manager Innovation & Performance (10/07/2019 to 13/01/2020)		
Director - Community & Planning		
Director - Corporate Operations		
Executive Manager People & Culture (from 20/04/2020)		
Executive Manager Governance & Customer Service (from 20/04/2020)		
Executive Manager Communications and Engagement (from 04/05/2020)		
Total Number of Councillors	9	7
Total of Chief Executive Officer and other Key Management Personnel	8	4
Total Number of Key Management Personnel	17	11
(c) Remuneration of Key Management Personnel	2020	2019
	\$	\$
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,071,634	991,113
Long-term benefits	92,910	16,635
Post employment benefits	68,187	83,002
Total	1,232,731	1,090,750
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:	2020	2019
	No.	No.
\$1 - \$9,999	3	-
\$10,000 - \$19,999	1	-
\$20,000 - \$29,999	5	6
\$30,000 - \$39,999	1	-
\$60,000 - \$69,999	1	1
\$80,000 - \$89,999	1	-
\$100,000 - \$109,999	2	-
\$160,000 - \$169,999	-	1
\$180,000 - \$189,999	1	1
\$210,000 - \$219,999	1	-
\$230,000 - \$239,999	-	1
\$280,000 - \$289,999	1	-
\$320,000 - \$329,999	-	1
	17	11

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

(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 \$151,000

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

	2020	2019
Income Range:	No.	No.
\$150,000 - \$159,999	-	3
\$170,000 - \$179,999	3	1
	<u>3</u>	<u>4</u>
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	527,879	630,870

7.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into the following transactions with related parties on normal council terms and conditions.

47,940

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

There was a transaction between North Eastern Trenching for \$30,043 and the Council during the financial year. The proprietor of North Eastern Trenching is a related party to councillor Graeme (Mick) Williams.

There were transactions between Avenel Action Group for \$12,210 and the Council during the financial year. This group is a related party to councillor Amanda McClaren.

There were transactions between Rod Weld Engineering for \$5,291 and the Council during the financial year. This is a related party to acting Group Manager Innovation & Performance.

There was a transaction between Brayd Consulting for \$396 and the Council during the financial year. The proprietor is a related party to Executive Manager Governance and Customer Service.

2020
\$

2019
\$

(b) Outstanding balances with related parties

There are no outstanding at the end of the reporting period in relation to transactions with related parties

(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

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

Council has a commitment to pay Goulburn Valley Regional Library Corporation a contribution of \$272,780 during the 2020/21 financial year.

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

(a) 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 2019/20 year (2018/19 \$0). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2020. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2021 are \$0.

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.

Insurance claims

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

Legal matters

There are no any 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

Council is 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.

MAV Workcare

Council is a participant of the MAV WorkCare Scheme. The MAV WorkCare scheme provides workers compensation insurance. The MAV WorkCare 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.

(b) Guarantees for loans to other entities

Council does not have any financial guarantees.

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

8.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2020 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.

AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) (applies 2020/21 for LG Sector)

AASB 1059 addresses the accounting for a service concession arrangement by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. It requires the grantor to:

- recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset;
- reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service concession asset;
- initially measure a service concession asset constructed, developed or acquired by the operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in AASB 13 Fair Value Measurement. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with AASB 116 Property, Plant and Equipment or AASB 138 Intangible Assets, as appropriate, except as specified AASB 1059;
- recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator; and
- disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

Based on the Council's current assessment, there is expected to be no impact on the transactions and balances recognised in the financial statements as the Council is not a grantor in a service concession arrangement.

AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material (applies 2020/21 for LG Sector)

The Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The impacts on the local government sector are expected to be minimal.

AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework (applies 2020/21 for LG Sector)

This Standard sets out amendments to Australian Accounting Standards, Interpretations and other pronouncements to reflect the issuance of the Conceptual Framework for Financial Reporting (Conceptual Framework) by the AASB. The impacts on the local government sector are expected to be minimal.

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.

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

(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 + 0.25% and - 0.25% in market interest rates (AUD) from year-end rates of 0.7%.

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.

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; and

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 2 to 5 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

On 2 August 2020 the Victorian State Government in response to COVID-19 imposed stage 3 restrictions on regional Victoria from Thursday 6 August 2020. No adjustments to balances are required as at 30 June 2020.

All receivables and payables balances along with actual impacts on revenue and expenses and asset values are not expected to be further impacted by the announcement. Disclosures regarding COVID-19 have been made in the relevant notes to the statements.

In light the conditions prevailed in the country council adopted budget (adopted on 14th July 2020) suggested zero percent increase in rates for 2020/21 financial year.

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020

Note 9 Other matters

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$	\$	\$
9.1 Reserves			
(a) Asset revaluation reserves			
2020			
Property			
Land and land improvements	27,268,863	-	27,268,863
Buildings	46,180,386	(19,107,070)	27,073,316
	73,449,248	(19,107,070)	54,342,179
Plant and Equipment			
Cultural and heritage assets	-	1,541,200	1,541,200
Infrastructure			
Roads	89,369,647	-	89,369,647
Bridges	30,085,240	-	30,085,240
Footpaths and cycleways	1,600,498	-	1,600,498
Drainage	4,026,118	-	4,026,118
Parks, open space and streetscapes	-	6,444,635	6,444,635
Kerb and Channel	2,954,641	-	2,954,641
Other infrastructure	17,093	-	17,093
	128,053,237	6,444,635	134,497,872
Total asset revaluation reserves	201,502,485	(11,121,235)	190,381,250
2019			
Property			
Land and land improvements	24,645,565	2,623,298	27,268,863
Buildings	41,803,908	4,376,478	46,180,386
	66,449,473	6,999,775	73,449,248
Infrastructure			
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
Recreational, leisure and community facilities	-	-	-
Waste management	-	-	-
Parks, open space and streetscapes	-	-	-
Kerb and Channel	2,954,641	-	2,954,641
Offstreet car parks	-	-	-
Other infrastructure	16,205	888	17,093
	137,708,807	(9,655,570)	128,053,237
Total asset revaluation reserves	204,158,280	(2,655,795)	201,502,485

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) Other reserves				
2020				
Bridge replacement reserve	750,000	-	-	750,000
Open space reserve	108,958	-	-	108,958
Total Other reserves	858,958	-	-	858,958
2019				
Bridge replacement reserve	750,000	-	-	750,000
Open space reserve	108,958	-	-	108,958
Total Other reserves	858,958	-	-	858,958

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020

	2020	2019
	\$	\$
9.2 Reconciliation of cash flows from operating activities to surplus(deficit)		
Surplus/(deficit) for the year	4,863,476	6,398,908
Depreciation/amortisation	6,290,556	5,929,723
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(99,764)	(72,133)
Written down value of infrastructure assets replaced	170,940	512,024
Contributions - Non-monetary assets	-	(748,380)
Borrowing costs/Finance Cost	47,250	36,015
Share of net profits of associates	(8,714)	17,555
Other	67,490	-
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	440,555	(1,382,320)
Trust funds and other deposits repaid	(304,013)	873,666
(Increase)/decrease in prepayments	(16,713)	91,768
Increase/(decrease) in accrued income	784,221	(1,112,076)
Increase/(decrease) in trade and other payables	(934,717)	(282,443)
(Decrease)/increase in other liabilities	1,441,712	-
(Increase)/decrease in inventories	8,519	(7,592)
Increase/(decrease) in provisions	125,065	(288,482)
Net cash provided by/(used in) operating activities	12,875,863	9,966,233

9.3 Superannuation

Council makes the 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 2020, 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.

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

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.

A triennial actuarial review is currently underway for the Defined Benefit category as at 30 June 2020 and is expected to be completed by 31 December 2020.

As at 30 June 2019, 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 107.1%. 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 actual VBI at 30th June 2020 was 104.6%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2019 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 2017 full 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 2020, this rate was 9.5% of members' salaries (9.5% in 2018/2019). This rate is expected to increase in line with any increases in the SG contribution rate and reviewed as part of the 30 June 2020 triennial valuation.

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 Strathbogie Shire 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.

Strathbogie Shire Council
2019/2020 Financial ReportNotes to the Financial Report for the
Year ended 30 June 2020**The 2019 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 2019 and the last 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:

	2019 \$m	2017 \$m
- A VBI Surplus	151.3	69.8
- A total service liability surplus	233.4	193.5
- A discounted accrued benefits surplus	256.7	228.8

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 2019.

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 2019.

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 2019.

Council was notified of the 30 June 2019 VBI during August 2019 (2018: August 2018).

The 2020 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2020. It is anticipated that this actuarial investigation will be completed by 31 December 2020. The financial assumptions for the purposes of this investigation are:

	2020 Triennial investigation	2017 Triennial investigation
Net investment return	5.6% pa	6.5% pa
Salary inflation	2.50% pa for the first two years and 2.75%pa thereafter	3.5% pa
Price inflation	2.0% pa	2.5% pa

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2020 are detailed below:

Scheme	Type of Scheme	Rate	2020 \$	2019 \$
Vision super	Defined benefit	9.50%	61,144	74,084
Vision super	Accumulation fund	9.50%	422,704	377,456
Other funds	Accumulation fund	9.50%	326,921	354,787

Council hasn't paid any unfunded liability payments to Vision Super in 2019/20 or 2018/19. Council does not expect to pay to the Defined Benefit category of Vision Super for the year ending 30 June 2021.

Strathbogie Shire Council
2019/2020 Financial Report

Notes to the Financial Report for the
Year ended 30 June 2020

10 Change in accounting policy

Council has adopted AASB 15 *Revenue from Contracts with Customers*, AASB 16 *Leases* and AASB 1058 *Income of Not-for-Profit Entities*, from 1 July 2019. This has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements.

Due to the transition methods chosen by Council in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards except in relation to contracts that were not complete at 1 July 2019. The transition impact of these are detailed below.

a) AASB 15 Revenue from Contracts with Customers - Impact of Adoption

AASB 15 *Revenue from Contracts with Customers* applies to revenue transactions where Council provides services or goods under contractual arrangements.

Council adopted AASB 15 *Revenue from Contracts with Customers* using the modified (cumulative catch up) method. Revenue for 2019 as reported under AASB 118 *Revenue* is not adjusted, because the new standard is only applied from the date of initial application.

AASB 15 *Revenue from Contracts with Customers* requires revenue from contracts with customers to be recognised as Council satisfies the performance obligations under the contract.

b) AASB 16 Leases

AASB 16 *Leases* requires right of use assets and related liabilities for all lease agreements to be recognised on the balance sheet. The Statement of Comprehensive Income is to separately recognise the amortisation of the right of use asset, and the finance costs relating to the lease. Council has elected to adopt the modified (cumulative catch up) method under the standard and as such has not adjusted 2019 disclosures. The transition impact of these are detailed below.

c) AASB 1058 Income of Not-for-Profit Entities

AASB 1058 *Income of Not-for-Profit Entities* applies to income received where no contract is in place. This includes statutory charges (such as rates) as well as most grant agreements.

Council adopted AASB 1058 *Income of Not-for-Profit Entities* using the modified (cumulative catch up) method. Income for 2019 is not adjusted, because the new standard is only applied from the date of initial application.

AASB 1058 *Income of Not-for-Profit Entities* requires income to be recognised as Council satisfies the performance obligations under the contract.

9.3 **Adoption of Performance Statement 2019/20 and Governance and Management Checklist 2019/20**

Author: Director Corporate Operations

Responsible Director: Director Corporate Operations

EXECUTIVE SUMMARY

The Local Government Performance Reporting Framework is a **mandatory system of performance reporting for all Victorian councils**. It ensures that councils are measuring and reporting on their performance in a consistent way to promote transparency and accountability in the local government sector.

The Local Government Act 1989 (the Act) requires that Council pass a resolution giving its approval to the Performance Statement 2019/20 and Governance and Management Checklist prior to formal submission to the Auditor-General Victoria and the Minister. The performance statement provides our community with audited results against the prescribed performance indicators and measures.

The Act further requires that Council must authorise two Councillors to approve the Report.

Draft copies of the Performance Statement 2019/20 and Governance and Management Checklist have been circulated to Councillors with this report for their consideration, and are tabled for information purposes.

Council's Audit and Risk Committee considered both documents at its meeting on 9 October and endorsed them for adoption by Council

RECOMMENDATION

1. ***That Council adopt, in principle, the –***
 - a) ***Performance Statement 2019/20.***
 - b) ***Governance and Management Checklist 2019/20.***
2. ***That Council authorise Councillors McClaren and Gardner to sign the 2019/20 Performance Statement.***
3. ***That the above Statements be included in the Annual Report and submitted to the Hon. Shaun Leane MP, Minister for Local Government.***

PURPOSE AND BACKGROUND

Under Section 131 of the Local Government Act 1989, the Annual Budget 2019/20 included a list of prescribed indicators of service performance, financial and sustainable capacity performance required by regulations to be reported against in the performance statement. The Performance Statement represents an independent certification of Council's results against the prescribed indicators.

9.3 Adoption of Performance Statement 2019/20 and Governance and Management Checklist 2019/20 (cont.)

In addition, Section 131 requires Council to report on Council's assessment against the prescribed governance and management checklist for 2019/20.

ISSUES, OPTIONS AND DISCUSSION

One of the Overarching governance principles in section 9 of the Local Government Act 2020 is that Priority is to be given to achieving the best outcomes for the municipal community, including future generations.

The Local Government Performance Reporting Framework is a **mandatory system of performance reporting for all Victorian councils**. It ensures that councils are measuring and reporting on their performance in a consistent way to promote transparency and accountability in the local government sector.

This is the sixth year of operation of the Local Government Performance Reporting Framework (LGPRF). There is a comparison between 2016/17, 2017/18, 2018/19 and 2019/20 with comments detailing any variances. All data was collected according to the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014.

Subject to Council adopting the recommendation in this report, the Performance Statement will be forwarded to the Victorian Auditor-General for certification. It is also a statutory requirement for Council to include the Performance Statement in the Annual Report 2019/20.

COMMUNITY ENGAGEMENT

No community engagement is necessary in respect of this report although some of the measures incorporate the result of the Annual community Survey

POLICY CONSIDERATIONS

Council Plans and Policies

The report is consistent with Council Policies, key strategic documents and the Council Plan.

Regional, State and National Plans and Policies

The Performance Statement reports on indicators mandated by State Government through its Local Government Performance Reporting Framework.

LEGAL CONSIDERATIONS

The proposal is consistent with sections 131 and 132 of the Local Government Act 1989 which, amongst other things, requires the Council to "certify the statements in their final form".

Conflict of Interest Declaration

All officers, and / or contractors, involved in the preparation of this report have signed a written declaration that they do not have a conflict of interest in the subject matter of this report.

9.3 Adoption of Performance Statement 2019/20 and Governance and Management Checklist 2019/20 (cont.)

Transparency

Performance reporting is a key program promoting council transparency, accountability and performance. The data in the Performance Statement will appear on the Know Your Council website which will be available to the community.

FINANCIAL VIABILITY CONSIDERATIONS

Some indicators are directly from the Financial Statements

SUSTAINABILITY CONSIDERATIONS

One of the Overarching governance principles in section 9 of the *Local Government Act 2020* is that the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted.

Economic

The Performance Statement contains an indicator of performance in Statutory Planning

Social

The Performance Statement includes reporting in Indicators relating to:

- Maternal and Child Health
- Aquatic facilities
- Animal Management
- Food Safety

Environmental

The Performance Statement contains an indicator on waste diversion from landfill.

INNOVATION AND CONTINUOUS IMPROVMENT

Council continues to refine its end of year processes and with the advent of Coronavirus COVID-19 the audit has been conducted remotely and officers have adapted to this way of working

COLLABORATION

Council staff and Council's external auditor, the Victorian Auditor-General's Office and Council's Audit Committee have been consulted as part of the preparation of these reports.

CONCLUSION

The Chief Executive Officer and two Councillors are required to sign the Performance Statement (refer Appendix A – separately circulated). It is recommended that Council adopt, in principle, the Performance Statement, shown as Appendix A.

The Chief Executive Officer and one Councillor are required to sign the Governance and Management Checklist (refer Appendix B – separately circulated). It is recommended that Council adopt, in principle, the Governance and Management Checklist, shown as Appendix B.

- 9.3 Adoption of Performance Statement 2019/20 and Governance and Management Checklist 2019/20 (cont.)

ATTACHMENTS

Attachment 1: Strathbogie Shire Council Performance Statement 2019/20

Attachment 2: Governance and Management Checklist 2019/20

ATTACHMENT 1:



Performance Statement

For the year ended 30 June 2020

Description of municipality

Strathbogie 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 Strathbogie 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 Strathbogie 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 2020

<i>Indicator/measure</i>	Results				Material Variations
	2017	2018	2019	2020	
Population					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$2,614.58	\$3,031.18	\$2,691.78	\$2,647.81	
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$24,806.95	\$24,569.20	\$24,376.51	\$23,056.21	
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	4.36	4.41	4.49	4.89	No material variations
Own-source revenue					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,943.07	\$1,972.55	\$1,991.64	\$1,991.84	No material variations
Recurrent grants					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$999.52	\$747.68	\$671.58	\$766.72	Increase in Roads to Recovery funding
Disadvantage					
<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	3.00	4.00	4.00	4.00	

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.

Service Performance Indicators

For the year ended 30 June 2020

Service/indicator/measure	Results				Material Variations
	2017	2018	2019	2020	
Aquatic facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	3.75	3.44	2.90	1.82	Aquatic facilities closed due to bushfire smoke, mechanical issues
Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	New in 2020	New in 2020	New in 2020	0.00	No prosecutions in 2019/20
Animal management Health and Safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0.00	0.00	0.00	Retired in 2020	
Food safety Health and safety <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%	100.00%	86.67%	13 out of 15 notifications followed up

Service/indicator/measure	Results				Material Variations
	2017	2018	2019	2020	
Governance					
Satisfaction					
<i>Satisfaction with council decisions</i>	38.00	48.00	55.00	49.00	
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					
Libraries					
Participation					
<i>Active library members</i>	23.11%	22.30%	23.32%	24.17%	No material variation
[Number of active library members / Municipal population] x100					
Maternal and child health					
Participation					
<i>Participation in the MCH service</i>	83.87%	77.87%	73.96%	73.94%	No material variation
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
<i>Participation in the MCH service by Aboriginal children</i>	100%	92.31%	87.50%	87.18%	No material variation
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100					
Roads					
Satisfaction					
<i>Satisfaction with sealed local roads</i>	43.00	47.00	51.00	51.00	
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					

Service/indicator/measure	Results				Material Variations
	2017	2018	2019	2020	
Statutory Planning					
Decision making					
<i>Council planning decisions upheld at VCAT</i>	0.00%	0.00%	0.00%	50.00%	2 appeals, one of which was upheld
[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					
Waste Collection					
Waste diversion					
<i>Kerbside collection waste diverted from landfill</i>	70.30%	69.75%	69.41%	70.27%	No material variation
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					
<p>Definitions</p> <p>"Aboriginal child" means a child who is an Aboriginal person</p> <p>"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006</p> <p>"active library member" means a member of a library who has borrowed a book from the library</p> <p>"annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act</p> <p>"CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English</p> <p>"class 1 food premises" means food premises, within the meaning of the <i>Food Act 1984</i>, that have been declared as class 1 food premises under section 19C of that Act</p> <p>"class 2 food premises" means food premises, within the meaning of the <i>Food Act 1984</i>, that have been declared as class 2 food premises under section 19C of that Act</p> <p>"Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth</p> <p>"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i>, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health</p> <p>"food premises" has the same meaning as in the <i>Food Act 1984</i></p> <p>"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</p>					

"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 2020

Dimension/indicator/ measure	Results				Forecasts				Material Variations
	2017	2018	2019	2020	2021	2022	2023	2024	
Efficiency									
Revenue level									
<i>Average rate per property assessment</i> [General rates and Municipal Charges/Number of property assessments]	New in 2020	New in 2020	New in 2020	\$2,141.75	\$2,154.38	\$2,208.25	\$2,263.50	\$2,320.00	
Revenue Level									
<i>Average Residential rate per residential property assessment</i> [Residential rate revenue/Number of residential property assessments]	\$1,967.20	\$1,998.20	\$2,035.00	Retired in 2020					
Expenditure level									
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,375.75	\$3,961.38	\$3,581.75	\$3,568.25	\$3,951.25	\$3,724.00	\$3,814.38	\$3,891.50	

Dimension/indicator/ measure	Results				Forecasts				Material Variations
	2017	2018	2019	2020	2021	2022	2023	2024	
Workforce turnover <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] x100	12.70%	8.50%	17.40%	20.6%	9.43%	9.43%	9.43%	9.43%	
Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	244.00%	281.00%	215.08%	264.74%	207.32%	114.71%	113.61%	130.07%	
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	197.06%	138.10%	91.96%	-14.86%	174.97%	76.49%	75.79%	91.23%	2020 \$13.7 m now classified as other Financial assets not Cash and Investments as previously
Obligations Asset Renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expense/Asset depreciation] x100	98.28%	147.87%	147.17%	Retired in 2020					

Dimension/indicator/ measure	Results				Forecasts				Material Variations
	2017	2018	2019	2020	2021	2022	2023	2024	
Asset renewal and upgrade compared to depreciation <i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and upgrade expenses / Asset depreciation] x100	New in 2020	New in 2020	New in 2020	107.16%	183.39%	193.42%	73.21%	73.94%	
Loans and borrowings compared to rates <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	6.65%	3.73%	2.65%	1.86%	26.52%	23.99%	21.54%	19.17%	Borrowings repaid, no new borrowings
Loans and borrowings repayments compared to rates <i>Loans and borrowings repayments compared to rates</i>	3.13%	3.05%	1.17%	0.82%	0.51%	2.42%	2.34%	2.25%	Borrowings repaid, no new borrowings
Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue]x100	9.53%	30.38%	24.74%	26.79%	56.11%	45.81%	22.80%	20.60%	

Dimension/ <i>indicator/ measure</i>	Results				Forecasts				Material Variations
	2017	2018	2019	2020	2021	2022	2023	2024	
Operating position Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	11.41%	-6.33%	1.03%	9.07%	8.45%	2.95%	1.49%	3.38%	Movement due to change of Accounting Standard for Grant recognition
Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	59.27%	62.16%	65.73%	63.15%	57.75%	66.58%	67.64%	66.65%	No material variation
Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.64%	0.64%	0.58%	0.56%	0.56%	0.57%	0.58%	0.59%	No material variation

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 2020

1. Basis 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 14 July 2020 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 : 20 October 2020

Euroa, Victoria

In our opinion, the accompanying performance statement of the Shire of Strathbogie for the year ended 30 June 2020 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: 20 October 2020

Euroa, Victoria

Robert Gardner

Councillor

Date: 20 October 2020

Euroa, Victoria

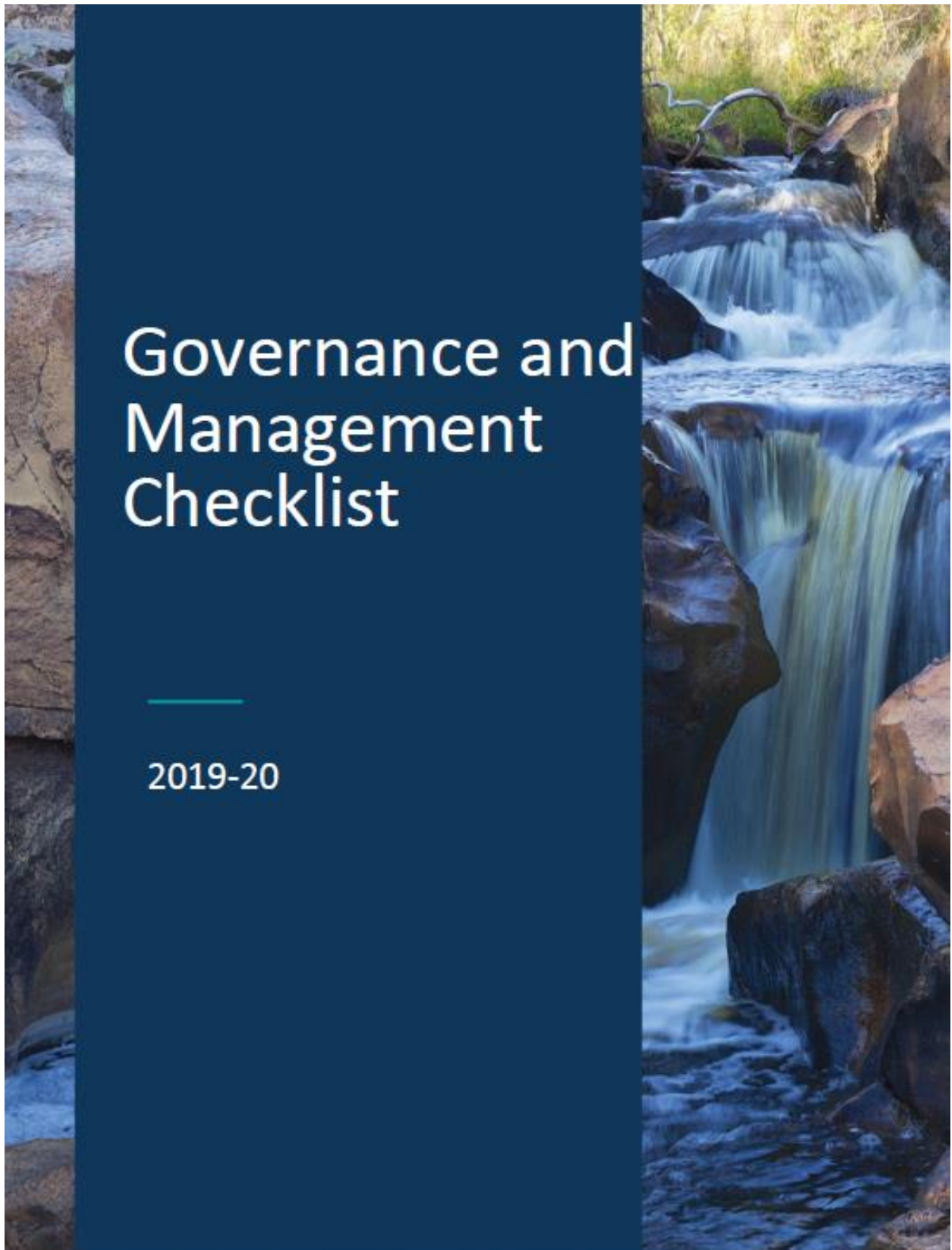
Julie Salomon

Chief Executive Officer

Date: 20 October 2020

Euroa, Victoria

ATTACHMENT 2:



GOVERNANCE AND MANAGEMENT CHECKLIST 2019-20		
Governance and Management Item		Assessment
1	Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Adopted by Council 20 August 2019
2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Strategy adopted by Council 20 August 2019
3	Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act Date adopted 14 July 2020
4	Annual budget (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 14 July 2020
5	Asset management plans (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 28 October 2016 Transport 21 October 2016 Bridges 16 March 2015 Water(drainage) 16 December 2016 Land 26 January 2013 Buildings 16 September 2016 Open space 9 January 2013 Plant and Equipment 27 November 2012 Culture and Heritage 27 November 2012
6	Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Adopted with Budget 14 July 2020
7	Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 18 June 2019
8	Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 20 February 2018

9	Municipal emergency management plan (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, Adopted by Council 30 January 2020
10	Procurement policy (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 August 2019
11	Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	31 March 2020
12	Disaster recovery plan (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 :24 May 2017
13	Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 18 June 2019
14	Audit Committee (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 : 20 November 2001
15	Internal audit (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 : 15 May 2018
16	Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation of current framework: 1 July 2015
17	Council Plan reporting (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 16 July 2019, 15 October 2019, 18 February 2020,19 May 2020,

18	Financial reporting (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: 19 September 19 ,15 October 2019, 19 November 2019,17 December 2019, 18 February 2020,21 April 2020
19	Risk reporting (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	Performance reporting (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	Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	Considered at a meeting of Council in accordance with Section 134 of the Local Government Act Date statements presented 15 October 2019
22	Councillor Code of Conduct (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 : 21/02/2017
23	Delegations (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 Presented to Council 17 December 2019
24	Meeting procedures (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 16/12/2014

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

Julie Salomon
Chief Executive Officer
Dated : 20 October 2019

Cr Amanda McClaren
Mayor
Dated : 20 October 2019

9.4 Business Management System

The October 2020 Business Management System Report includes reports as follows:-

- Building Department – September 2020 Statistics
- Planning Department – Planning Application Approvals – Development Cost (Capital Improved Value) - September 2020
- Customer Enquiry Analysis Report – Report for September 2020
- Waste Management Reporting ~ Year to Date - September 2020
- Actioning of Council Reports Resolutions – Council Meeting 15 September 2020
- Outstanding Actions of Council Resolutions to 30 September 2020
- Review of Council Policies and Adoption of new Policies – September/October 2020
- Record of Assemblies of Councillors
- Record of Minutes of Meetings of Special Committees of Council received in the past month

By reporting on a monthly basis, Council can effectively manage any risks that may arise. The Business Management System will also incorporate Council's corporate goals and objectives.

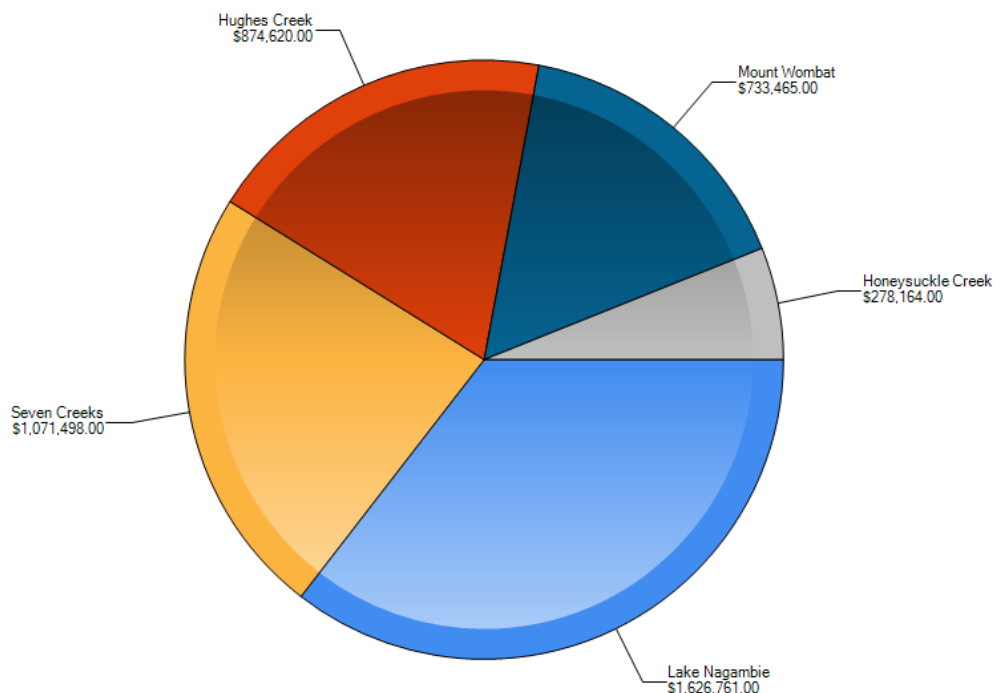
RECOMMENDATION

That the report be noted.

BUILDING ACTIVITY

SEPTEMBER 2020

Thirty-two (32) permits, with a works value of \$4,584,508, were lodged with Council in September. The average cost of works per permit is \$143,266 and is a slight increase on the August average of \$100,473 per permit. Most of the permits are for sheds and home improvements.



Honeysuckle Creek

Permit Number	Permit Date	Works	Building Use	Town	Cost of Works
6169798126124	14/09/2020	Additions to	Dwelling	Miepoll	\$250,000.00
6636686297507/0	10/09/2020	Construction of	Balcony	Violet Town	\$17,000.00
8393070637074	14/09/2020	Construction of	Shed	Violet Town	\$11,164.00

Hughes Creek

Permit Number	Permit Date	Works	Building Use	Town	Cost of Works
1278896047549	16/09/2020	Construction of	Dwelling	Avenel	\$522,190.00
4030665958019	30/09/2020	Alterations & Additions to	Dwelling & Carport	Mangalore	\$55,000.00
5520844509592	23/09/2020	Construction of	Shed	Avenel	\$13,000.00
5813043651903	18/09/2020	Construction of	Shed	Avenel	\$12,000.00
9866794658279	2/09/2020	Construction of	Shed	Avenel	\$24,000.00
9878436376431	22/09/2020	Construction of	Dwelling & Garage	Avenel	\$248,430.00

Lake Nagambie

Permit Number	Permit Date	Works	Building Use	Town	Cost of Works
1259396797636	29/09/2020	Construction of	Shed	Nagambie	\$15,500.00
1474385520688	19/08/2020	Construction of	Dwelling & Garage	Nagambie	\$370,054.00
2264638394453	10/09/2020	Construction of	Shed	Goulburn Weir	\$28,680.00
3725198344395	11/09/2020	Restump of	Dwelling	Arcadia South	\$10,574.00
5072192063259	31/08/2020	Construction of	Dwelling & Garage	Nagambie	\$544,194.00
5821907610923	21/09/2020	Construction of	Shed	Nagambie	\$23,689.00
6425853097886	18/03/2020	Construction of	Dwelling	Nagambie	\$330,000.00
7106947435492	16/09/2020	Construction of	Fence	Mitchellstown	\$200,000.00
7195367791493	11/09/2020	Construction of	Shed	Mitchellstown	\$14,070.00
7738751959522	22/08/2020	Construction of	Shed	Mitchellstown	\$25,000.00
8839855655063	3/09/2020	Construction of	Shed	Nagambie	\$65,000.00

Mount Wombat

Permit Number	Permit Date	Works	Building Use	Town	Cost of Works
2809763644420	15/09/2020	Installation of	Swimming Pool, Swimming Pool Barrier	Euroa	\$53,370.00
3209526211912	25/09/2020	Construction of	Dwelling & Garage	Tarcombe	\$680,095.00

Seven Creeks

Permit Number	Permit Date	Works	Building Use	Town	Cost of Works
1400171976347	28/08/2020	Construction of	Shed	Euroa	\$45,000.00
1449356661513/0	8/09/2020	Construction of	Warehouse, Office & Amenities Block	Euroa	\$200,000.00
1818538022928	12/09/2020	Construction of	Shed	Euroa	\$15,000.00
1972693077325	24/08/2020	Completion of	Dwelling, Garage & Workshop	Euroa	\$3,000.00
5240871502951	30/09/2020	Construction of	Shed	Euroa	\$40,000.00
5943097706163	21/08/2020	Alterations & Additions to	Dwelling	Euroa	\$151,000.00
6818233556326	2/09/2020	Demolition of	Dwelling & Garage	Euroa	\$28,000.00
6957147723364	7/09/2020	Construction of	Dwelling, Garage, Verandah	Euroa	\$563,161.00
727688269986	14/09/2020	Construction of	Shed	Euroa	\$11,837.00
9584313302049	13/09/2020	Construction of	Verandah	Euroa	\$14,500.00

**PLANNING APPLICATION APPROVALS – DEVELOPMENT COST (CAPITAL
IMPROVED VALUE)
SEPTEMBER 2020**

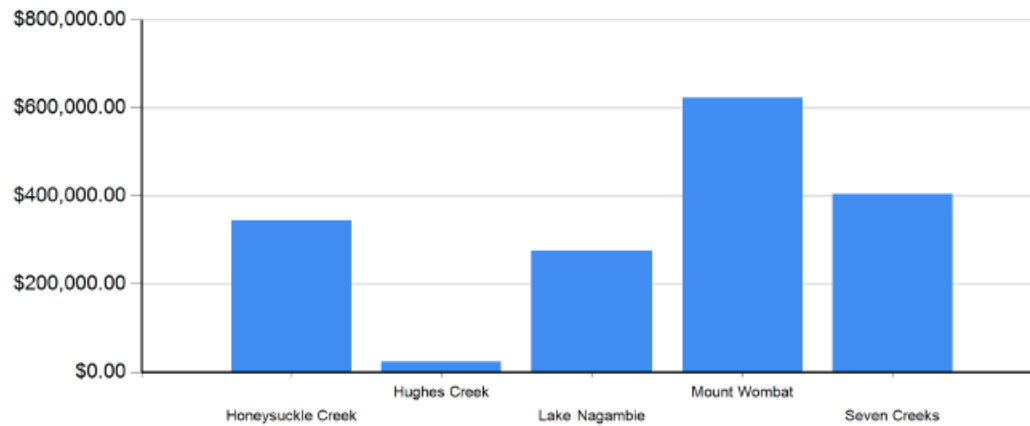
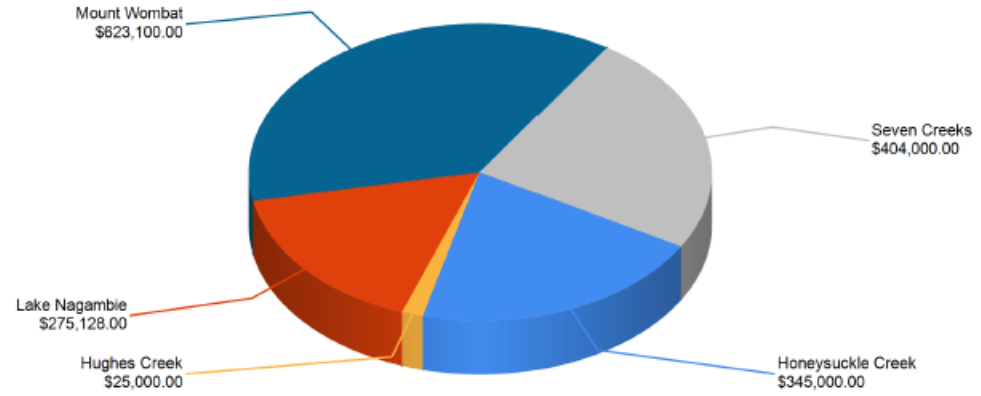


Planning Applications Determined

September 2020

Honeysuckle Creek	\$345,000.00
Violet Town	\$345,000.00
Hughes Creek	\$25,000.00
Avenel	\$25,000.00
Lake Nagambie	\$275,128.00
Goulburn Weir	\$28,680.00
Graytown	\$135,000.00
Kirwans Bridge	\$75,000.00
Mitchellstown	\$15,000.00
Whroo	\$21,448.00
Mount Wombat	\$623,100.00
Euroa	\$53,370.00
Euroa	\$70,000.00
Kithbrook	\$30,000.00
Sheans Creek	\$102.00
Strathbogrie	\$420,000.00
Strathbogrie	\$23,469.00
Strathbogrie	\$26,159.00
Seven Creeks	\$404,000.00
Euroa	\$400,000.00

Euroa \$4,000.00
Total Value \$1,672,228.00



AGE!

CUSTOMER ENQUIRY ANALYSIS REPORT
- REPORT FOR SEPTEMBER 2020



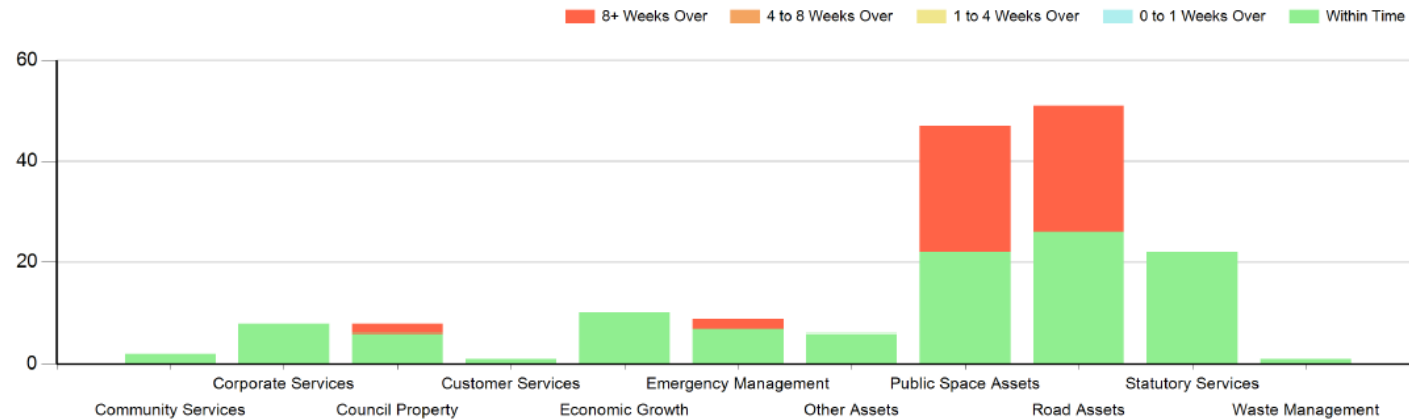
Request Throughput Analysis

01/09/2020 to 30/09/2020

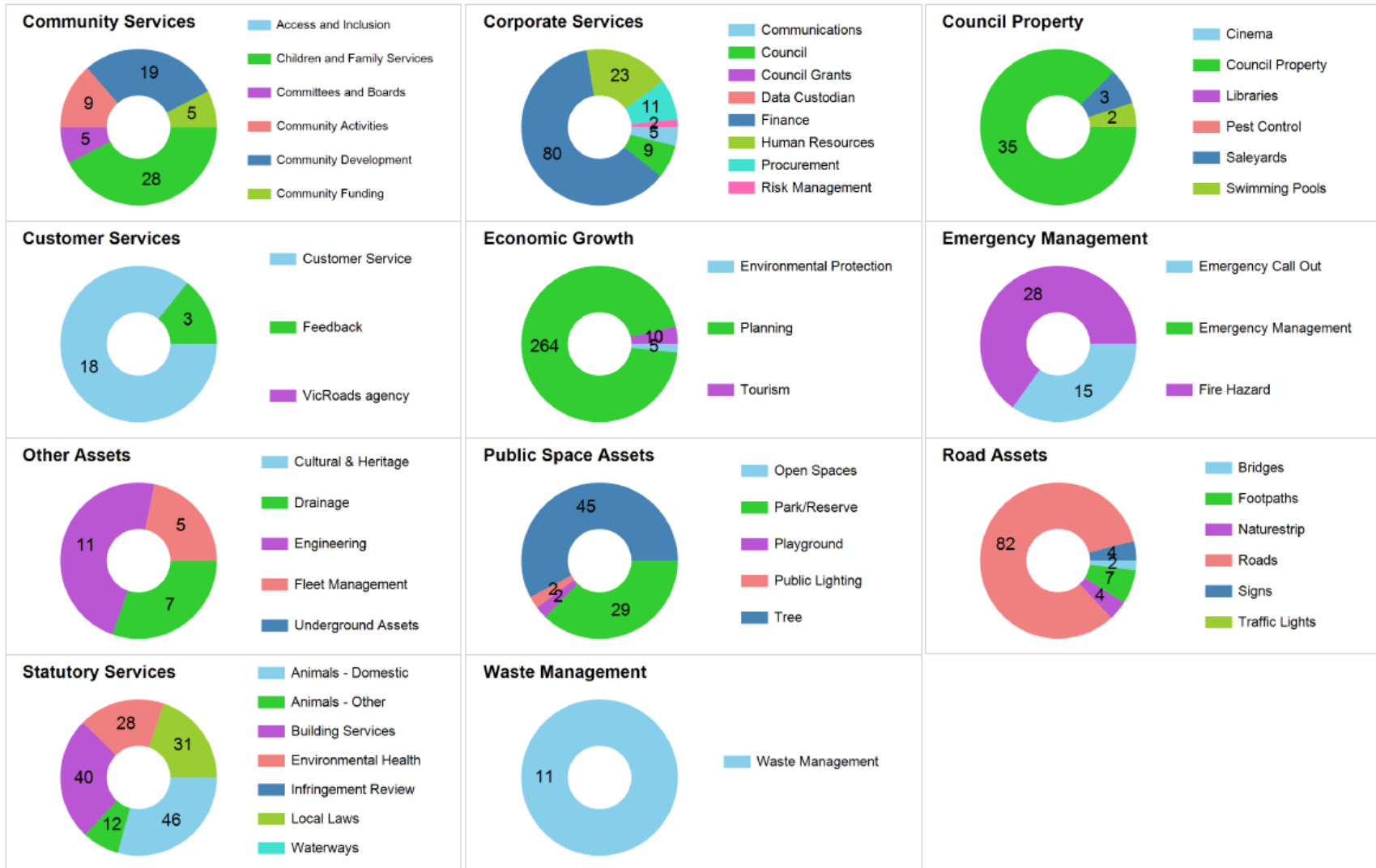
C N	Complete / New	> 80%	50-80%	< 50%
	O R	Overdue / Remaining	< 33%	34-70%

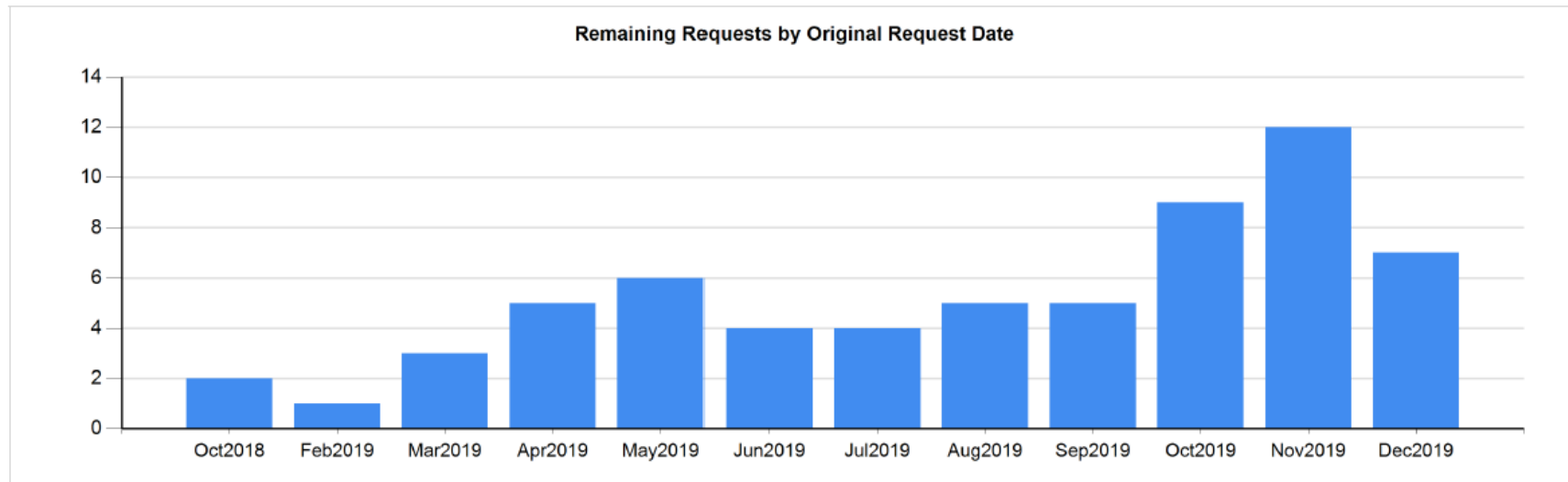
Service Area	Existing Requests	New Requests	Completed Requests	Remaining Requests	C N	Within Time	Over Time	O R	Pending Resources	Service Area Usage
Community Services	4	66	67	3	✓	2	1	✓	0	
Corporate Services	30	130	141	19	✓	8	11	⚠	0	
Council Property	38	40	40	38	✓	6	32	✗	0	
Customer Services	1	21	19	3	✓	1	2	⚠	0	
Economic Growth	18	279	270	27	✓	10	17	⚠	0	
Emergency Management	19	43	38	24	✓	7	17	⚠	0	
Other Assets	46	23	26	43	✓	6	37	✗	0	
Public Space Assets	96	78	70	86	✓	22	64	✗	18	
Road Assets	185	99	97	185	✓	26	159	✗	2	
Statutory Services	46	157	150	52	✓	22	30	⚠	1	
Waste Management	5	11	10	6	✓	1	5	✗	0	

Request Ageing



Service Usage





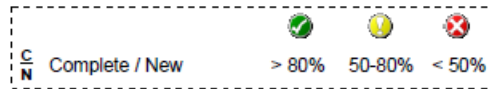
		Council Property	Economic Growth	Emergency Management	Public Space Assets	Road Assets
2018	October				1	1
	February					1
	March				1	2
	April				2	3
	May				2	4
	June				1	3
2019	July				2	2
	August	1			1	3
	September				5	
	October				4	5
	November	1		2	8	1
	December	1	1	1	3	1
Total		3	1	3	30	26

Definitions

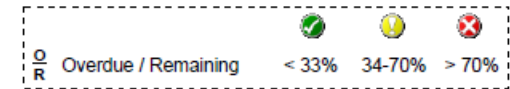
Service Area	Grouping of services by area of responsibility
Existing	Requests open prior to reporting period
New	Requests made during reporting period
Within Time	Remaining Requests where defined deadline is after reporting period
Pending Resources	Requests where additional resources are required to continue. This includes labour, materials, and financial resources.

Service	Activities that provide value to the customer
Remaining	Requests incomplete at end of reporting period
Completed	Requests completed during reporting period
Over Time	Remaining Requests where defined deadline is before the end of the reporting period

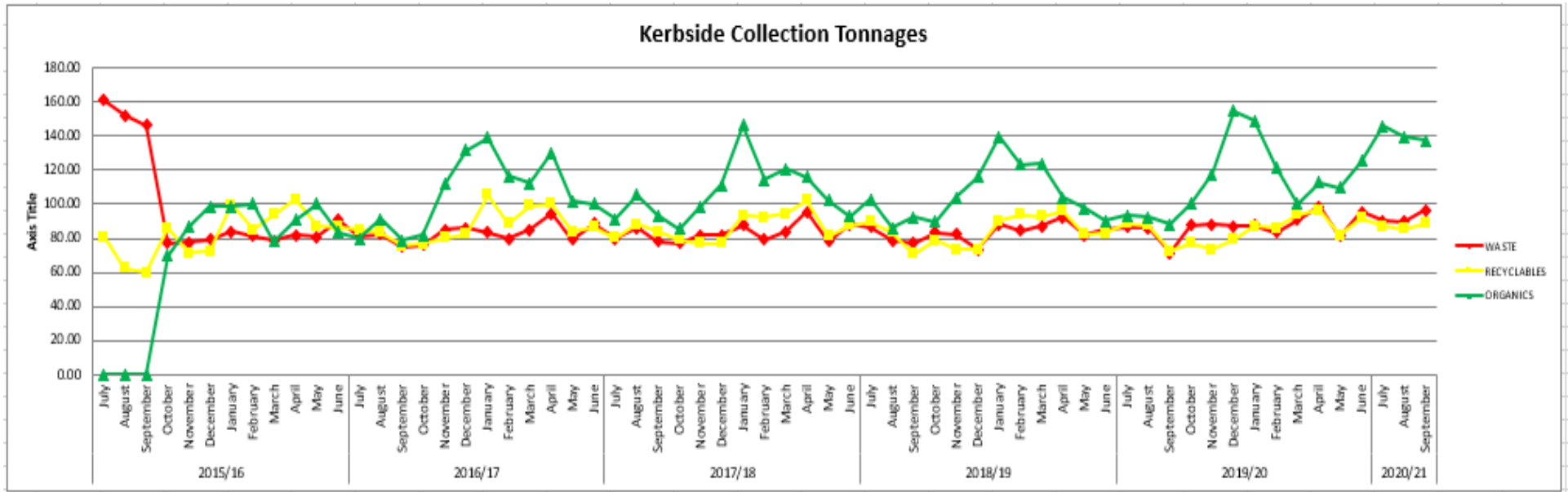
Complete New
 An indicator showing the ratio of Completed requests and New requests. Designed to represent how well we are keeping up with the demand for a service.

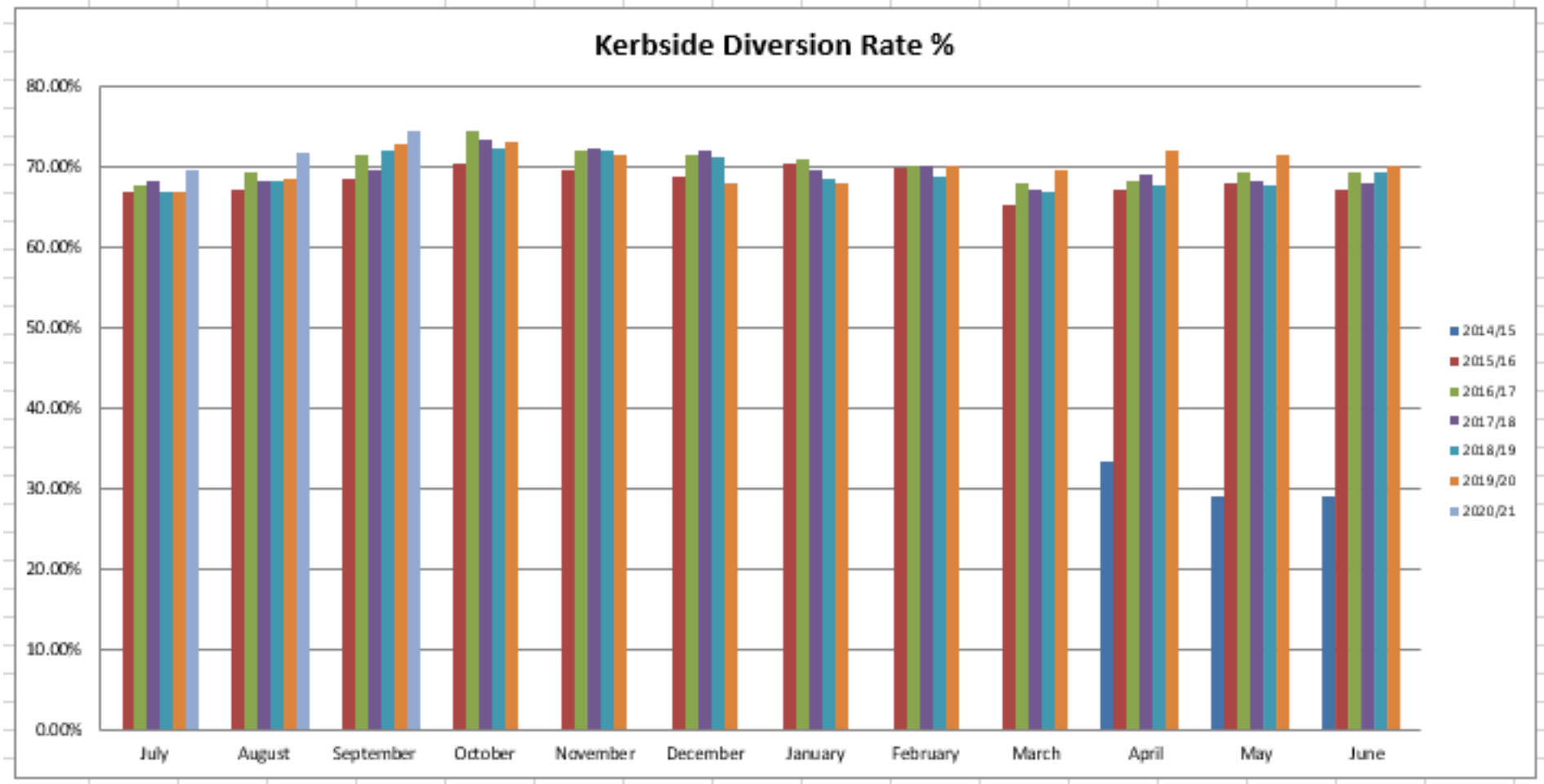


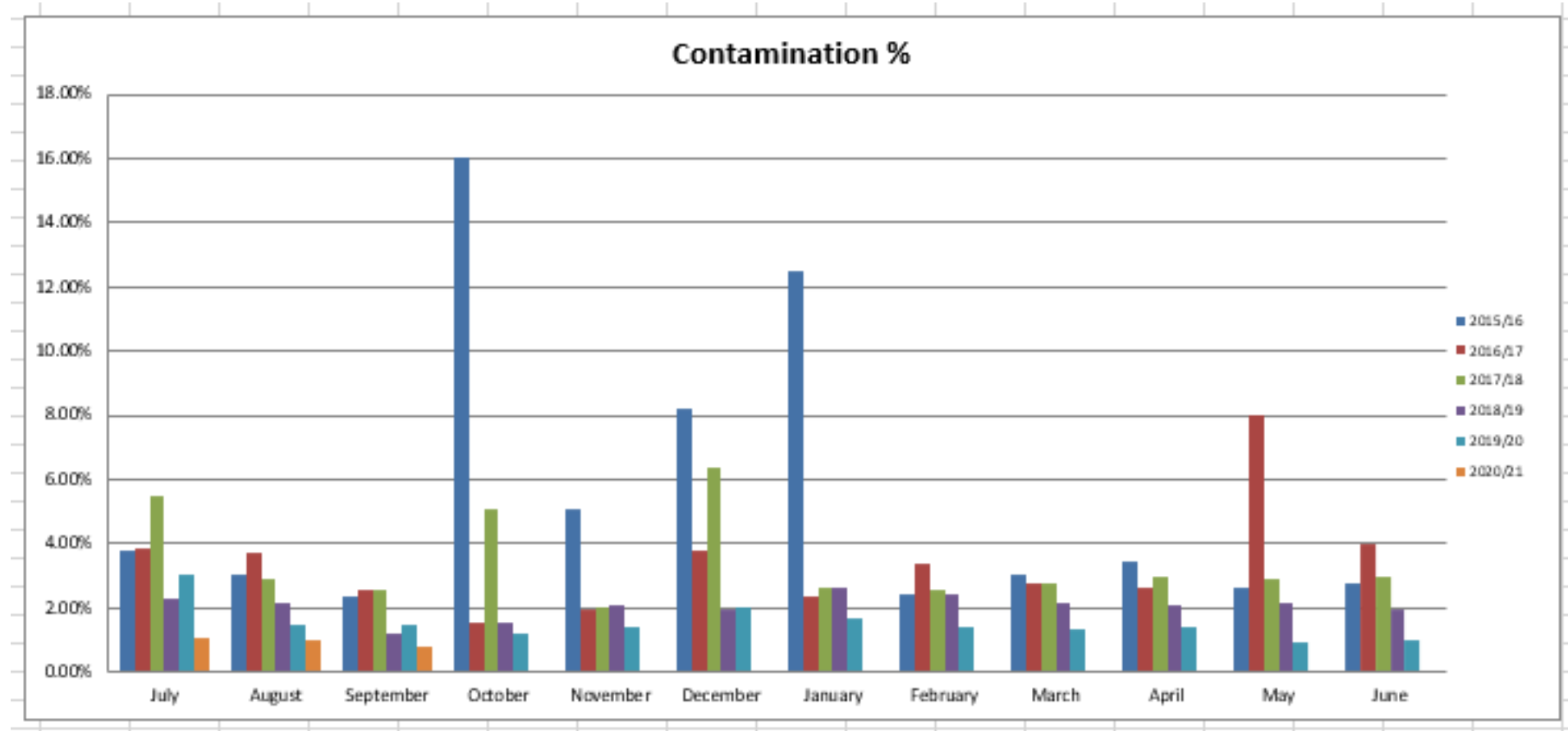
Overdue Remaining
 An indicator showing the ratio of Overdue requests and Remaining requests. Designed to represent how well we are keeping to the defined deadlines.



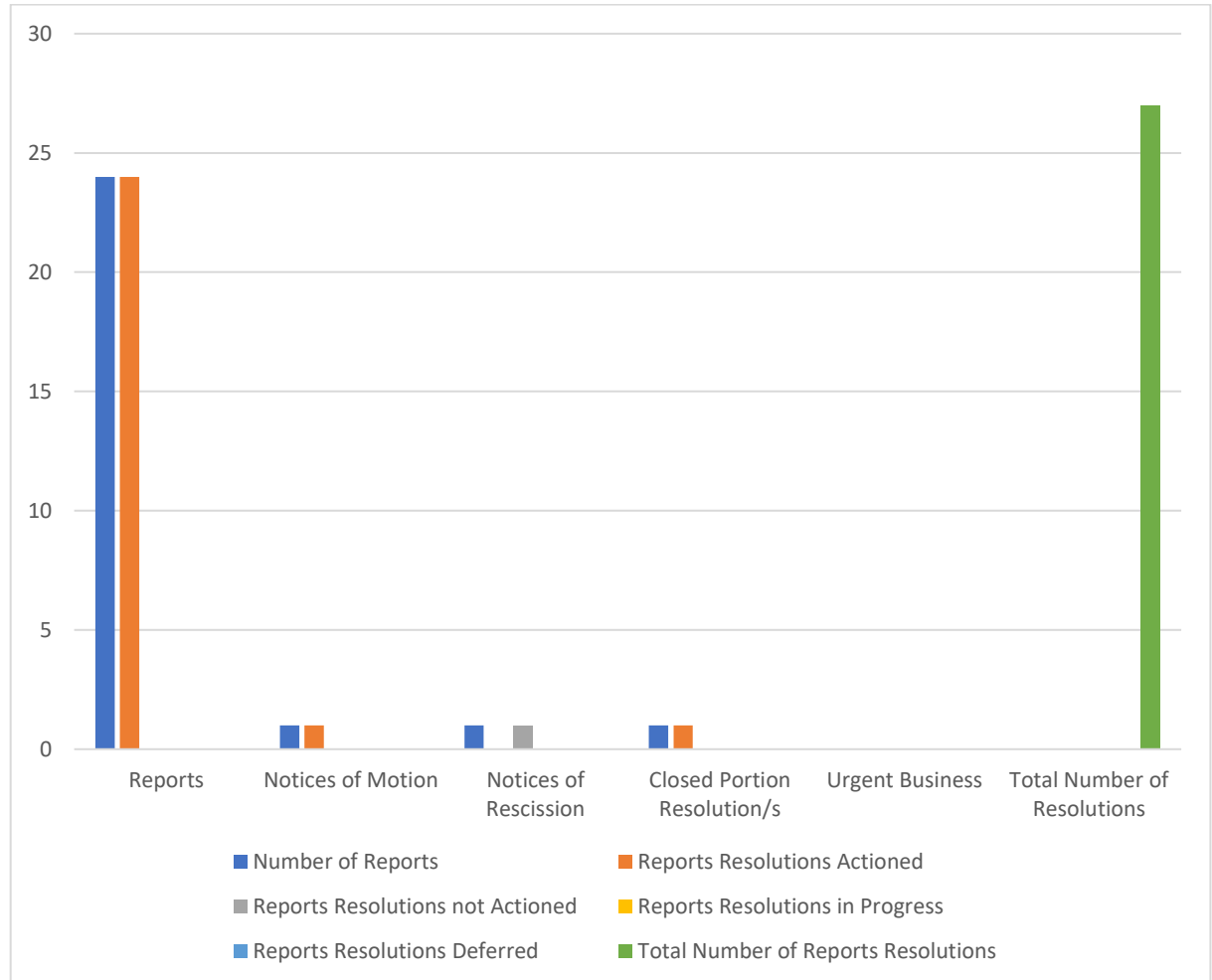
WASTE MANAGEMENT REPORTING
YEAR TO DATE - SEPTEMBER 2020







ACTIONING OF COUNCIL REPORTS RESOLUTIONS
COUNCIL MEETING – 15 SEPTEMBER 2020



**OUTSTANDING ACTIONS OF COUNCIL RESOLUTIONS TO
30 SEPTEMBER 2020**

This Report is to advise the Executive Management Team, Councillors and the community of the status of previous Council resolutions which are in progress but are yet to be finalised.

Council Meeting Date	Item No.	Description
Nil.		

**REVIEW OF EXISTING COUNCIL POLICIES
AND ADOPTION OF NEW POLICIES**

Review of Policy / New Policy	Policy Name	Details
Nil.		

RECORDS OF ASSEMBLIES OF COUNCILLORS

For period 3 to 30 September 2020

Record in accordance with sections 77 and 80A(1) of the *Local Government Act 1989*

Note: Details of matters discussed at the meeting that have been designated confidential under section 77 of the Local Government Act 1989 are described in a separate "confidential addendum" that will be reported to the next closed Council meeting]

Name of Meeting: Assembly of Councillors

Date of Meeting: Tuesday 15 September 2020

Time: 12.45 p.m. – 10.01 p.m.

Attendees:

Councillors

Amanda McClaren
Robert Gardner
Malcolm Little
John Mason
Chris Raeburn
Alistair Thomson
Graeme Williams

Officers

Julie Salomon (Chief Executive Officer)
David Roff (Director, Corporate Operations)
Dawn Bray (Executive Manager, Governance and Customer Service)
Kristin Favaloro (Executive Manager, Communications and Engagement)
Emma Kubeil (Acting Director, Community and Planning)

Apologies

Phil Howard (Director, Community and Planning) *(on leave)*

1. Councillors / CEO Meeting
2. Councillors / ELT – 'Welcome and What's been Happening'

Declarations of Interest

3. Review of Tenders Reports for September Council Meeting
4. September Ordinary Council Meeting Agenda Review
5. Item/s for Discussions
6. September Ordinary Council Meeting

Councillor/s - Declaration of Interest/s / Direct or Indirect

Matter No.	Names of Councillor/s who disclosed interest	Did the Councillor/s leave the meeting?
6 / 9.9	Cr Williams	No
6 / 9.17	Cr Raeburn	Yes

Officers/s - Declaration of Interest/s / Direct or Indirect - NIL

RECORD OF MEETINGS OF SPECIAL COMMITTEES OF COUNCIL

Record of Minutes of Meetings received in the September / October 2020 Period

Name of Special Committee	Date of Meeting
Euroa Community Action Group	21/09/20

10. NOTICES OF MOTION

11. NOTICES OF RESCISSION

12. URGENT BUSINESS

13. CONFIDENTIAL BUSINESS

NEXT MEETING

The next Meeting of Strathbogie Shire Council will be determined following the election of a new Council on Saturday 24 October 2020

THERE BEING NO FURTHER BUSINESS, THE MEETING CLOSED AT..... P.M.