



# Central Goldfields Shire Council

Annual Report  
2019 – 2020



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**Central Goldfields  
Shire Council  
is on Dja Dja  
Wurrung  
country.**



## STATEMENT OF ACKNOWLEDGEMENT

Central Goldfields Shire Council acknowledges and extends appreciation for the Dja Dja Wurrung people, the traditional owners of the land that we are standing on today.

We pay our respects to leaders and elders past, present and emerging for they hold the memories, the traditions, the culture and the hopes of all Dja Dja Wurrung people.

We express our gratitude in the sharing of this land, our sorry for the personal, spiritual and cultural costs of that sharing and our hope that we may walk forward together in harmony and in the spirit of healing.



### WELCOME

The Central Goldfields Shire Council 2019–2020 Annual Report has been prepared in accordance with the requirements and guidelines of the Local Government Act 2020 and the Local Government Performance Reporting Framework.

It provides our community with a comprehensive report of our operations, achievements and challenges throughout the year.

It also provides in detail our performance during the 2019–2020 financial year against the Council Plan and the Budget.

#### Need a copy?

The 2019 – 2020 Central Goldfields Shire Council Annual Report is available online at [www.centralgoldfields.vic.gov.au](http://www.centralgoldfields.vic.gov.au)

#### Feedback

We welcome feedback on the 2019-2020 Annual Report. For more information, or to provide feedback, contact us our Customer Service team on 5461 0610 or email [mail@cgoldshire.vic.gov.au](mailto:mail@cgoldshire.vic.gov.au)

## VISION, PURPOSE, VALUES

### OUR VISION

To be a vibrant, thriving, inclusive community

### OUR PURPOSE

To achieve the best outcomes for the local community and having regards to the long term and cumulative effects of decisions

### OUR VALUES

#### Community and Customer Focused

- We ensure the community and our customers are at the centre of everything we do
- We communicate openly and honestly and take responsibility for our actions

#### Collaborative and Inclusive

- We work together to deliver the best outcomes for our community
- We appreciate and learn from each other's expertise and respect different views and perspectives

#### Challenge the Status Quo

- We explore new and innovative ways to work and deliver services and programs
- We try new things and learn from our mistakes

## OUR MUNICIPALITY

Located at the geographic heart of Victoria, Central Goldfields Shire is home to just under 13,000 people. Maryborough is the Shire's major business centre and is a health and retail centre for surrounding towns including Castlemaine, St Arnaud, Avoca, Talbot, Carisbrook, and Dunolly.

The Shire is part of the Goldfields Tourism Region, with many visitors coming to see the historic buildings and townships that date back to the 1850s when the region supported a prosperous gold mining industry, as well as visitors to the annual Energy Breakthrough event and the Highland Gathering.

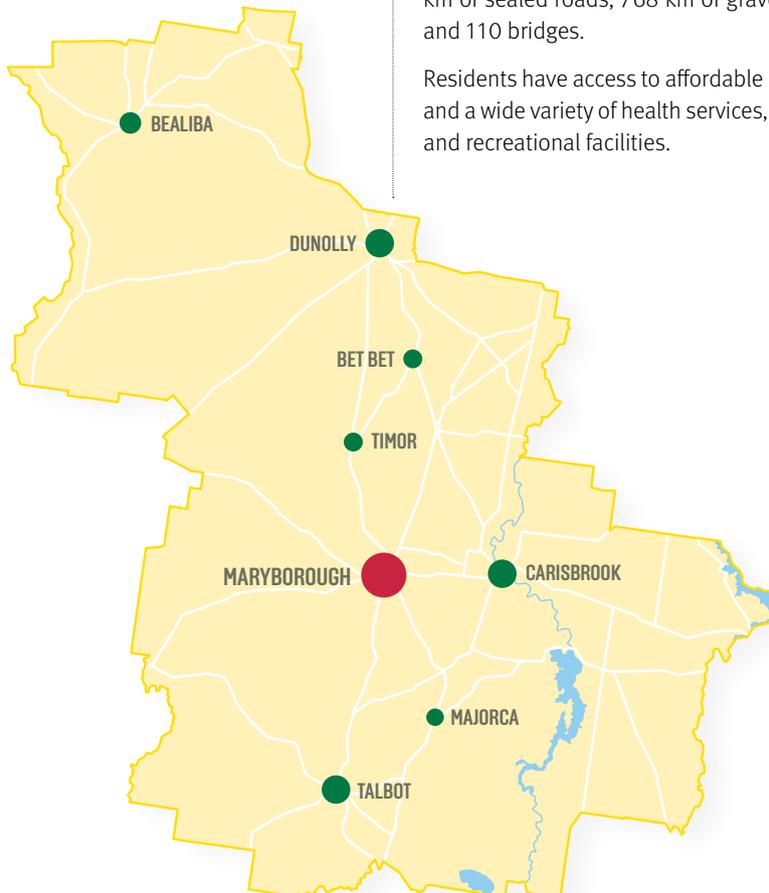
It is bounded by Northern Grampians Shire in the north-west, Pyrenees Shire in the west, Hepburn Shire in the south, Mount Alexander Shire in the east and Loddon Shire in the north-east.

Maryborough has a population of around 8,000. Other townships include Bealiba, Carisbrook, Dunolly, Majorca, Talbot, Bowen-vale-Timor, Daisy Hill – all of which feature iconic heritage architecture.

Agricultural industries are spread across the municipality and include grain, sheep grazing and broiler farming. The Shire is also home to a number of major manufacturing, infrastructure, agricultural, freight, printing and food production companies.

The Shire's road network assets include 512 km of sealed roads, 768 km of gravel roads and 110 bridges.

Residents have access to affordable housing and a wide variety of health services, schools and recreational facilities.



## OUR TOWNS AND LOCALITIES

**Adelaide Lead, Alma, Amherst, Archdale, Archdale Junction, Bealiba, Bet Bet, Betley, Bowenvale, Bromley, Bung Bong, Campbelltown, Caralulup, Carisbrook, Cotswold, Craigie, Daisy Hill, Dunach, Dunluce, Dunolly, Eddington, Emu, Flagstaff, Glengower, Golden Point, Goldsborough, Havelock, Inkerman, Joyces Creek, Lillicur, Majorca, Maryborough, Moliagul, Moolort, Moonlight Flat, Mount Cameron, Mount Glasgow, Mount Hooghly, Natte Yallock, Rathscar, Red Lion, Rodborough, Simson, Stony Creek, Strathlea, Talbot, Timor, Timor West and Wareek.**

OUR PEOPLE

The Central Goldfields Shire is home to **12,995 people**



**61%** of the population live in Maryborough

An area of **1,532** square kilometres

A breakdown of population by township is provided below:



**Bealiba**  
206



**Carisbrook**  
1,115



**Dunolly**  
893



**Maryborough**  
7,921



**Talbot**  
442



**Majorca**  
211



Employment:

**48.5%**  
employed full time

**36.8%**  
employed part-time

Median age:



**50 years**

- 15.5% of the population are aged up to 14 years
- 28.3% of the population are aged 65 and over



**82%**

of our community is born in Australia



**1.5%**

of our population (190 people) are **Aboriginal/Torres Strait Islander** people

The main birthplaces outside Australia were:



**3.6%**  
England



**0.8%**  
New Zealand



**0.6%**  
Netherlands



**0.5%**  
Philippines



**0.4%**  
Scotland



**90%**

of our population speak English at home

**2%**

speak Filipino, Mandarin, German or Greek

Source: [https://quickstats.censusdata.abs.gov.au/census\\_services/getproduct/census/2016/quickstat/LGA21670](https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/LGA21670)

## QUICK STATISTICS 2019 – 2020

### Central Goldfields Tourism

- **59** tourism contacts per day on average – 18% increase despite pandemic
- **20,089** visitors to the Visitor Information Centre (closed from 15 March 2020 due to the pandemic)
- Of these **30%** were from Melbourne, **45%** from regional Victoria, **21%** from interstate and **4%** international

### Local Laws

- **3,478** dogs registered
- **1,090** cats registered
- **74** animals rehomed
- **124** animals returned to owner

### Immunisation

- **539** influenza immunisations administered as part of the 2020 influenza program
- **8** workplaces participated in the 2020 workplace influenza program (this does not include CGSC Staff)
- **2,056** vaccinations were administered through Council's immunisation program
- **9** school immunisation sessions held with **521** vaccinations administered

### Building

- **90** Building Permits issued – \$6,061,277 in value
- **85** Private Surveyor Permits issued – \$15,082,699 in value

### Planning

- **133** Planning Permits received

### Central Goldfields Art Gallery

- **7** exhibitions plus **6** online exhibitions
- **2,132** visitors to the Gallery (Gallery closed from 15 March 2020 due to the pandemic)
- **884** visitors to education programmes, public programmes and school holiday workshops
- **7** school holiday workshops
- **20** new works were acquired to the Gallery's permanent collection

### Waste Management

- **2,086** tonnes of waste collected
- **1,191** tonnes of recyclables collected
- **521** tonnes of green waste collected

### Community Care

- **10,195** hours of home care
- **5,876** hours of personal care
- **1,230** hours of respite care
- **8,117** meals on wheels delivered
- **2,000** hours of property maintenance
- **6,987** hours of planned activity group – social support
- Direct care and property maintenance staff travelled approximately **64,403** kilometres delivering services to **1,001** clients

### Municipal Emergency Management

- Staff trained and appointed to the following emergency management roles:
  - 3 Municipal Emergency Resource Officers
  - 1 Municipal Recovery Manager
  - 3 Secondary Impact Assessment Officers
  - 2 Emergency Relief Centre Officers
- Pandemic Plan endorsed in February 2020
- Emergency Animal Welfare Plan endorsed in November 2019



### Youth programs

- **3** Teenage Holiday Programs
- Engage! Youth Space: After school program open all year averaging **4-6** young people (daily)
- **4 to 6** visits per day to our Youth Hub (Youth Hub closed from 15 March 2020 due to the pandemic)
- Goldfields Junior Leadership Engage! Group:
  - **9** Committee members
  - **14** young people involved in *Engage! in Volunteering*
- **4** FReeZA: Events – Energy Breakthrough, **2** FReeZA Flash Nights and Victorian Youth Week
- **2** Maryborough Skate Park Workshops
- **2** Youth Hub events
- **1** Engage! / FReeZA Awards and achievement celebration – **21** young people **6** parent volunteers

### Social Media

- Central Goldfields Shire Facebook – **2,477** likes
- Central Goldfields Shire Twitter – **477** followers
- Central Goldfields Shire LinkedIn – **835** followers
- Visit Maryborough & Surrounds Facebook – **1,445** likes
- Maryborough Regional Library – **789** likes
- Central Goldfields Art Gallery – **531** likes
- Central Goldfields Rehoming – **4,301** likes

### Website

- **45,000** users across 79,000 sessions
- Average session duration of 1 min 50 secs
- **48.2%** of visits made on desktop computer, **43.6%** of visits made on mobile phones and **8.2%** on tablets
- **Most popular pages:** Transfer Stations (7,272 page views), Current Vacancies (5,322), Pets for Adoption (4,301), COVID-19 Coronavirus Information (4,203), Rubbish and Recycling (3,717), Have Your Say (2,784) and Rubbish and Recycling Waste Collection (2,529)



### Maternal Child Health

- **110** babies born
- **32** families experienced the birth of their first baby
- **1013** Key Age and Stage consultations completed

### Customer Service

- On average **78** phone calls per day pre-COVID-19 pandemic
- On average **120** phone calls per day during COVID-19 pandemic
- Customer Service Centre closed from 15 March due to the pandemic



### L2P Program

- **8** learner drivers achieved their P Plates
- **472** driving hours logged by learner drivers
- **78** driving hours logged by each of our 6 volunteer driver mentors
- L2P Program closed from 15 March 2020 due to the pandemic



### Children's Services

- **3,150** hours of Long Day Care offered over the year
- **1,680** hours of four-year-old kindergarten
- **140** hours of three-year-old kindergarten
- **1,392** hours of Family Day Care offered
- **5** Supported Playgroup sessions held per week with a total of 420 hours for the year
- **34** hours zoom Supported Playgroup sessions
- **80** hours of Bush Kindergarten
- **45** hours online Zoom sessions interacting with remote learning peers
- **8** hours online Zoom sessions interacting with our community
- **205** hours of community excursions
- **120** Supported playgroup activity packs distributed.



### Library

- **53,743** library collection item loans
- **3,553** average visitors every month (Library closed from 15 March 2020 due to the pandemic)
- **2,295** new titles added
- **260** programs attended by **4,627** children and adults
- **238** Outreach Service visits
- **59** Home library visits

### Community Grants

- **\$16,178** provided to **11** groups through the Community Grants Program

## 2019 – 2020 HIGHLIGHTS AND CHALLENGES



### July 2019

- New orchids planted in the Phillips Gardens greenhouse, as part of beautifying works (pictured above)
- Maryborough hosts only regional and rural hearing of the Royal Commission into Victoria's Mental Health System
- Maryborough Regional Library launches its Cook Book Club
- NAIDOC Week events held
- Citizenship Ceremony welcomes four new citizens



### August 2019

- Go Goldfields hosts Q&A event to celebrate the launch of its community report
- Central Goldfields Art Gallery launches Indigenous exhibition *Ngardang Girri Mimini* (pictured above)
- Maryborough hosts the South East Melbourne Phoenix for their pre-season camp
- Maryborough Regional Library hosts Book Week celebrations
- Author Janice Simpson visits Maryborough Regional Library
- Maryborough Regional Library participates in the annual *Words in Winter* festival
- New *Visit Maryborough and Surrounds* website launched

### September 2019

- The Goldfields Reservoir walking track is resurfaced, widened with new drainage pipes installed
- Central Goldfields Art Gallery acquires new Indigenous artwork
- Maryborough Regional Library encourages community members to knit jumpers for penguins in support of the Penguin Foundation
- New members join the Maryborough Energy Breakthrough Committee



### October 2019

- *2019 VCE Art and Design Exhibition* launched at the Central Goldfields Art Gallery (pictured above)
- Transurban joins the Maryborough Energy Breakthrough as a major sponsor
- A two-day workshop Understanding Social Enterprise is held in Maryborough
- Applications for 2019-2020 Community Grants Program open
- Tech classes held at Maryborough Regional Library for seniors



### November 2019

- The annual Maryborough Energy Breakthrough is held (pictured above)
- In partnership with Central Highlands Water, water fountains are installed in Princes Park and at Goldfields Reservoir
- The annual *Community Art and Craft Exhibition* opens at Central Goldfields Art Gallery
- Council and community groups participate in a series of events for *16 Days of Activism*, which included a Community Vigil



### December 2019

- Road upgrade works, funded by the State Government, begin in Maryborough's Burke Street
- 11 groups are successful in Council's Community Grants Program
- Council secures the Maryborough Aero Club's future at the Maryborough Aerodrome
- Council staff wear orange to show support for equality and gender equity as part of the *16 Days of Activism* (pictured above)
- Outdoor pools open for summer season



### January 2020

- Australia Day celebration held
  - Citizenship Ceremony welcomes 12 new citizens (pictured above)
  - Council announces 2020 Australia Day Award winners: Citizen of the Year – Robert Ipsen; Young Citizen of the Year – Kodie Greenwood-Smith; and Community Award of the Year – Christmas with Us
- A series of *Pop Up Playgroup* sessions are held at Goldfields Shopping Centre (pictured below)
- Two Council staff members lend a hand in bushfire affected regions in Victoria



### February 2020

- *Ian Tully: Future Farming the Mars Project* exhibitions opens at the Central Goldfields Art Gallery
- Two community sculptures installed in Dunolly
- Community workshops and discussion events held for *Your Community 2030 Community Plans* (pictured below)
- Community workshops for the proposed new Skate and Scooter Park are held
- Council purchases a new street sweeper
- A new, two lane bridge on Porteous Road at Wareek is completed
- Pop-up Youth Hub opens at the Maryborough Town Hall
- Central Goldfields Shire Art Gallery launches its 2020 exhibition program
- Central Goldfields Shire Pandemic Plan endorsed
- Flags fly at half-mast in recognition of the 2008 anniversary of the apology to members of the Stolen Generation
- Final designs and location for Maryborough's new Skate and Scooter Park endorsed
- Council approves and issues planning permit for the final stages of the Carisbrook Flood Levee
- Majorca Road upgrade is completed



## 2019 – 2020 HIGHLIGHTS AND CHALLENGES



### March 2020

- 2020-2025 Economic Development and Tourism and Events strategies adopted
- 2020-2030 Waste Management Strategy adopted
- Bourke Street, Maryborough upgrade completed
- New basketball court installed at Gordon Gardens, Dunolly
- Council adopts Land Fence Policy
- Seventy megalitres of water transferred to the Goldfields Reservoir, thanks to a partnership with Central Highlands Water
- Council, along with community partners including Zonta Club of Central Goldfields, hosts community event – *Progress and Equity* – for International Women’s Day (pictured above)
- Stage Two of the State Government funded Talbot-Avoca Road upgrade begins
- Eight *Your Community 2030 Community Plans* released for community feedback
- Parenting workshops held at the Goldfields Family Centre
- Council enacts *Northern Victorian Influenza Pandemic Plan and Business Continuity Plan* due to COVID-19 pandemic
- Government Stage 3 restrictions are put in place due to COVID-19 pandemic
- Council’s Customer Service Centre closes along with Maryborough Regional Library, Central Goldfields Art Gallery and playgrounds (pictured opposite)
- Services are moved – where possible – to online platforms
- Staff commence working from home – where possible
- Playgrounds and skate parks are closed under Stage 3 restrictions
- Council hosts its first Council Meeting via Facebook Live
- Annual Early Years Expo cancelled due to COVID-19
- March Listening Posts cancelled due to COVID-19



### April 2020

- Central Goldfields Art Gallery launches online exhibition *Positivity through Creativity*
- Maryborough Regional Library offers children’s programs via Facebook
- Council joins City of Ballarat’s *Be Kind* campaign (pictured below)
- Council develops a financial response package to assist local businesses and residents impacted by the pandemic





### May 2020

- Footpath upgrades at Dunolly (pictured above) and Bealiba completed
- Kerb renewal works delivered in Raglan Street, Maryborough
- Road reconstruction works carried out along Rodborough and Baringhup roads
- Major upgrade at Maryborough Sports and Leisure Centre commences
- State Government announces \$2 million for Maryborough Outdoor Pool upgrade
- State Government announces \$500,000 for Central Goldfields Art Gallery upgrade
- State Government announced \$1.5 million for Energy Breakthrough
- Playgrounds re-open as Government Stage 3 restrictions ease (pictured below)
- Council launches an Economic and Recovery Taskforce in response to the COVID-19 pandemic
- Community Flu Vaccination program held
- *Your Community 2030 Community Plans* plans for Bealiba, Bet Bet, Carisbrook, Dunolly, Majorca, Maryborough, Talbot, and Timor endorsed by Council
- Council marks National Volunteer Week
- Maryborough Regional Library enters trial period of 12 months not issuing fines for overdue items
- Council presents social media campaign to recognise National Reconciliation Week
- Works to replace Nolan Street roof commence



### June 2020

- Better Approvals project launched
- Nature Playground at Goldfields Reservoir opens thanks to Healthy Heart of Victoria initiative (pictured below)
- Operations team trial organic herbicide
- Shade sails and turf installed at Maryborough Outdoor Pool and plant room upgraded
- Active Living Census results released
- Footpath upgrades at Carisbrook and Maryborough completed
- State Government announces \$500,000 for Maryborough Railway Station Activation Project
- 39 part-time jobs made available through the State Government's Working for Victoria fund
- Council's Customer Service Centre reopens for Cashier Payments Only as Government Stage 3 restrictions ease
- Dunolly's new basketball court, funded by the Healthy Heart of Victoria initiative, completed (pictured above)
- Online centralised enrolment system for the municipality's seven kindergartens launched
- Federal Government announced \$39,900 for Driver Reviver Site Upgrades Program
- Federal Government announced \$68,585 in funding for Maryborough's airfield
- Council adopts the Population, Housing and Residential Strategy
- Council adopts Planning Scheme Review



## 2019 – 2020 HIGHLIGHTS AND CHALLENGES

### COVID-19 RESPONSE

In March 2020 when the COVID-19 pandemic made its presence felt, Council quickly moved to reduce the impact of COVID-19 for our organisation and community.

With the State Government the lead agency for pandemic, Council's role was to support the State Government and its agencies at a local level.

Our Northern Victorian Influenza Pandemic Plan and Business Continuity Plan were enacted in March 2020 and a Pandemic Coordinator was appointed as a result of the Pandemic Plan's activation.

Here's a list of some of the actions that were undertaken from March to 30 June 2020:

#### Workplace changes and initiatives

Staff from across the organisation continue to show resilience and flexibility as the COVID-19 pandemic impacted on the way we operate. It's also been an opportunity to look at new and innovative ways to connect, communicate and deliver services. Some of the initiatives include:

- Disaster Recovery Committee established to activate our Business Continuity Plan
- Pandemic-Epidemic Policy developed
- Standard Operating Procedure COVID-19 Outbreak established
- To protect the health of our volunteers, staff and community we have taken measures to reduce our face-to-face interactions and a number of sites were closed to face-to-face interaction.
- Staff moved to working from home where possible
- Mental health and support services made available to staff
- Regular communication to staff from CEO
- Workplace by Facebook introduced to help communicate and keep staff connected
- Staff intranet established dedicated to COVID-19 information
- Council Meetings held virtually and live streamed to Council's Facebook page
- Establishment of COVID-19 Safe Workplace Taskforce: This group continues to keep busy behind the scenes assisting staff to ensure we are COVID-Safe across our sites and workplaces and getting our sites ready for re-opening
- Flu vaccination program
- Online training sessions offered to staff in topics including:
  - COVID-19 Safety at Work
  - Health and Wellbeing
  - Infection Prevention and Control
  - Managing Remote Teams
  - Working From Home
  - Mental Health First Aid training
- Social online Zoom sessions
- Staff meetings presented virtually via Workplace by Facebook

#### Committee representation

As part of our Northern Victorian Influenza Pandemic Plan Council coordinates and attends the following committees who meet regularly to make sure their response to the COVID-19 Pandemic supports the safety and wellbeing of people who live and work in Central Goldfields Shire:

##### **Pandemic Response Working Group**

Its role is to understand what's happening in the community and provide a coordinated approach to supporting the community and the services, agencies and groups who work across the Shire.

##### **Pandemic Relief & Recovery Sub-Committee**

The Pandemic Relief & Recovery Sub-Committee provides important information to Council's Pandemic Response Working Group. The role of this Sub-Committee is to ensure a coordinated and collaborative approach is taken to the delivery of relief and recovery activities through the COVID-19 pandemic.

This Sub-Committee includes representation by:

- SES
- MDHS
- Red Cross
- Asteria
- Victoria Police
- Committee for Maryborough
- Lions Club
- Rotary
- Zonta
- Uniting Care Ballarat
- Salvation Army
- GELC
- Maryborough Community House
- Centre for Non-Violence
- Loddon-Campaspe Community Legal Service

##### **Regional Emergency Management Team**

This group oversees management of emergencies that affect the Loddon-Mallee Region. The focus for the COVID-19 pandemic is ensuring there are adequate resources to support the community. This includes ensuring the health system (GPs, Hospitals, Ambulance Victoria) can cope with the increase in demand, personal protective equipment is available for all health workers and Council staff conducting immunisations, and volunteer staffing numbers are not impacted.

##### **Northern Victorian Pandemic Cluster Committee**

This group oversees the coordination of the pandemic response for the Loddon-Campaspe Cluster (Central Goldfields, Loddon, Campaspe, Mount Alexander and Bendigo councils).

##### **Loddon-Mallee Regional Relief Team**

The role of this group is to ensure that all relief activities are coordinated at the regional level.

## Economic Response and Recovery

The COVID-19 pandemic has challenged us all and none more than our local business community.

Since the pandemic hit in March, Council has worked to support our local economy through the delivery of a range of response and recovery actions.

A list of our immediate actions that were delivered between March and 30 June 2020 are provided below:

### Economic Response and Recovery Taskforce

10 local business representatives from a range of sectors, working with us to report on local impacts and how to respond.

Outcomes have included:

- Identified high priority actions from Economic Development and Tourism & Events Strategies
- Advocacy to Council for targeted financial relief for hard-hit local businesses, and extended support beyond September
- Advocacy to Dr Ann Webster MP for federal support measures to be extended
- Advocacy to Bendigo Regional Tourism Board for a greater share of state funds to support local tourism
- Meeting with the Committee for Maryborough to discuss collaborative actions
- Established working sub-groups for tourism, accommodation and retail support; with a food & fibre working group to be established soon

### Council actions (with support from Taskforce)

- Financial Support Package (released in March)
- Rent waived for businesses occupying Council buildings and facilities
- All current debt recovery actions suspended
- Extended rate payments to 30 September 2020 with no interest
- Waived interest on overdue rates and waste charges from 16 March 2020
- Changed payment systems so suppliers are paid weekly to improve business cash flow
- Dedicated business contact officer within Council
- Extended expiry dates for septic, building and planning permits for 12 months at no cost (upon their request)
- Refunded permit fees for events and business activities that have been cancelled or closed as directed by Government upon request
- Waived building or planning permits fees under Council's Community Support Policy

- **Better Approvals** – Streamlined 'concierge' process now in place for new or expanding businesses through the permit processes for planning, building and environmental health
- **Small Business Friendly Charter** – Council has committed to 12-month process to improve services to businesses and build relationships with business groups
- **Direct contact** – Database of 550 local businesses developed
  - Phone calls to businesses in early weeks of the pandemic
  - Weekly email newsletter collating information on state, federal and regional sources of support, online events and training in business adaptation
  - Response to business requests for support and information

## Community Information

Since March, 2020 Council has provided regular communication to the community about the pandemic via the following channels:

- Dedicated COVID-19 section on Council's website – [www.centralgoldfields.vic.gov.au/covid-19](http://www.centralgoldfields.vic.gov.au/covid-19) This page is updated regularly and provides information on:
- Changes to Council services and facilities
  - Business support
  - Mental health support
  - Council's response
  - Latest health advice
  - Resources for families
  - General information
  - Council's financial support measures
  - Community services relief and recovery
  - Family safety
  - CALD community information
  - Indigenous community information
- Be Kind Central Goldfields Social media campaign aimed at promoting and initiatives from Government, Council and our community – with the Be Kind message
- Weekly full page advertisement in The Maryborough District Advertiser
- Regular social media posts
- Mail-out to every resident in the Shire with COVID-19 community information and Be Kind Neighbour postcard



### Community Grants

Council allocated a total of \$16,179 to local community groups as part of the 2019 Community Grants Program.

Organisation	Project Information	Amount of grant
Maryborough Salvation Army	Providing clothes and laundry service to jobseekers	\$1,700.00
Carisbrook Historical Society	A heritage exhibition and exhibition tour	\$500.00
Carisbrook Projects Inc	Building a pergola and concrete garden edging for Carisbrook rose garden	\$2,500.00
Goldfields Employment and Learning Centre	GELC Heat Retreat, a cool haven on days over 35 degrees	\$1,500.00
Dunolly Recreation Reserve Committee of Management	Purchase of ride-on mower	\$2,749 .00
Maryborough Girl Guides	Supply and install new split system air conditioner	\$3,752.65
Zonta Club of Maryborough	Materials for making breast cushions for post-operative breast cancer patients	\$500.00
Maryborough and District Garden Club	Shire-wide Garden Competition Council-sponsored trophies	\$500.00
Maryborough Field Naturalists Club	Purchase of four UHF hand-held radios	\$500.00
Maryborough Community Garden	Hoses, watering cans, soil moisture meter and tool box	\$750.00
Maryborough Community House	Fence off an area in Roscholler Park to rehabilitate in vegetation	\$1,227.10
<b>Total</b>		<b>\$16,178.75</b>

## CHAIRPERSON OF ADMINISTRATORS MESSAGE

### The 2019-20 financial year will certainly be one to remember.

Whilst we never expected the latter part of the year to be as challenging or as disruptive as it was, it has certainly demonstrated the resilience of our local community and business sector, but also the adaptability of our staff.

#### COVID response

There is no doubt the pandemic has impacted everyone in some way – our young people, our elderly, our businesses, our families, our community groups and organisations and our sporting clubs.

In March, we moved quickly to introduce our financial support measures to support our community – particularly those experiencing financial hardship.

In April, we established the Economic Response and Recovery Taskforce – a representative group that would work with Council on our response and make plans for a positive recovery at the local level. The taskforce will continue to meet for sometime to come, and endeavour to provide assistance and advice for our local businesses as they navigate the difficult months ahead.

Throughout the pandemic and associated restrictions Council staff continued to deliver key services and deliver on the projects and initiatives in the Council Plan – often in a modified format but still with our community front of mind.

Our Council Meetings moved to a virtual format in March and were live streamed to Council's Facebook page. We even took our Listening Posts to social media, with our first Virtual Listening Post in April attracting more 60 community members. It really has been great to see the increased level of engagement this model has created. The success of these approaches will provide food for thought as we plan for life after COVID-19.

#### Advocacy and Key Projects

Our Priority Projects Plan continued to be a focus as we consistently advocated to Federal and State governments. It was particularly pleasing to have funding announced for the majority of projects including: Energy Breakthrough, Maryborough Outdoor Pool, Central Goldfields Art Gallery and the Maryborough Railway Station Activation Project and the Maryborough Skate and Scooter Park.

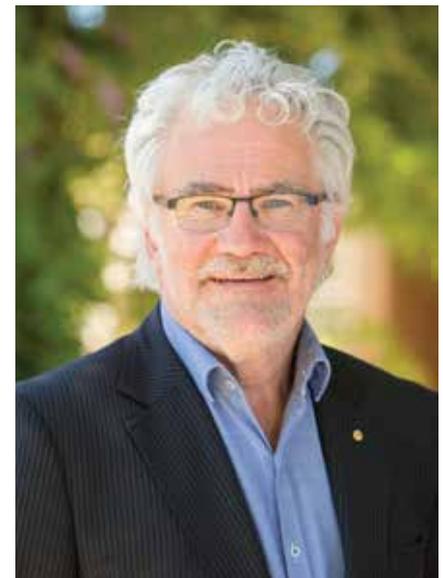
A raft of key infrastructure projects were also delivered including the upgrade to the Maryborough Sports and Leisure Centre, the new Porteous Road Bridge at Wareek as well as major road upgrades such as Avoca-Talbot Road, Amherst; Bourke Road, Maryborough; and Rodborough Road upgrade among the highlights.

The development of Key Strategy Plans has been a major focus of the 2019-2020 financial year with extensive community engagement and planning work undertaken in the development of the Population and Residential Housing Strategy, Integrated Transport Strategy, Active Central Goldfields Recreation and Open Space Strategy as well as the review of the Planning Scheme. These plans create a solid foundation for the newly elected Council later this year.

#### Community Engagement

Whilst community engagement was challenging in the later part of the year, in March we were able to adopt the 2020-2030 Waste Management Strategy - a roadmap for the future direction of waste services and waste reduction in our municipality. We are confident the strategy will fit comfortably with the new directions being driven by the State Government.

In the same month we adopted the 2020-2025 Economic Development and Tourism and Events strategies – both critical to growing employment, our economy and our economic recovery efforts in the wake of the pandemic.



In May, following a shire wide community engagement process featuring over 1,000 community responses we adopted our eight, 10 year Community Plans as part of the Your Community 2030 project. This is the first time every community in the shire has had the opportunity to participate in developing plans specifically for their own community. These plans are already influencing and directing Council initiatives and funding, but also successful grant applications to other levels of government.

#### Thank you

As this is the last full year Annual Report we are providing, on behalf of my colleagues and myself I want to say thank you to the amazing community of the Central Goldfields. It has been an absolute privilege to have served as your Council administrators. Whilst we needed to make some difficult decisions the community has made it very clear we are leaving the organisation and the community in a much better position than when we started, but we could not have done that without extensive community support.

Of course none of these things would be possible without the efforts of the CEO and Council staff. It has been a difficult period of reform and renewal, but every single staff member has played their part and we have a highly professional, committed team working in every area of Council operations. Thank you to every one of you.

**Noel Harvey OAM**  
*Chair of Administrators*

## CHIEF EXECUTIVE OFFICER MESSAGE

### It's with much pleasure that I present the Annual Report for 2019-2020.

Whilst 2020 has presented many challenges, we've also got much to celebrate with significant achievements delivered across the organisation during the past financial year.

Our staff have shown extraordinary resilience in the face of the pandemic, and I want to thank each and every one of them for their commitment and dedication.

#### COVID-19 and service delivery

The COVID-19 pandemic challenged all of us and had a significant impact on the concluding months of the financial year for our organisation.

Despite the circumstances I'm incredibly proud of the way our staff responded by providing additional leadership, support and communication to the community whilst continuing to deliver essential services and undertake key projects and initiatives.

The way we delivered services during this time was often in a modified format, with innovative new on-line service delivery rapidly implemented and COVID-safe plans developed for continued face to face delivery where allowed.

Early in the pandemic, we enacted our Pandemic Plan, appointing a Pandemic Co-ordinator and setting up a Pandemic Response Working Group. This group set up a multi-agency sub-committee to ensure a coordinated approach to relief and recovery was undertaken. An Economic Response and Recovery Taskforce was also formed with local business representatives. I commend staff and local committee members for their contribution and support provided to the community during this challenging time.

To support our own operations, we also enacted our Business Continuity Plan and formed a Disaster Recovery Committee. This committee met regularly to ensure that State and Federal directions and guidelines were adhered to and new policies and procedures developed to ensure the safety of our staff and community. Thank you to these staff committee members who dedicated significant time to this work.

#### Strategic work and Key Projects

Despite the pandemic, the 2019-2020 financial year marked a period of significant progress and achievement for the organisation. We successfully completed the third year of our four year Council Plan and other key strategic and long-term planning has taken place that will help guide our future decision making.

Highlights of the year included the securing of a number of significant State and Federal Government grants to support our priority projects; delivery of our capital works program despite COVID-19 restrictions; development of 8 community plans across the Shire, development of a number of key strategies including the Economic Development Strategy, Tourism and Events Strategy, Integrated Transport Strategy, Waste Strategy, and Population Housing and Residential Strategy. Thank you to all community members who attended the many forums and workshops and completed surveys to contribute to these plans.

During 2019-2020 substantial work was also undertaken on Council's planning scheme to prepare an amendment to implement the strategic work completed above as well as translate the scheme into the new format as part of the state-wide reform. An amendment was also prepared to update existing planning controls for land in Central Goldfields Shire that is liable to flooding, with the assistance of the North Central Catchment Management Authority.



#### Looking ahead

I look forward to the year ahead where we will continue to build on our achievements, deliver the remainder of the Council Plan 2017-2021 and work together with the community to deliver great outcomes for our municipality.

In 2020-2021 we will be saying farewell to the Administrators and welcoming newly elected Councillors. It has been a privilege to work with the Administrators over the last three years. Their expertise and guidance has been critical in establishing a strong governance and compliance framework and strategic direction to lay the foundation for the success of a new Council.

#### Lucy Roffey

*Chief Executive Officer*



## COMMUNITY SATISFACTION

### 2020 Local Government Community Satisfaction Survey

Conducted in February 2020, the annual Local Government Community Satisfaction Survey is coordinated by Local Government Victoria, and is based on the responses received by phone interviews with 400 local residents.

The survey is designed to assess the performance of Victorian councils across a range of measures and identify ways to provide improvement or more effective service delivery to residents.

The data gathered is collated by JWS Research.

#### Results showed:

- Council has consolidated the significant gains made in 2019 on overall performance and customer service – despite a four point decrease in overall performance this year.

- Council continues to perform strongly in Appearance of Public Areas (75) and Customer Service (73) which are both higher than the small rural and state-wide averages.
- Council performance is rated better than the State-wide average for parking facilities.
- Rated performance remains largely in line with 12 months ago across most individual service areas, however ratings have declined on waste management, community consultation and lobbying – particularly among Talbot area residents.
- Council also performs in line with the group average for half of the remaining service areas and on customer service and overall direction.

The appearance of public areas and our customer service team continue to rate highly by our community. These areas have continued to rate highly over a number of years now and are testament to the great work of our open spaces and customer service teams.

Whilst some ratings remained consistent, the decline in other areas was consistent with an overall trend across the sector.

The 2020 Local Government Community Satisfaction Survey results can be viewed on Council's website at [www.centralgoldfields.vic.gov.au/communitysatisfactionsurvey](http://www.centralgoldfields.vic.gov.au/communitysatisfactionsurvey)

## FINANCIAL SNAPSHOT

### IN BRIEF

Council recorded an operating surplus of \$486,000 for the 2019-2020 financial year, which was \$191,000 less than budget.

Council's total income was less than anticipated, some of which was impacted by COVID-19, however this was more than offset by savings against employee costs (\$683,000) and materials and services (\$2.52 million).

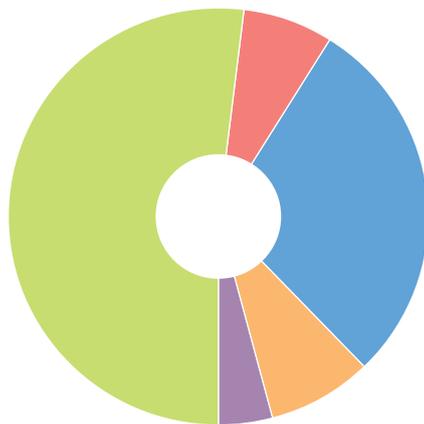
Council ended the year with cash and investments totalling \$13.25 million and loan borrowings of \$3.32 million.

The value of property, infrastructure, plant and equipment decreased from \$314.62 million to \$308.27 million as a result of capital expenditure of \$6.54 million, depreciation of \$6.26 million and revaluation of existing assets down by \$6.42 million.

### REVENUE

Council's total revenue for the 2019-2020 year was \$29.16 million compared to \$33.51 million in 2018-2019. The chart below shows the different sources of revenue for Council, with rates and waste charges contributing 52% of total revenue.

#### Revenue

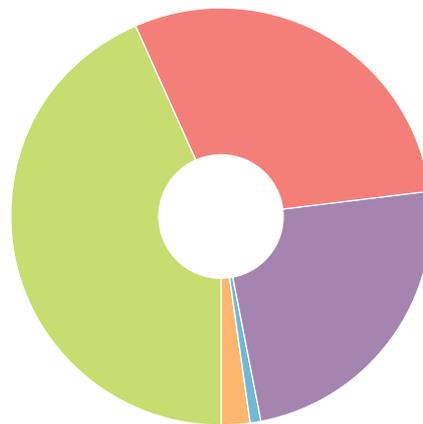


- 52% Rates and charges
- 7% User charges, fees and fines
- 29% Grants - operating
- 8% Grants - capital
- 4% Other income

### EXPENDITURE

Council's total expenditure for the 2019-2020 year was \$28.67 million compared to \$29.91 million in 2018-2019. The chart below shows the different categories of expenditure for Council with employee costs being the largest expense type.

#### Expenditure

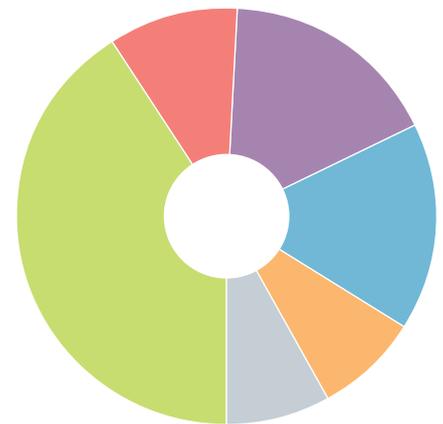


- 44% Employee costs
- 30% Materials and services
- 24% Depreciation and amortisation
- 1% Borrowing costs
- 2% Other expenses

### CAPITAL WORKS

During the year Council completed \$6.54 million of capital works projects an increase from \$4.94 million in 2018-2019. Road and related infrastructure accounted for 59% of the capital spend.

#### Capital Works



- 41% Roads
- 10% Bridges and major culverts
- 17% Buildings
- 16% Plant and equipment
- 8% Drainage, kerb and channel
- 8% Other Infrastructure

## CAPITAL WORKS PROGRAM

Central Goldfields Shire, with Federal and State Government funding, delivered an \$6.5 million capital works program in 2019-2020.

Some of the highlights are included below:

### RECREATION

#### Maryborough Sports & Leisure Centre Upgrade

A \$600,335 upgrade to the Maryborough Sports and Leisure Centre was completed and included:

##### Pool complex:

- New toilets, showers, seating, flooring, improved ventilation, hand basins, partitioning walls, non-slip flooring and new benches to suit people within mobility issues in the male and female change rooms
- A fully accessible Changing Place with change table, toilet, shower, ceiling mounted hoist and compliant grab rails

##### Matthew Dellavedova Stadium:

- Flooring and seating replacements
- New line marking to complement a variety of sports

##### The upgrade was funded with:

- \$430,000 from the State Government's Sport and Recreation Victoria Community Facility Funding Program
- \$113,556 from the Federal Government's Move it Australia Grant Program
- \$49,878 from Council as part of the 2019-2020 Budget
- \$6,901 raised through community funds at the Maryborough Sports and Leisure Centre

Further work will be undertaken in the 2020-2021 financial year to upgrade the pool pumps.



#### Maryborough Outdoor Pool

Works to upgrade the Maryborough Outdoor Pool were completed in June, 2020.

The \$216,000 project, funded as part of Council's 2019-2020 Budget, delivered:

- New shade areas including three shade sails installed over the toddlers octagonal pool and two shade sails over grassed areas adjacent to the main pool.
- Artificial turf was installed under the existing roofed area next to the toddlers pool increasing the shaded seating areas.
- The plant room was upgraded to ensure it meets all current safety and operating standards and improved the pool's water treatment systems

Council's Operations team upgraded the plumbing in the showers, repaired and painted the change room seating, repaired the kiosk window and installed new doors in the change room cubicles.

#### Carisbrook Bowling Club Green Re-Surfacing

Thanks to \$160,000 in funding from Sport and Recreation Victoria, a significant upgrade was delivered at the Carisbrook Bowling Club.

The upgrade works include releveling and replacement of the existing synthetic artificial grass playing surface.

#### Gordon Gardens Master Plan

In the 2019-2020 financial year, Council invested \$12,000 for the development of a Master Plan for the Gordon Gardens in Dunolly.

The Master Plan guides rejuvenation of the gardens over the next decade and sets our play areas, walking paths and relocation of the car parking to better suit the senior citizens and bowls club while increasing the open space area.

Parts of the changes the Master Plan set out have already been undertaken including retention of one tennis court and replacement of one court with a new basketball court.

Preparation was undertaken for the installation of a pump track and exercise stations in the Gardens, as part of the State Government's Healthy Heart of Victoria initiative.



## INFRASTRUCTURE

### Council roof replacement

The Central Goldfields Shire Nolan Street building – the former School of Mines – is a Heritage Listing Building and a valuable Council owned heritage asset. Like all buildings, upkeep is needed to ensure the building stands the test of time.

An assessment of the building two years ago identified the building needed to be water proofed, both the ceiling and the rising damp.

In May 2020 works to replace the roof tiles and redirect roof stormwater commenced to prevent further roof leaking.

The removal of the tiles has also revealed damage to the roof trusses and work is being undertaken to replace them as part of the project.

## ROADS

- Avoca-Talbot Road, Amherst Stage 1 completed – Rural Roads Victoria – \$485,000 project
- Avoca-Talbot Road, Amherst Stage 2 road upgrade works commenced – \$693,000 funded through the Regional Roads Victoria and the Federal Government’s Roads to Recovery Program.
- Rodborough Road pavement rehabilitation – \$280,000 funded through Regional Roads Victoria and the Federal Government’s Roads to Recovery Program.
- Baringhup Road pavement rehabilitation – \$170,000, funded through Regional Roads Victoria and the Federal Government’s Roads to Recovery Program.
- Burke Street, Maryborough – road reconstruction along the section from Kars Street to Inkerman St – \$458,000 funded through Regional Roads Victoria and the Federal Government’s Roads to Recovery Program.
- Majorca Road upgrade – \$525,000 funded through Regional Roads Victoria and the Federal Government’s Roads to Recovery Program.
- Porteous Road, Wareek bridge replacement – \$1.1million funded through the State Government’s Bridge Replacement Program, Regional Roads Victoria’s Fixing Country Roads Program and Council contributed a further \$310,035 to the project.

### New footpath construction:

- Bealiba – Davies Street
- Dunolly – Bull Street
- Maryborough – Kars Street
- Carisbrook – Simson Street to Carisbrook Primary School

### New section of kerb and channel constructed:

- Dunolly – Alice Street north from Hardy Street
- Maryborough – McClure Street

### Replacement of Major Culvert

- Norwood Road, Wareek, which included realigning intersection to a T-intersection to improve safety for vehicles

### Main drain upgrade

- Maryborough – between Dundas Road and Holyrood Street

### Building Energy Efficiency – Green Initiatives

\$222,000 Sustainability Victoria funded project provided various energy efficiency upgrades to council buildings including:

- Solar panels on gymnasium
- Solar panels on Goldfields Family Centre
- Air conditioning upgrades at various Council buildings
- LED lighting at various Council buildings

### Reseal Program

Council invested \$300,000 into its 2019-2020 reseal program across 20 roads throughout the municipality – approximately 80,000m<sup>2</sup> of road in total.

## EVENTS

Central Goldfields Shire Council delivered / partnered with the community to deliver the following events:



### September 2019

- Dunolly and Maryborough Library School Holiday Program



### October 2019

- VCE Art & Design Exhibition at Central Goldfields Art Gallery
- Australian Mountain Bike Orienteering Championships
- Victorian Seniors Festival events held
- Walk to School events held locally



### January 2020

- Maryborough Highland Gathering, Street Parade, Concert & Fireworks
- Australia Day Celebrations

### July 2019

- *Strange Garden* exhibition at Central Goldfields Art Gallery
- School Holiday Workshops at Central Goldfields Art Gallery
- Anglicare Victoria NAIDOC Celebration
- Teenage School Holiday program
- School Holiday program held at Maryborough Regional Library
- NAIDOC Week events held



### August 2019

- Words in Winter Festival
- *Strange Garden* exhibition at Central Goldfields Art Gallery
- *Ngradang Girri Kalat Mimi* exhibition at Central Goldfields Art Gallery -
- *Australia 'Felix' Exhibition* at Central Goldfields Art Gallery



### November 2019

- Energy Breakthrough
- 16 Days of Activism
- *Community Art Exhibition* at Central Goldfields Art Gallery
- *New Ways of Looking* exhibition at Central Goldfields Art Gallery

### December 2019

- Carols in the Domain
- NYE in the Domain



### February 2020

- Heritage Train Excursion
- Relay For Life
- *Ian Tully: Future Farming the Mars Project* exhibition at Central Goldfields Art Gallery
- *Renewable Energy Art Award Touring* exhibition at Central Goldfields Art Gallery



### March 2020

- International Women's Day Celebration

### April to June

- No events were held in the Central Goldfields Shire from April to June due to pandemic and Government restrictions

## ADVOCACY

Council meets with local State and Federal Members of Parliament, Ministers and other key stakeholders to advocate for services on behalf our community. This a summary of our advocacy work with program partners and the community.

### Priority Projects

The Priority Projects Plan is a key document used to advocate for government funding for significant key projects. The projects included in the Plan are identified in our Council Plan and included in our Council Budget.

The following projects were funded as part of the plan and other grant opportunities:

- \$1.5 million in State Government funding for Energy Breakthrough – May 2020
- \$2 million in State Government funding for urgent works to the heritage-listed Maryborough Outdoor Pool – May 2020
- \$500,000 in State Government funding for the redevelopment of the Central Goldfields Art Gallery – May 2020
- \$50,000 in State Government funding for the Maryborough Railway Station Activation project – June 2020
- \$39,900 in Federal Government funding for two trailer-mounted electronic variable message boards to be used at Driver Reviver sites – June 2020
- \$68,585 in Federal Government funding for Maryborough Airport to upgrade and extend the kangaroo proof fencing at the airfield to increase the safety of pilots and users and help protect native wildlife– June, 2020
- State Government funding for Working for Victoria program with 39 new, part-time, six month positions for unemployed people or those who had lost jobs due to the COVID-19 pandemic – June 2020
- State Government funding for the Healthy Heart of Victoria initiative:
  - **Goldfields Reservoir – COMPLETED**  
\$137,171 upgrade to the path, the implementation of a parkrun at the site; and the installation of a nature play area
  - **Maryborough Community House – UNDERWAY**  
\$51,272 for upgrades including support of the kitchen garden project; the installation of a new BBQ and shade structure; and playground enhancements
  - **Gordon Gardens, Dunolly**  
\$51,272 for a new basketball court – **COMPLETED**  
\$140,000 for new bicycle scooter pump track, outdoor exercise equipment and shade structure as part of the Gordon Gardens Master Plan – **UNDERWAY**

### Representing Our Community at Regional and Industry Forums

- Loddon Campaspe Regional Partnerships
- Central Highlands Councils Victoria
- MAV State Conference
- Loddon and Campaspe Mayors and CEO forums
- ChangeFest 2020 – Annual National Conference for Place Based Change
- Grampians Central West Waste & Resource Recovery Group Forum
- Loddon Campaspe Transport Forum
- Central Victorian Greenhouse Alliance (Board position)

### Submissions to government reviews and enquiries

- Royal Commission into Victoria’s Mental Health System
- Royal Commission for Aged Care joint submission with Loddon Mallee Group of Councils
- Submission to the Select Committee into Jobs for the Future in Regional Areas
- Submission to the Infrastructure Victoria’s 30 Year Infrastructure Strategy
- Victorian Legislative Assembly Economy and Infrastructure Committee: Inquiry into sustainable employment for disadvantaged jobseekers
- Submission to the Swimming Pool and Spa Standards Support for MAV submission to the Electricity Safety Regulations 2020 Regulatory Impact Statement

### **Memorandums of Understanding**

In 2019/20 Council entered into the following MOUs to support community activities and projects:

- World Heritage Bid MOU with Ararat Rural City, Campaspe Shire, Central Goldfields Shire, City of Ballarat, City of Greater Bendigo, Golden Plains Shire, Hepburn Shire, Loddon Shire, Macedon Ranges Shire, Mount Alexander Shire, Northern Grampians Shire and Pyrenees Shire councils.
- Sabemo and Centre for Non-Violence to support the ongoing development and leadership of the Go Goldfields Partnership
- Water Refill Stations with Central Highlands Water
- Water Refill Stations with Coliban Water
- Extension to the OPLE with the EPA
- Flood mapping amendment for Dunolly and Carisbrook with the NCCMA

### **Contribution to Regional Strategies Member of the Loddon Campaspe Regional Partnership**

As member of the Loddon Campaspe Regional Partnership we have contributed to the development of a number of regional strategies including the Loddon Campaspe Regional Growth Strategy, Engineering and Advanced Manufacturing Skills Road Map, Early Years Language and Literacy Strategy, Healthy Hearts Framework and the Digital Connectivity Plan



### Energy Breakthrough

The annual award-winning Energy Breakthrough, held in Maryborough, continued to impress by hosting around three times the size of its population.

In 2019 the event attracted 336 teams from 156 schools, and an estimated 20,000 people to the five day event in November.

These astounding figures would not be possible without the assistance of the estimated 800 volunteers.

Energy Breakthrough is largest event on the local event calendar and the largest of its kind in Australia.

In 2019 it is estimated the economic benefit was almost \$5 million to the local community.

### Sponsors

In 2019 the Energy Breakthrough welcomed new partner Transurban, whose commitment was to mentor the schools and become the naming sponsor for the Expo.

VicRoads strengthened their relationship with the Energy Breakthrough, introduced the new Regional Roads Victoria division to the event and built on their focus to deliver their road safety messages.

The partnership with Latrobe University was enhanced with the introduction of a teachers lounge to build greater connections with educators and participants.

### Section 86 Committee

The Energy Breakthrough is a joint partnership between Central Goldfields Shire Council and Country Education Partnership and is overseen by a Section 86 Committee.

The Section 86 Committee was established by the Central Goldfields Shire Council to govern the Energy Breakthrough on behalf of the Central Goldfields Shire Council.

### Key Section 86 Committee Personnel:

- Central Goldfields Shire Administrator Hugh Delahunty, Chair
- Lucy Roffey, CEO
- Phil Brown
- Greg Nugent
- John Stafford
- Windsor Main
- Jeff Hooper
- Jackson Barby
- Bronwen Haywood

During the 2019/20 financial year Greg Nugent and John Stafford's term on the committee came to an end, Greg and John's time on the committee is greatly appreciated.

### Strategic Plan

In September 2019, the Energy Breakthrough Strategic Plan was endorsed by Council. The Strategic Plan is underpinned by the Energy Breakthrough Business Plan which was finalised in August 2019.

The plan identifies five focus areas including: expanding the event, marketing, expanding accommodation options, bringing local schools and businesses on-board and sustainability.

The Energy Breakthrough Section 86 Committee will oversee the implementation of this Strategic Plan and review its progress.

The Strategic Plan will be used to assist with the stakeholder engagement as part of the \$1.5 million grant received through Regional Development Victoria.



## Go Goldfields

The following summary provides a snapshot of Go Goldfields achievements and outcomes for the past year.

The shared common agenda, and overall approach, is to enable the collective social change aspirations of our community. Our strength lies in our ability to work across sectors, industries, and community clusters. We elevate local voices and build local capacity for sustainable structures and practices.

We continue our funding agreements with Regional Development Victoria and the Sabemo Foundation and we extend sincere thanks to the ten20 Foundation as it officially winds down its operations after a decade-long social-change strategy of which we were privileged to be a part of.

It is essential to the partnership that our local residents can step into leadership roles within the Collaborative Table and our partnership network structures. Our community members hold positions of influence, are valued and respected at all levels. Their impact is tangible and effective. Participation in the work offers opportunities for personal and professional growth, skills enhancement, and knowledge sharing.

Our newest Collaborative Table community representative, Courtney Noonan, attended ChangeFest 2019 in Mt Druitt, Western Sydney. The program of workshops, panel discussions, and mentoring sessions provided a platform for leaders of social change initiatives to gather, exchange stories, and learn.

We are continuously improving measures for our collective efforts and outcomes, establishing learning and measurement systems including our renewed Data Dashboards housed on our website. These dashboards show the statistics and indicators that underpin our evidence-based approach.

We supported our collaborators and network partnership groups to present a series of forums, events, community programs, and evaluation initiatives throughout the year including; Pop-up Youth Hub, NAIDOC Celebration, Early Years Expo, Youth Media Team, 16 Days of Activism, Aboriginal and Torres Strait Islander Children's Day, Community Legal Aid and Justice Support, Economic Pathways Radio Series, Young Women in Letters, The Nest Parents Group, Healing and Recovery Forum, Working with Police in the Family Violence System Workshops, and the Early Years Forum.

The partnership aims to ensure the right access and the right provision of services is available for Central Goldfields' children and their families. We continue to engage the resources required to coordinate programs across agencies, including State Government, within the community towards achieving long term economic and social benefits by focusing on priority areas.

A commitment to these priority areas is embedded in the community through the participation and leadership of community groups, services, and local organisations including Central Goldfields Shire Council, which is reflective of the community's and Go Goldfields' maturity as a collective impact site.

The review processes that we have initiated and participated in during 2019 has led to a refinement of the strategic direction of the work of the initiative going forward that we look forward to developing through our engagement strategy in 2020.



## Community Engagement

Community engagement is defined as the range of opportunities for public involvement in Council decision making, relationship building and community strengthening.

Council is committed to effective engagement with the community to ensure the needs of the community are acknowledged in Council key projects, plans and strategies.

During the 2019-2020 financial year there were a number of opportunities for the community to provide input into plans, strategies and service design including Council's annual budget.

Council engaged around 5,000 residents via workshops, forums, surveys and working groups as part of a series of community engagement activities.

Engagement activities are delivered as part of our Engaging Central Goldfields – Community Engagement Framework adopted in May, 2018 as part of the Organisation and Governance Reform Program.

Council consulted with the community on the following projects, plans and activities:

### June 2019

- Gordon Gardens Master Plan
- Property Occupancy Policy
- Community Support Policy
- Casual Hire Policy
- Active Living Census

### July 2019

- Maryborough Skate and Scooter Park
- Waste Management Strategy
- Economic and Development Strategy
- Tourism and Events Strategy
- Community Support Policy
- Casual Hire Policy
- Property Occupancy Policy

### October 2019

- Your Community 2030

### November 2019

- Your Community 2030
- Listening Posts

### December 2019

- Your Community 2030

### January 2020

- Dunolly Community Sculptures
- Community Satisfaction Survey

### February 2020

- Your Community 2030
- Maryborough Skate and Scooter Park
- Draft Economic Development Strategy
- Draft Tourism and Events Strategy
- Draft Waste Management Strategy
- Maryborough Flood Study

### March 2020

- Draft Your Community 2030 Township Plans
- Integrated Transport Strategy
- Draft Waste Management Strategy

### April 2020

- Draft Your Community 2030 Township Plans
- Integrated Transport Strategy
- Draft Population and Housing Strategy

### May 2020

- Flood amendments for Carisbrook and Dunolly
- Virtual Listening Post held via Facebook Live

### June 2020

- Public Road Register Policy
- Proposed 2020-21 Council Budget
- Draft Recreation and Open Space Strategy
- Flood Study Amendment – Dunolly and Carisbrook
- Youth Hub
- COVID-19 Community Health and Wellbeing

## Listening Posts

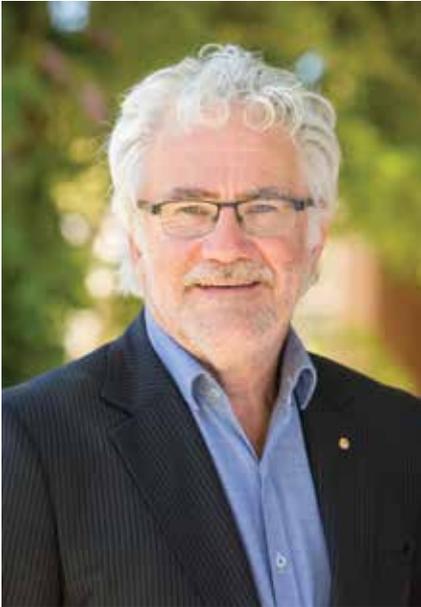
Listening posts are an opportunity for Administrators to meet local residents for an informal chat and find out what's happening in the local community and an opportunity for us to update residents on Council projects, decisions and activities.

Listening posts were held in October 2019 at townships across the Shire.

In May, 2020 due to COVID-19 and Government restrictions our Listening Posts moved to an online format. We presented a 'Virtual Listening Post' – via Facebook Live – in May, 2020.

This was a huge success with more than 60 people tuning in and submitting questions.

## OUR COUNCIL



### Noel Harvey OAM

Noel Harvey has 25 years' experience in Local Government, He was first elected to the Shire of Kyneton in 1993. He was Chief Commissioner for the Shire of Hepburn from 1995 to 1997 and a Councillor for the Shire of Macedon Ranges Shire from 1997 to 2003 and again from 2006 to 2009. He served as Mayor in 1993, 1994, 1999, 2000 and 2008.

Noel has been a board member of numerous boards including the Municipal Association of Victoria, a member of the EPA Enforceable Undertakings Panel (since 2012), Director Parks Victoria (2006 to 2012) and Director and Deputy Chairman of Coliban Regional Water Corporation (2001 to 2012), Director North Central Catchment Management Authority (2002 – 2007) and Director of Sustainability Victoria (1997 – 2000) and Chairman of the Victorian Mineral Water Committee (1996 -2006).

Noel has 15 years of business experience in the tourism industry and is the independent Chairman of the Daylesford & Macedon Ranges Regional Tourism Board since 2012.

In 2004, Noel was presented with an Order of Australia (OAM) in recognition of services to Local Government, regional Victoria and the community of Kyneton.



### Karen Douglas

A member of the Wimmera Catchment Management Authority Board since 2006, Karen held the position of Chair from 2011 to 2017.

Karen is a member of a broad-acre cereal cropping family farming enterprise at Beazleys Bridge, Gre Gre and Marnoo.

She spent many years working as a librarian both in the local secondary college and later the Wimmera Regional Library, before joining J R Burns Accounting.

She was Deputy Chancellor of Federation University Australia from 2007 to 2015, is a member and past Chair of the Stawell Regional Health Board, and a member of McCallum Services.

Karen was a Northern Grampians Shire Councillor for nine years, serving four terms as Mayor and was the inaugural Chair of the North Central Local Learning and Employment Network.



### The Hon Hugh Delahunty

Born in Murtoa, Hugh began his career as a farmer on his family grain and sheep property.

He went on to work for the Department of Agriculture and Rural Affairs after playing for Essendon in the 1970s.

Hugh has participated in and coached many sports in the Wimmera and is a life member of the Murtoa Football Club.

He was a Councillor and Mayor for the former Horsham City Council (1987 – 1995, Mayor 1992/93), Chief Commissioner of Mildura Rural City (1995 to 1996), and the first Mayor and a Councillor of the new Horsham Rural City Council (1997 to 1999, Mayor – 1997).

Hugh was elected to State politics in 1999 where he represented the electorates of Wimmera from 1999 to 2002 and Lowan from 2002 to 2014. He served as Minister for Sport and Recreation and Minister for Veteran Affairs from 2010 to 2014.

## OUR EXECUTIVE TEAM



### LUCY ROFFEY

*Chief Executive Officer*

Lucy Roffey is an executive leader, with financial and corporate skills combined with public, private and community expertise. She has demonstrated success in bringing strategy, leadership and transformation to organisations.

She is a Fellow of the Chartered Accountants Australia and New Zealand recently receiving recognition for 25 years in the profession and is a member of the Australian Institute of Company Directors.

Her current roles and appointments include CEO of Central Goldfields Shire Council, Chair of Coliban Water

and Public Sector Panel Member for the Chartered Accountants Australia and New Zealand.

Prior to working in Local Government, Lucy was a senior executive at the Australian Centre of the Moving Image, and worked in senior finance roles in the film industry in Australia and the UK.

Her move to the Local Government sector in 2009 in a small rural setting was inspired by her experience of living in a close knit community in Canada, her love of the outdoors and the opportunities for her family to grow up in the country.



### MARTIN COLLINS

*General Manager Community Wellbeing*

Martin has worked with the Victorian State Government in a number of roles since 2015 including as the Director of Community and Social Innovation (DEDJTR) and more recently as the Manager of Youth Pathways and Transitions (DET). In these roles he has led the design and delivery community economic development programs and creation of the Victorian social enterprise strategy. Prior to working in Victoria, Martin worked for Glasgow City Council as the Head of Employment and Skills where he led a department of 100+ staff. Martin holds a Masters of Arts (Social Science) from the University of Glasgow.

Martin commenced 3 June, 2019.



### REBECCA STOCKFELD

*General Manager Infrastructure Assets and Planning*

Rebecca came to Central Goldfields Shire having previously been the Acting Director Sustainable Development at Mount Alexander Shire Council. She has extensive experience in senior management roles in land use planning in both State and Local Government including as Assistant Director, State Planning Services, Department of Planning and Community Services Victoria.

Rebecca holds a Bachelor in Applied Science (Planning) from RMIT and a Post Graduate Diploma in Urban Planning from Melbourne University.

Rebecca commenced 21 May, 2018.



### PAUL BRUMBY

*General Manager Infrastructure Assets and Planning*

Paul was previously the Manager Finance at Pyrenees Shire Council and has worked in local government corporate services for over 25 years including as General Manager Corporate Services at Ararat Rural City Council. He has previously held board positions with Willaura/Lake Bolac Financial Services Limited and Ballarat Child and Family Services.

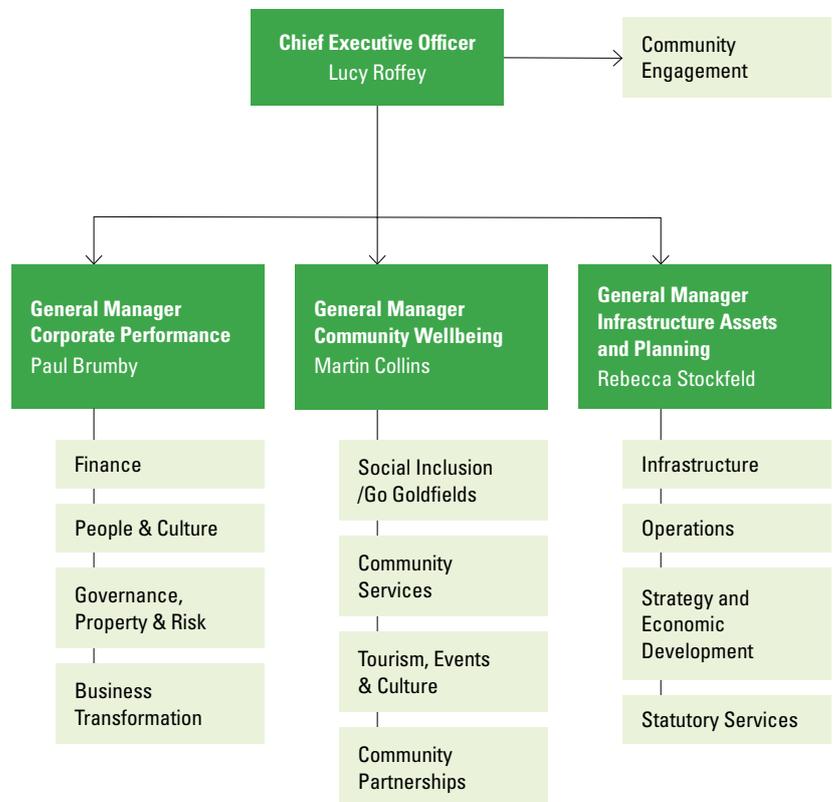
Paul has a Bachelor of Business with majors in Accounting and Information Technology from Federation University (formerly known as the Ballarat College of Advanced Education).

Paul commenced 21 May, 2018.



## OUR WORKPLACE

Central Goldfields Shire has three directorates reporting to the Chief Executive Officer. The directorates are: Corporate Performance, Community Wellbeing and Infrastructure Assets and Planning.



A summary of the number of full time, part-time equivalent staff categorised by employment classification and gender:

Structure Classification	Band 1 FTE	Band 2 FTE	Band 3 FTE	Band 4 FTE	Band 5 FTE	Band 6 FTE	Band 7 FTE	Band 8 FTE	All other FTE	Total FTE
Permanent Full Time – F	0	0	7.37	6	6	5	3	4	4	35.37
Permanent Full Time – M	0	8.89	15	8	4	6	3	2	4	50.89
Permanent Full Time – X	0	0	0	0	0	0	0	0	0	0
Permanent Part Time – F	0.13	5.19	5.94	9.41	0.84	1.38	0	0.8	6.26	29.95
Permanent Part Time – M	0	2.76	1.26	1.6	1.4	0.31	0	0.8	0.95	9.08
Permanent Part Time – X	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0.13</b>	<b>16.84</b>	<b>29.57</b>	<b>25.01</b>	<b>12.24</b>	<b>12.69</b>	<b>6</b>	<b>7.6</b>	<b>15.21</b>	<b>125.29</b>

## Organisation values

Early in 2020, following consultation with staff, our organisation values were rolled out amongst staff. The values are:

### Community and Customer Focused

- We ensure the community and our customers are at the centre of everything we do
- We communicate openly and honestly and take responsibility for our actions

### Collaborative and Inclusive

- We work together to deliver the best outcomes for our community
- We appreciate and learn from each other's expertise and respect different views and perspectives

### Challenge the Status Quo

- We explore new and innovative ways to work and deliver services and programs
- We try new things and learn from our mistakes.

As an organisation we will continue to look at ways to embed these across our workplace.

## Equal Opportunity & Human Rights

Central Goldfields Shire is committed to the principles of our Equal Opportunity and continually work to ensure that all workplace employment matters are reflective of this.

Equal Opportunity is supported by a number of policies, our staff induction program and training opportunities. Together we work to ensure there is no discrimination, harassment and bullying.

The Staff Code of Conduct requires staff to act compatibly with human rights and to consider human rights when making decisions. It also requires staff who are involved in policy development to familiarise themselves with the Human Rights Charter.

## Professional Development

During the year, our staff undertake mandatory training modules via our eLearning system. Staff have access to professional development and training opportunities throughout the year to enhance their development.

## Workplace Culture

The organisation continues to review and implement robust policies, procedures and systems of work to support the effective operations of the organisation.

A Staff Survey has been undertaken which has identified further opportunities for improvements to our operations which will also enhance the organisational culture.

## Staff Consultative Committee

Comprising staff and members of the Management Group, the group meets quarterly and provides valuable input into the development of policies and procedures that impact on the working arrangements and conditions for staff.

## Employee Assistance Program

A confidential support and counselling service is provided to all staff and immediate family members. This service is regularly promoted to staff.

## Staff communication

Monthly staff meetings were held by the CEO and Executive team and a fortnightly staff newsletter – titled *Inside Word* – was distributed to all staff.

### The following initiatives were carried out post March due to the COVID-19 pandemic:

- Regular all staff emails from CEO to keep staff informed
- Intranet for COVID-19 staff information launched in April 2020
- Workplace by Facebook launched in May to keep staff informed and connected
- All staff meetings moved to virtual meetings on Workplace by Facebook in May 2020

## National Volunteer Week

In May 2020 we marked National Volunteer Week by publicly acknowledging our volunteers and saying thank you.

Council has 70 volunteers across the organisation who each play a key role in delivering services and programs every day. Without volunteers, the delivery of these services and programs would not be possible.

Council's volunteer duties include:

**Aged and Community Care:** Our volunteers are critical to the delivery of our Meals on Wheels service and are also involved in our valuable Social Support team who take clients on regular outings in the region.

**Library:** Book deliveries to households once a month to those who have an ongoing or temporary inability to visit the Maryborough Regional Library

**Youth:** Delivery of the Engage! Youth Program, Victorian Youth Week events, Teenage Holiday Program and FReeZA events

**Central Goldfields Art Gallery:** Front of house and administration duties, events and education programs

**Visitor Information Centre:** Hosting and evaluating Council events, distributing visitor information and directing visitors to points of interest and conducting short visitor surveys

**L2P program:** Helping learner drivers gain their 120 hours of driving to undertake their probationary driving test

**Energy Breakthrough:** An impressive 800 volunteers who set up and pack up, judging, marshalling, stage support, media and administration of this hallmark event.

**Pound:** Dog walking, general care and companionship of animal during their stay.

## Working for Victoria

In June, 2020 Central Goldfields Shire was successful in its application for State Government funding for the Working for Victoria program.

In the same month we advertised 39 new, part-time, six month positions for unemployed people or those who had lost jobs due to the COVID-19 pandemic.

The 39 part-time positions were primarily in the community development, community services, outdoor operations, economic development as well as information technology, human resources, and communications.

The additional staff play a key role in support for our community during the social and economic recovery phases of the pandemic and also enable our organisation to deliver additional projects for our community that would have not been possible otherwise.



## GENDER EQUITY

### Our Commitment to Gender Equality

Preventing violence against women is everyone's responsibility, including all of us at Central Goldfields Shire Council – from elected representatives and senior management to all Council employees.

As representatives and providers of key services and facilities, it is our duty to lead by example and to take up a crucial role in preventing violence against women in our community.

### Victorian Local Government Women's Charter

Central Goldfields Shire Council is a signatory of the Victorian Local Government Women's Charter, committing our organisation to the following principles:

- **Gender Equity**

That everyone has an equal right to be representatives in local governments, committees and decision-making positions.

- **Diversity**

The inclusion of different experiences and perspectives in local governments and community decision-making strengthens local democratic governance and helps build cohesive communities. Councils and communities encourage and welcome participation for all people and all abilities.

- **Active Citizenship**

Local governments will work with the community to increase the numbers and participation of women in public life, so that decision-making more clearly represents and reflects the interests and demographics of communities.

### Gender Equity in the Workplace

In June 2018, the Municipal Association of Victoria announced the Free from Violence local government grants where we were successful for our *Changing our Story* project.

The funding enabled a resource to be employed to lead our Changing our Story project which was focused around communications and empowering young people in the primary prevention of violence against women project.

As part of the project workshops were facilitated and a staff survey was conducted – both at the start of the project and at the end – to ascertain the level of change that had been achieved internally.

Staff from across the organisation also participated in Workplace Equality and Respect and Workforce Inclusion training and staff attended the Workforce Inclusion and Diversity Forum.

Further to this internal policies and procedures were updated and partnerships and networks were developed with local schools and organisations.

In October 2019, Council led the 16 Days of Activism program of events in partnership with the community.

It was a great success and the collaboration and positive community outcomes that this program of events delivered for our community were significant.

In February 2020, a Gender Equity Statement was finalised which was a culmination of a series of internal workshops with staff and it also drew on the voices of local young people.

The Statement reads as follows:

**We will create an inclusive workplace where all people are respected and have equal access to opportunities. We are dedicated to changing the behaviours and attitudes that contribute to gender inequity and gender-based violence.**

**We will lead by example, and support our community in their efforts to ensure people are respected and safe to participate in all aspects of community life.**

The Gender Equity Statement is the start of something much bigger for the organisation with the next stage to develop our Gender Equity Strategy.

The Strategy provides our organisation with practical goals for this work moving forward. It will hold the organisation accountable for its progress and it will go beyond gender equality to consider other elements of inclusion, diversity and intersectionality.

A group of staff – known as 'Gender Equity Champions' will drive this work forward.

## HEALTH, SAFETY AND SUPPORT TO STAFF

The health and safety of our employees, volunteers, contractors and visitors is the number one priority of our organisation.

Central Goldfields Shire is committed to being a healthy and safe work environment and never has this been more important than in 2020 with the COVID-19 pandemic.

Our Health and Wellbeing Committee and Occupational Health and Safety Committee, supported by our Executive team continue to lead much of this work and together they play an integral role in ensuring our organisation is a safe and healthy place to be.

### Key initiatives included:

- **Staff flu vaccination program**

Council's Immunisation team administered 109 influenza vaccinations to Council staff. This was made available free of charge to all employees and volunteers.

- **Healthy Together Victoria Achievement Program**

Our Health and Wellbeing Committee participates in the stateside health promotion program that encourages best practice of workplaces around Mental Health and Wellbeing, Healthy Eating, Physical Activity, Smoking and Alcohol. Council is now recognised as meeting Smoking benchmarks and the Committee is now working towards our organisation meeting Mental Health and Physical Activity benchmarks.

- **OH&S Monitoring Government restrictions of COVID-19**

Monitoring of Government restrictions of COVID-19 and easing restrictions with the development of flow chart procedure and protocols to manage sites and return to site and public access once deemed by Government as safe to do so.



- **Wednesday Walkers group**

Coordinated by the Staff and Wellbeing Committee staff were encouraged to join a lunch-time based walk around Lake Victoria to encourage physical exercise and connections between staff. The group was put on hold in March 2020 due to the pandemic.

- **Participation in significant events including:**

- RU OK Day – September 2019
- Victoria Against Violence 16 Days of Activism campaign – December 2019
- International Women's Day – March 2020

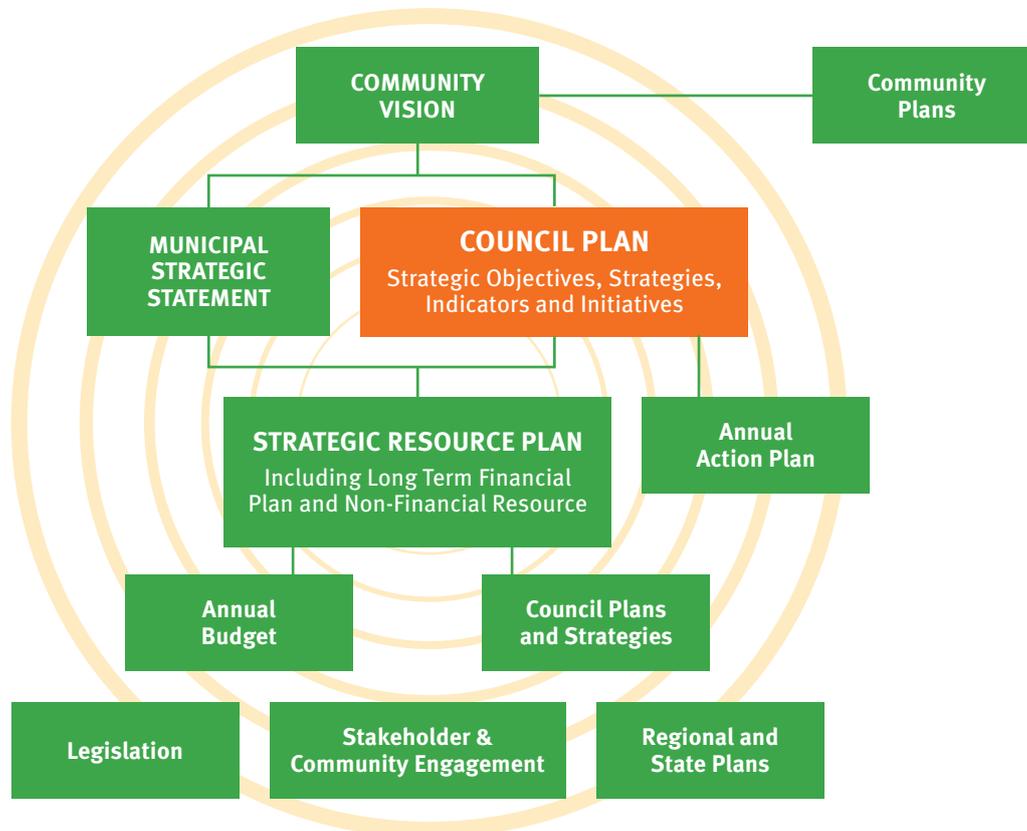
- **Policies, Emergency Management and Risk Management**

Through the CGSC OH&S Committee the Working Alone Policy and OHS building safety audit at Visitor Information Centre has been achieved

### The following initiatives were carried out post March due to the COVID-19 pandemic:

- Disaster Response Committee enacted in March 2020. A group of staff from relevant department to ensure business continuity and ensure the health and safety of staff and volunteers. The Pandemic-Epidemic Policy and COVID-19 Standard Operating Procedure was a key outcome of this Committee.
- Additional online training opportunities offered to staff in June 2020 which included COVID-19 Safety at Work, Health and Wellbeing, Infection Prevention and Control, Managing Remote Teams and Working From Home
- Social Zoom sessions introduced
- SOP established for COVID-19 car cleaning with laminated reminders and flip books placed in all Council vehicles.

## PLANNING AND ACCOUNTABILITY FRAMEWORK



The Local Government Planning and Accountability Framework is outlined in the Local Government Act 1989.

It is a mandatory system of reporting that ensures all councils measure and report on their performance in a consistent way.

The Act requires councils to prepare the following planning and reporting documents:

- A Council Plan – developed every four years and reviewed annually
- A Strategic Resource Plan
- A Budget for each financial year
- An Annual Report in respect of each financial year

The following diagram shows the relationship between the key planning and reporting documents that make up the planning and accountability framework for local government.

### COUNCIL PLAN

The Central Goldfields Shire Council Plan 2017–2021 identifies four strategic themes, each with a specific objective which are our primary focus:

- Our Community – A supported, cohesive community, living a full and healthy life.
- Our Economy – A vibrant local economy which contributes to the municipality’s economic prosperity
- Our Built and Natural Environment – Our Shire celebrates the rich built and natural heritage and a sustainable environment
- Our Organisation – Central Goldfields Shire is a proactive, well governed, professional and financially sustainable organisation.

Underpinning each of these themes are detailed actions and initiatives which are identified in the Council Plan and complemented by our Annual Budget.

Every quarter the actions undertaken are measured against the Council Plan and reported upon.

## AUDIT AND RISK COMMITTEE ANNUAL REPORT FOR THE 2019-2020 FINANCIAL YEAR

### Audit and Risk Committee Chairperson's Report For the year ended 30 June 2020

#### Introduction

The Central Goldfields Shire Council Audit and Risk Committee (the Committee) Charter requires that an annual report on the activities of the Committee be presented to Council at the conclusion of each financial year.

The Committee is an independent Advisory Committee to Council established under Section 139 of the Local Government Act 1989 (as amended) (the 'Act'). The key purpose of this report is to provide Council with an overview of the Audit and Committee's primary functions; activities and outcomes for the 2019-2020 financial year.

#### Audit and Risk Committee Charter

The Audit and Risk Committee has several functions which are incorporated in the Audit and Risk Committee Charter. In summary they are to:

- Enhance the credibility and the objectivity of the financial reporting of Council;
- Support the identification and management of enterprise-wide material risks of Council;
- Advise Council on systems and processes designed to ensure compliance with relevant laws and regulations and consideration of best practice guidelines;
- Advise Council on the establishment, effectiveness and maintenance of controls and systems to safeguard financial and physical resources, and mitigate risks that may adversely affect achievement of Council objectives;
- Advise Council on the establishment, effectiveness and maintenance of controls and systems to safeguard its governance obligations and promote a culture of accountability and transparency;
- Advise Council on the systems and processes which protect against fraud and irregularities.

In the context of the Local Government Act 2020, the Audit and Risk Committee Charter was reviewed, updated and adopted by Council on 28 April 2020.

#### Committee Membership

The membership of the Committee comprises five members – two Councillors and three external, independent members.

Committee Membership is currently as follows:

Mr John Watson (chairperson and independent member) and independent members Mr Robert Tommasini and Ms Cheryl Fitzgerald

Administrators Mr Hugh Delahunty and Ms Karen Douglas.

The Committee is supported by Council's capable and professional executive management team to provide advice on a range of compliance; control and operational matters as well as ensuring that the Committee meets its stated objectives.

#### Audit functions

The Audit and Risk Committee continues to assist Council in addressing financial; strategic and operational risks and also ensuring that Council maintains a reliable system of internal controls. The Committee's schedule is set out in its Annual Work Plan, which is presented at each committee meeting, to enable the Committee to fulfil its obligations under the Audit and Risk Committee Charter.

#### External Auditors

In accordance with the Victorian Local Government Act 2020, Council's External Auditor is appointed by the Victoria Auditor General (VAGO). For the 2019-2020 financial year VAGO's contracted Agent, Crowe undertook the external audit.

#### Internal Auditors

Council's internal auditor for the 2019/2020 financial year was AFS & Associates, a highly experienced and professional local government auditing firm. AFS & Associates undertook 9 internal audits during the 2019-2020 financial year.

#### Accountability: governance and compliance

In order to ensure accountability: compliance and transparency, in addition to this Annual Report, the Audit and Risk Committee submits the Minutes of each of its meetings to the next available Ordinary Council Meeting.

The Committee also seeks information from the Chief Executive Officer at each Audit and Risk Committee Meeting regarding any legislative breaches, non-compliance or fraud issues since the last meeting. The Internal Auditor is also required to formally advise if their work had been impeded in any way during the conduct of their audits.

## Meetings

During the 2019-2020 financial year the Committee met on four occasions:

- 9 September 2019
- 3 December 2019
- 2 March 2020
- 1 June 2020

At the Audit and Risk meetings the Committee considered the following:

CGSC Audit and Risk Meeting	Matter
9 September 2019	<ul style="list-style-type: none"> <li>• Asset Management Plans and their new framework</li> <li>• The Draft VAGO Closing Report and the Draft VAGO Management Representation letter, Annual Financial and Performance Statements and Governance and Management Checklist</li> <li>• Review of Council response to VAGO Fraud and Corruption Controls in Local Government Report</li> </ul>
3 December 2019	<ul style="list-style-type: none"> <li>• 2018-2019 Vicmap Property Information Quality Audit (PIQA)</li> <li>• Governance Bi-annual Report</li> <li>• IBAC Local Government Integrity Framework Review</li> <li>• Review of the Risk Management Policy and draft Strategic Risk Register</li> <li>• Tree Management Plan</li> <li>• VAGO Fraud and Corruption Controls</li> <li>• Review of Motor Vehicle Policy and Procedure and IBAC's "Special report on corruption risks associated with procurement in local government" regarding the Procurement Policy</li> </ul>
2 March 2020	<ul style="list-style-type: none"> <li>• Local Government Bill summary of changes and impacts on the A&amp;R Committee</li> <li>• Audit and Risk Charter 2020 endorsement</li> <li>• Strategic Risk Register and Risk Management Policy</li> <li>• External Audit Strategy provided by Crowe Australasia</li> <li>• Internal Audit evaluation survey</li> </ul>
1 June 2020	<ul style="list-style-type: none"> <li>• Register of Interest under the new LGA</li> <li>• Implementation of new Accounting Standards</li> <li>• COVID-19 Report</li> <li>• Policy review program</li> <li>• Procurement Policy</li> </ul>
Standing Items at each Audit and Risk Committee	<ul style="list-style-type: none"> <li>• Risk Management update</li> <li>• Local Government Act 2020</li> <li>• VAGO Interim Management correspondence</li> <li>• Defined Benefits Superannuation update</li> <li>• Annual Work Plan</li> <li>• Progress Report on previous Audit recommendations</li> <li>• Strategic Risk Register and Risk Management Policy</li> <li>• CEO and Financial Report</li> <li>• Sector agency and integrity body reports</li> </ul>

### In addition, the following internal audits reports were considered:

- Occupational Health and Safety focusing on risk ratings (9 Sept 2019)
- s86 Committees (9 Sept 2019)
- Human Resources Risk Management (9 Sept 2019)
- Master Key Audit (9 Sept 2019)
- Road Management Plan (3 Dec 2019)
- Information Privacy and Records Management (3 Dec 2019)
- Depot Operations (1 June 2020)
- Work Orders (1 June 2020)

## AUDIT AND RISK COMMITTEE ANNUAL REPORT FOR THE 2019-2020 FINANCIAL YEAR

Each of the internal audit reports provided detailed recommendations in relation to any risks identified. These risks are rated as major, moderate or minor and are discussed at length at the Audit and Risk Committee meetings to ensure that the Audit and Risk Committee Members are comfortable and confident that any audit recommendations are responded to and that proposed management actions adequately address the identified risks within agreed timeframes.

The Audit and Risk Committee has monitored the implementation of these recommendations and actions at each subsequent Committee meeting to ensure that the recommended and agreed audit initiatives are carried out, thus assisting in improving Council's procedural and control environments. This ongoing monitoring also ensures that Council's risk exposure in many areas is brought to the Committee's attention and that there is a management framework to address such issues.

The Audit and Risk Committee also monitors the progress of the Internal Audit Plan at each meeting, with the Internal Auditor presenting a report on the status of the plan and discussing progress.

### External Audit

The external auditors, Crowe, attended the Committee's Meeting on 9 September 2019 to discuss Council's Annual Financial Statement and Performance Report and he noted there were no significant outstanding matters and recommended the audit opinion. The audit results were positive with all relevant accounting disclosures made and unqualified audit opinions received from the Auditor General. These Statements were subsequently submitted by Council to the Victorian Local Government Minister.

Mr John Gavens, from Crowe, also attended the Committee Meetings on 9 September 2019, 3 December 2019 and 2 March 2020 with Mr Martin Thompson attending as the External Auditor from Crowe on 1 June, 2020.

### Management Reports

The Audit and Risk Committee comprises members who have a diverse range of experience and skill sets, who can provide objective advice to Council in an advisory capacity. It is a productive and robust Committee that continues to mature by seeking improvement opportunities to ensure that it is kept informed of risks that Council is required to act upon. In addition to the Internal and External audit functions of the Committee, this improvement is also achieved via receiving regular Management Reports at each meeting incorporating the following:

- Council's Monthly Finance Reports – The Committee receives Council's monthly financial reports. These reports are very comprehensive and provide assurance to the Committee that Council is adequately advised of its financial situation so that Council can make informed decisions. The Committee is also kept informed of the status of the annual Budget as well as other important financial information. The Committee is also assured that Council's financial management practices are robust and meet legislative and stewardship requirements.
- Status of the implementation of outstanding audit reports – This report is a monitoring tool that tracks the implementation of any outstanding audit recommendations with a clear path forward being outlined.
- Risk Management – The Committee provides an active oversight of Council's Risk Management Framework by considering regular reports on these issues to ensure that Council's exposure to strategic and operational risks are being managed appropriately.
- The Committee receives a copy of Council's Budget and Strategic Resource Plan. This ensures that the Committee is aware that Council continues to operate in a financial framework that is achievable in the current economic climate that provides ongoing financial stability and sustainability.
- The Committee receives governance reporting relating to items such as Ordinary Returns; Freedom of Information; Declaration of Gifts, Benefits and Hospitality.
- Reports from the CEO outlining any issues that she considers should be brought to the attention of the Committee that may not be provided by other methods.

## 2020-2021 Outlook

In 2020-2021 Council will continue its comprehensive internal audit program. This program will be reviewed at the Committee's meeting in December 2020 to ensure that it addresses the most current compliance, internal control and operational audit requirements of Council.

The Audit and Risk Committee will conduct meetings with the External Auditor in relation to the Financial and Performance audits and gave formal consideration to the Annual Financial Report and Performance Statements.

The Committee will continue to monitor any applicable matters raised by the Victorian Auditor General; Victorian Ombudsman, the Local Government Inspectorate; the Independent Broad-based Anti-Corruption Commission and the Office of the Victorian Inspectorate. The Committee has reviewed the proposed new Audit and Risk Committee Charter under the Local Government Act 2020 Council adopted the new Audit and Risk Committee Charter on 28 April, 2020.

## Conclusion

With the onset of the COVID-19 pandemic in early 2020 the CGSC Audit and Risk Committee had to adapt with its June 2020 meeting moving online and delivered by zoom. The 2019-2020 year was again a very productive year with the Audit and Risk Committee considering a large range of reports and issues relating to Council's reporting, accountability, control and risk management objectives and obligations.

As outlined in this report, I believe the Audit and Risk Committee continues a valuable oversight role relating to Council's financial, governance, and risk control environments and associated systems to ensure that adequate control frameworks are in place so that Council operates within a best practice framework that maintains an environment to identify and mitigate risks.

It is a very robust Committee and through the diverse experience and knowledge of its members can test assumptions and make recommendations that add value to Council's operations.

On behalf of all Audit and Risk Committee members, I would like to express sincere thanks to the staff of Crown for their work in the conduct of the external audit, and to the Internal Auditor AFS & Associates for their significant contribution to the internal audit program where business improvement recommendations were made which will help ensure that Council's internal controls and processes are continually improved.

I particularly wish to thank Council's Chief Executive Officer, Ms Lucy Roffey; the Manager Finance, the General Manager Corporate Performance, and the Manager Governance, Property and Risk, Ms Megan Kruger for their support, professional advice and focus on achieving continuous improvement outcomes. I also extend the Committee's thanks to all Council Officers who have assisted the Audit and Risk Committee in a professional manner during the year.

I thank all my fellow Audit and Risk Committee Members, both Council and External Members for their participation, diligence, professionalism and contribution throughout the 2019-2020 financial year. The Committee looks forward to the continuation of a very strong working relationship with Council and staff during the 2020-2021 financial year.

## GOVERNANCE AND MANAGEMENT CHECKLIST

	Governance and Management Item	YES or NO	Date if YES	Date if YES (multiple items/dates)
GC1	Community engagement policy	YES	24/03/2020	Engaging Central Goldfields: A Community Engagement Framework
GC2	Community engagement guidelines	YES	24/03/2020	Engaging Central Goldfields: A Community Engagement Framework
GC3	Strategic Resource Plan	YES	25/06/2019	Included in Council's Annual Budget Document
GC4	Annual budget	YES	25/06/2019	Council's Annual Budget Document
GC5	Asset management plans	YES		Asset Management Policy 23/07/2019 Asset Recognition Policy 23/07/2019 Asset Valuation and Revaluation Policy 23/07/2019 Operational Asset Management Plan – Roads 25/10/2016 Road Management Plan V6 20/11/2017 Public Road Register Policy 9/06/2011
GC6	Rating strategy	YES	23/04/2019	Rating Strategy 2019-2021 adopted at Council Meeting 23/04/2019
GC7	Risk policy	YES	24/03/2020	Risk Management Policy
GC8	Fraud policy	YES	24/04/2018	Prevention of Fraud and Corruption Policy
GC9	Municipal emergency management plan	YES	17/10/2017	Integrated MEMP
GC10	Procurement policy	YES	23/06/2020	
GC11	Business continuity plan	YES	29/10/2018	
GC12	Disaster recovery plan	YES	29/10/2018	The Disaster Recovery Plan and the Business Continuity Plan are the one document.
GC13	Risk management framework	YES	24/03/2020	Risk Management Policy provides a framework
GC14	Audit Committee	YES	26/09/2017	Committee established in accordance with section 139 of the Act Council Meeting 26/09/2017 Charter updated 28/04/2020
GC15	Internal audit	YES	30/10/2017	Letter of acceptance
GC16	Performance reporting framework	YES	1/07/2014	Set through the Local Government (Planning and Reporting) Regulations 2014
GC17	Council Plan reporting	YES	26/05/2020	Council Plan Action 2019-2020 Progress Report Mar 2020
GC18	Financial reporting	YES		24/09/2019 22/10/2019 26/11/2019 17/12/2019 25/02/2020 24/03/2020 28/04/2020 26/05/2020 23/06/2020 Monthly reports to Council

## GOVERNANCE AND MANAGEMENT CHECKLIST

Governance and Management Item		YES or NO	Date if YES	Date if YES (multiple items/dates)
GC19	Risk reporting	YES		09/09/2019 03/12/2019 02/03/2020 01/06/2020 Audit and Risk Committee Meeting Agendas
GC20	Performance reporting	YES		24/09/2019 22/10/2019 26/11/2019 17/12/2019 25/02/2020 24/03/2020 28/04/2020 26/05/2020 23/06/2020 Monthly reports to Council
GC21	Annual report	YES	22/10/2019	
GC22	Councillor Code of Conduct	YES	14/02/2017	Councillor Code of Conduct 2017
GC23	Delegations	YES		s5 13/12/2017 s6 28/05/2019 s7 08/11/2018 s13 08/11/2018
GC24	Meeting procedures		27/10/2015	2015 Adopted Code of Meetings Procedure

## OUR PERFORMANCE

### OUR COMMUNITY

**Outcome:** A supported, cohesive community, living a full and healthy life.

**Priorities:**

- Continue delivery of the Go Goldfields program, and work towards program sustainability.
- Advancement of projects in areas of
  - Early Literacy
  - Engagement of Young People
  - Addressing Family Violence
  - Work Readiness
- Develop a 10 year Community Plan
- Provide a safe, fun, encouraging and welcoming environment for volunteers and promote the benefits of a volunteer organisation
- Develop a Community Support Policy (including Grants Program) to assist the work of community groups
- Implement Central Goldfields Public Health and Wellbeing Plan
- Actively participate in the Healthy Hearts Project
- Continue participation with Loddon Campaspe Regional Partnership
- Coordinate Municipal Emergency Management Plans and Committee
- Implement recommendations from flood management plans including flood mitigation works
- Extend and upgrade township CCTV systems
- Develop a Central Goldfields Shire Recreation Plan
- Continue to implement priorities from Major Recreation Reserves Master Plans
- Facilitate the transition of service delivery models for HACC and NDIS
- Implement priorities from the Positive Ageing Strategy
- Support positive life opportunities for people living with a disability
- Advocate for enhanced passenger rail services
- Deliver local Community Transport Plan
- Implement priorities for the Walking and Cycling Strategy

**Highlights:**

- Implementation of enhanced MCH services
- Library – Laptime, Toddler Time
- Supported Playgroup Small Talk
- 16 Days of Activism Marigolds Project
- Free from Family Violence Priority: Change the Story – Gender Equity Statement and action plan
- TAC Road Trip program
- Development of eight township community plans
- Implementation of Community Support Policy and updated Community Grants Program
- Review and refresh of Central Goldfields Public Health and Wellbeing Plan
- Implementation of Central Goldfields Shire wide Literacy Strategy
- Adoption of Cluster Influenza Pandemic Plan
- Construction of all-access changing places change room at the Maryborough Sports and Leisure Centre
- Complete design for a Skate Park in Maryborough and seek funding for construction
- Implementation of actions in Disability Action Plan
- Participate in the Mildura Passenger Rail Project
- Build four footpaths identified in Walking and Cycling Strategy

### OUR ECONOMY

**Outcome:** A vibrant local economy which contributes to the municipality's economic prosperity.

**Priorities:**

- Develop an Economic and Tourism Strategy
- Review Council's Population Growth Strategy
- Participate in Regional Economic Development Strategies
- Advocate for the development of the Maryborough Ballarat Rail Growth Corridor
- Advocate for a wastewater scheme for Talbot township
- Include support for existing business in the Economic Development and Tourism Strategy
- Support Committee for Maryborough and other business groups in the Central Goldfields Shire
- Update and renew the Food Cluster Strategy
- Continue to advocate to minimise mobile phone black spots
- Advance the Goldfields Heritage Development and Opportunity Project toward World Heritage Listing
- Review and update the business and marketing plan for Energy Breakthrough

**Highlights:**

- Complete the Economic Development and Tourism Strategy
- Implement recommendations from Council's Economic Development and Tourism Strategy
- Participate in State Government review of Regional Tourism Boards
- Advance and advocate for Goldfields Heritage Project for World Heritage Listing
- Dedicated support officer for businesses impacted by COVID-19

## OUR BUILT AND NATURAL ENVIRONMENT

**Outcome:** Our Shire celebrates the rich built and natural heritage and a sustainable environment

### Priorities:

- Undertake service planning to establish asset requirements to deliver services
- Review and update Asset Management Plans and prepare a 10 year capital works program
- Review and update urban design frameworks in the Shire
- Collaborate with township tree committees on tree plantings and maintenance
- Review and update the Central Goldfields Planning Scheme and Municipal Strategic Statement
- Develop a Strategic Planning program
- Participate in regional environmental projects through the Central Victorian Greenhouse Alliance
- Implement the actions from Council's Sustainability Plan
- Review and update Council's Waste Management Plan
- Participate in regional waste projects through the Grampians Central West Waste and Resource Recovery Group
- Seek funding assistance to maintain and preserve heritage assets

### Highlights:

- Construction of all-access change room at the Maryborough Sports and Leisure Centre
- Roll out an e-waste program – including community education and installation of collection points
- Develop a 10 year capital works program to inform the 10 year financial plan
- Implement the Gordon Gardens Masterplan
- Complete Planning Scheme Review and commence implementation via Planning Scheme Amendment
- Develop a Population, Housing and Residential Development Strategy
- Undertake energy upgrades to priority buildings
- Implement actions from Waste Management Strategy
- Seek external heritage funding to undertake repairs to the Maryborough Outdoor Pool

## OUR ORGANISATION

**Outcome:** Central Goldfields Shire is a proactive, well governed, professional and financially sustainable organisation.

### Priorities:

- Undertake service planning across the organisation to set sustainable service levels that meet community needs
- Develop a 10 year financial plan
- Implement the Community Engagement Framework
- Develop a and implement a cultural change program to develop a high performing, customer focused organisation
- Implement recommendations from Internal Audits completed as part of the four year Internal Audit Program
- Review and update Occupational Health and Safety policies and practices
- Re-establish and support a Health and Wellbeing Committee
- Implement health and wellbeing initiatives in the Enterprise Agreement

### Highlights:

- New budget and financial system implemented in 2018/19 and review in 2019/20
- Review and update Community Engagement Framework
- Implement the Culture Change program
- Complete Internal Audit program
- Support activities of the Health and Wellbeing Committee
- Update HR Policies incorporating Health and Wellbeing initiatives in Enterprise Agreement

## REPORT OF OPERATIONS 2019–2020

Service Performance Indicators Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Comments
<b>Aquatic Facilities</b>					
<b>Service standard</b>					
<i>Health inspections of aquatic facilities</i>	0.00	0.00	0.00	1.00	Council previously did not have a formal program to inspect its aquatic facilities. In 2019, Council developed a program for all aquatic facilities to be inspected in accordance with the Public Health and Wellbeing Act.
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]					
<b>Utilisation</b>					
<i>Utilisation of aquatic facilities</i>	7.29	7.58	7.55	5.69	The Maryborough Sports and Leisure Centre was closed for 3 months due to COVID-19.
[Number of visits to aquatic facilities / Municipal population]					
<b>Service cost</b>					
<i>Cost of aquatic facilities</i>	New in 2020	New in 2020	New in 2020	\$2.90	Change to data reporting methodology, so no data reported in previous year.  <i>Note: From 2020, this measure replaced two previous measures: 'Cost of indoor aquatic facilities' and 'Cost of outdoor aquatic facilities', see retired measures.</i>
[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]					
<b>Animal Management</b>					
<b>Timeliness</b>					
<i>Time taken to action animal management requests</i>	1.00	1.00	0.00	1.00	All management requests were responded to within 1 day.
[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]					
<b>Service standard</b>					
<i>Animals reclaimed</i>	66.00%	67.39%	52.48%	40.52%	With the addition of the percentage of animals rehomed added to this years data reporting requirements, Council have recategorised the number of animals collected into either 'reclaimed' or 'rehomed'. Of all animals collected, 65% were either reclaimed or rehomed which is consistent with previous years data.
[Number of animals reclaimed / Number of animals collected] x100					

Service Performance Indicators Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Comments
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**Animal Management**

<i>Animals rehomed</i>	New in 2020	New in 2020	New in 2020	24.18%	New data reporting requirement. No data reported in previous years.  <i>Note: New measure for 2019-20 financial year.</i>
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[Number of animals rehomed / Number of animals collected] x100

**Service cost**

<i>Cost of animal management service per population</i>	New in 2020	New in 2020	New in 2020	\$10.21	Council's cost to provide an animal management service dropped significantly in 2019/20 due to higher amounts of maintenance required at the pound in previous year. Council also changed its policy for after hours call outs to respond only to high risk matters.  <i>Note: This measure is replacing previous 'Cost of animal management service' which was based on cost per number of registered animals, see retired measures.</i>
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[Direct cost of the animal management service / Population]

**Health and safety**

<i>Animal management prosecutions</i>	New in 2020	New in 2020	New in 2020	0.00%	No prosecutions in 2020.  <i>Note: This measure is replacing previous 'Animal management prosecutions' which was a measure of number, not proportion, see retired measures.</i>
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[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100

## REPORT OF OPERATIONS 2019–2020

Service Performance Indicators Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Comments
<b>Food Safety</b>					
<b>Timeliness</b>					
<i>Time taken to action food complaints</i>	1.17	1.00	15.75	1.00	Council responded to all four complaints within 1 business day.
[Number of days between receipt and first response action for all food complaints / Number of food complaints]					
<b>Service standard</b>					
<i>Food safety assessments</i>	67.78%	38.78%	0.00%	90.63%	Council has invested significantly in the quality of this service which resulted in over a 90% increase of food safety assessments undertaken compared to the previous year.
[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100					
<b>Service cost</b>					
<i>Cost of food safety service</i>	\$458.16	\$438.43	\$112.14	\$524.51	In 2019, Council was unable to demonstrate compliance with inspection requirements under legislation due to staff resourcing and continued system and process issues. Therefore, in 2020 Council invested significantly in this service including the engagement of a contractor to undertake food safety assessments to ensure Council better met legislative requirements compared to the year prior.
[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]					
<b>Health and safety</b>					
<i>Critical and major non-compliance outcome notifications</i>	100.00%	0.00%	0.00%	75.00%	Council only encountered 4 critical or major non-compliant outcomes at food premises. All 4 items were successfully resolved. However, data relating to one incident could not be verified. This is an improvement compared to the previous 12 months and demonstrates that only 4 % of all food premises assessed either identified items as critical or major non-compliant requiring further investigation.
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100					

Service Performance Indicators Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Comments
<b>Governance</b>					
<b>Transparency</b>					
<i>Council decisions made at meetings closed to the public</i>	10.34%	7.26%	0.00%	0.00%	No decisions were made at meetings closed to the public.
[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors ] x100					
<b>Consultation and engagement</b>					
<i>Satisfaction with community consultation and engagement</i>	54.00	45.00	55.00	51.00	Whilst there was a decline in this indicator in 2020, Council undertook a wide range of community engagement during the year to inform the development of strategies, policy and plans, and continued to increase the number of people engaged through social media.
Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement					
<b>Attendance</b>					
<i>Councillor attendance at council meetings</i>	93.75%	98.18%	97.22%	96.97%	Attendance at Council Meetings continued to be high during the year.
[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100					
<b>Service cost</b>					
<i>Cost of elected representation</i>	\$31,510.39	\$142,308.68	\$128,692.00	\$121,329.67	The cost of three state government appointed Administrators exceeds the usual councillor representation costs
[Direct cost of the governance service / Number of Councillors elected at the last Council general election]					
<b>Satisfaction</b>					
<i>Satisfaction with council decisions</i>	51.00	42.00	52.00	49.00	
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					

## REPORT OF OPERATIONS 2019–2020

Service Performance Indicators Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Comments
<b>Libraries</b>					
<b>Utilisation</b>					
<i>Physical library collection usage</i>	2.35	3.62	4.07	2.85	Due to COVID-19 the library was closed to the public for 11 weeks, then offering restricted borrowing.  <i>Note: From 2019-20, this indicator measures the performance of physical library items as a subset of the wider library collection.</i>
[Number of physical library collection item loans / Number of physical library collection items]					
<b>Resource standard</b>					
<i>Recently purchased library collection</i>	69.52%	57.67%	57.72%	61.32%	The library has exercised more targeted purchasing to increase new stock.
[Number of library collection items purchased in the last 5 years / Number of library collection items] x100					
<b>Participation</b>					
<i>Active library borrowers in municipality</i>	15.22%	13.98%	14.87%	11.16%	Due to COVID-19 the library was closed to the public for 11 weeks this prevented the library from gaining new borrowers.
[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100					
<b>Service cost</b>					
<i>Cost of library service per population</i>	New in 2020	New in 2020	New in 2020	\$29.08	Cost in line with previous years.  <i>Note: This measure is replacing the previous 'Cost of library service' indicator which measured based on number of visits, see retired measures.</i>
[Direct cost of the library service / Population]					

Service Performance Indicators Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Comments
<b>Maternal and Child Health (MCH)</b>					
<b>Service standard</b>					
<i>Infant enrolments in the MCH service</i>	94.78%	101.77%	102.65%	100.00%	Continued high enrolment levels in MCH Services.
[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100					
<b>Service cost</b>					
<i>Cost of the MCH service</i>	\$97.13	\$96.90	\$103.40	\$76.08	Last year, total expenditure for the MCH was included. Overheads and depreciation should have been excluded. Last year due to employing a high number of casual staff, the salary component was higher.
[Cost of the MCH service / Hours worked by MCH nurses]					
<b>Participation</b>					
<i>Participation in the MCH service</i>	79.26%	86.14%	84.20%	82.97%	Slight decline in attendance as a result of COVID-19.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
<b>Participation</b>					
<i>Participation in the MCH service by Aboriginal children</i>	69.23%	96.61%	87.32%	81.58%	Due to the small number of children, variations in results can occur from year to year.
[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					
<b>Satisfaction</b>					
<i>Participation in 4-week Key Age and Stage visit</i>	New in 2020	New in 2020	New in 2020	80.00%	
[Number of 4-week key age and stage visits / Number of birth notifications received] x100					

## REPORT OF OPERATIONS 2019–2020

Service Performance Indicators Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Comments
<b>Roads</b>					
<b>Satisfaction of use</b>					
<i>Sealed local road requests</i>	24.98	14.48	9.85	15.36	Result in 2020 reflects more accurate reporting of requests
[Number of sealed local road requests / Kilometres of sealed local roads ] x100					
<b>Condition</b>					
<i>Sealed local roads maintained to condition standards</i>	98.17%	100.00%	100.00%	99.55%	The result is in line with previous years.
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100					
<b>Service cost</b>					
<i>Cost of sealed local road reconstruction</i>	\$41.01	\$33.03	\$94.26	\$42.43	Result in 2020 is more reflective of earlier years' reported results.
[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]					
<b>Service Cost</b>					
<i>Cost of sealed local road resealing</i>	\$3.68	\$4.11	\$4.70	\$3.95	Result in 2020 is more reflective of earlier years' reported results.
[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]					
<b>Satisfaction</b>					
<i>Satisfaction with sealed local roads</i>	51.00	48.00	48.00	51.00	The result is in line with previous years.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					

Service Performance Indicators Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Comments
<b>Statutory Planning</b>					
<b>Timeliness</b>					
<i>Time taken to decide planning applications</i>	74.00	57.00	93.00	84.00	These results are impacted by a backlog of older permits that have now been resolved. The number of days to decide new planning permits within statutory timeframes is at a much higher rate.
[The median number of days between receipt of a planning application and a decision on the application]					
<b>Service standard</b>					
<i>Planning applications decided within required time frames</i>	62.58%	51.61%	32.11%	32.06%	These results are impacted by a backlog of older permits that have now been resolved. The number of days to decide new planning permits within statutory timeframes is at a much higher rate.
[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100					
<b>Service cost</b>					
<i>Cost of statutory planning service</i>	\$1,915.36	\$1,980.65	\$2,875.51	\$2,463.58	The cost of Council's Statutory Planning Service has decreased marginally from the previous year primarily due to less reliance on contract staff as Council made permanent staff appointments.
[Direct cost of the statutory planning service / Number of planning applications received]					
<b>Decision making</b>					
<i>Council planning decisions upheld at VCAT</i>	0.00%	0.00%	100.00%	100.00%	There were four planning decisions upheld by VCAT during the year.
[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					

## REPORT OF OPERATIONS 2019–2020

Service Performance Indicators Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Comments
<b>Waste Collection</b>					
<b>Satisfaction</b>					
<i>Kerbside bin collection requests</i>	30.07	27.01	24.62	40.07	Increase due to the amount of new housing that has been developed, especially in the Whirrakee Rise Estate
[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000					
<b>Service standard</b>					
<i>Kerbside collection bins missed</i>	0.79	0.68	0.63	0.91	Council's expanded waste collection service has resulted in more missed bin reports.
[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000					
<b>Service cost</b>					
<i>Cost of kerbside garbage bin collection service</i>	\$99.24	\$115.42	\$121.51	\$122.60	Cost in line with previous years.
[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]					
<b>Service cost</b>					
<i>Cost of kerbside recyclables collection service</i>	\$46.77	\$66.24	\$84.89	\$85.67	Cost in line with previous years.
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]					
<b>Waste diversion</b>					
<i>Kerbside collection waste diverted from landfill</i>	42.88%	42.70%	42.96%	45.07%	Council adopted a Waste Strategy in 2020 which includes a target to reduce waste to landfill, and expects to see this result continue to improve in future years.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

# Financial Statements

The Financial Statements for 2019–2020 have been prepared in accordance with the requirements of the Local Government Act 1989, and include:

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works
- Notes to the Financial Report
- Certification of the Financial Statements

**COMPREHENSIVE INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2020**

	<b>Note</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>
<b>Income</b>			
Rates and charges	3.1	15,178	14,692
Statutory fees and fines	3.2	456	551
User fees	3.3	1,580	1,955
Grants – operating	3.4	8,588	8,666
Grants – capital	3.4	2,279	3,642
Contributions – monetary	3.5	113	285
Contributions – non monetary	3.5	–	174
Other income	3.7	961	506
Found and gifted assets	3.8	–	3,040
<b>Total income</b>		<b>29,155</b>	<b>33,511</b>
<b>Expenses</b>			
Employee costs	4.1	(12,062)	(12,499)
Materials and services	4.2	(9,694)	(8,183)
Depreciation	4.3	(6,258)	(8,231)
Amortisation – right of use assets	4.5	(65)	–
Bad and doubtful debts	4.6	(18)	(48)
Borrowing costs	4.7	(66)	(146)
Finance costs – leases	4.8	(13)	–
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	(14)	(319)
Other expenses	4.9	(479)	(481)
<b>Total expenses</b>		<b>(28,669)</b>	<b>(29,908)</b>
<b>Surplus/(deficit) for the year</b>		<b>486</b>	<b>3,603</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment/(decrement)	6.2	(6,262)	(2,686)
<b>Items that may be reclassified to surplus or deficit in future periods</b>			
<b>Total comprehensive result</b>		<b>(5,776)</b>	<b>917</b>

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

## BALANCE SHEET

### AS AT 30 JUNE 2020

	Note	2020 \$'000	2019 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	1,999	1,868
Trade and other receivables	5.1	2,670	3,106
Other financial assets	5.1	11,250	10,250
Inventories	5.2	17	119
Non-current assets classified as held for sale	6.1	245	245
Other assets	5.2	860	217
<b>Total current assets</b>		<b>17,041</b>	<b>15,805</b>
<b>Non-current assets</b>			
Property, infrastructure, plant and equipment	6.2	308,266	314,616
Right-of-use assets	5.8	271	–
<b>Total non-current assets</b>		<b>308,537</b>	<b>314,616</b>
<b>Total assets</b>		<b>325,578</b>	<b>330,421</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	4,642	2,955
Trust funds and deposits	5.3	565	304
Provisions	5.5	2,070	2,661
Interest-bearing liabilities	5.4	3,321	3,847
<b>Total current liabilities</b>		<b>10,598</b>	<b>9,767</b>
<b>Non-current liabilities</b>			
Provisions	5.5	169	330
Interest-bearing liabilities	5.4	–	39
Lease liabilities	5.8	271	–
Prepaid revenue	5.5	124	–
<b>Total non-current liabilities</b>		<b>564</b>	<b>369</b>
<b>Total liabilities</b>		<b>11,162</b>	<b>10,136</b>
<b>Net assets</b>		<b>314,416</b>	<b>320,286</b>
<b>Equity</b>			
Accumulated surplus		126,601	126,115
Reserves	9.1	187,815	194,171
<b>Total Equity</b>		<b>314,416</b>	<b>320,286</b>

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2020</b>					
Balance at beginning of the financial year		320,287	126,115	193,703	469
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		<u>320,287</u>	<u>126,115</u>	<u>193,703</u>	<u>469</u>
Surplus/(deficit) for the year		486	486	–	–
Net asset revaluation increment/(decrement)	6.2	(6,262)	–	(6,262)	–
Transfers to other reserves	9.1	(94)	–	(91)	(3)
Transfers from other reserves	9.1	–	–	–	–
		<u>314,416</u>	<u>126,601</u>	<u>187,350</u>	<u>466</u>
<b>Balance at end of the financial year</b>		<b><u>314,416</u></b>	<b><u>126,601</u></b>	<b><u>187,350</u></b>	<b><u>466</u></b>
<b>2019</b>					
Balance at beginning of the financial year		319,369	122,521	196,389	460
Surplus/(deficit) for the year		3,603	3,603	–	–
Net asset revaluation increment/(decrement)	6.2	(2,686)	–	(2,686)	–
Transfers to other reserves	9.1	–	–	–	–
Transfers from other reserves	9.1	–	(9)	–	9
<b>Balance at end of the financial year</b>		<b><u>320,287</u></b>	<b><u>126,115</u></b>	<b><u>193,703</u></b>	<b><u>469</u></b>

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

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
Note	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>		
Rates and charges	14,359	14,532
User fees, statutory fees and fines	1,480	2,755
Grants – operating	9,938	7,798
Grants – capital	2,279	3,642
Contributions – monetary	124	313
Interest received	88	154
Trust funds and deposits taken	261	–
Other receipts	335	316
Net GST refund/(payment)	1,424	785
Employee costs	(12,815)	(12,609)
Materials and services	(8,635)	(8,771)
Trust funds and deposits repaid	–	(132)
Other payments	(542)	(582)
<b>Net cash provided by/(used in) operating activities</b>	<b>8,295</b>	<b>8,201</b>
<b>Cash flows from investing activities</b>		
Payments for property, infrastructure, plant and equipment	6.2 (6,541)	(4,944)
Proceeds from sale of property, infrastructure, plant and equipment	–	597
Payments for other financial assets	(1,000)	(8,729)
<b>Net cash provided by/(used in) investing activities</b>	<b>(7,541)</b>	<b>(13,076)</b>
<b>Cash flows from financing activities</b>		
Finance costs	(60)	(147)
Proceeds from borrowings	–	–
Repayment of borrowings	(564)	(575)
<b>Net cash provided by/(used in) financing activities</b>	<b>(624)</b>	<b>(722)</b>
Net increase (decrease) in cash and cash equivalents	131	(5,596)
Cash and cash equivalents at the beginning of the financial year	1,868	7,464
<b>Cash and cash equivalents at the end of the financial year</b>	<b>1,999</b>	<b>1,868</b>
Financing arrangements	5.6	
Restrictions on cash assets	5.1	

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

**STATEMENT OF CAPITAL WORKS  
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$'000	2019 \$'000
<b>Property</b>			
Land		–	53
Land improvements		280	–
<b>Total land</b>		<b>280</b>	<b>53</b>
Buildings		1,091	453
<b>Total buildings</b>		<b>1,091</b>	<b>453</b>
<b>Total property</b>		<b>1,371</b>	<b>506</b>
<b>Plant and equipment</b>			
Plant, machinery and equipment		433	509
Fixtures, fittings and furniture		595	176
<b>Total plant and equipment</b>		<b>1,028</b>	<b>685</b>
<b>Infrastructure</b>			
Roads		2,713	2,490
Bridges and major culverts		657	662
Footpaths and cycleways		156	140
Drainage		413	184
Kerb and channel		125	141
Minor culverts		58	90
Waste water assets		–	32
Traffic control facilities		–	15
Other infrastructure		20	–
<b>Total infrastructure</b>		<b>4,142</b>	<b>3,754</b>
<b>Total capital works expenditure</b>		<b>6,541</b>	<b>4,945</b>
<b>Represented by:</b>			
New asset expenditure		463	352
Asset renewal expenditure		3,855	3,905
Asset upgrade expenditure		2,223	688
<b>Total capital works expenditure</b>		<b>6,541</b>	<b>4,945</b>

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

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

### Overview

#### Introduction

The Central Goldfields Shire Council was established by an Order of the Governor in Council on 19 January 1995 and is a body corporate. Council's main office is located at 22 Nolan Street, Maryborough, Victoria, 3465.

#### 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 gravel pit 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 Council), and disclosure has been made of any material changes to comparatives.

##### (b) Rounding unless otherwise stated

Amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statement may not equate exactly due to rounding.

## NOTES 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 \$200,000 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.

In January 2020, the World Health Organisation declared the outbreak of the COVID-19 a public health emergency of international concern and subsequently in March 2020 it was declared a global pandemic. On 16 March 2020, a State of Emergency was declared in Victoria in relation to the COVID-19 pandemic and a national restriction was put in place on gatherings, a nationwide call to work from home and significantly lower levels of activity in the economy and community. A number of Council services required immediate change, including the closure of recreation centres and libraries, cancellation of events and revised health precautions.

At this time, all three levels of Government sought to provide additional resources to the community and adjust for the financial hardship they were facing. The impacts were felt with a loss of income, increased costs due to compliance, changes to service delivery and in some instances cessation of services. On 2 April 2020, Council adopted a COVID-19 Financial Hardship Policy which allowed the deferral of rate payments and interest waivers together with a number of financial support measures for ratepayers and community at large. These measures included the waiver of fees and charges and rentals, refunds of event fees paid, extension of permit expiry dates and dedicated support resources.

Since 30 June 2020, Stage 4 restrictions applied in Metropolitan Melbourne and Stage 3 across the rest of Victoria from 2 August 2020.

Council has continued to support the community through the pandemic by the extension and expansion of hardship relief during 2020/2021.

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

	Budget 2020 \$'000	Actual 2020 \$'000	Variance 2020 \$'000	Variance 2020 %	Ref
<b>1.1 Income and expenditure</b>					
<b>Income</b>					
Rates and charges	15,205	15,178	(27)	0%	
Statutory fees and fines	467	456	(11)	-2%	
User fees	3,751	1,580	(2,171)	-58%	1
Grants – operating	6,262	8,588	2,326	37%	2
Grants – capital	4,827	2,279	(2,548)	-53%	3
Contributions – monetary	88	113	25	29%	4
Other income	431	961	530	123%	5
<b>Total income</b>	<b>31,031</b>	<b>29,155</b>	<b>(1,876)</b>		
<b>Expenses</b>					
Employee costs	12,745	12,062	(683)	-5%	
Materials and services	10,659	9,694	(965)	-9%	6
Depreciation	6,724	6,258	(466)	-7%	
Amortisation – Right of use assets	–	65	65		
Bad and doubtful debts	20	18	(2)	-10%	
Borrowing costs	159	66	(93)	-58%	7
Finance costs – Leases	–	13	13		7
Net loss on disposal of property, infrastructure, plant and equipment	47	14	(33)	-70%	8
Other expenses	–	479	479		9
<b>Total expenses</b>	<b>30,354</b>	<b>28,669</b>	<b>(1,685)</b>		
<b>Surplus/(deficit) for the year</b>	<b>677</b>	<b>486</b>	<b>(191)</b>		

## Note 1: Performance against budget

### 1.1 Income and expenditure (continued)

#### (i) Explanation of material variations

- 1 User charges were less than budget due to the elimination of "internal" plant hire from the financial statements that was included in the budget (\$1,609,000). Energy Breakthrough fees were also \$198,000 less than budget due to the cancellation of the event and childcare fee income was also \$468,000 less than budget due to change in funding model, offset by additional government childcare assistance support.
- 2 Operating grants were greater than budget primarily due to the early receipt of the Financial Assistance Grants for the 2020/21 period (\$2,053,000).
- 3 Capital grants were less than budget as the Fixing Country Roads Grant was \$838,000 less than budget and the Carisbrook Drainage Mitigation grant (\$600,000), Maryborough Skate and Scooter Park grant (\$460,000) and Maryborough Outdoor Pool grant (\$300,000) were not received as these projects were delayed. All of these grants are now anticipated to be received in the 2020/2021 financial year.
- 4 Contributions – Monetary were greater than budget due to Council receiving contributions from Healthy Hearts Victoria and long service leave contributions from other councils that were not anticipated.
- 5 Other Income and Other Expenses have been impacted by new accounting standard *AASB1058* relating to Volunteer Services. The standard allows recognition as Revenue and Expense the value of Volunteer Services for Cost of Service for Meals, Visitor Information, Energy Breakthrough, Art Gallery and L2P learning to drive program which was not budgeted.
- 6 Materials and Services are less than budgeted primarily due to savings in various program areas as events such as Energy Breakthrough were cancelled and some new initiatives did not proceed as planned due to the impacts of COVID-19 on Council operations.
- 7 Borrowing costs are lower than budget due to these being separated into Borrowing costs and Finance costs under the new accounting standard *AASB16 Leases*, where interest is calculated on the Right of use asset and no longer as Borrowing costs interest. Council also refinanced loans at lower interest rates and paid down some debt early in the financial year.
- 8 The Net Loss was primarily due to the proceeds from sale of fixed assets vehicles being less than the written down value.
- 9 See Note 5

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

### Note 1: Performance against budget

#### 1.2 Capital works

	Budget 2020 \$'000	Actual 2020 \$'000	Variance \$'000	Variance %	Ref
<b>Property</b>					
Land	124	46	(78)	-63%	1
<b>Total land</b>	<b>124</b>	<b>46</b>	<b>(78)</b>		
Buildings	2,160	818	(1,342)	-62%	2
<b>Total buildings</b>	<b>2,160</b>	<b>818</b>	<b>(1,342)</b>		
<b>Total property</b>	<b>2,284</b>	<b>864</b>	<b>(1,420)</b>		
<b>Plant and equipment</b>					
Plant, machinery and equipment	792	433	(359)	-45%	3
Fixtures, fittings and furniture	215	595	380	177%	4
<b>Total plant and equipment</b>	<b>1,007</b>	<b>1,028</b>	<b>21</b>		
<b>Infrastructure</b>					
Roads	3,400	2,768	(632)	-19%	5
Bridges	850	657	(193)	-23%	6
Footpaths and cycleways	176	156	(20)	-11%	7
Drainage	1,117	412	(705)	-63%	8
Parks, open space and streetscapes	657	657	-		
Off street car parks	180	-	(180)	-100%	9
Other infrastructure	212	-	(212)	-100%	10
<b>Total infrastructure</b>	<b>6,592</b>	<b>4,650</b>	<b>(1,942)</b>		
<b>Total capital works expenditure</b>	<b>9,883</b>	<b>6,541</b>	<b>(3,340)</b>		
<b>Represented by:</b>					
New asset expenditure	319	463	146		
Asset renewal expenditure	7,622	3,855	(3,767)		
Asset expansion expenditure	-	-	-		
Asset upgrade expenditure	1,942	2,223	280		
<b>Total capital works expenditure</b>	<b>9,883</b>	<b>6,541</b>	<b>(3,341)</b>		

## Note 1: Performance against budget

### 1.2 Capital works (continued)

#### (i) Explanation of material variations

Ref	Item	Explanation
1	Land	Works below budget include Renewal Ovals \$10,000, and the Talbot and Dunolly Landfill site rehabilitation \$30,000 will be completed in 2020/2021. Dunolly dump point installation \$11,000, anticipated to be carried forward to 2020-21 following confirmation of location for dump point site.
2	Buildings	<p>Works below budget, include building upgrades Civic Centre \$402,700, Maryborough Sports Leisure Centre upgrade \$272,400, Maryborough Outdoor Swimming Pool upgrade \$350,000, building asset data collection \$88,700, Building Insurance risk reduction upgrades \$18,556 and Bin Roofs Transfer Station \$120,000. These amounts were not spent and are all to be carried forward to 2020-21. Projects were delayed in part due to impacts of COVID-19 disrupting operations, delays in grant approval and capacity to deliver.</p> <p>Works above budget include Carisbrook Bowls Club synthetic green upgrade \$136,000 carried forward from 2018-19, and COVID Business Continuity Plan Implementation \$86,500 unbudgeted expenses, relating to working from home information technology hardware.</p>
3	Plant, machinery and equipment	Plant and Machinery purchased were below budget including operating plant equipment \$151,050, Vehicles cars \$141,527 and Vehicles utes \$51,104.
4	Fixtures, fittings and furniture	The PC Network renewal \$27,570 and IT Strategy Initiatives Renewal \$315,910 and the Building Energy Efficiency Green initiatives upgrade were over budget for the 2019/20 year
5	Roads	<p>Works below budget including Rodborough Rd stabilisation works \$433,200, seals renewals \$383,000 and major patches \$71,700. Avoca Road Talbot renewal and upgrade Stage 2 Part 1 \$602,000 was deferred to September due to COVID-19 suspension of site works.</p> <p>Works above budget, include Stage 1 Avoca Road upgrade works design carried forward from 2018-19 \$220,000, Tullaroop Road/Bucknall Street intersection works \$85,600 expended and Rural unsealed roads renewal \$47,300.</p>
6	Bridges	Works below budget – Porteous Road Wareek Bridge replacement \$208,200 and Major Culvert Program \$26,900.
7	Footpaths and cycleways	Works delivered below budget due to competitive market.
8	Drainage	Works below budget, include drainage renewals \$79,600, Main Drain Maryborough \$17,400 and Carisbrook drainage mitigation \$402,900 which was delayed due to having to retender the project. Works above budget, including Aerodrome drainage renewal \$46,300.
9	Off street car parks	Maryborough Recreation Centre Carpark upgrade \$120,000, not proceeding due to unsuccessful funding application.
10	Other infrastructure	Works below budget, include Traffic Control Facilities new/upgrade/renewal \$32,000, recycled water main replacement \$15,000 and works expended over budget kerb and channel renewal/upgrade \$33,000 due to variations in market pricing and change of scope of water main project.

## 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) Programme

##### Community

Operation and maintenance of community buildings, local laws, compliance (incorporating fire prevention, environmental health, school crossings, immunisation and planning compliance), emergency management and Go Goldfields.

##### Health & Human Services

Administration of Goldfields Family Centre (incorporating family day care, long day care, kindergarten and supported playgroup), maternal & child health, aged care services (incorporating personal care, respite care, home maintenance, social support and delivered meals) and youth services.

##### Economic Development

Promotion of tourism, including the Visitor Information Centre, Energy Breakthrough and other events, economic development and strategic planning. Administration of Vic Roads, statutory planning and building control.

##### Culture & Heritage

Operation and maintenance of civic halls, library and arts. Promotion of cultural and heritage activities.

##### Recreation & Leisure

Operation and maintenance of parks and gardens, playgrounds, sporting and natural reserves, indoor recreation centres and swimming pools.

##### Transport

Administration, operation and maintenance of aerodrome, road networks, pathways, kerb & channelling, street beautification, street lighting, bicycle facilities, parking and maintenance of depots and plant, vehicles and machinery, and drainage maintenance.

##### Waste

Administration, operation and maintenance of waste disposal, waste water operation and maintenance, recycling, and public conveniences.

##### Administration

Shire Management including corporate planning, governance, community engagement (including customer service), people and culture services, contract management and purchasing. Corporate services including operation and maintenance of administration office, records management, information technology, property and risk management. Financial services including administration of council finances, bank accounts, investments and loans.

## Note 2: Analysis of Council results by program

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

	Income \$'000	Expenses \$'000	Surplus /(Deficit) \$'000	Grants included in income \$'000	Total assets \$'000
<b>2020</b>					
Community	1,273	2,149	(876)	1,105	6,922
Health & Human Services	4,032	4,098	(66)	3,149	196
Economic Development	820	2,298	(1,478)	50	5,582
Culture & Heritage	180	829	(649)	167	5,465
Recreation & Leisure	286	2,929	(2,643)	245	24,098
Transport	3,208	7,144	(3,936)	3,102	265,584
Waste & Environment	3,354	2,780	574	105	219
Administration	16,002	6,442	9,560	2,945	17,512
	<b>29,155</b>	<b>28,669</b>	<b>486</b>	<b>10,868</b>	<b>325,578</b>
<b>2019</b>					
Community	2,017	2,047	(30)	2,086	6,997
Health & Human Services	4,141	4,085	56	3,137	198
Economic Development	1,259	2,246	(987)	150	5,643
Culture & Heritage	172	822	(650)	150	5,524
Recreation & Leisure	908	2,920	(2,013)	528	24,360
Transport	3,514	9,047	(5,532)	3,127	269,774
Waste & Environment	3,223	2,942	281	205	222
Administration	18,277	5,799	12,478	2,924	17,703
	<b>33,511</b>	<b>29,908</b>	<b>3,603</b>	<b>12,308</b>	<b>330,422</b>

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 3: Funding for the delivery of our services** **2020**  
**\$'000** **2019**  
**\$'000**

**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 its market value (land and buildings inclusive).

The valuation base used to calculate general rates for 2019/20 was \$2,103 million (2018/19 \$1,930 million). The 2019/20 general rate – cents in the CIV dollar was 0.4950 (2018/19 was 0.5131).

Residential	7,968	7,728
Commercial	1,168	1,188
Industrial	234	207
Farm and rural	1,994	1,856
Vacant land	650	635
Waste management charge	3,097	3,003
Interest on rates and charges	66	74
<b>Total rates and charges</b>	<b>15,178</b>	<b>14,692</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2020, and the valuation will be first applied in the rating year commencing 1 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**

Infringements and costs	33	29
Town planning fees	141	196
Land information and building certificate fees	14	15
Permits	135	163
Registrations	131	146
Other	2	2
<b>Total statutory fees and fines</b>	<b>456</b>	<b>551</b>

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

	2020 \$'000	2019 \$'000
<b>Note 3: Funding for the delivery of our services</b>		
<b>3.3 User fees</b>		
Rent	42	57
Vic Roads agency fees	279	281
Contract care fees	236	211
Greenwaste fees	94	52
Hire fees	48	66
User charges – Energy Breakthrough	22	200
Community service charges	548	636
Caravan park fees	58	78
Other fees and charges	254	374
<b>Total user fees</b>	<b>1,580</b>	<b>1,955</b>
<b>User fees by timing of revenue recognition</b>		
User fees recognised at a point in time	1,580	1,955
<b>Total user fees</b>	<b>1,580</b>	<b>1,955</b>
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.		
<b>3.4 Funding from other levels of government</b>		
Grants were received in respect of the following:		
<b>Summary of grants</b>		
Commonwealth funded grants	5,927	5,550
State funded grants	4,941	6,758
<b>Total grants received</b>	<b>10,868</b>	<b>12,308</b>
<b>(a) Operating Grants</b>		
<b>Recurrent – Commonwealth Government</b>		
Financial assistance grants – unallocated	2,828	2,880
Financial assistance grants – roads	1,254	1,229
Home support program	1,055	901
<b>Recurrent – State Government</b>		
Community	926	967
Health & human services	2,244	2,236
Heritage & culture	159	150
Economic development	50	150
Recreation	–	42
Transport	72	30
Administration	–	31
Waste & environment	–	51
<b>Total operating grants</b>	<b>8,588</b>	<b>8,666</b>

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$'000	2019 \$'000
<b>Note 3: Funding for the delivery of our services (continued)</b>		
<b>3.4 Funding from other levels of government (continued)</b>		
<b>(b) Capital Grants</b>		
<i>Recurrent – Commonwealth Government</i>		
Roads to recovery	790	540
<b>Recurrent – State Government</b>		
Nil	–	–
<b>Total recurrent capital grants</b>	<b>790</b>	<b>540</b>
<i>Non-recurrent – State Government</i>		
Community	30	300
Community – Flood works	–	819
Recreation	215	510
Transport	1,058	1,328
Waste & environment	187	130
Administration	–	14
<b>Total non-recurrent capital grants</b>	<b>1,490</b>	<b>3,101</b>
<b>Total capital grants</b>	<b>2,279</b>	<b>3,642</b>
<b>(c) Unspent grants received on condition that they be spent in a specific manner</b>		
Balance at start of year	2,548	333
Received during the financial year and remained unspent at balance date	1,553	2,430
Received in prior years and spent during the financial year	(2,548)	(215)
Balance at year end	<b>1,553</b>	<b>2,548</b>

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

**3.5 Contributions**

*Monetary:*

Parks, open space and streetscapes	107	9
Contributions from community groups	6	276
<b>Total monetary contributions</b>	<b>113</b>	<b>285</b>

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

Artwork collection	–	12
Mayoral chains	–	100
Gravel contributions	–	63
<b>Total non-monetary contributions</b>	<b>–</b>	<b>174</b>

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

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

Proceeds of sale	107	597
Written down value of assets disposed	(121)	(917)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(14)</b>	<b>(319)</b>

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

<b>Note 3: Funding for the delivery of our services (continued)</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>3.7 Other income</b>		
Interest	154	202
Donations/sponsorships	111	155
Investment property rental	14	20
Special charge scheme	7	59
Reimbursements	51	45
Other	624	24
<b>Total other income</b>	<b>961</b>	<b>506</b>

Interest is recognised as it is earned.

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

### 3.8 Found and gifted assets

Infrastructure assets	–	126
Land assets	–	1,669
Building assets	–	1,246
<b>Total found and gifted assets</b>	<b>–</b>	<b>3,040</b>

Found assets arise as a result of Council's continuous inspection regime/asset management processes. Where an asset is identified as not being currently recorded in Council's asset management system, it is brought to account in accordance with Council's asset valuation methodology as per Note 6.2.

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Note 4: The cost of delivering services</b>		
<b>4.1 (a) Employee costs</b>		
Wages and salaries	11,120	10,542
Long service leave	(431)	388
WorkCover	218	176
Superannuation	1,006	1,133
Fringe benefits tax	89	114
Other	59	148
<b>Total employee costs</b>	<b>12,062</b>	<b>12,499</b>
<b>(b) Superannuation contributions</b>		
Council made contributions to the following funds:		
<b>Defined benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	153	90
Employer contributions – other funds	–	–
	<b>153</b>	<b>90</b>
Employer contributions payable at reporting date.	–	–
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	621	613
Employer contributions – other funds	381	353
	<b>1,002</b>	<b>966</b>
Employer contributions payable at reporting date.	79	77
Refer to note 9.3 for further information relating to Council's superannuation obligations.		
<b>4.2 Materials and services</b>		
Contractors	7,793	6,687
Operating lease payments	32	103
Grants and contributions	207	153
Event support – Energy Breakthrough	470	314
Section 86 committees of management	–	153
Other materials and services	1,193	772
<b>Total materials and services</b>	<b>9,694</b>	<b>8,183</b>
<b>4.3 Depreciation</b>		
Property	785	1,467
Plant, machinery and equipment	322	309
Fixtures, fittings and furniture	205	114
Infrastructure	4,946	6,341
<b>Total depreciation</b>	<b>6,258</b>	<b>8,231</b>
Refer to note 5.8 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.		

**Note 4: The cost of delivering services**

	2020 \$'000	2019 \$'000
<b>4.4 Amortisation – Right of use assets</b>		
Property	65	–
<b>Total Amortisation – Right of use assets</b>	<b>65</b>	<b>–</b>
<b>4.5 Bad and doubtful debts</b>		
Other debtors	18	48
<b>Total bad and doubtful debts</b>	<b>18</b>	<b>48</b>
<b>Movement in provisions for doubtful debts</b>		
Balance at the beginning of the year	(48)	(45)
New provisions recognised during the year	(18)	(36)
Amounts already provided for and written off as uncollectible	–	34
<b>Balance at end of year</b>	<b>(66)</b>	<b>(48)</b>
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.		
<b>4.6 Borrowing costs</b>		
Interest – borrowings	66	146
<b>Total borrowing costs</b>	<b>66</b>	<b>146</b>
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.		
<b>4.7 Finance Costs – Leases</b>		
Interest – lease liabilities	13	–
<b>Total finance costs</b>	<b>13</b>	<b>–</b>
<b>4.8 Other expenses</b>		
Auditors' remuneration – VAGO – audit of the financial statements, performance statement and grant acquittals	44	44
Auditors' remuneration – Internal	71	65
Administrators' allowances	364	372
<b>Total other expenses</b>	<b>479</b>	<b>481</b>

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Note 5: Our financial position</b>		
<b>5.1 Financial assets</b>		
<b>(a) Cash and cash equivalents</b>		
Cash on hand	39	1
Cash at bank	1,960	1,867
Total cash and cash equivalents	1,999	1,868
<b>(b) Other financial assets</b>		
Term deposits – current	11,250	10,250
<b>Total other financial assets</b>	<b>11,250</b>	<b>10,250</b>
<b>Total financial assets</b>	<b>13,249</b>	<b>12,118</b>

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)	565	304
– Unexpended grants (note 3.4)	1,709	2,548
<b>Total restricted funds</b>	<b>2,274</b>	<b>2,852</b>
<b>Total unrestricted cash and cash equivalents</b>	<b>(275)</b>	<b>(984)</b>

**Intended allocations**

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

– cash held to fund carried forward capital works	2,102	1,287
<b>Total funds subject to intended allocations</b>	<b>2,102</b>	<b>1,287</b>

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.

**(c) Trade and other receivables**
**Current**
*Statutory receivables*

Rates debtors	2,162	1,343
Australian Tax Office – Net GST receivable	8	186
Infringement debtors	12	12

*Non statutory receivables*

Victorian government grant debtors	128	1,381
Employee related debtors	18	5
Families and child care	66	93
Private works	179	13
Aged care	86	45
Other debtors	78	76
Provision for doubtful debts – other debtors	(66)	(48)
<b>Total current trade and other receivables</b>	<b>2,670</b>	<b>3,106</b>

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.

2020

2019

## Note 5: Our financial position

### 5.1 Financial assets (continued)

#### (d) Ageing of receivables

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

Current (not yet due)	371	1,510
Past due by up to 30 days	45	183
Past due between 31 and 180 days	27	57
Past due between 181 and 365 days	124	42
Past due by more than 1 year	–	20
Total trade and other receivables	<u>567</u>	<u>1,811</u>

#### (e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$66k (2019: \$48k) were impaired. The amount of the provision raised against these debtors was \$66k (2019: \$48k) as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

### 5.2 Non-financial assets

#### (a) Inventories

Inventories held for distribution	17	119
<b>Total inventories</b>	<u>17</u>	<u>119</u>

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

#### (b) Other assets

Prepayments	255	151
Accrued income	132	66
Other	473	–
<b>Total other assets</b>	<u>860</u>	<u>217</u>

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

### Note 5: Our financial position (continued)

#### 5.3 Payables

##### (a) Trade and other payables

Trade payables	2,324	2,705
Accrued salaries and wages	460	233
Unearned revenue	1,709	7
Accrued interest	149	10
<b>Total trade and other payables</b>	<b>4,642</b>	<b>2,955</b>

##### (b) Trust funds and deposits

Refundable deposits	168	62
Fire services levy	273	16
Retention amounts	124	226
<b>Total trust funds and deposits</b>	<b>565</b>	<b>304</b>

##### (c) Unearned income

Grants received in advance – operating	553	–
Grants received in advance – capital	1,000	–
Other	156	7
<b>Total unearned income</b>	<b>1,709</b>	<b>7</b>

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

##### *Purpose and nature of items*

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.

**Note 5: Our financial position (continued)****5.4 Interest-bearing liabilities****Current**

Borrowings – secured	3,321	3,841
Finance lease	–	6
	<b>3,321</b>	<b>3,847</b>

**Non-current**

Borrowings – secured	–	39
	–	39

**Total**

Borrowings are secured by a charge over the general rates of Council.

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

Not later than one year	3,321	3,841
Later than one year and not later than five years	–	39
	<b>3,321</b>	<b>3,880</b>

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 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. Council determines the classification of its interest bearing liabilities at initial recognition.

**5.5 Provisions**

	<b>Employee \$ '000</b>	<b>Gravel pit rehabilitation \$ '000</b>	<b>Total \$ '000</b>
<b>2020</b>			
Balance at beginning of the financial year	2,902	89	2,991
Additional provisions	135	(21)	114
Amounts used	(867)	–	(867)
Change in the discounted amount arising because of time and the effect of any change in the discount rate			
<b>Balance at the end of the financial year</b>	<b>2,170</b>	<b>68</b>	<b>2,238</b>
<b>2019</b>			
Balance at beginning of the financial year	3,032	69	3,101
Additional provisions	996	–	996
Amounts used	(1,148)	–	(1,148)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	22	20	42
<b>Balance at the end of the financial year</b>	<b>2,902</b>	<b>89</b>	<b>2,991</b>

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$'000	2019 \$'000
<b>Note 5: Our financial position (continued)</b>		
<b>5.5 Provisions (continued)</b>		
<b>(a) Employee provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	636	599
Long service leave	1,333	1,931
	<b>1,969</b>	<b>2,530</b>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	101	110
Long service leave	–	–
	101	110
<b>Total current employee provisions</b>	<b>2,070</b>	<b>2,640</b>
<b>Non-current</b>		
Long service leave	100	262
Annual leave	–	–
<b>Total non-current employee provisions</b>	<b>100</b>	<b>262</b>
Aggregate carrying amount of employee provisions:		
Current	2,070	2,640
Non-current	100	262
<b>Total aggregate carrying amount of employee provisions</b>	<b>2,170</b>	<b>2,902</b>

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:

– weighted average discount rate	0.872%	1.324%
– weighted average index rate	4.250%	4.313%
– weighted average long service leave settlement period	15 years	15 years

**Note 5: Our financial position (continued)****5.5 Provisions (continued)****(b) Gravel pit rehabilitation**

	2020 \$'000	2019 \$'000
Current	–	20
Non-current	68	68
	<b>68</b>	<b>89</b>

Council is obligated to restore the Dunolly and Daisy Hill Gravel Pit sites to a particular standard once all gravel has been exhausted. The provision for Gravel pit restoration is based on liability calculations performed by the Manager Infrastructure Services, approved by DELWP. The liability is based on discounted values as the majority of works are expected to be undertaken beyond the next 12 months. Council does not expect to receive reimbursement from a third party.

Key assumptions:

– discount rate	1.400%	0.000%
– index rate	4.313%	0.000%

**(c) Other Non Current Liabilities – Grants Received in Advance**

Current	–	–
Non-current	124	–
	<b>124</b>	<b>–</b>

**5.6 Financing arrangements**

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

Credit card facilities	50	50
Total facilities	<b>50</b>	<b>50</b>
Used facilities	–	15
<b>Unused facilities</b>	<b>50</b>	<b>35</b>

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 5: Our financial position (continued)**

**5.7 Commitments**

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 \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>2020</b>					
Operating					
Management of council facilities	687	–	–	–	687
Waste services	2,030	4,214	–	–	6,244
<b>Total operating commitments</b>	<b>2,717</b>	<b>4,214</b>	<b>–</b>	<b>–</b>	<b>6,931</b>
	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>2019</b>					
<b>Operating</b>					
Management of council facilities	673	687	–	–	1,360
Waste services	1,980	2,030	4,214	–	8,224
<b>Total operating commitments</b>	<b>2,653</b>	<b>2,717</b>	<b>4,214</b>	<b>–</b>	<b>9,584</b>

## Note 5: Our financial position (continued)

### 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.

#### 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. 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. 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.

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 5: Our financial position (continued)**

**5.8 Leases (continued)**

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.

<b>Right-of-Use Assets</b>	<b>Property \$'000</b>	<b>Total \$'000</b>
Balance at 1 July 2019	336	336
Additions	–	–
Amortisation charge	(65)	(65)
Balance at 30 June 2020	<u>271</u>	<u>271</u>

<b>Lease Liabilities</b>	<b>2020 \$'000</b>
Maturity analysis – contractual undiscounted cash flows	
Less than one year	–
One to five years	–
More than five years	271
Total undiscounted lease liabilities as at 30 June:	<u>271</u>

Lease liabilities included in the Balance Sheet at 30 June:

Current	50
Non-current	221
Total lease liabilities	<u>271</u>

**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.

<b>Expenses relating to:</b>	<b>2020 \$'000</b>
Short-term leases	17
Leases of low value assets	–
<b>Total</b>	<u>17</u>
Variable lease payments (not included in measurement of lease liabilities)	–

## Note 5: Our financial position (continued)

### 5.8 Leases (continued)

#### 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 Leases*.

- 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 \$271,395 of right-of-use assets and \$271,395 of lease liabilities, recognising the difference in retained earnings.

When measuring lease liabilities, Council discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted-average rate applied is 1.7%.

	<b>2019</b>
	<b>\$'000</b>
Operating lease commitment at 30 June 2019 as disclosed in Council's financial statements	904
<b>Finance lease liability recognised as at 30 June 2019</b>	<b>904</b>
– Recognition exemption for:	
short-term leases	–
leases of low-value assets	–
– Extension and termination options reasonably certain to be exercised	–
– Residual value guarantees	336
<b>Lease liabilities recognised as at 1 July 2019</b>	<b>336</b>

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 6: Assets we manage**

**6.1 Non current assets classified as held for sale**

Industrial land – cost of acquisition	245	245
<b>Total non current assets classified as held for sale</b>	<b>245</b>	<b>245</b>
Capitalisation rate used in the allocation of borrowing costs	0%	0%

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.

**Note 6: Assets we manage (continued)****6.2 Property, infrastructure, plant and equipment****Summary of property, infrastructure, plant and equipment**

	At Fair Value		Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	At Fair Value
	30 June 2019	30 June 2020								
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	11,673	–	–	–	–	–	–	–	–	11,673
Buildings	33,466	–	–	–	(785)	–	–	–	(626)	32,055
Plant and equipment	4,824	3	–	–	(527)	(194)	–	–	664	4,770
Infrastructure	263,366	–	–	–	(4,946)	–	–	–	5,490	257,646
Work in progress	1,287	6,541	6,544	–	(6,262)	(194)	(155)	(155)	(5,572)	2,102
	314,616	6,544	–	–	(6,258)	(194)	(155)	(155)	(44)	308,266
	<b>Opening WIP</b>	<b>Additions</b>	<b>Write-off</b>	<b>Transfers</b>	<b>Closing WIP</b>					
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>					
<b>Summary of Work in Progress</b>										
Land	–	280	(0)	(273)	7					
Buildings	82	1,091	(2)	(76)	1,095					
Plant and equipment	–	1,028	(90)	(939)	0					
Infrastructure	1,206	4,142	(63)	(4,285)	1,000					
Total	1,287	6,541	(155)	(5,572)	2,102					

NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020

**Note 6: Assets we manage (continued)**

**6.2 Property, infrastructure, plant and equipment (continued)**

**(a) Property**

	Land under roads – specialised \$'000	Land – non specialised \$'000	Land improvements \$'000	Total Land & Land Improvements \$'000	Heritage buildings \$'000	Buildings – specialised \$'000	Total Buildings \$'000	Work in progress \$'000	Total Property \$'000
At fair value 1 July 2019	381	11,292	–	<b>11,673</b>	–	88,750	<b>88,750</b>	101	<b>100,524</b>
Accumulated depreciation at 1 July 2019	–	–	–	–	–	(55,283)	<b>(55,283)</b>	–	<b>(55,283)</b>
	381	11,292	–	<b>11,673</b>	–	33,466	<b>33,466</b>	101	<b>45,241</b>
<b>Movements in fair value</b>									
Additions	–	–	–	–	–	–	–	1,371	<b>1,371</b>
Contributions	–	–	–	–	–	–	–	–	–
Revaluation	–	–	–	–	–	–	–	–	–
Disposal	–	–	–	–	–	–	–	–	–
Write-off	–	–	–	–	–	–	–	(2)	<b>(2)</b>
Transfers	–	–	–	–	–	(626)	<b>(626)</b>	(349)	<b>(975)</b>
Impairment losses recognised in operating result	–	–	–	–	–	–	–	–	–
	–	–	–	–	–	(626)	<b>(626)</b>	1,020	<b>394</b>
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	–	–	–	–	–	(785)	<b>(785)</b>	–	<b>(785)</b>
Accumulated depreciation of disposals	–	–	–	–	–	–	–	–	–
Impairment losses recognised in operating result	–	–	–	–	–	–	–	–	–
Transfers	–	–	–	–	–	–	–	–	–
	–	–	–	–	–	(785)	<b>(785)</b>	–	<b>(785)</b>
At fair value 30 June 2020	381	11,292	–	<b>11,673</b>	–	88,123	<b>88,123</b>	1,122	<b>100,918</b>
Accumulated depreciation at 30 June 2020	–	–	–	–	–	(56,068)	<b>(56,068)</b>	–	<b>(56,068)</b>
	<b>381</b>	<b>11,292</b>	–	<b>11,673</b>	–	<b>32,055</b>	<b>32,055</b>	<b>1,122</b>	<b>44,850</b>

**Note 6: Assets we manage (continued)****6.2 Property, infrastructure, plant and equipment (continued)****(b) Plant and Equipment**

	Plant machinery and equipment \$'000	Fixtures fittings and furniture \$'000	Artwork collection \$'000	Library collection \$'000	Works in progress \$'000	Total Plant and Equipment \$'000
At fair value 1 July 2019	7,573	3,836	223	329	–	11,961
Accumulated depreciation at 1 July 2019	(3,672)	(3,465)	–	–	–	(7,137)
	3,901	371	223	329	–	4,824
<b>Movements in fair value</b>						
Additions	–	–	3	–	–	3
Contributions	–	–	–	–	–	–
Revaluation	–	–	–	–	–	–
Disposal	(193)	–	–	(1)	–	(194)
Write-off	–	–	–	–	–	–
Transfers	–	664	–	–	–	664
Impairment losses recognised in operating result	–	–	–	–	–	–
	(193)	664	3	(1)	–	473
<b>Movements in accumulated depreciation</b>						
Depreciation and amortisation	(322)	(205)	–	–	–	(527)
Accumulated depreciation of disposals	–	–	–	–	–	–
Impairment losses recognised in operating result	–	–	–	–	–	–
Transfers	–	–	–	–	–	–
	(322)	(205)	–	–	–	(527)
At fair value 30 June 2020	7,381	4,500	225	328	–	12,433
Accumulated depreciation at 30 June 2020	(3,994)	(3,669)	–	–	–	(7,664)
	<b>3,386</b>	<b>831</b>	<b>225</b>	<b>328</b>	<b>–</b>	<b>4,770</b>

NOTES TO THE FINANCIAL REPORT  
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**Note 6: Assets we manage (continued)**

**6.2 Property, infrastructure, plant and equipment (continued)**

**(c) Infrastructure**

	<b>Roads \$'000</b>	<b>Bridges \$'000</b>	<b>Footpaths and cycleways \$'000</b>	<b>Drainage \$'000</b>	<b>Other structures \$'000</b>	<b>Work in progress \$'000</b>	<b>Total Infrastructure \$'000</b>
At fair value 1 July 2019	246,669	42,706	9,228	21,784	32,217	1,186	353,790
Accumulated depreciation at 1 July 2019	(55,550)	(13,752)	(3,496)	(6,488)	(9,951)	-	(89,239)
	191,119	28,953	5,731	15,296	22,266	1,186	264,552
<b>Movements in fair value</b>							
Additions	-	-	-	-	-	4,161	4,161
Contributions	-	-	-	-	-	-	-
Revaluation	(5,241)	(423)	103	-	-	-	(5,561)
Disposal	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	(63)	(63)
Transfers	4,011	639	156	242	442	(4,285)	1,205
Impairment losses recognised in operating result	-	-	-	-	-	-	-
	(1,230)	217	259	242	442	(186)	(258)
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation	(4,804)	(431)	(413)	-	-	-	(5,648)
Accumulated depreciation of disposals	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
	(4,804)	(431)	(413)	-	-	-	(5,648)
At fair value 30 June 2020	245,439	42,923	9,486	22,026	32,659	1,000	353,533
Accumulated depreciation at 30 June 2020	(60,355)	(14,183)	(3,909)	(6,488)	(9,951)	-	(94,887)
	185,084	28,739	5,577	15,538	22,708	1,000	258,646

## Note 6: Assets we manage (continued)

### 6.2 Property, infrastructure, plant and equipment (continued)

#### Acquisition

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

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

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

	Depreciation Period		Threshold Limit
	2020	2019	\$'000
<i>Asset recognition thresholds and depreciation periods</i>			
Land & land improvements			
land	–	–	0
land improvements	5-100 years	5-100 years	2
Buildings			
buildings	25-250 years	25-250 years	5
building and leasehold improvements	15-125 years	15-125 years	2
Plant and Equipment			
plant, machinery and equipment	2-40 years	2-40 years	2
fixtures, fittings and furniture	2-20 years	2-20 years	2
computers and telecommunications	2-10 years	2-10 years	2
artworks	–	–	0
Infrastructure			
roads – pavements and seals	15-60 years	15-60 years	10
kerb and channel	20-50 years	20-50 years	1
pathways	30-50 years	30-50 years	1
bridges and major culverts	70-100 years	70-100 years	10
drainage	40-100 years	40-100 years	3
minor culverts	80 years	80 years	1
monuments	200 years	200 years	2
waste water assets	20-60 years	20-60 years	10
traffic control facilities	50 years	50 years	5

#### Land under roads

Council recognises land under roads it controls at fair value.

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

### Note 6: Assets we manage (continued)

#### 6.2 Property, infrastructure, plant and equipment (continued)

##### *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 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, leasehold improvements are amortised over a 10 year period.

##### **Valuation of land and buildings**

Valuation of land and buildings were undertaken by a qualified independent valuer VRC Property Pty Ltd (Michael Marsiglio API Member No. 63349 as at 30 June 2019). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

The date of the current valuation is detailed in the following table. An indexed based revaluation was conducted in the current year, this valuation was based on ,rate per square metre, a full revaluation of these assets will be conducted in 2020/21.

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

	<u>Level 1</u>	<u>Level2</u>	<u>Level 3</u>	<u>Date of Valuation</u>
Land	–		11,292	30/6/19
Specialised land	–	–	381	30/6/19
Buildings	–	–	32,075	30/6/19
Total	–	–	43,748	

## Note 6: Assets we manage (continued)

### 6.2 Property, infrastructure, plant and equipment (continued)

#### Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with a management valuation.

The date of the current valuation is detailed in the following table. An indexed based revaluation was conducted in the current year, this valuation was based on rate per square metre; a full revaluation of these assets will be conducted in 2020/21.

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

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

	Level 1	Level 2	Level 3	Date of Valuation
Roads	–	–	185,084	30/6/20
Bridges	–	–	28,739	30/6/20
Footpaths and cycleways	–	–	5,577	30/6/20
Drainage	–	–	15,538	30/6/20
Other structures	–	–	22,708	30/6/20
Total	–	–	257,646	

### 6.2 Property, infrastructure, plant and equipment (continued)

#### 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 5% 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 \$71 and \$117 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 \$250 to \$5000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 15 years to 250 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 2 years to 200 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 \$'000	2019 \$'000
Reconciliation of specialised land		
Land under roads	381	381
<b>Total specialised land</b>	<b>381</b>	<b>381</b>

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

### Note 6: Assets we manage (continued)

#### 6.3 Investments in associates, joint arrangements and subsidiaries

##### (a) Investments in associates

Council does not have any investments in associates, joint arrangements or subsidiaries.

##### Committees of management

All entities controlled by Council that have material revenues, expenses, assets and 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.

The following *Local Government Act 1989* Section 86 Committees of Council have been consolidated into this financial report:

Energy Breakthrough and the Tullaroop Leisure Centre.

- a) Adelaide Lead Hall;
- b) Daisy Hill Community Hall;
- c) Dunolly Historic Precinct Management;
- d) Energy Breakthrough;
- e) Talbot Community Homes;
- f) Talbot Town Hall;
- g) Tullaroop Leisure Centre;

## Note 7: People and relationships

### 7.1 Council/Administrators and key management remuneration

#### (a) Related Parties

##### Parent entity

Central Goldfields Shire Council is the parent entity.

##### Subsidiaries and Associates

As at 30 June 2020, Council does not have any interests in any subsidiaries and/or associates.

#### (b) Key Management Personnel

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

##### Administrators

Chair of Administrators – Noel Harvey

Administrator – Hugh Delahunty

Administrator – Karen Douglas

##### Chief Executive Officer and other Key Management Personnel

Lucy Roffey – Chief Executive Officer

Rebecca Stockfeld – General Manager Infrastructure Assets & Planning

Paul Brumby – General Manager Corporate Performance

Martin Collins – General Manager Community Wellbeing

	2020	2019
	No.	No.
Total Number of Administrators	3	3
Total of Chief Executive Officer and other Key Management Personnel	4	6
<b>Total Number of Key Management Personnel</b>	<b>7</b>	<b>9</b>

#### (c) Remuneration of Key Management Personnel

	2020	2019
	\$	\$
Total remuneration of key management personnel was as follows:		
Short-term benefits	937,772	1,123,961
Long-term benefits	100,998	31,745
Post employment benefits	–	–
Termination benefits	–	–
<b>Total Remuneration of Key Management Personnel</b>	<b>1,038,770</b>	<b>1,155,706</b>

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 7: People and relationships**

**7.1 Council/Administrators and key management remuneration**

**(c) Remuneration of Key Management Personnel (continued)**

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

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
\$10,000 – \$19,999	–	1
\$40,000 – \$49,999	–	1
\$70,000 – \$89,999	2	2
\$90,000 – \$99,999	–	–
\$100,000 – \$119,999	–	–
\$120,000 – \$129,999	–	–
\$130,000 – \$139,999	1	1
\$150,000 – \$159,999	–	1
\$180,000 – \$189,999	3	1
\$190,000 – \$199,999	–	1
\$200,000 – \$239,999	–	–
\$240,000 – \$249,999	1	1
<b>Total Key Management Personnel</b>	<b>7</b>	<b>9</b>

**(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:

	<b>2020</b>	<b>2019</b>
<b>Income Range:</b>	<b>No</b>	<b>No.</b>
\$90,000 – \$99,999	1	1
\$100,000 – \$119,999	–	1
\$140,000 – \$149,999	–	1
\$150,000 – \$159,999	–	1
\$200,000 – \$210,999	–	1
	<b>1</b>	<b>5</b>
	<b>\$</b>	<b>\$</b>
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	94,794	915,396

**7.2 Related party disclosure**

**(a) Transactions with related parties**

During the period Council entered into the following transactions with related parties:

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Purchase of goods and services under normal trading terms		
– Payments to Coliban Water (CEO Lucy Roffey is Chair of the Board)	25	28
<b>Total transactions with related parties as at 30 June</b>	<b>25</b>	<b>28</b>

## Note 8: Managing uncertainties

### 8.1 Contingent assets and liabilities

#### (a) Contingent assets

Developer contributions are to be received in respect of land currently under development. At this point in time their timing and potential amount can not be reliably assessed.

#### (b) Contingent liabilities

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

**The following are potential contingencies are to be considered by Council:**

#### 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, Central Goldfields Shire Council has paid unfunded liability payments to Vision Super totalling \$153k (2018/19 \$90k). There were \$0 contributions outstanding and \$0 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 \$100k.

#### 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.

#### Landfill

Council owns a non operational landfill.

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

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

	2020 \$'000	2019 \$'000
<b>(1) Reinstatement of quarries</b>		
Council has provided a bank guarantee to DELWP for the reinstatement of quarries.		
At balance date Council's exposure as a result of these guarantees is:		
Bank guarantee – Department of Environment, Land, Water and Planning	61	61
<b>(2) Waste disposal site rehabilitation</b>		
Council operated a waste disposal site at the Carisbrook landfill. This has now been rehabilitated in accordance with EPA requirements. A separate bank guarantee is provided for any remedial works if they are required in the future.	460	460

Council is not aware of any other contingent liabilities as at the date of this report.

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

### Note 8: Managing uncertainties (continued)

#### 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 Council's current assessment, there is expected to be no impact on the transactions and balances recognised in the financial statements as 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**

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 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. 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 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 Council's year end result.

### (c) Credit risk

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

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

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with 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.

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 0.25% (2.2% at 30 June 2019).

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.

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

### Note 8: Managing uncertainties (continued)

#### 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, 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 3 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, 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

No matters have occurred after balance date that require disclosure in the financial report.

**Note 9: Other matters****9.1 Reserves****(a) Asset revaluation reserves****2020****Property**

Land and land improvements	4,813	4	4,817
Buildings	12,969	–	12,969
	<u>17,782</u>	<u>4</u>	<u>17,786</u>

**Plant and equipment**

Library book stock	29	(1)	28
	<u>29</u>	<u>(1)</u>	<u>28</u>

**Infrastructure**

Roads	127,538	(5,822)	121,716
Kerb and channel	10,193	–	10,193
Pathways	4,234	(91)	4,143
Bridges and major culverts	20,336	(423)	19,913
Drainage	5,716	–	5,716
Minor culverts	7,198	–	7,198
Monuments	323	(19)	304
Waste water assets	263	–	263
Traffic control facilities	90	–	90
	<u>175,892</u>	<u>(6,356)</u>	<u>169,536</u>

**Total asset revaluation reserves**

	<b><u>193,703</u></b>	<b><u>(6,353)</u></b>	<b><u>187,349</u></b>
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**2019****Property**

Land and land improvements	4,015	798	4,813
Buildings	16,606	(3,637)	12,969
	<u>20,621</u>	<u>(2,839)</u>	<u>17,782</u>

**Plant and equipment**

Library book stock	49	(20)	29
	<u>49</u>	<u>(20)</u>	<u>29</u>

**Infrastructure**

Roads	127,538	–	127,538
Kerb and channel	10,193	–	10,193
Pathways	4,234	–	4,234
Bridges and major culverts	20,336	–	20,336
Drainage	5,545	171	5,716
Minor culverts	7,198	–	7,198
Monuments	323	–	323
Waste water assets	260	2	263
Traffic control facilities	90	–	90
	<u>175,718</u>	<u>174</u>	<u>175,892</u>

**Total asset revaluation reserves**

	<b><u>196,389</u></b>	<b><u>(2,686)</u></b>	<b><u>193,703</u></b>
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The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 9: Other matters (continued)**

**9.1 Reserves (continued)**

**(b) Other reserves**

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>2020</b>				
Unfunded superannuation	450	–	–	450
Open space	19	(3)	–	16
<b>Total other reserves</b>	<b>469</b>	<b>(3)</b>	<b>–</b>	<b>466</b>
<b>2019</b>				
Unfunded superannuation	450	–	–	450
Open space	11	9	–	19
<b>Total other reserves</b>	<b>461</b>	<b>9</b>	<b>–</b>	<b>469</b>

The nature and purpose of each reserve is listed below:

**Unfunded Superannuation**

This reserve is used to assist in funding future liabilities related to Defined Benefits Superannuation. Transfers to and from the reserve are based on the budgeted reserve position at the end of the reporting period.

**Open Space**

This reserve contains contributions paid by developers undertaking the subdivision of residential land. These funds are required to be expended on the creation or expansion of recreational opportunities for the community, and are held until such time the relevant expenditure is incurred.

**9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)**

	2020 \$'000	2019 \$'000
<b>Surplus/(deficit) for the year</b>	<b>486</b>	<b>3,603</b>
Depreciation	6,258	8,231
(Profit)/loss on disposal of property, infrastructure, plant and equipment	14	319
Works in progress expensed during the year	155	2
Borrowing costs	66	146
Contributions – non-monetary assets	–	(174)
Found assets	–	(3,040)
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(491)	(1,119)
(Increase)/decrease in financial and other assets	754	–
(Increase)/decrease in prepayments	(103)	113
Increase/(decrease) in accrued income	(67)	(48)
Increase/(decrease) in trade and other payables	1,613	431
(Increase)/decrease in inventories	103	(21)
Increase/(decrease) in provisions	(753)	(110)
Increase/(decrease) in trust funds and deposits	261	(132)
<b>Net cash provided by/(used in) operating activities</b>	<b>8,295</b>	<b>8,202</b>

## Note 9: Other matters (continued)

### 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 Central Goldfields Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

#### *Funding arrangements*

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. 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 estimated VBI at June 2020 quarter end 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*

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Central Goldfields 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.

**NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 9: Other matters (continued)**

**9.3 Superannuation (continued)**

***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 as at 30 June 2019 identified the following for the Defined Benefit category of which Council is a contributing employer:

	<b>2020</b>	<b>2019</b>
	<b>\$m</b>	<b>\$m</b>
– A VBI Surplus	97.6	151.3
– A total service liability surplus	200.0	233.4
– A discounted accrued benefits surplus	215.4	256.4

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 2020 VBI during August 2020 (2019: August 2019).

**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:

	<b>2020 Triennial investigation</b>
Net investment return	5.6%
Salary inflation	2.5% for the first two years and 2.75% pa thereafter
Price inflation	2.0%

**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:

<b>Scheme</b>	<b>Type of Scheme</b>	<b>Rate</b>	<b>2020</b>	<b>2019</b>
			<b>\$,000</b>	<b>\$,000</b>
Vision Super	Defined benefits	9.50%	153	90
Vision Super	Accumulation fund	9.50%	621	613

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 is \$100k.

## Note 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.

### d) Transition impacts

The following table summarises the impact of transition to the new standards on retained earnings at 1 July 2019.

	<b>2019 \$'000</b>
Retained earnings at 30 June 2019	320,286
Revenue adjustment – impact of <i>AASB 15 Revenue from Contracts with Customers</i>	–
Income Adjustment – impact of <i>AASB 1058 Income of Not-for-Profit Entities</i>	–
<b>Retained earnings at 1 July 2019</b>	<b><u>320,286</u></b>

Council adopted the practical expedient of deeming the lease asset to be equal in value to the lease liability at 1 July 2019. As such there was no impact on retained earnings on the adoption of *AASB 16 Leases*.

## 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.



**David Anderson**

*Principal Accounting Officer*

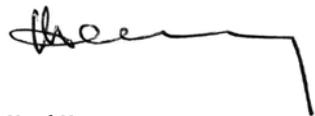
Date: 16 November 2020

Maryborough

In our opinion the accompanying financial statements present fairly the financial transactions of Central Goldfields Shire Council for the year ended 30 June 2020 and the financial position of 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 Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.



**Noel Harvey**

*Chair of Administrators*

Date: 16 November 2020

Maryborough



**Karen Douglas**

*Administrator*

Date: 16 November 2020

Maryborough



**Lucy Roffey**

*Chief Executive Officer*

Date: 16 November 2020

Maryborough



## Independent Auditor's Report

### To the Councillors of Central Goldfields Shire Council

<b>Opinion</b>	<p>I have audited the financial report of Central Goldfields Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2020</li> <li>• comprehensive income statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• statement of cash flows for the year then ended</li> <li>• statement of capital works for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• certification of the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the financial report</b>	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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

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

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

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

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

MELBOURNE  
26 November 2020



Sanchu Chummar

*as delegate for the Auditor-General of Victoria*



## PERFORMANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

### Description of municipality

Located at the geographical centre of Victoria, Central Goldfields Shire covers 1,532 square kilometres and has an approximate population of 13,000 people.

Maryborough is the shire's major business centre with a population of around 7,900. Maryborough has gained recognition in recent years as having some of the finest sporting facilities in regional Victoria, together with significant historical buildings dating back to the goldmining era of the 1850's.

Other towns in the shire include, Bealiba, Carisbrook, Dunolly, Majorca, Talbot and Timor-Bowenvale and the rural districts surrounding these centres. All are famous for their heritage architecture and significant agricultural industries.

The shire is currently experiencing significant growth with key infrastructure projects and residential developments reaching fruition.

The State Government's commitment to the shire has seen investments in the areas of health, education, and law and order, together with assistance to economic development activities initiated by Council.

The shire is located within one hour's drive from main provincial centres of Ballarat and Bendigo and just two hours from Melbourne.

The first democratically elected council for Central Goldfields Shire was elected on 15 March, 1997. In 2005, the Minister for Local Government determined that the number of Councillors to represent the shire be increased from five to seven.

Central Goldfields Shire Council, by virtue of an Order in Council provided for under the Local Government (Central Goldfields Shire Council) Act 2017, currently has three appointed Administrators.

The next election will be held in October 2020 with Councillors being elected for a four-year term.

### COVID-19

In January 2020, the World Health Organisation declared the outbreak of the COVID-19, a public health emergency of international concern and subsequently in March 2020 it was declared a global pandemic. On 16 March 2020, a State of Emergency was declared in Victoria in relation to the COVID-19 pandemic and a national restriction was put in place on gatherings, a nationwide call to work from home and significantly lower levels of activity in the economy and community. A number of Council services required immediate change, including the closure of recreation centres and libraries, cancellation of events and revised health precautions.

At this time, all three levels of Government sought to provide additional resources to the community and adjust for the financial hardship they were facing. The impacts were felt with a loss of income, increased costs due to compliance, changes to service delivery and in some instances cessation of services. On 2 April 2020, Council adopted a COVID-19 Financial Hardship Policy which allowed the deferral of rate payments and interest waivers together with a number of financial support measures for the ratepayers and community at large. These measures included the waiver of fees and charges and rentals, refunds of event fees paid, extension of permit expiry dates and dedicated support resources.

Since 30 June 2020, Stage 4 restrictions applied in Metropolitan Melbourne and Stage 3 across the rest of Victoria from 2 August 2020.

Council has continued to support the community through the pandemic by the extension and expansion of hardship relief during 2020/2021.

## SUSTAINABLE CAPACITY INDICATORS FOR THE YEAR ENDED 30 JUNE 2020

<i>Indicator/measure</i>	Results 2017	Results 2018	Results 2019	Results 2020	Comments
<b>Population</b>					
C1 <i>Expenses per head of municipal population</i>	\$2,239.01	\$2,293.89	\$2,287.69	\$2,174.20	Reduced expenditure in 2020 and minor population increase
[Total expenses / Municipal population]					
C2 <i>Infrastructure per head of municipal population</i>	\$22,877.53	\$23,609.58	\$23,173.26	\$22,493.02	No material change
[Value of infrastructure / Municipal population]					
C3 <i>Population density per length of road</i>	9.60	10.25	10.22	10.30	No material change
[Municipal population / Kilometres of local roads]					
<b>Own-source revenue</b>					
C4 <i>Own-source revenue per head of municipal population</i>	\$1,326.14	\$1,297.94	\$1,586.78	\$1,378.36	Own source revenue was down in 2020 partially due to the effects of COVID-19
[Own-source revenue / Municipal population]					
<b>Recurrent grants</b>					
C5 <i>Recurrent grants per head of municipal population</i>	\$863.85	\$737.24	\$704.20	\$711.13	No material change
[Recurrent grants / Municipal population]					
<b>Disadvantage</b>					
C6 <i>Relative Socio-Economic Disadvantage</i>	1.00	1.00	1.00	1.00	No change
[Index of Relative Socio-Economic Disadvantage by decile]					
<b>Workforce turnover</b>					
C7 <i>Percentage of staff turnover</i>	7.9%	12.4%	17.6%	14.5%	Turnover is expected to continue to decline in future years as the implementation of the organisation restructure undertaken in 2018/19 is now finalised.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100					

**SERVICE PERFORMANCE INDICATORS  
FOR THE YEAR ENDED 30 JUNE 2020**

	Results 2017	Results 2018	Results 2019	Results 2020	Comments	
<b>Aquatic Facilities</b>						
<b>Utilisation</b>						
AF6	Utilisation of aquatic facilities	7.29	7.58	7.55	5.69	The Maryborough Sports and Leisure Centre was closed for 3 months due to COVID-19 .
[Number of visits to aquatic facilities / Municipal population]						
<b>Animal Management</b>						
<b>Health and safety</b>						
AM7	Animal management prosecutions	New in 2020	New in 2020	New in 2020	0%	No prosecutions in 2020.
[Number of successful animal management prosecutions]						
<b>Food Safety</b>						
<b>Health and safety</b>						
FS4	Critical and major non-compliance outcome notifications	100.00%	0.00%	0.00%	75.00%	Council only encountered 4 critical or major non-compliant outcomes at food premises. All 4 items were successfully resolved. However, data relating to one incident could not be verified. This is an improvement compared to the previous 12 months and demonstrates that only 4 % of all food premises assessed either identified items as critical or major non-compliant requiring further investigation.
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100						
<b>Governance</b>						
<b>Satisfaction</b>						
G5	Satisfaction with council decisions	51.00	42.00	52.00	49.00	Minor reduction only
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]						
<b>Libraries</b>						
<b>Participation</b>						
LB4	Active library borrowers in municipality	15.22%	13.98%	14.87%	11.16%	Due to COVID-19 the library was closed to the public for 11 weeks this prevented the library from gaining new borrowers
[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100						

	Results 2017	Results 2018	Results 2019	Results 2020	Comments	
<b>Maternal and Child Health (MCH)</b>						
<b>Participation</b>						
MC4	<i>Participation in the MCH service</i>	79.26%	86.14%	84.20%	82.97%	Slight decline in attendance because of COVID-19
	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
<b>Participation</b>						
MC5	<i>Participation in the MCH service by Aboriginal children</i>	69.23%	96.61%	87.32%	81.58%	Due to the small number of children, variations in results can occur from year to year
	[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					
<b>Roads</b>						
<b>Satisfaction</b>						
R5	<i>Satisfaction with sealed local roads</i>	51.00	48.00	48.00	51.00	The result is in line with previous years
	[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					
<b>Statutory Planning</b>						
<b>Decision making</b>						
SP4	<i>Council planning decisions upheld at VCAT</i>	0.00%	0.00%	100.00%	100.00%	There were four planning decisions upheld by VCAT during the year
	[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					
<b>Waste Collection</b>						
<b>Waste diversion</b>						
WC5	<i>Kerbside collection waste diverted from landfill</i>	42.88%	42.70%	42.96%	45.07%	Council adopted a Waste Strategy in 2020 which includes a target to reduce waste to landfill and expects to see this result continue to improve in future years
	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

## SERVICE PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2020

### Definitions

- “Aboriginal child” means a child who is an Aboriginal person
- “Aboriginal person” has the same meaning as in the Aboriginal Heritage Act 2006
- “active library member” means a member of a library who has borrowed a book from the library
- “annual report” means an annual report prepared by a council under sections 131, 132 and 133 of the Act
- “CALD” means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English
- “class 1 food premises” means food premises, within the meaning of the Food Act 1984, that have been declared as class 1 food premises under section 19C of that Act
- “class 2 food premises” means food premises, within the meaning of the Food Act 1984, that have been declared as class 2 food premises under section 19C of that Act
- “critical non-compliance outcome notification” means a notification received by council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
- “food premises” has the same meaning as in the Food Act 1984
- “local road” means a sealed or unsealed road for which 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
- “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 and Comments	
	2017	2018	2019	2020	2021	2022	2023		2024
<b>Efficiency</b>									
<b>Expenditure level</b>									
E2	Expenses per property assessment	\$3,539.88	\$3,748.50	\$3,738.38	\$3,385.97	\$3,273.22	\$3,271.19	\$3,269.76	Expenditure in 2020 was less due to reduction in depreciation charge after review of infrastructure useful lives
[Total expenses / Number of property assessments]									
<b>Revenue level</b>									
E4	Average rate per property assessment	New in 2020	New in 2020	New in 2020	\$1,419.04	\$1,467.85	\$1,481.61	\$1,495.66	In line with the Fair Go Rate System rate cap increase
[General rates and Municipal charges / Number of property assessments]									
<b>Liquidity</b>									
<b>Working capital</b>									
L1	Current assets compared to current liabilities	145.77%	139.38%	161.82%	160.79%	233.64%	258.77%	280.89%	Council's Strategic Resource Plan aims to maintain this ratio within the low risk range of the VAGO financial sustainability risk ratios of greater than 100%
[Current assets / Current liabilities] x100									
<b>Unrestricted cash</b>									
L2	Unrestricted cash compared to current liabilities	57.90%	78.12%	-10.07%	-1.12%	33.74%	49.16%	62.14%	Reduced in 2020 due to an increase in restricted grants where Council has future performance obligations. In future years Council forecasts an annual increase in cash held. Does not include term deposits which can be converted to cash
[Unrestricted cash / Current liabilities] x100									

**FINANCIAL PERFORMANCE INDICATORS**  
FOR THE YEAR ENDED 30 JUNE 2020

Dimension/ indicator/measure	Results				Forecasts			Material Variations and Comments	
	2017	2018	2019	2020	2021	2022	2023		2024
<b>Obligations</b>									
<b>Loans and borrowings</b>									
O2 Loans and borrowings compared to rates	45.65%	31.86%	26.45%	21.88%	22.97%	18.29%	13.76%	9.40%	Council has reduced its loans and borrowings annually
[Interest bearing loans and borrowings / Rate revenue] x100									
O3 Loans and borrowings repayments compared to rates	11.63%	5.22%	4.91%	4.16%	21.22%	4.39%	4.27%	4.16%	Reflects Council's reduced debt over past three years. Council plans to increase borrowings in 2021 and then pay down loans in following years
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100									
<b>Indebtedness</b>									
O4 Non-current liabilities compared to own source revenue	12.08%	11.95%	1.78%	3.10%	19.12%	15.45%	11.43%	7.57%	Own source revenue was reduced in 2020. Non-current liabilities will increase in future years as Council refinances loans
[Non-current liabilities / Own source revenue] x100									
<b>Asset renewal and upgrade</b>									
O5 Asset renewal and upgrade compared to depreciation	New in 2020	New in 2020	New in 2020	97.12%	186.45%	74.22%	75.04%	86.12%	2021 reflects increased external funding for capital projects
[Asset renewal and asset upgrade expense / Asset depreciation] x100									
<b>Operating position</b>									
<b>Adjusted underlying result</b>									
OP1 Adjusted underlying surplus (or deficit)	-1.01%	-11.10%	1.08%	-3.63%	0.85%	-0.59%	-0.26%	0.07%	Reduced in 2020 due to one-off reduction in revenue and future forecasts are consistent in middle of acceptable range.
[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100									

Dimension/ indicator/measure	Results					Forecasts			Material Variations and Comments	
	2017	2018	2019	2020	2021	2022	2023	2024		
<b>Stability</b>										
<b>Rates concentration</b>										
S1	Rates compared to adjusted underlying revenue	39.30%	51.86%	48.59%	54.86%	53.65%	57.66%	57.93%	58.19%	Impacted by a one-off reduction in underlying revenue in 2020 due to capital grants not being received
[Rate revenue / Adjusted underlying revenue] x100										
<b>Rates effort</b>										
S2	Rates compared to property values	0.63%	0.79%	0.76%	0.72%	0.69%	0.67%	0.66%	0.64%	This result is consistent with previous years
[Rate revenue / Capital improved value of rateable properties in the municipality] x100										

**FINANCIAL PERFORMANCE INDICATORS  
FOR THE YEAR ENDED 30 JUNE 2020**

Retired measures Service / indicator/measure	Results 2017	Results 2018	Results 2019	Comments
<b>Animal Management</b>				
<b>Health and safety</b>				
AM4 Animal management prosecutions	#N/A	#N/A	#N/A	Retired in 2020  This measure was replaced by AM7 from 1 July 2019.
[Number of successful animal management prosecutions]				
<b>Efficiency</b>				
<b>Revenue level</b>				
E1 Average residential rate per residential property assessment	#N/A	#N/A	#N/A	Retired in 2020  This measure was replaced by E4 from 1 July 2019.
[Residential rate revenue / Number of residential property assessments]				
<b>Obligations</b>				
<b>Asset renewal</b>				
O1 Asset renewal compared to depreciation	#N/A	#N/A	#N/A	Retired in 2020  This measure was replaced by O5 in 1 July 2019.
[Asset renewal expense / Asset depreciation] x100				

## 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 Council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by Council in its strategic resource plan on 25 August 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*.



**David Anderson**

*Principal Accounting Officer*

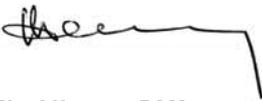
Dated: 16 November 2020

In our opinion, the accompanying performance statement of the Central Goldfields Shire Council 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 Council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this performance statement in its final form.



**Noel Harvey, OAM**

*Chairperson of the panel of Administrators*

Dated: 16 November 2020



**Karen Douglas**

*Administrator*

Dated: 16 November 2020



**Lucy Roffey**

*Chief Executive Officer*

Dated: 16 November 2020

## Independent Auditor’s Report

### To the Councillors of Central Goldfields Shire Council

<b>Opinion</b>	<p>I have audited the accompanying performance statement of Central Goldfields Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• description of municipality for the year ended 30 June 2020</li> <li>• sustainable capacity indicators for the year ended 30 June 2020</li> <li>• service performance indicators for the year ended 30 June 2020</li> <li>• financial performance indicators for the year ended 30 June 2020</li> <li>• other information and</li> <li>• the certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2020, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors’ responsibilities for the performance statement</b>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
<b>Auditor’s responsibilities for the audit of the performance statement</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

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

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

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

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MELBOURNE  
26 November 2020



Sanchu Chummar  
*as delegate for the Auditor-General of Victoria*

