



# 2019 - 20

# Annual Report



MANSFIELD SHIRE

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# Welcome

Welcome to the Mansfield Shire Council Annual Report 2019-20.

Council is committed to transparent reporting and accountability to the community.

The Annual Report 2019-20 is the primary means of giving our community an overview of Council's operations and performance during the financial year.



Delatite River Trail

## Acknowledgement of Traditional Owners

Mansfield Shire Council acknowledge the Taungurung people as the traditional owners of the land on which our Shire is located. We pay respect to the Taungurung Elders, past, present and future and extend that respect to all Aboriginal and Torres Strait Islander peoples.

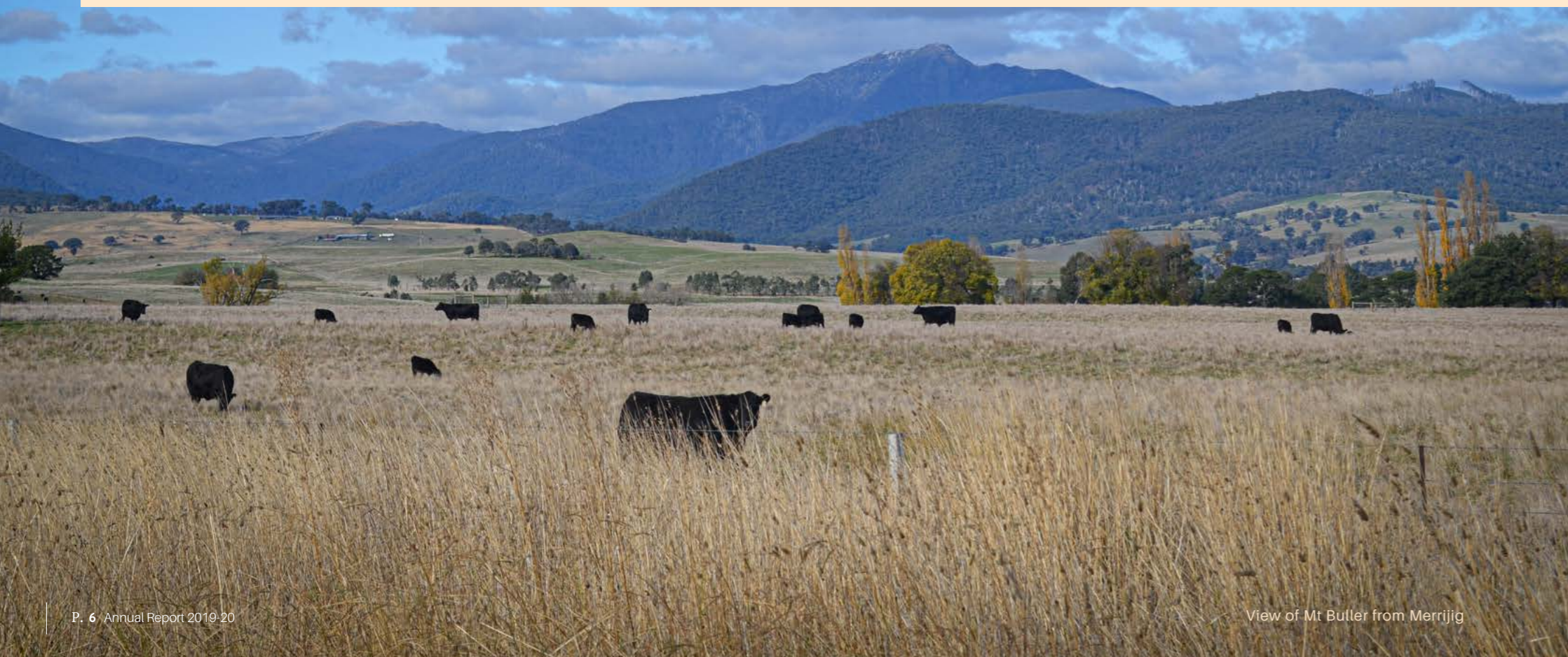
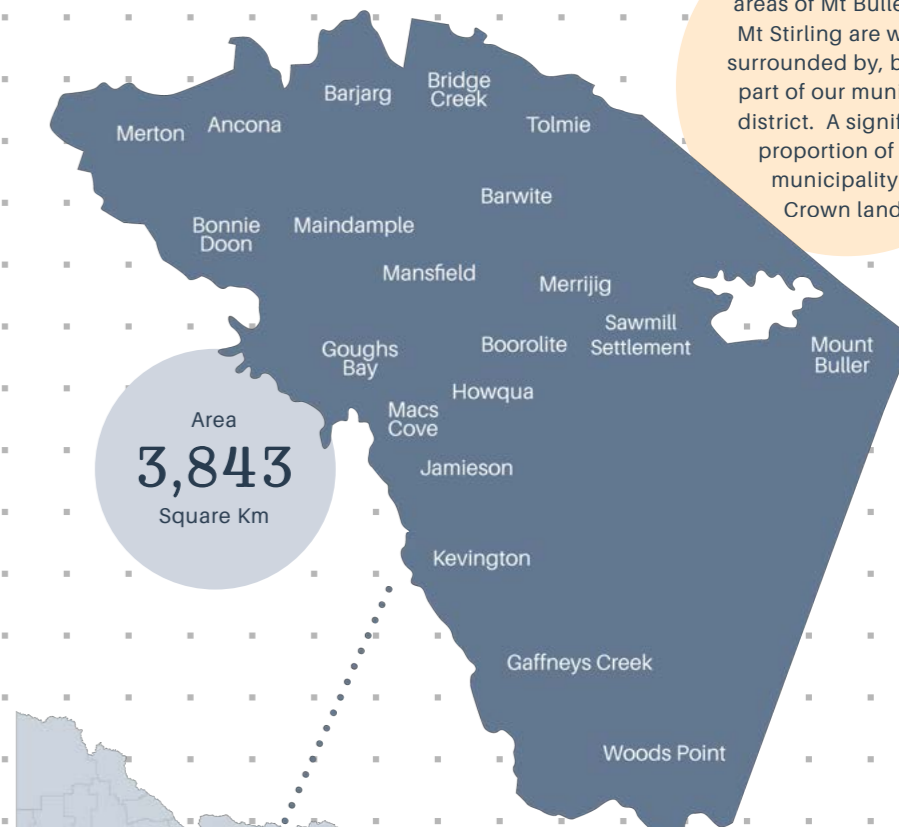
# Snapshot of Mansfield Shire

Mansfield Shire is home to the dramatic landscapes of Victoria's High Country. Visitors and locals agree you can really sense the personality of the place – it's about lifestyle, farming, all things outdoors and a "can do" attitude. Construction and property, agriculture and tourism underpin our Shire's strong economy, supported by a diverse range of commercial and service sectors.

Less than two hours north east of Melbourne, our municipality covers 3,843 square kilometres. Our Shire is home to Mt Buller and Mt Stirling Alpine Resorts (managed by the Mt Buller and Mt Stirling Alpine Resort Management Board), the Alpine National Park, and the second largest in-land waterway in Australia; Lake Eildon. Five major river systems, the Delatite, Howqua, Jamieson, Big and Goulburn, have their headwaters in the Shire and all flow into Lake Eildon.

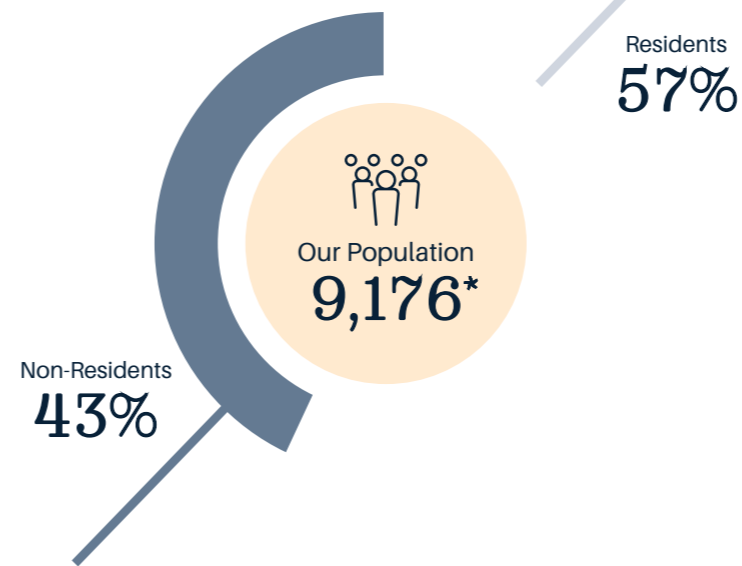
## Mansfield is central to many unique towns and villages including:

- + Ancona
- + Barjarg
- + Bonnie Doon
- + Boorolite
- + Bridge Creek
- + Gaffneys Creek
- + Goughs Bay
- + Howqua
- + Kevington
- + Macs Cove
- + Maindample
- + Merrijig
- + Merton
- + Sawmill Settlement/Alpine Ridge
- + Tolmie
- + Woods Point

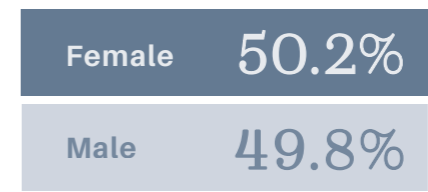


View of Mt Buller from Merrijig

Estimated population change 2.1%



\* knowyourcouncil.vic.gov.au



# Our Aspiration and values



## OUR ASPIRATION FOR THE SHIRE

We live, work and play in an inclusive, dynamic and prosperous place where community spirit is strong, and people are empowered to engage in issues that affect their lives.

## OUR ROLE IN REALISING THIS ASPIRATION

We cannot achieve our aspiration for the Shire alone. Everyone who lives, works and has a role to play in the services and facilities available to us must work constructively together to achieve our common goals.

The values that drive our Council and administration in the day to day functions are:

### Leadership

Addressing tough issues head on, being accountable for the decisions we make and planning for the long-term future and prosperity of this Shire. We take our role as advocates on behalf of the community very seriously and will work tirelessly to ensure our collective voice is heard.

### Collaboration

Working with our community and other key stakeholders to achieve the best possible outcome. Council cannot deliver our Council Plan without strong and productive partnerships with our community, local businesses, other levels of government and key service providers operating in our municipality.

### Integrity

Achieving the highest standards of good governance, transparency and accountability, driven by our Councillor Code of Conduct and Councillor Charter. We will keep an open mind on all issues until the time comes to decide. Conflicts of interest will be openly declared, and we will always follow the letter of the law in relation to this issue.

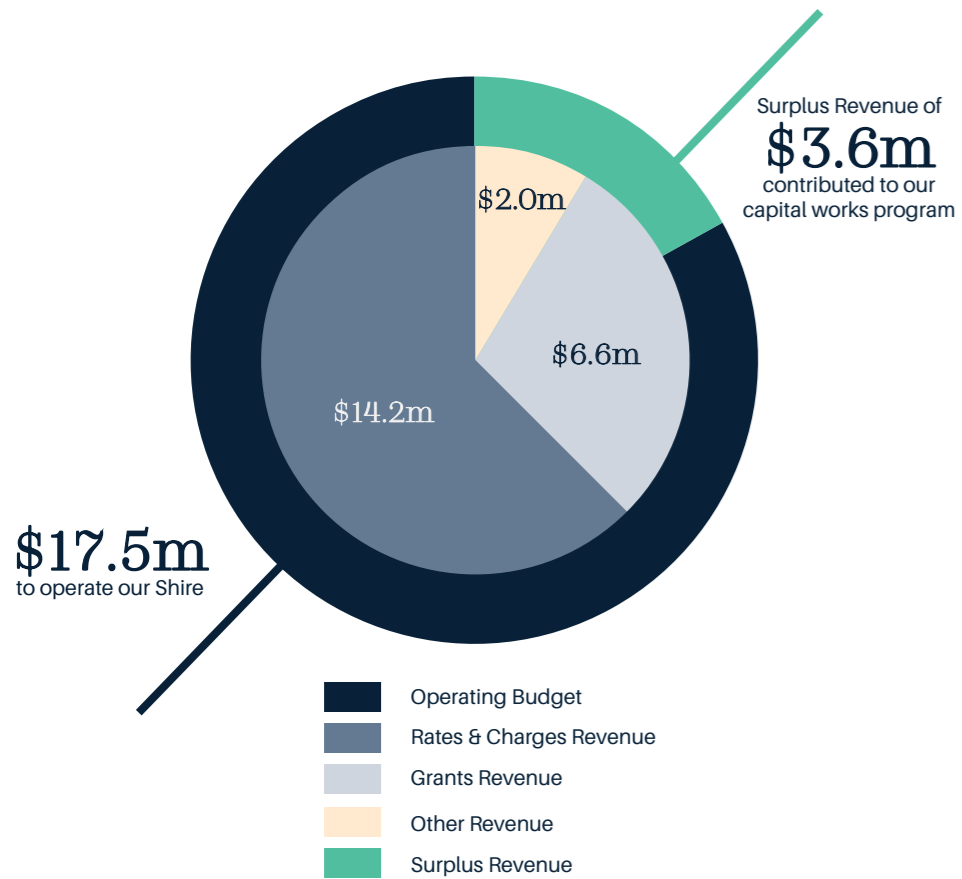
### Respect

Recognising and valuing the diversity of views and needs within our community. We believe it is important to create a respectful, supportive and fair environment where differences are valued and encouraged to support good decision making. Increased understanding and trust between Council and the community is an important way we can foster an inclusive, respectful society.

### Innovation

Exploring and embracing smarter ways to deliver our services. This includes looking at all options for new ways of working, embracing new technology and exploring shared services with other councils and service providers.

## OPERATING BUDGET



**ROADS** 821.27 kms total road network

### SWIMMING POOL

**16,724**

visits to the Mansfield Swimming Pool

### TAC L2P PROGRAM

Funding allocation for **15** learner drivers

- + 17 Active Learners each quarter
- + 11 Active volunteering Mentors
- + 8 learners obtained their probationary licence

### YOUTH CENTRE ATTENDANCE

**1,771** 12-17 yr olds AND **60** 18-25 yr olds

### LOCAL LAWS

**132** registered domestic animals returned to owners

### WASTE MANAGEMENT

**2,290** tonnes waste AND **1,258** tonnes recycling collected from kerbside service

### COMMUNITY GRANTS

**\$19,796**

provided to 4 groups through the Community Matching Fund

### COMMUNITY CARE

**19,404**

total hours of services provided to the community

- + Community members receiving delivered meals – 4,311 meals distributed to 57 recipients
- + Clients receiving assistance with personal care – 92
- + Carer's receiving respite support – 28
- + Clients receiving home support – 28
- + Clients participating in Council run social support groups - 66

### MATERNAL CHILD HEALTH

**61** infants enrolled in the MCH service (from birth notifications received)

**61** first home visits by MCH nurse

**23** first time mums

### IMMUNISATIONS

**221** Secondary School children were immunised

# Fast Facts



## THE LIBRARY

**44,398** library items loaned

**3,192** new titles added

**1,291** digital resources added

**2,214** people attended in-library programs (July – 24 March – closed 24 March – 9 June)

**179** in-library programs conducted (July – 24 March – closed 24 March – 9 June)

**28** Online Storytimes conducted (during closure)

**8000+** views (during closure)

# Highlights of the Year



## JULY 19

Council appointed **Ms Kaylene Conrick** to the position of Interim Chief Executive Officer.

**NAIDOC Week** was celebrated in Mansfield with a formal flag raising and morning tea event.

Youth Services conducted a **school holiday program** with several activities including: Bubble soccer, skateboard art workshop, dog obedience training, and NAIDOC week Taungurung art workshop.

## AUGUST 19

Our **Youth Strategy and Action Plan 2019-2023** was adopted by Council.

Council supported Telstra to organise the launch of the new **Woods Point phone tower**.

**Get Fit Get Active** day was attended by 30 participants who took part in Netball and Football skill sessions.

The Library celebrated **Book Week** with participation from Mansfield Kindergarten, Mansfield Primary School and Mansfield Cubby House.

## SEPTEMBER 19

**7,000 'Spring In' brochures** were distributed highlighting all the events Mansfield Shire had on offer.

**19 lifeguards** were recruited in preparation for the 2019-2020 swimming pool season.

Council appointed **Mr Peter Reeve** to the position of Interim Chief Executive Officer.

## OCTOBER 19

Approximately 500 people attended the **Emergency Services Expo**, which included displays and information from Victoria Police, CFA, SES, Ambulance Victoria, DELWP, Bush Search and Rescue, Rescue Dogs Australia, Mansfield District Hospital, Rotary and Mansfield Radio.

Victorian Electoral Commission commenced its **Representation Review** of Mansfield Shire, which evaluated the Electoral Ward Structure.

Council endorsed the Mansfield Shire Council Environment Strategy.

## NOVEMBER 19

**Cr Marg Attley** is elected **Mayor** of Mansfield Shire Council for a 12 month term.

The **16 days of Activism** Against Gender Based Violence campaign commenced on 25 November 2019.

The **Swimming Pool** opened on 16 November for the 2019-20 season and for the first time season passes could be purchased online.

Council's **three major events**, Mansfield High Country Festival, 10th Targa High Country and the Lake Eildon Festival were held.

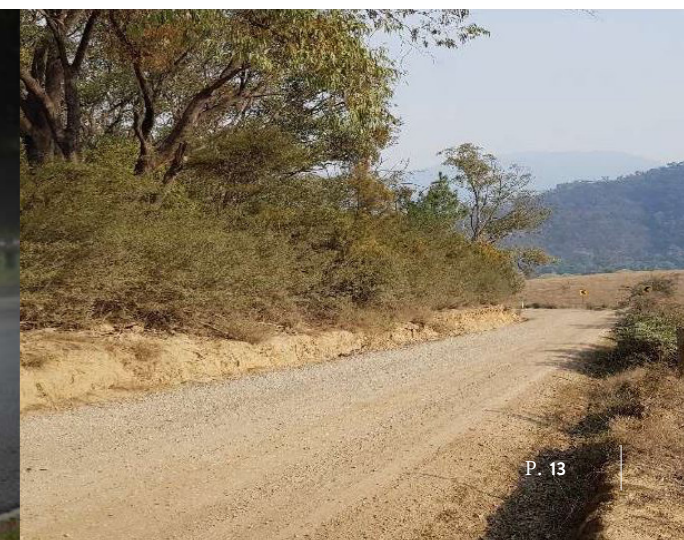
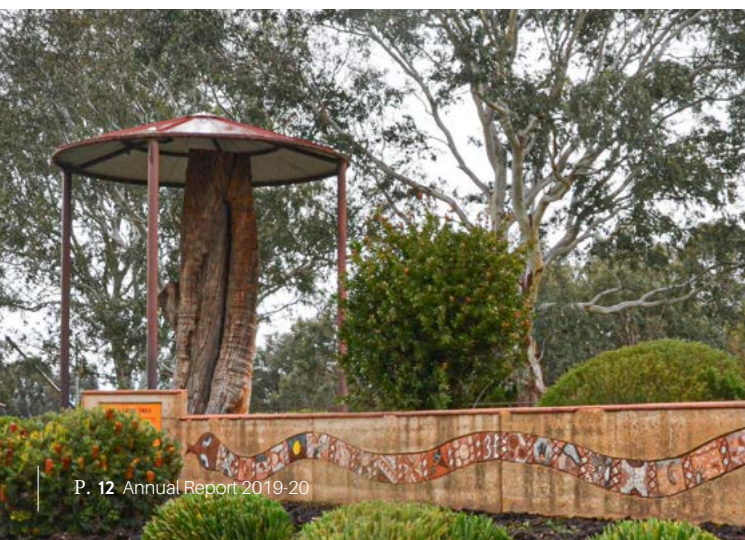
## Did You Know?

TARGA HIGH COUNTRY 2019 celebrated 10 years!

## DECEMBER 19

**Maintenance grading** was a major area of concentration for our Infrastructure team throughout December.

Council launched the **Buy Local** campaign.





## JANUARY 20

**Australia Day** celebrations were held across the Shire.

Mayor Attley congratulated the winners of the Australia Day Citizen awards, these being:

**Citizen of the Year;** Peter Coffey

**Senior Citizen of the Year;** Noel Willaton

**Young Citizen of the Year;** Rory Jenkins

**Community Event of the Year;** 2019 Merrijig Anzac Day Service

A community information meeting was held with representatives from Council, DELWP, Victoria Police, EPA, CFA, Mansfield and District Hospital and Regional Development Victoria regarding the declared **Bushfire State of Disaster**.

## FEBRUARY 20

Council welcomed new Chief Executive Officer, **Kaylene Conrick**.

Construction commenced on the new **Dual Court Stadium** at Mansfield Secondary College with an official 'sod turning' event with special guest, Senator Jane Hume.

13 young people participated in **Emerging Sounds**, a free songwriters and producers camp for young local musicians aged 12-18 years old.

## MARCH 20

**The March Council meeting** was held at the Performing Arts Centre to accommodate a large number of community members, in the emerging COVID-19 environment, to make deputations and observe Council's decision on the planning application for a convenience restaurant.

Council endorsed the renaming of Mt Battery to now be known as **Mt Battery/Beolite**.

The Victorian Electoral Commission (VEC) released its final report on Mansfield Shire Council's Representation Review on 25 March 2020. The VEC recommended that Mansfield Shire Council change to consist of five councillors elected from an **unsubdivided electoral structure**.

Council enacted its **Pandemic Management Plan** and **Business Continuity Plan** in response to the declared COVID-19 Pandemic.

The **Local Government Act 2020** received royal assent on 24 March 2020.

## APRIL 20

Council held its first livestreamed **virtual meeting** to comply with social distancing requirements under COVID-19 restrictions.

Four community groups received the Community Matching Fund 2020. They were: **Mansfield Community Radio, Tolmie Mechanics Institute and Recreation Reserve Committee Inc, Women in North East (WiNE) Network and Woods Point Cemetery Trust**.

Council's Proposed Annual Budget 2020-21 and Reviewed 2017-21 Council Plan and Draft Strategic Resource Plan 2020-24 was considered by Council and **released for public exhibition**.

## MAY 20

Council held **free business development workshops / digital training** programs designed to help local businesses improve their resilience and online presence.

Mansfield Shire residents aged 55 and over received letters from grade 6 students at Mansfield Primary School as part of an **Age-Friendly Initiative** to counteract social isolation and loneliness during the COVID-19 pandemic.

Mansfield Library's **online story-times** were held three times a week. The click/call and collect service continued with between five and 20 requests for books each day.

Council signed the grant agreement for **The Working for Victoria Fund** between the Department of Jobs, Precincts and Regions and Mansfield Shire Council.

The **Withers Lane Road** reconstruction project was completed.

## JUNE 20

Council endorsed the Mansfield Shire Council **Economic Development Strategy 2020-25**.

**Council reopened its doors** to the community after the forced shut down from the COVID-19 pandemic. (Customer Service Centre, Visitor Information Centre, Library and Youth Centre.)

Council endorsed the **Lake Eildon Masterplan** and four business cases for infrastructure projects.

The construction of the footpath along Mt Buller Road between Rowe Street and Timothy Lane commenced.





# The Year in Review

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# Mayors/CEO Message

This year will long be remembered due to Coronavirus and the impact it has had on our community and Council operations. While it presented many challenges, what shone through was Mansfield's wonderful community spirit. This was a year where we were required to be agile and adjust with every change while continuing our dual roles of service provision and planning for the longer-term future of our Shire.

The pandemic marked two distinct halves to the year, where July 2019 to January 2020 was business as usual. Council staff delivered our many services and supported the three major community and tourism events, all of which helped showcase the Mansfield area; the High Country Festival, Targa High Country rally and the Lake Eildon Festival.

Council appointed Kaylene Conrick as interim CEO. We endorsed the new Youth Strategy and Action Plan and the Environment Strategy; two plans that set us up for the future.

We also increased our focus on community engagement in line with our aspiration that our community is an inclusive, dynamic and prosperous place where community spirit is strong, and people are empowered to engage in issues that affect their lives.

Never was the strength of our community spirit more on display than in the second half of the year. While bushfires, storms and electrical outages affected our businesses due to reductions in visitor numbers, the declaration of the Bushfire State of Disaster meant our teams and our community were called on to support the community, especially our most vulnerable members. This time featured collaboration with government agencies and local networks.

With the arrival of Coronavirus restrictions in March, the calibre of these partnerships was highlighted further. We thank the many government agencies, the Mansfield and District Hospital, police and medical practices for their combined efforts to keep our community safe from the virus. The business community including the providers of essentials such as food and medications also worked together to support our residents.

## COMMUNITY SPIRIT AND PLANNING FOR THE FUTURE

Council enacted its Pandemic Management Plan and Business Continuity Plan. To protect staff, the community and comply with social distancing restrictions we changed how we operated, with most staff working from home. The restrictions meant some services such as our Planned Activity Groups could not be held in-person and our library and customer service centres were closed. So, our creative staff developed ways to support participants and others in our community remotely. We sent care packs and established a telephone relief hotline to answer community questions, give advice and referrals about food, accommodation, psychosocial support and other services.

The restrictions and initial lockdown had a significant impact on our community and individuals' employment or business incomes. We introduced rates assistance, an interest amnesty, payment plans and payment extensions for those facing financial difficulty in paying their rates; this extends to December 2020.

Our sound financial position allowed us to do this. The budget for the year of \$17.5million included attracting \$6.6million in grants revenue, mostly for capital works. The biggest project of the year was the dual court stadium development. It was heartening to see work start as planned. The project will boost the economy during the construction phase and provide ongoing health and wellbeing benefits once it is complete.

Kaylene Conrick started in the permanent role of CEO at the end of February. Since then she has been leading our staff who have gone above and beyond for their community at a critical time. We both acknowledge and thank our staff for their professional and caring dedication to their community while also continuing to deliver services and commitments made in our Council Plan.

Council endorsed the Economic Development Strategy and the Lake Eildon Masterplan and four business cases. These are both important for helping re-invigorate our local economy.

This year the Victorian Electoral Commission undertook a representation review, evaluating the electoral ward structure. It determined that going forward, Mansfield Shire residents and ratepayers will be represented by five councillors from an unsubdivided municipality.

Finally, we thank our Councillors for their commitment to our community and together we look forward to the next year and Mansfield's continued prosperity.



**KAYLENE CONRICK**  
CHIEF EXECUTIVE OFFICER



**CR MARG ATTLEY OAM**  
MAYOR

# Financial Summary

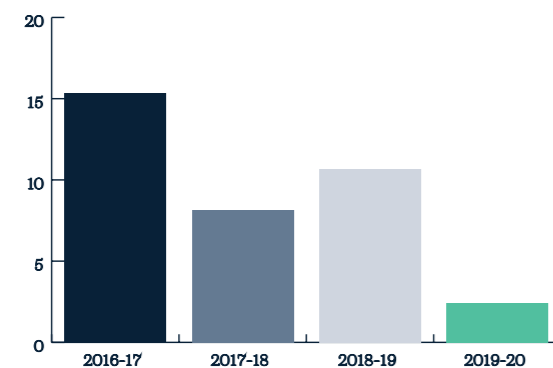
Council's financial position remains sound. A summary of our performance is outlined below. Detailed information relating to Council's financial performance is included within the financial statements and performance statement sections of this report.

## OPERATING BUDGET

Council achieved a surplus of \$3.6 million in 2019-20. The surplus is \$1.6 million (30%) lower than the prior year surplus of \$5.2 million. As per the Comprehensive Income Statement in the Financial Report, the variance is due mainly to an increase in operating expenditure of \$1.8 million (11%), driven by a budgeted 10% increase in employee costs due to an increase in full time equivalent head count, and the unplanned first year impact of bringing the operation of the Resource Recovery Centre in-house.

The adjusted underlying surplus of Council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a surplus of \$0.5 million or 2% when compared to adjusted underlying revenue. This compares equally to the expected target of 2%. Sustaining an adjusted underlying surplus is a critical financial strategy to provide capacity to renew the \$180 million of community assets under council's control.

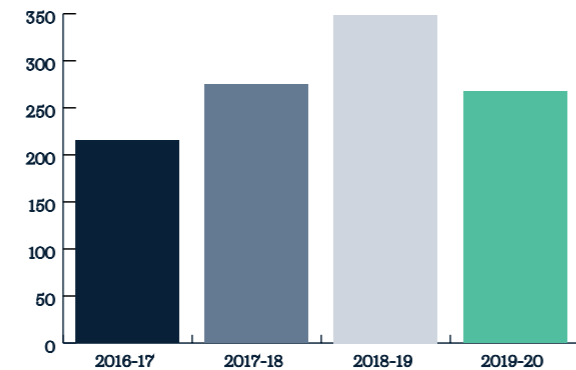
ADJUSTED UNDERLYING RESULT RATIO %



**2.4%** Adjusted underlying surplus

## LIQUIDITY

WORKING CAPITAL RATIO %



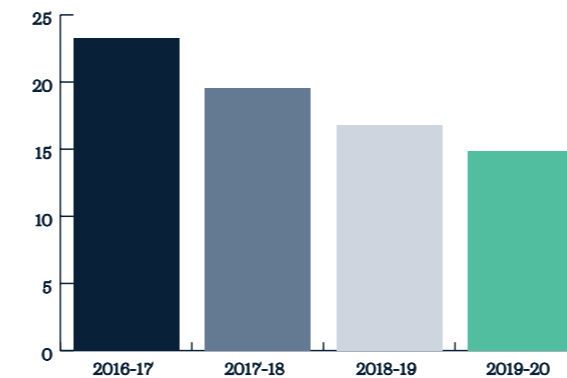
Increase in Cash & Financial Assets  
**\$1.9m**

Cash and Financial Assets (term deposits with a maturity date beyond 3 months) have increased by \$1.9 million from the prior year mainly due to approximately \$1.5 million grant funding amounts received in advance for bushfire recovery and the View Street upgrade. The working capital ratio which assesses Council's ability to meet current commitments is calculated by measuring Council's current assets as a percentage of current liabilities. Council's result of 303% is an indicator of satisfactory financial position and beyond the expected target of 250%.

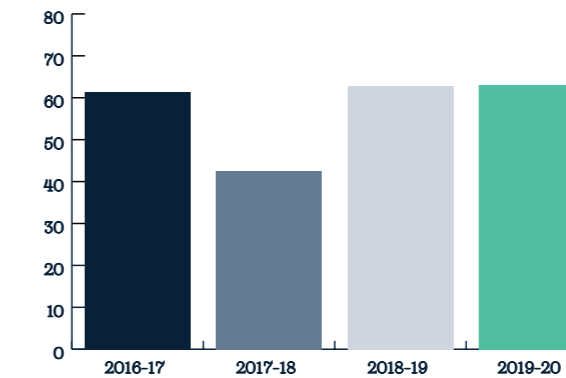
## OBLIGATIONS

Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. Council invested \$2.4 million in renewal and upgrade works during the 2019-20 year. This was funded from operations and grants. At the end of the 2019-20 year Council's debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, was 15% and lower than the expected target of 22%. Council's asset renewal ratio, which is measured by comparing asset renewal expenditure to depreciation, was 63%. While below the expected target of 111%, the ratio is consistent with the prior year.

LOANS & BORROWING RATIO %



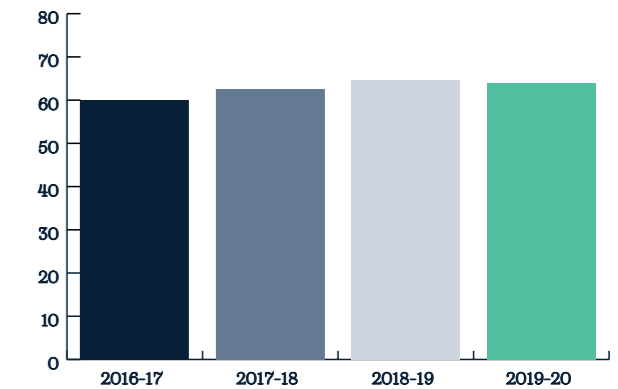
ASSET RENEWAL RATIO %



**63%** 2019-20 Asset Renewal Ratio is consistent with 2018-19.

## STABILITY & EFFICIENCY

RATES CONCENTRATION RATIO %



**65%** Council Rate Concentration

Council raises a wide range of revenues including rates, user fees, fines, grants and contributions. Despite this, Council's rates concentration, which compares rate revenue to adjusted underlying revenue, was 65% for the 2019-20 year. This is higher than the expected target of 54%, indicating a less diverse revenue base.

# Major Capital Works

**\$3.2m** worth of capital projects were undertaken during 2019-2020.

Our Capital Works Program assists in improving the amenity and quality of community assets in our municipality. Following is a summary of some of the key projects delivered.



More information on Council's Capital Works and Expenditure can be found in the Financial Statements within this report.

## COMPLETED PROJECTS

## WORKS STILL IN PROGRESS

**\$1.115m**  
Withers Lane road upgrade and new walking path.

**\$590k**  
Resheeting of the unsealed road network.

**\$168k**  
Refurbishment of the Highbett Street public toilet facilities.

**\$142k**  
Mansfield Sporting Complex heating & cooling installation.

**\$101k**  
Kitchen refurbishment and carpet replacement at municipal office.

**\$1.678m**  
Dual court indoor stadium (funded by a federal government grant, in conjunction with the Mansfield Secondary College and the Department of Education).

**\$83K**  
Ryan Street upgrade (under a special charge scheme).

**\$74K**  
Mansfield Swimming Pool replacement of sand filters.

**\$59K**  
A perimeter fence to the Malcolm Street soccer field and community kitchen upgrades.

**\$32K**  
Construction of the new e-waste shed at the Resource Recovery Centre.

**\$14K**  
Radio Frequency technology at the Mansfield library.

**\$146K**  
New footpath on Mt Buller Rd (from Timothy Lane to Reardon Lane) connecting the Mansfield Holiday Park to the central pedestrian network.



**MANSFIELD ROUNDABOUT TOILETS REFURBISHMENT**

The facility received a comprehensive re-fit with works consisting of epoxy floor coating, wall tiling, new toilets, basins, auto sensor tapware and extra natural lighting.

An additional ambulant toilet was added to the men's toilet to make the facility more accessible. Total cost of the project was \$162,884, wholly funded by Council.

**RYAN STREET UPGRADE**

The existing unsealed road surface and open channel drainage on Ryan Street was upgraded to include a sealed road surface and kerb and channel.

The total cost of the project was \$82,747, of which \$39,752 was funded by adjoining land holders through a special charge scheme.

**ADDITIONAL PLAYING FIELDS**

Improvements were made at the Additional Playing Fields with the installation of a perimeter fence for the playing area. The kitchen was also upgraded with new cabinetry and appliances within the shed. Total project cost was \$58,922.52

**MANSFIELD SPORTS COMPLEX HEATING & COOLING UPGRADE**

The Mansfield Sports Complex received a welcome upgrade with ducted heating and cooling to provide year-round comfort for users. Total cost of the project was \$142,392.

**MANSFIELD SWIMMING POOL SAND FILTERS**

The large sand filters for the main pool were coming to the end of their life and needed replacement.

They were replaced with two new vessels and sand which will provide for better water quality for users.

Total cost of the project was \$73,969.

**WITHERS LANE UPGRADE**

The existing unsealed road surface of Withers Lane from the Maroondah Highway to 550 meters north along Withers Lane was reconstructed to include a sealed road surface, underground drainage, water main replacement, kerb and channel and a shared gravel pathway.

The total project cost of \$1.115 million included \$141,529.54 from the developer of Stockmans' Rise and \$59,549 from Goulburn Valley Water for the water main replacement.

**RESHEET PROGRAM**

Gravel resheeting is the process of applying a layer of gravel (typically 100mm) to a section of unsealed road. As part of the annual unsealed road renewal program, 18.865 km of resheeting was delivered across the following roads for total cost of \$590,313:

- Royaltown Road, Mairdample
- Donkey Hill road, Barjarg
- Magills Lane, Barjarg
- Donaldsons Road, Ancona
- Mitchells Road, Ancona
- Fridays Road, Barwite
- Long Lane, Barwite
- Woolshed Lane, Ancona.

# Community Festivals & Events

We support our community to get together and celebrate what is special about Mansfield Shire through a range of community festivals and events.

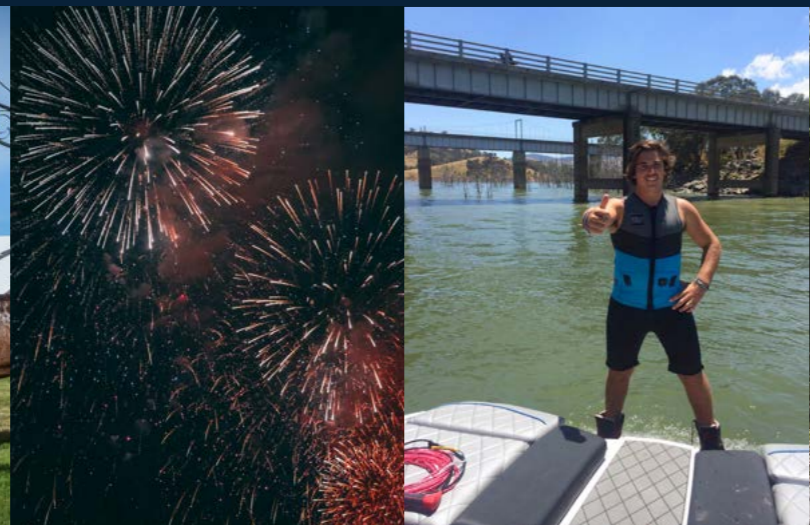
## MANSFIELD HIGH COUNTRY FESTIVAL



The Mansfield High Country Festival celebrated its 37th year with more than 30 diverse events held over five days in November. A large collective of community groups created a significant themed, high quality event that featured heritage, art exhibitions, performance, music, bush markets, a grand parade, the Melbourne Cup Day picnic race meeting and food and wine events.

It provided an opportunity for young people to be heard, artists and musicians to showcase original work, for community groups to celebrate together and to welcome friends and visitors to the region. It was a wonderful platform to educate people about and highlight little known elements of High Country lifestyles.

## LAKE EILDON FESTIVAL



The official opening of the water sport season took place at Bonnie Doon and Goughs Bay as part of the **Lake Eildon Festival**. In its fourth year, the festival, held on the fourth Saturday in November, was an action packed weekend with on-water demonstrations by some big-name board riders.

Boat displays, 12 metre atomic drop water slide, food stalls, twilight market, kids' activities, kayaking, fishing and live music were a hit for families attending. The night finished off with a spectacular fireworks display on the lake. The Festival continues to be a highly anticipated event in the spring calendar.

## JAYCO HERALD SUN TOUR



The 67th Jayco Herald Sun Tour chose Mansfield and Mt Buller as the second last stage for this iconic event on February 8. Over 130 elite cyclists rode to Mt Buller via Tolmie.

The entire event was televised and live streamed nationally and internationally which provided Mansfield with wonderful exposure as a cycling destination.

# 10 YEARS OF TARGA HIGH COUNTRY

Targa High Country celebrated its 10th anniversary with added attractions for Targa Fest and the highest number of entries in the rally. The event was held from 8-10 November, attracted more than 2,000 visitors to our area and was televised to a national and international audience. Council has secured this event until at least 2021, confirming that our region is a drawcard for many national events.



Unfortunately, due to COVID-19 the much-loved winter solstice event, the Mansfield Lantern Festival did not occur.

## MANSFIELD LANTERN FESTIVAL

# Mansfield Community Citizen Awards 2020

Each year Council presents the Mansfield Shire Australia Day Awards as part of Mansfield's Australia Day celebrations. These awards acknowledge community service at a local level, and are administered through a nomination and assessment program.

In 2019-20 the awards were presented in four categories -

- + **Citizen of the Year**
- + **Young Citizen of the Year**
- + **Senior Citizen of the Year**
- + **Community Event of the Year**

## PETER COFFEY ~ CITIZEN OF THE YEAR

**Peter Coffey** was named Citizen of the Year for his tireless dedication to the 1st Mansfield Scout Group and every child involved. As the Group Leader for all levels of Scouting, supporting children from five years of age to late teens, Peter has been instrumental in creating a thriving Scout Group in Mansfield.

He has always given an enormous amount of his time and organisational skills to the group on weekly activities, camps and community-based activities which provide an outlet that is community service orientated and outdoor focused in a time when parents are struggling to provide these opportunities and to limit screen time.

The other very worthy nominees were Gill Belle, Brydie Smith and joint nominees Dean and Gill Belle.



## RORY JENKINS YOUNG CITIZEN OF THE YEAR



Young Citizen of the Year was awarded to **Rory Jenkins** (pictured above left), who is an outstanding young person who actively contributes to community events.

Rory has been instrumental in the success of the Mansfield Secondary Eco-Club, bringing his passion for sustainability and global awareness to his peers. He is an all-round good influence on his peers.

Other nominees in this category were Talitha Annuscheit and Tess Rekers.



**Dr Nouria Salehi AM** was Mansfield's Australia Day Ambassador. She is a Member of the Order of Australia for significant service to the Afghan, migrant, and refugee communities and continues to assist Afghan refugee widows and their children in Pakistan.

## NOEL WILLATON SENIOR CITIZEN OF THE YEAR



**Noel Willaton** was named Senior Citizen of the Year for being an extraordinary community-minded person who has been involved in multiple community organisations, delivering a range of initiatives and projects which have benefited the community in general.

His drive and leadership, energy and resilience are contagious and ensure that he successfully delivers on any project that he attempts. This ultimately provides huge benefits for his beloved community.

Other nominees in this category were Genevieve Bolwell and Ross Vaughan.

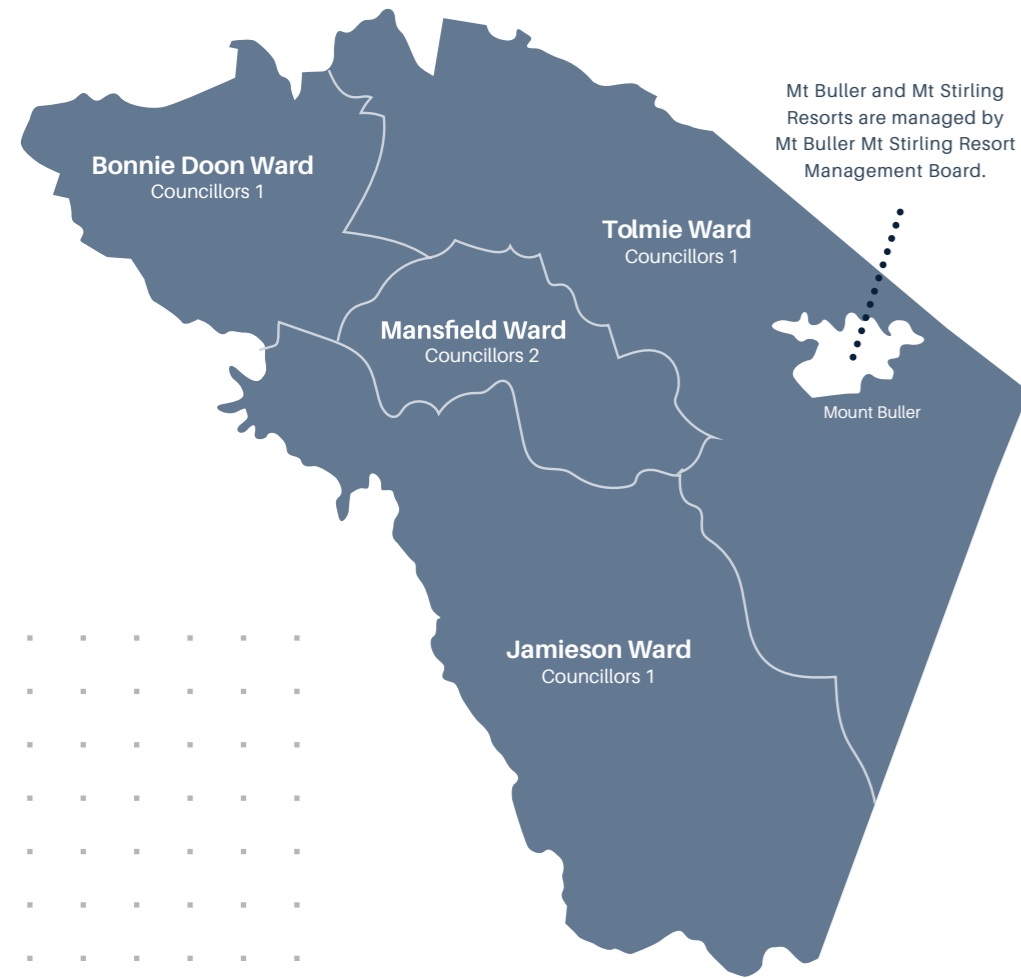
## THE MERRIJIG HALL COMMITTEE FOR THE 2019 ANZAC DAY SERVICE COMMUNITY EVENT OF THE YEAR



Community Event of the Year was awarded to **The Merrijig Hall Committee for the 2019 Anzac Day Service**. This service has continued to grow since its inception in 2008, thanks largely to the continued refurbishment and improvement of the Merrijig War and Service Memorial Park.

The Merrijig Anzac Day event is unique due to the inclusion of mounted horsemen who meet at the Hunt Club Hotel for the procession to the Memorial, prior to commencement of the service at 6.30 am. The 2019 event had an enormous attendance of 650 people with 89 horse riders and more than 280 people enjoying a hot breakfast at the newly completed Gunfire Shelter. This event is a wonderful way for the Merrijig community to come together to acknowledge Anzac Day.

Other nominations received for Community Event of the Year were The Emergency Services Expo, the Botanic Park Run and the Rotary Club's Sportsman of the Year Awards.



Mansfield Shire Council is divided into four Wards:

- BONNIE DOON** Including Ancona, Bonnie Doon, Maindample and Merton
- JAMIESON** Including Gaffneys Creek, Goughs Bay, Howqua, Jamieson, Kevington, Macs Cove and Woods Point
- MANSFIELD** Including Boorolite and Mansfield
- TOLMIE** Including Barjarg, Bridge Creek, Merrijig and Sawmill Settlement

All Wards are represented by one Councillor with the exception of Mansfield Ward, which had two.

## CR MARG ATTLEY ~ MAYOR

First elected October 2005  
 Re-elected October 2008, 2012 and 2016  
 (Tolmie Ward)

Contact: 0428 698 046  
[marg.attley@mansfield.vic.gov.au](mailto:marg.attley@mansfield.vic.gov.au)



## CR PETER OLVER ~ DEPUTY MAYOR

First elected October 2016  
 (Mansfield Ward)

Contact: 0429 109 453  
[peter.olver@mansfield.vic.gov.au](mailto:peter.olver@mansfield.vic.gov.au)





# Our Councillors

## CR HARRY WESTENDORP

First elected October 2016  
(Jamieson Ward)

Contact: 0428 975 279  
[harry.westendorp@mansfield.vic.gov.au](mailto:harry.westendorp@mansfield.vic.gov.au)



## CR PAUL SLADDIN

First elected October 2012  
Re-elected October 2016  
(Bonnie Doon Ward)

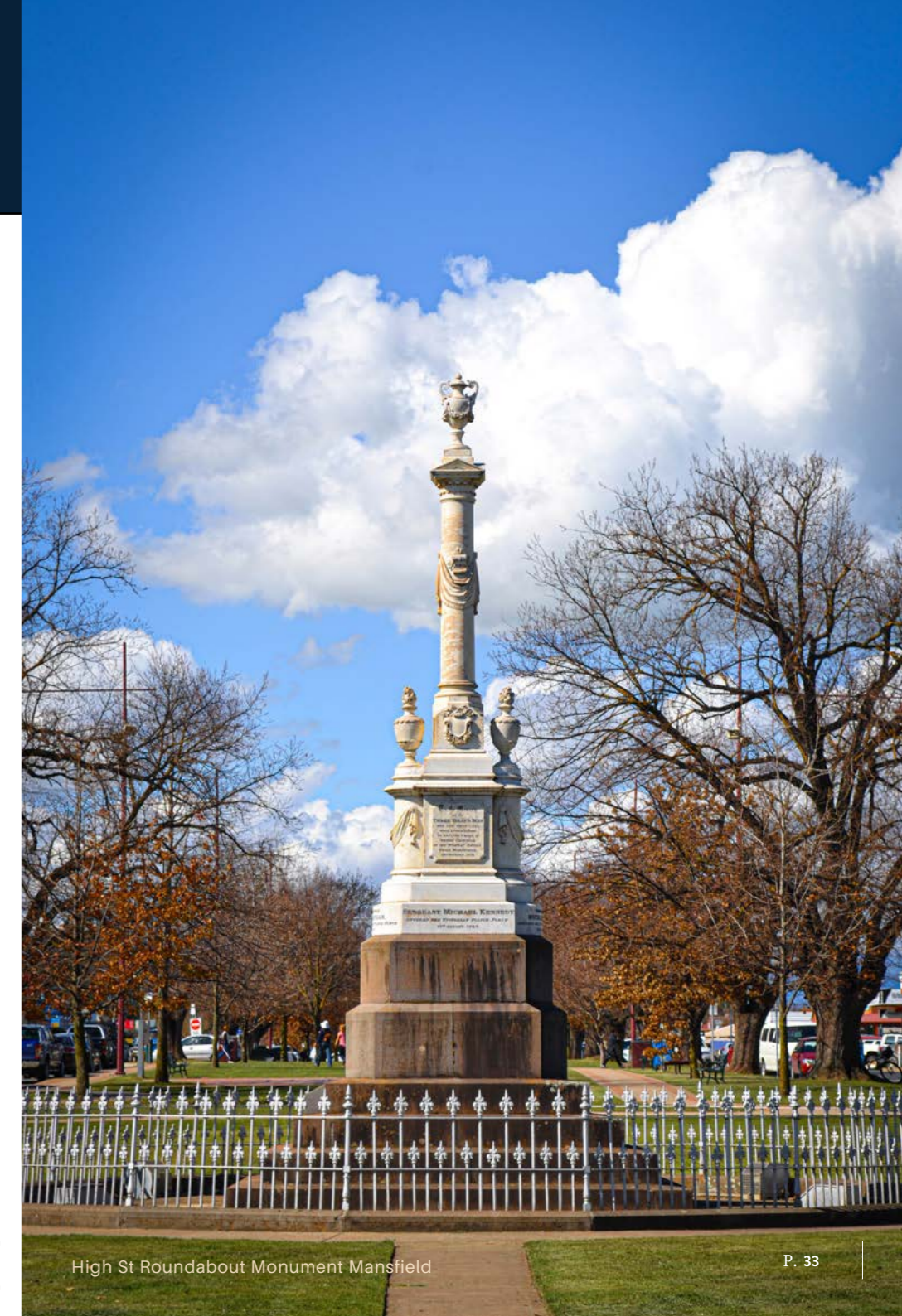
Contact: 0428 900 573  
[paul.sladdin@mansfield.vic.gov.au](mailto:paul.sladdin@mansfield.vic.gov.au)



## CR PAUL VOLKERING

First elected October 2016  
(Mansfield Ward)

Contact: 0429 507 140  
[paul.volkering@mansfield.vic.gov.au](mailto:paul.volkering@mansfield.vic.gov.au)



# Our People

Council sets the overall direction for our Shire through long-term planning and has responsibility for setting the strategic direction for the municipality, identifying service standards and monitoring performance across the organisation. Setting the vision, and then ensuring that it is achieved, is one of Council's most important roles.

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day to day management of operations in accordance with the strategic directions of our Council Plan.

Our CEO and five managers form the Executive Management Team (EMT) that lead the organisation.

EMT's role is to provide advice to Council to assist decision-making, implement Council decisions and oversee the delivery of services. EMT is supported by officers and has responsibility for ensuring policies and directions set by the Council are adhered to.



**KAYLENE CONRICK**  
CHIEF EXECUTIVE OFFICER

#### **Masters in Business Administration (Public Administration)**

Kaylene was appointed CEO of Mansfield Shire Council at the beginning of 2020 following a distinguished and extensive career in local government spanning almost 30 years. Kaylene holds a Masters in Business Administration (Public Administration) with career highlights including CEO roles at Queenscliff, Hepburn and at Litchfield in the Northern Territory.

#### **Areas of Responsibility**

- + Advocacy
- + Business improvement
- + Council support and governance
- + Resource management
- + Communications
- + Relationships and public relations
- + Performance reporting



**MELANIE HOTTON**  
COMMUNITY SERVICES MANAGER

#### **Bachelor of Business (Property)**

Melanie started with Council in June 2016. Prior to this she worked for the Victorian government developing and implementing social policy. Her previous roles included regional executive director with the Department of Housing for the Northern Territory government and Community Manager with Nakheel - a property arm of the Dubai government. Melanie is currently studying her MBA.

#### **Areas of Responsibility**

- + Community development
- + Aged and disability services
- + Family support
- + Financial counselling
- + Maternal and child services
- + Youth services
- + Sport and recreation
- + Emergency management relief and recovery
- + Tourism
- + Business and industry development
- + Community health and wellbeing
- + Arts, culture and events
- + Community planning



**MANDY KYNNERSLEY**  
FINANCE MANAGER

#### **Chartered Accountant, Bachelor of Business (Accounting)**

Mandy commenced with Council in January 2017. She has held previous management roles at the Mt Buller and Mt Stirling Alpine Resort Management Board and Pricewaterhouse-Coopers (PwC).

#### **Areas of Responsibility**

- + Financial management and reporting
- + Strategic financial planning
- + Accounts payable and receivable
- + Payroll
- + Property and rates
- + Governance
- + Risk management
- + Procurement
- + Corporate reporting



**BEN MCKAY**  
DEVELOPMENT SERVICES MANAGER

**Masters of Urban and Regional Planning**

Ben was appointed to this role in September 2018. Previously he worked for GHD, a global engineering company, on permanent secondment to Main Roads. Ben held management roles within local and state government in Western Australia for the past 15 years. Ben is currently studying his MBA.

**Areas of Responsibility**

- + Statutory and strategic planning
- + Planning enforcement
- + Building compliance
- + Local laws
- + Environmental health
- + Environmental management and planning
- + Environmental education and awareness
- + Fire management and prevention
- + Emergency management
- + Waste management



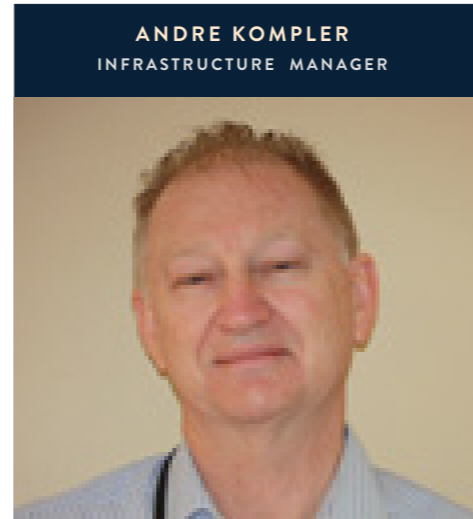
**SHARON SCOTT**  
CORPORATE & ORGANISATIONAL SERVICES MANAGER

**Advanced Diploma Management (Human Resources)**

Sharon has been with Council since January 2013. Prior to this she ran her own HR consulting business. Her previous roles include regional human resources manager Asia Pacific with Evonik Degussa and senior human resources business partner Victoria with Fujitsu Australia.

**Areas of Responsibility**

- + Human resources
- + Industrial relations
- + Learning and development
- + Recruitment
- + Occupational Health and Safety
- + WorkCover
- + Information Technology services
- + Customer service
- + Record management



**ANDRE KOMPLER**  
INFRASTRUCTURE MANAGER

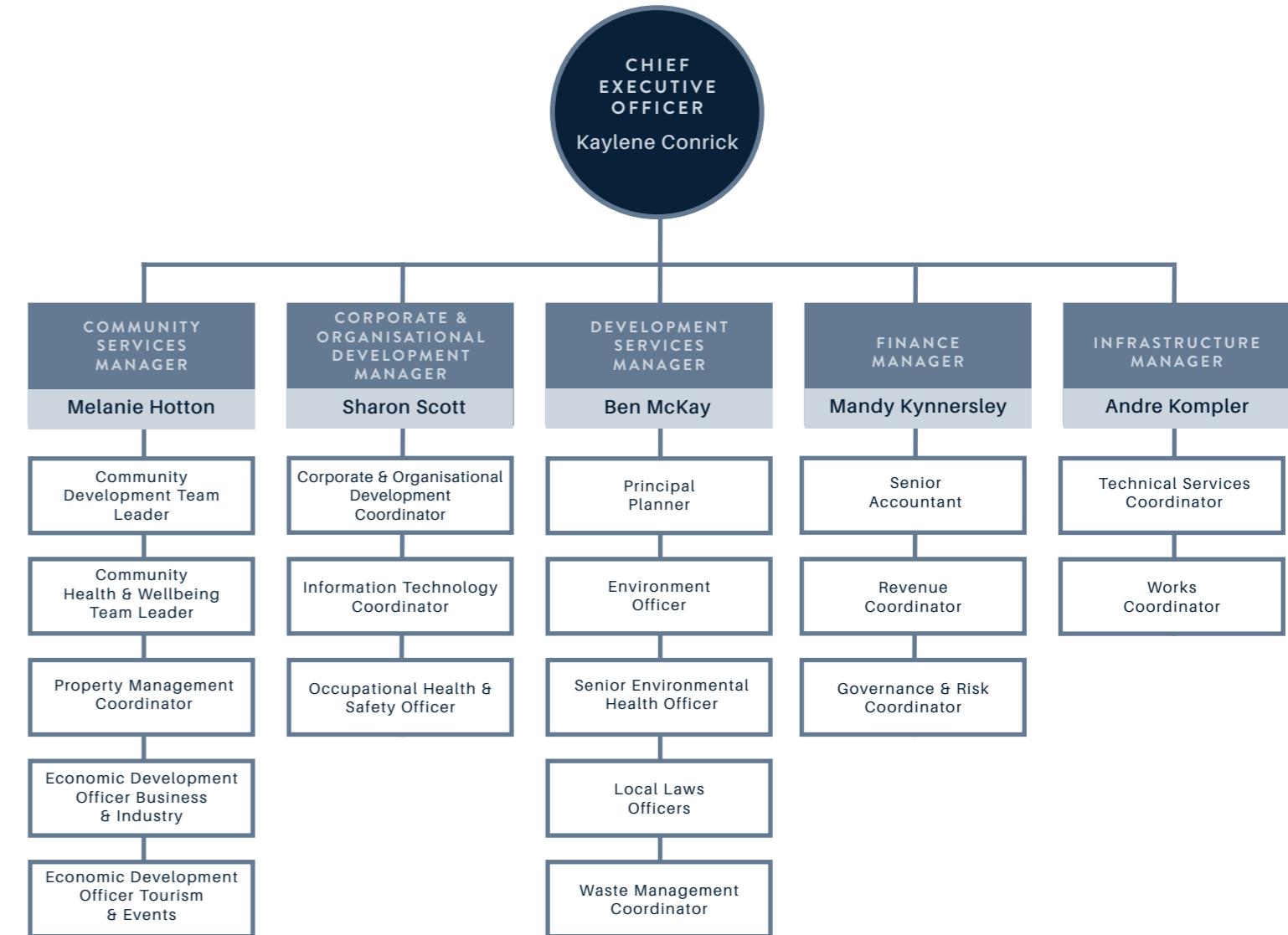
**Bachelor of Civil Engineering, Graduate Diploma Technology Management, Graduate Australian Institute of Company Directors**

Andre comes with 30 years private sector and government infrastructure experience. Over the past 10 years he has served several NSW and Victorian Councils as; Director Regional Services, Director Engineering, GM Projects and Chief Operating Officer working across engineering, project, asset management and statutory planning. In 2019 Andre joined Council for a fixed term to assist during a time of transition.

**Areas of Responsibility**

- + Asset management systems and planning
- + Capital works development and delivery
- + Project planning and programming
- + Engineering assessment, design and long-term infrastructure strategic planning
- + Contracts management
- + Bridge assessments
- + Roads maintenance and construction
- + Parks and gardens maintenance
- + Plant, fleet and workshop management
- + Standards, policy & planning referrals
- + Emergency management support

Council has **five departmental managers** reporting to the Chief Executive Officer. The departments are; Community Services, Corporate and Organisational Development, Development Services, Finance and Infrastructure. Each of these departments is made up of individual units, led by a senior officer. The Chief Executive Officer is directly accountable to Council, which is elected by Mansfield Shire ratepayers.



**BANDS 1,2 AND 3** - predominantly outdoor & community care workers

**BANDS 4 AND 5** - administrative staff

**BANDS 6 AND 7** - predominantly technical specialists, team leaders and co-ordinators

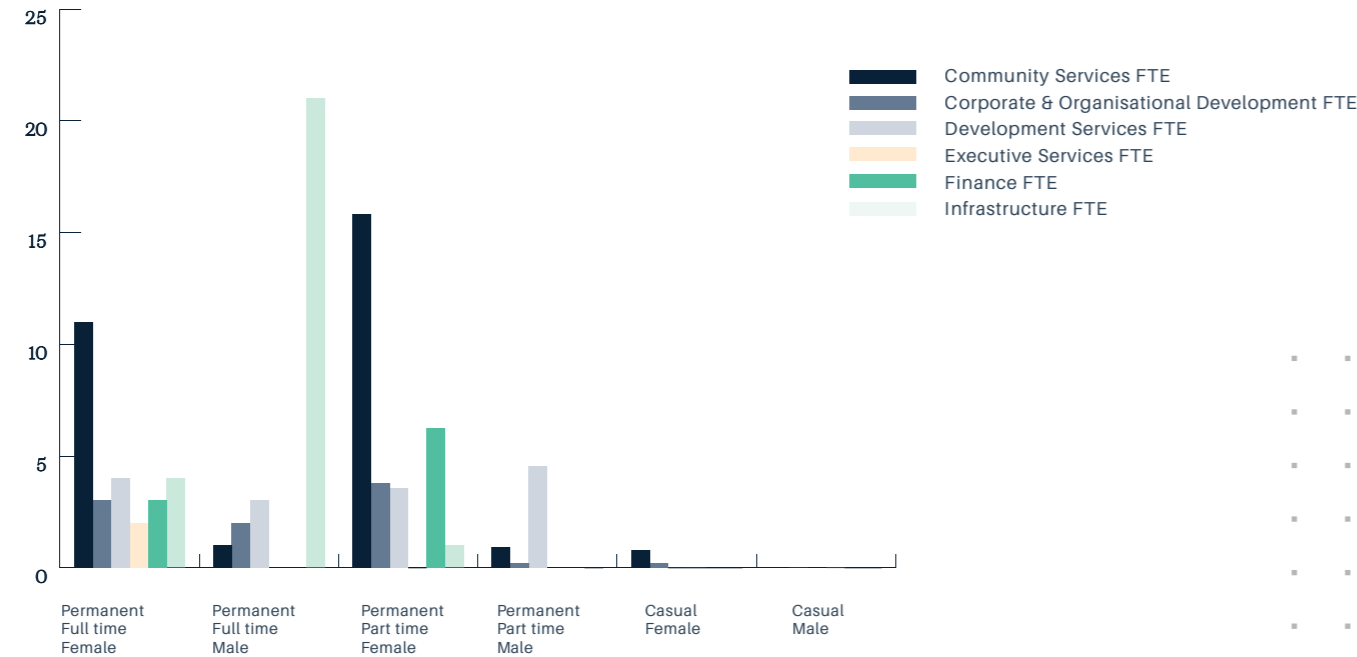
**BAND 8** - highly specialised, technical experts who also have a supervisory role

Summary of full-time equivalent Council staff by employment classification, employment type and gender.

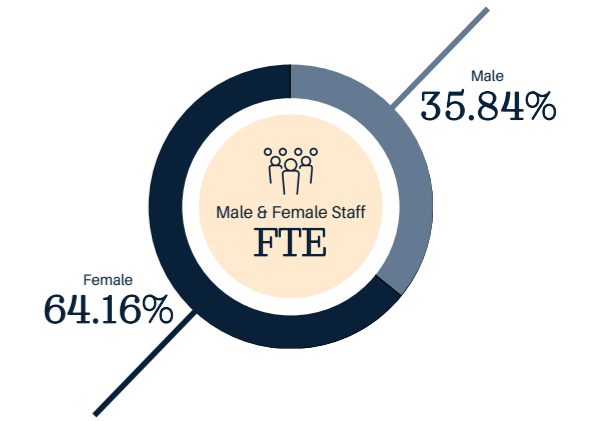
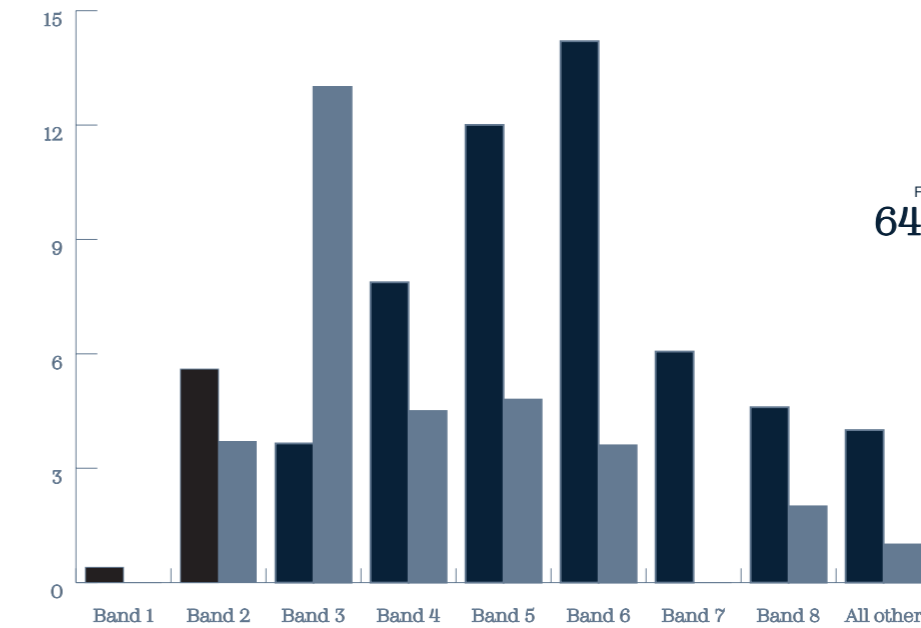
	COMMUNITY SERVICES FTE	CORPORATE & ORGANISATIONAL DEVELOPMENT FTE	DEVELOPMENT SERVICES FTE	EXECUTIVE SERVICES FTE	FINANCE FTE	INFRASTRUCTURE FTE	TOTAL FTE
Permanent Full-time - Female	11	3	4	2	3	4	27
Permanent Full-time Male	1	2	3	0	0	21	27
Permanent Part-time - Female	15.81	3.8	3.54	0	6.24	1	30.39
Permanent Part-time - Male	0.9	0.2	4.52	0	0		5.62
Casual - Female	0.8	0.2	0	0	0		1
Casual Male	0	0	0	0	0		0
	<b>29.51</b>	<b>9.2</b>	<b>15.06</b>	<b>2</b>	<b>9.24</b>	<b>26</b>	<b>91.01</b>

Summary full-time equivalent Council staff by employment classification and gender.

	BAND 1	BAND 2	BAND 3	BAND 4	BAND 5	BAND 6	BAND 7	BAND 8	ALL OTHER	TOTAL FTE
Female	0.4	5.6	3.65	7.88	12.00	14.2	6.06	4.6	4	58.39
Male	0	3.72	13	4.5	4.8	3.6	0	2	1	32.62
	<b>0.4</b>	<b>9.32</b>	<b>16.65</b>	<b>12.38</b>	<b>16.80</b>	<b>17.8</b>	<b>6.06</b>	<b>6.6</b>	<b>5</b>	<b>91.01</b>



Female  
Male



91.01

Total full-time equivalent Council staff



# COVID—19 Pandemic

Although office doors were closed to the general public for face-to-face business in late March 2020, Council continued to provide essential services to the community.

For our outdoor team, however, it was business as usual with appropriate measures for social distancing implemented. Council established the one-person, one-vehicle rule, and put in place the requirement that all vehicles were wiped down first thing each morning and at the end of the day.

Council reopened its doors for limited face-to-face service on 1 June 2020.

As at 30 June 2020, 51 employees were working remotely, and a small team of 14 continued to work from Council offices.

Mansfield Shire Council Municipal Office

Council recognises that our employees are the foundation of our success. It is our intent to foster their engagement, motivation, skills and experience to ensure a strong and stable future for our workforce and community.

# Our Staff

## EQUAL OPPORTUNITY EMPLOYMENT

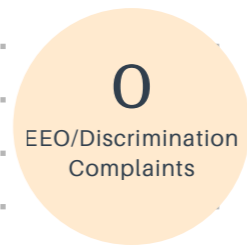
We are fully committed to the principles of equal employment opportunity and the establishment and maintenance of a non-discriminatory work environment. We treat all individuals employed, or those considered for employment, on a merit basis according to their skills, aptitude, qualifications and experience, relevant to the work to be performed.

Our commitment to EEO is covered in Council’s Enterprise Agreement 2019, and through Council’s Staff Code of Conduct, Equal Opportunity and Human Rights Policy and Bullying and Harassment Policy.

We commit to compliance with EEO and anti-discrimination legislation by promoting equality of opportunity and the elimination of discrimination in employment policies and practices in accordance with the Equal Opportunity Act 2010.

There were no EEO/discrimination related complaints raised during 2019-2020.

Compliance with EEO requirements is monitored by the Corporate and Organisational Development Department.



## EMPLOYMENT CONDITIONS

Our employees are covered by the **Mansfield Shire Enterprise Agreement (EA)** which came into effect on 10 May 2019. The EA covers the terms and conditions of employment and is due to expire on 7 November 2020.

Council offers a range of benefits to its employees, including:

- + Employee Assistance Program (for employees experiencing personal or work related difficulties)
- + Health checks and flu shots
- + Work life balance
- + Family friendly environment
- + Facility to 'purchase' additional leave
- + Salary packaging
- + Flexible working arrangements

### Employee Assistance Program

Employees and their immediate families continue to be supported through access to an employee assistance program which provides confidential counselling and support by an external provider.

## STAFF APPRECIATION

We celebrate the achievements of our employees with our ongoing **Service Awards Program**. During 2019-20 we recognised employees for the following significant years of service to the community:

- + 7 employees for 10 years of service
- + 8 employees for 15 years of service
- + 2 employee for 20 years of service
- + 2 employee for 35 years of service

Council's **Rewards and Recognition Program** has been in effect since 2016. It is designed to recognise individual employees and teams for their exceptional contribution to Council. Highlighting such behaviours and activities not only benefits the organisation but showcases our employees as role models. Three types of Awards are available where the employee receives a gift voucher. During 2019-20 six employees received an award for going above and beyond in the performance of their duties.



## EMPLOYEE TRAINING AND DEVELOPMENT

Council supports learning and development opportunities for employees to allow the organisation to progress and meet the changing needs of the community and also ensure that staff are gaining the skills and experience to be engaged and motivated in their roles.

Opportunities range from training for essential skills through to professional development for career progression and leadership programs. These opportunities are identified through Council's **Performance Management** process.

This allows a structured approach for training programs to be developed, which in turn provides a fair and equitable method of meeting all staff training needs. Learning programs offered take into consideration departmental, interpersonal and organisational needs to help employees meet Council's objectives.

Internal communications, performance reviews, staff training and development programs, together with an emphasis on **work/life balance** helps us address internal resource and skill requirements and meet individual employee needs.

Training offered can include on- and off-the-job training, workshops, conferences and formal study options. Ongoing management of current plant-operating licences are also maintained for all outdoor staff.

The training plan is revised and amended on an annual basis.

During the past 12 months, **training and general education programs** have been conducted across Council in the following areas:

- + Introduction to Local Government
- + Occupational Health & Safety
- + Mental Health First Aid
- + Discrimination and Harassment Contact Officers training
- + School Crossing Supervisor training
- + Certificate of competencies for Backhoe/Loader and Roller Operations
- + Preparation and Application of Chemicals training
- + Load restraint training
- + Spotter training
- + Food labelling
- + Aged care and NDIS

A **training needs analysis** was undertaken. This analysis looked at field services employees and school crossing supervisors and was assessed against current and upcoming training requirements. From this analysis two employees completed Workplace Spotting for Service Assets, one employee completed Prepare and Apply Chemicals and Transport and Store Chemicals, four employees completed certificate of competencies for backhoe, loader and roller operations and 10 employees completed School Crossing Supervisor Training.

With the arrival of COVID-19, **126 employees, volunteers and contractors** completed Council's How to Protect Yourself and Others from COVID-19 Training.

Information on the Workplace Safety Legislation Amendment (Workplace Manslaughter and Other Matters) Act 2019 was provided via WorkSafe Victoria's Workplace Manslaughter Webinar.



**134** employees and volunteers AND **72** contractors completed Council's Occupational Health and Safety Induction



The wellbeing of our staff is one of our highest priorities, and whilst we recognise that there will always be risks associated with the work we do, by keeping occupational health and safety at the forefront of our minds in everyday activities, we lessen the likelihood of workplace incidents/ injuries.

Council continued its proactive health and wellbeing initiative by providing a range of programs that aim to support and promote the health of employees such as flexible working policies and practices, detailed learning and development programs and active health and wellbeing programs. We endeavour to support our staff and aim to foster a workplace culture that promotes mutual responsibility for mental and physical health.

Risk assessments were undertaken at:

**Mansfield Swimming Pool  
Resource Recovery Centre and  
Staffed School Crossings.**

Risk assessments continued to be undertaken for events and projects, and where required under legislation (including but not limited to, high risk construction work, manual handling ergonomics and plant and equipment).

Risk assessments were undertaken in consultation with employees, coordinators, supervisors and team leaders in accordance with the Occupational Health and Safety Regulations 2017.

**Council's Business Centre at 33 Highett Street was closed from 23 March 2020 to 1 June 2020 for face-to face service due to COVID-19. Council's priority was the health and safety of both our staff and the community.**

In order to meet **COVID-19 requirements**, a cleaning and sanitising gap analysis was undertaken. This analysis looked at Council's current cleaning schedule and was assessed against Safe Work Australia's Routine Cleaning Checklist during COVID-19.

Council continued providing its Discrimination and Harassment Contact Officer initiative, where trained staff provide employees with complaint resolution information and impartial support regarding any concerns they may have about inappropriate workplace behaviour.



**11** staff volunteered their time to assist us to meet our workplace obligations.

Council's aim is to maintain a wellbeing, health and safety culture that supports an incident and injury free workplace for all Councillors, employees, volunteers, contractors, visitors and members of the public. Council is committed to improving workplace wellbeing, health and safety and recognises sound OHS performance as contributing to overall organisational success.

Council has an **Occupational Health & Safety/Staff Consultative Committee**. This Committee held six meetings in accordance with the Occupational Health and Safety Act 2004. Committee members provided input into draft policy documents, raised issues and discussed areas of common interest.

Council continues to establish, implement, maintain and improve Council's Occupational Health and Safety Management System in consultation with Council's Health and Safety Officer, Council's Health and Safety Representatives, Council's Union Representative and Council's Management Representative during these meetings.

Council's **annual first aid kit inspections** were undertaken. All first aid kits in Council owned and operated facilities, vehicles and mobile plant and equipment were inspected.

Council's bi-annual firefighting equipment inspection of gear in Council owned and operated facilities and mobile plant and equipment were undertaken. Test and tag inspections of electrical items, lifting equipment and roof anchor points was also completed.

Council's Occupational Health and Safety Officer and Council's Health and Safety representatives, in consultation with employees, team leaders, supervisor and coordinators completed **19 workplace inspections** which identified **229 hazards and risks**.

These were entered into CRMS and Action Officers were assigned. The completed Workplace Inspection Checklists were sent to employees who participated in the inspection, employees who had responsibility for actions and the appropriate manager, coordinator, supervisor or team leader.

Of the 229 hazards and risks identified, **183 were addressed** and none of those outstanding had a risk rating greater than medium.



THANK-YOU to all the wonderful volunteers in the Mansfield Shire.

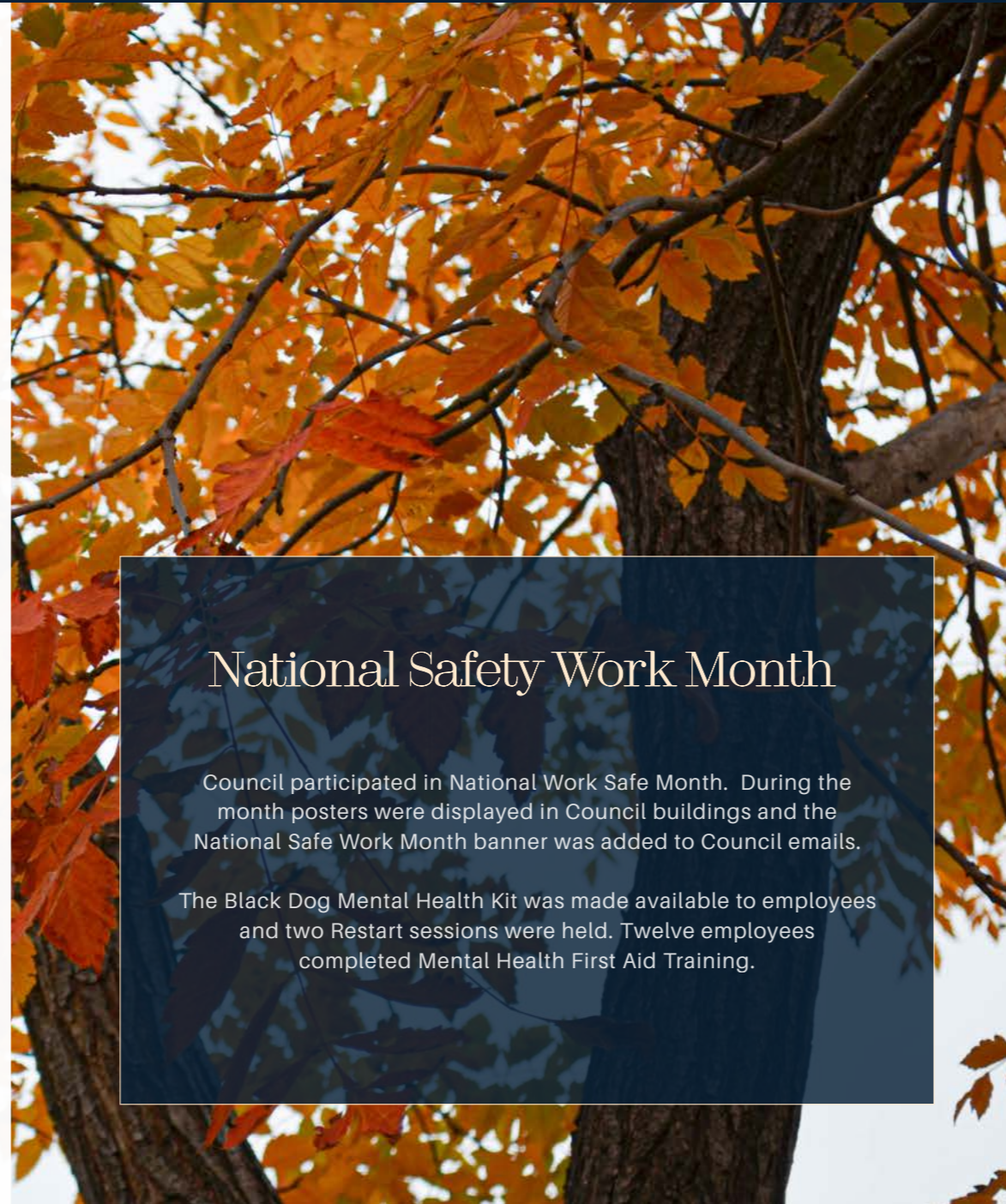
An internal audit of Council’s Integrated Family Services compliance standards, involved a review of our Occupational Health and Safety Management System.

**No actions were raised.**

An internal audit of Council’s Occupational Health and Safety Management System was performed by AFS and Associates Pty Ltd. Nine areas of strong control and risk mitigation were identified. No major risk exposure was identified. **Five moderate risk exposures and seven minor risk exposures were identified.** Actions required were entered into OMNI with action officers assigned.



- Four of the 12 risk exposures have been closed.
- The remaining open moderate risk exposures will be closed out within the required six months.
- The remaining open minor risk exposures will be closed out within the required 12 months.



## National Safety Work Month

Council participated in National Work Safe Month. During the month posters were displayed in Council buildings and the National Safe Work Month banner was added to Council emails.

The Black Dog Mental Health Kit was made available to employees and two Restart sessions were held. Twelve employees completed Mental Health First Aid Training.

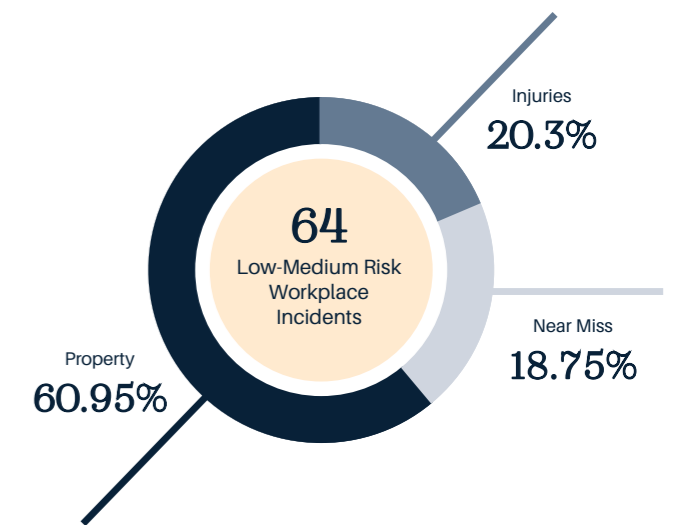
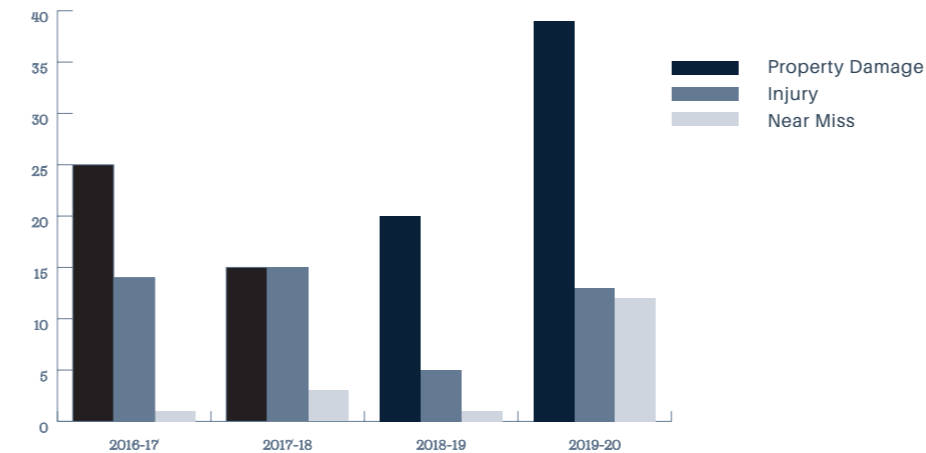
Council had **no notifiable incidents** that were required to be reported to WorkSafe Victoria. Council received no improvement notices or prohibition notices from WorkSafe Victoria.

Council had **64 workplace incidents** reported. Thirty nine incidents were property damage, 13 were injuries and 12 were near miss reports. Property damage reports and near miss reports were the highest reported in four years. While injury reports were up on the previous year, they were still lower than the 2016-2017 and 2017-2018 periods.

**All incidents had an actual risk rating of low or medium.** 59 of these incidents had a potential risk rating of low or medium. Five of these incidents had a potential risk rating of high. No incidents had an actual or potential risk rating of extreme.



### WORKPLACE INCIDENTS REPORTED



+ The increase in minor property damage reports and near miss reports suggest a positive cultural shift towards occupational health and safety.



# Our Performance

## PLANNING & ACCOUNTABILITY FRAMEWORK

While the **Local Government Act 2020** was introduced during this reporting period, it will be proclaimed in stages, so there is an overlap between the 2020 Act and the 1989 Act. The Planning and Accountability Framework in part 6 of the Local Government Act 1989 requires councils to prepare the following planning and reporting documents:

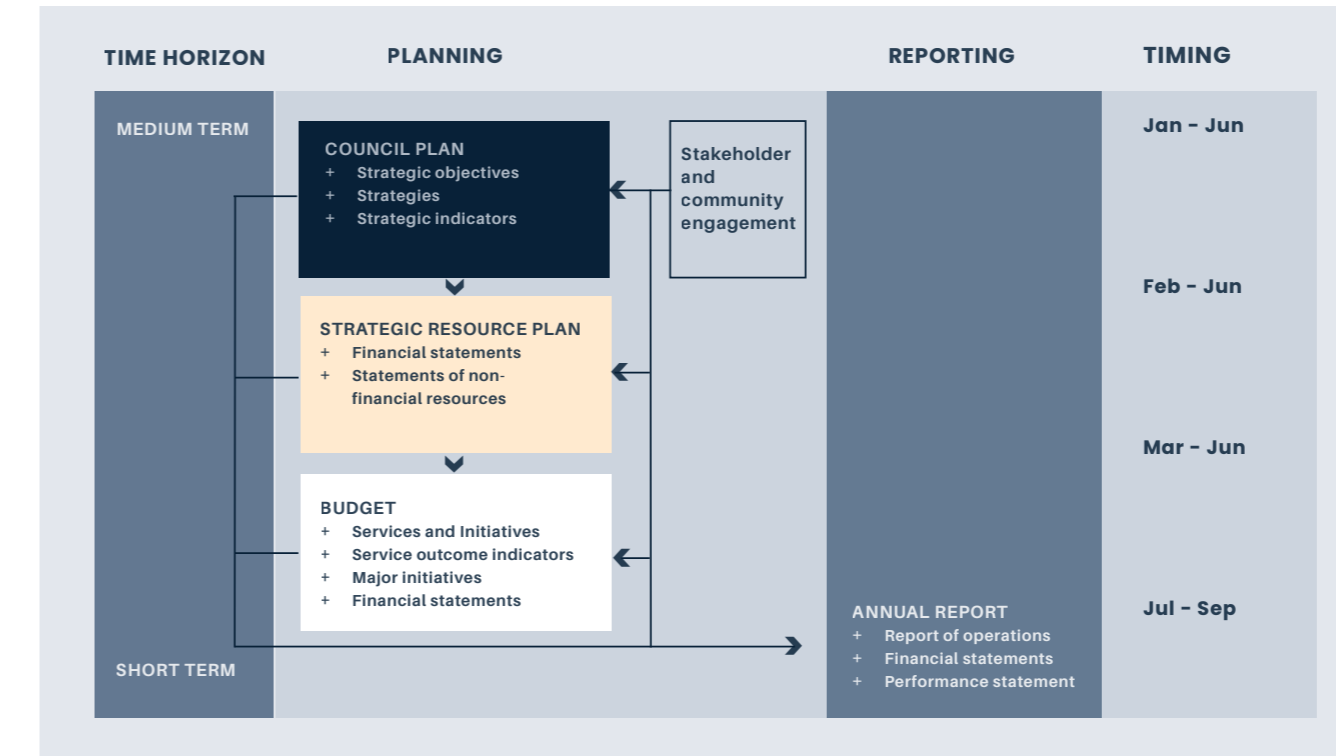
- + A **COUNCIL PLAN** within the six months after each general election or by 30 June, whichever is later.
- + A **STRATEGIC RESOURCE PLAN** for a period of at least four years and include this in the Council Plan.
- + A **BUDGET** for each financial year.
- + An **ANNUAL REPORT** in respect of each financial year.

### **i** The Local Government Act 1989 and 2020

The Local Government Act 1989 was repealed on 24 March 2020. The new Local Government Act 2020 will improve local government democracy, accountability and service delivery for all Victorians. The Local Government Act 2020 will be proclaimed in 4 stages:

- Stage 1 - 6 April 2020
- Stage 2 - 1 May 2020
- Stage 3 - 24 October 2020
- Stage 4 - 1 July 2021

During this transition period, sections of the 1989 Act may still be relevant



The diagram to the left shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government.

It also shows that there are opportunities for **community and stakeholder input and feedback** at each stage of the planning and reporting cycle.

The Mansfield Shire Council Plan 2017-21 includes five priorities, which comprise the main focus areas for Council. Each priority has a commitment, a series of strategic objectives, strategies for achieving these for the four-year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan. The following are the **five priorities** as detailed in the Council Plan:



Council's performance for the 2019-20 year has been reported against each key strategic area. Performance has been measured as follows:

- + Results achieved in relation to the strategic indicators in the Council Plan.
- + Progress in relation to the major initiatives identified in the budget.
- + Services funded in the budget and the persons or sections of the community who are provided those services.
- + Results against the prescribed service performance indicators and measures.

Results of prescribed service performance indicators and measures, in accordance with the Local Government Reporting Framework, can be found in the **Performance Statements** to follow within this report.

## PERFORMANCE

## STRATEGIC DIRECTION 1

# Participation & Partnerships

# Council Plan

The following statement reviews the performance of Council during 2019-20 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators.

MEASURE	RESULT	COMMENTS
<b>Council Control</b>		
Number of Council meetings held in outlying townships.	<b>3</b>	Meetings held in Jamieson, Barjarg & Bonnie Doon. We were unable to hold our May meeting in Tolmie due to COVID-19 restrictions.
Community satisfaction rating for Council decisions made in the interest of the community.	<b>48</b>	This score has improved 1 point from prior year. Decisions made in the interests of the community is subjective depending on the interests of the individual responding.
Community satisfaction rating for community consultation and engagement.	<b>54</b>	This score has improved 2 points from the prior year. Since July 2019 Council has increased its community communications including print, social media and radio.
Community satisfaction rating for Council's advocacy efforts.	<b>49</b>	
<b>Council Influence</b>		
Percentage of event applications that receive approval via the Event Management Plan process.	<b>100%</b>	
<b>Council Interest</b>		
Percentage of persons who help out as a volunteer.	<b>28.9%</b>	

- COUNCIL CONTROL** - The things we have direct responsibility and accountability for.
- COUNCIL INFLUENCE** - The things we can influence through advocacy and partnerships with others.
- COUNCIL INTEREST** - The things that affect how we operate and that impact on our community but over which we have little or no influence or control.

# Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2019-20 budget for the year.

MAJOR INITIATIVES	PROGRESS
Develop and implement a Community Engagement Strategy.	Council will develop an engagement strategy in consultation with the community and in line with new legislative requirements.
Develop a Community Vision in partnership with the community.	Council has commenced the process involved in developing the Community Vision in line with the requirements of the Local Government Act 2020.
Develop and implement an Active Aging Strategy.	The Community Engagement process has commenced with a survey and community meeting workshops undertaken across the shire. The writing of the plan is currently being drafted internal.

# Services

The following statement provides information in relation to the services funded in the 2019-20 budget and the persons or sections of the community who provided the service.

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Local Government partnerships.	Advocacy services on behalf of the community.	<b>Actual</b>	-
		<b>Budget</b>	-
		<b>Variance</b>	-

## STRATEGIC DIRECTION 2

# Financial Sustainability

Rail Trail & Bonnie Doon Bridge

## Council Plan

The following statement reviews the performance of Council during 2019-20 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators

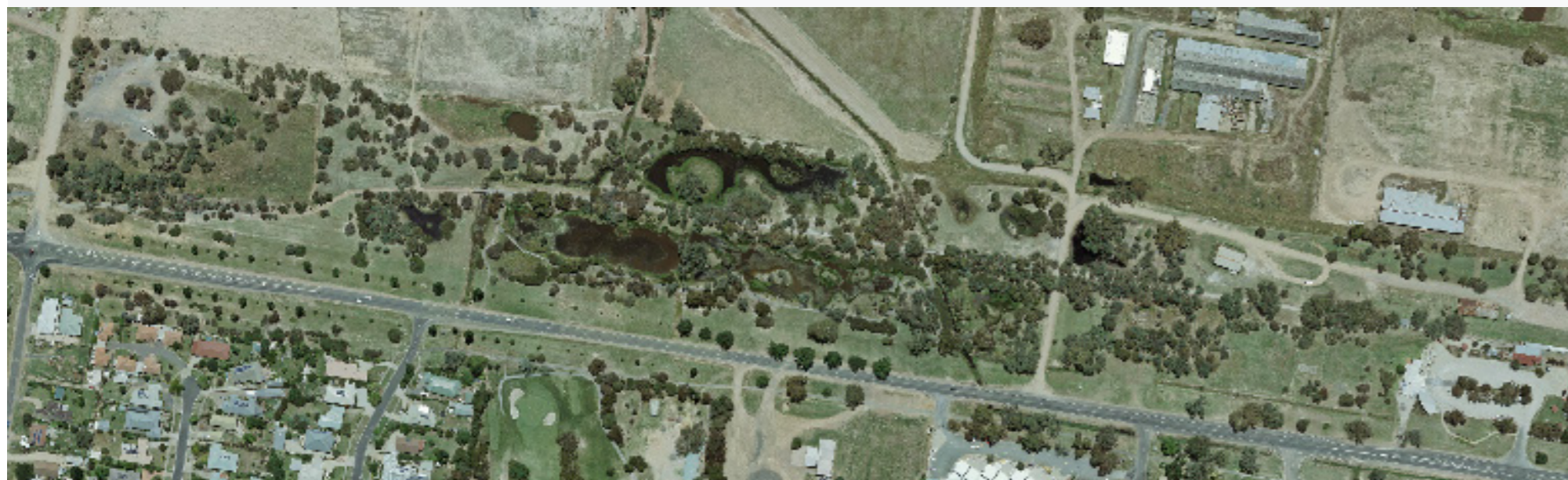
MEASURE	RESULT	COMMENTS
<b>Council Control</b>		
Expenses per property assessment (i.e. the number of rateable properties).	<b>\$2,720</b>	This indicator has fallen 10% short of the target, due to increased expenditure (12% higher than the prior year where this result was very close to target). Depreciation (non-cash expense) has increased 14%, partly due to asset revaluations and componentisation of road assets for the first time. Employee costs increased 10% including a budgeted increase in FTE and the termination of the CEO contract at the start of the year. Materials and services expenses have increased by 12% - largely due to the buy-back and in-house operation of the Resource Recovery Centre (which generated income to offset the expenditure incurred).
Time taken to decide planning applications.	<b>63 days</b>	Down from 83 in the previous year.
Community satisfaction rating for business and community development performance.	<b>59</b>	This score is equivalent with the prior year and the Statewide average and two points higher than the small Rurals average.
Community satisfaction for tourism development performance.	<b>65</b>	Whilst this score is two point lower than the prior year, it is two points higher than the small Rurals average, and three points higher than the State average.
<b>Council Influence</b>		
Adjusted underlying surplus (or deficit) as a % of underlying revenue.	<b>2%</b>	
Renewal/replacement of assets as a % of depreciation.	<b>63%</b>	
Loans and borrowing as a % of rate revenue.	<b>15%</b>	
Rates as a % of adjusted underlying revenue.	<b>65%</b>	
Own source revenue per head of population.	<b>\$1,759</b>	Own-source revenue per head (excl. grant funding and contributions) is \$84 higher than target (5%). With population higher than target, the driver of the adjusted underlying surplus being higher than target is lower operating costs, rather than higher grant funding. Significant funding budgeted for the stadium in 2019-20 will come through in 2020-21.
Recurrent grants per head of population.	<b>\$589</b>	
<b>Council Interest</b>		
Resident Population.	<b>9,176</b>	This is not a measure that Council can control directly. Statistic is taken from the ABS Population estimate provided through the LGPRF.
Percentage of people aged > 15 in part or full time employment.	<b>90%</b>	This is not a measure that Council can control directly.

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- COUNCIL INTEREST** - The things that affect how we operate and that impact on our community but over which we have little or no influence or control.

# Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2019-20 budget for the year.

MAJOR INITIATIVES	PROGRESS
Develop a master plan for the Station Precinct in partnerships with key stakeholders.	The Mansfield Station Precinct Masterplan and Implementation Plan was adopted by Council at the Ordinary Council Meeting on 21 May 2019. The Station Precinct is anticipated to be complementary to the core retail area in town and grow the offer already available and fill gaps or take up existing short falls in goods and services as well as providing community facilities such as arts and culture, recreation and other collaborative and complimentary uses.
Develop and implement a co-ordinated review of Council assets in consultation with the community focusing on whether or not the disposal of key assets would realise greater net community benefit. This includes the proposed sale of land at Lakins Road and The Saleyards.	In 2019 Council resolved to sell or lease the Sale Yards site but this has not yet occurred due to the complexities surrounding the location of the Mansfield State Emergency Services branch. Council continues to explore this issue with the State Government. Council's Property Management Officer will continue to review existing lease arrangements and identify other surplus land assets.



# Services

The following statement provides information in relation to the services funded in the 2019-20 budget and the persons or sections of the community who provided the service.

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Revenue services	This service raises and collects property rates and charges and other sundry debtor invoices, and co-ordinates the valuation or properties throughout the municipality.	<b>Actual</b> <b>Budget</b>	<b>242</b> <b>241</b>
		<b>Variance</b>	<b>1</b>
Strategic planning	This service prepares, implements and undertakes reviews of the Mansfield Planning Scheme (as required by legislation) by developing reports, strategic studies and other matters for presentation to Council, planning panels and other stakeholders. Review of the Planning Scheme will result in the preparation and processing of planning scheme.	<b>Actual</b> <b>Budget</b>	<b>(20)</b> <b>70</b>
		<b>Variance</b>	<b>(90)</b>
Economic development	Economic development programs and projects such as contributions to various shows and expos, Tourism North East (TNE), cooperative marketing, outlying community development, business sector support initiatives and product development scheme amendments to implement the Mansfield Planning Scheme's policy framework.	<b>Actual</b> <b>Budget</b>	<b>183</b> <b>181</b>
		<b>Variance</b>	<b>2</b>
Events	A range of community events including TARGA High Country, Mansfield High Country Festival, Lake Eildon Festival and Mansfield Lantern Festival.	<b>Actual</b> <b>Budget</b>	<b>318</b> <b>308</b>
		<b>Variance</b>	<b>10</b>
Community assets and land management	Property management of Council owned facilities (leasing, licensing, maintenance, sale and acquisition of property). Scheme amendments to implement the Mansfield Planning Scheme's policy framework.	<b>Actual</b> <b>Budget</b>	<b>129</b> <b>160</b>
		<b>Variance</b>	<b>(31)</b>
Financial Services	Management of Council's investments and finances, payment of salaries and wages to Council employees, payment of creditor invoices, budget preparation, quarterly finance reporting to Council, and annual statutory reporting to governing bodies. The Victorian Grants Commission distributes funding support from the Commonwealth government for the administration of Council across all services, and this income is also reported as part of the Finance service.	<b>Actual</b> <b>Budget</b>	<b>132</b> <b>(1,494)</b>
		<b>Variance</b>	<b>1,626</b>

# Community Resilience & Connectivity

## Council Plan

The following statement reviews the performance of Council during 2019-20 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators

High Country Festival High St Mansfield

MEASURE	RESULT	COMMENTS
<b>Council Control</b>		
Community satisfaction rating for informing the community.	55	Same score as the prior year, but 3 points below the small rural average and 4 points below the state average.
Community satisfaction rating for emergency and disaster management performance.	68	This score has declined 2 points from the prior year and sits equivalent with the state rating. Possibly a result of the impact of the State of Disaster Declaration from the summer bushfires that had a significant impact on tourism enterprises.
Community satisfaction rating for elderly support services.	70	The score has increased one point from the prior year, and sits 2 points above the state average.
<b>Council Influence</b>		
Percentage of the population who are members of the Mansfield Library and who have borrowed in the past 12 month period.	17%	
Percentage of infants enrolled in the Maternal and Child Health service who receive the first Maternal and Child Health Home Visit.	100%	
Percentage of children enrolled who use the Maternal and Child Health service.	84%	
<b>Council Interest</b>		
Rating for feeling part of the community.	N/A	This Council Plan performance indicator was designed based on an external Community Indicators Victoria dataset that is no longer being published, therefore a result cannot be reported for 2019-20.
Rating for perception of connectedness – percentage of those who agree others are willing to help each other.	N/A	This Council Plan performance indicator was designed based on an external Community Indicators Victoria dataset that is no longer being published, therefore a result cannot be reported for 2019-20.

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# Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2019-20 budget for the year.

## MAJOR INITIATIVES

## PROGRESS

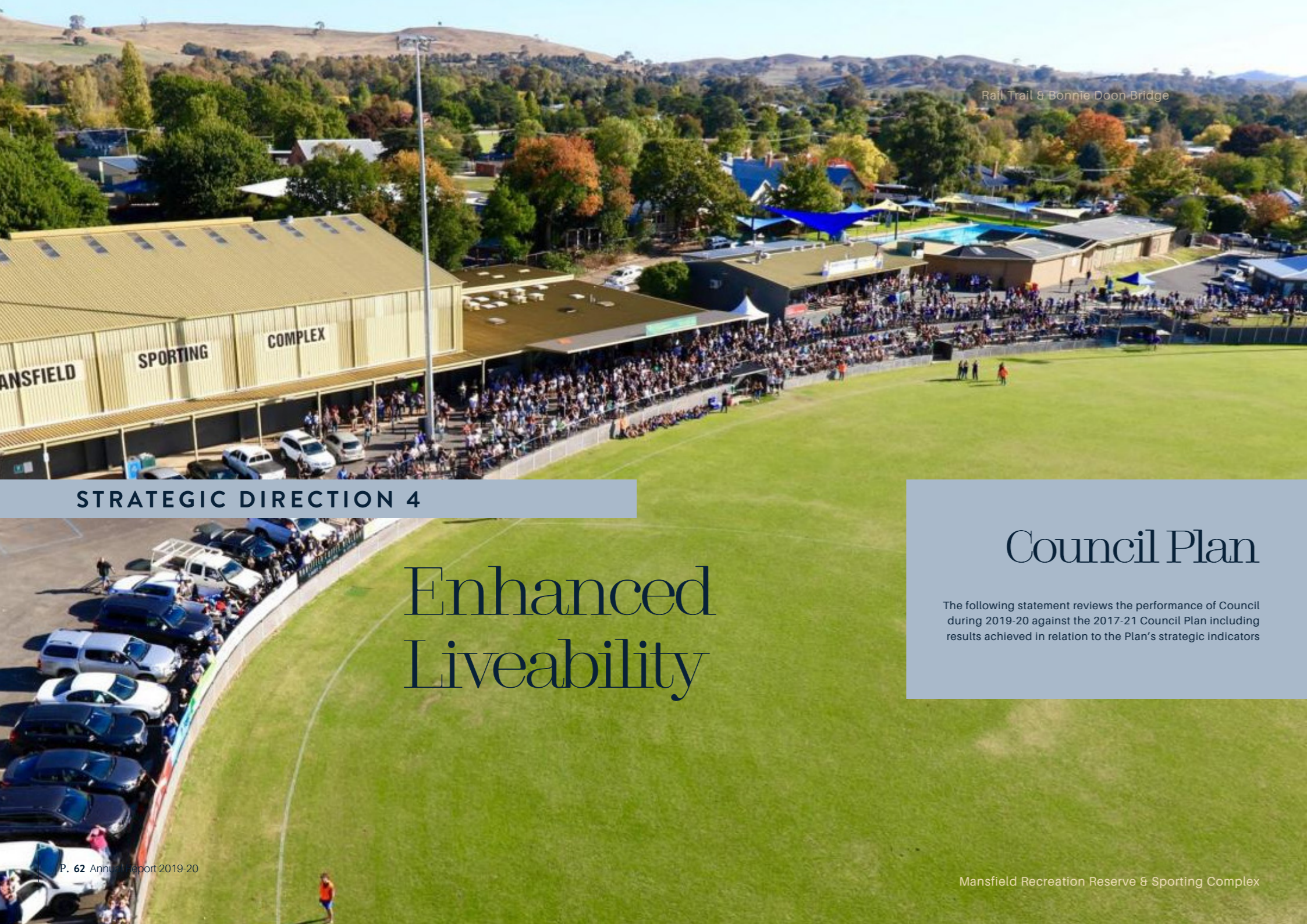
Redevelop Council's website to provide improved capability and more useful online interaction between Council and the community

A new website has been developed and is up and running. Improvements to the site are ongoing. Following the tender process, Corporate Strategic Systems (CSS) were awarded the contract to develop the Digital Transformation Strategy and the project commenced in April.

# Services

The following statement provides information in relation to the services funded in the 2019-20 budget and the persons or sections of the community who provided the service.

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Aged and disability services	Home and community care assessment and programs, the community bus, meals on wheels, planned activity groups, senior citizens and volunteers.	Actual	26
		Budget	98
		Variance	(72)
Community development	Community matching fund contributions, and community projects including community planning, development and resilience. Youth services including the Mansfield Youth Centre, Freeza, youth engagement program and youth development amendments to implement the Mansfield Planning Scheme's policy framework.	Actual	378
		Budget	428
		Variance	(50)
Emergency management	Fire prevention and emergency management. Relief and recovery operations with a focus on the Municipal Emergency Resource Programme in the context of community capacity building.	Actual	(600)
		Budget	128
		Variance	(728)
Family services & partnerships	Integrated family services, the Family, Youth and Childrens Centre, financial counselling, maternal & child health services.	Actual	162
		Budget	187
		Variance	(24)
Customer service and records	This service acts as the main customer interface with the community at the Municipal Office and also the Visitor Information Centre. Services include receipting of rates and other payments, VicRoads agency services, proof of age identification cards, records and information management and providing general information and directing enquiries from the community.	Actual	496
		Budget	520
		Variance	(24)
Information Technology	Communications and computer systems, facilities and infrastructure to enable Council staff to deliver services efficiently.	Actual	501
		Budget	545
		Variance	(44)
Arts, culture and library	Mansfield Library services and the Mansfield Performing Arts Centre.	Actual	177
		Budget	238
		Variance	(61)
Other community services	Administration and support for the Community Services department.	Actual	183
		Budget	243
		Variance	(61)



Rail Trail & Bonnie Doon Bridge

**STRATEGIC DIRECTION 4**

# Enhanced Liveability

## Council Plan

The following statement reviews the performance of Council during 2019-20 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators

Mansfield Recreation Reserve & Sporting Complex

MEASURE	RESULT	COMMENTS
<b>Council Control</b>		
57 Community satisfaction rating for customer service.	<b>67</b>	This score has improved a huge 6 points from the prior year, but remains 3 points below the small rural and statewide averages.
Community satisfaction rating for family support services performance.	<b>67</b>	This score has declined 2 points from the prior year, but remains one point ahead of the small rural and state wide averages.
Community satisfaction rating for recreational facilities performance.	<b>67</b>	This score has declined one point from the prior year and is one point behind the small rural average, and three points behind the state.
Community satisfaction rating for planning permit performance.	<b>40</b>	This score has increase four points from the prior year, but remains 6 points behind the small rural and 11 points behind the state wide average. Council are currently undertaking a service review of Statutory Planning services.
Community satisfaction rating for waste management performance.	<b>57</b>	This score has declined 3 points from prior year and is well below the small rural and statewide 57 average. This comes on the back of a "take back" of the Resource Recovery Centre, and the national recycling crisis.
<b>Council Influence</b>		
Number of visits to aquatic facilities per head of population.	<b>1.82%</b>	
Kerbside collection waste diverted from landfill.	<b>36%</b>	
<b>Council Interest</b>		
Shire rating – SEIFA (Socio Economic Indexes for Areas) index of relative socio economic disadvantage index by percentile.	<b>7</b>	This indicator cannot be controlled by Council directly. A low score indicates relatively greater disadvantage in general. For example, an area could have a low score if there are many households with low income, many people with no qualifications, or many people in low skill occupations. A high score indicates a relative lack of disadvantage in general. For example, an area may have a high score if there are few households with low in-comes, few people with no qualifications, or few people in low skilled occupations.
Rating for perceptions of safety – when walking alone during the day or night.	<b>N/A</b>	This Council Plan performance indicator was designed based on an external Community Indicators Victoria dataset that is no longer being published, therefore a result cannot be reported for 2019-20.
Percentage of people self-rating their health as excellent or good.	<b>N/A</b>	This Council Plan performance indicator was designed based on an external Community Indicators Victoria dataset that is no longer being published, therefore a result cannot be reported for 2019-20.

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MAJOR INITIATIVES	PROGRESS
<p>Implement the recommendations from the Sports Facility Strategy in consultation with sporting groups and funding bodies, including a new pavilion at the Lords Oval and a dual court indoor multi-use sports stadium.</p>	<p>Construction commenced in February 2020 on the dual court stadium, which is expected to be completed by March 2021.</p> <p>Planning and design works for the Lords Oval pavilion has been completed and funding opportunities will be sought in 2020-21 for the entire project, stages 1 (community hub) and 2 (change rooms).</p>
<p>Plan a rolling program of streetscape improvements for the Mansfield township and smaller settlements.</p>	<p>Streetscape renewal is incorporated into the long term capital program, planned in two phases (planning and delivery) for:</p> <ul style="list-style-type: none"> <li>+ High Street West centre median (2023)</li> <li>+ High Street East (2024)</li> <li>+ Bonnie Doon (2025)</li> <li>+ Jamieson (2026)</li> <li>+ High Street central (2026)</li> <li>+ Highett Street North (2027)</li> <li>+ Goughs Bay (2027)</li> <li>+ Highett Street South (2028)</li> </ul>





**Dual court indoor multi-use stadium**

Expected to be completed  
**March 2021**

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Sport and recreation	Sports facilities including the Mansfield Pool and Mansfield Sporting Complex, school transport, the Sport and Recreation Strategic Plan and related actions including Active Mansfield and the Sport and Recreation Advisory Committee.	<b>Actual</b>	<b>163</b>
		<b>Budget</b>	<b>112</b>
		<b>Variance</b>	<b>51</b>
Building services	Provision of information on building regulations, fencing, termites, relocation of dwellings, swimming pools and spas, requirements in bushfire prone areas, and general property issues. This service also assesses applications to vary the standard provisions of the Building Regulations, undertakes inspections to finalise permits issued by Council and receives and records all building permits issued within the Shire amendments to implement the Mansfield Planning Scheme's policy framework.	<b>Actual</b>	<b>14</b>
		<b>Budget</b>	<b>45</b>
		<b>Variance</b>	<b>(31)</b>
Environment	Development of environmental policy and monitoring of compliance with environmental regulations (e.g. EPA). This service also coordinates and implements environmental projects and works with other services to improve Council's environmental performance.	<b>Actual</b>	<b>70</b>
		<b>Budget</b>	<b>84</b>
		<b>Variance</b>	<b>(13)</b>
Health	Coordination of food safety support programs, Tobacco Act activities and smoke free dining and gaming venue issues. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls.	<b>Actual</b>	<b>83</b>
		<b>Budget</b>	<b>108</b>
		<b>Variance</b>	<b>(25)</b>
Local laws	Animal management services including a cat trapping program, dog and cat collection, lost and found notification, Council pound, registration and administration, after hours and emergency services. Local Laws also oversee parking infringements.	<b>Actual</b>	<b>79</b>
		<b>Budget</b>	<b>91</b>
		<b>Variance</b>	<b>(12)</b>
Statutory planning	The statutory planning service applies and enforces the provisions of the Mansfield Planning Scheme through expert advice to Council, applicants and the community. The service also assesses and determines planning and subdivision applications, and defends Council decisions at VCAT.	<b>Actual</b>	<b>253</b>
		<b>Budget</b>	<b>252</b>
		<b>Variance</b>	<b>(1)</b>

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Waste management	Kerbside rubbish collections of garbage and recycling waste from all households and some commercial properties in the Shire. Other waste management services include the Resource Recovery Centre and a community education program Mansfield and the Sport and Recreation Advisory Committee.	<b>Actual</b>	<b>2,641</b>
		<b>Budget</b>	<b>2,100</b>
		<b>Variance</b>	<b>541</b>
Development services management	Administration support for the development services department.	<b>Actual</b>	<b>472</b>
		<b>Budget</b>	<b>523</b>
		<b>Variance</b>	<b>(50)</b>
School crossing supervision	Supervisors at school crossings throughout the municipality to assist in ensuring school aged children are able to cross the road safely en route to and from school.	<b>Actual</b>	<b>43</b>
		<b>Budget</b>	<b>37</b>
		<b>Variance</b>	<b>7</b>
Roads	Ongoing maintenance of the Council's road, footpath and drain network.	<b>Actual</b>	<b>831</b>
		<b>Budget</b>	<b>725</b>
		<b>Variance</b>	<b>107</b>
Field Services	Infrastructure maintenance, renewal and upgrades.	<b>Actual</b>	<b>415</b>
		<b>Budget</b>	<b>373</b>
		<b>Variance</b>	<b>42</b>
Parks & gardens	Tree pruning, planting and removal, street tree planning and strategies, management of parks and gardens.	<b>Actual</b>	<b>696</b>
		<b>Budget</b>	<b>726</b>
		<b>Variance</b>	<b>(30)</b>
Infrastructure management	Capital works planning for civil infrastructure assets facilities maintenance works, supervision and approval of private development activities, design, tendering and contract management, and supervision of Council's capital works program including asset management and renewal programs.	<b>Actual</b>	<b>1,441</b>
		<b>Budget</b>	<b>(889)</b>
		<b>Variance</b>	<b>2,330</b>

STRATEGIC DIRECTION 5

# Responsible Leadership



Barwite Vineyard at Barwite

## Council Plan

The following statement reviews the performance of Council during 2019-20 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators

MEASURE	RESULT	COMMENTS
<b>Council Control</b>		
Percentage of Council decisions made in meetings closed to the public.	<b>8%</b>	18 Confidential resolutions out of 221 resolutions in total, across 12 ordinary meetings and 7 special meetings during 2019-20.
Percentage of Councillor attendance at Council meetings.	<b>88%</b>	Results for 2019-20 across 12 Ordinary meetings and 7 Special meetings.
Community satisfaction rating for Council's customer service.	<b>67%</b>	This score has improved a huge 6 points from the prior year, but remains 3 points below the small rural and statewide averages.
Community satisfaction rating for Council's overall performance.	<b>52%</b>	This score has recovered one point from last year but remains well below statewide average of 58 (small rurals 56). This score has improved seven points from last year which is a large increase.
Community satisfaction rating for Council's direction.	<b>47%</b>	The rating is now only 3 points behind the small rural average, and 4 points behind the state average.
Percentage of shire employees who feel valued at their work.	<b>80%</b>	This will be ongoing, over the next 12 months we will be looking at a culture program. COVID-19 has resulted us looking closely at how we can support our staff, we have created a small survey which will be used to monitor how staff are coping and will use the results to identify where we may need to support our staff.

**COUNCIL CONTROL** - The things we have direct responsibility and accountability for.

# Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2019-20 budget for the year.

MAJOR INITIATIVES	PROGRESS
Complete three independent internal audits per annum, with the findings and management responses being presented to both Council and the Audit and Risk Advisory Committee.	Three internal audits have been undertaken in 2019-20 including Fraud and Corruption Risk Management, OH&S and Strategic and Service Level Planning.

# Services

The following statement provides information in relation to the services funded in the 2019-20 budget and the persons or sections of the community who provided the service.

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Governance	Statutory and corporate support for executive management and Councillors, Freedom of Information, and social media management.	<b>Actual</b>	<b>983</b>
		<b>Budget</b>	<b>1,050</b>
		<b>Variance</b>	<b>(67)</b>
Councillors	Councillor remuneration, election procedures and Council induction and training programs.	<b>Actual</b>	<b>212</b>
		<b>Budget</b>	<b>230</b>
		<b>Variance</b>	<b>(19)</b>
Human Resources	Staff recruitment, resourcing, training and development, and Workcover.	<b>Actual</b>	<b>639</b>
		<b>Budget</b>	<b>596</b>
		<b>Variance</b>	<b>(44)</b>
Risk Management	Identification and management of key organisation risks, fraud control, general insurance, the Audit and Risk Advisory Committee, internal audit, and occupational health and safety.	<b>Actual</b>	<b>317</b>
		<b>Budget</b>	<b>296</b>
		<b>Variance</b>	<b>20</b>

# Local Government Performance Reporting Framework

The Victorian Government introduced the Local Government Performance Reporting Framework in 2014.

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

Broadly, the Framework is made up of a range of measures, including roads, planning, animal management and waste.

It is complemented by a Governance and Management checklist of 24 items, which show the policies, plans and procedures in place at each council. Together, they build a comprehensive picture of council performance which can be viewed on the Know Your Council website ([www.knowyourcouncil.vic.gov.au](http://www.knowyourcouncil.vic.gov.au)).

## Aquatic Facilities

INDICATOR Measure	RESULT 2016-17	RESULT 2017-18	RESULT 2018-19	RESULT 2019-20	MATERIAL VARIATIONS & COMMENTS
<b>SERVICE STANDARD</b> - Health inspections of aquatic facilities <i>[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]</i>	1.00	1.00	1.00	<b>1.00</b>	
<b>SERVICE COST</b> - Cost of aquatic facilities <i>[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]</i>		NEW in 2020		<b>\$9.12</b>	From 2020, this measure replaced two previous measures: 'Cost of indoor aquatic facilities' and 'cost of outdoor aquatic facilities'
<b>UTILISATION</b> - Utilisation of aquatic facilities <i>[Number of visits to aquatic facilities / Municipal population]</i>	2.09	2.09	1.91	<b>1.82</b>	Number of visits is reduced from last year. A cold November (with snow on nearby mountains) resulted in the cancellation of the school swimming program. In January there was reduced visitation across the whole region due to the bushfires and declared State of Disaster. In February water quality was impacted by storm events resulting in pool closures.



## Animal Management

INDICATOR Measure	RESULT 2016-17	RESULT 2017-18	RESULT 2018-19	RESULT 2019-20	MATERIAL VARIATIONS & COMMENTS
<b>TIMELINESS</b> - Time taken to action animal management requests <i>[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]</i>	1.50	1.17	1.00	<b>1.14</b>	The slight increase in response time is due to Ranger availability. For part of the previous year we had 3 Rangers and we have now reverted to two.
<b>SERVICE STANDARD 1</b> - Animals reclaimed <i>[Number of animals reclaimed / Number of animals collected] x100</i>	63.45%	68%	76.38	<b>80%</b>	
<b>SERVICE STANDARD 2</b> - Animals rehomed <i>[Number of animals rehomed / Number of animals collected] x100</i>		NEW in 2020		<b>16.36%</b>	New measure for 2019-20 financial year.
<b>SERVICE COST</b> - Cost of animal management service <i>[Direct cost of the animal management service / Population]</i>		NEW in 2020		<b>\$18.97</b>	This measure is replacing previous 'cost of animal management service' which was based on cost per number of registered animals.
<b>HEALTH &amp; SAFETY</b> - Animal management prosecutions <i>[Number of successful animal management prosecutions / number of animal management prosecutions] X 100</i>		NEW in 2020		<b>0.00</b>	This measure is replacing previous 'Animal management prosecutions', which was a measure of number, not proportion.



Food Safety					
INDICATOR Measure	RESULT 2016-17	RESULT 2017-18	RESULT 2018-19	RESULT 2019-20	MATERIAL VARIATIONS & COMMENTS
<b>TIMELINESS</b> - Time taken to action food complaints <i>[Number of days between receipt and first response action for all food complaints / Number of food complaints]</i>	1.92	1.46	2.9	<b>1.80</b>	Positive reduction due to complaint response and a smaller number of complaints received.
<b>SERVICE STANDARD</b> - Food safety assessments <i>[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100</i>	100%	99.29%	93.48%	<b>93.53%</b>	
<b>SERVICE COST</b> - Cost of food safety service <i>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]</i>	\$345	\$330	\$335	<b>\$399</b>	Contract services were employed to fill a maternity leave position.
<b>HEALTH &amp; SAFETY</b> - Critical and major non-compliance outcome notifications <i>[Number of critical non compliance outcome notifications and major non compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] X 100</i>	96%	97%	100%	<b>31%</b>	There were multiple staff changeovers and Mt Buller seasonal premise closures during 2019-20.



Governance					
INDICATOR Measure	RESULT 2016-17	RESULT 2017-18	RESULT 2018-19	RESULT 2019-20	MATERIAL VARIATIONS & COMMENTS
<b>TRANSPARENCY</b> - Council decisions made at meetings closed to the public <i>[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100</i>	11.70%	10.05%	6.75%	<b>8.14%</b>	Meetings are only closed to the public in accordance with legislation, when the meeting is to consider confidential information, for security reasons or in other circumstances when it is necessary to do so to enable the meeting to proceed.
<b>CONSULTATION &amp; ENGAGEMENT</b> - Satisfaction with community consultation and engagement <i>[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]</i>	61.00	58.00	52.00	<b>54.00</b>	Since July 2019 Council has increased its community communications including print, social media and radio.
<b>ATTENDANCE</b> - Councillor attendance at Council meetings <i>[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x100</i>	96.67%	88.89%	92.22%	<b>88.42%</b>	
<b>SERVICE COST</b> - Cost of elected representation <i>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]</i>	\$45,330.00	\$42,199.80	\$42,169.14	<b>\$41,459.60</b>	
<b>SATISFACTION</b> - Satisfaction with Council decisions <i>[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]</i>	60.00	54.00	47.00	<b>48.00</b>	

Libraries					
INDICATOR Measure	RESULT 2016-17	RESULT 2017-18	RESULT 2018-19	RESULT 2019-20	MATERIAL VARIATIONS & COMMENTS
<b>UTILISATION</b> - Physical Library collection us- age <i>[Number of library collection item loans / Number of library collection items]</i>	2.99	3.14	3.15	<b>2.68</b>	Mansfield Library was closed to the public from March 2020. The library reopened from 6 June with limited hours of operation.
<b>RESOURCE STANDARD</b> - Recently purchased library collection <i>[Number of library collection items purchased in the last 5 years / Number of library collection items] x100</i>	60.52%	64.75%	64.38%	<b>70.13%</b>	
<b>SERVICE COST</b> - Cost of library service per population <i>[Direct cost of the library service / Population]</i>		NEW in 2020		<b>\$30.93</b>	The cost of the library service has decreased by \$24K - partially due to closures under COVID-19 which meant casual workers were not required as often. The contributions to the High Country Library Network were also slightly lower this year. This measure is replacing the previous 'cost of library service' indicator which measured based on number of visits.
<b>PARTICIPATION</b> - Active library borrowers <i>[Number of active library borrowers in the past 3 years / Sum of the population for the last 3 years ] X 100</i>	18.12%	18.80%	<b>17.65%</b>	<b>17.28%</b>	



Maternal & Child Health (MCH)					
INDICATOR Measure	RESULT 2016-17	RESULT 2017-18	RESULT 2018-19	RESULT 2019-20	MATERIAL VARIATIONS & COMMENTS
<b>SERVICE STANDARD</b> - Infant enrolments in the MCH service <i>[Number of first MCH home visits / Number of birth notifications received] x100</i>	98.84%	100.00%	101.41%	<b>101.67%</b>	
<b>SERVICE COST</b> - Cost of the MCH service <i>[Cost of the MCH service / Hours worked by MCH nurses]</i>	\$64.50	\$58.31	\$58.13	<b>\$76.72</b>	This is a reflection of the increased coordination required to meet current best practice.
<b>PARTICIPATION 1</b> - Participation in the MCH service <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	81.66%	77.04%	76.54%	<b>83.65%</b>	
<b>PARTICIPATION 2</b> - Participation in the MCH service by Aboriginal children <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	100.00%	100.00%	71.43%	<b>90.91%</b>	We have made considerable inroads to engaging our Aboriginal families.
<b>SATISFACTION</b> - Participation in 4-week key age and stage visit. <i>[Number of 4-week key age and stage visits / Number of birth notifications received] X 100</i>		NEW in 2020		<b>108.33%</b>	



Roads					
INDICATOR Measure	RESULT 2016-17	RESULT 2017-18	RESULT 2018-19	RESULT 2019-20	MATERIAL VARIATIONS & COMMENTS
<b>SATISFACTION OF USE</b> - Sealed local road requests <i>[Number of sealed local road requests / Kilometres of sealed local roads ] x100</i>	35.97	9.81	18.94	<b>14.82</b>	The customer requests on sealed roads has gone down. This would be as a result of COVID-19 and less people out on the roads to identify problems.
<b>CONDITION</b> - Sealed local roads maintained to condition standards <i>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100</i>	84.92%	89.61%	93.70%	<b>94.25%</b>	
<b>SERVICE COST 1</b> - Cost of sealed local road reconstruction <i>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]</i>	\$37.30	\$97.51	\$13.32	<b>\$0.00</b>	No road reconstruction was undertaken in the 2019 -2020 financial year.
<b>SERVICE COST 2</b> - Cost of sealed local road resealing <i>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]</i>	\$3.58	\$4.29	\$4.46	<b>\$0.00</b>	No road resealing was undertaken in the 2019 -2020 financial year.
<b>SATISFACTION</b> - Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]</i>	59.00	45.00	50.00	<b>49.00</b>	

Statutory Planning					
INDICATOR Measure	RESULT 2016-17	RESULT 2017-18	RESULT 2018-19	RESULT 2019-20	MATERIAL VARIATIONS & COMMENTS
<b>TIMELINESS</b> - Time taken to decide planning applications <i>[The median number of days between receipt of a planning application and a decision on the application]</i>	84.00	83.00	63.00	<b>70.00</b>	Council have focussed on improving turnaround times for planning applications over the past 2 years and the result of this indicator reflects this.
<b>SERVICE STANDARD</b> - Planning applications decided within required time frames <i>[(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</i>	69.35%	46.97%	66.84%	<b>48.26%</b>	Council have focussed on improving turnaround times for planning applications over the past 2 years and the result of this indicator reflects this, however Council accept further improvement is required.
<b>SERVICE COST</b> - Cost of statutory planning service <i>[Direct cost of the statutory planning service / Number of planning applications received]</i>	\$1,814.50	\$2,142.01	\$2,192.49	<b>\$2,410.37</b>	
<b>DECISION MAKING</b> - Council planning decisions upheld at VCAT <i>[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>	100.00%	100.00%	50.00%	<b>0.00%</b>	No applications were referred to VCAT.



Waste Collection					
INDICATOR Measure	RESULT 2016-17	RESULT 2017-18	RESULT 2018-19	RESULT 2019-20	MATERIAL VARIATIONS & COMMENTS
<b>SATISFACTION</b> - Kerbside bin collection requests <i>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000</i>	72.59	41.81	45.65	<b>47.24</b>	
<b>SERVICE STANDARD</b> - Kerbside collection bins missed <i>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000</i>	0.23	1.28	2.13	<b>2.88</b>	More accurate data captured of bins recorded as missed with residents more familiar with online reporting portal for missed services.
<b>SERVICE COST 1</b> - Cost of kerbside garbage bin collection service <i>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]</i>	\$171.84	\$167.11	\$171.28	<b>\$168.58</b>	
<b>SERVICE COST 2</b> - Cost of kerbside recyclables collection service <i>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]</i>	\$77.31	\$83.43	\$91.73	<b>\$106.67</b>	Due to the increase in the gate rate for the acceptance and processing of kerbside recyclable materials at the JJ Richards Plant.
<b>WASTE DIVERSION</b> - Kerbside collection waste diverted from landfill <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	34.79%	35.13%	35.77%	<b>35.58%</b>	

# Governance, Management and Other Information

The Mansfield Shire Council is constituted under legislation to provide leadership for the good governance of the municipal district and the local community.

Council has several roles including:

- + **Taking into account the diverse needs of the local community in decision-making.**
- + **Providing leadership by establishing strategic objectives and monitoring achievements.**
- + **Ensuring that resources are managed in a responsible and accountable manner.**
- + **Advocating the interests of the local community to other communities and governments.**
- + **Fostering community cohesion and encouraging active participation in civic life.**

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

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

Council conducts open public meetings monthly. Members of the community are normally welcome to attend these meetings and observe from the gallery. To meet COVID-19 restrictions, Council meetings where held virtually and live-streamed.

Council meetings also provide the opportunity for community members to submit a question to the Council, make a submission or speak to an item and this was facilitated virtually too.

For the 2019-20 year Council held twelve Ordinary meetings and six Special meetings.

The following table provides a summary of Councillors' attendance at meetings for the 2019-20 financial year.

MEETING DATE	TYPE	Cr Harry Westendorp	Cr Paul Sladdin	Cr Paul Volkering	Cr Marg Attley	Cr Peter Olver
16/07/2019	Ordinary	●	●	●	●	●
22/07/2019	Special	●	●	●	●	●
06/08/2019	Special	●		●	●	●
20/08/2019	Ordinary	●	●	●	●	●
17/09/2019	Ordinary		●	●	●	●
24/09/2019	Special		●	●	●	●
15/10/2019	Ordinary	●	●	●	●	●
12/11/2019	Special	●		●	●	●
19/11/2019	Ordinary	●		●	●	●
17/12/2019	Ordinary	●	●	●		●
21/01/2020	Ordinary	●	●	●	●	●
18/02/2020	Ordinary	●	●	●	●	●
17/03/2020	Ordinary	●	●	●	●	●
30/03/2020	Special	●	●	●	●	
14/04/2020	Special	●	●	●	●	
21/04/2020	Ordinary	●	●	●	●	●
19/05/2020	Ordinary	●	●	●	●	●
26/05/2020	Special	●	●	●	●	●
23/06/2020	Ordinary			●	●	●
		16	15	19	18	16

# Special Committees

The Act allows councils to establish one or more special committees and/or advisory committees consisting of:

- + Councillors
- + Council staff
- + Other persons
- + Any combination of the above

Council had no established special committees.

**3** advisory committees were in operation, and the purpose for which each was established is shown below.

COMMITTEE	COUNCILLOR REPRESENTATION	OFFICER REPRESENTATION	OTHER (Community Representation)
<b>Audit &amp; Risk</b>	2	-	3
<p><b>PURPOSE</b> Provide advice to the Chief Executive Officer and the Council, as part of Council's governance obligations to its community, to ensure:</p> <ul style="list-style-type: none"> <li>+ Effective recognition, identification and management of risk</li> <li>+ Improved credibility and objectivity of internal and external financial reports</li> <li>+ Compliance with relevant laws and regulations, and use of best practice guides</li> <li>+ The effectiveness of an annual audit program</li> </ul>			
<b>Environment</b>	2	2	3
<p><b>PURPOSE</b> Advise upon and facilitate the improvement and expansion of Council's environmental management and sustainable development programs and policies, to ensure Council is undertaking and promoting environmental conservation and sustainable resource use practices.</p>			
<b>Sport &amp; Recreation</b>	2	2	3
<p><b>PURPOSE</b></p> <ul style="list-style-type: none"> <li>• Provide strategic advice to Council on sport and recreation matters that impact communities throughout Mansfield Shire</li> <li>• Provide advice on the planning and management of sporting and recreation facilities across the Shire</li> <li>• Encourage and facilitate communication and initiatives between sport and recreation groups, clubs, individuals and stakeholders and Council</li> <li>• Provide all sectors of the community within Mansfield Shire with the opportunity to provide input into the directions and issues considered by the committee</li> </ul>			

# Code of Conduct

The **Local Government Act 1989** requires a council to review its Councillor Code of Conduct within the period of four months after a general election. On 21 February 2017 at a Special Meeting, Council adopted its revised Councillor Code of Conduct and Councillor Charter which is designed to:

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

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

- + Other conduct definitions under the Act, such as those relating to the misuse of position, improper direction, breach of confidentiality and conflict of interest.
- + Roles and relationships.
- + Dispute resolution procedures.

# Conflict of Interest

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

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it.

Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and Committee meetings.

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

During 2019-20, **three** conflicts of interest were declared at Ordinary and Special Council meetings.



# Councillor Allowances

In accordance with **section 39 of the Local Government Act 2020** Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor is also entitled to receive a higher allowance. The Victorian government sets upper and lower limits for all allowances paid to Mayors and Councillors. For the purpose of these allowance limits, councils are divided into three categories based on the income and population of each council. Mansfield Shire Council is classified as a **Category 1** council.

At its December 2019 Ordinary Meeting, Council resolved to set the councillor allowance at \$21,049 annually plus the 9.5% superannuation guarantee equivalent and the mayoral allowance at \$62,884 annually plus 9.5% superannuation guarantee equivalent.

In addition, following notification from the Minister, Council resolved to acknowledge the 2% Mayoral and Councillor allowance adjustment factor from 1 December 2019. As a result, the current allowances fixed for the Mayor and Councillors is as follows:

COUNCILLOR	PART A: Annual Allowance (\$)	PART B: Superannuation Guarantee Equivalent (\$)
Cr Marg Attley (Mayor)	<b>\$62,884</b>	<b>\$5,974</b>
Cr Peter Olver	<b>\$21,049</b>	<b>\$1,999</b>
Cr Paul Sladden	<b>\$21,049</b>	<b>\$1,999</b>
Cr Paul Volkering	<b>\$21,049</b>	<b>\$1,999</b>
Cr Harry Westendorp	<b>\$21,049</b>	<b>\$1,999</b>

# Councillor Expenses

In accordance with section 40 of the Local Government Act 2020, Council is required to reimburse a Councillor for expenses incurred whilst performing his or her duties as a Councillor.

Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties.

COUNCILLOR	Conferences & Training	Travel	Mileage	Information & Communication Technology	Childcare	TOTAL \$
Cr Harry Westendorp (Mayor 1 Jul - 12 Nov 2019)	<b>995</b>	<b>418</b>	-	<b>257</b>	-	<b>1,670</b>
Cr Marg Attley (Mayor 12 Nov 2019 - 30 Jun 2020)	<b>677</b>	<b>335</b>	<b>1321</b>	<b>1392</b>	-	<b>3,725</b>
Cr Peter Olver	-	-	<b>638</b>	<b>2,366</b>	-	<b>3,004</b>
Cr Paul Sladdin	-	-	-	<b>974</b>	-	<b>974</b>
Cr Paul Volkering	-	-	-	<b>635</b>	-	<b>635</b>

# Management

Council has implemented statutory and better practice strategies to strengthen its management framework. Having strong governance and management frameworks leads to better decision-making in the organisation. The Act requires Council to undertake an assessment against the prescribed governance and management checklist and include this in its report of operations. Council's Governance and Management Checklist results are set out in the section below. The following items have been highlighted as important components of the management framework.

## AUDIT AND RISK ADVISORY COMMITTEE

In accordance with **section 53 of the Local Government Act 2020**, a Council must establish an audit committee.

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

The Audit and Risk Advisory Committee operates on a staggered rotation to ensure continuity of membership.

Council's Audit and Risk Advisory Committee in 2019-20 comprised of:

**THREE INDEPENDENT MEMBERS:** Katie Lockey, Peter Johnston and Bruce Potgieter AND

**TWO COUNCILLOR REPRESENTATIVES:** Mayor Cr Marg Attley and Cr Harry Westendorp.

The Chair is elected from amongst the independent members. Each independent member of the Committee receives a \$1000 stipend per meeting attended.

The Committee meets at least quarterly. **Four meetings were held during 2019-20.** The Internal Auditor, Chief Executive Officer and Finance Manager attend all meetings. Other management representatives attend as required to present reports. An open invitation is provided to all Councillors to attend all meetings.

The External Auditor attends in May and August each year to present the audit plan and independent audit report.

Recommendations from each Audit and Risk Advisory Committee meeting are subsequently reported to and considered by Council.

## RISK MANAGEMENT

In June 2019, Council adopted a revised **Risk Management Framework and Policy** in-line with current best practice in the management of business enterprise risks and current AS/NZ 31000 guidelines.

During 2019-20 Council's Audit and Risk Advisory Committee received four Risk Management Reports, in accordance with Council's Risk Management framework.

## INTERNAL AUDIT

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council.

Council contracts internal audit services under a three-year tender arrangement. The current service provider is AFS & Associates. A risk-based three-year Internal Audit Plan is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's risk framework, the Council Plan, the impact of any change on operations, systems or the business environment, prior audit coverage and outcomes and management input. The Internal Audit Plan is reviewed and approved by the Audit and Risk Advisory Committee annually.

The internal auditor attends each Audit and Risk Advisory Committee meeting to report on the status of the Internal Audit Plan, provide an update on the implementation of audit recommendations and to present findings of completed reviews. All audit issues identified are risk rated.

During 2019-20, the following internal audits were undertaken by AFS & Associates:

- + **Occupational health, safety and wellbeing risk management**
- + **Fraud and corruption risk management**
- + **Strategic and service level planning**
- + **Past issues review**

## EXTERNAL AUDIT

Council is externally audited by the Victorian Auditor-General. For the 2019-20 financial year the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative, Johnsons MME of Albury. The external auditors attended the May and August Audit and Risk Advisory Committee meetings during 2019-20 to present the annual audit plan and Independent Audit Report. The external audit management letter and responses were also provided to the Committee.

# Governance & Management Checklist

The following are the results in the prescribed form of Council's assessment against the prescribed Governance and Management Checklist.

GOVERNMENT & MANAGEMENT ITEM	ASSESSMENT	YES ✓ / NO ✗
<b>1</b> <b>Community Engagement Policy/Strategy</b> (policy outlining Council's commitment to engaging with the community on matters of public interest)	This was being drafted and is expected to be endorsed by Council in March 2021, in-line with the Act requirements.	✗
<b>2</b> <b>Community Engagement Guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	This was being drafted and is expected to be endorsed by Council in March 2021, in-line with the Act requirements.	✗
<b>3</b> <b>Strategic Resource Plan</b> (under section 126 of the Act outlining the financial and non-financial resources required for at least the next four financial years)	Adopted in accordance with section 126 of the Act. Date of adoption: 28 June 2017. Updated 4 August 2020	✓
<b>4</b> <b>Annual Budget</b> (under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 2 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act. Date of adoption: 4 August 2020	✓
<b>5</b> <b>Asset Management Plans</b> (that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	To be implemented in line with the Local Government Act 2020 timeline, by June 2022	✗
<b>6</b> <b>Rating Strategy</b> (setting out the rating structure of Council to levy rates and charges)	Current Strategy in operation. Date of operation: 4 August 2020	✓

GOVERNMENT & MANAGEMENT ITEM	ASSESSMENT	YES ✓ / NO ✗
<b>7</b> <b>Risk Policy</b> (outlining Council's commitment and approach to minimising the risks to Council's operations)	Council's Risk Management Policy (incorporating policy and procedures) was adopted by Council on 25 June 2019	✓
<b>8</b> <b>Fraud Policy</b> (outlining Council's commitment and approach to minimising the risk of fraud)	Current Policy in operation. Date of operation: 17 December 2019	✓
<b>9</b> <b>Municipal Emergency Management Plan</b> (under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986. Plan formally endorsed by Council in May 2015. Latest update undertaken on 26 June 2018.	✓
<b>10</b> <b>Procurement Policy</b> (under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the Local Government Act 1989. Date of approval: 17 December 2019	✓
<b>11</b> <b>Business Continuity Plan</b> (setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Started the process of reviewing our BCP to ensure it reflects our service obligations. It was tested during COVID-19 pandemic	✓
<b>12</b> <b>Disaster Recovery Plan</b> (setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Council's Disaster Recovery Plan was reviewed and tested in February 2020. Date of operation: 4 August 2020	✓

CONTINUED OVER

GOVERNMENT & MANAGEMENT ITEM	ASSESSMENT	YES ✓ / NO ✗
<b>13 Risk Management Framework</b> (outlining Council's approach to managing risks to the Council's operations)	Council's Risk Management Policy (incorporating policy and procedures) was adopted by Council on 25 June 2019.	✓
<b>14 Audit Committee</b> (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of Council's financial reporting, processes to manage risks to Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Committee established in accordance with section 139 of the Act. Date of establishment: 15 April 2003 2019-20 meetings: 19 August 2019, 25 November 2019, 16 March 2020 and 18 May 2020	✓
<b>15 Internal Audit</b> (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged for a three year period Date of engagement: 6 August 2019	✓
<b>16 Performance Reporting Framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation of current framework: 18 October 2016	✓
<b>17 Council Plan reporting</b> (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Council Plan actions were reported at Council meetings on 20 August 2019, 15 October 2019, 18 February 2020 and 21 April 2020. The Council Plan was reviewed for adoption by Council on 4 August 2020	✓
<b>18 Financial Reporting</b> (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented on a quarterly basis to Council in accordance with section 138(1) of the Act. Quarterly financial reporting has been considered at Council meetings held on 17 September 2019, 19 November 2019, 18 February 2020 and 21 April 2020.	✓

GOVERNMENT & MANAGEMENT ITEM	ASSESSMENT	YES ✓ / NO ✗
<b>19 Risk Reporting</b> (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date of reports: 19 August 2019, 25 November 2019, 16 March 2020 and 18 May 2020	✓
<b>20 Performance Reporting</b> (six-monthly reports of indicators measuring results against financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Date of reports: 20 August 2019, 15 October 2019, 18 February 2020 and 21 April 2020	✓
<b>21 Annual Report</b> (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Endorsed by Council in accordance with section 134 of the Act. Date of endorsement: 15 October 2019	✓
<b>22 Councillor Code of Conduct</b> (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed and adopted by Council in accordance with section 76C of the Act. Date of endorsement: 21 February 2017.	✓
<b>23 Delegations</b> (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated)	Reviewed in accordance with section 11 of the Act. S5 23/06/2020; S6 21/04/2020; S7 27/04/2020; S11 27/04/2020; S11A 23/06/2020; S13 27/04/2020; S14 27/04/2020; S15 27/04/2020	✓
<b>24 Meeting Procedures</b> (a local law governing the conduct of meetings of Council and special committees)	Community Local Law No2 2016 relates to Meeting Procedures and Common Seal Date local law made: 19 April 2016	✓

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



**KAYLENE CONRICK**  
CHIEF EXECUTIVE OFFICER  
DATE: 15 SEPT 2020



**CR MARG ATTLEY OAM**  
MAYOR  
DATE: 15 SEPT 2020



## DOCUMENTS AVAILABLE FOR INSPECTION

In accordance with regulation 12 of the Local Government (General) Regulations 2015 the following are prescribed documents that are available for public inspection or copies of the documents can be obtained for the purposes of section 222 of the Act at 33 Highett Street, Mansfield:

- + A document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by a Councillor or any member of Council staff in the previous 12 months
- + Minutes of ordinary and special meetings held in the previous 12 months which are available for public inspection, other than those agendas and minutes relating to part of a meeting which was closed to members of the public under section 66 of the Local Government Act 2020 and are confidential information within the meaning of section 3 of the Local Government Act 2020.
- + A register of delegations kept under section 11(8) of the Local Government Act 2020.
- + A document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms of and the value of the lease
- + A register maintained under section 224(1A) of the Act of authorised officers appointed under that section
- + A list of donations and grants made by Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

## CONTRACTS

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



Mansfield Station Precinct

## DISABILITY ACTION PLAN

The Disability Act Victoria 2006 outlines general provisions, including planning for individual access to services, and provides the framework for a 'Whole of Government and Whole of Community' approach to building community inclusion for people with disabilities.

Council's **Access and Inclusion Plan 2011** provides a set of principles, goals and responsibilities that outline the way in which Council commits to work in order to remove barriers for those with a disability.

Similarly, Council's Access and Inclusion Charter acknowledges Council's commitment to valuing every community member and considering any barriers that may exist to their participation.

## FOOD ACT MINISTERIAL DIRECTIONS

In accordance with section 7E of the Food Act 1984, Council is required to publish a summary of any Ministerial Directions received during the financial year. No such Ministerial Directions were received by Council during the financial year.

## DOMESTIC ANIMAL MANAGEMENT PLAN

Council's Domestic Animal Management Plan 2017-21 was endorsed by Council on 17 April 2018. This Plan, operating in conjunction with the Amenity, Environment and Community Protection Local Law 2017, provides a clear framework for the keeping of animals within the Shire.

Council's Local Laws Officers are required to undergo training in the following:

- + **Certificate IV Animal Control and Regulation**
- + **Dog Behaviour Assessment Workshop**
- + **DELWP training for auditing domestic animal businesses**
- + **Firearms safety**
- + **Offences and Enforcement on Roads**
- + **Canine Anatomy and Identification**

Council uses a range of resources to reunite lost animals with their owners and has seen high success rates in this area by introducing the use of social media. The introduction of the use of social media has also been effective when encouraging pet owners to microchip and register animals.

The feral cat population continues to be a problem in rural areas, however Council's ongoing provision of cat traps to residents has seen a reduction in the number of feral cats in some high risk areas.



## FREEDOM OF INFORMATION

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the Freedom of Information Act 1982, Council is required to publish certain statements in this annual report or separately such as on its website, concerning its functions and information available. Council has chosen to publish the statements separately however provides the following summary of the application and operation of the Freedom of Information Act 1982.

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

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

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

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

Further information regarding FOI can be found at [www.foi.vic.gov.au](http://www.foi.vic.gov.au) and on the Mansfield Shire Council's website.

In 2019-20 two Freedom of Information requests were received by Council.

No appeals were received against the Freedom of Information Officer's decisions.

## PUBLIC INTEREST DISCLOSURE POLICY

The aim of Council's Public Interest Disclosures Policy is to ensure Council's compliance against the PID Act, including its associated regulations, and provide a framework for reporting public interest disclosures of corrupt or improper conduct as defined in the Act.

On 31 December 2019, the Protected Disclosure Act 2012 (PD Act) was amended to make Victoria's public sector whistleblowing scheme more accessible, and to encourage reporting of public sector corruption and other misconduct. Part of these reforms included the PD Act being renamed the Public Interest Disclosures Act 2012 (PID Act), which took effect on 1 January 2020.

The amended Policy will continue to provide Council with the tools to effectively manage corrupt and misconduct disclosures.

Members of the community must be able to rely on those in public office to conduct themselves properly and to use any powers they have in the service of the public.

Where there is a suggestion that public officials are, for example, breaching the trust invested in them, misusing information or mismanaging public resources, it is vital that those who observe or suspect such behaviour speak up and report the alleged misconduct.

The PID Act was enacted by Parliament as a legislative framework for receiving such public interest disclosures and protecting those who make them.

There were **no disclosures notified** to Council officers during the 2019-20 year.

## ROAD MANAGEMENT ACT MINISTERIAL DIRECTION

In accordance with section 22 of the Road Management Act 2004, a council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial Directions were received by Council during the 2019-20 financial year.

# Financial Report

We are committed to providing accurate, understandable and fair reporting on our financial performance for 2019-20 and our financial position at the end of the period. It enables an assessment of our ability to deliver current services and maintain existing facilities in the longer-term.



Protea Farm Jamieson

## WHAT IS CONTAINED IN THE ANNUAL FINANCIAL REPORT

The Financial Report is made up of two main sections, namely the statements and the notes. There are five statements and ten notes. These statements and notes are prepared by Council staff, examined by Council's Audit and Risk Advisory Committee and by Council. They are then audited by the Victorian Auditor-General.

The five Statements are:

- 1. Comprehensive Income Statement**
- 2. Balance Sheet**
- 3. Statement of Changes in Equity**
- 4. Statement of Cash Flows**
- 5. Statement of Capital Works**

The notes detail Council's accounting policies and the make up of values contained in the statements.

## COMPREHENSIVE INCOME STATEMENT

The Comprehensive Income Statement shows:

- + The sources of Council's revenue under various income headings.
- + The expenditure incurred in running the Council during the year. These expenses relate only to the 'operations' and do not include the cost associated with the purchase or the building of assets. While asset purchase costs are not included in the expenses there is an item for 'Depreciation'. This represents the value of the assets used up during the year.

A surplus means that the revenue was greater than the expense.

## BALANCE SHEET

The Balance Sheet is a one page summary of the financial situation as at 30 June 2020 (balance date). It shows what the Council owns (assets) and what it owes (liabilities). The bottom line of this Statement is net assets. This is the net worth of Council which has been accumulated since its deamalgamation from the former Delatite Shire in 2002.

The assets and liabilities are separated into current and non-current. Current means those assets or liabilities which will fall due in the next 12 months.

The components of the Balance Sheet are described as follows:

### 1. Current and non-current assets

- + Cash and cash equivalents includes cash held in the bank and in petty cash.
- + Trade and other receivables are monies owed to Council by ratepayers and others.
- + Financial assets are term deposits invested for a period beyond three months.
- + Prepayments are expenses that Council has paid in advance of the service.
- + Inventories are stock held for sale or consumption in Council's services.
- + Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc., which Council owns or controls at balance date.

### 2. Current and non-current liabilities

- + Trade and other payables are amounts owed by Council to others as at 30 June 2020.
- + Trust funds and deposits represent monies held in trust or deposits received and held by Council.
- + Provisions include accrued long-service leave and annual leave owing to employees.
- + Interest-bearing loans and borrowings are borrowings of Council.

### 3. Net assets

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of Council as at 30 June 2020.

### 4. Equity

Total equity always equals net assets. It is made up of the following components:

- + Accumulated surplus, which is the value of all surplus/(deficit) accumulated over time.
- + The use of monies from Council's reserves and transfers to Council's reserves.

## STATEMENT OF CHANGES IN EQUITY

During the course of the year the value of total equity as set out in the Balance Sheet changes. The Statement of Changes in Equity shows the values of such changes and how these changes arose.

The main reasons for a change in equity arise from:

- + the 'profit or loss' from operations, described in the Statement as 'surplus/ (deficit) for the year'
- + the use of monies from Council's reserves and transfers to Council's reserves
- + the revaluation of fixed assets which takes place on a regular basis

## STATEMENT OF CAPITAL WORKS

The Statement of Capital Works summarises the total amount Council invested in its Property, Infrastructure, Plant and Equipment during the financial year.

It provides a breakdown of the different types of assets to show where the money was invested. It also shows a split of how much was spent on new assets, renewing assets, and upgrading existing assets.

## STATEMENT OF CASH FLOWS

The Statement of Cash Flows summarises Council's cash payments and cash receipts for the year. The values may differ from those shown in the Income Statement because the Income Statement is prepared on an accrual accounting basis. Cash Flows amounts include GST.

Cash in this Statement refers to bank deposits and other forms of highly liquid investments that can readily be converted to cash, except for cash invested in managed funds.

Council's cash arises from, and is used in, three main areas:

### 1. Cash Flows from Operating Activities

#### *Receipts*

All cash received into Council's bank account from ratepayers and others who owed money to Council. Receipts also include the interest earnings from Council's cash investments. It does not include the costs associated with the sale of assets.

#### *Payments*

All cash paid by Council from its bank account to staff, creditors and other persons. It does not include the costs associated with the creation or acquisition of assets.

### 2. Cash Flows from Investing Activities

This section shows the cash invested in the creation or purchase of property, plant and equipment, infrastructure, investment property and intangible assets, and the cash received from the sale of these assets.

### 3. Cash Flows from Financial Activities

This is where the receipt and repayment of borrowed funds are recorded.

The bottom line of the Statement of Cash Flows is the cash at end of financial year. This shows the capacity of Council to meet its cash debts and other liabilities.

# Understanding the Financial Report

## NOTES TO THE FINANCIAL STATEMENTS

To enable the reader to understand the basis on which the values shown in the main statements are established, it is necessary to provide details of Council's accounting policies. These are described throughout the notes.

The notes also give details behind many of the summary figures contained in the main Statements. The note numbers are shown beside the relevant items in the Statements.

Where Council wishes to disclose other information which cannot be incorporated into the statements, this is also shown in the notes.

Other notes include:

- + The cost of the various functions of Council
- + The breakdown of expenses, revenues, reserves and other assets
- + Contingent liabilities
- + Transactions with persons related to Council

The notes should be read at the same time as, and together with, the other parts of the Financial Statements to get a clear picture of the accounts.

## STATEMENTS BY PRINCIPAL ACCOUNTING OFFICER AND COUNCILLORS

The Certification of the Financial Report is made by the person responsible for the financial management of Council that, in her/ his opinion, the financial statements have met all the statutory and professional reporting requirements.

The Certification of the Financial Report is also made by two Councillors on behalf of Council confirming that, in their opinion, the financial statements are fair and not misleading. The Chief Executive Officer also endorses and signs the certification.

## AUDITOR GENERAL'S REPORT

The Independent Audit Report provides the reader with an external and independent opinion on the Financial Report and Performance Statement. The opinion covers statutory and professional requirements as well as addressing the fairness aspects of the financial statements.

### AUDITOR

Victorian Auditor-General Office  
Level 31  
35 Collins Street  
Melbourne Vic 3000

### SOLICITORS

Mal Ryan and Glen  
9 High Street  
Mansfield Vic 3724

Maddocks  
Level 25  
727 Collins Street Melbourne Vic 3008

### BANK

National Australia Bank  
76 High Street Mansfield Vic 3677



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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.



Mandy Kynnersley CA BBus(Acc)

**Principal Accounting Officer**

Date : 15/09/2020

33 Highett Street, Mansfield Vic 3722

In our opinion the accompanying financial statements present fairly the financial transactions of Mansfield Shire Council for the year ended 30 June 2020 and the financial position of the Council as at that date.

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

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



Cr Marg Attley OAM

**Councillor**

Date : 15/09/2020

33 Highett Street, Mansfield Vic 3722



Cr Peter Olver

**Councillor**

Date : 15/09/2020

33 Highett Street, Mansfield Vic 3722



Kaylene Conrick

**Chief Executive Officer**

Date : 15/09/2020

33 Highett Street, Mansfield Vic 3722



## Independent Auditor's Report

To the Councillors of Mansfield Shire Council

**Opinion** I have audited the financial report of Mansfield Shire Council (the council) which comprises the:

- balance sheet as at 30 June 2020
- comprehensive income statement for the year then ended
- statement of changes in equity for the year then ended
- statement of cash flows for the year then ended
- statement of capital works for the year then ended
- notes to the financial statements, including significant accounting policies
- certification of the financial statements.

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 *Local Government Act 1989* and applicable Australian Accounting Standards.

**Basis for Opinion** I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

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

**Councillors' responsibilities for the financial report** 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 *Local Government Act 1989*, 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.

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.

**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.



Sarichu Chummar

as delegate for the Auditor-General of Victoria

MELBOURNE  
18 September 2020

\$ '000	Notes	2020	2019
<b>Income</b>			
Rates and charges	3.1	14,269	13,749
Statutory fees and fines	3.2	349	337
User fees	3.3	1,108	883
Grants - operating	3.4	5,127	4,887
Grants - capital	3.4	1,470	974
Contributions - monetary	3.5	195	85
Contributions - non-monetary	3.5	2,144	2,403
Net gain on disposal of property, infrastructure, plant and equipment	3.6	-	360
Other income	3.7	344	561
<b>Total Income</b>		<b>25,006</b>	<b>24,239</b>
<b>Expenses</b>			
Employee costs	4.1	9,205	8,343
Materials and services	4.2	7,832	6,909
Depreciation	4.3	3,812	3,336
Bad and doubtful debts	4.4	-	(4)
Borrowing costs	4.5	122	132
Net loss on disposal of property, infrastructure, plant and equipment	3.6	121	-
Other expenses	4.6	296	312
<b>Total expenses</b>		<b>21,388</b>	<b>19,028</b>
<b>Surplus / (deficit) for the year</b>		<b>3,618</b>	<b>5,211</b>
<b>Other comprehensive income - Items that will not be reclassified to surplus or deficit in future periods.</b>			
Net asset revaluation increment/(decrement)	9.1	8,151	44,407
<b>Total other comprehensive income for the year</b>		<b>8,151</b>	<b>44,407</b>
<b>TOTAL COMPREHENSIVE RESULT</b>		<b>11,769</b>	<b>49,618</b>

\$ '000	Notes	2020	2019
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5.1 (a)	5,099	3,198
Trade and other receivables	5.1 (c)	1,585	1,402
Other financial assets	5.1 (b)	9,299	9,284
Inventories	5.2 (a)	9	14
Other assets	5.2 (b)	1,870	227
<b>Total current assets</b>		<b>17,862</b>	<b>14,125</b>
<b>Non-current Assets</b>			
Trade and other receivables	5.1 (c)	51	25
Property, infrastructure, plant and equipment	6.1	192,892	183,366
<b>Total non-current assets</b>		<b>192,943</b>	<b>183,391</b>
<b>Total Assets</b>		<b>210,805</b>	<b>197,516</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5.3 (a)	2,736	1,003
Trust funds and deposits	5.3 (b)	1,084	950
Provisions	5.5	1,881	1,903
Interest-bearing liabilities	5.4	183	199
<b>Total current liabilities</b>		<b>5,884</b>	<b>4,055</b>
<b>Non-current liabilities</b>			
Provisions	5.5	466	352
Interest-bearing liabilities	5.4	1,930	2,113
<b>Total non-current liabilities</b>		<b>2,396</b>	<b>2,465</b>
<b>Total Liabilities</b>		<b>8,280</b>	<b>6,520</b>
<b>NET ASSETS</b>		<b>202,525</b>	<b>190,996</b>
<b>Equity</b>			
Accumulated surplus	9.1	70,322	66,495
Reserves		132,203	124,501
<b>TOTAL EQUITY</b>		<b>202,525</b>	<b>190,996</b>

# Statement of Changes in Equity for the year ended 30 June 2020

\$ '000	Notes	TOTAL	Accumulated Surplus	Revaluation Reserve	Other Reserves
<b>2020</b>					
Balance at beginning of the financial year		190,996	66,495	124,096	405
Impact of change in accounting policy - AASB 1058 Income of Not-for-Profit Entities	10	(240)	(240)	-	-
<b>Adjusted opening balance</b>		<b>190,756</b>	<b>66,255</b>	<b>124,096</b>	<b>405</b>
<b>Surplus (Deficit) for the year</b>		<b>3,618</b>	<b>3,618</b>	-	-
<b>Other comprehensive income</b>					
Net asset revaluation increment / (decrement)	6.1	8,151	-	8,151	-
<b>Other comprehensive income</b>		<b>8,151</b>	-	<b>8,151</b>	-
<b>Total comprehensive income</b>		<b>11,769</b>	<b>3,618</b>	<b>8,151</b>	-
Transfers to other reserves	9.1	-	142	-	(142)
Transfers from other reserves	9.1	-	307	-	(307)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>		<b>202,525</b>	<b>70,322</b>	<b>132,247</b>	<b>(44)</b>

<b>2019</b>					
Balance at the beginning of the financial year		141,378	61,252	79,689	437
<b>Surplus (Deficit) for the year</b>		<b>5,211</b>	<b>5,211</b>	-	-
<b>Other comprehensive income</b>					
Net asset revaluation increment / (decrement)	9.1	44,407	-	44,407	-
<b>Other comprehensive income</b>		<b>44,407</b>	-	<b>44,407</b>	-
<b>Total comprehensive income</b>		<b>49,618</b>	<b>5,211</b>	<b>44,407</b>	-
Transfers to / from other reserves	9.1	-	32	-	(32)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>		<b>190,996</b>	<b>66,495</b>	<b>124,096</b>	<b>405</b>

# Statement of Cash Flows for the year ended 30 June 2020

\$ '000	Notes	2020	2019
		Inflows/(Outflows)	Inflows/(Outflows)
<b>Cash flows from operating activities</b>			
Rates and charges		13,912	13,783
Statutory fees and fines		349	337
User fees		1,240	663
Grants - operating		5,157	4,914
Grants - capital		1,470	974
Contributions - monetary		201	86
Interest received		198	250
Trust funds and deposits taken		134	-
Other receipts		294	281
Net GST refund / payment		1,053	908
Employee costs		(9,016)	(8,347)
Materials and services		(8,818)	(7,842)
Short-term, low value and variable lease payments		(8)	-
Trust funds and deposits repaid		-	(40)
Other payments		(771)	(384)
<b>Net cash provided by / (used in) operating activities</b>	<b>9.2</b>	<b>5,395</b>	<b>5,583</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.1	(3,235)	(3,514)
Proceeds from sale of property, infrastructure, plant and equipment		77	563
Payments for investments		(15)	(1,027)
<b>Net cash provided by / (used in) investing activities</b>		<b>(3,173)</b>	<b>(3,978)</b>
<b>Cash flows from financing activities</b>			
Finance Costs		(122)	(135)
Repayment of borrowings		(199)	(262)
<b>Net cash provided by / (used in) financing activities</b>		<b>(321)</b>	<b>(397)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>1,901</b>	<b>1,208</b>
Cash and cash equivalents at the beginning of the financial year		3,198	1,990
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>		<b>5,099</b>	<b>3,198</b>
<b>Financing arrangements</b>			
Financing arrangements	5.6	2,513	2,687
Restrictions on cash assets	5.1	1,084	950

\$ '000	Notes	2020	2019
<b>Property</b>			
Land		3	-
Buildings		494	429
<b>Total property</b>		<b>497</b>	<b>429</b>
<b>Plant and equipment</b>			
Plant, machinery and equipment		445	389
Fixtures, fittings and furniture		24	5
Computers and telecommunications		57	70
Library books		47	55
<b>Total plant and equipment</b>		<b>573</b>	<b>519</b>
<b>Infrastructure</b>			
Roads		1,830	2,072
Bridges		-	255
Footpaths and cycleways		161	176
Recreational, leisure and community facilities		187	60
<b>Total Infrastructure</b>		<b>2,178</b>	<b>2,563</b>
<b>TOTAL CAPITAL WORKS EXPENDITURE</b>		<b>3,248</b>	<b>3,511</b>
<b>Represented by</b>			
New asset expenditure		843	603
Asset renewal expenditure		933	2,094
Asset upgrade expenditure		1,472	814
<b>TOTAL CAPITAL WORKS EXPENDITURE</b>		<b>3,248</b>	<b>3,511</b>

## INTRODUCTION

The Mansfield Shire Council was established by an Order of the Governor in Council on 28 October 2002 and is a body corporate.

The Council's main office is located at 33 Highett Street, Mansfield Victoria.

## 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:

- (i) the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1.)
- (ii) the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1.).
- (iii) the determination of employee provisions (refer to Note 5.5.).
- (iv) the determination of landfill provisions (refer to Note 5.5.)
- (v) 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)
- (vi) 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)
- (vii) other areas requiring judgements

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation (except where transitional requirements of *AASB 15 Revenue from Contracts with Customers*, *AASB 16 Leases* and *AASB 1058 Income of Not-for-Profit Entities* do not require restatement of comparatives under the modified retrospective approach adopted by the Council), and disclosure has been made of any material changes to comparatives.

## 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 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.



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 10% percent and \$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.

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

### 1.1 INCOME AND EXPENDITURE

\$ '000	Budget 2020	Actual 2020	Variance 2020	Variance 2020 %	Ref
<b>Income and expenditure</b>					
Rates and charges	14,200	14,269	69	0.49%	
Statutory fees and fines	308	349	41	13.31%	
User fees	750	1,108	358	47.73%	1
Grants - operating	4,806	5,127	321	6.68%	
Grants - capital	5,582	1,470	(4,112)	-73.67%	2
Contributions - monetary	5	195	190	3800.00%	3
Contributions - non-monetary	-	2,144	2,144	0.00%	4
Other income	410	344	(66)	-16.10%	5
<b>Total Income</b>	<b>26,061</b>	<b>25,006</b>	<b>(1,055)</b>	<b>-4.5%</b>	
<b>Expenses</b>					
Employee costs	9,147	9,205	58	0.63%	
Materials and services	6,961	7,832	871	12.51%	6
Depreciation	3,379	3,812	433	12.81%	7
Borrowing costs	119	122	3	2.52%	
Net loss on disposal of property, infrastructure, plant and equipment	-	121	121	0.00%	8
Other expenses	275	296	21	7.64%	
<b>Total expenses</b>	<b>19,881</b>	<b>21,388</b>	<b>1,507</b>	<b>7.58%</b>	
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	<b>6,180</b>	<b>3,618</b>	<b>(2,562)</b>	<b>-41.46%</b>	

#### (i) Explanation of material variations

- 1 **USER FEES** - \$219k gate fees received from the Resource Recovery Centre which was budgeted to be outsourced. \$62k pool user fees were budgeted in Other Income. Home Care user fees exceeded budget by \$72k, which is offset by additional expenditure.
- 2 **GRANTS CAPITAL** - \$1.2m grant was budgeted for the Heavy Vehicle Bypass which was put on hold pending further investigations. Dual Court stadium grant income \$2.98k under budget due to timing of project.
- 3 **CONTRIBUTIONS - MONETARY** - \$71k relates to income from special charge schemes which were budgeted in prior year. \$59k received from GV Water in relation to upgrade works on Withers Lane. Subdivider contributions of \$59k were not budgeted.
- 4 **CONTRIBUTIONS - NON-MONETARY** - Gifted Assets resulting from subdivisions was not budgeted.
- 5 **OTHER INCOME** - Pool admission fees of \$62k were budgeted here, but costed to User fees.
- 6 **MATERIALS AND SERVICES** - The Resource Recovery Centre was budgeted to be outsourced, but Council are now running this. This incurred \$344k of Materials & Services cost which were not budgeted. \$108k was spent on Communications Consultant which was budgeted in salaries. Environmental Health maternity leave position was backfilled with a consultant totalling \$88k. Landfill rehabilitation provision was increased by \$97k. Other increased materials and services costs include legal costs & pool running costs being over budget.
- 7 **DEPRECIATION** - Assets are now being componentised which has resulted in an increase in depreciation.
- 8 **NET LOSS ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT** - Loss on disposal of roads due to upgrade work completed has not been budgeted in the past. It is now recognised due to componentisation of assets allowing this to be better captured.

1.2 CAPITAL WORKS

\$ '000	Budget 2020	Actual 2020	Variance 2020	Variance 2020 %	Ref
<b>Property</b>					
Land	-	3	3	0.00%	
<b>Total Land</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>0.00%</b>	
Buildings	1,041	494	(547)	-52.55%	1
<b>Total Buildings</b>	<b>1,041</b>	<b>494</b>	<b>(547)</b>	<b>-52.55%</b>	
<b>Total property</b>	<b>1,041</b>	<b>497</b>	<b>(544)</b>	<b>-52.26%</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	616	445	(171)	-27.76%	2
Fixtures, fittings and furniture	15	24	9	60.00%	
Computers and telecommunications	70	57	(13)	-18.57%	
Library books	-	47	47	0.00%	
<b>Total plant and equipment</b>	<b>701</b>	<b>573</b>	<b>(128)</b>	<b>-18.26%</b>	
<b>Infrastructure</b>					
Roads	4,020	1,830	(2,190)	-54.48%	3
Footpaths and cycleways	245	161	(84)	-34.29%	4
Drainage	130	-	(130)	-100.00%	5
Recreational, leisure and community facilities	6,427	187	(6,240)	-97.09%	6
Off street car parks	800	-	(800)	-100.00%	7
Other infrastructure	58	-	(58)	-100.00%	8
<b>Total infrastructure</b>	<b>11,680</b>	<b>2,178</b>	<b>(9,502)</b>	<b>-81.35%</b>	
<b>TOTAL CAPITAL WORKS EXPENDITURE</b>	<b>13,422</b>	<b>3,248</b>	<b>(10,174)</b>	<b>-75.80%</b>	
<b>Represented by</b>					
New asset expenditure	7,695	843	(6,852)	-89.04%	
Asset renewal expenditure	3,180	933	(2,247)	-70.66%	
Asset upgrade expenditure	2,547	1,472	(1,075)	-42.21%	
<b>TOTAL CAPITAL WORKS EXPENDITURE</b>	<b>13,422</b>	<b>3,248</b>	<b>(10,174)</b>	<b>-75.80%</b>	

(i) Explanation of material variations

- 1 **BUILDINGS** -Lords Pavilion is only in design stages and therefore was under budget by \$569k.
- 2 **PLANT, MACHINERY AND EQUIPMENT** - A water truck was ordered during June 2020, but not delivered until July 2020. Council are no longer contracting out the operations of the Resource Recovery Centre, and therefore were required to purchase an excavator which was not budgeted (\$62k).
- 3 **ROADS** - \$2.5m was budgeted for the Heavy Vehicle Bypass, however this project was put on hold pending further research. \$1.1m was spent on Withers Lane sealing (\$807k of this was funded by a carry forward budget from prior year). Various road projects did not proceed including Reseal Preparation Program \$600k, Malcolm Street Reconstruction \$100k, Alpine Ridge Reconstruction \$100k, & Kerb and Channel Reconstruction program \$80k.
- 4 **FOOTPATHS AND CYCLEWAYS** -Mt Buller Road footpath was commenced but not yet completed in the 2019-2020 year.
- 5 **DRAINAGE** -Wetland Rejuvenation program was not completed due to available staffing resources(\$120k).
- 6 **RECREATIONAL, LEISURE AND COMMUNITY FACILITIES** - Dual Court Stadium was budgeted for \$5.8m, however \$3.4m of funding was secured, and therefore the Council contribution was reduced. Project is currently underway, with 50% paid. This project is a joint arrangement with the Department of Education, and will result in a lease rather than an capital asset to Council. The \$1.6m is currently in prepayments as the project is not yet complete. The Botanic Park Playground project is only in design stages and therefore is under budget \$459k.
- 7 **OFF STREET CAR PARKS** - \$800k was budgeted for the car park at the Dual Court Stadium. This part of the project has not yet commenced.
- 8 **OTHER INFRASTRUCTURE** - Perimeter fencing for the Additional Playing Field was budgeted here, but costed to Recreational, Leisure and Community Facilities (\$40k). Fall protection barriers at the Resource Recovery Centre were budgeted here, but costed to Buildings.

**2(a). ANALYSIS OF COUNCIL RESULTS BY PROGRAM**

Council delivers its functions and activities through the following programs.

**COMMUNITY SERVICES**

Community Services functions include Community Development, Aged and Disability Services, Family Support, Family Services and Partnerships, Youth Development, Sport and Recreation, Economic Development and Tourism and Events.

**CORPORATE AND ORGANISATIONAL DEVELOPMENT**

Corporate and Organisational Development functions include Customer Service, Records, Human Resources, Information Technology and Occupational Health and Safety.

**DEVELOPMENT SERVICES**

Development Services functions include, Statutory Planning, Strategic Planning, Environmental Health, Local Laws, Environment and Waste Management.

**ENGINEERING AND WORKS**

Engineering and Works functions include Engineering Services, Building Maintenance, Road Network Maintenance, Parks and Gardens and School Crossing Supervision.

**EXECUTIVE SERVICES**

Executive Services includes the Chief Executive Officer and executive management.

**FINANCE**

Finance functions include Accounting, Payroll, Accounts Payable, Revenue Services, Property Rating, Depreciation Costs, Corporate Governance, Risk Management, and Councillors.

**2(b). SUMMARY OF REVENUES, EXPENSES, ASSETS AND CAPITAL EXPENSES BY PROGRAM**

2020	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(a).				
Functions Activities	Income	Expenses	Surplus / (Deficit)	Grants included in Income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
Community services	2,012	3,766	(1,754)	1,499	-
Corporate and organisational development	20	1,525	(1,505)	-	81
Development services	3,130	4,611	(1,481)	106	16
Engineering and works	4,901	4,221	680	2,420	192,795
Executive services	-	675	(675)	-	-
Finance	14,943	6,590	8,353	2,572	17,913
<b>TOTAL FUNCTIONS AND ACTIVITIES</b>	<b>25,006</b>	<b>21,388</b>	<b>3,618</b>	<b>6,597</b>	<b>210,805</b>

2019	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(a).				
Functions Activities	Income	Expenses	Surplus / (Deficit)	Grants included in Income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
Community services	2,453	3,456	(1,003)	1,517	-
Corporate and organisational development	110	1,905	(1,795)	59	-
Development services	3,989	3,574	415	50	-
Engineering and works	4,591	3,922	669	2,005	183,366
Executive services	-	754	(754)	-	-
Finance	12,960	5,096	7,864	2,098	14,150
Governance and strategy	136	321	(185)	132	-
<b>TOTAL FUNCTIONS AND ACTIVITIES</b>	<b>24,239</b>	<b>19,028</b>	<b>5,211</b>	<b>5,861</b>	<b>197,516</b>

### 3.1 RATES AND CHARGES

Council uses capital improved value as the basis of valuation of all properties within the municipal district. The capital improved value of a property is its land plus all improvements on that land.

The valuation base used to calculate general rates for 2019/20 was \$3,738 million (2018/19: \$3,503 million).

\$ '000	2020	2019
General Rates	9,578	8,223
Municipal charge	2,407	2,074
Waste management charge	306	163
Service rates and charges	1,821	3,059
Supplementary rates and rate adjustments	107	176
Interest on rates and charges	50	54
<b>TOTAL RATES AND CHARGES</b>	<b>14,269</b>	<b>13,749</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

\$ '000	2020	2019
Infringements and costs	29	14
Land information certificates	22	40
Permits	298	283
<b>TOTAL STATUTORY FEES AND FINES</b>	<b>349</b>	<b>337</b>

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

### 3.3 USER FEES

\$ '000	2020	2019
Aged and health services	315	286
Leisure centre and recreation	93	108
Registration and other permits	190	142
Building services	13	5
Waste management services	319	100
Local laws	95	116
Other fees and charges	83	126
<b>TOTAL USER FEES</b>	<b>1,108</b>	<b>883</b>
User fees recognised at a point in time	1,108	883

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

### 3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT

\$ '000	2020	2019
Summary of grants - Grants were received in respect of the following:		
Commonwealth funded grants	5,242	3,844
State funded grants	1,355	2,017
<b>TOTAL GRANTS RECEIVED</b>	<b>6,597</b>	<b>5,861</b>

Grants received are categorised as follows:

- (a) Operating Grants
- (b) Capital Grants
- (c) Unspent Grants received on condition that they be spent in a specific manner

Operating grant income with sufficiently specific performance obligations is recognised over time, in accordance with AASB 15, as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific operating grant revenue is recognised, in accordance with AASB 1058, on the earlier of receipt or when an unconditional right to receipt has been established.

Capital grants are recognised over time, in accordance with AASB 1058, when the obligations of the underlying agreement are met. This is normally in line with the stage of completion of the underlying non-financial assets being constructed.

\$ '000	2020	2019
<b>(a) Operating grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants	3,512	2,846
General home care	332	348
Adult day care	124	123
<b>Recurrent - State Government</b>		
School crossing supervisors	31	30
Library	128	125
Maternal and child health	229	202
Adult day care	7	7
General home care	108	108
Family and children	286	312
Community support	40	50
Environmental Health	14	16
Property and valuations	1	96
Other	8	7
<b>Total recurrent operating grants</b>	<b>4,820</b>	<b>4,270</b>
<b>Non-recurrent - Commonwealth Government</b>		
General home care	9	8
<b>Non-recurrent - State Government</b>		
Family and children	84	54
Community support	54	82
Waste - recycling temporary relief fund	-	13
Emergency management	95	129
Environment	24	22
Property and valuations	-	80
Tourism	2	22
Sport and recreation	-	18
Strategic planning	37	130
Other	2	59
<b>Total non-recurrent operating grants</b>	<b>307</b>	<b>617</b>
<b>TOTAL OPERATING GRANTS</b>	<b>5,127</b>	<b>4,887</b>

3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT CONTINUED

\$ '000	2020	2019
<b>(b) Capital grants</b>		
Recurrent - Commonwealth Government		
Roads to recovery	592	501
<b>Total recurrent capital grants</b>	<b>592</b>	<b>501</b>
Non-recurrent - Commonwealth Government		
Recreation	673	18
Non-recurrent - State Government		
Roads, footpaths and bridges	137	407
Waste	68	29
Recreation	-	19
<b>Total non-recurrent capital grants</b>	<b>878</b>	<b>473</b>
<b>TOTAL CAPITAL GRANTS</b>	<b>1,470</b>	<b>974</b>

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

Operating		
Balance at start of year	350	358
Received during the financial year and remained unspent at balance date	1,130	282
Received in prior years and spent during the financial year	(238)	(290)
<b>Balance at year end</b>	<b>1,242</b>	<b>350</b>
Capital		
Balance at start of year	712	480
Received during the financial year and remained unspent at balance date	422	240
Received in prior years and spent during the financial year	(473)	(8)
<b>Balance at year end</b>	<b>661</b>	<b>712</b>

3.5 CONTRIBUTIONS

\$ '000	2020	2019
Monetary		
Total monetary contributions	195	85
Non-monetary		
Total non-monetary contributions	2,144	2,403
<b>TOTAL CONTRIBUTIONS</b>	<b>2,339</b>	<b>2,488</b>
Contributions of non monetary assets were received in relation to the following asset classes:		
Land under roads	7	3
Roads	922	1,232
Footpaths and cycleways	330	318
Drainage	885	850
<b>Total non-monetary contributions</b>	<b>2,144</b>	<b>2,403</b>

3.6 NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

\$ '000	2020	2019
Property, infrastructure, plant and equipment		
Proceeds of sale	77	563
Written down value of assets disposed	(198)	(203)
<b>TOTAL NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT</b>	<b>(121)</b>	<b>360</b>

3.7 OTHER INCOME

\$ '000	2020	2019
Interest	198	271
Other Rent	51	92
Other	95	198
<b>TOTAL OTHER INCOME</b>	<b>344</b>	<b>561</b>

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

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

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.

**4.1(a). EMPLOYEE COSTS**

\$ '000	2020	2019
Wages and salaries	7,463	6,730
WorkCover	106	101
Annual leave and long service leave	860	813
Superannuation	741	665
Fringe benefits tax	24	8
Other	11	26
<b>TOTAL EMPLOYEE COSTS</b>	<b>9,205</b>	<b>8,343</b>

**4.1(b). SUPERANNUATION - Council made contributions to the following funds:**

\$ '000	2020	2019
<b>Defined benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	17	17
Employer contributions payable at reporting date	-	-
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	274	272
Employer contributions - other funds	450	324
Employer contributions payable at reporting date	-	52
<b>TOTAL SUPERANNUATION COSTS</b>	<b>741</b>	<b>613</b>

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

**4.2 MATERIALS AND SERVICES**

\$ '000	2020	2019
Utilities	413	379
Information technology software and hardware costs	307	446
Insurance	276	237
Consultants	738	519
Expenses from leases of low value assets	8	-
Store issues	96	74
Repairs, maintenance and security	141	257
Advertising and promotion	59	60
Legal expenses	140	127
Memberships and subscriptions	61	52
Printing, copying, stationery and postage	88	97
Staff training and professional development	191	139
Waste disposal and contract costs	2,468	2,060
Community contributions	143	264
Fuel	101	108
Cleaning expenses	176	154
Levies	33	29
<b>Contract payments</b>		
Asset management	177	242
Building services	90	88
Aged services	92	89
Pool operations	121	115
Other	86	96
<b>Other materials and services</b>		
Community services	292	309
Development services	307	116
Tourism and events	178	111
Engineering and works	856	579
Administration and governance	194	162
<b>TOTAL MATERIALS AND SERVICES</b>	<b>7,832</b>	<b>6,909</b>

### 4.3 DEPRECIATION

\$ '000	2020	2019
<b>Total depreciation - property</b>	<b>357</b>	<b>354</b>
<b>Plant and equipment</b>		
Plant and equipment	420	386
Fixtures, fittings and furniture	27	28
Computers and telecomms	100	116
Library books	42	39
<b>Total depreciation - plant and equipment</b>	<b>589</b>	<b>569</b>
<b>Infrastructure</b>		
Roads	1,982	1,615
Bridges	216	214
Footpaths and cycleways	175	115
Drainage	196	182
Recreational, leisure and community	240	229
Off street car parks	57	58
<b>Total depreciation - infrastructure</b>	<b>2,866</b>	<b>2,413</b>
<b>TOTAL DEPRECIATION</b>	<b>3,812</b>	<b>3,336</b>

Refer to note 6.1 for a more detailed breakdown of depreciation charges.

### 4.4 BAD AND DOUBTFUL DEBTS

\$ '000	2020	2019
Other debtors	-	(4)
<b>Total bad and doubtful debts</b>	<b>-</b>	<b>(4)</b>
<b>Movement in provisions for doubtful debts</b>		
Balance at the beginning of the year	-	4
Amounts provided for but recovered during the year	-	(4)
<b>BALANCE AT END OF YEAR</b>	<b>-</b>	<b>-</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.

### 4.5 BORROWING COSTS

\$ '000	2020	2019
Interest - Borrowings	122	132
<b>TOTAL BORROWING COSTS</b>	<b>122</b>	<b>132</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.

### 4.6 OTHER EXPENSES

\$ '000	2020	2019
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	44	44
Auditor's remuneration - Internal	37	41
Councillor's allowances	160	157
Revaluation expense	6	-
Operating lease rentals	-	26
Other	49	44
<b>TOTAL OTHER EXPENSES</b>	<b>296</b>	<b>312</b>



### 5.1 FINANCIAL ASSETS

\$ '000	2020	2019
<b>(a) Cash and cash equivalents</b>		
Cash on hand	1	1
Cash at bank	5,098	3,197
<b>Total current cash and cash equivalents</b>	<b>5,099</b>	<b>3,198</b>
<b>(b) Other financial assets</b>		
Term deposits	9,299	9,284
<b>Total current other financial assets</b>	<b>9,299</b>	<b>9,284</b>
<b>TOTAL FINANCIAL ASSETS</b>	<b>14,398</b>	<b>12,482</b>

#### External restrictions

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

Trust funds and deposits	1,084	950
<b>Total restricted funds</b>	<b>1,084</b>	<b>950</b>
<b>Total unrestricted cash and cash equivalents</b>	<b>4,015</b>	<b>2,248</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	712	760
Unexpected grants	1,903	1,062
Reserve funds	285	403
<b>Total funds subject to intended allocations</b>	<b>2,900</b>	<b>2,225</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.

\$ '000	2020	2019
<b>(c) Trade and other receivables</b>		
<b>CURRENT</b>		
Statutory receivables		
Rates debtors	1,065	708
Net GST receivables	327	168
Non-statutory receivables		
Other debtors	193	526
<b>Total current trade and other receivables</b>	<b>1,585</b>	<b>1,402</b>
<b>NON-CURRENT</b>		
Statutory receivables		
Special rate scheme	51	25
<b>Total current other financial assets</b>	<b>51</b>	<b>25</b>
<b>TOTAL TRADE AND OTHER RECEIVABLES</b>	<b>1,636</b>	<b>1,427</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.

Rates debtors have increased from prior year due to a temporary payment arrangement program implemented on 16 March 2020, aimed at supporting ratepayers financially impacted by the North East bushfires and COVID-19 pandemic. The program allows for payment arrangements or payment deferral, and a hold on debt recovery proceedings and interest charges until 31 December 2020. Rates remain recoverable as they are a first charge secured over the related property, in accordance with the *Local Government Act*.

(d) Ageing of Receivables - The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:	2020	2019
Current (not yet due)	142	455
Past due by up to 30 days	21	23
Past due between 31 and 180 days	24	45
Past due between 181 and 365 days	2	2
Past due by more than 1 year	4	1
<b>TOTAL TRADE AND OTHER RECEIVABLES</b>	<b>193</b>	<b>526</b>

## 5.2 NON-FINANCIAL ASSETS

\$ '000	2020	2019
<b>(a) Inventories</b>		
Inventories held for distribution	9	14
<b>TOTAL CURRENT INVENTORIES</b>	<b>9</b>	<b>14</b>

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>(b) Other assets</b>		
Prepayments	1,834	74
Accrued income - interest	36	59
Accrued income - other	-	94
<b>TOTAL CURRENT OTHER ASSETS</b>	<b>1,870</b>	<b>227</b>

## 5.3 PAYABLES

\$ '000	2020	2019
<b>(a) Trade and other payables</b>		
Trade payables	953	776
Accrued expenses	265	214
Employee costs	4	4
Accrued loan interest	11	9
Unearned income	1,503	-
<b>TOTAL CURRENT TRADE AND OTHER PAYABLES</b>	<b>2,736</b>	<b>1,003</b>

## 5.3 PAYABLES CONTINUED

\$ '000	2020	2019
<b>(b) Trust funds and deposits</b>		
Refundable deposits	201	77
Fire services levy	332	317
Retention amounts	233	257
Other refundable deposits	10	-
Cemetery trusts	308	299
<b>TOTAL CURRENT TRUST FUNDS AND DEPOSITS</b>	<b>1,084</b>	<b>950</b>

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

### Purpose and nature of items

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

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

**CEMETERY TRUSTS** - Council is the trustee for the Mansfield, Bonnie Doon, Jamieson and Merton cemeteries.

**RETENTION AMOUNTS** - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warranty 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.

<b>(c) Unearned income</b>		
Grants received in advance - operating	873	-
Grants received in advance - capital	630	-
<b>TOTAL GRANTS RECEIVED</b>	<b>1,503</b>	<b>-</b>

#### 5.4 INTEREST-BEARING LIABILITIES

\$ '000	2020	2019
<b>Current</b>		
Borrowings secured	183	199
<b>Non-current</b>		
Borrowings secured	1,930	2,113
<b>TOTAL INTEREST BEARING LIABILITIES</b>	<b>2,113</b>	<b>2,312</b>

Borrowings are secured by rate income.

(a) The maturity profile for Council's borrowings is:	2020	2019
Not later than one year	183	199
Later than one year and not later than five years	838	794
Later than five years	1,092	1,319
	<b>2,113</b>	<b>2,312</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 the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

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

#### 5.5 PROVISIONS

##### 2020

\$ '000	Employee Provisions	Landfill restoration	Total
Balance at beginning of the financial year	1,898	357	2,255
Additional provisions	823	91	914
Amounts used	(781)	(78)	(859)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	32	5	37
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>1,972</b>	<b>375</b>	<b>2,347</b>

##### 2019

\$ '000	Employee Provisions	Landfill restoration	Total
Balance at beginning of the financial year	1,841	486	2,327
Additional provisions	828	(38)	790
Amounts used	(791)	(84)	(875)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	20	(7)	13
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>1,898</b>	<b>357</b>	<b>2,255</b>

5.5 PROVISIONS CONTINUED

\$ '000	2020	2019
<b>(a) Employee provisions</b>		
Current provisions expected to be wholly settled within 12 months		
Annual leave	667	629
Long service leave	172	77
	<b>839</b>	<b>706</b>
Current provisions expected to be wholly settled after 12 months		
Annual leave	37	24
Long service leave	922	1,050
	<b>959</b>	<b>1,074</b>
<b>Total current employee provisions</b>	<b>1,798</b>	<b>1,780</b>
Non-current		
Long service leave	174	118
<b>Total non-current employee provisions</b>	<b>174</b>	<b>118</b>
Aggregate carrying amount of employee provisions:		
Current	1,798	1,780
Non-current	174	118
<b>Total non-current employee provisions</b>	<b>1,972</b>	<b>1,898</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.

5.5 PROVISIONS CONTINUED

Key assumptions	2020	2019
Discount rate	0.66%	1.24%
Inflation rate	2.00%	2.00%
Settlement rate	14 yrs	15 yrs

\$ '000	2020	2019
<b>(b) Landfill restoration</b>		
Current	83	123
Non-current	292	234
	<b>375</b>	<b>357</b>

Council is obligated to restore the Monkey Gully Road Landfill site (which is now closed) to a particular standard. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs. Council currently has no operating landfills.

Key assumptions	2020	2019
Discount rate	0.77%	0.75%
Inflation rate	2.00%	2.00%
Settlement rate	17 yrs	18 yrs

5.6 FINANCING ARRANGEMENTS

\$ '000	2020	2019
<b>The council has the following funding arrangements in place as at 30 June 2020</b>		
Bank overdraft	300	300
Credit card facilities	100	75
Loan facilities	2,113	2,312
<b>Total facilities</b>	<b>2,513</b>	<b>2,687</b>
Used facilities	2,151	2,342
<b>Unused facilities</b>	<b>362</b>	<b>345</b>

**5.7 COMMITMENTS**

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

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
<b>2020</b>					
<b>Operating</b>					
Recycling	552	563	1,161	-	2,276
Waste collection	900	918	1,892	-	3,710
Cleaning contracts for council buildings	56	8	8	-	72
Waste disposal	438	447	920	-	1,805
Building regulation services	60	-	-	-	60
Asset management bureau service	152	231	166	-	549
Strategies & Reviews	329	-	-	-	329
<b>Total</b>	<b>2,487</b>	<b>2,167</b>	<b>4,147</b>	<b>-</b>	<b>8,801</b>
<b>Capital</b>					
Dual court stadium	1,679	-	-	-	1,697
Buildings	35	-	-	-	35
Roads and footpaths	364	-	-	-	364
Plant	306	-	-	-	306
<b>Total</b>	<b>2,384</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,384</b>
<b>2019</b>					
<b>Operating</b>					
Recycling	639	651	2,032	-	3,322
Waste collection	876	892	2,786	-	4,554
Cleaning contracts for council buildings	169	34	-	-	203
Waste disposal	628	640	1,999	-	3,267
Building regulation services	98	59	-	-	157
Asset management bureau service	164	152	396	-	712
<b>Total</b>	<b>2,574</b>	<b>2,428</b>	<b>7,213</b>	<b>-</b>	<b>12,215</b>
<b>Capital</b>					
Buildings	73	-	-	-	73
Roads and footpaths	325	-	-	-	325
Recreational facilities	100	-	-	-	100
<b>Total</b>	<b>498</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>498</b>

**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.

**Policy applicable after 1 July 2019**

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

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

In line with AASB 16 Leases Council's assessment has resulted in no transition date impact.

**LEASE LIABILITIES**

**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.

\$'000	2020
<b>Expenses related to:</b>	
Leases of low value assets	8
<b>Non-cancellable lease commitments - Short-term and low-value leases</b>	
Within one year	8
Later than one year but not later than five years	23
<b>TOTAL LEASE COMMITMENTS</b>	<b>31</b>

**5.8 LEASES CONTINUED**

**LEASES CLASSIFIED AS OPERATING LEASES UNDER AASB 117 LEASES**

Council used the following practical expedients when applying *AASB 16 Leases* to leases previously classified as operating leases under *AASB 117 Leases*.  
 - Applied the exemption not to recognise right-of-use assets and liabilities for leases of low value assets (individual assets worth less than \$10,000).

**Impact on financial statements**

On transition to *AASB 16 Leases*, no right of use asset or lease liabilities were recognised.

\$'000	2020
Operating lease commitment at 30 June 2019 as disclosed in Council's financial statements	5
Operating lease liability recognised as at 30 June 2019	5
Recognition exemption for:	
Leases of low-value assets	5
Lease liabilities recognised as at 1 July 2019	-

Memorial Hall Jamieson



## 6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

### Summary of property, infrastructure, plant and equipment

\$ '000	At Fair Value 30 June 2019	Additions	Contributions	Revaluation	Depreciation	Disposal	Transfers	Revaluation adjustment recognised in operating result	At Fair Value 30 June 2020
Property	41,426	497	7	8,145	(357)	(8)	-	-	49,710
Plant and equipment	2,416	573	-	(43)	(589)	(77)	-	(6)	2,274
Infrastructure	139,429	1,828	2,137	49	(2,866)	(113)	82	-	140,546
Work in progress	94	350	-	-	-	-	(82)	-	362
<b>TOTAL</b>	<b>183,365</b>	<b>3,248</b>	<b>2,144</b>	<b>8,151</b>	<b>(3,812)</b>	<b>(198)</b>	<b>-</b>	<b>(6)</b>	<b>192,892</b>

### Summary of work in progress

\$ '000	Opening WIP	Additions	Write-off	Transfers	Closing WIP
Infrastructure	94	350	-	(82)	362
<b>TOTAL</b>	<b>94</b>	<b>350</b>	<b>-</b>	<b>(82)</b>	<b>362</b>

### Property

\$ '000	Land specialised	Land non-specialised	Land under roads	Total Land	Buildings specialised	Buildings non-specialised	Total buildings	Total property
At fair value 1 July 2019	12,663	3,393	11,307	27,363	25,833	2,548	28,381	55,744
Accumulated depreciation at 1 July 2019	-	-	-	-	(12,861)	(1,457)	(14,318)	(14,318)
<b>Carrying value - 1 July 2019</b>	<b>12,663</b>	<b>3,393</b>	<b>11,307</b>	<b>27,363</b>	<b>12,972</b>	<b>1,091</b>	<b>14,063</b>	<b>41,426</b>
<b>Movements in fair value</b>								
Additions	-	-	3	3	494	-	494	497
Contributions	-	-	7	7	-	-	-	7
Revaluation	1,198	348	-	1,546	1,244	-	1,244	2,790
Disposal	-	-	(8)	(8)	-	-	-	(8)
Transfers	-	-	-	-	2,548	(2,548)	-	-
<b>Total movements in fair value</b>	<b>1,198</b>	<b>348</b>	<b>2</b>	<b>1,548</b>	<b>4,286</b>	<b>(2,548)</b>	<b>1,738</b>	<b>3,286</b>
<b>Movements in accumulated depreciation</b>								
Depreciation	-	-	-	-	(357)	-	(357)	(357)
Accumulated depreciation of revaluations	-	-	-	-	5,355	-	5,355	5,355
Transfers	-	-	-	-	(1,457)	1,457	-	-
<b>Total movements in accumulated depreciation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,541</b>	<b>1,457</b>	<b>4,998</b>	<b>4,998</b>
At fair value 30 June 2020	13,861	3,741	11,309	28,911	30,119	-	30,119	59,030
Accumulated depreciation at 30 June 2020	-	-	-	-	(9,320)	-	(9,320)	(9,320)
<b>Carrying value - 30 June 2020</b>	<b>13,861</b>	<b>3,741</b>	<b>11,309</b>	<b>28,911</b>	<b>20,799</b>	<b>-</b>	<b>20,799</b>	<b>49,710</b>

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED

Plant and equipment					
\$ '000	Plant machinery and equipment	Fixtures, fittings and furniture	Computers and telecomms	Library books	Total plant and equipment
At fair value 1 July 2019	4,243	372	1,115	455	6,185
Accumulated depreciation at 1 July 2019	(2,273)	(296)	(955)	(245)	(3,769)
<b>Carrying value - 1 July 2019</b>	<b>1,970</b>	<b>76</b>	<b>160</b>	<b>210</b>	<b>2,416</b>
<b>Movements in fair value</b>					
Additions	445	24	57	47	573
Revaluation	-	-	-	52	52
Disposal	(156)	(98)	(579)	(139)	(972)
<b>Total movements in fair value</b>	<b>289</b>	<b>(74)</b>	<b>(522)</b>	<b>(40)</b>	<b>(347)</b>
<b>Movements in accumulated depreciation</b>					
Depreciation	(420)	(27)	(100)	(42)	(589)
Accumulated depreciation of revaluations	-	-	-	(95)	(95)
Accumulated depreciation of disposals	79	98	579	139	895
Revaluation adjustment recognised in operating result	-	-	-	(6)	(6)
<b>Total movements in accumulated depreciation</b>	<b>(341)</b>	<b>71</b>	<b>479</b>	<b>(4)</b>	<b>205</b>
At fair value 30 June 2020	4,531	298	593	415	5,837
Accumulated depreciation at 30 June 2020	(2,613)	(225)	(476)	(249)	(3,563)
<b>Carrying value - 30 June 2020</b>	<b>1,918</b>	<b>73</b>	<b>117</b>	<b>166</b>	<b>2,274</b>

Infrastructure									
\$ '000	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Off street car parks	Total infrastructure (exc. work in progress)	Work in progress	Total infrastructure
At fair value 1 July 2019	122,620	26,198	7,516	19,314	4,777	1,145	181,570	94	181,664
Accumulated depreciation at 1 July 2019	(22,926)	(10,681)	(1,204)	(5,920)	(1,046)	(364)	(42,141)	-	(42,141)
<b>Carrying value - 1 July 2019</b>	<b>99,694</b>	<b>15,517</b>	<b>6,312</b>	<b>13,394</b>	<b>3,731</b>	<b>781</b>	<b>139,429</b>	<b>94</b>	<b>139,523</b>
<b>Movements in fair value</b>									
Additions	1,773	-	15	-	40	-	1,828	350	2,178
Contributions	922	-	330	885	-	-	2,137	-	2,137
Revaluation	-	-	-	-	(301)	(5)	(306)	-	(306)
Disposal	(461)	-	-	-	-	-	(461)	-	(461)
Transfers	82	-	-	-	-	-	82	(82)	-
<b>Total movements in fair value</b>	<b>2,316</b>	<b>-</b>	<b>345</b>	<b>885</b>	<b>(261)</b>	<b>(5)</b>	<b>3,280</b>	<b>268</b>	<b>3,548</b>
<b>Movements in accumulated depreciation</b>									
Depreciation	(1,982)	(216)	(175)	(196)	(240)	(57)	(2,866)	-	(2,866)
Accumulated depreciation of revaluations	-	-	-	-	86	269	355	-	355
Accumulated depreciation of disposals	348	-	-	-	-	-	348	-	348
<b>Total movements in accumulated depreciation</b>	<b>(1,634)</b>	<b>(216)</b>	<b>(175)</b>	<b>(196)</b>	<b>(154)</b>	<b>212</b>	<b>(2,163)</b>	<b>-</b>	<b>(2,163)</b>
At fair value 30 June 2020	124,937	26,198	7,862	20,199	4,516	1,140	184,852	362	185,214
Accumulated depreciation at 30 June 2020	(24,561)	(10,897)	(1,380)	(6,116)	(1,200)	(152)	(44,306)	-	(44,306)
<b>Carrying value - 30 June 2020</b>	<b>100,376</b>	<b>15,301</b>	<b>6,482</b>	<b>14,083</b>	<b>3,316</b>	<b>988</b>	<b>140,546</b>	<b>362</b>	<b>140,908</b>



**6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT** CONTINUED

Asset recognition thresholds and depreciation periods	Depreciation Period years	Threshold Limit \$ '000
<b>Land</b>		
Land	Not applicable	-
Land under roads	Not applicable	-
<b>Buildings</b>		
Buildings	15-100	5
<b>Plant and Equipment</b>		
Plant, machinery and equipment	5-10	2
Fixtures, fittings and furniture	2-10	2
Computers and telecommunications	2-10	2
Library books	2-12	2
<b>Infrastructure</b>		
<b>Roads &amp; Off Street Car Parks</b>		
Road pavements	30-160	5
Seals and asphalt	20-30	5
Road formation (95% residual) and earthworks	2,000	5
Road kerb, channel and minor culverts	75	5
<b>Bridges</b>		
Bridges deck	130	5
Bridges substructure	130	5
Bridges other	130	5
Footpaths and cycleways	15-80	5
Drainage	100	5
Recreation, Leisure & Community	10-2,000	5

**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.

**LAND UNDER ROADS**

Council recognises land under roads it controls at fair value.

**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.

**DEPRECIATION**

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

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

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life. Straight line depreciation is charged based on the residual useful life as determined each year. Depreciation periods used are listed in the previous table and are consistent with the prior year unless otherwise stated.

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED

VALUATION OF LAND AND BUILDINGS

Valuation of land was undertaken by a qualified independent valuer, LG Valuation Services registration no. 2013. Valuation of buildings was undertaken by Assetic Pty Ltd, by Ashay Prabhu MIE(Aust) CPEng, NPER: Membership 1102199.

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.

Council have assessed the impacts of COVID-19 and have not identified any indicators of a material movement as a result. However, given the lack of recent transactions the full impact of COVID-19 cannot be reliably estimated at balance date.

The date of the current valuation is detailed in the following table. Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2020 are as follows:

\$ '000	Level 1	Level 2	Level 3	Date of Valuation
Non-specialised land	-	3,741	-	01/01/20
Specialised land	-	-	13,861	01/01/20
Land under roads	-	-	11,309	31/01/18
Specialised buildings	-	-	20,799	30/06/20
<b>TOTAL</b>	-	<b>3,741</b>	<b>45,969</b>	

VALUATION OF LAND AND BUILDINGS

Valuation of Roads, Footpaths and Cycleways, Offstreet car parks and Recreational, leisure and community facilities has been determined in accordance with a valuation undertaken by Assetic Pty Ltd by Ashay Prabhu MIE(Aust) CPEng, NPER: Membership 1102199.

Valuation of Bridges was determined in accordance with an independent valuation undertaken by Maloney Asset Management Systems.

Valuation of Drainage assets was performed by Council Officers. The date of the current valuation is detailed in the following table.

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

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

\$ '000	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	100,376	30/06/19
Bridges	-	-	15,301	30/06/18
Footpaths and cycleways	-	-	6,482	30/06/19
Drainage	-	-	14,083	30/06/18
Recreational, leisure and community facilities	-	-	3,316	30/06/20
Off street car parks	-	-	988	30/06/20
<b>TOTAL</b>	-	-	<b>140,546</b>	

6.1 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 25% 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 \$14 and \$625 per square metre. Council have assessed the impacts of COVID-19 and have not identified any indicators of a material movement as a result. However, given the lack of recent transactions the full impact of COVID-19 cannot be reliably estimated at balance date.

**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 cost is calculated on a square metre basis and ranges from \$250 to \$4,184 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 100 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.

Council have assessed the impacts of COVID-19 and have not identified any indicators of a material movement as a result. However, given the lack of recent transactions the full impact of COVID-19 cannot be reliably estimated at balance date.

**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 15 years to 2000 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.

\$'000	2020	2019
<b>Reconciliation of specialised land</b>		
Land under roads	13,861	11,308
Land	11,309	12,663
<b>TOTAL SPECIALISED LAND</b>	<b>25,170</b>	<b>23,971</b>

6.2 INVESTMENTS IN JOINT ARRANGEMENTS

Joint arrangements include:

**High Country Library Network shared services agreement**

On 1 August 2016 Mansfield Shire Council entered into a 12 month joint arrangement for library services with Alpine Shire Council, Wangaratta Rural City Council and Benalla Rural City Council. The agreement was subsequently extended to 30 June 2020. Mansfield Shire Council's contribution is 13% of the total cost of the service.

The amounts recognised in the financial statements relating to the joint arrangement are shown as follows:

\$'000	2020	2019
Expenses (materials and services)	47	47
Property, plant and equipment at fair value (library books)	47	55
<b>TOTAL CONTRIBUTION TO JOINT ARRANGEMENTS</b>	<b>94</b>	<b>102</b>

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

The High Country Library Network shared services agreement is a joint operation. Council recognises contributions to the High Country Library Network as operating expenses where related to the management and operation of the library network, and capital expenditure where related to the purchase of library books on Council's behalf (refer note 6.1).

There are no contingent assets or contingent liabilities in relation to joint arrangements.

## 7.1 COUNCIL AND KEY MANAGEMENT REMUNERATION

### (a) RELATED PARTIES

#### PARENT ENTITY

Mansfield Shire Council is the parent entity

#### SUBSIDIARIES

Mansfield Public Cemetery Trust

By virtue of the fact that the councillors of Mansfield Shire Council form the whole of the Board of Trustees of the Mansfield Public Cemetery Trust, this entity is considered to be a controlled entity under AASB 10: Consolidated Financial Statements. Its operating results, assets and liabilities have not been included in the accounts on the basis that they are not material individually or in aggregate.

#### JOINT ARRANGEMENTS

Interests in joint arrangements are detailed in Note 6.2.

### (b) KEY MANAGEMENT PERSONNEL

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

#### COUNCILLORS

- + Councillor Harry Westendorp (Mayor until 12/11/19)
- + Councillor Peter Olver
- + Councillor Marg Attley (Mayor from 12/11/19)
- + Councillor Paul Sladdin
- + Councillor Paul Volkering

		No.	No.
<b>Total Number of Councillors</b>		<b>5</b>	<b>5</b>
Chief Executive Officer (to 19/7/19)	A Green	1	1
Chief Executive Officer (interim from 22/7/19 to 24/9/19, appointed from 27/2/20)	K Conrick	1	1
Interim Chief Executive Officer (from 25/9/19 to 26/2/20)	P Reeve	1	-
Finance Manager	M Kynnersley	1	1
Infrastructure Manager (to 28/9/18)	N Ogilvie	-	1
Acting Infrastructure Manager (1/10/18 to 9/12/18)	P Valente	-	1
Infrastructure Manager (10/12/18 to 16/8/19)	M Walker	1	1
Infrastructure Manager (from 17/12/19)	A Kompler	1	-
Community Services Manager	M Hotton	1	1
Development Services Manager	B McKay	1	1
Corporate and Organisational Development Manager	S Scott	1	1
Governance Coordinator (to 24/8/18)	D Bray	-	1
<b>TOTAL NUMBER OF KEY MANAGEMENT PERSONNEL</b>		<b>14</b>	<b>14</b>

### (c) REMUNERATION OF KEY MANAGEMENT PERSONNEL

Total remuneration of key management personnel was as follows:

\$'000	2020	2019
Short term benefits	1,054	996
Long-term benefits	14	20
Post employment benefits	95	76
Termination benefits	204	62
<b>TOTAL</b>	<b>1,367</b>	<b>1,154</b>

**7.1 COUNCIL AND KEY MANAGEMENT REMUNERATION** CONTINUED

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

Remuneration Band	No. 2020	No. 2019
\$20,000 - \$29,999	3	5
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	1	-
\$50,000 - \$59,999	1	-
\$60,000 - \$69,999	1	1
\$70,000 - \$79,999	-	1
\$80,000 - \$89,999	2	1
\$110,000 - \$119,999	-	1
\$120,000 - \$129,999	1	-
\$130,000 - \$139,999	-	1
\$140,000 - \$149,999	3	2
\$150,000 - \$159,999	1	-
\$220,000 - \$229,999	-	1
\$250,000 - \$259,999	1	-
<b>TOTAL NUMBER OF KEY MANAGEMENT PERSONNEL</b>	<b>14</b>	<b>14</b>

**(d) SENIOR OFFICE 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.

There have been no Senior Officers during the reporting period.

**7.2 RELATED PARTY DISCLOSURE**

**(a) TRANSACTIONS WITH RELATED PARTIES**

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

\$ '000	Notes	2020	2019
Expenses	Expense reimbursements	5	5
Expenses	Printing and Stationery	12	6
Income	Home Care Services	(2)	-
<b>TOTAL</b>		<b>15</b>	<b>11</b>

**Notes.**

- a. Expense reimbursements are made to staff and councillors for expenditure incurred in direct connection with their role with Council.
  - b. Printing and embroidery services are procured from Mansfield Printing & Embroidery which is a related party of a Key Management Personnel
  - c. Home Care services have been provided to a parent of a Key Management Personnel
- All other expense and income transactions are incurred on normal business terms and conditions. During the prior financial year a related party of a councillor was employed by Council. The salary is not shown for privacy reasons, but is not significant to Council's operation. The salary was paid at commercial and market rates, and the related party was employed on the same terms, including performance requirements, as any other staff member within Council.

**(b) OUTSTANDING BALANCES WITH RELATED PARTIES**

There are no outstanding balances or commitments with any related party.

## 8.1 CONTINGENT ASSETS AND LIABILITIES

### (a) CONTINGENT ASSETS

There are no contingent assets of which Council is aware at balance date.

### (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.

#### 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, Mansfield Shire has paid unfunded liability payments to Vision Super totalling \$NIL during the 2019-20 year (2018-19 \$NIL). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2020. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2021 are \$NIL. Whilst the VBI as at 30 June 2020 is not indicating the need for a call on unfunded liabilities at this point in time, the full impact of COVID-19 remains uncertain.

#### LANDFILL

Until 30 June 2007 Council operated a landfill at Monkey Gully Road, Mansfield which did not accept putrescible waste. Council has received a Hydro Geological Assessment Report from Coffey Environments Australia Pty Ltd. Council are obligated to restore the landfill site to EPA requirements as per the report. Council raised a provision for these works however during the project contingencies may arise. The amount of this potential contingency cannot be determined.

#### 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.

## 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
- + initially measure a service concession asset constructed, developed or acquired by the operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in AASB 13 Fair Value Measurement . Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with AASB 116 Property, Plant and Equipment or AASB 138 Intangible Assets , as appropriate, except as specified AASB 1059;
- + recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator; and
- + disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

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

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

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

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

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

### 8.3 FINANCIAL INSTRUMENTS

#### (a) OBJECTIVES AND POLICIES

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

#### (b) MARKET RISK

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

##### INTEREST RATE RISK

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

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

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

#### (c) CREDIT RISK

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has 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 has a policy for establishing credit limits for the entities Council deals with;
- + Council may require collateral where appropriate; and
- + Council only invests surplus funds with financial institutions which have a recognised credit rating specified in Council's investment policy.

#### (c) CREDIT RISK CONTINUED

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property. Similarly, any risk arising from economic impacts of the COVID19 pandemic is considered minimal in relation to financial assets.

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 provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

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

#### (d) LIQUIDITY RISK

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and is deemed insignificant based on prior periods' data and current assessment of risk. There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

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

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

#### (e) SENSITIVITY DISCLOSURE ANALYSIS

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months: A parallel shift of + 1 % and - 1 % in market interest rates (AUD) from year-end rates of 1.35%. These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

## 8.4 FAIR VALUE MEASUREMENT

### FAIR VALUE HIERARCHY

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

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

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

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

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

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

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

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

### REVALUATION

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 3 years. The valuation is performed either by experienced council officers or independent experts.

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

### IMPAIRMENT OF ASSETS

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

## 8.5 EVENTS OCCURRING AFTER BALANCE DATE

On 6 August 2020 the Premier of Victoria introduced Stage 3 restrictions for regional Victoria in relation to the COVID19 pandemic. The financial impact to Council of the restrictions is minimal, however the following changes to services have been implemented until restrictions have been lifted:

- + Closure of the customer service centre for face to face visitation only (services still available by phone and email).
- + Closure of the Mansfield Sporting Complex.
- + Closure of the Youth Centre and cessation of youth projects (staff redeployed within Council) - L2P program ceased.
- + Closure of the Visitor Information Centre (staff redeployed within Council).
- + Playgrounds and the Mansfield skatepark closed.
- + Closure of the Mansfield Library for face to face use (click and collect available).
- + Limited operation of the Resource Recovery Centre to commercial users or residents without a kerbside collection service.



9.1 RESERVES

(a) ASSET REVALUATION RESERVES

\$ '000	Balance at beginning of reporting period	Transfer to accumulated surplus	Balance at end of reporting period
<b>2020</b>			
<b>Property</b>			
Land	11,325	1,198	12,523
Land - non specialised	-	348	348
Buildings	5,617	6,599	12,216
	<b>16,942</b>	<b>8,145</b>	<b>25,087</b>
<b>Plant and equipment</b>			
Library books	42	(42)	-
	<b>42</b>	<b>(42)</b>	<b>-</b>
<b>Infrastructure</b>			
Roads	94,827	-	94,827
Bridges	5,122	-	5,122
Footpaths and cycleways	1,361	-	1,361
Drainage	5,167	-	5,167
Recreational, leisure and community facilities	350	(215)	135
Offstreet car parks	285	264	549
	<b>107,112</b>	<b>49</b>	<b>107,161</b>
<b>TOTAL ASSET REVALUATION RESERVES</b>	<b>124,096</b>	<b>8,152</b>	<b>132,248</b>

(a) ASSET REVALUATION RESERVES CONTINUED

\$ '000	Balance at beginning of reporting period	Transfer to accumulated surplus	Balance at end of reporting period
<b>2019</b>			
<b>Property</b>			
Land	11,325	-	11,325
Buildings	5,617	-	5,617
	<b>16,942</b>	<b>-</b>	<b>16,942</b>
<b>Plant and equipment</b>			
Library books	-	42	42
	<b>-</b>	<b>42</b>	<b>42</b>
<b>Infrastructure</b>			
Roads	51,806	43,021	94,827
Bridges	5,122	-	5,122
Footpaths and cycleways	17	1,344	1,361
Drainage	5,167	-	5,167
Recreational, leisure and community facilities	350	-	350
Offstreet car parks	285	-	285
	<b>62,747</b>	<b>44,365</b>	<b>107,112</b>
<b>TOTAL ASSET REVALUATION RESERVES</b>	<b>79,689</b>	<b>44,407</b>	<b>124,096</b>

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

9.1 RESERVES CONTINUED

(a) OTHER RESERVES

\$ '000	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
<b>2020</b>				
Road construction reserve	126	-	(122)	4
Footpath construction reserve	25	-	(20)	5
Open space reserve	254	22	-	276
<b>Total restricted reserves</b>	<b>405</b>	<b>22</b>	<b>(142)</b>	<b>285</b>
Discretionary reserves				
Waste management	-	(329)	-	(329)
<b>Total discretionary reserves</b>	<b>-</b>	<b>(329)</b>	<b>-</b>	<b>(329)</b>
<b>TOTAL OTHER RESERVES</b>	<b>405</b>	<b>(307)</b>	<b>(142)</b>	<b>(44)</b>
<b>2019</b>				
Road construction reserve	160	-	(34)	126
Footpath construction reserve	30	-	(5)	25
Car parking reserve	8	-	(8)	-
Open space reserve	241	13	-	254
<b>Total restricted reserves</b>	<b>439</b>	<b>13</b>	<b>(47)</b>	<b>405</b>
<b>TOTAL OTHER RESERVES</b>	<b>439</b>	<b>13</b>	<b>(47)</b>	<b>405</b>

Restricted reserves are used to record developer contributions received for a specific purpose which Council has not yet fulfilled.

The discretionary waste management reserve denotes the cumulative surplus/(deficit) from waste service charges collected from ratepayers and actual waste costs incurred by Council over time.

9.2 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT)

\$ '000	2020	2019
Surplus/(deficit) for the year	3,618	5,211
Depreciation/amortisation	3,812	3,336
Impairment losses	6	-
Profit/(loss) on disposal of property, infrastructure, plant and equipment	121	(360)
Contributions - Non-monetary assets	(2,144)	(2,403)
Operating amounts disclosed in financing activities	122	132
<b>Change in assets and liabilities</b>		
(Increase)/decrease in trade and other receivables	(209)	(193)
(Increase)/decrease in inventories	5	2
(Increase)/decrease in prepayments	(1,760)	20
Increase/(decrease) in accrued income	117	6
Increase/(decrease) in trade and other payables	1,732	(59)
Increase/(decrease) in provisions	92	(71)
(Decrease)/increase in other liabilities	123	(38)
<b>NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>	<b>5,395</b>	<b>5,583</b>



**9.3 SUPERANNUATION** CONTINUED

**THE 2019 INTERIM ACTUARIAL INVESTIGATION SURPLUS AMOUNTS**

An actuarial investigation is conducted annually for the Defined Benefit category of which Mansfield Shire 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 a full actuarial investigation was conducted as at 30 June 2017.

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

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

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2019.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2019.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2019.

Council was notified of the 30 June 2020 VBI during August 2020 (2019: August 2019).

**THE 2020 INTERIM ACTUARIAL INVESTIGATION**

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

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

**(a) CHANGES IN ACCOUNTING POLICIES DUE TO ADOPTION OF NEW ACCOUNTING STANDARDS**

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.

**i) Impact of adoption of new accounting standards**

***AASB 15 Revenue from Contracts with Customers***

*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.

***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. No adjustments were required as a result of this.

***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 on the earlier of receipt or when an unconditional right to receipt has been established, with the exception of capital grant revenue received to fund the acquisition or construction of a non-financial asset to be controlled by Council. Capital grant revenue received to fund the acquisition or construction of a non-financial asset to be controlled by Council is recognised when the obligations of the underlying agreement are met. This is normally in line with the stage of completion of the underlying non-financial assets being constructed.

(a) CHANGES IN ACCOUNTING POLICIES DUE TO ADOPTION OF NEW ACCOUNTING STANDARDS CONTINUED

i) Transition impacts

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

\$'000	2019
Retained earnings at 30 June 2019	66,495
Income Adjustment - impact of AASB 1058 Income of Not-for-Profit Entities	(240)
Retained earnings at 1 July 2019	66,255

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*.



# Performance Statement



View of Lake Elldon and Mt Buller from Ford Drive Mansfield

# Description of Municipality

Mansfield Shire is home to the dramatic landscapes of Victoria’s High Country. Visitors and locals agree you can really sense the personality of the place – it’s about lifestyle, farming, all things outdoors and a “can do” attitude.

Less than two hours north east of Melbourne, our municipality covers 3,843 square kilometres. Our Shire is home to Mt Buller and Mt Stirling Alpine Resorts (managed by the Mt Buller and Mt Stirling Resort Management Board), the Alpine National Park, and the second largest in-land waterway in Australia - Lake Eildon.

Tourism, agriculture and lifestyle underpin the Shire’s strong economy, supported by a diverse range of commercial and service sectors.

The alpine resort areas of Mt Buller and Mt Stirling are wholly surrounded but excluded from our municipal district. A significant proportion of the municipality is Crown land.

Five major river systems, the Delatite, Howqua, Jamieson, Big and Goulburn, have their headwaters in the Shire and all flow into Lake Eildon.

Agriculture is one of the Shire’s key economic drivers, contributing \$60.7m to the Shire’s economy. Cattle and sheep grazing, along with seed production, are major industries within the Shire. Grape and tomato production are also significant as are many agriculture related service industries.

It is estimated that Mansfield Shire has an employment base of 3,743 and an industry output of \$823m. The impact of tourism as an economic driver is estimated as 20% of total industry output and 25% of total employment (RDA Australia - Hume Economic Profile report).

The Australian Bureau of Statistics (ABS) data from the 2016 census shows our Shire’s population at 8,605, an increase of 663 (8.35%) persons since 2011 census figure of 7,942 persons. This figure is expected to grow to 10,000 persons by 2031.

Mansfield, as the major service centre for the Shire, is central to many unique towns and villages. The development of our Shire owes much to our small towns such as:

- + Ancona
- + Barjarg
- + Bonnie Doon
- + Boorolite
- + Bridge Creek
- + Gaffneys Creek
- + Goughs Bay
- + Howqua
- + Kevington
- + Macs Cove
- + Maindample
- + Merrijig
- + Merton
- + Sawmill Settlement/Alpine Ridge
- + Tolmie
- + Woods Point

The COVID19 pandemic and the bushfires of 2020 have both negatively impacted the tourism and hospitality industries within the Shire during which State restrictions have limited visitation to the region.

Mansfield Shire Council will continue to be challenged in providing an appropriate level of infrastructure and services to a growing population in the context of a small rural shire. Roads, bridges and drainage networks are extensive and ageing and will also challenge the capacity of the municipality into the future.

# Sustainability Capacity Indicators

For the year ended 30 June 2020

Indicator / measure	2017	2018	2019	2020	Material Variations
<b>Population</b>					
Expenses per head of municipal population [ <i>Total expenses / Municipal population</i> ]	\$2,079	\$2,210	\$2,119	\$2,331	Expenses have increased 13% compared to an estimated population increase of only 2%. Depreciation (non-cash expense) is not linked to population and increased 14%, partly due to asset revaluations and componentisation of road assets for the first time. Employee costs increased 10% as budgeted, including an increase in FTE and the termination of the CEO contract at the start of the year. Materials and services expenses have increased by 12% - largely due to the buy-back and in-house operation of the Resource Recovery Centre (which generated income to offset the expenditure incurred).
Infrastructure per head of municipal population [ <i>Value of infrastructure / Municipal population</i> ]	\$11,763	\$12,503	\$17,374	\$17,871	No material variation
Population density per length of road [ <i>Municipal population / Kilometres of local roads</i> ]	11	11	11	11	No material variation
<b>Own source revenue</b>					
Own-source revenue per head of municipal population [ <i>Own-source revenue / Municipal population</i> ]	\$1,641	\$1,777	\$1,770	\$1,759	No material variation
<b>Recurrent grants</b>					
Recurrent grants per head of municipal population [ <i>Recurrent grants / Municipal population</i> ]	\$743	\$570	\$531	\$590	Financial Assistance Grants are \$666,000 higher than prior year, due to a change in the model the Victoria Grants Commission utilise for allocating the funds across all Victorian Councils.
<b>Disadvantage</b>					
Relative socio-economic disadvantage [ <i>Index of Relative Socio-economic Disadvantage by decile</i> ]	7	7	7	7	No material variation
<b>Workforce turnover</b>					
Percentage of staff turnover [ <i>Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year</i> ] x100	11%	16%	16%	11%	Staff resignations and terminations in 2019-20 (13) were 35% lower than the prior year (20).

## DEFINITIONS

"adjusted underlying revenue" means total income other than:

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

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

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

"population" means the resident population estimated by council

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

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

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

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

# Service Performance Indicators

For the year ended 30 June 2020

Indicator / measure	2017	2018	2019	2020	Material Variations
<b>Aquatic Facilities - Utilisation</b>					
Utilisation of aquatic facilities. <i>[Number of visits to aquatic facilities / Municipal population]</i>	2.1	2.1	1.9	1.8	No material variation
<b>Animal management - Health and safety</b>					
Animal management prosecutions. <i>[Number of successful animal management prosecutions] X 100</i>	New in 2020	New in 2020	New in 2020	0%	No material variation
<b>Food safety - Health and safety</b>					
Critical and major non-compliance outcome notifications <i>[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100</i>	96%	97%	100%	31%	A total of five occasions were identified where a major non-compliance was not adequately followed up. Two occasions involved Mt Buller premises which close down prior to the end of the official ski season. The inspections were conducted towards the end of season and were not followed up until the following 2020 winter. The other three occasions were caused due to an Environmental Health Officer unable to provide a hand over to the replacing officer upon sudden departure due to health reasons.
<b>Governance - Satisfaction</b>					
Satisfaction with council decisions <i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i>	60	54	47	48	No material variation
<b>Libraries - Participation</b>					
Active library borrowers in municipality <i>[Number of active library borrowers in the last three years / the sum of the population for the last three years] x100</i>	18.1%	18.8%	17.65%	17.28%	No material variation
<b>Maternal and child health - Participation</b>					
Participation in the MCH service <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	82%	77%	77%	84%	No material variation
Participation in the MCH service by Aboriginal children <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	100%	100%	71%	91%	Council have made considerable inroads to engaging with Aboriginal families in the municipality.
<b>Roads - Satisfaction</b>					
Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>	59	45	50	49	No material variation
<b>Statutory planning - Decision making</b>					
Council planning decisions upheld at VCAT <i>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>	100%	100%	50%	0%	No applications were referred to VCAT during 2019-20.
<b>Waste collection - Waste diversion</b>					
Kerbside collection waste diverted from landfill <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	35%	35%	36%	36%	No material variation.

## DEFINITIONS - See previous table.

"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 the council is the responsible road authority under the Road Management Act 2004

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

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

"population" means the resident population estimated by council

"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

Indicator / measure	RESULTS				FORECASTS				Material Variations
	2017	2018	2019	2020	2021	2022	2023	2024	
<b>Efficiency</b>									
<b>Expenditure level</b>									
Expenses per property assessment <i>[Total expenses / Number of property assessments]</i>	\$2,369	\$2,513	\$2,480	\$2,720	\$2,991	\$2,702	\$2,719	\$2,731	Expenditure on 2019-20 has increased by 12%. Depreciation (non-cash expense) has increased 14%, partly due to asset revaluations and componentisation of road assets for the first time. Employee costs increased 10% including a budgeted increase in FTE and the termination of the CEO contract at the start of the year. Materials and services expenses have increased by 12% - largely due to the buy-back and in-house operation of the Resource Recovery Centre (which generated income to offset the expenditure incurred). 2020-21 includes a \$1.6m increase in forecast employee costs for temporary positions created under the Working for Victoria program, fully funded by the State Government. These positions will not continue into 2021-22.
<b>Revenue level</b>									
Average rate per property assessment <sup>1</sup> <i>[General rates and Municipal charges / Number of property assessments]</i>	New in 2020	New in 2020	New in 2020	\$1,537	\$1,592	\$1,623	\$1,658	\$1,693	No material variation
<b>Liquidity</b>									
<b>Working capital</b>									
Current assets compared to current liabilities <i>[Current assets / Current liabilities] x100</i>	215%	275%	348%	304%	243%	253%	270%	282%	Current assets have increased by 26% (\$3.7m) compared to current liabilities increasing by only 45% (\$1.8m). Current assets increased are cash and financial assets (\$1.9m primarily due to early receipt of \$1.5m grant funding to be expended in 2020-21), and lease prepayment for the new dual court stadium (\$1.7m). The increase in current liabilities primarily rates due to \$1.5m in prepaid grant income received during the year. Liquidity levels in the four year forecast are anticipated to reduce due to the unwinding of the prepayments and unearned income during 2020-21, and remain within the expected range.

<sup>1</sup> The forecast numbers for this measure differ from those published in the adopted 2020-21 Budget. The budget data only includes residential rate revenue and residential property assessments, compared to this performance statement which includes all property types in the calculation. The difference in methods is due to a change in the Local Government Performance Reporting indicators for 2019-20 (previously used residential data consistent with the budget).

Indicator / measure	RESULTS				FORECASTS				Material Variations
	2017	2018	2019	2020	2021	2022	2023	2024	
<b>Liquidity continued</b>									
<b>Unrestricted cash</b>									
Unrestricted cash compared to current liabilities <i>[Unrestricted cash / Current liabilities] x100</i>	117%	20%	11%	19%	75%	72%	71%	71%	In 2019-20 current liabilities increased \$1.8m (45%) primarily due to \$1.5m in prepaid grant income received during the year. The funds are non-recurrent and have been invested into term deposits and therefore are not classified as cash for accounting purposes. Unrestricted cash has increased \$1.1m (261%) compared to last year, partly due to under delivery of the 2019-20 capital works program (not carried forward). This ratio is expected to increase in the forecast years and current liabilities will decrease as the prepaid income is earned during 2020-21 and therefore comes off the balance sheet.
<b>Obligations</b>									
<b>Asset renewal and upgrade</b>									
Asset renewal and upgrade compared to depreciation <sup>2</sup> <i>[Asset renewal and asset upgrade expense / Asset depreciation] x100</i>	New in 2020	New in 2020	New in 2020	63%	200%	94%	102%	112%	The expected range for this indicator is between 40% and 130%. The 2020-21 budget includes \$6m in asset renewal, compared to \$3-4m per annum from 2022-21 to 2023-24. The 2020-21 program includes some significant key projects including the playground at the Mansfield Botanic Park (\$670k), and the reconstruction of View Street as part of the dual court stadium project (\$1.1m).
<b>Loans and borrowings</b>									
Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	23%	20%	17%	15%	13%	12%	10%	8%	Council continues to repay its long term loans in accordance with the terms and conditions of the loans.
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	5%	4%	3%	2%	2%	2%	2%	2%	Loan repayments are declining as borrowings continue to be repaid, while rates are increasing generally in accordance with the rate cap.
<b>Indebtedness</b>									
Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	20%	17%	16%	15%	13%	11%	9%	7%	No material variation

<sup>2</sup> The 2021 forecast number for this measure differs to that published in the adopted 2020-21 Budget (183%). The budget calculation includes only asset renewal, however this performance statement includes asset upgrade as well. The difference in methods is due to a change in the Local Government Performance Reporting indicators for 2019-20 (previously used only asset renewal consistent with the budget).



# Financial Performance Indicators CONTINUED

Indicator / measure	RESULTS				FORECASTS				Material Variations
	2017	2018	2019	2020	2021	2022	2023	2024	
<b>Operating position</b>									
<b>Adjusted underlying result</b>									
Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	15%	8%	11%	2%	4%	3%	3%	4%	2019-20 adjusted underlying surplus is \$1.7m lower than 2018-19. While income has increased by 4%, expenditure has increased by 12%. Depreciation (non-cash expense) has increased 14%, partly due to asset revaluations and componentisation of road assets for the first time. Employee costs increased 10% including a budgeted increase in FTE and the termination of the CEO contract at the start of the year. Materials and services expenses have increased by 12%, largely due to the buy-back and in-house operation of the Resource Recovery Centre (which generated income to offset the expenditure incurred).
<b>Stability</b>									
<b>Rates concentration</b>									
Rates compared to adjusted underlying revenue [Rate revenue / Adjusted	60%	63%	65%	65%	60%	69%	69%	69%	No material variation.
<b>Rates effort</b>									
Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality ] x100	0.41%	0.38%	0.39%	0.38%	0.39%	0.39%	0.40%	0.40%	No material variation

## DEFINITIONS

"adjusted underlying revenue" means total income other than:

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

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

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

"current assets" has the same meaning as in the AAS

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

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

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

"population" means the resident population estimated by council

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

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

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

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

# Retired Measures

The following indicators were retired in the year ended 30 June 2020:

Indicator / measure	RESULTS				Material Variations
	2017	2018	2019	2020	
<b>Animal Management</b>					
<b>Health and safety</b>					
Animal management prosecutions [Number of successful animal management prosecutions]	3	0	0	Retired	Retired in 2020 and replaced by a similar indicator which is a measure of proportion (percentage) rather than a number.
<b>Efficiency</b>					
<b>Revenue level</b>					
Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,507	\$1,530	\$1,366	Retired	Retired in 2020 and replaced by a similar indicator that includes all assessment types across all differential categories, instead of just residential.
<b>Obligations</b>					
<b>Asset renewal</b>					
Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x 100	61%	43%	63%	Retired	Retired in 2020 and replaced by a similar indicator that includes asset renewal and upgrade, instead of just renewal.

## BASIS OF PREPARATION

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

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

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

Except where specified, the forecast figures included in the performance statement are those adopted by Council in its strategic resource plan on 4 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*.



Mandy Kynnersley CA BBus(Acc)

**Principal Accounting Officer**

Date : 15/09/2020

In our opinion, the accompanying performance statement of the Mansfield 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 the council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.



Cr Marg Attley OAM

**Councillor**

Date : 15/09/2020



Cr Peter Olver

**Councillor**

Date : 15/09/2020



Kaylene Conrick

**Chief Executive Officer**

Date : 15/09/2020

# Victorian Auditor-General's Office Report



## Independent Auditor's Report

### To the Councillors of Mansfield Shire Council

**Opinion** I have audited the accompanying performance statement of Mansfield Shire Council (the council) which comprises the:

- description of municipality for the year ended 30 June 2020
- sustainable capacity indicators for the year ended 30 June 2020
- service performance indicators for the year ended 30 June 2020
- financial performance indicators for the year ended 30 June 2020
- other information and
- certification of performance statement.

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 *Local Government Act 1989*.

**Basis for Opinion** I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the performance statement* section of my report.

My independence is established by the *Constitution Act 1975*. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

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

**Councillors' responsibilities for the performance statement** The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the *Local Government Act 1989* 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.

**Auditor's responsibilities for the audit of the performance statement** As required by the *Audit Act 1994*, 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

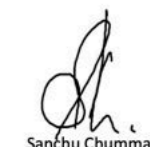
Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

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 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.

MELBOURNE  
18 September 2020





Sanchu Chummar  
as delegate for the Auditor-General of Victoria




# Thank You and feedback invited

Thank you for reading the Mansfield Shire Council 2019-20 Annual Report. You can share your feedback by post, phone or email using the details below:

 **Post to:**  
Mansfield Shire Council  
Private Bag 1000  
Mansfield Vic 3724

 **Call Customer Service (03) 5775 8555**

 **Email to:**  
council@mansfield.vic.gov.au

## FURTHER READING

-  We encourage you to visit Council's website which contains information about our services, programs, events, major initiatives, major publications and more.  
Council's website address is [www.mansfield.vic.gov.au](http://www.mansfield.vic.gov.au)
-  We invite you to subscribe to our Facebook page where you will find the latest information on what is happening in our Shire.  
Follow us: [www.facebook.com/mansfieldshirecouncil](https://www.facebook.com/mansfieldshirecouncil)
-  We also welcome your thoughts and perspectives, so register to have your say.  
Register at: [www.haveyoursay.mansfield.vic.gov.au](http://www.haveyoursay.mansfield.vic.gov.au)

## WHERE TO OBTAIN A COPY OF THE ANNUAL REPORT

Display copies of the 2019-20 Annual Report are available from the Mansfield municipal office.

In an effort to reduce the impact on the environment, limited copies of this document have been printed.

This Annual Report may be viewed and/or downloaded from our website or requested by telephoning (03) 5775 8555.

This Annual Report was compiled by Mansfield Shire Council. The report design was conducted by Youlissys Creative Mansfield. Printing was outsourced.

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## MUNICIPAL OFFICE LOCATION

**Physical Address**  
33 Highett Street Mansfield Vic 3722

**Postal address**  
Mansfield Shire Council  
Private Bag 1000

## COUNCIL CONTACTS

**Telephone** - (03) 5775 8555  
**Facsimile** - (03) 5775 2677  
**Email** - council@mansfield.vic.gov.au  
**Website** - www.mansfield.vic.gov.au  
**Facebook** - www.facebook.com/mansfieldshirecouncil

**National Relay Service 133 677**  
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MANSFIELD SHIRE