

2018-19

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MANSFIELD SHIRE





A.D. 1894

To the Memory of the  
THREE BRAVE MEN  
WHO LOST THEIR LIVES  
WHILE ENDEAVOURING  
TO CAPTURE A BAND OF  
ANTI-SOCIAL CRIMINALS  
IN THE WIGGLES RANGE  
NEAR MARYFIELD,  
25<sup>TH</sup> OCTOBER, 1878.

SERGEANT  
MICHAEL KENNEDY,  
10<sup>TH</sup> AUGUST, 1864.

SERGEANT MICHAEL KENNEDY,  
10<sup>TH</sup> AUGUST, 1864.

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# Welcome

Welcome to Mansfield Shire Council's Annual Report for 2018-19. Mansfield Shire Council is committed to transparent reporting and accountability to the community and the Annual Report 2018-19 is the primary means of advising the Mansfield community about Council's operations and performance during the financial year.

## Our Core Values

The values that drive our Council in the day to day delivery of our services and functions are:

### Our aspiration for the Mansfield 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.

- **LEADERSHIP**  
Addressing tough issues head on, being accountable for the decisions we make and planning for the long term future and prosperity of the 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 best possible outcomes. Council cannot deliver its Annual Report 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 Council Charter. We will keep an open mind on all issues until the time comes to make a decision. 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. 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.

### Our Commitment to Human Rights

We are required to act in a way that is compatible with the *Victorian Charter of Human Rights and Responsibilities Act 2006* and to give consideration to the Charter when formulating a local law or policy, or in planning service delivery.

Our approach to human rights is to encourage participation, access, development and opportunity for not just the community, but also for our organisation.

# Who Are We?

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 Alpine Resort Management Board), the Alpine National Park, and the second largest in-land waterway in Australia - Lake Eildon.

Construction and property, agriculture and tourism underpin our Shire’s strong economy, supported by a diverse range of commercial and service sectors.

It is estimated that Mansfield Shire has an employment base of 3,743 and an industry output of \$823m.

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.

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.

### Acknowledgement of traditional owners

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

## Our people

As the major service centre for the Shire, Mansfield is central to many unique towns and villages.

## Our population

8,979\*

\*censusdata.abs.gov.au, 2018

## Estimated resident population change since 2016 census data

+2.1%

Resident population 47%

Non-Resident population 53%

Female 50.2%

Male 49.8%

Median age 48

Area 3,843 square kilometres

Mansfield Shire is one of Victoria's fastest growing rural municipalities and has been for more than a decade.

The combination of lifestyle and proximity to Melbourne has seen the permanent population grow from 6,631 in 2001 to 8,979 in 2018-19, based on the Australian Bureau of Statistics data.

## OUR SHIRE'S HISTORY

The first inhabitants of what is now Mansfield Shire were the Taungurung people, whose lineage stretched back for thousands of years. During the 1840s, European settlers occupied land west of Mansfield. By the end of the decade, occupation had spread eastwards.

Originally named Mount Battery, the name was changed to Mansfield in 1856 at the prompting of a local station manager who had fond memories of Mansfield, near Sherwood Forest, Nottinghamshire, England.

The Shire of Mansfield was proclaimed on 31 December 1866 when the township had two schools, two hotels, a courthouse, steam flour mill and a hospital.

The area successfully cultivated fruit, potatoes and oats, in addition to sheep grazing and dairying.

Since the last annual report some 126 additional rate assessments have contributed to strong growth in our Shire, with a total number of 7672 assessments.

The annual population growth has averaged approximately 1.69% each year since 2005, with the population forecast to grow to 10,000 by 2031.

Mining areas and large forest areas were consolidated to the Shire in 1919 when part of the Howqua Shire was amalgamated with the Shire of Mansfield.

Lakeside towns such as Barjarg, Goughs Bay, Bonnie Doon, Macs Cove and Howqua grew in the mid twentieth century as Melbournians sought a weekend retreat, a trend which continues today. Around 53% of our ratepayers do not live here permanently.

The Shire of Mansfield was amalgamated with the City and Shire of Benalla on 18 November 1994 to form the Delatite Shire. After much lobbying by the community, the de-amalgamation of Delatite Shire took place on 28 October 2002, and Mansfield Shire, as it is now known, was proclaimed.



*High Street, Mansfield, early 1900s*

# Quick Stats



## Community Grants

- \$17,869 provided to eight groups through the Community Matching Fund

## Youth Centre

- 3,739, 12-17 year olds attended the Youth Centre during the year.



## Roads

- 580kms of unsealed roads within the Shire
- 240kms of sealed roads within the Shire
- 18.5kms of roads resheeted
- 18.6kms of roads resealed

## L2P

- 15 Active Learners
- 14 Active Mentors
- Six Learners obtained their probationary licence



## Maternal Child Health

- 71 birth notifications
- 70 first MCH home visits
- 22 First time mothers



## Waste Management

- 4,207 tonnes of waste collected
- 1,276 tonnes recycled



## Community Care

- 58 Community members received 4,456 meals
- 272 clients received assistance in home
- 92 attended Planned Activities
- 16,062 hours of service delivered

## Local Laws

- 131 registered domestic animals returned to owners.



## Swimming Pool

- 17,189 visits to Mansfield Swimming Pool

## Operating Budget

- \$19m to operate our Shire.  
Funded by:
- \$13.7m in rates and charges revenue
- \$5.9m in grants revenue
- \$4.6m in other revenue
- Surplus revenue of \$3.5m contributed to our capital works program.



## Library

- 55,740 library items loaned
- 3,852 new titles added
- 281 programs conducted
- 3,447 people attended library programs

## Immunisation

- 248 Secondary School Children were immunised



# YEAR IN REVIEW

## JULY

- The Parks and Gardens crew install new garden art and garden furniture at the Mansfield Botanic Park.
- Best selling children's author, Andy Jones, performs his hilarious musical show, 'What's the Joke?' at the Mansfield Library.
- Our Family and Children's Centre opens its Parent Child Mother Goose free program for toddlers and their parents.
- Council's rate notices delivery goes electronic.



## AUGUST

- Fortnightly music jams commence at the 'Shed Sessions'. The sessions bring our young people together to jam and rehearse live music in a supervised and supportive atmosphere.
- Free yoga classes are offered to Mansfield's 12 to 18 year olds as a way of increasing self-confidence and providing stress management techniques.
- As a result of funding provided by Murray Primary Health Network, Mental Health First Aid Training is available to assist parents with youth mental health issues.



## SEPTEMBER

- Council welcomes new Development Services Manager, Ben McKay.
- In partnership with Mansfield District Hospital, a community discussion group is established around healthy eating and active living.

## OCTOBER

- Mansfield Shire VicHealth Walk to School program is co-ordinated across all five primary schools.
- Community engagement commences for the Mansfield Station Precinct Activation Project.
- Seniors Festival activities are held across the Shire.
- Age-Friendly Communities grant funding of \$100,000 is received.
- Australian actor and comedian, Michael Veitch, presents an historical narrative at the Mansfield Library.

## NOVEMBER

- The annual Mansfield High Country Festival kicks off with five days of events.
- Mansfield Shire goes orange in support of the State Government's 16 Days of Activism - raising awareness of gender equality and the prevention of family violence.
- Cr Harry Westendorp is elected Mayor of Mansfield Shire Council for a 12 month term.

## DECEMBER

- Mansfield Swimming Pool is fully operational after a transfer of management from YMCA to Mansfield Shire Council.
- Mansfield's youth team provide a musical and cultural event - A Day on the Brown - at Bonnie Doon.
- The Glad Phillips Memorial Walk Bridge across Lake Eildon was officially named at an event in Bonnie Doon.
- Mansfield Library's Summer Reading Program commences.

## JANUARY

- Australia Day celebrations are held across the Shire.
- Andrew Setchell of Mansfield and Luke and Tanya Purcell of Merrijig are announced joint winners of the Citizen of the Year award, with Hayley Wilson taking out the Young Citizen of the Year honours.
- Val Kirley of Mansfield is awarded Senior Citizen of the Year at the Australia Day Awards, and the Merrijig Rodeo was voted Community Event of the Year.
- Council welcomes new Infrastructure Manager, Maree Walker.





## FEBRUARY

- Grants training workshop is held for the Community Matching Fund.
- Training in digital marketing essentials is held to assist our business owners and operators with building effective strategies, developing realistic goals and learning about the various and most effective ways to market online.



## MARCH

- The Community advocated to the Federal Government for funding assistance to develop a dual court, multi-use indoor sports stadium.
- Funding of \$40,000 is received from the State Government's Engage! initiative to develop a youth leadership program with the Mandala Project to provide an authentic, hands-on leadership experience for young people aged between 18 and 25.
- Mansfield Swimming Pool hold its Summer Sounds Pool Party in partnership with our youth team.
- Council's proposed 2019-20 Budget and draft 2017-21 Council Plan are considered by Council.

## APRIL

- Completion of All-Ages Development Area at the Mansfield Tennis Club.
- Youth Week 2019 sees our young people working with Beolite Retirement Village residents to capture their stories using smart phones and cameras.
- Our Councillors staff a 'stall' at the popular Mansfield Easter Bush Market.
- Submissions are invited from the public on Council's proposed 2019-20 Budget and draft 2017-21 Council Plan.
- An additional \$591,000 funding is received from the Federal Government for road safety within the Mansfield Shire.
- Age-Friendly Communities meetings commence in Mansfield, Merton, Tolmie, Jamieson and Bonnie Doon.

## MAY

- A free community workshop on Project Planning is held in partnership with Up2Us Landcare Alliance.
- Council holds its annual non resident ratepayer meeting in Melbourne.
- Mansfield's 14 L2P Driver Program volunteer mentors are acknowledged with a formal appreciation dinner.
- Mansfield Library launch the Armchair Travel Series.
- Bin month commences allowing residents to upsize or downsize their mobile waste bin.
- A number of workshops are held to assist our business owners and operators.

## JUNE

- Mansfield Lantern Festival, a joint collaboration between Council and Walker Events was held. The event was very successful with approx. 1500 attending (up by 300-400 on last year).
- The initial Environment Strategy Community Workshop held at the Library, with approximately 30 attendees enthusiastically providing ideas and input into a new strategy.
- Council's 2019-20 Budget and revised 2017-21 Council Plan is adopted by Council.



## Mayor's Message

I am delighted to present this annual report of the Mansfield Shire Council for 2018-2019. I would like to highlight the work we have done in the last year towards achieving the goals we committed to in the Mansfield Shire Council Plan 2017-2021. This work is for the benefit of our communities and to make our beautiful Shire an even better place to live, to visit, or to do business.

Council made various improvements across our sport and recreation spaces during the year.

Working closely with the Victorian Department of Education, we helped develop plans for a dual court indoor sporting complex, and then secured the funding from the Federal Government to make it financially possible. We are grateful to the State and Federal governments for enabling this most significant improvement to such a broad range of community sporting interests.

The completion of the All-Age tennis Hit-Up wall and the new court at the Mansfield tennis centre adds an inclusive sporting outlet that will benefit many, and Council assumed direct responsibility for the Mansfield Swimming Pool (previously managed by the YMCA), improving the quality of the outcomes.

At the head of the Great Victorian Rail Trail, the Station Precinct Master Plan project involved significant community engagement and resulted in a concept plan that will be the basis for further development of this Mansfield town entry including passive recreation space as well as opportunities for commercial enterprise.



On the financial front we lodged a successful application with the Essential Services Commission for a rate variation to ensure that our ratepayers have full transparency of our income streams and our costings. The variation has normalised our rating imbalance by moving excess waste charges into our rate base.

We have also worked to ensure the Shire is prosperous and continues to grow by obtaining additional government funding that recognises the unique nature of our Shire. Our advocacy efforts have secured revisions to the financial models to include a greater weighting for non-resident ratepayers and visitors, and the burden that these add to our infrastructure.

Council have continued to deliver a strong repertoire of community programs and events this year. Recognising the growing numbers of our older citizens we deployed the Age-Friendly Communities and End-of-Life programs. These programs are designed to enhance the liveability of our communities for our seniors, and facilitate open and frank discussions around the whole-of-life, including preparations for its inevitable end.

The Healthy Eating – Active Living forum was a valuable opportunity for community members to progress our Municipal Public Health and Wellbeing Plan.

We supported some fantastic tourism events including Targa High Country, Mansfield Lantern Festival, Mansfield High Country Festival, Lake Eildon Festival, and the North East Skate Park Series.

We worked with the community to successfully drive improvements and awareness in the area of renewable and sustainable energy, facilitating community discussions around our Environmental Strategy and Youth Strategy. We also partnered with the Start-up Shake-up organisation to help drive opportunities for local entrepreneurs. Our local businesses benefited from our Retail Reinvigorated Forum.

I would like to thank my fellow Councillors for their commitment over the past 12 months in service to the community, and for persevering in the face of some daunting challenges. I would also like to thank our excellent team of Council officers for their support and high standard of their professional advice to Council.



**Cr Harry Westendorp**  
**Mayor**

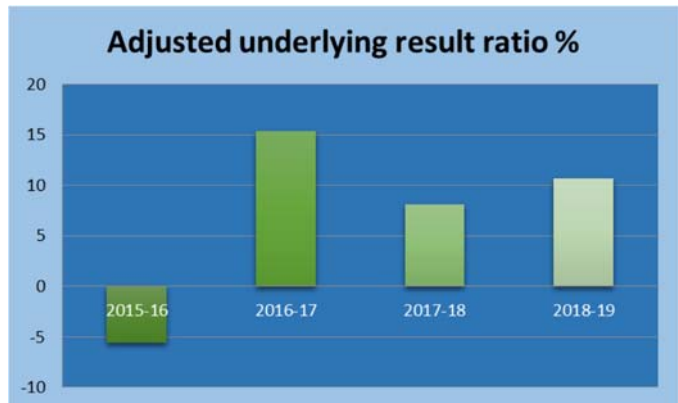
# Financial Summary

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 POSITION

Council achieved a surplus of \$5.2 million in 2018-19. The surplus compares favourably to the prior year surplus of \$3.3 million. As noted in the Comprehensive Income Statement in the Financial Report, the favourable variance is due mainly to an increase in non-monetary contributions (\$1.8 million). The 2018-19 year saw the completion of major subdivision works at the Highfield Estate, Stockmans Rise, Loyola Run, and The Grange developments in Mansfield, and Mountain View Estate in Tolmie. This resulted in a significant contribution of infrastructure assets (non-monetary contributions) from developers to Council, which is recorded as income under Australian Accounting Standards.

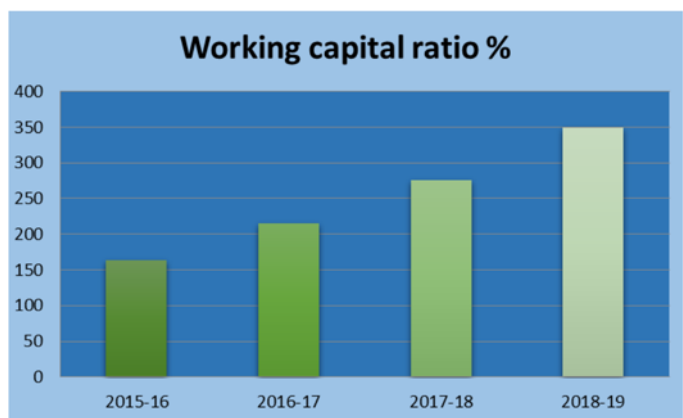
The adjusted underlying surplus of Council, surplus after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a surplus of \$2.3 million or 11% when compared to adjusted underlying revenue. This compares favourably to the expected target of 4%. 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.



## LIQUIDITY

Cash and Financial Assets (term deposits with a maturity date beyond three months) have increased by \$2.4 million from the prior year mainly due to delays in budgeted capital projects and the cancellation of the Highton Lane kerb and channel special charge scheme project.

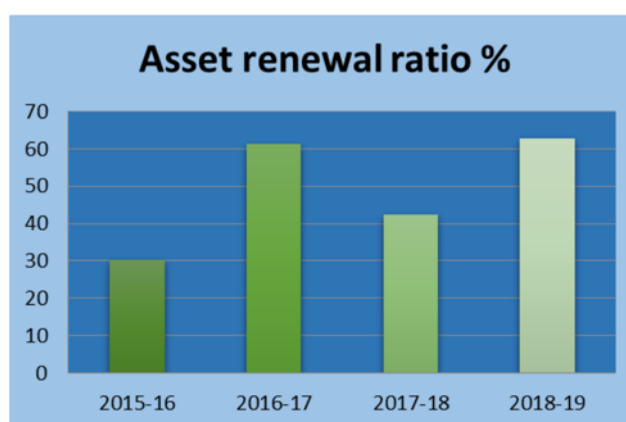
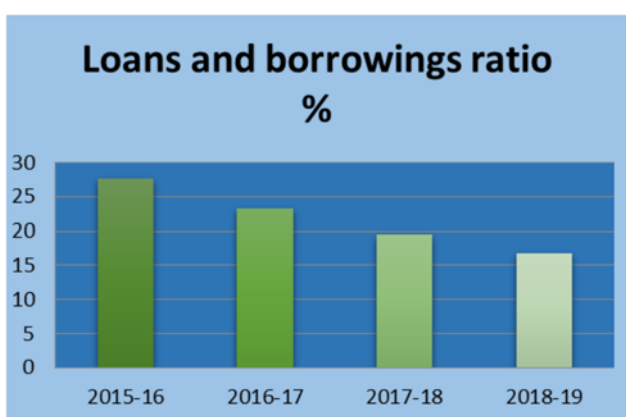
The working capital ratio which assesses Council's ability to meet current commitments is calculated by measuring Council's current assets as a percentage of current liabilities. Council's result of 349% is an indicator of a satisfactory financial position and is beyond the target of 250%.



## OBLIGATIONS

Council aims to ensure that it is able to maintain its infrastructure assets at expected levels, while at the same time continuing to deliver services needed by the community. Council invested \$2.1 million in renewal works during the 2018-19 year. This was funded from operations and grants. At the end of the 2018-19 year Council's debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, was 17% and better than the target of 22%.

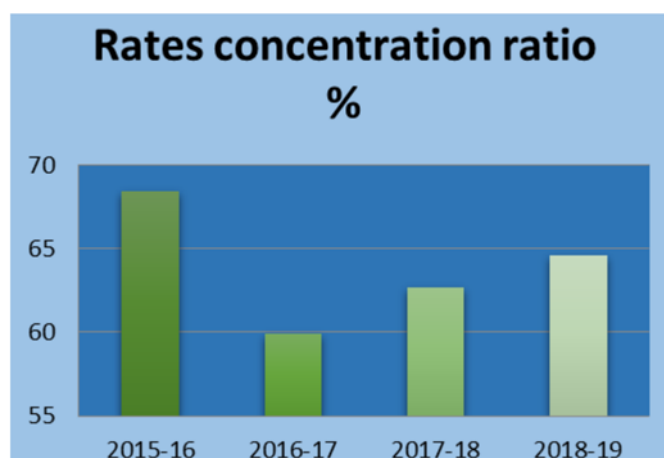
Council's asset renewal ratio, which is measured by comparing asset renewal expenditure to depreciation, was 63%. While below the target of 111%, the ratio is significantly higher than last year reflecting Council's continued investment in asset renewal.



## STABILITY AND EFFICIENCY

Council raises a wide range of revenues including rates, user fees, fines, grants and contributions. Council's rates concentration, which compares rate revenue to adjusted underlying revenue, was 65% for the 2018-19 year. This is higher than the target of 54%, indicating a less diverse revenue base.

Average rates increased at 2.25%, being the maximum allowable under the rate cap set by the Minister for Local Government for 2018-19. This resulted in an average residential rate per residential assessment of \$1,366.



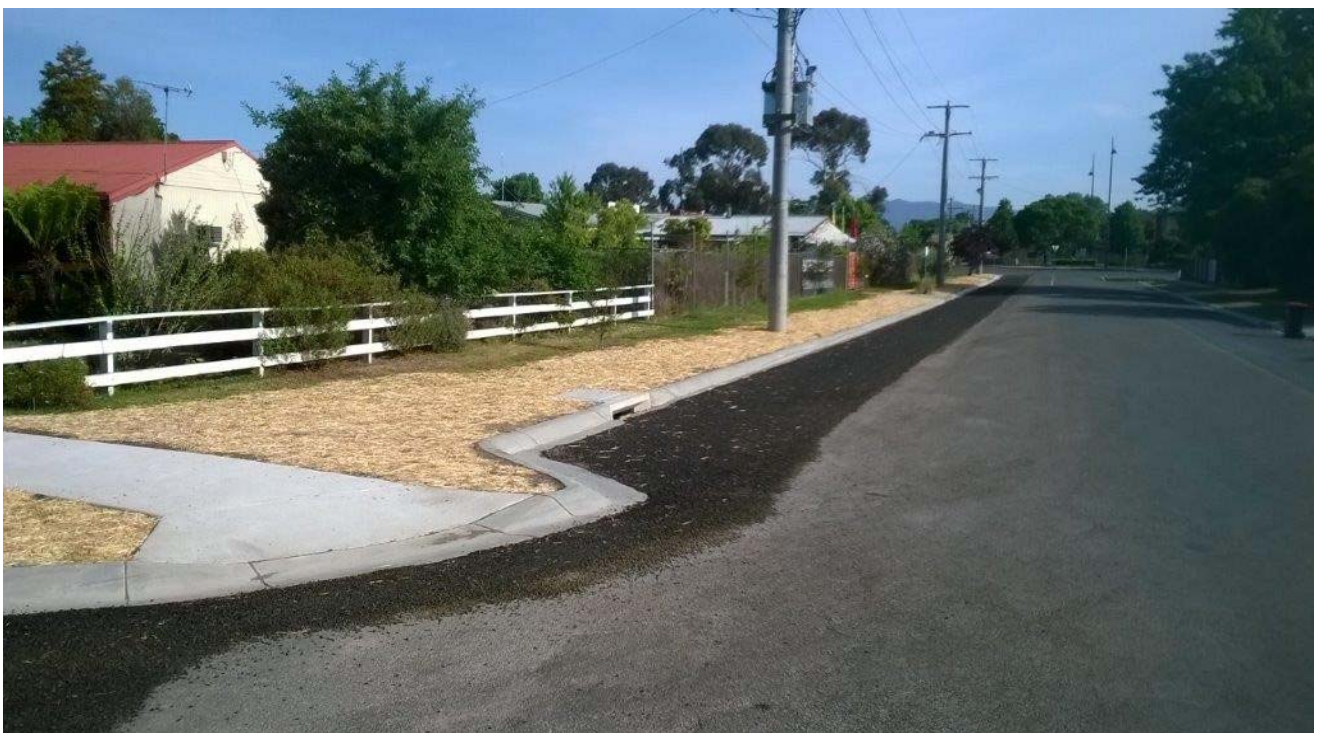
# Major Capital Works

Our Capital Works Program assists in improving the amenity and quality of community assets in our municipality.

During 2018-19, capital projects worth over \$3.5m were undertaken. 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.

PROJECT	COST (\$'000)
Road reseals	423
Road resheets	564
New Street upgrade to sealed road, underground drainage, kerb & channel and footpath	217
Old Eildon Road intersection, widening, drainage and sealing	45
Lakins Road Bridge upgrade to a two lane bridge	241
Kitchen Street, Bonnie Doon upgrade and sealing	103
Apollo Street (West) drainage improvements	51
Replacement of the Bonnie Doon Public Toilet Facilities at Bon Crescent	237
Mansfield Swimming Pool Learner Pool tile removal and vinyl liner replacement.	45



# Description of Operations

## **New Street upgrade**

The existing unsealed road surface and open channel drainage at New Street was upgraded to include a sealed road surface, underground drainage, kerb and channel and footpath. \$60,500 was partially funded by adjoining land holders through a special charge scheme. The total cost of the project was \$217,559.

## **Old Eildon Road intersection**

The intersection at Old Eildon Road and Eildon-Jamieson Road was upgraded to improve sight distance and safety. The works included widening of the existing intersection, drainage works and sealing. Total project cost was \$45,078 and was wholly funded by Council.

## **Lakins Road Bridge upgrade**

The existing single lane timber bridge was in poor condition and was weight limited to three tonnes. This was replaced with a two lane culvert that is able to manage larger vehicles and increase water flows through Black Creek. The project cost \$241,370 and was funded under a joint agreement between Council and the Victorian Government's Fixing Country Roads Program.

## **Kitchen Street, Bonnie Doon upgrade**

The existing gravel road surface and open channel drainage was upgraded to include a bitumen road surface. \$30,000 was funded by adjoining land holders through a special charge scheme. The total cost of the project was \$103,113

## **Apollo Street (West) Drainage Improvements**

Drainage improvements were delivered on the western side of Apollo Street installing underground drainage and restoring the existing kerb and channel to ensure this flooding hotspot would adequately drain in future years. The project cost \$50,770 and was funded wholly by Council.

## **Replacement of the Bonnie Doon Toilet Facilities**

The existing public toilet facility in Bon Crescent, Bonnie Doon was not adequate to meet user demand and at the end of its useful life with ongoing repairs and maintenance constantly required to keep it in working order. A new facility was constructed in the same location that will cater for more frequent use. The project cost \$237,660 wholly funded by Council.



### **Mansfield Swimming Pool Learner pool Refurbishment**

Refurbishment works on the learner pool at the Mansfield Swimming Pool consisted of replacing the old tiles with a vinyl liner as the old tiles were in poor condition with many lifting and cracking making a hazard for users.

The total cost of the project was \$44,957 and wholly funded by Council.

### **Resheets**

Gravel Resheeting is the process of applying a layer of gravel (usually about 100mm) to a section of unsealed road. As part of the annual unsealed road renewal program. 18.5km of resheets were delivered this year across the following roads:

- Buttercup Road, Merrijig
- Glenroy Road, Merrijig
- School Lane, Merrijig
- Harpers Road, Barjarg
- Glen Creek Road, Bonnie Doon
- Star of the Glen Road , Bonnie Doon

- Cliff Road, Bonnie Doon
  - Bunstons Road, Tolmie
- These works totalled \$564,000.

### **Reseals**

As part of the annual reseal program, 100,361m<sup>2</sup> of bitumen resealing works were delivered this year across the following roads and carparks:

- Christensen Street, Sawmill Settlement
- Mill Court, Sawmill Settlement
- Purcell Drive, Sawmill Settlement
- Mountain Rise, Sawmill Settlement
- Stirling Street, Sawmill Settlement
- Mimosa Drive, Sawmill Settlement
- Malcolm Street, Mansfield
- Monkey Gully Road, Mansfield
- Main Street, Maindample
- Ford Drive, Mansfield
- Grandview Drive, Tolmie
- Mt Battery Road (East), Mansfield
- Somerset Court, Mansfield
- Glen Court, Bonnie Doon
- Ancona Road, Ancona
- Bromfield Drive, Tolmie

- Oakbank Court, Mansfield
- Dry Creek Road, Bonnie Doon
- O'Hanlon Road, Mansfield
- Banuman Road, Mansfield
- Howes Creek Road, Mansfield
- Hilton Court, Mansfield
- Cambridge Drive, Mansfield

The works have contributed to an improved lifespan for Council's sealed road network, maintaining trafficability for vehicular access.

These works cost \$422,738 and were funded wholly by Council.



# Community Festivals and Events

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

**The Mansfield High Country Festival** celebrated its 34th year with over 30 diverse events held over five days in November. A large collective of community groups worked together to create a 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, community groups to celebrate together, and to welcome friends and visitors to the region.

Mansfield once again played host to **Targa High Country**, Australia's only mainland tarmac rally event. This was the ninth successive year that Mansfield Shire has enjoyed the roar of engines racing around our municipality. The event this year, held from 9-11 November, attracted more than 2,000 visitors and was televised to a national and international audience. Council has secured this event until 2021.

The official opening of the water sport season took place at Bonnie Doon, Goughs Bay and Jamieson as part of the **Lake Eildon Festival**. In its fourth year, the festival, was an action

packed weekend with on-water demonstrations, the 12 metre atomic drop water slide, food stalls, twilight market, kids activities, kayaking, fishing and live music being a hit for families attending. The night finished off with a spectacular fireworks display on the lake.

Council continues to support the **Mansfield Lantern Festival** since its inception four years ago. Held during the Winter Solstice (mid June), the festival is family friendly providing arts, crafts, workshops, music, food stalls and a parade of beautiful lanterns, many hand made by the number of children and adults who take part.

In October 2018, Mansfield Shire Council, hosted a variety of events for the **Victorian Seniors Festival**. Aimed at citizens aged over 60, many of our community members took part in a range of activities including:

- Hydrotherapy and swimming at Mansfield Aquatic Centre
- Creative cooking classes at the Buckland Centre
- Art, craft and music afternoon at Bindaree Centre
- Vintage car jaunt



# Awards and Recognition

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

In 2018-19 the awards were presented in four categories:

## CITIZEN OF THE YEAR

### Andrew Setchell

Andy is an inspirational person who commits himself to the betterment of the community and environment where he lives with no expectation of praise or reward, because he wants to make a difference to the town he loves and where he has chosen to raise his family. He donates much of his time to many community groups supporting and improving our natural environment and facilities for everyone's benefit.

Andy has the ability to influence and motivate individuals to follow his lead initiating projects that may not happen but for his commitment, drive and inclusiveness.

### Luke & Tanya Purcell

Whilst watching TV and seeing the plight of farmers suffering devastating drought in NSW, Luke and Tanya's daughter, Charlotte went outside with her bucket to catch the rain to give to the animals. This was the small act that triggered Luke and Tanya into action to create what's become known as Charlotte's Bucket project. This project went on to inspire many local businesses and individuals to support Luke and Tanya's efforts in raising funds to assist drought affected families.

Luke and Tanya's efforts demonstrate compassion and empathy for others and provides an inspiration for us all whilst setting an amazing example for their two young children on giving to and assisting others that are less fortunate than ourselves.



## YOUNG CITIZEN OF THE YEAR

### Hayley Wilson

Hayley achieved considerable success in her chosen sport and she is an excellent role model for other young people, particularly young girls, to be active and engage in sport. With hard work and dedication, Hayley has reached her two major goals of competing in skate boarding events in the X Games and Street League and now has her sights set on the 2020 Tokyo Olympic Games where skateboarding will be introduced for the first time.



## SENIOR CITIZEN OF THE YEAR

### Val Kirley

Val has been actively involved in many local organisations throughout her life contributing to making Mansfield a great community.

Val's passion and dedication is legendary and she commits fully to each sporting group, organisation or committee she is a part of.



## COMMUNITY EVENT OF THE YEAR

### Merrijig Rodeo

For 40 years the Merrijig Rodeo has enhanced the tourist attractions of the district.

Through the work of the enthusiastic and dedicated committee and the large number of volunteers who support them to get the event up and running on the day, an increased share of profits was distributed amongst local community groups.

This well supported event provides something for the whole family and continues to attract thousands of people to the region.



# OUR COUNCIL

**MANSFIELD SHIRE COUNCIL  
IS DIVIDED INTO FOUR WARDS:**

**BONNIE DOON**

including Ancona, Maindample and Merton

**JAMIESON**

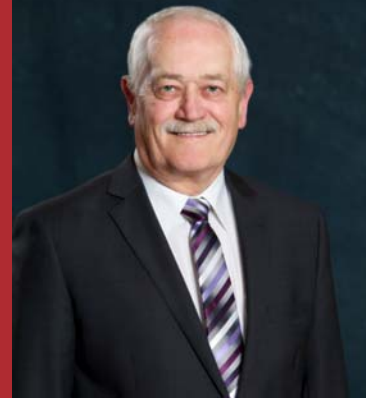
including Goughs Bay, Howqua, Kevington, Macs Cove and Woods Point

**MANSFIELD**

**TOLMIE**

including Barjarg, Merrijig and Sawmill Settlement

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



**CR HARRY WESTENDORP  
MAYOR**

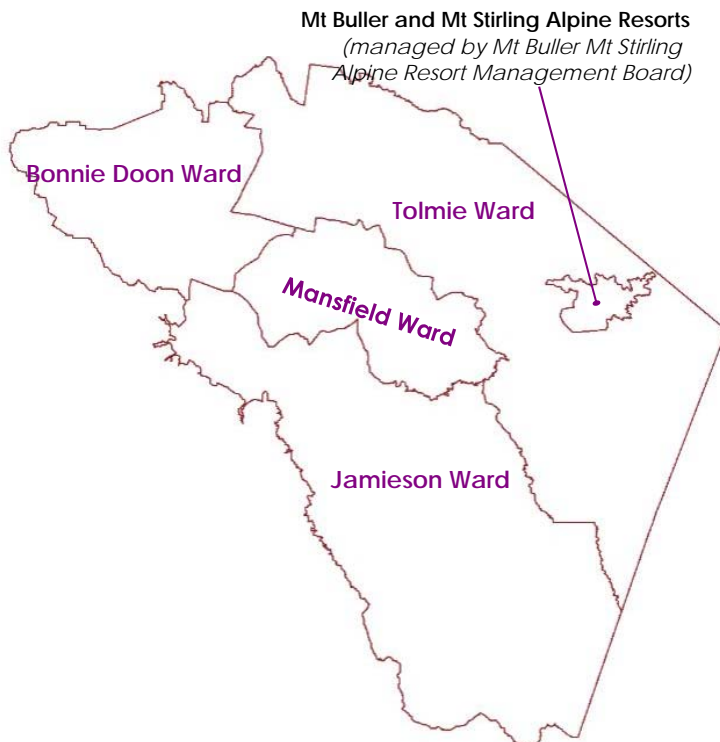
First elected October 2016  
(Jamieson Ward)

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

During his career, Harry spent more than 45 years in large and small businesses in technical, sales and executive roles. He has governance experience through serving on Boards, including Director and Chairman of a school board for 12 years; Director of CRC for Southern Hemisphere Meteorology; Chairman of Church Councils for multiple tenures; and is currently Deputy Board Chairman of Reformed Theological College in Geelong.

Harry was elected Mayor at a Special Meeting of Council held 27 November 2018.

Harry lives in Mansfield.





**CR PAUL SLADDIN  
DEPUTY MAYOR**

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

Contact: 0428 900 573  
paul.sladdin@mansfield.vic.gov.au

Paul's background and qualifications lie in community education and community development. He is currently the Networker for the Goulburn North East Association of Community Centres.

Paul has been involved in numerous local community and sporting groups and is a current member of the Bonnie Doon CFA and Bonnie Doon Community Group.

He is actively involved with the Men's Shed movement, being a past President of the Victorian Men's Shed Association and currently Vice President of the Australian Men's Shed Association.

Paul lives in Bonnie Doon.



**CR MARG ATTLEY**

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

Contact: 0428 698 046  
marg.attley@mansfield.vic.gov.au

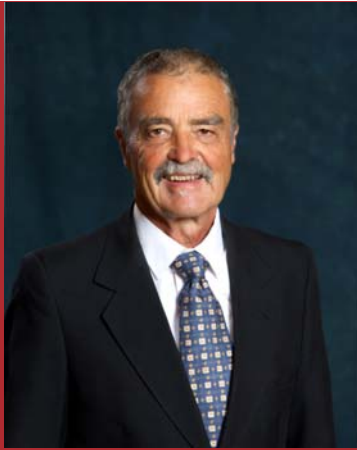
Since Marg's election to Council in 2005, she has held the role of Mayor twice. This enabled her to work across all communities in the Shire, be responsive to their needs and advocate and collaborate with all levels of government.

She is a trained Primary Teacher and mediator and has also worked as a Project Manager on projects for young people.

Marg is on the Board of the Victorian Local Governance Association and a committee member of the Australian Local Government Women's Association. Both these roles allow her to represent the issues of rural councils.

Marg lives in Tolmie.





**CR PETER OLVER**

First elected October 2016  
(Mansfield Ward)

Contact: 0429 109 453  
peter.olver@mansfield.vic.gov.au

Peter grew up in Mansfield and attended the Mansfield Secondary College. After qualifying as a Mechanical Engineer in Melbourne he worked both there and in Canberra as an Engineer.

He and his wife, Linda, moved back to Mansfield to have a family and raise their four children.

Peter taught for many years at Mansfield Secondary College as well as owning several businesses and a cattle farm.

He has always been passionate about social justice and has been involved in many associated community groups.

Peter lives in Bridge Creek.



**CR PAUL VOLKERING**

First elected October 2016  
(Mansfield Ward)

Contact: 0429 507 140  
paul.volkering@mansfield.vic.gov.au

Born and raised in Mansfield, Paul was the Principal of Mansfield Primary School for five years prior to being elected to Council.

Prior to this, he has been a Principal in public schools across Victoria, graduating from Melbourne University. He has also studied further and travelled overseas to study and observe other education systems.

Paul is passionate about Mansfield Shire's future, recognising its rich heritage and history.

Paul lives in Mansfield.





# OUR PEOPLE

Council sets the overall direction for our municipality 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.

# Executive Management Team at 30 June 2019



**Alex Green**  
Chief Executive Officer

***Master of Business Administration, Bachelor of Science***

Alex commenced with Mansfield Shire Council in July 2015 after 8 years with Corangamite Shire as Director Works and Services. Previous roles include Parks Victoria Ranger in charge of Port Campbell and various management roles in natural resource management.

**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 commenced with Council in June 2016. Prior to this she worked for the Victorian State Government developing and implementing social policy. Her prior 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.

**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



**Sharon Scott**  
Corporate and Organisational  
Services Manager



**Maree Walker**  
Infrastructure Manager

***Masters of Urban and Regional Planning***

Ben commenced with the Council in September 2018. Prior to this he worked for GHD, a global engineering company, on permanent secondment to Main Roads. Ben has held previous 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*

***Advanced Diploma Management - Human Resources***

Sharon commenced with Council in 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*

***Bachelor of Applied Science – Cartography Postgraduate Certificate Infrastructure Engineering and Management***

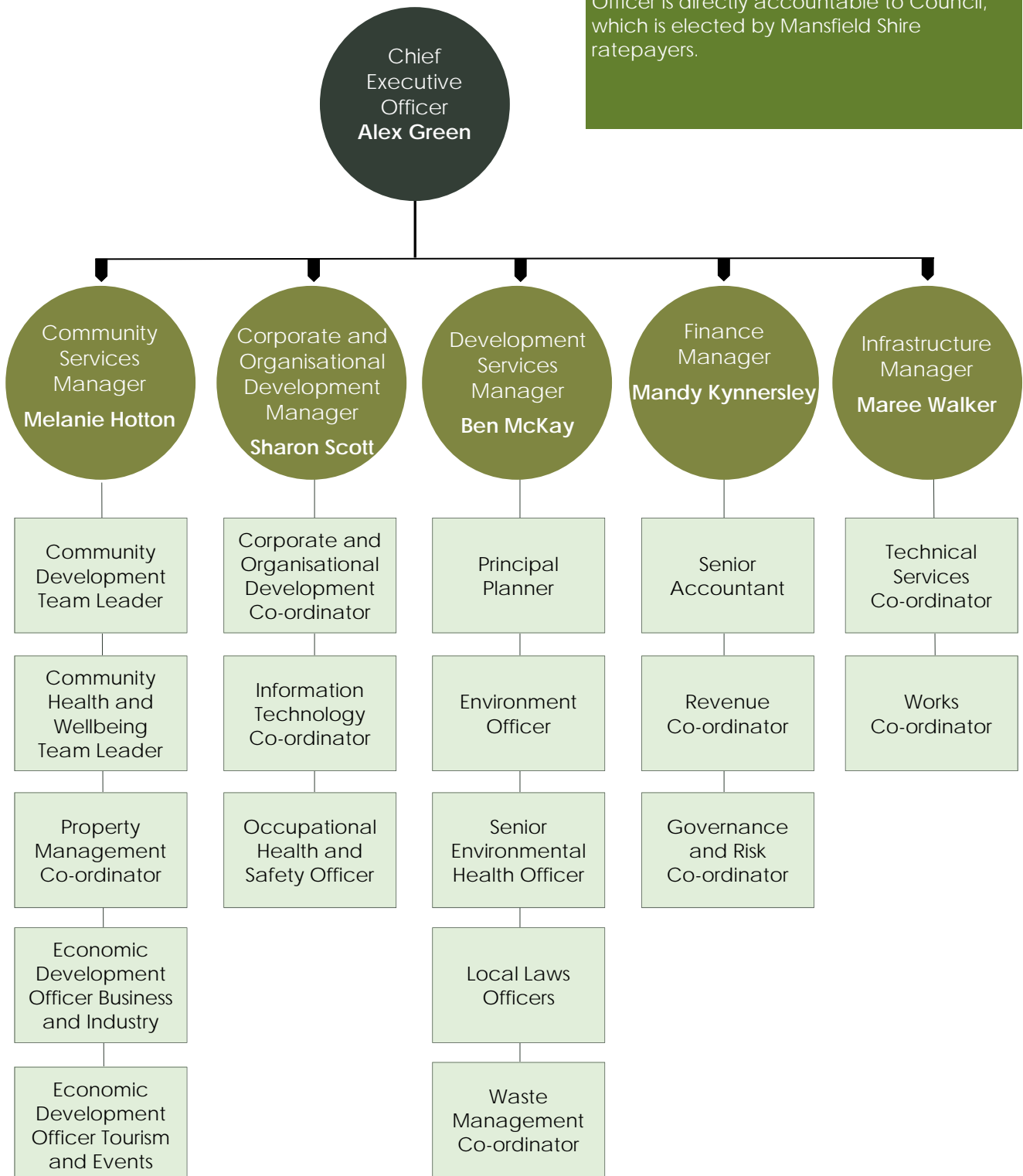
Maree has been working in local government since 2007. After several years employed by the Rural City of Wangaratta Maree was recruited as the Asset Manager. In 2016 she became the Manager of Infrastructure Planning and Delivery. In early 2018 Maree commenced employment with Shepparton City Council as the Works and Waste Manager. Maree commenced with Mansfield Shire Council in December 2018.

**Areas of Responsibility**

- *Asset management Systems and Planning*
- *Capital works programming*
- *Capital works monitoring*
- *Project planning, design and delivery*
- *Engineering design and development*
- *Road construction and maintenance*
- *Parks and Gardens maintenance*
- *Plant and equipment maintenance*

# Organisational Structure at 30 June 2019

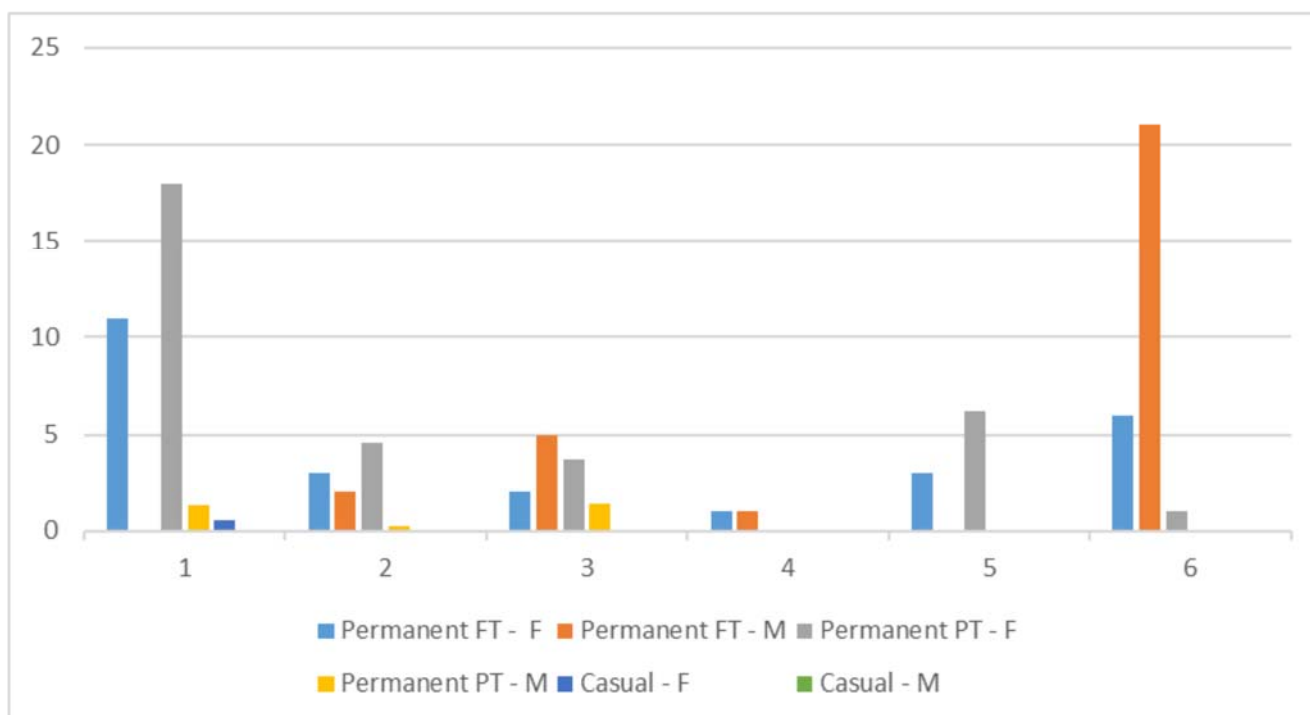
Council has five departmental managers reporting to the Chief Executive Officer. The departments are Community Services, Corporate and Organisational Development, Development Services, Finance and Infrastructure. Each of these departments is made up of individual units, led by a senior officer. The Chief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



# Our Workplace

Below is a summary of full time equivalent Council staff by organisation structure, employment type and gender.

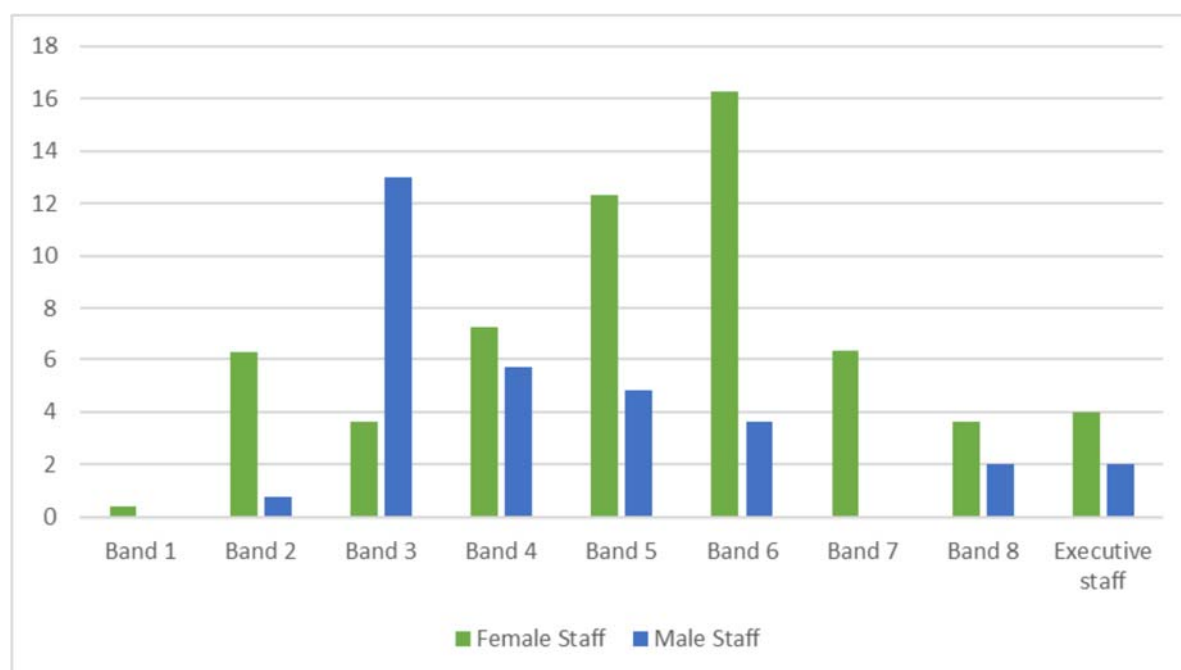
Employee type/ gender	1 Community Services EFT	2 Corporate and Organisat'l Development EFT	3 Development Services EFT	4 Executive Services EFT	5 Finance EFT	6 Infrastructure EFT	Total
Permanent FT - F	11	3	2	1	3	6	<b>26</b>
Permanent FT - M	-	2	5	1	-	21	<b>29</b>
Permanent PT - F	17.99	4.6	3.74	-	6.24	1	<b>33.57</b>
Permanent PT - M	1.28	0.2	1.4	-	-	-	<b>2.88</b>
Casual - F	0.56	-	-	-	-	-	<b>0.56</b>
Casual - M	-	-	-	-	-	-	<b>-</b>
<b>Total</b>	<b>30.83</b>	<b>9.8</b>	<b>12.14</b>	<b>2</b>	<b>9.24</b>	<b>28</b>	<b>92.01</b>



At the 30 June 2019, Council employed 92.01 effective full time (EFT) staff in a diverse range of positions. This figure comprises permanent full time, permanent part time and casual staff. It also includes funded positions.

A summary of the number of full time equivalent staff categorised by employment classification and gender is provided below.

Employment classification	Female staff	Male staff	Total staff
Band 1	0.4	-	0.4
Band 2	6.27	0.76	7.03
Band 3	3.65	13	16.65
Band 4	7.28	5.72	13
Band 5	12.3	4.8	17.1
Band 6	16.3	3.6	19.9
Band 7	6.33	-	6.33
Band 8	3.6	2	5.6
Executive staff	4	2	6
<b>Total</b>	<b>60.13</b>	<b>31.88</b>	<b>92.1</b>



Our banding profile is consistent with comparable rural councils.

- Bands 1, 2 and 3 are predominantly our outdoor and community care workers
- Bands 4 and 5 are administrative staff
- Bands 6 and 7 consist predominantly of technical specialists, team leaders and co-ordinators
- Band 8 consists of highly specialised, technical experts who also have a supervisory role

# Our Staff

Our employees are the foundation of our success, and our organisational reputation is determined by our employee's behaviours. A stable and motivated workforce is one of the keys to facing the demands of our rapidly growing Shire.



## EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

In accordance with legislation Mansfield Shire Council has implemented an equal employment opportunity program which is designed to eliminate discrimination against and promote equal opportunity for women and persons in designated groups in relation to employment matters.

The objective of Council's Equal Employment Opportunity Program is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation, gender identity and sexual orientation. Further objectives include ensuring the workplace is free from bullying and harassment.

## 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.

## 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.

## OUR VOLUNTEERS

We acknowledge and thank our volunteers for their wonderful contribution to our community. They provide valuable assistance and enrich the lives of those they are helping.

We take two opportunities each year to formally thank and acknowledge our dedicated volunteers. The volunteers were treated to a Christmas lunch in December 2018, and a morning tea was held during National Volunteers Week in May 2019.

In 2018-19 over 138 registered volunteers provided services to the value of \$140,274 to the community (3,473 hours).

Our volunteers range in age from teenagers to several in their mid to late 80s. Many of our volunteers provide social support to residents who are frail, aged or have a disability. The Meals on Wheels service delivered 4,456 meals to people in their homes during 2018-19.

Other volunteering activities during 2018-19 included:

- Assisting on the Mansfield Community Bus
- Driving people to Benalla, Wangaratta, Wodonga, Albury, Shepparton and Melbourne to attend medical appointments
- Assisting at Spring Club, Men's Group, and Easy Moves Group (Planned Activity Groups)
- Mentoring learner drivers within the L2P (Learner to Probationary) program
- Lending a hand at Council's Youth Centre. Most of the volunteers at the Youth Centre are themselves young people.
- Assisting at supported playgroup, the Library and providing Meals on Wheels.



# Health and Safety

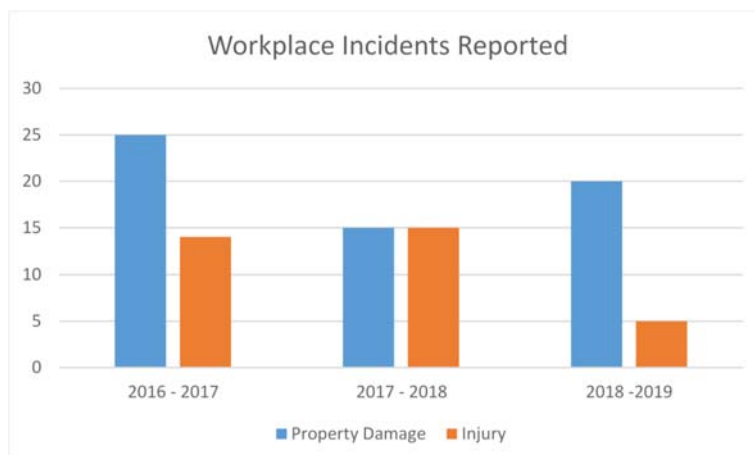
Council’s aim is to maintain a safety culture that supports an incident and injury-free workplace for all employees, Councillors, contractors, visitors and the public.

Council’s Occupational Health and Safety and Staff Consultative Committee comprises employee representatives and management representatives. The composition of employee representatives includes eleven Health and Safety Representatives and one Union Workplace Representative.

Risk assessments were undertaken at the Mansfield Swimming Pool, the Resource Recovery Centre and manned 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).

Council had no notifiable incidents (incidents that result in serious injury or incidents that expose a person to immediate risk to health or safety) that were required to be reported to WorkSafe Victoria. Council received no improvement notices or prohibition notices from WorkSafe Victoria. Council had 20 workplace incidents involving property damage, an increase from 2017-18, but still fewer than previous years. There were five workplace incidents involving injury which is the lowest reported in a three year period.

Emergency response exercises that involve evacuation were held. The purpose of these exercises was to determine the effectiveness of Council’s emergency response procedures. Fire Warden Training and Fire Extinguisher Training was undertaken.



# REPORT OF OPERATIONS - Our Performance

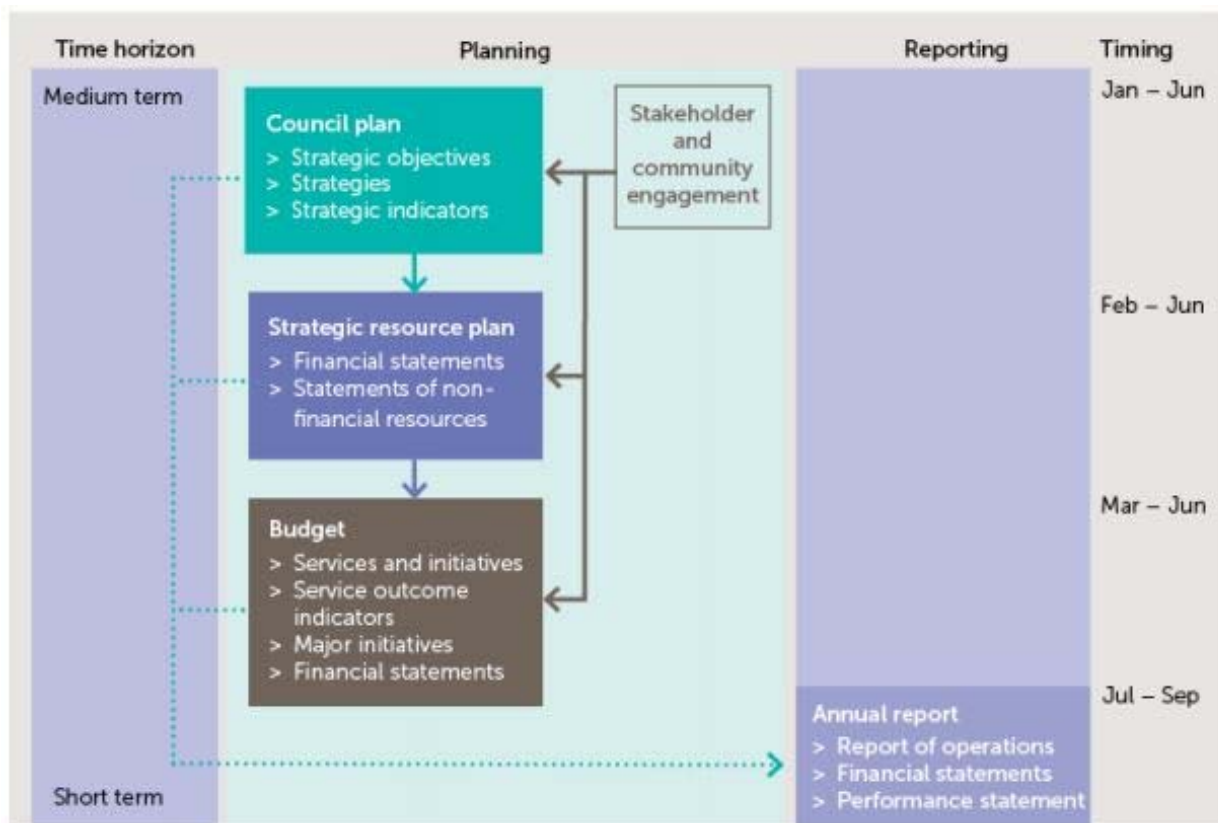


## PLANNING AND ACCOUNTABILITY FRAMEWORK

The Planning and Accountability Framework is found in part 6 of the *Local Government Act 1989*. The Act requires councils to prepare the following planning and reporting documents:

- A Council Plan within the six months after each general election or by 30 June, whichever is later
- A Strategic Resource Plan for a period of at least four years and include this in the Council Plan
- A budget for each financial year
- An Annual Report in respect of each financial year

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



## COUNCIL PLAN

The 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:

1. Participation and partnerships
2. Financial sustainability
3. Community resilience and connectivity
4. Enhanced liveability
5. Responsible leadership

## PERFORMANCE

Council's performance for the 2018-19 year has been reported against each key strategic area to demonstrate how Council is performing in achieving the 2017-21 Council Plan.

Performance has been measured as follows:

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

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



# Strategic Direction One

## Participation and Partnerships



# Strategic Direction One

## Participation and Partnerships

The following statement reviews the performance of Council during 2018-19 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators.

Measure	Result	Comments
<b><i>Council Control</i></b>		
Number of Council meetings held in outlying townships	4	Meetings held in Maindample, Woods Point, Tolmie and Merton
Community satisfaction rating for Council decisions made in the interest of the community	47	
Community satisfaction rating for community consultation and engagement	52	Consultation and engagement efforts continue to meet statutory requirements however community expectations are not being met.
Community satisfaction rating for Council's advocacy efforts	51	This result is disappointing given the advocacy efforts of Council that translated into a \$3.4m funding commitment by the Federal Government for a dual court indoor sports stadium.
<b><i>Council Influence</i></b>		
Percentage of event applications that receive approval via the Event Management Plan process	100%	
<b><i>Council Interest</i></b>		
Percentage of persons who help out as a volunteer	28.9%	

**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.

# Strategic Direction One

## Participation and Partnerships

### MAJOR INITIATIVES:

The following statement reviews the progress of Council in relation to major initiatives identified in the 2018-19 budget for the year.

Major initiative	Progress
Develop and implement a Community Engagement Strategy	A draft strategy was commenced during the year however due to the legislation changes proposed by the <i>Local Government Bill</i> it requires revision to ensure ongoing compliance. Council has allowed budget for a Communications Officer to be appointed in the 2019-20 financial year, and this person will undertake the project when they commence.
Develop a Community Vision in partnership with the community	The Community Vision has been deferred until such time as the new <i>Local Government Act</i> has been finalised.
Develop and implement an Active Aging Strategy	The community engagement process has already commenced with survey and community meeting work undertaken across the Shire. The Active Aging Strategy is currently in early draft stages.

### SERVICES:

The following statement provides information in relation to the services funded in the 2018-19 budget and the persons or sections of the community who are provided the service.

Service Area	Description of services provided	Net Cost \$/000
Local Government partnerships	Advocacy services on behalf of the community	Actual -
		<u>Budget</u> 5
		Variance 5
Community projects	Council contribution toward the installation of additional telecommunication towers	Actual -
		<u>Budget</u> -
		Variance -

# Strategic Direction Two

## Financial Sustainability

# Strategic Direction Two

## Financial Sustainability

The following statement reviews the performance of Council during 2018-19 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators.

Measure	Result	Comments
<b><i>Council Control</i></b>		
Expenses per property assessment (ie the number of rateable properties)	\$2,480	This indicator has fallen short of the target by 0.8%
Time taken to decide planning applications	63 days	Down from 83 in the previous year, this is a marked improvement
Community satisfaction rating for business and community development performance	59	Vacancy in the economic development area during the year (now filled) has led to delays in the development of the Economic Development Strategy
Community satisfaction for tourism development performance	67	Vacancy in the economic development area during the year (now filled) has led to delays in the development of the Economic Development Strategy
<b><i>Council Influence</i></b>		
Adjusted underlying surplus (or deficit) as a % of underlying revenue	11%	
Renewal/replacement of assets as a % of depreciation	63%	Up from 42% in the previous year, but short of the 70% target.
Loans and borrowing as a % of rate revenue	17%	
Rates as a % of adjusted underlying revenue	65%	
Own source revenue per head of population	\$1,769	
Recurrent grants per head of population	\$531	
<b><i>Council Interest</i></b>		
Resident population	8,979	
Percentage of people aged >15 in part or full time employment	90.6%	Australian Bureau of Statistics Census 2016

**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.

# Strategic Direction Two

## Financial Sustainability

### MAJOR INITIATIVES:

The following statement reviews the progress of Council in relation to major initiatives identified in the 2018-19 budget for the year.

Major initiative	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 Minerva Street and Lakins Road	Surplus land assets identified during the year included properties at Minerva Street, Kitchen Street and the Sale Yards. Council declared the intention to sell each of the three sites and community engagement processes were conducted. In response to community feedback Council withdrew the Minerva Street property. The Kitchen Street property has been sold. 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 2018-19 budget and the persons or sections of the community who are 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 of properties throughout the municipality.	Actual	293
		<u>Budget</u>	<u>263</u>
		Variance	30
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 amendments to implement the Mansfield Planning Scheme's policy framework	Actual	(10)
		<u>Budget</u>	<u>218</u>
		Variance	(228)

## Strategic Direction Two

### Financial Sustainability

#### SERVICES CONTINUED:

The following statement provides information in relation to the services funded in the 2018-19 budget and the persons or sections of the community who are provided the service.

Service Area	Description of services provided	Net Cost \$/000	
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.	Actual	365
		<u>Budget</u>	<u>322</u>
		Variance	43
Events	A range of community events including TARGA High Country, Mansfield High Country Festival, Lake Eildon Festival and Mansfield Lantern Festival.	Actual	(27)
		<u>Budget</u>	<u>169</u>
		Variance	(196)
Community assets and land management	Property management of Council owned facilities (leasing, licensing, maintenance, sale and acquisition of property).	Actual	90
		<u>Budget</u>	<u>67</u>
		Variance	23
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.	Actual	(724)
		<u>Budget</u>	<u>(1,378)</u>
		Variance	654

# Strategic Direction Three Community Resilience and Connectivity



## Strategic Direction Three

### Community Resilience and Connectivity

The following statement reviews the performance of Council during 2018-19 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators.

Measure	Result	Comments
<b><i>Council Control</i></b>		
Community satisfaction rating for informing the community	55	Council's Budget 2019-20 includes the appointment of a Communications Officer. It is expected that additional resources will assist in improving the community's satisfaction
Community satisfaction rating for emergency and disaster management performance	70	There have been no disasters (as declared by the State or Federal Governments) in the Mansfield municipal district during the financial year. Farmers have lobbied Council to support a call for drought declaration, however Council has been unable to influence this declaration zone.
Community satisfaction rating for elderly support services	69	
<b><i>Council Influence</i></b>		
Percentage of the population who are members of the Mansfield Library and who have borrowed in the past 12 month period	18%	
Percentage of infants enrolled in the Maternal and Child Health service who receive the first Maternal and Child Health Home Visit	99%	
Percentage of children enrolled who use the Maternal and Child Health service	77%	
<b><i>Council Interest</i></b>		
Rating for feeling part of the community		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 2018-19.
Rating for perception of connectedness – percentage of those who agree others are willing to help each other		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 2018-19.
<b>Council Control:</b>	The things we have direct responsibility and accountability for.	
<b>Council Influence:</b>	The things we can influence through advocacy and partnerships with others.	
<b>Council Interest:</b>	The things that affect how we operate and that impact on our community but over which we have little or no influence or control.	

## Strategic Direction Three

### Community Resilience and Connectivity

#### MAJOR INITIATIVES:

The following statement reviews the progress of Council in relation to major initiatives identified in the 2018-19 budget for the year.

Major initiative	Progress
<p>Redevelop Council's website to provide improved capability and more useful online interaction between Council and the community</p>	<p>Council launched a new website early in the financial year. The website is designed to facilitate ease of interaction between the community and Council. Simpler ways to pay rates, pet registration and permit applications, along with the ability to complete electronic forms are two such improvements. The "Have Your Say" online portal is also new, providing a hub where information on specific issues can be found and community members can provide feedback for Council's consideration. Council will continue to further improve the website capability, adding new functionality as it becomes available.</p>

#### SERVICES:

The following statement provides information in relation to the services funded in the 2018-19 budget and the persons or sections of the community who are 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 (19)
		<u>Budget</u> (31)
		Variance 12
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.	Actual 394
		<u>Budget</u> 455
		Variance (61)
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 62
		<u>Budget</u> 100
		Variance (38)
Family services & partnerships	Integrated family services, the Family, Youth and Childrens Centre, financial counselling, maternal & child health services.	Actual (106)
		<u>Budget</u> 80
		Variance (90)

## Strategic Direction Three

### Community Resilience and Connectivity

#### SERVICES CONTINUED:

The following statement provides information in relation to the services funded in the 2018-19 budget and the persons or sections of the community who are provided the service.

Service Area	Description of services provided	Net Cost \$/000	
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	464
		<u>Budget</u>	<u>481</u>
		Variance	(17)
Arts, culture and library	Mansfield Library services and the Mansfield Performing Arts Centre.	Actual	169
		<u>Budget</u>	<u>201</u>
		Variance	(32)
Other community services	Administration and support for the Community Services department.	Actual	347
		<u>Budget</u>	<u>378</u>
		Variance	(31)

# Strategic Direction Four

## Enhanced Liveability

# Strategic Direction Four

## Enhanced Liveability

The following statement reviews the performance of Council during 2018-19 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators.

Measure	Result	Comments
<b><i>Council Control</i></b>		
Community satisfaction rating for customer service	61	
Community satisfaction rating for family support services performance	69	
Community satisfaction rating for recreational facilities performance	68	
Community satisfaction rating for planning permit performance	36	While community satisfaction is down, there has been a significant improvement in the time taken to decide planning applications (reduced by 20 days over the year) and the number of planning applications decided within required time frames (improved from 47% to 67% over the last 12 months).
Community satisfaction rating for waste management performance	60	
<b><i>Council Influence</i></b>		
Number of visits to aquatic facilities per head of population	1.91	
Kerbside collection waste diverted from landfill	36%	
<b><i>Council Interest</i></b>		
Shire rating – SEIFA (Socio Economic Indexes for Areas) index of relative socio economic disadvantage index by percentile	7	
Rating for perceptions of safety – when walking alone during the day or night		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 2018-19.
Percentage of people self-rating their health as excellent or good.		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 2018-19.
<b>Council Control:</b>	The things we have direct responsibility and accountability for.	
<b>Council Influence:</b>	The things we can influence through advocacy and partnerships with others.	
<b>Council Interest:</b>	The things that affect how we operate and that impact on our community but over which we have little or no influence or control.	

# Strategic Direction Four

## Enhanced Liveability

### MAJOR INITIATIVES:

The following statement reviews the progress of Council in relation to major initiatives identified in the 2018-19 budget for the year.

Major initiative	Progress
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 feasibility study around a dual court basketball stadium.	The Sport Facilities Strategy was completed in June 2018. Key outcomes included the redevelopment of the pavilion at the Lords Oval in Mansfield, and additional indoor sports courts. Council successfully advocated to the Federal Government for funding to complement that of the Department of Education to enable the development of a dual court multi sport indoor stadium at the Mansfield Secondary College. The stadium project will commence in the 2019-20 financial year, and when completed will be available for use by both the Secondary College and the community through a joint arrangement between Council and the Department of Education. Planning and design works for the Lords Oval pavilion has been completed and will be made available for community feedback in 2019-20.
Plan a rolling program of streetscape improvements for the Mansfield township and smaller settlements.	A program for streetscape improvements will be developed once the Open Space Strategy is completed in 2019-20. Proposed improvements will be incorporated into the future capital works program.

### SERVICES:

The following statement provides information in relation to the services funded in the 2018-19 budget and the persons or sections of the community who are provided the service.

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.	Actual	261
		<u>Budget</u>	<u>(298)</u>
		Variance	559
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	Actual	25
		<u>Budget</u>	<u>50</u>
		Variance	(25)
Environment	Development of environmental policy and monitoring of compliance with environmental regulations (eg EPA). This service also coordinates and implements environmental projects and works with other services to improve Council's environmental performance	Actual	78
		<u>Budget</u>	<u>84</u>
		Variance	(6)

# Strategic Direction Four

## Enhanced Liveability

### SERVICES CONTINUED:

The following statement provides information in relation to the services funded in the 2018-19 budget and the persons or sections of the community who are provided the service.

Service Area	Description of services provided	Net Cost \$/000	
Health	Coordination of food safety support programs, <i>Tobacco Act</i> 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.	Actual	71
		<u>Budget</u>	<u>100</u>
		Variance	(29)
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.	Actual	128
		<u>Budget</u>	<u>83</u>
		Variance	45
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	Actual	203
		<u>Budget</u>	<u>225</u>
		Variance	(22)
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	Actual	2,068
		<u>Budget</u>	<u>2,210</u>
		Variance	(142)
Development services management	Administration support for the development services department.	Actual	317
		<u>Budget</u>	<u>345</u>
		Variance	(28)
School crossing supervision	Supervisors at school crossings throughout the municipality to assist in ensuring school aged children are able to cross the road safely enroute to and from school	Actual	46
		<u>Budget</u>	<u>39</u>
		Variance	7
Roads	Ongoing maintenance of the Council's road, footpath and drain network	Actual	390
		<u>Budget</u>	<u>883</u>
		Variance	(493)
Field services	Infrastructure maintenance, renewal and upgrades.	Actual	314
		<u>Budget</u>	<u>406</u>
		Variance	(92)
Parks and gardens	Tree pruning, planting and removal, street tree planning and strategies, management of parks and gardens.	Actual	718
		<u>Budget</u>	<u>834</u>
		Variance	(116)
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.	Actual	(2,292)
		<u>Budget</u>	<u>(281)</u>
		Variance	(2,011)

# Strategic Direction Five

## Responsible Leadership



## Strategic Direction Five

### Responsible Leadership

The following statement reviews the performance of Council during 2018-19 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators.

Measure	Result	Comments
<i>Council Control</i>		
Percentage of Council decisions made in meetings closed to the public	7%	
Percentage of Councillor attendance at Council meetings	92%	
Community satisfaction rating for Council's customer service	61	
Community satisfaction rating for Council's overall performance	51	
Community satisfaction rating for Council's direction	40	
Percentage of shire employees who feel valued at their work	40%	

**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.

# Strategic Direction Five

## Responsible Leadership

### MAJOR INITIATIVES:

The following statement reviews the progress of Council in relation to major initiatives identified in the 2018-19 budget for the year.

Major initiative	Progress
Conduct a review of Council's Advisory Committee system, informed by the Community Engagement Strategy to ensure they provide the most meaningful and efficient means of strengthening Council / community collaboration	Council's Advisory Committee structure was reviewed and new terms of reference for each were endorsed by Council at the February 2019 Ordinary Council Meeting. Membership of all advisory committees (excluding Audit and Risk) was spilled and re-advertised.
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.	Council's Internal Audit contractor completed four audits during the financial year across credit cards, human resources, payroll and risk management. Internal Audit also performed a review of Council's progress implementing recommendations arising from audits completed in previous financial years.

### SERVICES:

The following statement provides information in relation to the services funded in the 2018-19 budget and the persons or sections of the community who are 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	Actual 529
		<u>Budget 695</u>
		Variance (166)
Councillors	Councillor remuneration, election procedures and Council induction and training programs.	Actual 225
		<u>Budget 245</u>
		Variance (20)
Human Resources	Staff recruitment, resourcing, training and development, and Workcover.	Actual 504
		<u>Budget 474</u>
		Variance 30
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.	Actual 308
		<u>Budget 283</u>
		Variance 25

# 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)).

## SERVICE PERFORMANCE INDICATORS

Service/indicator/measure	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Material Variations and Comments
<b>Aquatic Facilities</b>					
<b>Satisfaction</b>					
<i>User satisfaction with aquatic facilities (optional)</i>	0.00	0.00	0.00	0.00	
[User satisfaction with how Council has performed on provision of aquatic facilities]					
<b>Service standard</b>					
<i>Health inspections of aquatic facilities</i>	1.00	1.00	1.00	1.00	
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]					
<b>Health and Safety</b>					
<i>Reportable safety incidents at aquatic facilities</i>	0.00	0.00	0.00	0.00	
[Number of WorkSafe reportable aquatic facility safety incidents]					
<b>Service cost</b>					
<i>Cost of indoor aquatic facilities</i>	\$0.00	\$0.00	\$0.00	\$0.00	
[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]					
<i>Cost of outdoor aquatic facilities</i>	\$6.37	\$7.18	\$7.25	\$10.40	Council previously outsourced the management of the Mansfield pool until the 2018-19 season when it was managed internally. There were a number of one off costs incurred to transition, develop internal systems and processes and train staff. It is anticipated the cost to Council per visit will reduce in 2019-20.
[Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]					

## SERVICE PERFORMANCE INDICATORS

Service/indicator/measure	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Material Variations and Comments
<b>Utilisation</b>					
<i>Utilisation of aquatic facilities</i>	2.43	2.09	2.09	1.91	New data collection processes did not accurately count visits by season pass holders. Processes have been amended for the 2019-20 season.
[Number of visits to aquatic facilities / Municipal population]					
<b>Animal Management</b>					
<b>Timeliness</b>					
<i>Time taken to action animal management requests</i>	1.50	1.50	1.17	1.00	
[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]					
<b>Service standard</b>					
<i>Animals reclaimed</i>	97.52%	63.45%	68.90%	76.38%	The use of social media continues to assist in reuniting pets with their owners
[Number of animals reclaimed / Number of animals collected] x100					
<b>Service cost</b>					
<i>Cost of animal management service</i>	\$53.48	\$54.42	\$62.49	\$66.46	
[Direct cost of the animal management service / Number of registered animals]					
<b>Health and safety</b>					
<i>Animal management prosecutions</i>	8.00	3.00	0.00	0.00	
[Number of successful animal management prosecutions]					
<b>Food Safety</b>					
<b>Timeliness</b>					
<i>Time taken to action food complaints</i>	1.00	1.92	1.46	2.90	There were two complaints with a response time of six days and seven days respectively. The delayed response was due to timing (weekend and non-work days) and weather conditions.
[Number of days between receipt and first response action for all food complaints / Number of food complaints]					
<b>Service standard</b>					
<i>Food safety assessments</i>	97.73%	100.00%	99.29%	93.48%	
[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i> ] x100					
<b>Service cost</b>					
<i>Cost of food safety service</i>	\$355.43	\$345.62	\$330.07	\$335.82	
[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i> ]					
<b>Health and safety</b>					
<i>Critical and major non-compliance outcome notifications</i>	92.31%	96.00%	97.50%	100.00%	
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100					

**SERVICE PERFORMANCE INDICATORS**

Service/indicator/measure	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Material Variations and Comments
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**Governance**

**Transparency**

<i>Council decisions made at meetings closed to the public</i>	8.68%	11.70%	10.05%	6.75%	Council is committed to minimising the number of resolutions made in closed meetings and the reduction reflects this objective. Meetings are only closed to the public in accordance with s89 of the <i>Local Government Act 1989</i> when a matter to be decided relates to a personnel, contractual, industrial or other prescribed matters.
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[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

**Consultation and engagement**

<i>Satisfaction with community consultation and engagement</i>	59.00	61.00	58.00	52.00	The timing of the Community Satisfaction Survey may have contributed to the lower result this year with the community's focus on the budget, an application to the ESC for a rate variation and the consideration to sell/lease the saleyards site
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Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement

**Attendance**

<i>Councillor attendance at Council meetings</i>	74.74%	96.67%	88.89%	92.22%
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[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100

**Service cost**

<i>Cost of governance</i>	\$40,443.00	\$45,330.00	\$42,199.80	\$42,169.14
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[Direct cost of the governance service / Number of Councillors elected at the last Council general election]

**Satisfaction**

<i>Satisfaction with Council decisions</i>	56.00	60.00	54.00	47.00	A reduction in community satisfaction with council decisions could be attributed to the community's focus on the budget, an application to the ESC for a rate variation and the consideration to sell/lease the saleyards site
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[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]

## SERVICE PERFORMANCE INDICATORS

Service/indicator/measure	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Material Variations and Comments
<b>Home and Community Care (HACC)</b>					
<b>Timeliness</b>					
<i>Time taken to commence the HACC service</i>	5.00	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	
[Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service]					
<b>Service standard</b>					
<i>Compliance with Community Care Common Standards</i>	77.78%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	
[Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100					
<b>Service cost</b>					
<i>Cost of domestic care service</i>	\$54.58	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	
[Cost of the domestic care service / Hours of domestic care service provided]					
<b>Service cost</b>					
<i>Cost of personal care service</i>	\$54.58	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	
[Cost of the personal care service / Hours of personal care service provided]					
<b>Service cost</b>					
<i>Cost of respite care service</i>	\$54.58	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	
[Cost of the respite care service / Hours of respite care service provided]					
<b>Participation</b>					
<i>Participation in HACC service</i>	34.34%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	
[Number of people that received a HACC service / Municipal target population for HACC services] x100					
<b>Participation</b>					
<i>Participation in HACC service by CALD people</i>	22.78%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	
[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100					

**SERVICE PERFORMANCE INDICATORS**

Service/indicator/measure	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Material Variations and Comments
<b>Libraries</b>					
<b>Utilisation</b>					
<i>Library collection usage</i>	2.93	2.99	3.14	3.15	
[Number of library collection item loans / Number of library collection items]					
<b>Resource standard</b>					
<i>Standard of library collection</i>	62.70%	60.52%	64.75%	64.38%	
[Number of library collection items purchased in the last 5 years / Number of library collection items] x100					
<b>Service cost</b>					
<i>Cost of library service</i>	\$4.38	\$5.32	\$5.21	\$6.25	The increased cost per visit results from both a decrease in the number of visits to the library, and a short term increase in staff costs required (using casual staff to backfill leave and temporary staff vacancies during the year).
[Direct cost of the library service / Number of visits]					
<b>Participation</b>					
<i>Active library members</i>	18.36%	18.12%	18.80%	17.65%	
[Number of active library members / Municipal population] x100					
<b>Maternal and Child Health (MCH)</b>					
<b>Satisfaction</b>					
<i>Participation in first MCH home visit</i>	102.70%	98.84%	98.59%	98.59%	
[Number of first MCH home visits / Number of birth notifications received] x100					
<b>Service cost</b>					
<i>Cost of the MCH service</i>	\$66.78	\$64.50	\$58.31	\$58.13	
[Cost of the MCH service / Hours worked by MCH nurses]					
<b>Participation</b>					
<i>Participation in the MCH service</i>	72.02%	81.66%	77.04%	76.54%	
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
<b>Participation</b>					
<i>Participation in the MCH service by Aboriginal children</i>	100.00%	100.00%	100.00%	71.43%	There were two families engaged in the service however some key age and stage visits were missed due to the families undertaking interstate travel.
[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					

## SERVICE PERFORMANCE INDICATORS

Service/indicator/measure	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Material Variations and Comments
<b>Roads</b>					

**Satisfaction of use**

<i>Sealed local road requests</i>	28.16	35.97	9.81	18.94	Council's new "submit a request" portal on our website makes it easier for the community to lodge issues.
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[Number of sealed local road requests / Kilometres of sealed local roads ] x100

**Condition**

<i>Sealed local roads maintained to condition standards</i>	96.02%	84.92%	89.61%	93.70%	
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[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100

**Service cost**

<i>Cost of sealed local road reconstruction</i>	-	\$37.30	\$97.51	\$13.32	Road reconstruction projects are tendered each year to ensure Council obtains the best rate for the best quality project. To this end, Council are subject to the availability of the market. One road reconstruction project was undertaken in 2018-19 along Barwite Road.
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[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]

**Service Cost**

<i>Cost of sealed local road resealing</i>	\$3.66	\$3.58	\$4.29	\$4.46	
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[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]

**Satisfaction**

<i>Satisfaction with sealed local roads</i>	57.00	59.00	45.00	50.00	
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[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]

**SERVICE PERFORMANCE INDICATORS**

Service/indicator/measure	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Material Variations and Comments
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**Statutory Planning**

*Timeliness*

<i>Time taken to decide planning applications</i>	74.00	84.00	83.00	63.00	Council has focussed on improving turn around times for planning applications and the result of this indicator reflects this.
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[The median number of days between receipt of a planning application and a decision on the application]

*Service standard*

<i>Planning applications decided within required time frames</i>	61.45%	69.35%	46.97%	66.84%	Council has focussed on improving turn around times for planning applications and the result of this indicator reflects this, however Council accept further improvement is required.
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[(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

*Service cost*

<i>Cost of statutory planning service</i>	\$1,541.49	\$1,814.50	\$2,142.01	\$2,192.49	
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[Direct cost of the statutory planning service / Number of planning applications received]

*Decision making*

<i>Council planning decisions upheld at VCAT</i>	100.00%	100.00%	100.00%	50.00%	Six planning applications were referred to VCAT during 2018-19. Three Council decisions were upheld, and three Council decisions were set aside.
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[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

## SERVICE PERFORMANCE INDICATORS

Service/indicator/measure	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Material Variations and Comments
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## Waste Collection

**Satisfaction**

<i>Kerbside bin collection requests</i>	118.65	75.29	41.81	45.65	
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[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000

**Service standard**

<i>Kerbside collection bins missed</i>	0.60	0.23	1.28	2.13	
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Council introduced an online electronic missed bin reporting portal system which enabled residents to lodge requests online for services missed. This formalised the process allowing the data to be captured more accurately. Historically, missed services were dealt with over the phone with only some formalised via email.

[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000

**Service cost**

<i>Cost of kerbside garbage bin collection service</i>	\$160.75	\$171.84	\$167.11	\$171.29	
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[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]

**Service cost**

<i>Cost of kerbside recyclables collection service</i>	\$62.01	\$77.31	\$83.43	\$91.73	
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[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]

**Waste diversion**

<i>Kerbside collection waste diverted from landfill</i>	34.00%	34.79%	35.13%	35.77%	
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[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100



The Mansfield Shire Council is constituted under the *Local Government Act 1989* to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

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

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

# Governance, Management and Other Information

## MEETINGS OF COUNCIL

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

For the 2018-19 year Council held twelve Ordinary meetings and six Special meetings.

The following tables provide a summary of Councillors attendance at meetings for the 2018-19 financial year.

### ORDINARY MEETINGS

COUNCILLOR	17 Jul 2018	21 Aug 2018	18 Sep 2018	16 Oct 2018	20 Nov 2018	18 Dec 2018	22 Jan 2019	19 Feb 2019	19 Mar 2019	16 Apr 2019	21 May 2019	25 Jun 2019	TOTAL
Cr Marg Attley	◆	◆		◆	◆	◆	◆	◆	◆	◆	◆	◆	11
Cr Peter Olver	◆	◆	◆	◆		◆	◆	◆	◆	◆	◆	◆	11
Cr Paul Sladdin	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆		◆	11
Cr Paul Volkering	◆		◆	◆	◆	◆	◆	◆	◆	◆		◆	10
Cr Harry Westendorp	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	12

### SPECIAL MEETINGS

COUNCILLOR	13 Nov 2018	27 Nov 2018	18 Dec 2018	26 Mar 2019	28 May 2019	25 Jun 2019	TOTAL
Cr Marg Attley	◆	◆	◆	◆	◆	◆	6
Cr Peter Olver	◆	◆	◆	◆	◆	◆	6
Cr Paul Sladdin	◆	◆	◆	◆		◆	5
Cr Paul Volkering	◆	◆	◆	◆		◆	5
Cr Harry Westendorp	◆	◆	◆	◆	◆	◆	6

## SPECIAL COMMITTEES

The *Local Government Act 1989* 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

Whilst Council has no special committees established, four 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 and Risk</b>	2	2	3

**PURPOSE:**

Provide advice, as part of Council’s governance obligations to its community, to the Chief Executive Officer and the Council on ensuring:

- effective recognition, identification and management of risk
- improved credibility and objectivity of internal and external financial reports
- compliance with relevant laws and regulations, and use of best practice guides
- the effectiveness of an annual audit program

<b>Parks and Precincts</b>	1	1	6
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**PURPOSE:**

Make recommendation to Council, or delegated officer (as determined by the Chief Executive Officer), on matters pertaining to:

- the development of strategic planning initiatives as they relate to current or new master plans
- identifying and prioritising staged development that could assist with appropriate enhancement
- maintenance considerations of a strategic nature
- interested parties, of a community or commercial nature, that may wish to have access to a particular location and where the expressed usage falls outside the parameters of existing policy

<b>Environment</b>	1	3	12
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**PURPOSE:**

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.

<b>Sport and Recreation</b>	1	1	8
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**PURPOSE:**

- Provide strategic advice to council on sport and recreation matters that impact communities throughout Mansfield Shire
- Provide advice on the planning and management of sporting and recreation facilities across the Shire
- Encourage and facilitate communication and initiatives between sport and recreation groups, clubs, individuals and stakeholders and Council
- Provide all sectors of the community within Mansfield Shire with the opportunity to provide input into the directions and issues considered by the committee

## 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 2018-19, two conflicts of interest were declared at Ordinary and Special Council meetings.

## COUNCILLOR ALLOWANCES

In accordance with Section 74 of the *Local Government Act 1989* 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.

Section 74(1) of the *Local Government Act 1989* requires councils to review and determine the level of Mayoral and Councillor allowances within six months after a general election or by the next 30 June, whichever is later. The allowance level determined remains in effect until the time of the next election.

At its November 2016 Ordinary Meeting, Council resolved to fix the councillor allowance at \$19,350 per annum and an amount equivalent to the superannuation guarantee of 9.5% of the relevant allowance; and the mayoral allowance at \$57,812 per annum and an amount equivalent to the superannuation guarantee of 9.5% of the relevant allowance.

Under section 73B of the Act, Mayoral and Councillor allowance rates must be reviewed annually by the Minister for Local Government. At its November 2018 Ordinary Meeting, following notification from the Minister, Council resolved to acknowledge the 2% Mayoral and Councillor allowance adjustment factor from 1 December 2018. As a result, the current allowances fixed for the Mayor and Councillors is as follows:

Councillor	Annual Allowance (\$) PART A	Superannuation Guarantee Equivalent (\$) PART B
Cr Marg Attley	20,636	1,960
Cr Peter Olver	20,636	1,960
Cr Paul Sladdin	20,636	1,960
Cr Paul Volkering	20,636	1,960
Cr Harry Westendorp (Mayor)	61,651	5,856

## COUNCILLOR EXPENSES

In accordance with Section 75 of the *Local Government Act 1989*, 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.

Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor.

The details of the expenses including reimbursement of expenses for each Councillor are set out in the following table.

SCHEDULE OF COUNCILLOR EXPENSES: 2018-19						
Councillor	Travel	Car Mileage	Childcare	Information and Communication Technology	Conference and Training	Total
	\$	\$	\$	\$	\$	\$
Cr Marg Attley	108	2,690	-	1,322	71	4,191
Cr Peter Olver	-	150	-	843	-	993
Cr Paul Sladdin	136	-	-	521	-	657
Cr Paul Volkering	-	-	-	526	-	526
Cr Harry Westendorp (Mayor)	3,899	-	-	470	6,134	10,503

## MANAGEMENT

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks leads to better decision making by Council. The *Local Government Act 1989* 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 139 of the *Local Government Act 1989*, 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 and 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 2018-19 comprised of four independent members - Danielle MacKenzie, Vito Guidice, Janene Ridley and Robert Bennett - and two Councillor representatives, Mayor Cr Harry Westendorp and Cr Paul Sladdin (from November 2018). The Chair is elected from amongst the independent members. Each independent member of the Committee receives a \$900 stipend per annum.

The Committee meets at least quarterly. Four meetings were held during 2018-19. 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.

## 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 2018-19, the following internal audits were undertaken by AFS & Associates:

- Risk Management
- Human Resources
- Payroll
- Credit Cards
- Past Issues Review

## EXTERNAL AUDIT

Council is externally audited by the Victorian Auditor-General. For the 2018-19 financial year the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative. The external auditors attended the May and August Audit and Risk Advisory Committee meetings during 2018-19 to present the annual audit plan and Independent Audit Report. The external audit management letter and responses are also provided to the Committee.

## 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 2018-19 Council's Audit and Risk Advisory Committee received four Risk Management Reports, in accordance with Council's Risk Management framework.

## GOVERNANCE AND MANAGEMENT CHECKLIST

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

	Governance and Management Item	Assessment	Yes/No
1	<b>Community Engagement Policy/ Strategy</b> <i>(policy outlining Council's commitment to engaging with the community on matters of public interest)</i>	The review of this strategy is an action in our 2017-21 Council Plan, however the review is being postponed pending the outcome of the <i>Local Government Bill 2019</i> given that a new <i>Local Government Act 1989</i> would require an engagement policy to be adopted that meets certain requirements.	<input checked="" type="checkbox"/>
2	<b>Community Engagement Guidelines</b> <i>(guidelines to assist staff to determine when and how to engage with the community)</i>	As above, the review is being postponed pending the outcome of the <i>Local Government Bill 2019</i> given that a new <i>Local Government Act</i> would require an engagement policy to be adopted that meets certain requirements.	<input checked="" type="checkbox"/>
3	<b>Strategic Resource Plan</b> <i>(under section 126 of the Act outlining the financial and non-financial resources required for at least the next four financial years)</i>	Adopted in accordance with section 126 of the Act. <i>Date of adoption: 28 June 2017. Updated 25 June 2019</i>	<input checked="" type="checkbox"/>
4	<b>Annual Budget</b> <i>(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)</i>	Adopted in accordance with section 130 of the Act. <i>Date of adoption: 25 June 2019</i>	<input checked="" type="checkbox"/>
5	<b>Asset Management Plans</b> <i>(that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)</i>	Council's Asset Management advisors, have committed to providing Council's Asset Management Plan by December 2019.	<input checked="" type="checkbox"/>
6	<b>Rating Strategy</b> <i>(setting out the rating structure of Council to levy rates and charges)</i>	Current Strategy in operation. <i>Date of operation: 25 June 2019</i>	<input checked="" type="checkbox"/>
7	<b>Risk Policy</b> <i>(outlining Council's commitment and approach to minimising the risks to Council's operations)</i>	Council's Risk Management Policy (incorporating policy and procedures) was adopted by Council on 25 June 2019	<input checked="" type="checkbox"/>
8	<b>Fraud Policy</b> <i>(outlining Council's commitment and approach to minimising the risk of fraud)</i>	Current Policy in operation. <i>Date of operation: 20 March 2018</i>	<input checked="" type="checkbox"/>
9	<b>Municipal Emergency Management Plan</b> <i>(under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)</i>	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> . Plan formally endorsed by Council in May 2015. Latest update undertaken on 26 June 2018 .	<input checked="" type="checkbox"/>

	Governance and Management Item	Assessment	Yes/No
10	<b>Procurement Policy</b> <i>(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)</i>	Prepared and approved in accordance with section 186A of the <i>Local Government Act 1989</i> . <i>Date of approval: 18 December 2018</i>	☑
11	<b>Business Continuity Plan</b> <i>(setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)</i>	Council is in the process of reviewing our BCP to ensure it reflects our service obligations	☑
12	<b>Disaster Recovery Plan</b> <i>(setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)</i>	Council's Disaster Recovery Plan was reviewed and tested in November 2018.	☑
13	<b>Risk Management Framework</b> <i>(outlining Council's approach to managing risks to the Council's operations)</i>	Council's Risk Management Policy (incorporating policy and procedures) was adopted by Council on 25 June 2019	☑
14	<b>Audit Committee</b> <i>(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)</i>	Committee established in accordance with section 139 of the Act. <i>Date of establishment: 15 April 2003</i>  <i>2018-19 meetings: 20 August 2018, 19 November 2018, 18 February 2019 and 20 May 2019</i>	☑
15	<b>Internal Audit</b> <i>(independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)</i>	Internal auditor engaged for a three year period <i>Date of engagement: 15 August 2016</i>	☑
16	<b>Performance Reporting Framework</b> <i>(a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)</i>	Framework  <i>Date of operation of current framework:</i>	☑
17	<b>Council Plan reporting</b> <i>(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)</i>	Council Plan actions were reported at Council meetings on 19 February 2019 and 21 May 2019. The Council Plan was reviewed for adoption by Council on 25 June 2019	☑
18	<b>Financial Reporting</b> <i>(quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)</i>	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 18 September 2018, 20 November 2018, 19 February 2019 and 21 May 2019.	☑

Governance and Management Item	Assessment	Yes/No
19 <b>Risk Reporting</b> <i>(six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)</i>	Reports <i>Date of reports: 19 November 2018 and 20 May 2019 meetings.</i>	<input checked="" type="checkbox"/>
20 <b>Performance Reporting</b> <i>(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)</i>	While financial indicators have been reported on, the non financial indicators have not due to resource constraints.	<input checked="" type="checkbox"/>
21 <b>Annual Report</b> <i>(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)</i>	Endorsed by Council in accordance with section 134 of the Act. <i>Date of endorsement: 16 October 2018</i>	<input checked="" type="checkbox"/>
22 <b>Councillor Code of Conduct</b> <i>(Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)</i>	Reviewed and adopted by Council in accordance with section 76C of the Act. <i>Date of endorsement: 21 February 2017.</i>	<input checked="" type="checkbox"/>
23 <b>Delegations</b> <i>(a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated)</i>	Reviewed in accordance with section 98(6) of the Act.  Date of review: 21 May 2019	<input checked="" type="checkbox"/>
24 <b>Meeting Procedures</b> <i>(a local law governing the conduct of meetings of Council and special committees)</i>	Meeting procedures local law made in accordance with section 91(1) of the Act. <i>Date local law made: 19 April 2016</i>	<input checked="" type="checkbox"/>

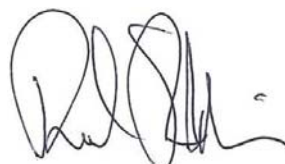
I certify that this information presents fairly the status of Council's Governance and Management arrangements.



**Kaylene Conrick**

Interim Chief Executive Officer

Dated: 17 September 2019



**Cr Paul Sladdin**

Deputy Mayor

Dated: 17 September 2019

## STATUTORY INFORMATION

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

### DOCUMENTS AVAILABLE FOR PUBLIC INSPECTION

In accordance with 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 kept under Section 93 of the Act, other than those agendas and minutes relating to part of a meeting which was closed to members of the public under Section 89 of the Act and are confidential information within the meaning of Section 77(2) of the Act.
- The minutes of meetings of special committees established under Section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under Section 89 of the Act and are confidential information within the meaning of Section 77(2) of the Act
- A register of delegations kept under Sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act
- A document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms 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 services or \$200,000 or more for works or more of a kind specified in section 186(5)(a) and (c) of the Act. It also did not enter into any other contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without engaging in a competitive process.

### DISABILITY ACTION PLAN

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.

### 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.

### 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.

### 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 (eg 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 2018-19 three Freedom of Information requests were received by Council.

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

## PROTECTED DISCLOSURE PROCEDURES

The *Protected Disclosure Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are publicly available on Council's website at [www.mansfield.vic.gov.au](http://www.mansfield.vic.gov.au).

Council recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal improper conduct. It does not tolerate improper conduct by the organisation, its employees, officers, or Councillors, nor the taking of reprisals against those who come forward to disclose such conduct.

In accordance with section 69 of the Act a council must include in its annual report information on how to access the procedures established by the council under Part 9 of that Act. Council is also required to provide certain information about the number and types of protected disclosure complaints investigated during the year.

There were no disclosures notified to Council officers during the 2018-19 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 2018-19 financial year.



# FINANCIAL REPORT



We are committed to providing accurate, understandable and fair reporting on our financial performance for 2018-19 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.

## UNDERSTANDING THE FINANCIAL REPORT

Council's Financial Report shows how we performed financially during 2018-19 and the overall position at the end of the financial year (30 June 2019).

We present our financial report in accordance with the Australian Accounting Standards.

Mansfield Shire Council is a 'not for profit' organisation and as such some of the generally recognised terms used in private sector company reports may not be appropriate to Council's reports.

## 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 nine 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 2019 (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 delivery
  - Inventories are stocks 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 2019.
  - 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 2019.
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 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.

## 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.

## 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

**MANSFIELD SHIRE COUNCIL  
2018-19 FINANCIAL REPORT  
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## Certification of the Financial Statements For the Year Ended 30 June 2019

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*, Australian Accounting Standards and other mandatory professional reporting requirements.



Mandy Kynnersley CA BBus(Acc)


**Principal Accounting Officer**

**Date :** 17 September 2019  
Mansfield

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

As at the date of signing, we are not aware of any circumstances 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 Paul Sladdin

**Deputy Mayor**

**Date :** 17 September 2019  
Mansfield



Cr Paul Volkering

**Councillor**

**Date :** 17 September 2019  
Mansfield



Kaylene Conrick

**Chief Executive Officer**

**Date :** 17 September 2019  
Mansfield



Victorian Auditor-General's Office

## Independent Auditor's Report

### To the Councillors of Mansfield Shire Council

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE  
19 September 2019



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

## Comprehensive Income Statement

### For the Year Ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
<b>Income</b>			
Rates and charges	3.1	13,749	13,146
Statutory fees and fines	3.2	337	308
User fees	3.3	883	722
Grants - operating	3.4	4,887	4,515
Grants - capital	3.4	974	1,822
Contributions - monetary	3.5	85	56
Contributions - non monetary	3.5	2,403	651
Net gain on disposal of property, infrastructure, plant and equipment	3.6	360	39
Other income	3.7	561	1,288
<b>Total income</b>		<b>24,239</b>	<b>22,547</b>
<b>Expenses</b>			
Employee costs	4.1	8,343	8,671
Materials and services	4.2	6,909	6,625
Depreciation	4.3	3,336	3,169
Bad and doubtful debts	4.4	(4)	4
Borrowing costs	4.5	132	152
Other expenses	4.6	312	658
<b>Total expenses</b>		<b>19,028</b>	<b>19,279</b>
<b>Surplus for the year</b>		<b>5,211</b>	<b>3,268</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment	6.1	44,407	9,532
<b>Total comprehensive result</b>		<b>49,618</b>	<b>12,800</b>

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

## Balance Sheet

As at 30 June 2019

	Note	2019 \$'000	2018 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1 (a)	3,198	1,990
Trade and other receivables	5.1 (c)	1,402	1,185
Other financial assets	5.1 (b)	9,284	8,257
Inventories	5.2 (a)	14	16
Other assets	5.2 (b)	227	252
<b>Total current assets</b>		<b>14,125</b>	<b>11,700</b>
<b>Non-current assets</b>			
Trade and other receivables	5.1 (c)	25	48
Property, infrastructure, plant and equipment	6.1	183,366	136,584
<b>Total non-current assets</b>		<b>183,391</b>	<b>136,632</b>
<b>Total assets</b>		<b>197,516</b>	<b>148,332</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3 (a)	999	1,060
Trust funds and deposits	5.3 (b)	950	990
Provisions	5.5	1,903	1,914
Interest-bearing liabilities	5.4	199	288
<b>Total current liabilities</b>		<b>4,051</b>	<b>4,252</b>
<b>Non-current liabilities</b>			
Provisions	5.5	352	413
Interest-bearing liabilities	5.4	2,113	2,286
<b>Total non-current liabilities</b>		<b>2,465</b>	<b>2,699</b>
<b>Total liabilities</b>		<b>6,516</b>	<b>6,951</b>
<b>Net assets</b>		<b>191,000</b>	<b>141,381</b>
<b>Equity</b>			
Accumulated surplus		66,501	61,256
Reserves	9.1	124,498	80,125
<b>Total Equity</b>		<b>191,000</b>	<b>141,381</b>

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

## Statement of Changes in Equity

For the Year Ended 30 June 2019

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
<b>2019</b>				
Balance at beginning of the financial year	141,381	61,256	79,688	437
Surplus for the year	5,211	5,211	-	-
Net asset revaluation increment	44,407	-	44,407	-
Transfers to/from other reserves	-	34	-	(34)
<b>Balance at end of the financial year</b>	<b>190,999</b>	<b>66,501</b>	<b>124,095</b>	<b>403</b>

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
<b>2018</b>				
Balance at beginning of the financial year	128,581	58,033	70,156	392
Surplus for the year	3,268	3,268	-	-
Net asset revaluation increment	9,532	-	9,532	-
Transfers to/from other reserves	-	(45)	-	45
<b>Balance at end of the financial year</b>	<b>141,381</b>	<b>61,256</b>	<b>79,688</b>	<b>437</b>

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

## Statement of Cash Flows

For the Year Ended 30 June 2019

	Note	2019 Inflows/ (Outflows) \$'000	2018 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		13,783	13,110
Statutory fees and fines		337	308
User fees		663	1,598
Grants - operating		4,914	4,546
Grants - capital		974	1,822
Contributions - monetary		86	57
Interest received		250	162
Other receipts		281	314
Net GST refund/(payment)		908	883
Employee costs		(8,347)	(8,629)
Materials and services		(7,842)	(7,410)
Net trust funds and deposits received/(repaid)		(40)	(54)
Other payments		(384)	(658)
<b>Net cash provided by/(used in) operating activities</b>	9.2	<b>5,583</b>	<b>6,048</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.1	(3,514)	(3,272)
Proceeds from sale of property, infrastructure, plant and equipment	3.6	563	124
Payments for other financial assets		(1,027)	(2,030)
Proceeds from sale of investments		-	9
<b>Net cash provided by/(used in) investing activities</b>		<b>(3,978)</b>	<b>(5,169)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(135)	(152)
Repayment of borrowings		(262)	(375)
<b>Net cash provided by/(used in) financing activities</b>		<b>(397)</b>	<b>(527)</b>
Net increase/(decrease) in cash and cash equivalents		1,208	352
Cash and cash equivalents at the beginning of the financial year		1,990	1,638
<b>Cash and cash equivalents at the end of the financial year</b>		<b>3,198</b>	<b>1,990</b>
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

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

## Statement of Capital Works

For the Year Ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
<b>Property</b>			
Buildings		429	195
<b>Total buildings</b>		<b>429</b>	<b>195</b>
<b>Total property</b>		<b>429</b>	<b>195</b>
<b>Plant and equipment</b>			
Plant, machinery and equipment		389	524
Fixtures, fittings and furniture		5	16
Computers and telecommunications		70	69
Library books		55	50
<b>Total plant and equipment</b>		<b>519</b>	<b>659</b>
<b>Infrastructure</b>			
Roads		2,072	1,209
Bridges		255	450
Footpaths and cycleways		176	116
Drainage		-	81
Recreational, leisure and community facilities		60	622
<b>Total infrastructure</b>		<b>2,563</b>	<b>2,478</b>
<b>Total capital works expenditure</b>		<b>3,511</b>	<b>3,332</b>
<b>Represented by:</b>			
New asset expenditure		603	1,065
Asset renewal expenditure		2,094	1,351
Asset upgrade expenditure		814	916
<b>Total capital works expenditure</b>		<b>3,511</b>	<b>3,332</b>

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

# Notes to the Financial Report

## For the Year Ended 30 June 2019

### OVERVIEW

#### 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.

#### Statement of compliance

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

#### Significant accounting policies

##### (a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)

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

# Notes to the Financial Report

## For the Year Ended 30 June 2019

### Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. *The Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of 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.

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

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

#### 1.1 Income and expenditure

	Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000	%	Ref
<b>Income</b>					
Rates and charges	13,671	13,749	78	1%	
Statutory fees and fines	282	337	55	20%	
User fees	703	883	180	26%	
Grants - operating	4,286	4,887	601	14%	1
Grants - capital	1,010	974	(36)	-4%	
Contributions - monetary	863	85	(778)	-90%	2
Contributions - non monetary	-	2,403	2,403	100%	3
Net gain on disposal of property, infrastructure, plant and equipment	5	360	355	7100%	4
Other income	251	561	310	124%	5
<b>Total income</b>	<b>21,071</b>	<b>24,239</b>	<b>3,168</b>	<b>15%</b>	
<b>Expenses</b>					
Employee costs	8,321	8,343	(22)	0%	
Materials and services	6,777	6,909	(132)	-2%	
Bad and doubtful debts	-	(4)	4	100%	
Depreciation	3,171	3,336	(165)	-5%	
Borrowing costs	169	132	37	22%	
Other expenses	253	312	(59)	-23%	
<b>Total expenses</b>	<b>18,691</b>	<b>19,028</b>	<b>(337)</b>	<b>-2%</b>	
<b>Surplus for the year</b>	<b>2,380</b>	<b>5,211</b>	<b>2,831</b>	<b>119%</b>	

## Notes to the Financial Report—Continued

### For the Year Ended 30 June 2019

#### Note 1 Performance against budget (cont'd)

##### 1.1 (i) Explanation of material variations

Variance Ref	Item	Explanation
1	Grants - operating	Unbudgeted grants were received including \$70k Natural Disaster, \$30k Annualised Valuations, \$80k Station Precinct Master Plan, \$59k Free from Violence. Grants that exceeded budget include \$103k Intergrated Family Services, \$70k Maternal & Child Health and \$60k Home Care Services.
2	Contributions - monetary	Some special charge scheme projects budgeted did not proceed including Highton Lane of \$623k.
3	Contributions - non monetary	Donated assets from subdivisions were not budgeted.
4	Net gain on disposal of property, infrastructure, plant and equipment	Land sales resulting in a \$270k net gain was not budgeted. An \$113k insurance claim payment was received for a fully written down truck. Offset by small losses on other equipment sold.
5	Other Income	\$134k additional interest on investments received due to holding higher cash balances than budgeted. Reimbursements of \$133k are included here, however budgeted to offset expenditure.

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 1 Performance against budget (cont'd)

##### 1.2 Capital works

	Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000	%	Ref
<b>Property</b>					
Buildings	509	429	(80)	-16%	
<b>Total Buildings</b>	<b>509</b>	<b>429</b>	<b>(80)</b>	<b>-16%</b>	
<b>Total Property</b>	<b>509</b>	<b>429</b>	<b>(80)</b>	<b>-16%</b>	
<b>Plant and Equipment</b>					
Plant, machinery and equipment	644	389	(255)	-40%	1
Fixtures, fittings and furniture	19	5	(14)	-74%	
Computers and telecommunications	79	70	(9)	-11%	
Library books	-	55	55	100%	
<b>Total Plant and Equipment</b>	<b>742</b>	<b>519</b>	<b>(223)</b>	<b>-30%</b>	
<b>Infrastructure</b>					
Roads	3,764	2,072	(1,692)	-45%	2
Bridges	150	255	105	70%	
Footpaths and cycleways	50	176	126	252%	
Drainage	10	-	(10)	-100%	
Recreational, leisure and community facilities	1,155	60	(1,095)	-95%	3
Parks, open space and streetscapes	30	-	(30)	-100%	
<b>Total Infrastructure</b>	<b>5,159</b>	<b>2,563</b>	<b>(2,596)</b>	<b>-50%</b>	
<b>Total Capital Works Expenditure</b>	<b>6,410</b>	<b>3,511</b>	<b>(2,899)</b>	<b>-45%</b>	
<b>Represented by:</b>					
New asset expenditure	952	603	(349)	-37%	
Asset renewal expenditure	3,504	2,094	(1,410)	-40%	
Asset upgrade expenditure	1,954	814	(1,140)	-58%	
<b>Total Capital Works Expenditure</b>	<b>6,410</b>	<b>3,511</b>	<b>(2,899)</b>	<b>-45%</b>	

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 1 Performance against budget (cont'd)

##### 1.2 (i) Explanation of material variations

Variance Ref	Item	Explanation
1	Plant, machinery and equipment	Part of the budget was held over to fund a large plant purchase in 2019-20.
2	Roads	\$1.35m under budget in relation to special charge schemes (including Highton Lane \$1.24m which did not proceed). Other projects under budget include \$139k Barwite Rd reconstruction (carried over) and \$72k Pavement Patching Program.
3	Recreational, leisure and community facilities	\$750k Lords Oval Pavillion project and \$213k Sporting Complex heating/cooling system will be carried forward to the 2019-20 budget. Swimming Pool capital works were under budget by \$85k as costs incurred were largely operational (repairs and maintenance costs) and therefore transferred to operating expenditure.

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 2 .1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

##### 2.1 (a) Community Services

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

##### Corporate and Organisational Development

Corporate and Organisational Development functions include Customer Service, Records, Human Resources, Information Technology and Risk Management.

##### Development Services

Development Services functions include, Statutory 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 Chief Executive Office, Corporate Services and Councillors.

##### Finance

Finance functions include Accounting, Payroll, Accounts Payable, Revenue Services, rating and Depreciation Costs.

##### Governance and Strategy

Governance and Strategy functions include Economic Development, Strategic Planning and Corporate Governance.

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 2.1 Analysis of Council results by program (cont'd)

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

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2019</b>					
Community Services	(2,453)	3,456	(1,003)	(1,517)	-
Corporate & Organisational Development	(110)	1,905	(1,795)	(59)	-
Development Services	(3,989)	3,574	415	(50)	-
Infrastructure Services	(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 & Strategy	(136)	321	(185)	(132)	-
	<b>(24,239)</b>	<b>19,028</b>	<b>5,211</b>	<b>(5,861)</b>	<b>197,516</b>
	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2018</b>					
Community Services	(2,040)	3,201	(1,161)	(1,599)	-
Corporate & Organisational Development	(105)	1,444	(1,339)	-	-
Development Services	(3,797)	3,918	(121)	(48)	-
Infrastructure Services	(4,271)	4,507	(236)	(2,689)	136,584
Executive Services	(7)	1,174	(1,167)	-	-
Finance	(12,317)	4,631	7,686	(2,001)	11,748
Governance & Strategy	(10)	404	(394)	-	-
	<b>(22,547)</b>	<b>19,279</b>	<b>3,268</b>	<b>(6,337)</b>	<b>148,332</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 3 Funding for the delivery of our services

##### 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 2018-19 was \$3,503 million (2017-18 \$3,110 million).

	2019 \$'000	2018 \$'000
General Rates	8,223	7,928
Municipal charge	2,074	1,993
Waste management charge	163	157
Service rates and charges (Waste)	3,059	2,881
Supplementary rates and rate adjustments	176	135
Interest on rates and charges	54	52
<b>Total rates and charges</b>	<b>13,749</b>	<b>13,146</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2019, and the valuation will be first applied in the rating year commencing 1 July 2019.

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

##### 3.2 Statutory fees and fines

Infringements and costs	14	18
Land information certificates	40	50
Permits	283	240
<b>Total statutory fees and fines</b>	<b>337</b>	<b>308</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.

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 3 Funding for the delivery of our services (cont'd)

	2019 \$'000	2018 \$'000
<b>3.3 User fees</b>		
Aged and health services	286	215
Leisure and recreation	108	38
Local Laws	116	109
Registration and other permits	142	102
Building services	5	8
Waste management services	100	134
Other fees and charges	126	116
<b>Total user fees</b>	<b>883</b>	<b>722</b>

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

#### 3.4 Funding from other levels of government

Grants were received in respect of the following :

##### Summary of grants

Commonwealth funded grants	3,844	4,900
State funded grants	2,017	1,438
<b>Total grants received</b>	<b>5,861</b>	<b>6,338</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 3.4 Funding from other levels of government (cont'd)

	2019 \$'000	2018 \$'000
<b>(a) Operating Grants</b>		
<i>Recurrent - Commonwealth Government</i>		
Financial Assistance Grants	2,846	2,809
Adult day care	123	116
General home care	348	318
<i>Recurrent - State Government</i>		
Adult day care	7	-
General home care	108	124
Family and children	312	295
Library	125	123
Community support	50	51
School crossing supervisors	30	34
Maternal and child health	202	160
Environmental health	16	13
Property and valuations	96	14
Other	7	7
<b>Total recurrent operating grants</b>	<b>4,270</b>	<b>4,064</b>
<i>Non-recurrent - Commonwealth Government</i>		
General home care	8	6
Library	-	2
Community support	-	8
<i>Non-recurrent - State Government</i>		
Community support	82	147
Age Friendly Communities	-	100
Waste - Recycling Temporary Relief Fund	13	13
Emergency Management	129	60
Environment	22	21
Family and children	54	36
Property and valuations	80	48
Tourism	22	-
Sport and recreation	18	10
Strategic planning	130	-
Other	59	-
<b>Total non-recurrent operating grants</b>	<b>617</b>	<b>451</b>
<b>Total operating grants</b>	<b>4,887</b>	<b>4,515</b>

## Notes to the Financial Report—Continued

### For the Year Ended 30 June 2019

#### Note 3.4 Funding from other levels of government (cont'd)

##### (b) Capital Grants

	2019 \$'000	2018 \$'000
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	501	911
<b>Total recurrent capital grants</b>	<b>501</b>	<b>911</b>
<i>Non-recurrent - Commonwealth Government</i>		
Bridges	-	370
Blackspot Safety Improvements	-	359
Recreation	18	-
<i>Non-recurrent - State Government</i>		
Roads & Bridges	407	-
Footpaths and cycleways	-	113
Waste	29	-
Recreation	19	69
<b>Total non-recurrent capital grants</b>	<b>473</b>	<b>911</b>
<b>Total capital grants</b>	<b>974</b>	<b>1,822</b>
<b>(c) Unspent grants received on condition that they be spent in a specific manner</b>		
Balance at start of year	838	699
Received during the financial year and remained unspent at balance date	522	329
Received in prior years and spent during the financial year	(298)	(190)
<b>Balance at year end</b>	<b>1,062</b>	<b>838</b>

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

## Notes to the Financial Report—Continued

### For the Year Ended 30 June 2019

#### 3.5 Contributions

	2019 \$'000	2018 \$'000
Monetary	85	56
Non-monetary	2,403	651
<b>Total contributions</b>	<b>2,488</b>	<b>707</b>

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

Land under roads	3	2
Roads	1,232	237
Footpaths and cycleways	318	104
Drainage	850	308
<b>Total non-monetary contributions</b>	<b>2,403</b>	<b>651</b>

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

#### 3.6 Net gain on disposal of property, infrastructure, plant and equipment

Proceeds of sale	563	239
Written down value of assets disposed	(203)	(200)
<b>Total net gain on disposal of property, infrastructure, plant and equipment</b>	<b>360</b>	<b>39</b>

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

#### 3.7 Other income

Interest	271	185
Other rent	92	87
Financial assets	-	761
Other	198	255
<b>Total other income</b>	<b>561</b>	<b>1,288</b>

Interest is recognised as it is earned.

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

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 4 The cost of delivering services

	2019	2018
	\$'000	\$'000
<b>4.1 Employee costs</b>		
Wages and salaries	6,730	6,991
WorkCover	101	101
Annual leave and long service leave	813	879
Superannuation	665	668
Fringe benefits tax	8	23
Other	26	9
<b>Total employee costs</b>	<b>8,343</b>	<b>8,671</b>
<b>(a) Superannuation</b>		
Council made contributions to the following funds:		
<b>Defined benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	17	21
	<b>17</b>	<b>21</b>
Employer contributions payable at reporting date.	-	-
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	272	329
Employer contributions - other funds	324	318
	<b>596</b>	<b>647</b>
Employer contributions payable at reporting date.	52	-
Refer to note 9.3 for further information relating to Council's superannuation obligations.		

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 4 The cost of delivering services (cont'd)

##### 4.2 Materials and services

	2019	2018
	\$'000	\$'000
Store Issues	74	145
Repairs, Maintenance & Security	257	139
Advertising & Promotion	60	59
Insurance	237	221
Legal Expenses	127	205
Consultants	519	421
Memberships & Subscriptions	52	58
Printing, Copying, Stationery & Postage	97	79
IT Software & Hardware costs	446	236
Staff Training & Professional Development	139	92
Waste Disposal & Contract Costs	2,060	1,929
Utilities	379	323
Community Contributions	264	256
Fuel	108	104
Cleaning Expenses	154	159
Levies	29	32
Contract Payments		
Asset Management	242	-
Building Services	88	88
Aged Services	89	55
Pool Operations	115	103
Other	96	228
Other Materials & Services		
Community Services	309	213
Development Services	116	634
Tourism & Events	111	65
Engineering & Works	579	643
Administration & Governance	162	138
<b>Total materials and services</b>	<b>6,909</b>	<b>6,625</b>

##### 4.3 Depreciation

Property	354	299
Plant and equipment	569	537
Infrastructure	2,413	2,333
<b>Total depreciation</b>	<b>3,336</b>	<b>3,169</b>

*Refer to note 6.1 for a more detailed breakdown of depreciation charges and accounting policy.*

##### 4.4 Bad and doubtful debts

Other debtors	(4)	4
<b>Total bad and doubtful debts</b>	<b>(4)</b>	<b>4</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 4 The cost of delivering services (cont'd)

##### Note 4.4 Bad and doubtful debts (cont'd)

	2019 \$'000	2018 \$'000
<b>Movement in provisions for doubtful debts</b>		
Balance at the beginning of the year	4	9
New provisions recognised during the year	-	4
Amounts already provided for and written off as uncollectible	-	(2)
Amounts provided for but recovered during the year	(4)	(7)
Balance at end of year	-	4

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

Interest - Borrowings	132	152
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Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

##### 4.6 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	44	43
Auditors' remuneration - Internal	41	24
Councillors' allowances	157	156
Operating lease rentals	26	44
Assets written-off / impaired	-	357
Others	44	34
<b>Total other expenses</b>	<b>312</b>	<b>658</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 5 Our financial position

5.1 Financial assets	2019	2018
(a) Cash and cash equivalents	\$'000	\$'000
Cash on hand	1	1
Cash at bank	3,197	1,989
<b>Total cash and cash equivalents</b>	<b>3,198</b>	<b>1,990</b>
<b>(b) Other financial assets</b>		
Term deposits - current	9,284	8,257
<b>Total financial assets</b>	<b>12,482</b>	<b>10,247</b>

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

Trust funds and deposits (Note 5.3)	950	990
<b>Total restricted funds</b>	<b>950</b>	<b>990</b>
<b>Total unrestricted cash and cash equivalents</b>	<b>2,248</b>	<b>1,000</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	760	304
Unexpended grants	1,062	838
Reserve funds	403	437
<b>Total funds subject to intended allocations</b>	<b>2,225</b>	<b>1,579</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.

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 5 Our financial position (cont'd)

##### 5.1 Financial assets (cont'd)

	2019 \$'000	2018 \$'000
<b>(c) Trade and other receivables</b>		
<b>Current</b>		
<i>Statutory receivables</i>		
Rates debtors	708	604
Net GST receivable	168	202
<i>Non statutory receivables</i>		
Other debtors	526	383
Provision for doubtful debts - other debtors	-	(4)
<b>Total current trade and other receivables</b>	<b>1,402</b>	<b>1,185</b>
<b>Non-current</b>		
<i>Statutory receivables</i>		
Special rate scheme	25	48
<b>Total non-current trade and other receivables</b>	<b>25</b>	<b>48</b>
<b>Total trade and other receivables</b>	<b>1,427</b>	<b>1,233</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.

##### **(d) Ageing of Receivables**

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

Current (not yet due)	455	323
Past due by up to 30 days	23	11
Past due between 31 and 180 days	45	15
Past due between 181 and 365 days	2	7
Past due by more than 1 year	1	27
<b>Total trade &amp; other receivables</b>	<b>526</b>	<b>383</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 5 Our financial position (cont'd)

5.2 Non-financial assets	2019	2018
(a) Inventories	\$'000	\$'000
Inventories held for distribution	14	16
<b>Total inventories</b>	<b>14</b>	<b>16</b>

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value.

#### (b) Other assets

Prepayments	74	93
Accrued income - interest	59	38
Accrued income - other	94	121
<b>Total other assets</b>	<b>227</b>	<b>252</b>

#### 5.3 Payables

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

Trade payables	772	817
Employee costs	4	8
Accrued loan interest	9	11
Accrued expenses	214	224
<b>Total trade and other payables</b>	<b>999</b>	<b>1,060</b>

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

Refundable deposits	77	181
Fire services levy	317	344
Cemetery trusts	299	277
Retention amounts	257	188
<b>Total trust funds and deposits</b>	<b>950</b>	<b>990</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 warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 5 Our financial position (cont'd)

##### 5.4 Interest-bearing liabilities

	2019	2018
	\$'000	\$'000
<b>Current</b>		
Borrowings - secured	199	288
	<b>199</b>	<b>288</b>
<b>Non-current</b>		
Borrowings - secured	2,113	2,286
	<b>2,113</b>	<b>2,286</b>
<b>Total</b>	<b>2,312</b>	<b>2,574</b>
Borrowings are secured by rate income.		
(a) The maturity profile for Council's borrowings is:		
Not later than one year	199	288
Later than one year and not later than five years	794	753
Later than five years	1,319	1,533
	<b>2,312</b>	<b>2,574</b>

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

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 5 Our financial position (cont'd)

##### 5.5 Provisions

	Employee \$ '000	Landfill restoration \$ '000	Total \$ '000
<b>2019</b>			
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
Balance at the end of the financial year	<b>1,898</b>	<b>357</b>	<b>2,255</b>

##### 2018

Balance at beginning of the financial year	1,798	626	2,424
Additional provisions	885	463	1,348
Amounts used	(842)	(603)	(1,445)
Balance at the end of the financial year	<b>1,841</b>	<b>486</b>	<b>2,327</b>

##### (a) Employee provisions

	2019 \$'000	2018 \$'000
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	629	610
Long service leave	77	60
	<b>706</b>	<b>670</b>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	24	32
Long service leave	1,050	1,014
	<b>1,074</b>	<b>1,046</b>
Total current employee provisions	<b>1,780</b>	<b>1,716</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

5.5(a) Employee Provisions (cont'd)	2019 \$'000	2018 \$'000
<b>Non-current</b>		
Long service leave	118	125
Total non-current employee provisions	<b>118</b>	<b>125</b>
Aggregate carrying amount of employee provisions:		
Current	1,780	1,716
Non-current	118	125
Total aggregate carrying amount of employee provisions	<b>1,898</b>	<b>1,841</b>

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

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

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values. Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

#### *Long service leave*

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

Key assumptions:

- discount rate	1.24%	2.46%
- inflation rate	2.00%	2.00%
- settlement rate	15 yrs	13 yrs

(b) Landfill restoration	2019 \$'000	2018 \$'000
Current	123	198
Non-current	234	288
	<b>357</b>	<b>486</b>

Council is obligated to restore its 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:

- discount rate	Milliman Discount Rate	Milliman Discount Rate
- inflation rate	2%	2%
- settlement rate	18 yrs	19 yrs

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 5.6 Financing arrangements

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

	2019 \$'000	2018 \$'000
Bank overdraft	300	300
Credit card facilities	75	88
Loan facilities	2,312	2,575
<b>Total facilities</b>	<b>2,687</b>	<b>2,963</b>
Used facilities	2,342	2,597
Unused facilities	345	366

#### 5.7 Commitments

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

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2019	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Recycling	639	651	2,032	-	3,322
Waste collection	876	892	2,786	-	4,554
Waste disposal	628	640	1,999	-	3,267
Cleaning contracts for council buildings	169	34	-	-	203
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>					
Roads	325	-	-	-	325
Buildings	73	-	-	-	73
Recreational facilities	100	-	-	-	100
<b>Total</b>	<b>498</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>498</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 5.7 Commitments (cont'd)

	Not later	Later than 1	Later than 2	Later than 5	Total
	than 1 year	year and not later than 2 years	years and not later than 5 years	years	
2018	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Recycling	600	611	1,910	660	3,781
Waste collection	815	831	2,594	898	5,138
Waste Disposal	619	633	1,972	683	3,907
Mansfield Resource Recovery Centre	151	153	316	-	620
Cleaning contracts for council buildings	129	-	-	-	129
Waste water management plan	46	-	-	-	46
Drainage review	48	-	-	-	48
Building regulation services	96	96	85	-	279
Asset management bureau service	266	164	548	-	978
<b>Total</b>	<b>2,770</b>	<b>2,487</b>	<b>7,424</b>	<b>2,241</b>	<b>14,926</b>
<b>Capital</b>					
Footpaths	85	-	-	-	85
Buildings	48	-	-	-	48
Bridges	-	-	-	-	-
<b>Total</b>	<b>133</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>133</b>

	2019	2018
	\$'000	\$'000
<i>Operating lease commitments</i>		

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

Not later than one year	3	19
Later than one year and not later than five years	2	2
	<b>5</b>	<b>21</b>

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

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 6 Assets we manage

##### 6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2018	Additions	Contributions	Revaluation	Depreciation	Disposal	Transfers	At Fair Value 30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	41,484	429	3	-	(354)	(135)	-	41,427
Plant and equipment	2,492	519	-	42	(569)	(68)	-	2,416
Infrastructure	92,327	2,526	2,400	44,365	(2,413)	-	224	139,429
Work in progress	281	37	-	-	-	-	(224)	94
	<b>136,584</b>	<b>3,511</b>	<b>2,403</b>	<b>44,407</b>	<b>(3,336)</b>	<b>(203)</b>	<b>-</b>	<b>183,366</b>

Summary of Work in Progress	Opening WIP	Additions	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000
Infrastructure	281	37	(224)	94
Total	281	37	(224)	94

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 6.1 Property, infrastructure, plant and equipment (cont'd)

##### (a) Property

	Land - specialised	Land - non specialised	Land under roads	Total Land	Buildings - specialised	Buildings - non specialised	Total Buildings	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2018	12,663	3,528	11,305	<b>27,496</b>	25,404	2,548	<b>27,952</b>	<b>55,448</b>
Accumulated depreciation at 1 July 2018	-	-	-	-	(12,539)	(1,425)	<b>(13,964)</b>	<b>(13,964)</b>
	<b>12,663</b>	<b>3,528</b>	<b>11,305</b>	<b>27,496</b>	<b>12,865</b>	<b>1,123</b>	<b>13,988</b>	<b>41,484</b>
<b>Movements in fair value</b>								
Additions	-	-	-	-	429	-	<b>429</b>	<b>429</b>
Contributions	-	-	3	<b>3</b>	-	-	-	<b>3</b>
Disposal	-	(135)	-	<b>(135)</b>	-	-	-	<b>(135)</b>
	-	(135)	3	<b>(132)</b>	429	-	<b>429</b>	<b>297</b>
<b>Movements in accumulated depreciation</b>								
Depreciation	-	-	-	-	(322)	(32)	<b>(354)</b>	<b>(354)</b>
	-	-	-	-	(322)	(32)	<b>(354)</b>	<b>(354)</b>
At fair value 30 June 2019	12,663	3,393	11,308	<b>27,364</b>	25,833	2,548	<b>28,381</b>	<b>55,745</b>
Accumulated depreciation at 30 June 2019	-	-	-	-	(12,861)	(1,457)	<b>(14,318)</b>	<b>(14,318)</b>
	<b>12,663</b>	<b>3,393</b>	<b>11,308</b>	<b>27,364</b>	<b>12,972</b>	<b>1,091</b>	<b>14,063</b>	<b>41,427</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 6.1 Property, infrastructure, plant and equipment (cont'd)

##### (b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Library books	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2018	4,152	367	1,069	410	5,998
Accumulated depreciation at 1 July 2018	(2,117)	(268)	(863)	(258)	(3,506)
	2,035	99	206	152	2,492
<b>Movements in fair value</b>					
Additions	389	5	70	55	519
Revaluation	-	-	-	100	100
Disposal	(298)	-	(24)	(110)	(432)
	91	5	46	45	187
<b>Movements in accumulated depreciation</b>					
Depreciation	(386)	(28)	(116)	(39)	(569)
Revaluation	-	-	-	(58)	(58)
Accumulated depreciation of disposals	230	-	24	110	364
	(156)	(28)	(92)	13	(263)
At fair value 30 June 2019	4,243	372	1,115	455	6,185
Accumulated depreciation at 30 June 2019	(2,273)	(296)	(955)	(245)	(3,769)
	1,970	76	160	210	2,416

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 6.1 Property, infrastructure, plant and equipment (cont'd)

##### (c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Off street car parks	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2018	77,946	25,943	6,357	18,464	4,522	1,145	281	134,658
Accumulated depreciation at 1 July 2018	(22,954)	(10,467)	(1,768)	(5,738)	(817)	(306)	-	(42,050)
	54,992	15,476	4,589	12,726	3,705	839	281	92,608
<b>Movements in fair value</b>								
Additions	2,064	255	176	-	31	-	37	2,563
Contributions	1,232	-	318	850	-	-	-	2,400
Revaluation	41,378	-	665	-	-	-	-	42,043
Transfers	-	-	-	-	224	-	(224)	-
	44,674	255	1,159	850	255	-	(187)	47,006
<b>Movements in accumulated depreciation</b>								
Depreciation	(1,615)	(214)	(115)	(182)	(229)	(58)	-	(2,413)
Accumulated depreciation of revaluations	1,643	-	679	-	-	-	-	2,322
	28	(214)	564	(182)	(229)	(58)	-	(91)
At fair value 30 June 2019	122,620	26,198	7,516	19,314	4,777	1,145	94	181,664
Accumulated depreciation at 30 June 2019	(22,926)	(10,681)	(1,204)	(5,920)	(1,046)	(364)	-	(42,141)
	<b>99,694</b>	<b>15,517</b>	<b>6,312</b>	<b>13,394</b>	<b>3,731</b>	<b>781</b>	<b>94</b>	<b>139,523</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 6.1 Property, infrastructure, plant and equipment (cont'd)

##### *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.

##### *Asset recognition thresholds and depreciation periods*

	Depreciation Period	Threshold Limit \$'000
<b>Property</b>		
land	-	-
land under roads	-	-
land improvements	20 years	5
<b>Buildings</b>		
buildings	80 years	5
building improvements	80 years	5
<b>Plant and Equipment</b>		
plant, machinery and equipment	5-10 years	1
fixtures, fittings and furniture	2-10 years	1
computers and telecommunications	2-10 years	1
library books	2-12 years	-
<b>Infrastructure</b>		
road pavements	30-160 years	5
seals and asphalt	20-30 years	5
road formation and earthworks	2000 years	5
road kerb, channel and minor culverts	75 years	5
bridges deck	130 years	2
bridges substructure	130 years	2
bridges other	130 years	2
footpaths and cycleways	15-80 years	2
drainage	100 years	2

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 6.1 Property, infrastructure, plant and equipment (cont'd)

##### *Land under roads*

Council recognises land under roads it controls at fair value.

##### *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 below and are consistent with the prior year unless otherwise stated.

##### *Repairs and maintenance*

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

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

Valuation of land and buildings were undertaken by a qualified independent valuer, LG Valuation Services, registration no. 2013. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

The date of the current valuation is detailed in the following table.

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

	Level 1	Level 2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Non-specialised	-	3,393	-	30-Jun-18
Specialised land	-	-	12,663	30-Jun-18
Land Under Roads	-	-	11,308	31-Jan-18
Non-specialised Buildings	-	1,091	-	30-Jun-18
Specialised Buildings	-	-	12,972	30-Jun-18
<b>Total</b>	<b>-</b>	<b>4,484</b>	<b>36,944</b>	

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### *Valuation of infrastructure*

Valuation of Roads and Footpaths has been determined in accordance with a valuation undertaken by Assetic Pty Ltd.

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.

Valuation of recreational, leisure and community facilities and off street car parks was performed by LG Valuation Services, registration no. 2013.

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 2019 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Roads	-	-	99,694	30-Jun-19
Bridges	-	-	15,517	30-Jun-18
Footpaths and cycleways	-	-	6,312	30-Jun-19
Drainage	-	-	13,394	30-Jun-18
Recreational, leisure and community facilities	-	-	3,731	30-Jun-18
Off street car parks	-	-	781	30-Jun-18
<b>Total</b>	<b>-</b>	<b>-</b>	<b>139,429</b>	

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 6.1 Property, infrastructure, plant and equipment (cont'd)

##### *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 75% for specialised land and between 75% and 95% for land under roads. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$600 per square metre.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$350 to \$9,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 40 years to 80 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 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.

	2019	2018
	\$'000	\$'000
<b>Reconciliation of specialised land</b>		
Land under roads	11,308	11,304
Land	12,663	12,663
<b>Total specialised land</b>	<b>23,971</b>	<b>23,967</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

6.2 Investments in joint arrangements	2019 \$'000	2018 \$'000
<b>(a) Investments in joint arrangements</b>		
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:		
Expenses (materials and services)	47	47
Property, Plant & Equipment at fair value (library books)	55	50
Total contribution to joint arrangements	<b>102</b>	<b>97</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(b)).

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

# Notes to the Financial Report

## For the Year Ended 30 June 2019

### Note 7 People and relationships

#### 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 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:

	2019	2018
	No.	No.
<b>Councillors</b>		
Councillor Harry Westendorp (Mayor from 21 August 2018)		
Councillor Peter Olver		
Councillor Marg Attley		
Councillor Paul Sladdin		
Councillor Paul Volkering (Mayor until 21 August 2018)		
<b>Total Number of Councillors</b>	5	5
<b>Chief Executive Officer and other Key Management Personnel</b>		
Chief Executive Officer		
Finance Manager		
Infrastructure Manager (1/7/18 to 28/9/18)		
Acting Infrastructure Manager (1/10/18 to 9/12/18)		
Infrastructure Manager (from 10/12/18 )		
Community Services Manager		
Development Services Manager (from 10/9/18)		
Corporate & Organisational Development Manager		
Governance Coordinator (1/7/18 to 24/8/18)		
<b>Total Chief Executive Officer and other Key Management Personnel</b>	9	7
<b>Total Key Management Personnel</b>	14	12

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 7.1 Council and key management remuneration (cont'd)

	2019 \$'000	2018 \$'000
<b>(c) Remuneration of Key Management Personnel</b>		
Total remuneration of key management personnel was as follows:		
Short-term benefits	996	1,021
Long-term benefits	20	42
Post employment benefits	76	79
Termination benefits	62	33
<b>Total</b>	<b>1,154</b>	<b>1,175</b>
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
	No.	No.
\$20,000 - \$29,999	5	4
\$30,000 - \$39,999	1	-
\$60,000 - \$69,999	1	1
\$70,000 - \$79,999	1	-
\$80,000 - \$89,999	1	-
\$100,000 - \$109,999	-	1
\$110,000 - \$119,999	1	1
\$130,000 - \$139,999	1	3
\$140,000 - \$149,999	2	1
\$210,000 - \$219,999	-	1
\$220,000 - \$229,999	1	-
	<b>14</b>	<b>12</b>

#### (d) Senior Officer Remuneration

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

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

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:

		2019 \$'000	2018 \$'000
Expenses	Expense reimbursements - staff and Councillors	5	7
	Printing and Stationery (Mansfield Printing)	6	17
Income	Room hire	-	1

All other expense and income transactions are incurred on normal business terms and conditions. A related party of a Councillor was employed by Council during the financial year. The salary is not shown for privacy reasons, but is not significant to Council's operation. The salary is paid at commercial and market rates. The related party is 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.

# Notes to the Financial Report

## For the Year Ended 30 June 2019

### Note 8 Managing uncertainties

#### 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

##### 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 Council has paid unfunded liability payments to Vision Super totalling \$nil during the 2018-19 year (2016-17 \$nil). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2019. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2020 are \$nil.

##### 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.

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.

#### 8.2 Change in accounting standards

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

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

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. This standard is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

Council has elected to adopt the modified retrospective approach for transition where AASB 15 will only apply to contracts that are not complete on transition date (ie where revenue has not been previously all recognised in respect to a contract by 1 July 2019).

Councils assessment identified no material impact on transition date.

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

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

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 8.2 Change in accounting standards (cont'd)

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

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

Council has elected to adopt the modified retrospective approach to the transition to the new lease standard. This will mean that only existing operating leases for non low value assets, with remaining terms greater than 12 months, will be recognised on transition (1 July 2019). Based on our current lease commitments and an assumption of a continuation of the current leasing arrangements Council expects that the transition to the new standard will not see any initial recognition in lease related assets or equivalent liability.

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

This standard is expected to apply to certain transactions currently accounted for under AASB 1004 *Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable a not-for-profit entity to further its objectives.* Council has elected to adopt the modified retrospective approach for transition where AASB 1058 will only be applied to contracts that are not complete as at the date of transition (ie contracts where all income has not previously been fully recognised by 1 July 2019).

Council's assessment identified no material impact on transition date.

#### 8.3 Financial instruments

##### (a) Objectives and policies

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

##### (b) Market risk

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

##### *Interest rate risk*

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk. 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.

## Notes to the Financial Report—Continued

### For the Year Ended 30 June 2019

#### 8.3 Financial instruments (cont'd)

##### (c) Credit risk

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

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

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

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

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

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

##### (d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and is deemed insignificant based on prior periods' data and current assessment of risk.

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

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

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

##### (e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 2.66%.

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

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 8.4 Fair value measurement

##### *Fair value hierarchy*

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

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

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

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

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

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

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

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 9 Other matters

9.1 Reserves	Balance at beginning of reporting period \$'000	Increment \$'000	Balance at end of reporting period \$'000
<b>(a) Asset revaluation reserves 2019</b>			
<b>Property</b>			
Land	11,325	-	11,325
Buildings	5,617	-	5,617
	16,942	-	16,942
<b>Plant and Equipment</b>			
Library books	-	42	42
	-	42	42
<b>Infrastructure</b>			
Roads	51,805	43,021	94,826
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
	62,746	44,365	107,111
<b>Total asset revaluation reserves</b>	<b>79,688</b>	<b>44,407</b>	<b>124,095</b>
<b>2018</b>			
<b>Property</b>			
Land	9,193	2,132	11,325
Buildings	3,624	1,993	5,617
	12,817	4,125	16,942
<b>Infrastructure</b>			
Roads	51,805	-	51,805
Bridges	1,433	3,689	5,122
Footpaths and cycleways	17	-	17
Drainage	3,931	1,236	5,167
Recreational, leisure and community facilities	-	350	350
Offstreet car parks	153	132	285
	57,339	5,407	62,746
<b>Total asset revaluation reserves</b>	<b>70,156</b>	<b>9,532</b>	<b>79,688</b>

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

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### Note 9 Other matters (cont'd)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
<b>(b) Other reserves</b>				
<b>2019</b>				
Road Construction Reserve	158	-	(34)	124
Footpath Construction Reserve	30	-	(5)	25
Car Parking Reserve	8	-	(8)	-
Open Space Reserve	241	13	-	254
<b>Total Other reserves</b>	<b>437</b>	<b>13</b>	<b>(47)</b>	<b>403</b>
<b>2018</b>				
Road Construction Reserve	158	-	-	158
Footpath Construction reserve	30	-	-	30
Car Parking Reserve	8	-	-	8
Open Space Reserve	196	45	-	241
<b>Total Other reserves</b>	<b>392</b>	<b>45</b>	<b>-</b>	<b>437</b>

## Notes to the Financial Report

### For the Year Ended 30 June 2019

9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	2019	2018
	\$'000	\$'000
Surplus for the year	5,211	3,269
Depreciation/amortisation	3,336	3,169
(Profit) on disposal of property, infrastructure, plant and equipment	(360)	(39)
Contributions - Non-monetary assets	(2,403)	(651)
Asset revaluation expense	-	338
Found assets	-	(761)
Finance costs	132	152
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(193)	793
(Increase)/decrease in prepayments	20	17
(Increase)/decrease in other assets	6	(144)
(Increase)/decrease in inventories	2	24
Increase/(decrease) in trade and other payables	(59)	17
Increase/(decrease) in other liabilities	(38)	(39)
Increase/(decrease) in provisions	(71)	(97)
Net cash provided by/(used in) operating activities	<b>5,583</b>	<b>6,048</b>

### 9.3 Superannuation

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

#### Accumulation

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

#### Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan. There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Mansfield Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 9.3 Superannuation (cont'd)

##### Funding arrangements

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

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

Net investment returns 6.0% pa

Salary information 3.5% pa

Price inflation (CPI) 2.0% pa.

Vision Super has advised that the VBI at 30 June 2019 was 107.1%.

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

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 9.3 Superannuation (cont'd)

##### Employer contributions

###### Regular contributions

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

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

###### Funding calls

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

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

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

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

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

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

## Notes to the Financial Report

### For the Year Ended 30 June 2019

#### 9.3 Superannuation (cont'd)

##### 2018 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2018 and a full actuarial investigation was conducted as at 30 June 2017.

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

	<b>2018</b>	<b>2017</b>
	<b>\$m</b>	<b>\$m</b>
A VBI surplus	131.9	69.8
A total service liability surplus	218.3	193.5
A discounted accrued benefits surplus	249.1	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 2018.

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

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

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

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

##### 2019 interim actuarial investigation

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



# PERFORMANCE STATEMENTS

## Performance Statement

For the year ended 30 June 2019

### 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 Alpine 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
- Goughs Bay
- Kevington
- Merrijig
- Tolmie
- Barjarg
- Howqua
- Macs Cove
- Merton
- Woods Point
- Bonnie Doon
- Jamieson
- Maindample
- Sawmill Settlement/Alpine Ridge

## Sustainable Capacity Indicators

For the year ended 30 June 2019

<i>Indicator/measure</i>	Results				Material Variations
	2016	2017	2018	2019	
<b>Population</b>					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$2,281	\$2,079	\$2,210	\$2,119	No material variation
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$11,699	\$11,763	\$12,503	\$17,374	Revaluation of Council's asset classes are undertaken every 2 to 3 years. During 2018-19 the Transport Asset class (roads / footpaths) were revalued upward by a significant amount (\$44m).
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	10	11	11	11	No material variation
<b>Own-source revenue</b>					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,656	\$1,641	\$1,777	\$1,770	No material variation
<b>Recurrent grants</b>					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$447	\$743	\$570	\$531	No material variation
<b>Disadvantage</b>					
<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	6	7	7	7	No material variation

## Sustainable Capacity Indicators—Continued

For the year ended 30 June 2019

### Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

"population" means the resident population estimated by council

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

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

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

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

## Sustainable Performance Indicators

For the year ended 30 June 2019

Service/indicator/measure	Results				Material Variations
	2016	2017	2018	2019	
<b>Aquatic facilities</b>					
<b>Utilisation</b>					
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	2.4	2.1	2.1	1.9	New data collection processes did not accurately count visits by season pass holders. Processes have been amended for the 2019-20 season.
<b>Animal management</b>					
<b>Health and safety</b>					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	8	3	0	0	No material variation
<b>Food safety</b>					
<b>Health and safety</b>					
<i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non- compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non- compliance notifications about food premises] x100	92%	96%	97%	100%	No material variation
<b>Governance</b>					
<b>Satisfaction</b>					
<i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	56	60	54	47	A reduction in community satisfaction with council decisions could be attributed to the community's focus on the budget, an application to the ESC for a rate variation and the consideration to sell or lease the old Saleyards site.

## Sustainable Performance Indicators—Continued

For the year ended 30 June 2019

Service/indicator/measure	Results				Material Variations
	2016	2017	2018	2019	
<b>Home and community care</b>					
<b>Participation</b>					
<i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	34%	N/A	N/A	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
<b>Participation</b>					
<i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	23%	N/A	N/A	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
<b>Libraries</b>					
<b>Participation</b>					
<i>Active library members</i> [Number of active library members / Municipal population] x100	18.4%	18.1%	18.8%	17.65%	No material variation
<b>Maternal and child health</b>					
<b>Participation</b>					
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	72%	82%	77%	77%	No material variation

## Sustainable Performance Indicators—Continued

For the year ended 30 June 2019

Service/indicator/measure	Results				Material Variations
	2016	2017	2018	2019	
<b>Participation</b>					
<b>Participation in the MCH service by Aboriginal children</b> [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	100%	100%	100%	71%	There were two families engaged in the service however some key age and stage visits were missed due to a family undertaking interstate travel.
<b>Roads</b>					
<b>Satisfaction</b>					
<b>Satisfaction with sealed local roads</b> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	57	59	45	50	No material variation
<b>Statutory Planning</b>					
<b>Decision making</b>					
<b>Council planning decisions upheld at VCAT</b> [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	100%	100%	100%	50%	Six planning applications were referred to VCAT during 2018-19. Three Council decision were upheld and three Council decisions were set aside.

## Sustainable Performance Indicators—Continued

For the year ended 30 June 2019

Service/indicator/measure	Results				Material Variations
	2016	2017	2018	2019	
<b>Waste Collection</b>					
<i>Waste diversion</i>	34.00%	34.79%	35.13%	35.77%	No material variation
<i>Kerbside collection waste diverted from landfill</i>					
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

## Sustainable Performance Indicators—Continued

For the year ended 30 June 2019

### Definitions

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006

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

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

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

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

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

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

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

"food premises" has the same meaning as in the *Food Act 1984*

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

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

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

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

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

"population" means the resident population estimated by council

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

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

## Financial Performance Indicators

For the year ended 30 June 2019

Dimension/indicator/ measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Efficiency</b>									
<b>Revenue level</b>									
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,416	\$1,507	\$1,530	\$1,366	\$1,473	\$1,509	\$1,547	\$1,585	No material variation.
<b>Expenditure level</b>									
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$2,509	\$2,369	\$2,513	\$2,480	\$2,553	\$2,621	\$2,630	\$2,653	No material variation
<b>Workforce turnover</b>									
<i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	10%	11%	16%	16%	8%	8%	9%	7%	A number of vacancies exist at the end of June 2019 which lowers the average staff and increases the percentage turnover. The decrease in turnover forecast is a function of both an increase in average staff as those vacancies are filled, and an expected decrease in the number of positions turned over from 20 in 2018-19 to around 10 throughout the forecast.

## Financial Performance Indicators—Continued

For the year ended 30 June 2019

Dimension/indicator/ measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Liquidity</b>									
<b>Working capital</b>									
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	163%	215%	275%	348%	222%	155%	153%	147%	The increase in this liquidity ratio is driven by a \$2.2m (21%) increase in cash and financial assets (term deposits).
<b>Unrestricted cash</b>									
<i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	85%	117%	20%	11%	74%	71%	71%	70%	Overall cash levels (including term deposits classified as financial assets) have increased by over \$2m. Last years' data did not include trust funds and deposits (\$990k) as a restricted amount, where the 2018-19 data does (\$950k). Corrected comparative data would show the 2017-18 results for this indicator as -3%. The movement from -3% to 11% is due to the increase in unrestricted cash. <i>*It should be noted that this indicator does not take into account Council cash that is held in a term deposit over 3 months - the value of this in 2017-18 is \$8.2m and in 2018-19 \$9.3m.</i>

## Financial Performance Indicators—Continued

For the year ended 30 June 2019

Dimension/indicator/ measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Obligations</b>									
<b>Asset renewal</b>									
<i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	30%	61%	43%	63%	94%	189%	101%	104%	Council has redirected the focus on capital spend toward renewal projects in 2018-19 and throughout the 10 years of the long term financial plan, following the implementation of the Financial Strategy in December 2018.
<b>Loans and borrowings</b>									
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	28%	23%	20%	17%	16%	14%	12%	10%	Council continues to repay its long term loans in accordance with the terms and conditions of the loans. One loan was closed out during the year, and two remain.
<b>Loans and borrowings</b>									
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	7%	5%	4%	3%	2%	2%	2%	2%	One loan and one finance lease were closed out during the prior year (2017-18), therefore repayments in 2018-19 were \$132k lower.

## Financial Performance Indicators—Continued

For the year ended 30 June 2019

Dimension/indicator/ measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Indebtedness</b>									
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	24%	20%	17%	16%	15%	13%	11%	10%	Council continue to pay down debt, and with no new borrowings forecast over the next four years non-current liabilities will continue to reduce.
<b>Operating position</b>									
<b>Adjusted underlying result</b>									
<i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	-5%	15%	8%	11%	3%	6%	4%	5%	Adjusted underlying revenue has increased by just 1% (\$312k) and total expenditure has decreased by only 1% (\$253k). As a result, adjusted underlying surplus has increased by 33% (\$565k). The contributing factors to the increase in the adjusted underlying result ratio include a reduction in employee costs (savings achieved through the staff restructure of April 2018), and an increase in rates and charges income of \$603k (standard rate increase of 2% allowable under the rate cap in 2018-19, plus supplementary assessments during the year).
<b>Stability</b>									
<b>Rates concentration</b>									
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	69%	60%	63%	65%	69%	67%	70%	70%	No material variation.

\* Forecasts for this measure differ from those represented in the Mansfield Shire Council adopted Budget 2019-20 because the calculation for *residential rate revenue* in the budget includes only general rates and municipal charge, where the calculation for *residential rate revenue* in this performance statement also includes waste charge income

## Financial Performance Indicators—Continued

For the year ended 30 June 2019

Dimension/indicator/ measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Rates effort</b>									
<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality ] x100	0.43%	0.41%	0.38%	0.39%	0.38%	0.37%	0.37%	0.36%	Rates as a percentage of property values remains steady,

## Financial Performance Indicators—Continued

For the year ended 30 June 2019

### Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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

## Other Information

For the year ended 30 June 2019

### 1. Basis of preparation

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

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

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

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

## Certification of the Performance Statement

For the year ended 30 June 2019

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**

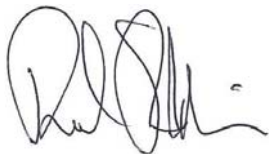
**Dated:** 17 September 2019

In our opinion, the accompanying Performance Statement of the Mansfield Shire Council for the year ended 30 June 2019 presents fairly the results of Council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

The Performance Statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the Performance Statement to be misleading or inaccurate.

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this Performance Statement in its final form.



**Councillor**

**Dated:** 17 September 2019



**Councillor**

**Dated:** 17 September 2019



**Chief Executive Officer**

**Dated:** 17 September 2019



Victorian Auditor-General's Office

## Independent Auditor's Report

### To the Councillors of Mansfield Shire Council

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

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


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

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

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

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MELBOURNE  
19 September 2019

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

## THANK YOU AND FEEDBACK INVITED

Thank you for reading the Mansfield Shire Council 2018-19 Annual Report. Your feedback is valued and can be posted to:

Mansfield Shire Council  
Private Bag 1000  
Mansfield Vic 3724

You may also telephone your feedback to our Customer Service Officers on (03) 5775 8555 or email Council at [council@mansfield.vic.gov.au](mailto: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 also encourage you to subscribe to our Facebook page - **[www.facebook.com/mansfieldshirecouncil](https://www.facebook.com/mansfieldshirecouncil)** - where you will find the latest information on what is happening in our Shire.

## COUNCIL CONTACTS

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Facebook - [www.facebook.com/mansfieldshirecouncil](https://www.facebook.com/mansfieldshirecouncil)  
National Relay Service (for hearing, speech or communication impairment) - 133 677

## MUNICIPAL OFFICE LOCATION

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Mansfield Vic 3724

## WHERE TO OBTAIN A COPY OF THIS ANNUAL REPORT

Display copies of the 2018-19 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 downloaded from our website or requested by telephoning (03) 5775 8555.

This Annual Report was compiled, produced and printed in-house by Mansfield Shire Council.

For a large print version of this Annual Report or any other Council publication, please telephone Council on (03) 5775 8555.



## MANSFIELD SHIRE

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