

ANNUAL REPORT 2019- 2020



BULOKE
SHIRE COUNCIL

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INTRODUCTION

SNAPSHOT OF COUNCIL

The Buloke Shire is located in the north west of Victoria between 210 and 360 kilometres from Melbourne.

It is bounded by both the Mildura and Swan Hill Rural Cities in the north, Gannawarra and Loddon Shires in the east, Northern Grampians Shire in the south and Yarriambiack Shire in the west.

Buloke is a predominantly rural area. The main townships are Birchip, Charlton, Donald, Sea Lake and Wycheproof. The Shire also comprises of the smaller townships of Berrillock, Culgoa, Nandaly, Nullawil and Watchem.

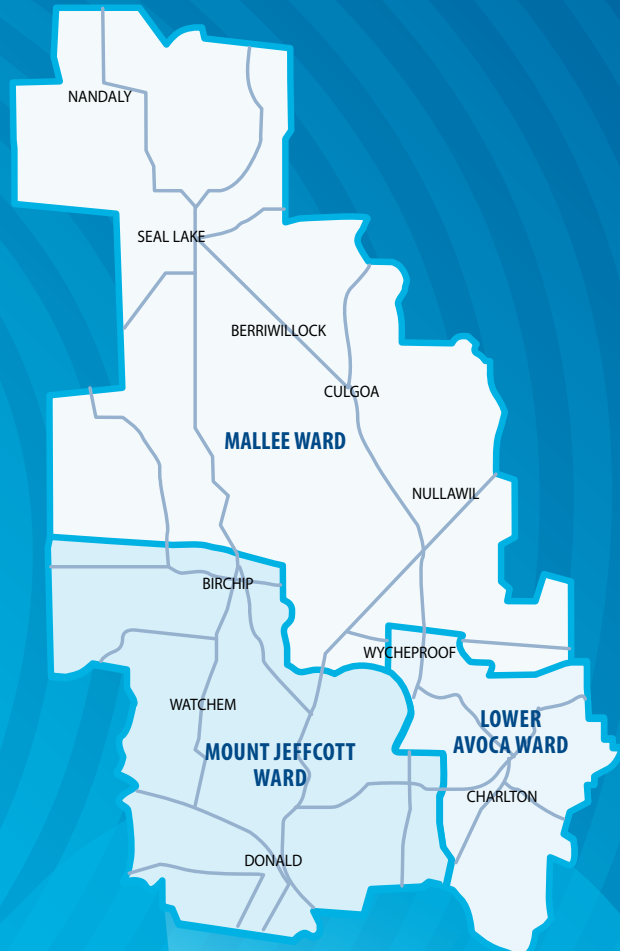
Buloke encompasses a total land area of 8,000 square kilometres and is approximately 140 kilometres long and 60 kilometres wide.

Council maintains a road network spanning 5,302 kilometres. There are also 747 kilometres of roads under State Government control within Buloke.

The two main highways servicing the Buloke are the Calder Highway and the Sunraysia Highway. Both highways run north and south through the Shire.

Land is used largely for agriculture, particularly grain (wheat, oats and barley) production and sheep grazing.

The Buloke Shire is named after the 'buloke' or 'bullock' tree, *Allocasuarina Luehmannii* which is common in the area and the feature of the Buloke Shire logo.



ACKNOWLEDGEMENT

Buloke Shire Council acknowledges the Wotjobaluk, Jaadwa, Jadawadjali, Wergaia and Jupagalk Nations and the Dja Dja Wurrung people as the traditional owners of parts of the land now known as Buloke. We pay our respects to Elders past and present, and value their ongoing contribution to our heritage and our community.

Buloke has significant number cultural heritage places including an Aboriginal historical place, burials, artefact scatters, earth features, low density artefact distributions, scarred trees and a stone feature.



OUR VISION

SHAPING OUR FUTURE TOGETHER.

OUR VALUES

COUNCIL ADDRESSES ITS KEY VALUES THROUGH:

- Good communication
- Transparency in decision making
- Accountability for actions
- Working collaboratively with partners
- Taking responsibility
- Being responsive and timely

HIGHLIGHTS AND MAJOR ACHIEVEMENTS

The highlights and major achievements for the 2019/20 year are presented under the themes of the Council Plan 2017-2021. They reflect of the consistent effort and delivery across the whole year as Council achieved the Annual Plan - Year 3.

The combination of the Annual Plan and the annual review of the Council Plan benefits in delivering projects, initiatives and events right across the year.



DELIVER OUR SERVICES IN A FINANCIALLY VIABLE WAY

1

Council adopted its Annual Budget 2020/21 at a Meeting of Council on 1 July 2020. Against the background of COVID-19 with \$17.4 million in capital works programs, this was one of Council's largest ever investments in infrastructure. Initiatives to support residents and businesses through the pandemic were also included. Compiling the Annual Budget is a rigorous process of consultation and scrutiny.



2

Council helped address some of the impact on ratepayers that the COVID-19 pandemic with the adoption of the COVID-19 Financial Hardship Policy at the April Ordinary meeting. The Policy introduced a range of flexible arrangements for payment of Council fees and charges to offer support for those experiencing financial pressures.



3

Buloke was one of six Local Government areas to receive a share in \$5 million as part of the State Government's Rural Councils Transformation Program. Aimed at improving the quality, effectiveness and affordability of services provided to the community, the funds were shared with Horsham, Hindmarsh, Loddon, West Wimmera and Yarriambiack Shires. The establishment of this project is ongoing.



4

The adoption of the Buloke Advocacy Strategy in May was a first for Council. The Strategy focusses on achieving strong outcomes for our communities now and into the future by supporting clear and compelling cases for financial and policy support.

The strategy outlines key advocacy priorities over the next three years. Council understands it cannot, and does not, act alone but works in partnership with will all areas of society and other levels of government.



5

Council began a recruitment campaign to hire up to 50 new staff for a six-month period across Council departments as part of the Victorian Government's Working for Victoria Program. Designed to offer employment and employer opportunities, the initiative has increased Council's ability to support the community during and through the recovery from the COVID-19 pandemic. This program will run into early 2021.



CASE STUDY – LOAN REPAYMENT

In November, Council repaid its \$7 million loan taken out in 2014.

Council resolved at a Special Meeting in May 2014 to participate in the first Local Government Funding Vehicle bond issuance for an interest only loan of \$7 million dollars.

The five-year term of the loan applied a fixed interest rate and repayment of interest only over that term.

Financial viability of Buloke Shire Council had become an area of significant attention during 2013/14. The material uncertainty of Council's financial viability was raised by the Auditor General's Office, Local Government Victoria and Council's Audit Committee.

Since that period Council has implemented a number of initiatives, developments and strategies to mitigate Council's financial risk and improve financial performance. This includes Council developing and adopting a ten-year Long Term Financial Plan, which guides Council on the path to financial sustainability.

"It's a proud time for Buloke. The interest only loan was the backbone of Council's resurgence to viability and to achieve the goal of repaying the loan in line with our budgets over that period and our Long Term Financial Plan is significant. Council can now continue to focus on our asset renewal gap and returning more funds to our capital budget in years to come", said Mayor Cr Carolyn Stewart at the time.

BUILD A HEALTHY AND ACTIVE COMMUNITY

6

Buloke's senior residents were encouraged to boost their activity levels through the "Move It" Project - an initiative run in partnership with the Loddon Mallee region and delivered by the Mallee Sports Assembly. The Federally funded program launched in the 2019/2020 year to offer a range of activity opportunities aimed at raising awareness about the benefits of regular physical activity for those over the age 65 years.



7

Following twelve months of operation Council surveyed Buloke's Library Service in November to review and revise the service delivery for users.

During the COVID-19 lockdowns, the Library provided regular children's "Story Time" video sessions via Council's Facebook page.



8

Council celebrated National Volunteer Week in May by getting involved in the initiative to 'wave a smile' to volunteers.

Without doubt, one of Buloke's key strengths and assets is its volunteers. Census after census shows Buloke has a rate of volunteering well above the state average.



9

In July Council was a part of the Tertiary Information Service day held in Charlton. Year 12 students from schools across Buloke attended a session to learn about the intricacies of applying for places at tertiary institutions. This also provided the perfect opportunity for Council to talk to our next generation about the wide range of careers available in local government.



10

A great story of Council and community working toward goals together, the Donald Skate Park was built in late 2019. Advocacy from the youth of the town to both Council and the State Government saw each contribute funding towards the \$200,000 project.

The Skate Park plan was informed by community workshops. The final build reflected the community's vision for the design, and is located within the Donald Riverfront Precinct.

Dja Dja Wurrung has undertaken landscaping works to complete the project.



11

Council celebrated Seniors Week in October under the theme "Holding Buloke's Wisdom". The event included a photo exhibition created to uncover the stories hidden in our hands of experience.

The other highlight was a performance by the Pacific Belles, who took us on a journey back in time to relive favourite classic songs.



12

Citizenship Ceremonies in Buloke are a big deal. Council held four ceremonies across the reporting period in truly Buloke ways. The November ceremony was a highlight with four new citizens welcomed and an outstanding live performance of Advance Australia Fair by former Mayor Leo Tellefson to mark the occasion.



13

Works to upgrade the Birchip's George Cartwright Oval were completed in early 2020. Funded by Council, the Federal Government, the State Government and the Birchip-Watchem Football Club the project included re-levelling the oval, replacement of the irrigation system to improve water efficiency and reseeding with drought hardy grasses.





CASE STUDY - AUSTRALIA DAY EVE EVENT

Held in Birchip, Council's second Australia Day Eve event was a resounding success. Strong representation from communities across the Shire was significant as our national day was celebrated with a Citizenship Ceremony, guest speaker Scott Chapman

(CEO Royal Flying Doctor Service –Victoria) and the coveted Buloke Shire Council Australia Day Awards.

John McConville (Citizen of the Year), Angel Grylls (Young Citizen of the Year) and the Birchip B&S Ball (Community Event of the Year) had their amazing contributions to the Buloke community acknowledged winning the prestigious awards.



CITIZEN OF THE YEAR – JOHN McCONVILLE

John McConville is a man who leads by example through his positivity and proactivity, there are not too many parts of Donald that haven't had his stamp put on it.

A large part of the success of Donald is the work, care and pride of John McConville. Nothing is too much trouble for John, nothing too big, nothing is too small. The liveability and way of life in Donald and surrounds indeed owes a great debt to him.



YOUNG CITIZEN OF THE YEAR – ANGEL GRYLLS

Angel Grylls is a dedicated and motivated young woman. A foundation member of both the Charlton Junior CWA branch and the re-formed Charlton Youth Group, she has been able to leverage her leadership role to drive the membership of each. Angel is also a talented projectionist who dedicates her Sunday's to screening films at the Rex Theatre in Charlton.

She wants what is best for her town and does everything she can to ensure Charlton is a great environment for our next generation to grow.



EVENT OF THE YEAR – BIRCHIP B&S BALL

The iconic Mallee Root Round-Up won the award back in 1996 and has been reinvigorated under a new committee who have shaped this event over the past 15 years.

The Birchip B&S is one of best known events staged in Buloke each year. Apart from being a social event of tremendous importance, the committee raise an enormous amount of funds to better the event and to support local groups and charities. In the last year alone over \$30,000 has been donated to support its community.

DIVERSIFY AND ENHANCE OUR LOCAL ECONOMY

14

Council signed the Small Business Charter Agreement in September opening the way to greater support and engagement with Buloke small businesses. The launch of the Better Approvals Project in November also addressed a whole-of-Council approach to faster permit approvals geared towards streamlining economic development within the Shire.



15

The Economic Development and Tourism Strategy took giant steps towards strengthening activity in this sector with the identification and funding of multiple initiatives. Highlights have included \$4.5 million of funding for the Buloke Streetscape Renewal Project across the Shire, \$300,000 for the Sea Lake Tourism Hub, the delivery of multiple travellers rest facilities, along with funding for Early Learning Centres for Charlton, Sea Lake and Wycheproof.



16

It was announced that four of Council's caravan parks would receive upgrades thanks to \$363,000 in funding from the Victorian State Government Building Works Package. Improvements at the Donald, Gordon Park in Charlton, Wooroonook Lakes and Wycheproof sites include landscaping enhancement, increasing site capacity, improving abilities access and better signage and information.



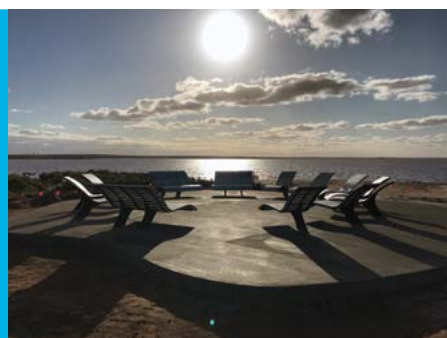
17

Creativity came alive on the streets of Charlton in November with the 'Three Walls' art activation. Three legacy wall murals were the highlight of a weekend of artistic participation, which also included workshops, art exhibitions and guided art tours. The Three Walls weekend complemented the OK Motels event also held in Charlton that weekend.



18

Construction of the \$4 million Lake Tyrrell Tourism Infrastructure Project commenced in December. Funded by the Federal Government's Regional Growth Fund, the project will deliver significant tourism infrastructure at the site to support the growing tourism visitation to the lake. Travellers safety will also be maximised with a significant upgrade to the entry at the Baileys Road – Calder Highway intersection. The project will be completed in late 2020.



19

In a step towards transitioning to a greater renewable target, Council committed to purchasing 100% of its electricity through the Local Government Power Purchase Agreement at the August Ordinary Meeting. Joining 39 other Victorian Councils, this initiative will provide a cost-effective way for Council to reduce its carbon footprint.



20

In October Council collaborated with the Birchip Cropping Group and both the Mallee and North Central Catchment Management Authorities to host the 2019 Building Climate Resilience event. Held at Birchip, the free event featured key-note speakers Gabrielle Chan (The Guardian Australia) and Professor Mark Howden, Director of the Climate Change Institute, Australia National University.



21

Council released the Workforce Development and Training Needs Report in August. The report addresses a range of unique challenges experienced by Buloke Shire and builds upon a 2017 report produced by the Office of the Victorian Skills Commissioner, 'Regional Skills Demand Profile for the Mallee'.



22

A twelve-month building blitz ended in January that saw nine new toilet facilities opened across the Buloke region. The facilities, built in five towns and at four lakes, were made possible with funding from the Federal Government's Building Better Regions and Drought Communities funds.





CASE STUDY - SILO ART

Buloke Shire now boasts two stops on the acclaimed Silo Art Trail at Nullawil and Sea Lake.

Providing an insight into the true spirit of the Wimmera Mallee, the trail recognises and celebrates the region's people through a series of large-scale mural portraits painted onto grain silos, many of which date back to the 1930s.

Nullawil

Funded by the State Government's Pick My Project initiative, the Silos at Nullawil were painted by artist Sam Bates (Smug) in testing winter conditions in August.

A triumph of large scale art which has an amazing level of detail, the final product celebrates the township of Nullawil the way the locals see it.

The community and artist worked together to create a vision and an outcome that captures the imagination.

Sea Lake

The GrainCorp Silos at Sea Lake are now home to 'The Space in Between' by artists Drapl and the Zookeeper.

After the Sea Lake community laid the foundations to have silo art become a reality in the township, Council further developed the scope of the project with the outcome funded by the Federal Government's Drought Communities Programme.

The artwork is a celebration of the stillness and silence found in outback Victoria, and the associated feelings of wholeness and freedom.

RESPONDING TO AND ENHANCING OUR BUILT AND NATURAL ENVIRONMENT

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23

Council adopted its Waste and Resource Recovery Strategy 2020-2025 in July. The strategy identifies nine themes for meeting ratepayer's needs, while addressing current and emerging waste and resource recovery issues.



24

It was announced that Council would receive over \$2.6 million in funding through the State Government's Children's Facilities Capital Program to build an early years centre in Wycheproof (\$700,000), and upgrade early years centres in Charlton (\$825,746) and Sea Lake (\$1.175 million).

At Wycheproof, the project is being managed by the Victorian School Building Authority in close partnership with Council, and will provide a 22-place kindergarten room, a 12-place long-day-care room, maternal child health centre and nature-based outdoor learning areas. At Charlton, the upgrades will include increasing kindergarten capacity for three and four-year-olds, and building facilities for maternal child and health services.

The Sea Lake Early Years Centre is also being managed by the Victorian School Building Authority. The upgrade will see a major refurbishment of two existing classrooms to cater for a two room early years centre, as well maternal child health facilities.



25

Stage one of the redevelopment of Donald Community Precinct was completed in May 2020. The project was funded through the State Government's Department of Jobs, Precincts and Regions; Sport and Recreation Victoria; and the Department of Health and Human Services. Federal funding through the Department of Infrastructure and Regional Development Cities. The Donald community also made financial contributions to the project, as well as raising funds through the Bendigo Bank Community Enterprise Foundation. The project has included new umpires change rooms, female friendly change rooms, a significant extension to the indoor multi-purpose court, as well as the addition of a mezzanine function space and meeting room space. Council contributed an additional \$200,000 in its 2020/21 Annual Budget to assist with stage two of the project.



26

Council's list of intergenerational projects grew in May with the announcement of \$4.3 million of funding as part of the State Government's Building Works package. This package funded the development of the streetscape in each of the five major towns and the establishment a Visitor Information Hub at Sea Lake to service the burgeoning tourism trade in the area, in particular Lake Tyrrell.

Birchip, Charlton, Donald, Sea Lake and Wycheproof will all benefit from this funding, and the realisation of multiple aspirational projects is now within touching distance.

The funding will be delivered after the reporting year. The Buloke Streetscapes Renewal Project will commence in late 2020.



CASE STUDY- CHARLTON PARK

A long held community aspiration became a reality for the Charlton community with the official opening of the new multipurpose Charlton Park facility in October.

Hundreds of locals joined in the celebration at the state of the art facility in recognition of this extraordinary achievement.

The \$4.2 million project was funded by the Federal and State Governments, Council and the community and provides a state-of-the-art precinct for multiple sporting and community usage.

A wonderful example of all levels of government and the community working together. The Charlton Park 2020 committee had been actively involved in fundraising for this project since 2008, raising more than \$1.3 million thanks largely to the community and other key contributors.

The committee were heavily involved in the initial design of the project.

The new facility replaces all the previous disjointed buildings with one large structure catering for football, netball, hockey, cricket, harness racing, gym, the Agricultural & Pastoral Society and various other community activities.

This intergenerational project stands as testament to a community that worked tirelessly to achieve their goal, and what a result it is!



SUPPORT OUR COUNCILLORS, STAFF, VOLUNTEERS AND THE COMMUNITY TO MAKE INFORMED AND TRANSPARENT DECISIONS

27

Filling the vacancy left by the resignation of Lower Avoca Ward Cr. John Shaw in August, Bronwyn Simpson was elected to the position on a countback.

Cr. Simpson was sworn in at a ceremony held at Wycheproof on 23 September 2019.



28

Cr. Carolyn Stewart was re-elected unopposed for a second term as Mayor at the Statutory Meeting on 13 November 2019, with Cr. David Pollard elected to the role of Deputy Mayor.



29

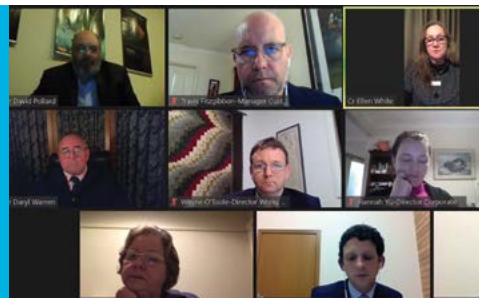
Acknowledging the dedicated service of Cr. Ellen White (Mallee Ward) and Cr. David Pollard (Lower Avoca Ward) the conferral of 10 Year Councillor Service Awards from MAV Deputy President Rural, Cr. Ruth Gstrein was made at the Statutory Meeting on 13 November 2019. Cr. Pollard also received an MAV Emeritus Award to recognise his three terms as Mayor.



30

Council held its May Ordinary Meeting virtually, via Zoom, and livestreamed the meeting. Both achievements were firsts for Council.

Streaming the meeting saw around 60 people 'attend'. People who may not be prepared to travel and commit the time to do so, pulled up a chair and engaged.



31

Buloke Mayor Cr. Carolyn Stewart was appointed to the 2020 Local Government Mayoral Advisory Panel in February.

The Minister for Local Government acts as Chair for each of the four meetings of the advisory panel held throughout 2020. The role of the panel is to provide high level advice to the Minister on a range of legislative, regulatory, strategic and policy decisions which impact on local government.



32

In October, Chief Executive Officer Anthony Judd joined the Committee of Rural Councils Victoria to help support and promote sustainable, liveable and prosperous rural communities.

The Committee oversees the organisation's program of work, and provides information to and from member councils in their region.



33

Council enjoyed excellent growth across its social media platforms over the reporting year. Facebook page likes rose by 510 to 2,226 (+30%), Twitter up 96 followers to 641 (+18%) and LinkedIn up 329 followers to 657 (+100%).

Council is well regarded in the Local Government sector for its use of social media. Council's Manager Customer Engagement Travis Fitzgibbon presented to a national public sector conference held in Melbourne in December outlining the success and strategy of Council's use of social media.



CASE STUDY – COMMUNITY SATISFACTION SURVEY RESULTS

Council noted a further rise in satisfaction from the results in the 2020 Local Government Community Satisfaction Survey for a majority of measures in June.

The report, coordinated on behalf of all Victorian Councils by the Department Environment of Land, Water and Planning, demonstrates an overall three-point rise on the 2019 result, continuing a multi-year trend of improvement from 2016 and is Council's best overall result since 2012.

The overall results are on par with the state average and two points higher than Council's Small Rural cohort.

Highlights of the report include Overall Council Direction scoring at a record high, measuring two points higher than the state average and three points higher than the Small Rural cohort.

Other areas of note were Recreational Facilities and Elderly Support Services which were scored as the best performing areas, whilst maintenance of unsealed roads and the condition of sealed roads are deemed Council's lowest performing areas.

Excluding service areas relating to roads, Council performs in line with, or significantly higher than, the Small Rural group and Statewide averages on the service areas evaluated.

CONTRIBUTIONS AND DONATIONS 2019/20

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Each year Council undertakes a Community Grants Program and a Sustainability Grants Program as well as contributing to many local groups, events and causes.

Recipient	Description	Amount
Wycheproof Community Resource Centre Inc.	2019 Christmas Promotion	500.00
Nullawil Progress Association	2019 Christmas Promotion	200.00
Culgoa Development Group	2019 Christmas Promotion	200.00
Advance Sea Lake Inc.	2019 Christmas Promotion	500.00
Nandaly Progress Association	2019 Christmas Promotion	200.00
Charlton Forum	2019 Christmas Promotion	500.00
Birchip Community Forum	2019 Christmas Promotion	500.00
Donald 2000 Committee	2019 Christmas Promotion	500.00
Donald and District Racing Club	2019 Donald Cup Day	500.00
Mt Wycheproof and District Racing Club	2019 Mt. Wycheproof Cup Day	500.00
Charlton Harness Racing Club	2020 Charlton Cup Day	500.00
Berriwillock Community Development	Australia Day 2020 Ceremony Contribution	500.00
Birchip Community Forum	Australia Day 2020 Ceremony Contribution	500.00
Charlton Forum	Australia Day 2020 Ceremony Contribution	500.00
Culgoa Development Group	Australia Day 2020 Ceremony Contribution	500.00
Donald 2000 Committee	Australia Day 2020 Ceremony Contribution	500.00
Nandaly Progress Association	Australia Day 2020 Ceremony Contribution	500.00
Nullawil Progress Association	Australia Day 2020 Ceremony Contribution	500.00
Advance Sea Lake Inc.	Australia Day 2020 Ceremony Contribution	500.00
Watchem Development Association	Australia Day 2020 Ceremony Contribution	500.00
WycheAlive Incorporated	Australia Day 2020 Ceremony Contribution	500.00
REMPPLAN	Building Better Regions (Round 4) Funding Support - Milestone 1	8,083.25
Birchip Community Forum	Community Forum Administration Support	1,000.00
Culgoa Development Group	Community Forum Administration Support	1,000.00
Watchem Progress Association	Community Forum Administration Support	1,000.00
WycheAlive Incorporated	Community Forum Administration Support	1,000.00
Berriwillock Community Development	Community Forum Administration Support	1,000.00
Charlton Forum	Community Forum Administration Support	1,000.00
Nandaly Progress Association	Community Forum Administration Support	1,000.00
Nullawil Progress Association	Community Forum Administration Support	1,000.00
Advance Sea Lake Inc.	Community Forum Administration Support	1,000.00
Donald 2000 Committee	Community Forum Administration Support	1,000.00
Buloke Women's Network	Community Grants and Sponsorship - Celebrating International Women's Day at the Rex Theatre	2,000.00
Wycheproof Youth Group auspiced by Wycheproof Community Resource Centre	Community Grants and Sponsorship - Project Support Grant	1,000.00
Donald Mens Shed Inc.	Community Grants and Sponsorship - Small Capital Equipment Grant	799.00

Recipient	Description	Amount
Wycheproof P-12 College	Community Grants and Sponsorship - Buloke Youth Health Expo Grant	2,000.00
Sunraysia Highway Improvement Committee	Contribution	2,000.00
City of Darebin	Contribution - Power Purchase Agreement - City of Darebin	3,000.00
Wycheproof Recreation Reserve Committee	Contribution – Recreation Reserves	33,762.00
Berriwillock Recreation Reserve	Contribution – Recreation Reserves	3,570.00
Sea Lake and District Community Centre	Contribution – Recreation Reserves	38,148.00
Donald Recreation Committee	Contribution – Recreation Reserves	44,064.00
Nullawil Recreation Reserve Committee	Contribution – Recreation Reserves	22,440.00
Birchip Leisure Centre	Contribution – Recreation Reserves	32,742.00
Charlton Park Committee	Contribution – Recreation Reserves	35,904.00
Goodwin Homes	DHHS Unit Maintenance	5,596.56
Mallee Sports Assembly Inc.	International Day of People With A Disability program	300.00
Donald 2000 Committee	Program Contribution – Sustainability Fund	1,100.00
Birchip Leisure Centre	Program Contribution – Sustainability Fund	10,000.00
Charlton Bowling Club Inc.	Program Contribution – Sustainability Fund	10,000.00
Yarriambiack Shire Council	Program Contribution -WMT BBRF Project	8,250.00
Wycheproof Community Resource Centre Inc.	Program Contribution - Project Support Grant - Wycheproof Traders Association	2,000.00
Horsham Rural City Council	Program Contribution - 2019/2020 WSM Regional Transport Group	3,300.00
Wooroonook Lake Committee of Management	Program Contribution - Lake	2,250.00
Watchem Lake and Recreation Reserve Committee	Program Contribution - Lake	2,250.00
Green Lake Committee of Management	Program Contribution - Lake	2,250.00
Tchum Lake Aquatic Club	Program Contribution - Lake	2,250.00
Charlton Rex Theatre Museum Ltd.	Program Contribution - Project Support Grant	1,082.00
Donald 2000 Committee	Program Contribution - Project Support Grant	902.00

Recipient	Description	Amount
Charlton RSL Sub-Branch	Program Contribution - Small Capital Equipment Grant	718.00
Charlton Badminton Club Inc.	Program Contribution	454.55
Charlton Bowling Club Inc.	Program Contribution - Sponsorship 100 year anniversary	454.55
Loddon Mallee Waste and Resource Recovery Group	Program Contribution -2019/2020 Education Projects Year Anniversary	1,200.00
Buloke Tourism Board	Program Contribution - Community Grants Program	2,000.00
Donald 2000 Committee	Program Contribution - Community Grants Program - Donald 2000 Inc. - Project Support Grant Donald Skate Park	2,000.00
Birchip Business and Learning Centre	Program Contribution - Community Grants Program - Sponsorship - Birchip Neighbourhood House - Christmas Event	250.00
Tchum Lake Aquatic Club	Program Contribution - Community Grants Program - Sponsorship - Tchum Lake aquatic Club - New Year's Event	250.00
Northern District Community Health	Program Contribution - Contribution towards the Implementation of the BLG Health Needs Analysis	1,000.00
Probus Club of Charlton Inc.	Program Contribution - Community Grants Program - Small Capital Equipment	494.50
Sea Lake Neighbourhood House	Program Contribution - Community Grants Program - Small Grant - Sea Lake Youth Group	500.00
LEAD Loddon Murray Inc.	Program Contribution - Sponsorship scholarship 2020 LMCLP.	7,700.00
Lions Club of Charlton	Project Support Grant - Charlton Christmas Festival Committee	500.00
Donald Senior Citizens Club	Senior Citizens Christmas Function 2019	454.55
Nullawil Senior Citizens Club	Senior Citizens Christmas Function 2019	454.55
Sea Lake Senior Citizens Club	Senior Citizens Christmas Function 2019	454.55
Wycheproof Senior Citizens Club	Senior Citizens Christmas Function 2019	454.55
Birchip Senior Citizens Club	Senior Citizens Christmas Function 2019	454.55
Charlton Senior Citizens Club	Senior Citizens Christmas Function 2019	454.55
Culgoa Development Group	Senior Citizens Christmas Function 2019	272.73
Birchip P-12 School	Sponsorship - Birchip P-12 - Defensive Driving	500.00
Donald Chamber of Commerce	Sponsorship - Community Events	500.00
Birchip Business & Learning Centre	Sponsorship - Community Events - 16 Days of Activism	200.00
Wycheproof Community Resource Centre Inc.	Sponsorship - Community Events - 16 Days of Activism	200.00
Donald Learning Group Inc.	Sponsorship - Community Events - 16 Days of Activism	200.00
Donald Pastoral and Agricultural Society Inc.	Sponsorship - Community Events - Donald Show 2019	100.00
Charlton College	Sponsorship - Community Events - Speech Night Contribution	100.00
Wycheproof P-12 College	Sponsorship - Community Events - Speech Night Contribution	100.00
Sea Lake Youth Group	Sponsorship - Community Events -16 Days of Activism	200.00

Recipient	Description	Amount
Charlton Motel	Sponsorship - Seniors Week	218.18
The Pacific Belles	Sponsorship - Seniors Week	1,772.73
Charlton Rex Theatre Museum Ltd.	Sponsorship - Seniors Week	250.00
Wycheproof P-12 College	Walk 2 School	1,666.66
Birchip P-12 School	Walk 2 School	1,666.66
Nullawil Primary School	Walk 2 School	1,666.66
St. Marys Primary Donald	Walk 2 School	1,666.66
St. Mary's Primary School Sea Lake	Walk 2 School	1,666.66
Donald Primary School	Walk 2 School	1,666.66
Tyrrell College	Walk 2 School	1,666.66
St. Joseph's Primary School	Walk 2 School	1,666.66
Charlton College	Walk 2 School	1,666.66
Sea Lake Off Road Club Inc.	Community Capacity Building Event	9,089.08
Tchum Lake Aquatic Club	Better Boating Program	4,000.00
Various Contribution	Fire Service Levies Paid On Behalf Of Community Organisations	3,852.25
		\$392,546.62



CHALLENGES AND FUTURE OUTLOOK

In developing the Council Plan 2017-21 Council considered the challenges facing the Shire and developed strategies in relation to these challenges. Council delivers these strategies and the resultant actions by developing an Annual Plan for each year of the four years of the current Council Plan.

THE KEY CHALLENGES FACING BULOKE IDENTIFIED WERE:

AGEING INFRASTRUCTURE

Communities have historically relied on meeting face to face and there are currently some thirty-five buildings across the Shire where people meet at least once during the year. Many of these buildings existed prior to the 1970's and need substantial upgrades which represent significant financial future cost on communities.

INTERNET ACCESS

Buloke Shire has poor internet connectivity across significant areas. Recently 5,422km of roads were tested in Buloke Shire and the results show that only seven towns in Buloke Shire: Birchip, Charlton, Culgoa, Donald, Sea Lake, Nandaly and Wycheproof, have reasonably good coverage by all three carriers. Pervasive black spots become extensive approximately ten kilometres outside of these centres.

QUALITY HOUSING STOCK

A number of Buloke communities have recently celebrated 125 and 150 year anniversaries. This is reflected in the age and condition of housing stock. There are some 3,186 structural dwellings in Buloke with an 83.4% occupancy rate. The average house price in Buloke is \$82,000 and Buloke currently has 930 single person households.

FURTHER EDUCATION

Local access to further education is restricted to online access. Face to face learning requires travelling some 100 kilometres to attend a physical institution. 13.6% of our young people aged 20-24 are attending university or other tertiary institutions compared with 32.6% across Victoria. This results in only 14% of Buloke residents aged 25-44 holding a degree compared with 29.8% across Victoria. 9% of young people between 15 and 19 years are disengaged from education and employment compared with 5.8% across Victoria.

TRANSPORT ACCESS

Public transport is extremely limited in Buloke. Communities are addressing the gap with volunteer based community transport programs. 2.9% of Buloke residents travelled to work by public transport, walking or cycling compared with 14.3% across Victoria.

CLIMATE CHANGE

Buloke's agricultural sector is continually adapting to the changing climate in the Southern Mallee. Climate change impacts significantly on the agricultural sector, potentially changing the mix of agricultural enterprises in the region. There is a need for a broader community response to maintain economic viability. Rainfall has been below average across much of southeast Australia since 1997. Temperatures in Australia have risen by 0.9 °C since 1910.

OTHER CHANGING DEMOGRAPHICS

Anecdotal evidence suggests a shift in the demographic landscape in Buloke. Data shows that 100% of dwellings for rent in Buloke are deemed affordable to Centrelink recipients. An increase in enhanced maternal child health clients reflects some more complicated factors for guardians of small children.





RESPONDING TO THE COVID-19 PANDEMIC

As the COVID-19 situation continued to evolve Council took a proactive approach to ensure the balance of the health and safety of the community and staff alongside the provision of essential services.

Some of our services and facilities were at times closed and some services took on a different form. Council enacted each change on the back of advice from the Federal and State Governments.

Minimising disruption was a priority, second only to the health and wellbeing of the community.

Council enacted several initiatives to support the community including a COVID-19 Financial Hardship Policy in response to the uncertainty created by the pandemic.

Council's aim was to assist ratepayers through the COVID-19 event without creating additional financial stress when the pandemic has been resolved.

As part of the 2020/21 Annual Budget, Council adopted an initiative to offer local businesses impacted by COVID-19 fee assistance for registration renewals under the *Food Act 1984* and the *Public Health and Wellbeing Act 2008*.

Council also commenced employing up to 50 new staff to six-month contracts under the State Government's Working for Victoria program, giving unemployed locals and others employment at the hardest of times.

Some of these staff were deployed to a Business Support Team and a Community Wellbeing Team.

The Business Support Team became the go to for local businesses to help find the answers to the questions they had and to find government assistance they may be eligible for. The team was also central to the launch of the Buy Buloke website.

The Community Support and Recovery Team was charged with maintaining community connection through information sharing and building pathways.

THE YEAR IN REVIEW



MAYOR'S MESSAGE

MAYOR, CR CAROLYN STEWART

On behalf of Council, it gives me great pleasure to present the Annual Report 2019/20. This always represents a time to pause and reflect on achievement and what a special place Buloke is to be.

In what has been a turbulent year, Buloke can reflect on many significant achievements despite the disruption caused by COVID-19. Buloke has much to celebrate.

The Year 3 Annual Plan was again about delivery of a strong suite of projects and initiatives to build a better Buloke. Our efforts yielded impressive results, which continue to build upon the strengths of our region as we continue to implement the Council Plan 2017-2021.

A robust Annual Budget allowed Council to pursue a diverse range of priorities, bringing many positive outcomes for Buloke communities. I acknowledge the hard work of our community and the support from both the State and Federal governments for enabling us to deliver on multiple projects for the benefit of our region and communities.

The completion of the Charlton Park multipurpose project and Donald Community Precinct project stand out as amazing achievements that are intergenerational in what they will do for each of those communities.

Many great things fell out of the Drought Communities Program including the building of nine new toilet facilities across the Shire. These clean, safe facilities in our towns and at our recreational lakes will support locals and travellers alike.

We are well positioned to grow our tourism in the Shire too with two extraordinary Silo art stops in Nullawil and Sea Lake and progress on major initiatives such as the Lake Tyrrell Tourism Infrastructure Project.

The global COVID-19 pandemic has obviously brought with it a high degree of both challenge and anxiety for us all. Once again, Buloke communities stood tall and helped their most vulnerable at the most trying of times. Council has been there the whole time and our staff and volunteers have not shirked an issue to continue to deliver an amazing level of service, albeit a little differently at times.

Whilst for much of the year we couldn't celebrate together as a community, the opening of the new facility at Charlton Park and the Australia Day Eve celebration in Birchip stand out.

Council looks forward to continuing to deliver on the Council Plan over the next year with new streetscape works in our five major towns and new Early Years Centres for Charlton, Sea Lake and Wycheproof on the horizon.

Thank you to CEO Anthony Judd and to all of our staff for their hard work throughout the year. Buloke prides itself on doing a lot with a little, and to continue to deliver such great outcomes, largely during a pandemic, is something we should all be proud of.



CHIEF EXECUTIVE OFFICER'S MESSAGE

ANTHONY JUDD

What an amazing year it has been for Buloke Shire Council, one of exceptional community achievement and one of strength against adversity.

As our communities adjusted to life during a global pandemic, in such a fashion that no active cases were recorded in Buloke Shire, large parts of our workforce also took a major shift.

As the State Government directive moved that all staff that could work from home should, Council still had many essential services to deliver that meant some of our staff could not work from a home setting.

I commend our outdoor staff, Independence Support staff and other functions of Council that rolled their sleeves up and continued to do what they did best for the community.

Our Meals on Wheels volunteers, who give so much of their time to our most vulnerable, have for the time been replaced by staff and Councillors. I look forward to those volunteers being reinstated. Volunteerism is what makes Buloke what it is.

Thank you also to our staff that were able to settle into their new normal of working from home and continuing their exceptional output, and to our Information and Communication Technology staff who have supported them so wonderfully in transition.

The Year 3 Annual Plan was one of delivery, and of significant intergenerational projects. The Charlton Park and Donald Community Precinct facilities are open. They were ambitious in scope and so important to each community. They are now reality.

In the north of the Shire, the Lake Tyrrell Tourism Infrastructure Project construction commenced. This will be a key plank in our emerging tourism story.

Nullawil and Sea Lake welcomed two extraordinary stops on the Silo Art trail, whilst street art projects in Charlton and Sea Lake continue to grow.

I would like to take this opportunity to congratulate Councillors, staff, businesses, community groups, Neighbourhood Houses and the Buloke community for their extraordinary leadership, adaptability and support during the year and the COVID-19 pandemic.

The Buloke community is no stranger to adversity, from flood to drought and back again, this community is resilient, cooperative and inclusive.

Our organisation works hard to emulate our community to deliver each and every day for it.

DESCRIPTION OF OPERATIONS

Buloke Shire is a public statutory body under the *Local Government Act (the Act)*. The Act sets out the primary purposes and objectives of the Buloke Shire and defines its functions and powers.

The Buloke Shire's main administrative office is located in Wycheproof. The organisation also operates facilities, services and administrative functions from more than twenty other locations including Birchip, Charlton, Donald and Sea Lake.

Buloke Shire Council provides an extensive range of services that support and enhance the lives of our community.

COMMUNITY DEVELOPMENT

Aged and Disability Services

This service provides a range of maintenance and support services to assist frail older people and younger people with a disability to live independently at home. Council's service provides domestic assistance, personal care, respite care, home maintenance, meals services, volunteer coordination and five senior citizens centres. These services are integral to allowing many people to stay living in their homes.

Community Grants

This service provides donations, allocations and support to groups in the community that contribute to services that connect and involve the local area.

Community Support

This service develops links between and within the communities in the Shire and works with local communities and groups to access community projects recognised as priorities. It supports a range of youth services and provides a pathway for young people to have their voice heard by Council. The service also facilitates economic development throughout the Shire and provides support to local businesses and assists in the promotion of tourism.

Early Years

This service advocates for the wellbeing of children and their families and ensure it is supported through planning and service development. The service supports pre-school services in five towns, delivers maternal and child health and a supported playgroup program.

Environmental Health

This service promotes the health and well-being of the Shire's local communities through a range of Public Health Programs including immunisations, food surveillance and registration of food premises, accommodation standards and waste water management.

Environmental Planning

This service manages Council's Environmental Compliance and Sustainability Programs and Services.

Library Services

This Council delivered service provides library services to the townships of Berrillillock, Birchip, Charlton, Culgoa, Donald, Nullawil, Sea Lake, Watchem and Wycheproof.

Municipal Emergency Management

This service develops, coordinates and delivers Council's Municipal Emergency Management Plan and coordination of the Municipal Operation Coordination Centre and associated software.

CORPORATE SERVICES

Finance

This service encompasses all areas of financial reporting, rates, debtors and creditors for Council.

Governance

This service provides for Councillors and the organisation's overall governance services. This includes records management services as well as corporate risk management and insurance programs.

Information Technology

This service is to provide the organisation with Information and Telecommunication Services.

Human Resources

This service provides the organisation with recruitment, training, organisational development, and occupational health and safety.

EXECUTIVE OFFICE

Customer Service

This service provides for both internal and external customers by resolving the majority of customer enquiries, requests and payments at the first point of contact.

Executive Administrative Support

This service provides administrative support to Councillors and Executive Leadership and is responsible for the distribution of Council agendas.

Media and Communications

This service is responsible for the management and provision of advice on external communication, in consultation with relevant stakeholders on behalf of Council. The service is responsible for outgoing media releases, social media and advertising.



WORKS AND TECHNICAL SERVICES

Assets and Project Management

This service is to provide for the management, design and administration of Council's assets and Infrastructure services, including planning management of the Capital Works Program.

Property Maintenance

This service is to provide property maintenance services to a range of Council's building-based assets, focusing on the upkeep and renewal of buildings. This area maintains in excess of 250 buildings across the shire and aims to keep them maintained in a fit for purpose state.

Recreation

This service provides recreational facilities and support to community-run recreation reserves in ten towns across the Shire, as well as governance support to community recreation clubs and committees.

Recreational Lakes

This service provides a contribution to the management and development of the recreational lakes including Tchum, Watchem and Wooroonook Lakes. Council undertakes toilet cleaning at the lakes outside the summer peak period.

Road Services

This service is to provide road maintenance for the 1100km of sealed, 650km gravel and 3800km of earth roads across the Shire.

Saleyards

This service provides for the management and administration of Council's Saleyards Precinct at Wycheproof for external Livestock Agents to sell livestock.

Statutory Compliance

This service provides statutory planning, building services and compliance and local laws services. This department also includes areas such as fire hazards, dog and cat registration and control and stock control.

Swimming Pools

This service manages and operates seven seasonal swimming pools, from the third week in November to the third week in March annually.

Urban Areas

This service manages and coordinates Council's parks, gardens and urban infrastructure providing routine, preventative and ongoing maintenance and improvements.

Waste and Environment

Waste and Environment Services is responsible for the maintenance and improvement of Council's landfill and transfer stations as well as providing a Residential Kerbside Garbage and Recycling Service in all towns within the Shire.



ECONOMIC FACTORS

The large area and dispersed population increases the costs of delivering services to our communities when compared to metropolitan Councils. The average cost per unit service can be up to three times greater than supplying the same services in a metropolitan area.

Approximately 15% of our ratepayers are pensioners entitled to the pensioner rebate. Rate increases can have a significant impact on the disposable income of a significant proportion of our community. Council has a Rates and Financial Hardship Policy in place to assist people who are facing financial hardship in paying their rates. During periods of adverse weather conditions, such as floods or drought, there is an impact on Council's rural ratepayers' ability to pay rates and the Financial Hardship Policy offers opportunities to discuss payment arrangements.

Council's infrastructure, particularly roads and buildings continue to age and deteriorate, and with changes to population and demographics it is critical that all assets are assessed for their affordability and usefulness to the community into the future.

Buloke's economy is dominated by agriculture, mainly dry land cropping and livestock. This generates around 27% of economic output, 56% of exports from the Shire and employs 29% of all workers.

The top five industries in order of employment numbers in the Shire are agriculture, health care and social assistance, education and training, retail and construction.

Buloke is embracing emerging economic development and tourism opportunities within the Shire and we work toward these thriving now and into the future.

MAJOR ECONOMIC DEVELOPMENT AND TOURISM STRENGTHS

- Land and environment suited to broadacre cropping, coupled with over 150 years of inter-generational expertise in growing grains.
- Industry driven capabilities in innovation and research and development in broadacre farming.
- Land and environment suited to extensive livestock and intensive livestock production. Extensive sheep grazing has a long history in the Shire, with Wycheproof recognised as the largest store sheep-selling centre in regional Victoria. Intensive pig production and cattle lot feeding are well established in the Shire, and there has been recent growth in intensive poultry growing (for both meat and table eggs).

- Assets that attract visitors, including Victoria's largest salt lake (Lake Tyrrell), two acclaimed silo art trail sites in Nullawil and Sea Lake, heritage sites, historic buildings, collections and recreational lakes (Lakes Watchem, Tchum, Wooroonook, Buloke and Green Lake).
- Regular annual events such as the Mallee Root RoundUp, Charlton Film Festival and regular race meetings and sporting events, and emerging events such as Cuisine in the Crop and the Esoteric Dance Festival.

Just as the overall Shire economy is highly dependent on broadacre farming, so are the Shire's towns, where a majority of businesses contribute to agribusiness supply chains and provide services to farming communities.

Agricultural activity is dominated by cereals, pulses, oilseeds and sheep for meat and wool. This agricultural focus has been responsible for the many distinctive features in the towns, strong resilience and connected communities, but it has also led to decades long population decline as farms have become bigger and more automated, and the financial returns from agricultural commodities have declined in an increasingly competitive global environment.

The total resident population of Buloke Shire was estimated to be 6,124 in 2019. This continues a decline of around 1% over each year of the last decade.

*Source: Australian Bureau of Statistics, Regional Population Growth, Australia, 2018-19.



GRANTS RECEIVED FROM EXTERNAL SOURCES

Grant funds received and received in advance from external sources 2019/2020

Funding Source	Project Summary	Amount
Department Economic Development, Jobs, Transport and Resources	Fruit Fly Cleanout Project 2nd Instalment	106.27
Department Economic Development, Jobs, Transport and Resources	Roads to Market-Yeungroon Road Upgrade	68,000.00
Department Economic Development, Jobs, Transport and Resources	Roads to Market-Birchip Corack Road	59,000.00
Department Environment, Land, Water and Planning	Lake Tyrrell Conservation Management Plan	242,500.00
Department Environment, Land, Water and Planning	Living Libraries Infrastructure Program	240,000.00
Department Environment, Land, Water and Planning	Municipal Emergency Resourcing	60,000.00
Department Environment, Land, Water and Planning	Recycling Rebate for Councils Program	19,368.00
Department Environment, Land, Water and Planning	Victorian Grants Commission - Financial Assistance Grants	6,683,634.00
Department Environment, Land, Water and Planning	Victorian Great Outdoors - Donald Caravan Park	56,750.00
Department Environment, Land, Water and Planning	Victorian Great Outdoors - Gordon Park	13,550.00
Department Environment, Land, Water and Planning	Victorian Great Outdoors - Wooroonook Lakes	168,146.00
Department Environment, Land, Water and Planning	Victorian Great Outdoors - Wycheproof Caravan Park	125,166.00
Department Environment, Land, Water and Planning	Public Libraries Funding Program 2017-2020	116,313.00
Department Environment, Land, Water and Planning	Premiers Reading Challenge Book Fund 2016-2020	5,616.00
Department Environment, Land, Water and Planning	Roadside Weeds and Pests Program 2019-2020	75,000.00
Department Health and Human Services	CASI Community Connector Lead Organisation	33,860.00
Department Health and Human Services	Community Activation COVID-19 Support	20,000.00
Department Health and Human Services	Home and Community Care Services	150,772.63
Department Health and Human Services	Immunisation Services	5,870.88

Funding Source	Project Summary	Amount
Department Health and Human Services	Maternal Child Health	283,964.26
Department Health and Human Services	Supported Playgroups	17,835.53
Department Health and Human Services	Victorian Seniors Festival	2,200.00
Department Industry, Innovation and Science	Drought Communities Program	1,500,000.00
Department of Education and Training	Children's Week 2019	700.00
Department of Education and Training	Supported Playgroups	20,625.00
Department of Education and Training	Kindergarten Infrastructure and Service Plan	35,000.00
Department of Education and Training	Local Planning and Change Management	35,000.00
Department of Health	Commonwealth Home Support Program	738,622.49
Department of Infrastructure, Transport, Cities and Regions	Roads to Recovery	2,399,644.00
Department of Jobs, Precincts and Regions	Birchip-Corack Road Upgrade	279,000.00
Department of Jobs, Precincts and Regions	Birchip Leisure Centre Oval Redevelopment	90,000.00
Department of Jobs, Precincts and Regions	Buloke Industry, Product and Service Gap Analysis	37,500.00
Department of Jobs, Precincts and Regions	Charlton Multi-Purpose Facility Development	750,000.00
Department of Jobs, Precincts and Regions	Donald Multi-Purpose Community Facility Redevelopment	300,000.00
Department of Jobs, Precincts and Regions	Donald Netball Change Room Development	10,000.00
Department of Jobs, Precincts and Regions	Donald Recreation Reserve Stadium Redevelopment	10,000.00
Department of Jobs, Precincts and Regions	Donald Skatepark Development	13,300.00
Department of Jobs, Precincts and Regions	Lake Tyrrell Tourism Infrastructure Project	200,000.00
Department of Jobs, Precincts and Regions	Sea Lake Community Capacity Building Program	10,000.00
Department of Jobs, Precincts and Regions	Working for Victoria	916,162.00
Department of Justice	December 2018 Flood Event	213,012.11
Department of Transport	Better Boating Program	12,000.00
Department of Transport	Glenloth Blackspot	302,747.00
Department of Transport	Heavy Vehicle Safety and Productivity	200,000.00
Department of Transport	School Bus Sign Ahead Project	1,687.00
Department of Transport	School Crossing Supervisor Subsidy	12,348.00
Department Premier and Cabinet	Anzac Centenary Community Grant	1,000.00
Department Treasury and Finance	December 2018 Flood Event	190,475.00
Emergency Management Victoria	Flood and Drainage Management Plan	181,500.00
Emergency Management Victoria	Charlton Flood Mitigation Levee Design Stage 2	25,800.00
Mallee Catchment Management Authority	Biodiversity Response Planning - Tyrrell Project	10,000.00
Mallee Catchment Management Authority	Lake Tyrrell Tourism Infrastructure Project	108,488.18
Mallee Catchment Management Authority	Mallee Threatened Ecological Project	30,000.00
Municipal Association of Victoria	Tobacco Activity	13,703.60
Sustainability Victoria	E-Waste Infrastructure	175,474.90
Swan Hill Rural City Council - Regional Growth Fund	Our Region Our Rivers	851,744.00
VicHealth	This Girl Can Project	14,300.00
VicRoads	Fixing Country Roads	1,272,000.00
		19,410,985.85

OUR COUNCIL

COUNCIL PROFILE

The Buloke Shire Council is a public statutory body incorporated under the *Local Government Act (the Act)*. The Act sets out the primary purposes and objectives of the Council and defines its functions and powers.

The Council consists of a Mayor, Deputy Mayor and five Councillors.

The current Buloke Shire Council was elected on the 29 October 2016 and will retire in October 2020.

The Council's role is to:

- (a) to act as a representative government by taking into account the diverse needs of the local community in decision making;
- (b) to provide leadership by establishing strategic objectives and monitoring their achievement;
- (c) to maintain the viability of the Council by ensuring that resources are managed in a responsible and accountable manner;
- (d) to advocate for the interests of the local community to other communities and governments;
- (e) to act as a responsible partner in government by taking into account the needs of other communities;
- (f) to foster community cohesion and encouraging active participation in civic life.

COUNCIL OFFICES

Wycheproof District Office is open to the public for face-to-face customer service Monday to Friday 8.30am to 5.00pm at 367 Broadway, Wycheproof.

All services can be accessed by calling 1300 520 520.

Council's Customer Service Charter is available on Council's website.



Postal Address: PO BOX 1,
Wycheproof Victoria 3527



Fax: (03) 5493 7395



Email: buloke@buloke.vic.gov.au



Website: www.buloke.vic.gov.au



You can also connect with Council on social media via Facebook, Twitter and LinkedIn accounts.

COUNCILLORS

Lower Avoca Ward



**CR DAVID
POLLARD**
(DEPUTY MAYOR)

MOBILE: 0458 918 638
E: crpollard@buloke.vic.gov.au

Cr Pollard is currently serving a third term as Councillor. David has a long history of volunteerism including with the CFA and Ambulance Victoria. He farms land between Charlton and Wycheproof and also enjoys a love of the arts. David has served three terms as Mayor from November 2011, 2016 and 2017.



**CR BRONWYN
SIMPSON**

MOBILE: 0436 914 253
E: crsimpson@buloke.vic.gov.au

Cr Simpson is a first term Councillor, elected in September 2019 after the resignation of Cr John Shaw. Born and raised in rural Victoria, Bronwyn had a sense of community and volunteerism instilled in her from a young age. Bronwyn and her husband Stephen live in the Yeungroon area and she juggles her passions of crafts and cooking with part time employment in Birchip.

Mallee Ward



**CR DAVID
VIS**

MOBILE: 0488 032 723
E: crvis@buloke.vic.gov.au

A first term Councillor, Cr Vis has lived in Sea Lake for 12 years. He is passionate about the area and works hard to grow Buloke communities whilst focusing on business and tourism growth. He has been a member of Advance Sea Lake and is passionate about ensuring his community is heard.



CR ELLEN WHITE

MOBILE: 0417 560 706

E: crwhite@buloke.vic.gov.au

Cr White is currently serving her third term on Council. Ellen is a farmer from Towaninnie and always strives for improvement for Buloke. She is passionate about mitigating for climate change as well as social justice and inclusion.

Mount Jeffcott Ward



CR GRAEME MILNE

MOBILE: 0419 126 911

E: crmilne@buloke.vic.gov.au

Cr Milne is serving his second term as Councillor. An active community member living and working in Watchem, Graeme is passionate about growing our towns and areas - both big and small - by working together.



CR CAROLYN STEWART (MAYOR)

MOBILE: 0488 032 063

E: crstewart@buloke.vic.gov.au

Cr Stewart is undertaking her first term as Councillor. A Buloke resident for over 18 years and living in Buckrabanyule, Carolyn is balancing ownership of a cropping and grazing property with both parenthood and her teaching job. She is also a qualified accountant who is keen to see our economy strengthen to provide opportunities for the community including youth. Carolyn was elected Mayor in November 2018 and again in November 2019.



CR DARYL WARREN

MOBILE: 0427 194 422

E: crwarren@buloke.vic.gov.au

Cr Warren is a first term Councillor. Daryl has worked in Local Government and is a highly active community member in Buloke. Living in Donald, he has been a key driver for many local projects and initiatives and has a strong focus on financial sustainability.

COUNCIL DELEGATES LIST

Adopted 13 November 2019.

Organisation	Representative(s)
Audit Committee	Mayor (or Deputy Mayor)
Australian Livestock Saleyards Association Inc.	Cr Pollard
Buloke and Northern Grampians Landcare Network	Cr White
Calder Highway Improvement Committee	Cr Pollard
Central Murray Regional Transport Forum	Cr White
Central Victorian Greenhouse Alliance	Cr Pollard
Charlton Community Theatre Pty Ltd Board	Cr Warren
Charlton Park Committee of Management	Cr Stewart
Charlton Stadium Committee	Cr Pollard
CFA – Municipal Fire Management Planning Committee	Crs Milne, Simpson and White
Donald 2000 Inc.	Cr Warren
Economic Development and Tourism Committee	Crs Milne, Stewart and Vis
Loddon Mallee Waste and Resource Recovery Group	Cr Warren
Library Advisory Committee	Crs Milne, Simpson and White
Municipal Association of Victoria	Mayor (or Deputy Mayor)
Municipal Emergency Management Planning Committee	Crs Pollard and White
Municipal Flood Management Committee	Crs Pollard and Warren
North Central Local Learning Employment Network	Cr Simpson
North West Municipalities Association	Cr Warren
Rail Freight Alliance	Cr Milne, Cr Vis as deputy
Recreational Water Users Alliance	Cr Stewart
Rural Councils Victoria	Cr Pollard
Sunraysia Highway Improvement Committee	Cr Milne
Watchem Progress Association	Cr Milne
Wimmera Mallee Tourism Association	Cr Warren, Cr Vis as deputy
Wimmera Southern Mallee Transport Group	Cr Warren
Workspace Australia	Cr Warren
Wycheproof Recreation Reserve Committee of Management	Cr Pollard

MEETINGS OF COUNCIL

During 2019/20 Buloke Shire Council held four different types of meetings:

- Ordinary Meetings
- Statutory Meeting
- Councillor Briefings (Assemblies of Council)
- Special Meetings

Meetings were held at Council's district offices throughout the Shire on a rotating basis as well as virtually during the COVID-19 pandemic, and were conducted in accordance with the both the *Local Government Act 1989* and the *Local Government Act 2020*.

Virtually-held Ordinary Meetings of Council were streamed live via Council's website.

At each Ordinary Meeting, there is a Public Question Time segment, which is designed to provide an opportunity for members of the public to ask questions on municipal issues and receive responses from Councillors and Council Officers.

Agendas and minutes for all meetings are available online at Council's website and in hard copy from Council's Wycheproof office.

During the COVID-19 pandemic, Council offered to mail requested documents to those seeking access to them.

Councillor Attendance 2019/20

	Ordinary Meetings	Statutory Meetings	Special Meetings	Assemblies of Council	Total Attended
Number of Meetings held	11	1	3	23	38
Cr Carolyn Stewart (Mayor)	11	1	3	23	38
Cr David Pollard (Deputy Mayor)	11	1	1	20	33
Cr Graeme Milne	11	1	3	23	38
Cr Ellen White	10	1	3	23	37
Cr John Shaw	0	0	0	0	0
Cr Bronwyn Simpson	7	1	3	17	28
Cr David Vis	7	1	3	18	29
Cr Daryl Warren	11	1	3	21	36

Note:

Cr White was on approved leave of absence from 21 December 2019 until 15 January 2020. No meetings or assemblies were held in this time.

Cr David Vis was on approved leave of absence from 12 February 2020 until 30 June 2020. This period included five Ordinary Meetings, one Special Meeting and ten Assemblies of Council.

Cr Shaw was on approved leave of absence when the reporting period started until 14 August 2019, at which point Cr Shaw resigned. This period included two Ordinary Meetings and three Assemblies of Council.

Cr Simpson was sworn in at a ceremony on 23 September 2019 after Cr Shaw's resignation created a vacancy in the Lower Avoca Ward.

COUNCILLOR ALLOWANCES

The *Local Government Act 1989* regulates the allowances payable to mayors and councillors in Victoria. The Act provides for the minimum and maximum allowances payable as set by an Order in Council from time to time. Each council must, within the allowances range, determine the allowances it will pay to its mayor and its councillors, having regard to the local situations and priorities. Buloke Shire's Mayor and Councillors are paid an allowance in accordance with Section 73B of the Act which provides for an annual adjustment factor to be paid to these allowances.

The Mayor has use of a Council-funded mobile phone, a fully maintained vehicle for use on Council business and an iPad with intranet and internet access.

The Councillors also have the use of a Council-funded mobile phone, access to a fully maintained vehicle for use on Council business and an iPad with intranet and internet access.

In addition, all Councillors receive 9.5% in superannuation from Buloke Shire.

The following table contains details of current allowances for the Mayor and Councillors during the year.

Councillor Allowances

Councillor	Allowances	Remote Travel Allowance	Superannuation	Total
Cr Pollard	19,156.77	0	1,819.89	20,976.66
Cr White	19,156.77	0	1,819.89	20,976.66
Cr Milne	19,156.77	0	1,819.89	20,976.66
Cr Simpson	16,169.78	40	1,536.13	17,705.91
Cr Stewart	60,650.45	0	5,761.79	66,412.24
Cr Warren	19,156.77	2,520	1,819.89	20,976.66
Cr Vis	19,156.77	80	1,819.89	20,976.66
Cr Shaw	0	0	0	0
Total	172,604.08	2,640	16,397.37	189,001.45

Note: A remote travel allowance will continue to provide compensation for the time spent on long distances travelled by Councillors in remote areas. This allowance provides for a maximum limit of \$5,000 per annum (at a daily rate of \$40) or as may be amended from time to time by Order in Council.

COUNCILLOR EXPENSES

Councillors are entitled to claim out of pocket expenses incurred while performing their civic, statutory and policy making duties as a Councillor. Expenses that can be claimed are outlined in the Councillor Expense Policy and include expenses such as professional development, conferences and travel.

Councillor Expenditure 1 July 2019– 30 June 2020

Councillor	Travel and Accommodation	Vehicle	Childcare	Information and Communication Technology	Conferences and training	Total
Cr Pollard	1209.68	340			1190	2739.68
Cr White					220	220
Cr Milne	800.77	3487.04			2845.84	7133.65
Cr Stewart	795				940.01	1735.01
Cr Warren		2520				2520
Cr Simpson	297.04			1,570.92	250	2117.96
Cr Vis	395.36	978.3			125	1498.66
Cr Shaw						
Total	3497.85	7325.34		1,570.92	5570.85	17964.96

It is also worth noting the difficulties for some Councillors in accessing vehicles to perform their duties due to the disadvantage of their geographic residential situations in relation to the garaging of available vehicles at Council Offices.

Special Committees

Council has established three Special Committees under Section 86 of the Act for the purpose of managing Council facilities efficiently, in compliance with legislative requirements and consistent with the community's expectations. The three committees are:

- Charlton Park Committee of Management
- Wycheproof Recreation Reserve Committee of Management
- Birchip Community Housing Committee

Agendas and minutes from meetings held by Special Committees are available for public inspection online or in person at Council's Wycheproof office.

There have also been committees formed by Council resolution that met throughout the year. These committees were:

- Audit Committee
- Library Advisory Committee
- Economic Development and Tourism Advisory Committee
- Rating and Revenue Strategy Reference Group

PRESCRIBED DOCUMENTS AVAILABLE FOR PUBLIC INSPECTION

Council maintains a range of documents and registers for public inspection in accordance with the Act and the *Local Government (General) Regulations 2015*.

The following documents are available for inspection at Council's Wycheproof Office, 367 Broadway, Wycheproof. To arrange an inspection please contact the Director Corporate Services on 1300 520 520. Many of the documents are available to view on-line or by download from the Council website.

- 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 Councillor or any member of Council staff in the previous 12 months.
- Register of Interests – Returns lodged by Councillors and Council Officers.
- Register of Inspections of Interests.
- Minutes of Ordinary and Special Meetings held in the previous twelve months which are kept under section 93 of the Act and in accordance with part 26 of the Buloke Shire Council Governance Rules, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act, or as defined in section 3(1) of the Local Government Act 2020.
- Minutes of meetings of special committees established under section 86 of the Act and held in the previous twelve 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 or s395 of the *Local Government Act 2020* and are confidential information within the meaning of section 77(2) of the Act, or as defined in section 3(1) of the *Local Government Act 2020*.
- A register of delegations kept under Section 11 and section 47 of the *Local Government Act 2020*.
- A list of all leases involving land which were entered into by Council.
- A register of authorised officers appointed under section 244 of the Act.
- A list of donations and grants made by the Council during the financial year.
- Names of the organisations of which the Council was a member during the financial year.
- Council's policy in relation to the reimbursement of expenses for Councillors and Council Committees.
- Details of gifts received by Councillors and Council Staff.
- Councillor Code of Conduct.
- Council Governance Rules.
- Council Transparency Policy.
- Council Local Laws.
- Current Council Plan.
- Current Strategic Resource Plan.
- Current Annual Budget.
- Annual Report and the associated Auditor's Report on the Financial Statements.
- Details regarding differential rates declared by Council.
- Copy of the current Procurement Policy.
- Copies of the Preliminary and Final reports from the last Electoral Representation Review.
- Copies of election campaign donation returns for the Council Election.
- Copy of Buloke Planning Scheme.
- A register of Councillor Declared Conflicts of Interest.
- Terms of reference for Buloke Shire Council's Economic and Tourism Advisory Committee.
- Terms of reference for Buloke Shire Council's Library Committee.

OUR PEOPLE

Buloke Shire is a vibrant workplace that offers a range of employment opportunities. An employer of choice, Council staff operate under an agreed set of values outlining standards in professionalism, leadership, care, collaboration and fairness.

Council is an equal opportunity employer. Our roles are non-gender specific and Council encourages all suitably qualified applicants to apply for positions.

BULOKE SHAPING OUR FUTURE TOGETHER.

ORGANISATIONAL STRUCTURE

Buloke Shire Council Senior Leadership Team comprises the Chief Executive Officer and four senior staff (three Directors and one Manager) reporting directly to the position.



**ANTHONY
JUDD**

Chief Executive
Officer



**ROSE
HARRIS**

Director
Community
Development

- Community Development
- Emergency Management
- Environmental Compliance
- Immunisation
- Independence Support
- Libraries
- Maternal and Child Health
- Public Health
- Youth



**HANNAH
YU**

Director
Corporate
Services

- Finance
- Governance
- Human Resources
- Information Communication Technology
- Insurance
- Occupational Health and Safety
- Payroll
- Records Management
- Revenue
- Risk Management



**WAYNE
O'TOOLE**

Director Works
and Technical
Services

- Asset Planning and Delivery
- Building and Surveying
- Community Facilities
- Local Laws
- Recreational Facilities
- Tourism
- Road Services
- School Crossings
- Town Planning
- Urban and Parks
- Waste and Environment
- Economic Development



**TRAVIS
FITZGIBBON**

Manager
Customer
Engagement

- Councillor and Executive Support
- Customer Service
- Media and Communications
- Working for Victoria Program

ORGANISATIONAL CHART





EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

Buloke Shire Council is committed to excellent working relationships and refuses to tolerate workplace harassment or any form of discrimination or offensive behaviour.

Council recognises the value of staff and will select or promote individuals for employment, training and career advancement on the basis of personal merit in fair and open competition according to skills, qualifications, knowledge and efficiency relevant to the position involved.

All staff are required to treat colleagues and members of the public with courtesy and sensitivity to their rights, duties and aspirations.

Council's Manager Human Resources is the Equal Opportunity contact who is able to assist with resolving problems to create workplace harmony, positive morale and a productive environment for all.

EMPLOYEE STATISTICS

The reported employee statistics are a head count of staff and not a full-time equivalent (FTE). Council employs staff under many different arrangements as part of its workforce. Council's FTE at 30 June 2020 is 123.6 or 110.2 excluding temporary employees.

Department	Casual	Part Time	Full Time	Total
Executive Office	1	4	3	8
Corporate Services	10	6	13	29
Works and Technical Services	1	13	68	82
Community Development	6	28	11	45
Totals	18	51	95	164

Workplace Incidents			
2016-2017	2017-2018	2018-2019	2019-2020
48	57	84	44

Employee Statistics 2019-2020			
	Male	Female	Total
Permanent Full Time	58	21	79
Temporary Full Time	9	7	16
Permanent Part Time	12	39	51
Temporary Part Time	0	0	0
Casual	7	11	18
Totals	86	78	164

Note: Includes 6 males and 6 females employed under the W4V program

Service Milestones Achieved During 2018-2019	
5 Years	3
10 Years	2
15 Years	7
20 Years	1
25 Years	1
35 Years	1



OUR PERFORMANCE

COUNCIL PLAN

The Annual Report provides a summary of the achievements against the Buloke Shire Council Plan 2017–2021.

Central to the Council Plan 2017-2021 are five strategic objectives:

- Deliver our services in a financially viable way.
- Build a healthy and active community.
- Diversify and enhance our local economy.
- Responding to and enhancing our built and natural environment.
- Support our Councillors, staff, volunteers and the community to make informed and transparent decisions.

The Council Plan 2017-2021 also incorporates the Strategic Resources Plan and the Municipal Health and Wellbeing Plan.

The Strategic Resource Plan establishes a financial framework over the next four years to ensure our strategic objectives, as expressed in the Council Plan, are achieved.

The Municipal Health and Wellbeing Plan outlines how we will work in partnership with our community, local service providers and other levels of government to improve the health and wellbeing of the whole community.

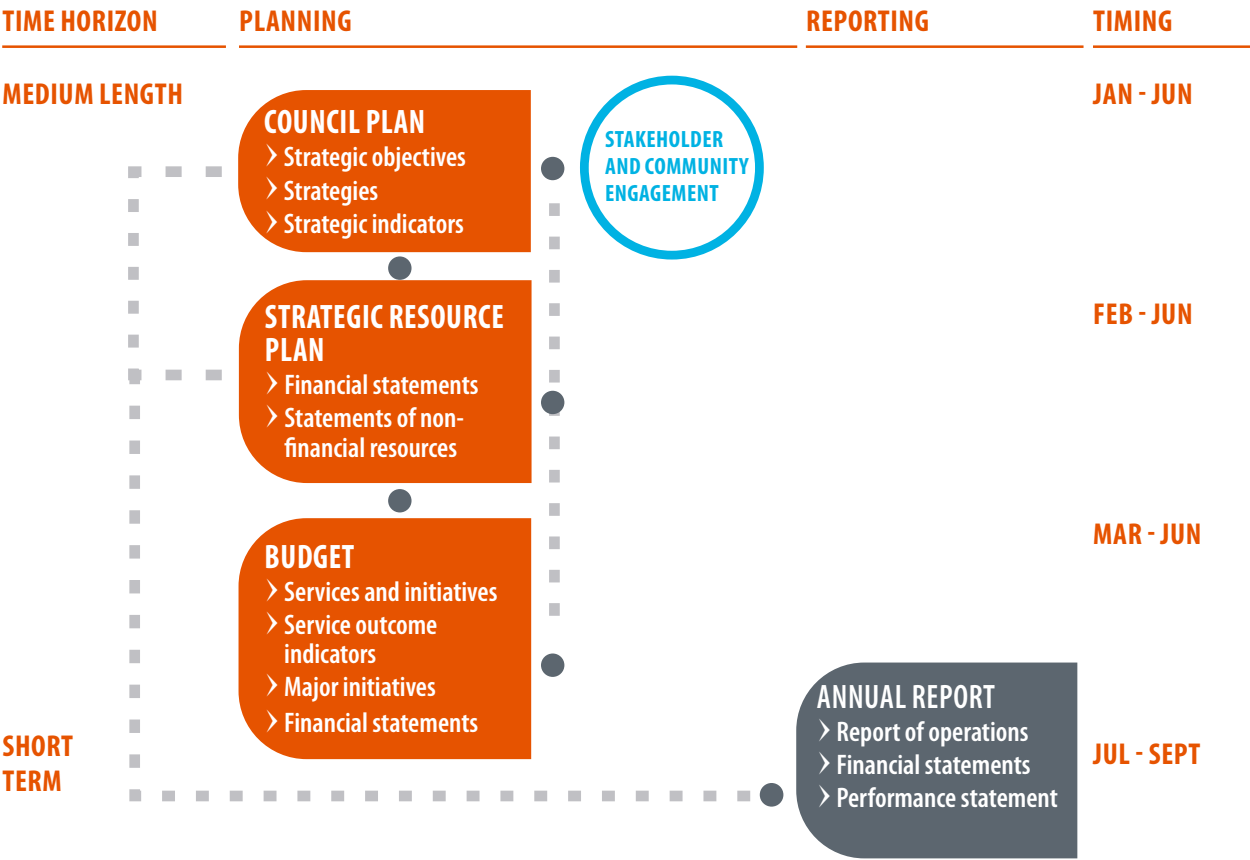
PERFORMANCE AGAINST THE STRATEGIC OBJECTIVES IN THE COUNCIL PLAN

Council's performance for the 2019/20 year has been reported against each strategic objective to demonstrate how Council performed in achieving the 2017–2021 Council Plan. Performance has been measured as follows:

- Results achieved in relation to 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.

The diagram below depicts the planning and accountability framework that applies to local government in Victoria.

The diagram below depicts the planning and accountability framework that applies to local government in Victoria.



Source: Department of Environment, Land, Water and Planning

STRATEGIC OBJECTIVE 1

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DELIVER OUR SERVICES IN A FINANCIALLY VIABLE WAY

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

1.1 IMPROVE OUR FINANCIAL PLANNING AND REPORTING

ACTIONS

- Develop a ten year financial plan to ensure long term responsible financial management.
- Provide clear and concise financial reporting on a monthly basis at Ordinary Council Meetings to monitor and respond to financial risks.
- Maintain accurate property valuation records, including supplementary valuations.

1.2 CONTINUOUS SERVICE IMPROVEMENT FOR EFFICIENT AND FLEXIBLE SERVICES

ACTIONS

- Undertake an annual program of service reviews to ensure each service is reviewed at least every three years.
- Continue to report on the Local Government Performance Reporting Framework.
- Investigate opportunities for further shared services and resources with neighbouring Councils to leverage economies of scale and scope.

1.3 ENHANCE OUR INFORMATION COMMUNICATION AND TECHNOLOGY TO IMPROVE PRODUCTIVITY, SERVICE DELIVERY AND COMMUNICATION WITH THE COMMUNITY

ACTIONS

- Invest in the priorities of the Information and Communication Technology Strategy to improve productivity and online service delivery.
- Increase our online communication presence through the website and social media.

1.4 ADVOCATE FOR IMPROVED FINANCIAL OUTCOMES FOR RURAL COMMUNITIES

ACTIONS

- Support the Rural Living Campaign to ensure equitable access to services provided by all levels of government.
- Work with state and federal governments and industry bodies to highlight the effects of shifting costs on to local government.

STRATEGIC INDICATORS

- Implementation of the 2019 Revenue and Rating strategy to ensure equitable outcomes for our ratepayers.
- Investigate further shared service with other councils and governance bodies.
- Redevelopment of asset management plans and ten year capital works plan.

MAJOR INITIATIVES

1. Investigate further shared service with other Councils and governance bodies.

Result: \$5 million of funding secured in partnership with five other Councils under the Rural Councils Transformation Program.

2. Continue to actively review a ten year financial plan to improve the long term financial management of the organisation.

Result: Council continues to actively review a ten year financial plan to improve the long term financial management of the organisation.

STRATEGIC OBJECTIVE 2

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BUILD A HEALTHY AND ACTIVE COMMUNITY

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

2.1 SEEK EFFECTIVE PLACE BASED HEALTH SERVICES AND INITIATIVES FOCUSED ON PREVENTION BASED MEASURES

ACTIONS

- Advocate with our partners for appropriate health funding models that suit our community and location.
- Partner with local groups to advance primary prevention measures within the community.
- Undertake an audit of all current health related services delivering within Buloke to determine levels of service and delivery with our relevant partners.

2.2 ADVOCATE FOR ACCESSIBLE PUBLIC AND COMMUNITY TRANSPORT FOR ALL BULOKE RESIDENTS

ACTIONS

- Expedite public and community transport access through involvement with the Mallee Local Area Transport Forum.
- Support local community initiated transport options including facilitating knowledge between communities.
- Work with Public Transport Victoria to ensure rural communities are considered in transport planning.

2.3 PROMOTE AND ENHANCE PASSIVE AND ACTIVE RECREATION

ACTIONS

- Seek investment for multi-use recreation facilities.
- Support local community, arts and cultural events.
- Work with sport assemblies, government and local sporting groups to provide accessible programs.
- Participate in the management of the library service.

2.4 DEVELOP COMMUNITY PLANS TO ENHANCE THE LIVEABILITY OF ALL BULOKE COMMUNITIES

ACTIONS

- Deliver an integrated community planning process and develop uniform community plans for our ten communities.
- Develop an integrated community plan to guide Council's decision making on township projects.

2.5 ACTIVELY WORK TO REDUCE COMMUNITY VIOLENCE AND SUPPORT VICTIMS IN PARTNERSHIP WITH KEY AGENCIES

ACTIONS

- Assist lead agencies to pursue primary prevention funding.
- Evaluate our service reviews and grant applications to ensure equitable outcomes are being achieved.
- Contribute to implementation of the Loddon Mallee Regional Action Plan for the Primary Prevention of Violence Against Women.

2.6 DEVELOP A BULOKE INCLUSIVENESS PLAN TO ADDRESS ACCESS AND ENGAGEMENT OF ALL RESIDENTS

ACTIONS

- Work with the local Registered Aboriginal Parties to develop recognition statements and pursue collaborative enterprise.
- Promote Aged and Disability services that allow people to remain in their communities.
- Enhance service planning and delivery relationship with local health service providers through the Southern Mallee Primary Care Partnership.
- Implement an inclusiveness plan to address accessibility and engagement for all within our community.

2.7 EXPLORE LOCALISED DELIVERY OF EDUCATION TO ADDRESS SKILL GAPS AND CAPITALISE ON LOCAL EMPLOYMENT OPPORTUNITIES

ACTIONS

- Partner with Local Learning and Employment Networks to support young people in their region by improving their participation, engagement, attainment and transition outcomes.
- Promote educational opportunities with all service delivery options for all ages including local based and further afield institutions.

2.8 IMPLEMENT THE MUNICIPAL EARLY YEARS PLAN AND CHILD AND YOUTH STRATEGY TO ADDRESS THE NEEDS OF YOUNG PEOPLE IN THE SHIRE

ACTIONS

- Provide enhanced Maternal and Child Health services for families at risk.
- Provide support to local playgroups, early years committees and child care providers.
- Work with Mallee Family Care to develop a Buloke Early Years Network to assist educators, practitioners and parents to access quality early years resources.
- Work with funded partners such as the Local Learning and Employment Networks and community resource centres in the delivery of youth specific programs such as Engage! and FreeZa.

STRATEGIC INDICATORS

- Implementation of a range of initiatives coming out of the Integrated Buloke Community Plan.
- Delivery of the 'Move It' program, aimed at getting older residents more active.
- Actively advocate and involvement in the effective roll out of the NDIS in our community.
- Delivery of supported playgroups across the Shire.
- Continuation of the internally delivered library service.
- Implementation of a Buloke Inclusiveness Plan.

MAJOR INITIATIVES

1. Implement Council's Integrated Community Plan to guide Council's decision making on township projects.

Result: An Action Plan template as developed and distributed to each of our ten Community Forums. Strong progress on the implementation of the plans has been reported, with all communities having completed multiple actions.

2. Increased planning and design to support shovel-ready applications.

Result: Council has engaged external design professionals to have a range of building, landscaping and road projects to a shovel ready stage.

3. Implement the Buloke Inclusiveness Plan.

Result: Council has commenced treaty negotiations with Dja Dja Wurrung. Council awaits the next steps under the lead of Dja Dja Wurrung once they have met with all their Local Government Areas.

SERVICE PERFORMANCE INDICATORS

SERVICE/INDICATOR/MEASURE	2017	2018	2019	2020	Comments
AQUATIC FACILITIES					
Utilisation	5.9	6.4	5.1	4.9	The Buloke Shire has a relatively small population dispersed over a wide area. The number of hot days over summer show results in larger percentage variances.
Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]					
ANIMAL MANAGEMENT					
Health and safety					All animal prosecutions (2) were successful
Animal management prosecutions [Percentage of successful animal management prosecutions]	New in 2020	New in 2020	New in 2020	100%	
FOOD SAFETY					
Health and safety					Council had no critical or major non-compliance notifications about food premises.
Critical and major non-compliance outcome notifications [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	100%	100%	100%	0%	
LIBRARIES					
Participation					Since the changes to the delivery of library services by Council, the number of borrowers is showing an increasing trend back to when the service was provided by 3 different service providers pre 2018/19.
Active library members [Number of active library members / Municipal population] x100	11.3%	8.3%	7.1%	7.9%	
MATERNAL AND CHILD HEALTH (MCH)					
Participation					Council has a consistently high participation rate of children attending MCH Key Ages and Stages services up to the 36 months visit, after which the participation substantially reduces.
Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	77%	77%	78%	79.5%	
Participation in the MCH service by Aboriginal children [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	75%	67%	74%	93%	Council has a consistently high participation rate of ATSI children attending MCH services up to the 42 months visit.

STRATEGIC OBJECTIVE 3

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DIVERSIFY AND ENHANCE OUR LOCAL ECONOMY

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

3.1 STRENGTHEN AGRIBUSINESS DIVERSIFICATION

ACTIONS

- Undertake a Rural Land Use review to ensure our planning scheme reflects agricultural opportunities including rural dependent enterprises.
- Develop a promotional plan for Buloke products and services.
- Review the Economic Development Strategy to incorporate agricultural diversification that capitalises on water supply and intensive animal husbandry.

3.2 CAPITALISE ON TOURISM OPPORTUNITIES

ACTIONS

- Ensure that tourism is incorporated in to the review of the Economic Development Strategy to intensify opportunities.
- Ensure appealing tourism facilities that meet visitor needs such as rest stops and signage.

3.3 ADVOCATE AND FACILITATE IMPROVED AND EQUITABLE CONNECTIVITY TO PROMOTE LIVEABILITY

ACTIONS

- Advocate for equitable access to NBN multiplatform technology for all areas of the Shire.
- Advocate through iLoddon Mallee for blackspot funding.

3.4 ENCOURAGE AND PROMOTE RENEWABLE ENERGY OPTIONS AS A DRIVER OF ECONOMIC GROWTH AND A SUSTAINABLE ENVIRONMENT

ACTIONS

- Actively participate to improve on our partnership with Central Victoria Greenhouse Alliance.
- Review our Municipal Strategic Statement to ensure our land use strategies attract renewable opportunities.
- Promote our new sustainability fund to communities.

3.5 SEEK FUNDING FOR REGIONAL SUPPLY CHAIN STRATEGIES (ROAD AND RAIL) TO SECURE VIABLE MARKET ACCESS FOR BULOKE PRODUCTS

ACTIONS

- Seek funding to upgrade key freight routes and reduce first/last mile blockages.
- Provide business with information on and access to business support services including navigating export markets.
- As part of the Rail Freight Alliance, campaign for improved rail freight and infrastructure.

3.6 PROMOTE THE LIFESTYLE AND ECONOMICS OF LIVING IN BULOKE

ACTIONS

- Attract Arts, Community and Culture specific funding.
- Maintain and enhance our relationship with Hobsons Bay City Council.
- Provide local small business with information on and access to business support services.
- Explore opportunities to attract people in to our communities.

3.7 ENHANCE COMMUNITY COHESION AND ATTRACTIVENESS WITH WELL-MAINTAINED FUNCTIONAL STREETSCAPES

ACTIONS

- Support community celebrations of important national events and days in public places.
- Actively seek funding to develop Streetscape Plans for each of the townships.

STRATEGIC INDICATORS

- Implementation of an Economic Development Strategy and Tourism Strategy.
- Development of an Investment Gap Analysis and Prospectus.
- Establishment of community and silo art projects.

MAJOR INITIATIVES

- 1. Actively promote our sustainability fund to communities.

Result: Council continues to promote its sustainability fund through traditional and social media channels and reports on awarded grants.

- Continue to implement the Economic Development Strategy and Tourism Strategy.

Result: Council noted solid progress against the Economic Development Strategy and Tourism Strategy at its June Ordinary Meeting. The strategy is a four year plan with a range of significant funding being secured across the reporting period including \$4 million for streetscapes upgrades in Buloke's five major towns.

OTHER INITIATIVES

- 3. Complete the transition to electronic tagging in Council saleyard operations.

Result: The transition to electronic tagging at Council's Wycheproof Saleyard facility is complete.

- 4. Work with the state government to develop tourism facilities and enhance visitor experience at Lake Tyrrell.

Result: The Lake Tyrrell Tourism Infrastructure project was nearing completion at the time of reporting. A tourist information centre was also being developed at the time of reporting.

SERVICE PERFORMANCE INDICATORS

SERVICE/INDICATOR/MEASURE	2017	2018	2019	2020	Comments
STATUTORY PLANNING					
Decision Making					
Council planning decisions upheld at VCAT	0%	0%	0%	100%	Council had 1 planning decision challenged in VCAT. The decision was upheld.
[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100					

STRATEGIC OBJECTIVE 4



RESPONDING TO AND ENHANCING OUR BUILT AND NATURAL ENVIRONMENT

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

4.1 REDUCE THE ASSET RENEWAL GAP

ACTIONS

- Develop and implement a ten year capital works plan.
- Prioritise Council's investment into asset renewal projects.
- Continue the review of Council's asset inventory to identify surplus assets.

4.2 PARTNER WITH COMMUNITIES TO DEVELOP FIT FOR PURPOSE MULTI-USE HUBS

ACTIONS

- Construct key multi-use projects such as the Charlton Park 2020 project and the Donald Community Precinct upgrade.
- Proactively engage with community groups to establish plans for consolidation of ageing or excess building assets as part of a broader community planning exercise.

4.3 BUILD COMMUNITY PREPAREDNESS AND RESILIENCE TO THE EFFECTS OF EXTREME WEATHER EVENTS

ACTIONS

- Conduct a review of Council's suite of emergency management plans.
- Partner with key agencies such as Victorian SES and CFA to improve community education to prepare for natural disasters.

4.4 ENHANCE THE STRATEGIC DELIVERY OF COUNCIL ASSETS

ACTIONS

- Undertake a review of existing asset management plans.
- Implement an Asset Management software system to improve infrastructure planning and delivery.
- Participate in regional transport and road groups to improve network planning across the region.
- Develop a major projects advocacy document to present to potential funding partners including a strategic masterplan for the main park in each township.

4.5 ENSURE THE ONGOING PRACTICAL MANAGEMENT AND PROTECTION OF THE SHIRE'S NATIVE VEGETATION

ACTIONS

- Review the Roadside Vegetation Management Plan to better balance community needs with statutory requirements.
- Enhance the promotion of Council's natural environment and assets through regional tourism boards to be a key driver for tourism development.

4.6 SUPPORT COMMUNITIES' ACCESS TO RECREATIONAL WATER BY ENHANCING OUR AQUATIC FEATURES

ACTIONS

- Continue to implement the Buloke Aquatic Strategy and invest in key projects such as the Wycheproof Swimming Pool Change Facility Upgrade.
- Lobby state and federal government to complete water security works at Green Lake.
- Work with state government to rejuvenate the amenity blocks and tourism facilities at Council's recreational lakes.
- Review options for opportunities for increased pool access.

4.7 BECOME A CHAMPION OF ENVIRONMENTAL SUSTAINABILITY THROUGH DESIGN AND PRACTISE

ACTIONS

- In partnership with the Central Victorian Greenhouse Alliance, retrofit key community facilities with environmentally sustainable design features.
- Benchmark sustainability performance against other municipalities and develop a plan to reduce Council's carbon footprint.

4.8 IMPROVE WASTE MANAGEMENT PRACTICES AND REDUCE WASTE TO LANDFILL FOR IMPROVED ENVIRONMENTAL OUTCOMES

ACTIONS

- Implement restoration program for Council utilised gravel pits and former landfill sites.
- Work with Loddon Mallee Waste and Resource Recovery Group to implement best practice.
- Explore and promote resource recovery opportunities throughout the Shire.
- Review bin provision in key public spaces in conjunction with other state authorities where relevant such as main street areas, recreation reserves, roadside stops and parklands to improve resource recovery and deter littering.

STRATEGIC INDICATORS

- E-waste storage for improved waste management practices.
- Redevelop and prioritise major projects advocacy document.
- Completion of key infrastructure projects, including completion of the Charlton Park 2020 Project and Donald Community Precinct.
- Commencement of the December 2018 flood works restoration program.

MAJOR INITIATIVES

1. Continue to review and re-adopt a ten year capital works plan.

Result: Ten year capital works plan has been developed.

2. Redevelop and prioritise Major Projects Pipeline document.

Result: Advocacy Document was presented to Council in May.

OTHER INITIATIVES

3. Implementation of key infrastructure projects, including Charlton Park 2020 Project, Birchip Early Years Centre, Donald Community Multipurpose Project and streetscape master plan implementation.

Result: Facilities at Birchip, Charlton and Donald have all been completed and are operational. Funding has been realised to implement the streetscape master plan.

4. Construction of visitor amenities at Tchum, Wooroonook and Watchem Lakes to improve capacity and increase tourism to the Shire.

Result: The new visitor amenities are open and operational.

SERVICE PERFORMANCE INDICATORS

SERVICE/INDICATOR/MEASURE	2017	2018	2019	2020	Comments
ROADS					
Satisfaction					
Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	36%	39%	42%	39%	Council's Long Term Financial Plan identifies investment into road infrastructure
WASTE COLLECTION					
Waste diversion					
Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	24%	23%	25%	25%	The result is derived from the volume of recyclable waste collected from recycling bins.



STRATEGIC OBJECTIVE 5



SUPPORT OUR COUNCILLORS, STAFF, VOLUNTEERS AND THE COMMUNITY TO MAKE INFORMED AND TRANSPARENT DECISIONS

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

5.1 IMPLEMENT A ROBUST COMPLIANCE AND RISK FRAMEWORK TO ENSURE STATUTORY OBLIGATIONS ARE FULFILLED

ACTIONS

- Maintain and review the risk framework.
- Implement the internal audit plan.

5.2 ENSURE THE BULOKE ORGANISATIONAL DEVELOPMENT STRATEGY SUPPORTS OUR CULTURE

ACTIONS

- Establish and implement regular reporting against the organisational development strategy.

5.3 ENSURE OUR COUNCILLORS HAVE SUPPORT IN PERFORMING THEIR ROLES AND RESPONSIBILITIES

ACTIONS

- Develop and implement a Councillor Development program.
- Promote professional development opportunities for Councillors.

5.4 REVIEW AND MONITOR PARTNERSHIP ARRANGEMENTS TO MAXIMISE SERVICES FOR BULOKE

ACTIONS

- Secure representation on the relevant Federal, state, regional and local bodies.
- Review our partnerships to ensure that there are clear outcomes to measure our staff and Councillor investments.

5.5 INCREASE OUR COMMUNICATION AND INVOLVEMENT WITH THE COMMUNITY IN DECISION MAKING

ACTIONS

- Provide high quality customer service and manage requests effectively through a Customer Service Charter.
- Provide targeted communication aligned to requirements and expectations of residents and stakeholders such as businesses and forums.
- Improve Council's website functionality and accessibility.

5.6 RECOGNISE OUR VOLUNTEERS AND SUPPORT THEIR SIGNIFICANT CONTRIBUTIONS

ACTIONS

- Develop and implement a Volunteer Action Strategy that incorporates promotional material to encourage and retain volunteers.

STRATEGIC INDICATORS

- Effecting the Volunteer Action Plan.
- Continued implementation of the Councillor Development Program.
- Implementation of Information Communications Technology Strategy.

MAJOR INITIATIVES

- 1. Complete. All the strategy items have been completed and the Rural Council Transformation Program funding to replace Corporate System is ongoing.

Result: Complete

All the strategy items have been completed and the Rural Council Transformation Program funding to replace Corporate System is ongoing.

- 2. Implementation of the Volunteer Strategy.

Result: At the time of reporting of the 26 actions within the Volunteer Strategy 13 are complete and another 13 are either ongoing initiatives or are in progress. It is anticipated that there will be significant work done in this area during the COVID-19 recovery phase.

OTHER INITIATIVES

- 3. Ongoing implementation of a Councillor Development Program.

Result: A Councillor Development Plan has been developed and agreed upon by Councillors.

- 4. Implementation of a customer service strategy.

Result: The Action Plan devised as part of the strategy continues to be implemented and will be reported against to Council in December 2020.

SERVICE PERFORMANCE INDICATORS

SERVICE/INDICATOR/MEASURE	2017	2018	2019	2020	Comments
GOVERNANCE					
Satisfaction					
Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	49%	50%	52%	58%	Council is being more proactive, utilising social media to inform the community of decisions. The improving result in satisfaction shows the community is becoming more aware of Council decisions and opportunities to engage with Council during the decision making process.

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GOVERNANCE, MANAGEMENT AND OTHER INFORMATION

GOVERNANCE

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

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

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

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
Community Engagement Policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Community Engagement Policy and Guidelines is incorporated into the Community Engagement Strategy. Adopted 11 February 2015.
Community Engagement Guidelines (guidelines to assist staff to determine when and how to engage with the community)	Community Engagement Policy and Guidelines is incorporated into the Community Engagement Strategy. Adopted 11 February 2015.
Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Plan adopted in accordance with section 126 of the <i>Local Government Act 1989</i> on 1 July 2020
Annual Budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with section 130 of the <i>Local Government Act 1989</i> on 1 July 2020.
Asset Management Plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Asset Management Strategy was adopted on 9 December 2015. Road Management Plan was adopted on 12 December 2018.
Rating Strategy (strategy setting out the rating structure of Council to levy rates and charges)	Rating Strategy was adopted 8 May 2019.
Risk Policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation. Adopted 14 June 2017.
Fraud Policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation. Adopted 12 February 2020.
Municipal Emergency Management Plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> . Adopted 8 November 2017.
Procurement Policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the <i>Local Government Act</i> . Adopted

Governance and Management Item	Assessment
Business Continuity Plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plans in operation – reviewed in March 2020. Policy and Framework adopted 8 November 2017.
Disaster Recovery Plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation. Approved 13 May 2018. Presented to Audit Committee 5 September 2018.
Risk Management Framework (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation. Adopted 14 June 2017.
Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Committee established in accordance with section 139 of the <i>Local Government Act 1989</i> . Established 28 October 2004. Current Charter adopted 8 November 2017.
Internal Audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged on 8 March 2017.
Performance Reporting Framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Local Government Act 1989)	Current framework in operation. 1 July 2014.
Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Reported against on 10 July 2019 and 9 October 2019.
Financial reporting (quarterly statements to Council under section 138 of the Local Government Act 1989 comparing budgeted revenue and expenditure with actual revenue and expenditure)	Monthly statements presented to Council in accordance with section 138(1) of the <i>Local Government Act 1989</i> .
Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports prepared and presented. Policy and Framework in place, report format is under review.
Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Quarterly Risk Reporting is undertaken.

Governance and Management Item	Assessment
Annual Report (annual report under sections 131, 132 and 133 of the Local Government Act 1989 to the community containing a report of operations and audited financial performance statements)	Annual report considered at a meeting of Council on 9 October 2019 in accordance with section 134 of the <i>Local Government Act 1989</i> .
Councillor Code of Conduct (Code under section 76C of the <i>Local Government Act 1989</i> setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of conduct reviewed in accordance with section 76C of the <i>Local Government Act 1989</i> on 15 November 2017.
Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 11 of the <i>Local Government Act 2020</i> . Council to CEO on 10 June 2020. Delegations reviewed in accordance with section 98(6) of the <i>Local Government Act 1989</i> . Council to Staff on 12 December 2018. CEO to Staff on 14 March 2018.
Meeting Procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act. Adopted 8 May 2019.

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



Anthony Judd
Chief Executive Officer



Cr Carolyn Stewart
Mayor

STATUTORY INFORMATION

FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* ("FOI Act") establishes, as far as possible, the right of the community to access information in the Council's possession. Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in section 17 of the FOI Act 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 by email.

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

Further information on regarding FOI can be found at www.ovic.vic.gov.au and on the Buloke Shire Council website.

	2016-17	2017-18	2018-19	2019-20
Total Number of requests in this period	1	1	3	4
Access granted in full	0	0	0	1
Access granted in part	1	1	2	2
Outcomes of requests outstanding from previous period				
Access granted in full	0	0	0	0
Access granted in part	0	1	0	1
Other				1
Access denied in full	0	0	1	
Requests still under consideration	0	1	1	1
Number of internal reviews sought	0	0	0	0
Requests referred to another government agency	1	0	0	0
Number of Victorian Civil and Administrative Tribunal (VCAT) appeals lodged	0	0	0	0
Outcome of VCAT decisions appealed in the period				
Withdrawn	0	0	0	0
Successful	0	0	0	0
Still to be heard	0	0	0	0
Total Charges collected	\$27.90	\$28.40	\$124.80	\$118.40

BEST VALUE

In accordance with section 208B(f) of the Act, at least once every year a council must report to its community on what it has done to ensure that it has given effect to the Best Value Principles. Council incorporates Best Value Principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement and innovation.

Council undertakes a rigorous process to set its Annual Budget and fees and charges and consults the community through this process as well as for calling for submission on its proposed budget.

Council is committed to a review of all services over a three year period. As part of the service review process, opportunities and challenges will be identified and action plans developed to make the most of opportunities and to alleviate challenges. Central to this program is embedding a culture of continuous improvement throughout the organisation with a focus on efficient service delivery.

Services reviewed over the last three financial years:

2017/18	2018/19	2019/20
Community Development	Human Resources	Road Service
Urban and Parks	Media and Communications	Project Management
Risk Management	Local Laws	ICT
Governance	Building and Planning	OHS
Brokered Care	Waste and Environment	Public Health
Home Care	Asset Management	Library
Meals on Wheels	Customer Service	Economic Development and Tourism
Records Management	Recreation	School Crossing Supervisors
Public/Environmental Health	Maternal and Child Health	Project Management
Finance	Immunisation	
	Saleyards and Truckwash	

DISABILITY ACTION PLAN

In accordance with section 38 of the *Disability Act 2006*, Council has prepared a Disability Action Plan it must report on the implementation of the Disability Action Plan in its annual report.

The Buloke Shire Council Inclusiveness Plan was adopted at the October 2018 Ordinary Meeting of Council. Amongst a range of considerations, the plan addresses Council's obligations under the *Disability Act 2006*.

This plan follows the five principles of action as identified through the Rural Social Inclusion Framework. It is important that this plan is viewed as a starting point for an ongoing process.

In accordance with section 38 of the *Disability Act 2006*, Council must report on the implementation of the Disability Action Plan in its annual report.

Council has implemented the following actions:

- Delivered Community Care services to eligible members of the community by providing adequate and equitable access to services.
- Developed cross sector partnership opportunities to capitalise on existing resources and services.
- Increased opportunities for people with a disability to participate in community events.
- Continued to work on referral pathways and advocate for place-based services in the Buloke Shire.
- Actively worked with local health services and the Royal Flying Doctors Service in the area of Speech Pathology.
- Regularly promoted services available to people with a disability or mental illness and their carers and assisted with referral pathways.
- Council continues to advocate for rural gaps in service, with a focus on NDIS service providers
- Council promoting inclusion and participation in the community of persons with a disability through the instigation of the Inclusiveness Plan, formed through close community consultation.
- Strengthened partnerships with organisations such as the Mallee Sport Assembly to source funding and opportunity for inclusive and diverse activities.
- Accessibility and inclusion lens applied to major projects – early learning centres, streetscapes and playground concepts.

The Buloke Shire Council Inclusiveness Plan is available on Council's website.

CONTRACTS

During the 2019-20 year Council entered into no contracts with a value of \$150,000 or more for goods and services or \$200,000 or more for works without engaging in a competitive process.

DOMESTIC ANIMAL MANAGEMENT PLAN

All Victorian Councils are required by the *Domestic Animals Act 1994 (the Act)* to prepare and implement a four year Domestic Animal Management Plan (DAMP) to guide decision making in relation to animal management for dogs and cats. The scope of the DAMP does not include activities for the management of wildlife, horses, livestock, or pest animals.

The four year plan builds on the 2013-2017 DAMP and provides the framework for the planning, development, and evaluation of animal management services and programs delivered by Buloke Shire Council and complies with the requirements of the Act.

Council's Domestic Animal Management Plan 2017-2021 was adopted on 14 March 2018 and is available on Council's website.

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 Buloke Shire Council during the 2019-20 year.

PROTECTED DISCLOSURE PROCEDURES

In accordance with the *Public Interest Disclosures Act 2012* a council must include in its annual report information about how to access the procedures established by the Council under that Act. It is also required to provide certain information about the number and types of public interest disclosures complaints investigated during the financial year.

The *Public Interest Disclosures 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.

During the 2019-20 year, no such disclosure was notified to Council officers appointed to receive disclosures, or to IBAC.

ROAD MANAGEMENT ACT MINISTERIAL DIRECTION

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

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
30 JUNE 2020

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THE YEAR IN REVIEW

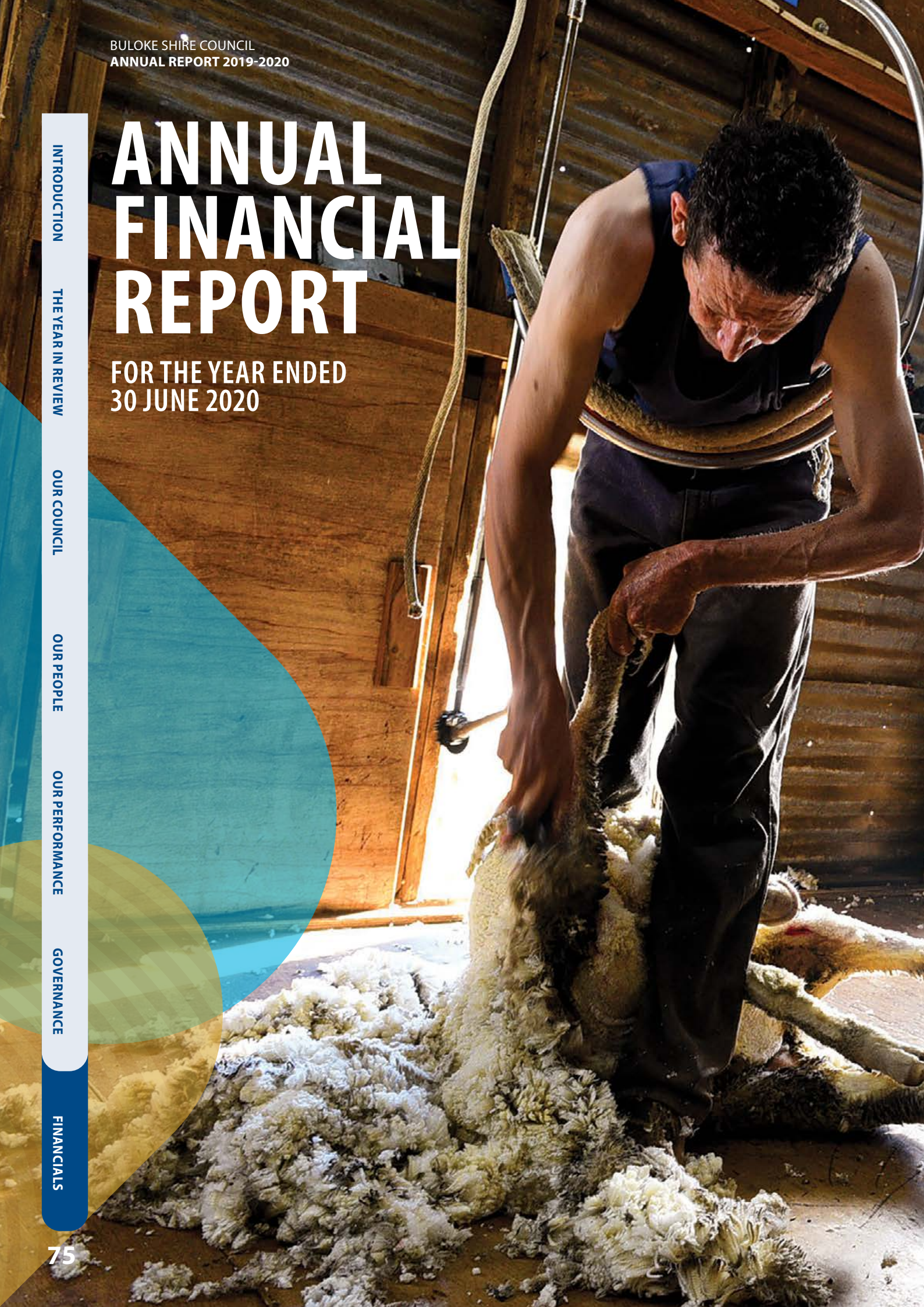
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Certification of the Financial Statements

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



Aileen Douglas CPA
Principal Accounting Officer

Date : 23/10/2020 <Date>

Wycheproof

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

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

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



Cr Carolyn Stewart
Councillor

Date : 23/10/20 <Date>

Wycheproof



Cr David Pollard
Councillor

Date : 23-10-20 <Date>

Wycheproof



Anthony Judd
Chief Executive Officer

Date : 23/10/20 <Date>

Wycheproof

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT



Independent Auditor's Report

To the Councillors of Buloke Shire Council

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

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

In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the *Local Government Act 1989* and applicable Australian Accounting Standards.

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

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Councillors' responsibilities for the financial report The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1989*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
12 November 2020



Sanchu Chummar

as delegate for the Auditor-General of Victoria

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

Comprehensive Income Statement For the Year Ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Income			
Rates and charges	3.1	13,769	13,414
Statutory fees and fines	3.2	325	171
User fees	3.3	742	809
Grants - operating	3.4	9,906	15,007
Grants - capital	3.4	8,539	8,773
Contributions - monetary	3.5	462	1,657
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	(8)	56
Other income	3.7	561	440
Total income		34,296	40,327
Expenses			
Employee costs	4.1	9,776	9,855
Materials and services	4.2	6,902	15,905
Depreciation and amortisation	4.3	8,156	7,591
Amortisation - right of use assets	4.4	294	-
Bad and doubtful debts	4.5	471	67
Borrowing costs	4.6	106	296
Finance costs - leases	4.7	26	-
Other expenses	4.8	723	697
Total expenses		26,454	34,411
Surplus/(deficit) for the year		7,842	5,916
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Additional asset recognition	6.2	537	
Net asset revaluation increment/(decrement)	6.2	4,157	61,323
Total comprehensive result		12,536	67,239

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

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Balance Sheet As at 30 June 2020

	Note	2020 \$'000	2019 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	6,541	2,071
Other financial assets	5.1	11,003	18,207
Trade and other receivables	5.1	2,877	3,163
Inventories	5.2	181	111
Other assets	5.2	190	342
Total current assets		20,792	23,894
Non-current assets			
Property, infrastructure, plant and equipment	6.2	270,940	262,382
Right-of-use assets	5.8	394	-
Total non-current assets		271,334	262,382
Total assets		292,126	286,276
Liabilities			
Current liabilities			
Trade and other payables	5.3	1,374	2,133
Trust funds and deposits	5.3	203	292
Unearned Income	5.3	1,287	353
Provisions	5.5	2,476	2,340
Interest-bearing liabilities	5.4	-	7,000
Lease liabilities	5.8	257	-
Total current liabilities		5,597	12,118
Non-current liabilities			
Provisions	5.5	1,137	1,445
Interest-bearing liabilities	5.4	-	-
Lease liabilities	5.8	160	-
Total non-current liabilities		1,297	1,445
Total liabilities		6,894	13,563
Net assets		285,232	272,713
Equity			
Accumulated surplus		112,146	105,137
Reserves	9.1	173,086	167,929
Total Equity		285,232	273,066

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

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

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

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2020					
Balance at beginning of the financial year		273,066	105,137	167,929	-
Impact of change in accounting policy - AASB 15 Revenue from Contracts with Customers	10	(353)	(353)	-	-
Impact of change in accounting policy - AASB 16 Leases	5.8	(17)	(17)	-	-
Adjusted Opening balance		272,696	104,767	167,929	-
Surplus/(deficit) for the year		7,842	7,842	-	-
Additional asset recognition		537	537	-	-
Net asset revaluation increment/(decrement)		4,157	-	4,157	-
Transfers to other reserves	9.1	-	(1,000)	-	1,000
Balance at end of the financial year		285,232	112,146	172,086	1,000

		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2019					
Balance at beginning of the financial year		205,827	99,221	106,606	-
Surplus/(deficit) for the year		5,916	5,916	-	-
Net asset revaluation increment/(decrement)		61,323	-	61,323	-
Balance at end of the financial year		273,066	105,137	167,929	-

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

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Statement of Cash Flows For the Year Ended 30 June 2020

	Note	2020 Inflows/ (Outflows) \$'000	2019 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		14,244	13,192
Statutory fees and fines		275	180
User fees		833	924
Grants - operating		8,846	15,007
Grants - capital		10,313	7,500
Contributions - monetary		548	1,657
Interest received		368	409
Other receipts		314	29
Net GST refund/(payment)		111	(79)
Employee costs		(9,881)	(9,076)
Materials and services		(7,292)	(16,737)
Other payments		(1,513)	(764)
Net cash provided by/(used in) operating activities	9.2	17,166	12,242
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.2	(12,798)	(11,993)
Proceeds from sale of property, infrastructure, plant and equipment		317	55
Payments for investments		(11,003)	(16,273)
Proceeds from sale of investments		18,208	12,146
Net cash provided by/(used in) investing activities		(5,276)	(16,065)
Cash flows from financing activities			
Finance costs		(105)	(296)
Repayment of borrowings		(7,000)	-
Interest paid - lease liability		(26)	-
Repayment of lease liabilities		(289)	-
Net cash provided by/(used in) financing activities		(7,420)	(296)
Net increase (decrease) in cash and cash equivalents		4,470	(4,119)
Cash and cash equivalents at the beginning of the financial year		2,071	6,190
Cash and cash equivalents at the end of the financial year	5.1	6,541	2,071
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

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

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

Statement of Capital Works For the Year Ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Property			
Buildings		5,810	6,768
Total buildings		<u>5,810</u>	<u>6,768</u>
Total property		<u>5,810</u>	<u>6,768</u>
Plant and equipment			
Plant, machinery and equipment		1,286	629
Computers and telecommunications		44	203
Library books		47	219
Total plant and equipment		<u>1,377</u>	<u>1,051</u>
Infrastructure			
Roads		5,279	3,798
Footpaths and cycleways		54	81
Other infrastructure		278	295
Total infrastructure		<u>5,611</u>	<u>4,174</u>
Total capital works expenditure		<u>12,798</u>	<u>11,993</u>
Represented by:			
New asset expenditure		1,588	1,306
Asset renewal expenditure		3,122	6,303
Asset upgrade expenditure		8,088	4,384
Total capital works expenditure		<u>12,798</u>	<u>11,993</u>

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

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

OVERVIEW

Introduction

The Buloke Shire Council was established by an Order of the Governor in Council on 20 January 1995 and is a body corporate.

The Council's main office is located at 367 Broadway, Wycheproof, Victoria 3527.

Statement of compliance

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

Significant accounting policies

(a) Basis of accounting

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

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

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

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

- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- other areas requiring judgements.

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

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

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

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the higher of 10 percent or \$50,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

1.1 Income and expenditure

	Budget 2020 \$'000	Actual 2020 \$'000	Variance 2020 \$'000	Variance %	Ref
Income					
Rates and charges	13,691	13,769	78	1%	1
Statutory fees and fines	188	325	137	73%	2
User fees	776	742	(34)	-4%	
Grants - operating	14,919	9,906	(5,013)	-34%	3
Grants - capital	7,665	8,539	874	11%	4
Contributions - monetary	185	462	277	150%	5
Net gain/(loss) on disposal of property, infrastructure, plant & equipment	50	(8)	(58)	-116%	6
Other income	203	561	358	176%	7
Total income	37,677	34,296	(3,381)		
Expenses					
Employee costs	9,927	9,776	151	2%	8
Materials and services	13,139	6,902	6,237	47%	9
Depreciation and amortisation	7,318	8,450	(1,132)	-15%	10
Bad and doubtful debts	50	471	(421)	-842%	11
Borrowing costs	148	106	42	28%	12
Finance costs - leases	-	26	(26)	100%	13
Other expenses	655	723	(68)	-10%	14
Total expenses	31,237	26,454	4,783		
Surplus/(deficit) for the year	6,440	7,842	(1,402)		

(i) Explanation of material variations

Variance Explanation:

Ref	Explanation:
1	Rates and charges - positive variance due to underestimation of income from increased number of Windfarms .
2	Statutory fees and fines - positive variance due to increased construction activity and fire prevention compliance.
3	Grants - operating - budget includes Natural Disaster Financial Assistance grant funding for flood restoration work to the value of \$6m per initial estimate of damage. The restoration work was later confirmed at a value of \$3.5m and majority of works delayed to 2020-21 financial year. Grant funding is to be received in arrears.
4	Grants - capital - positive variation due to increased capital project funding opportunities during the financial year.
5	Contributions - monetary - community contributions to multi-year projects in Donald and Charlton budgeted in previous financial year were received later than expected.

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

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- 6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment - items to be sold during the financial year confirmed after 2019-2020 budget completed. Default estimate used in budget due to the unpredictability of auction sales.
- 7 Other income - positive variance due to change in recognition of reimbursement income previous offset against expenses.
- 8 Employee costs - variance relates to unplanned turnover within third tier management roles
- 9 Materials and services -budget includes flood restoration work to the value of \$6m per initial estimate of damage. The restoration work was later confirmed at a value of \$3.5m and the majority of works delayed to 2020-21 financial year.
- 10 Depreciation and amortisation - impact of Infrastructure revaluation as at 30th June 2019 not identifiable during 2019-20 budget preparation. Estimate based on previous year used.
- 11 Bad and doubtful debts - negative variance due to provision for doubtful rates debtors. Refer note 5.1.
- 12 Borrowing costs - budget estimate overstated on borrowing costs related to \$7m loan paid out November 2019.
- 13 Finance costs - leases - variance due to change in treatment of leases under AASB 16 Leases. Refer note 5.8 for further details.
- 14 Other expenses - negative variance due to Council Contributions and donations funded externally.

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

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

Note 1 Performance against budget (cont'd)

1.2 Capital works

	Budget 2020 \$'000	Actual 2020 \$'000	Variance 2020 \$'000	Variance %	Ref
Property					
Buildings	5,166	5,810	644	12%	1
Total Buildings	5,166	5,810	644	12%	
Total Property	5,166	5,810	644	12%	
Plant and Equipment					
Plant, machinery and equipment	740	1,286	546	74%	2
Computers and telecommunications	430	44	(386)	-90%	3
Library books	50	47	(3)	-6%	
Total Plant and Equipment	1,220	1,377	157	13%	
Infrastructure					
Roads	4,678	5,279	601	13%	4
Footpaths and cycleways	130	54	(76)	-58%	5
Other infrastructure	560	278	(282)	-50%	6
Total Infrastructure	5,368	5,611	243	5%	
Total Capital Works Expenditure	11,754	12,798	1,044	9%	
Represented by:					
New asset expenditure	1,819	1,588	(231)	-13%	
Asset renewal expenditure	7,975	3,122	(4,853)	-61%	
Asset upgrade expenditure	1,960	8,088	6,128	313%	
Total Capital Works Expenditure	11,754	12,798	1,044	9%	

(i) Explanation of material variations

Variance Ref	Explanation:
-----------------	--------------

- | | |
|---|--|
| 1 | Buildings - variance partly off-set by reclassification of items listed under "Other infrastructure" but mostly the result of additional expenditure on the multi-year construction project in Donald. |
| 2 | Plant, machinery and equipment - additional expenditure off-set by proceeds of sale of plant and equipment of \$325K. Specific plant purchases items not identified at preparation of budget 2019-20. |
| 3 | Computers and telecommunications - items included in budget since reclassified as operational expenses. Part of the budget has been deferred (\$200K) regarding the progression of the Rural Council Transformation Project investigating shared service options amongst the six participating Councils. |
| 4 | Roads - increase spending relating to additional Roads to Recovery funding received. |
| 5 | Footpaths and cycleway - negative variance due recosting on a project and carried forward. |
| 6 | Other infrastructure - reclassification of items listed under "Other infrastructure" |

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Note 2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2 (a) Delivering our services in a financially viable way

To achieve our objective of delivering our services in a financially viable way, we will continue to review our services to provide high quality, cost effective, and responsive services.

Build a healthy and active community

To achieve our objective of building a healthy and active community, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services.

Diversify and enhance our local economy

To achieve our objective of diversifying and enhancing our local economy, we will continue to actively seek economic opportunities.

Responding to and enhancing our built and natural environment

To achieve our objective of responding to and enhancing our built and natural environment, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services.

Support our Councillors, staff, volunteers and the community to make informed and transparent decisions

To achieve our objective of supporting Councillors, staff, volunteers and the community to make informed and transparent decisions we will develop engagement frameworks and continuously review the way in which we communicate.

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

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

Note 2.1 Analysis of Council results by program

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

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2020					
Delivering our services in a financially viable way	17,043	1,644	15,399	4,460	20,792
Build a healthy and active community	1,749	2,158	(409)	1,313	-
Diversify and enhance our local economy	477	977	(500)	60	-
Responding to and enhancing our built and natural environment	14,961	18,582	(3,621)	12,612	271,334
Support our Councillors, staff, volunteers and the community to make informed and transparent decisions	66	3,093	(3,027)	-	-
	34,296	26,454	7,842	18,445	292,126
	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2019					
Delivering our services in a financially viable way	16,435	1,316	15,119	4,048	23,935
Build a healthy and active community	1,801	2,349	(548)	1,398	-
Diversify and enhance our local economy	790	2,042	(1,252)	379	-
Responding to and enhancing our built and natural environment	21,297	25,856	(4,559)	17,955	262,341
Support our Councillors, staff, volunteers and the community to make informed and transparent decisions	4	2,848	(2,844)	-	-
	40,327	34,411	5,916	23,780	286,276

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2020
\$'000

2019
\$'000

Note 3 Funding for the delivery of our services

3.1 Rates and charges

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

The valuation base used to calculate general rates for 2019/20 was \$1.709 billion (2018/19 \$1.574 billion). The 2019/20 rate in the CIV dollar was a General Rate of 0.007699 cents (2018/19, 0.007715 cents) and a Farm Rate of 0.006314 cents (2018/19, 0.006789 cents).

Rates - Residential	2,533	2,475
Rates - Commercial	630	618
Rates - Rural	8,220	7,974
Windfarm electricity generation charge	115	79
Municipal Charge	752	751
Garbage Charges	1,423	1,424
Interest on Rates and Charges	96	93

Total rates and charges	13,769	13,414
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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 1st 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

Compliance	149	95
Planning Permits & Certificates	74	65
Revenue Collection	9	7
Building Regulations and Inspections	93	4
Total statutory fees and fines	325	171

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

3.3 User fees

Pound fees and animal registrations	82	59
Home and Community Care	168	166
Brokered Programs Charges	195	177
Public Health and Wellbeing Charges	32	30
Building Services charges	20	87
Caravan Parks & Halls	14	46
Waste and Environment	97	90
Saleyards / Truck Wash	129	153
Other	5	1

Total user fees	742	809
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User fees are recognised as revenue when the service has been provided or council has otherwise earned the income.

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

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

	2020 \$'000	2019 \$'000
3.4 Funding from other levels of government		
Grants were received in respect of the following :		
Summary of grants		
Commonwealth funded grants	11,551	9,469
State funded grants	6,894	14,311
Total grants received	18,445	23,780
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants	6,684	6,525
General home care	587	702
Recurrent - State Government		
General home care	93	147
School crossing supervisors	12	12
Libraries	122	119
Maternal and child health	279	358
Community safety	60	60
Health and immunisation	20	11
Other	78	87
Total recurrent operating grants	7,935	8,021
Non-recurrent - Commonwealth Government		
Other	28	90
Non-recurrent - State Government		
Environmental management and climate change	115	313
Natural disaster -flood damage	403	5,951
Working for Victoria	916	-
Other	509	276
Birchip Kindergarten	-	356
Total non-recurrent operating grants	1,971	6,986
Total operating grants	9,906	15,007
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	2,400	1,252
Recurrent - State Government		
Total recurrent capital grants	2,400	1,252
Non-recurrent - Commonwealth Government		
Drought Communities Programme	1,000	-
Charlton Park 2020 redesign	-	400
Donald Community Precinct	-	500
Regional Growth Fund - Our Region Our Rivers	852	-
Non-recurrent - State Government		
Recreation	1,160	1,998
Road rehabilitation	2,181	2,566
Donald Skate Park	13	120
E-Waste facilities and Sustainability	175	85
Flood Management	207	1,141
Tourism and cultural heritage signs	551	711
Total non-recurrent capital grants	6,139	7,521
Total capital grants	8,539	8,773

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	2020 \$'000	2019 \$'000
(c) Unspent grants received on condition that they be spent in a specific manner		
<i>Operating</i>		
Balance at start of year	353	2,635
Received during the financial year and remained unspent at balance date	183	353
Received in prior years and spent during the financial year	(353)	(2,635)
Balance at year end	<u>183</u>	<u>353</u>
<i>Capital</i>		
Balance at start of year	-	-
Received during the financial year and remained unspent at balance date	1,104	-
Received in prior years and spent during the financial year	-	-
Balance at year end	<u>1,104</u>	<u>-</u>

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

3.5 Contributions

Monetary		
Revenue Collection Contributions	41	70
Youth Development Contributions	-	29
Other Community Service Contributions	12	59
Capital Works Contributions	409	1,440
Reimbursements	-	59
Total contributions	<u>462</u>	<u>1,657</u>

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

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

Proceeds of sale/disposal		
Plant and Equipment	<u>317</u>	<u>56</u>
	317	56
Written down value of assets disposed		
Plant and Equipment	<u>325</u>	<u>-</u>
	325	-
Total net gain/loss on disposal of property, infrastructure, plant and equipment	<u>(8)</u>	<u>56</u>

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

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

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

	2020 \$'000	2019 \$'000
3.7 Other income		
Interest on investments	187	319
Rent Council properties	11	11
Shared services charge	19	62
Sundry external works	21	36
Reimbursements	226	-
Fuel tax credits	82	-
Other income	15	12
Total other income	561	440

Interest is recognised as it is earned.

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

Note 4 The cost of delivering services

4.1 Employee costs

Wages and salaries	8,619	8,655
Allowances	116	218
Worksafe	229	227
Superannuation	812	755
Total employee costs	9,776	9,855

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	28	16
	28	16
Employer contributions payable at reporting date.	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	402	390
Employer contributions - other funds	444	349
	846	739

Employer contributions payable at reporting date.	-	62
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	2020 \$'000	2019 \$'000
4.2 Materials and services		
Advertising	64	75
Consultants Fees	362	747
Garbage	211	103
Information Technology	421	426
Insurance	326	304
Operational Contracts and Services	2,333	10,984
Operational Materials	897	925
Other	309	326
Promotion/Public Education	5	14
Subscriptions/Memberships/Publications	103	86
Telephone	108	79
Utilities	519	430
Vehicle and Plant Costs	1,244	1,101
Vehicle Lease Costs	-	305
Total materials and services	6,902	15,905
4.3 Depreciation and amortisation		
Property	1,468	1,459
Plant and equipment	1,244	957
Infrastructure	5,444	5,175
Total depreciation	8,156	7,591
<i>Refer to note 6.2 for a more detailed breakdown of depreciation and accounting policy.</i>		
4.4 Amortisation - Right of use assets		
Vehicles	294	-
Total Amortisation - Right of use assets	294	-
4.5 Bad and doubtful debts		
Rates debtors	441	-
Other debtors	30	67
Total bad and doubtful debts	471	67
Movement in provisions for doubtful debts		
Balance at the beginning of the year	233	170
New Provisions recognised during the year	443	67
Amounts already provided for and written off as uncollectible	-	(4)
Amounts provided for but recovered during the year	-	-
Balance at end of year	676	233

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

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	2020	2019
	\$'000	\$'000
4.6 Borrowing costs		
Interest - Borrowings	106	296
Total borrowing costs	106	296
<p>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.</p>		
4.7 Finance Costs - Leases		
Interest - Lease Liabilities	26	-
Total finance costs	26	-
4.8 Other expenses		
Auditors' remuneration - VAGO - audit	45	42
Auditors' remuneration - Internal	26	37
Councillors' allowances	186	182
Council Contributions and Donations	392	349
Council meeting expenses	11	10
Others	33	77
Election expenses	30	-
Total other expenses	723	697

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	2020 \$'000	2019 \$'000
Note 5 Our financial position		
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	-	-
Cash at bank	6,541	2,071
Total cash and cash equivalents	<u>6,541</u>	<u>2,071</u>
(b) Other financial assets		
Term deposits - current	11,003	18,207
Total other financial assets	<u>11,003</u>	<u>18,207</u>
Total financial assets	<u>17,544</u>	<u>20,278</u>

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

- Trust funds and deposits (Note 5.3 (b))	203	292
- Unearned Income (Note 5.3 (c))	1,287	-
Total restricted funds	<u>1,490</u>	<u>292</u>
Total unrestricted cash and cash equivalents	<u>5,051</u>	<u>1,779</u>

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

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

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	2020 \$'000	2019 \$'000
(c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	1,297	1,219
Infringement debtors	362	312
Provision for doubtful debts - infringements	(235)	(233)
Provision for doubtful debts - rates debtors	(441)	-
GST receivable	265	376
<i>Non statutory receivables</i>		
Grant debtors	1,287	1,273
Other debtors		
Other debtors	342	216
Total current trade and other receivables	<u>2,877</u>	<u>3,163</u>
Total trade and other receivables	<u>2,877</u>	<u>3,163</u>

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

(a) Ageing of Receivables

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

Current (not yet due)	50	160
Past due by up to 30 days	24	14
Past due between 31 and 180 days	33	29
Past due between 181 and 365 days	235	10
Past due by more than 1 year	-	3
Total trade & other receivables	<u>342</u>	<u>216</u>

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	2020 \$'000	2019 \$'000
5.2 Non-financial assets		
(a) Inventories		
Inventories held for distribution	181	111
Total inventories	181	111

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

(b) Other assets

Prepayments	180	237
Accrued income	-	98
Other	10	7
Total other assets	190	342

5.3 Payables

(a) Trade and other payables

Trade payables	1,106	1,904
Accrued expenses	268	229
Total trade and other payables	1,374	2,133

(b) Trust funds and deposits

Funds held on behalf of community groups and third parties	50	25
Overpaid rates and charges	46	123
Fire Services Levy	4	1
Other refundable deposits	103	143
Total trust funds and deposits	203	292

(c) Unearned income

Grants received in advance - operating	183	353
Grants received in advance - capital	1,104	-
Other	-	-
Total unearned income	1,287	353

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

Funds held on behalf of community groups and third parties - Amounts received as trust deposits to be expended in a specified manner that had not occurred at balance date.

Overpaid rates and charges - This amount represents the amount of rate payments made by rate payers in advance at 30 June 2020.

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.

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

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5.4 Interest-bearing liabilities	2020 \$'000	2019 \$'000
Current		
Borrowings - secured	-	7,000
Non-current		
Borrowings - secured	-	-
	<u>-</u>	<u>7,000</u>
Total	<u>-</u>	<u>7,000</u>

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

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

5.5 Provisions

	Employee \$ '000	Landfill restoration \$ '000	Other \$ '000	Total \$ '000
2020				
Balance at beginning of the financial year	2,966	343	476	3,785
Additional provisions	767			767
Amounts used	(838)	(39)	(33)	(910)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(18)	(27)	16	(29)
Balance at the end of the financial year	<u>2,877</u>	<u>277</u>	<u>459</u>	<u>3,613</u>
2019				
Balance at beginning of the financial year	2,186	321	487	2,994
Additional provisions	1,231	-	-	1,231
Amounts used	(542)	(19)	(52)	(613)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	91	41	41	173
Balance at the end of the financial year	<u>2,966</u>	<u>343</u>	<u>476</u>	<u>3,785</u>
			2020 \$'000	2019 \$'000
(a) Employee provisions				
Current provisions expected to be wholly settled within 12 months				
Annual leave			600	493
Long service leave			146	-
Rostered days off			28	24
			<u>774</u>	<u>517</u>
Current provisions expected to be wholly settled after 12 months				
Annual leave			200	164
Long service leave			1,287	1,460
			<u>1,487</u>	<u>1,624</u>
Total current employee provisions			<u>2,261</u>	<u>2,141</u>
Non-current				
Long service leave			221	192
Redundancy			395	633
Total non-current employee provisions			<u>616</u>	<u>825</u>
Aggregate carrying amount of employee provisions:				
Current			2,261	2,141
Non-current			616	825
Total aggregate carrying amount of employee provisions			<u>2,877</u>	<u>2,966</u>

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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:	2020	2019
- discount rate	0.87%	1.32%
- wage inflation rate	4.25%	4.31%

Redundancy

Council has acknowledged the potential impact on services provided in aged care following the introduction of the National Disabilities Insurance Scheme (NDIS) and the Commonwealth Government's announcement of ceasing the current funding model for over 65's in 2022. Provision has been updated based on employees in this service area as at 30 June 2020. Actual redundancies incurred may be less than the provision if employees terminate their employment prior.

Key assumptions:		
- discount rate	0.87%	1.32%
- inflation rate	4.25%	1.90%

	2020	2019
(b) Landfill restoration	\$'000	\$'000
Current	165	149
Non-current	112	194
	277	343

Key assumptions:		
- discount rate	0.87%	1.32%
- inflation rate	1.70%	1.90%

Council is obligated to restore landfill sites to a particular standard. Current engineering projections indicate that the landfill sites will cease operation on a staged basis as sites reach capacity. This time period will vary according to the size and actual usage of the sites. Restoration work is expected to commence shortly after the applicable site is closed. The forecast life of the landfill sites are based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the sites to a suitable standard and budgeted costs for that work. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

	2020	2019
(c) Gravel pit restoration -	\$'000	\$'000
Current	50	50
Non-current	409	426
	459	476

Key assumptions:		
- discount rate	0.87%	1.32%
- inflation rate	1.70%	1.90%

Under provisions of the *Mineral Resources (Sustainable Development) Act* (1990), Council is obliged to restore gravel pits currently operated under Work Authority Permits. The forecast life of gravel pits is based on current estimates of remaining suitable gravel availability and unrestored areas of individual sites. The provision for pit restoration has been calculated based on the present value of the expected cost of works to be undertaken.

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5.6 Financing arrangements

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

	2020 \$'000	2019 \$'000
Other facilities - Bank Guarantee	300	150
Total facilities	<u>300</u>	<u>150</u>
Used facilities - bank guarantee	100	100
Unused facilities	<u>200</u>	<u>50</u>

Council has no overdraft facility at 30 June 2020.

5.7 Commitments

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

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2020					
Operating					
Recycling/Garage Collection	498	-	-	-	498
IT systems and technology	86	8	15	4	113
Office equipment	41	1	-	-	42
Building Surveying	181	-	-	-	181
Asset valuation	43	-	-	-	43
Public lighting	33	-	-	-	33
Flood restoration works	938	-	-	-	938
Fuel cards	505	-	-	-	505
Total	<u>2,325</u>	<u>9</u>	<u>15</u>	<u>4</u>	<u>2,353</u>
Capital					
Buildings	1,034	-	-	-	1,034
Total	<u>1,034</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,034</u>
Total	<u>3,359</u>	<u>9</u>	<u>15</u>	<u>4</u>	<u>3,387</u>
2019					
Operating					
Recycling	91	-	-	-	91
Garbage collection	255	-	-	-	255
IT systems and technology	167	8	15	4	194
Office equipment	39	1	-	-	40
Waste transfer stations	55	-	-	-	55
Total	<u>607</u>	<u>9</u>	<u>15</u>	<u>4</u>	<u>635</u>
Capital					
Buildings	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>607</u>	<u>9</u>	<u>15</u>	<u>4</u>	<u>635</u>

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5.8 Leases

Policy applicable before 1 July 2019

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

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

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

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

Policy applicable after 1 July 2019

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

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

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

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

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

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

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

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

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

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

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

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

Council has elected to apply the temporary option available under *AASB 16 Leases* which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms. Council has identified long-term leases significantly below-market terms amounting to \$10,820 per annum.

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Right-of-Use Assets	Property \$'000	Vehicles \$'000	Other, etc. \$'000	Total \$'000
Balance at 1 July 2019	-	506	-	506
Additions	-	182	-	182
Amortisation charge	-	(294)	-	(294)
Balance at 30 June 2020	-	394	-	394
Lease Liabilities	2020			
Maturity analysis - contractual undiscounted cash	\$'000			
Less than one year	275			
One to five years	165			
More than five years	-			
Total undiscounted lease liabilities as at 30 June:	440			
Lease liabilities included in the Balance Sheet at 30 June:				
Current	257			
Non-current	160			
Total lease liabilities	417			

i. Leases classified as operating leases under AASB 117 Leases

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

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

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

ii. Leases previously classified as finance leases

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

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

Impact on financial statements

On transition to AASB 16 Leases, Council recognised an additional \$506,686 of right-of-use assets and \$524,171 of lease liabilities, recognising the difference in retained earnings.

When measuring lease liabilities, Council discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted-average rate applied is 5.5%.

	2019
	\$'000
Operating lease commitment at 30 June 2019 as disclosed in Council's financial statements	596
Discounted using the incremental borrowing rate at 1 July 2019	(72)
Finance lease liability recognised as at 30 June 2019	524
- Recognition exemption for:	
short-term leases	-
leases of low-value assets	-
- Extension and termination options reasonably certain to be exercised	-
- Residual value guarantees	-
- Lease liabilities recognised as at 1 July 2019	524

Note 6 Assets we manage

6.1 Non current assets classified as held

Nil

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Note 6 Assets We Manage

6.2 Property, infrastructure, plant and equipment Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2019	Additions	Revaluation	Depreciation	Disposals/ Expenses	Recognition additions	Transfers	At Fair Value 30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	66,472	2,039	4,157	(1,468)	-	537	8,148	79,885
Plant and equipment	4,798	1,377	-	(1,244)	(325)	-	-	4,606
Infrastructure	183,983	5,333	-	(5,444)	-	-	(928)	182,944
Work in progress	7,128	4,049	-	-	(452)	-	(7,220)	3,505
	262,382	12,798	4,157	(8,156)	(777)	537	-	270,940

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Disposals/ Expenses	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	5,614	3,771	(7,220)	(114)	2,051
Plant and equipment	21	-	-	(21)	-
Infrastructure	1,495	278	-	(319)	1,454
Total	7,130	4,049	(7,220)	(454)	3,505

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6.2 Property, infrastructure, plant and equipment Summary of property, infrastructure, plant and equipment

(a) Property

	Land - specialised	Land - non specialised	Land under roads	Total Land & Land Improvements	Buildings - non specialised	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2019	3,773	57	22,312	26,142	86,207	86,207	5,614	117,963
Accumulated depreciation at 1 July 2019	-	-	-	-	(45,877)	(45,877)	-	(45,877)
	3,773	57	22,312	26,142	40,330	40,330	5,614	72,086
Movements in fair value								
Additions	-	-	-	-	2,039	2,039	3,771	5,810
Revaluation	415	22	-	437	12,819	12,819	-	13,256
Disposal/Expenses	-	-	-	-	-	-	(114)	(114)
Recognition additions	-	-	-	-	537	537	-	537
Transfers	-	-	-	-	7,650	7,650	(7,220)	430
	415	22	-	437	23,045	23,045	(3,563)	19,919
Movements in accumulated depreciation								
Depreciation and amortisation	-	-	-	-	(1,468)	(1,468)	-	(1,468)
Revaluation	-	-	-	-	(9,099)	(9,099)	-	(9,099)
Transfers	-	-	-	-	498	498	-	498
	-	-	-	-	(10,069)	(10,069)	-	(10,069)
At fair value 30 June 2020	4,188	79	22,312	26,579	109,252	109,252	2,051	137,882
Accumulated depreciation at 30 June 2020	-	-	-	-	(55,946)	(55,946)	-	(55,946)
	4,188	79	22,312	26,579	53,306	53,306	2,051	81,936

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6.2 Property, infrastructure, plant and equipment Summary of property, infrastructure, plant and equipment

(b) Plant and Equipment

	Library	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Work in Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2019	380	10,100	420	1,892	21	12,813
Accumulated depreciation at 1 July 2019	(86)	(6,334)	(415)	(1,159)	-	(7,994)
	294	3,766	5	733	21	4,819
Movements in fair value						
Additions	47	1,268	18	44	-	1,377
Disposal/Expenses	-	(325)	-	-	(21)	(346)
Transfer	(60)	60	-	-	-	-
	(13)	1,003	18	44	(21)	1,031
Movements in accumulated depreciation						
Depreciation and amortisation	(12)	(957)	(1)	(274)	-	(1,244)
Accumulated depreciation of disposals	-	-	-	-	-	-
	(12)	(957)	(1)	(274)	-	(1,244)
At fair value 30 June 2020	367	11,103	438	1,936	-	13,844
Accumulated depreciation at 30 June 2020	(98)	(7,291)	(416)	(1,433)	-	(9,238)
	269	3,812	22	503	-	4,606

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6.2 Property, infrastructure, plant and equipment Summary of property, infrastructure, plant and equipment

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Parks open spaces and streetscapes	Landfill sites	Other infrastructure	Work in Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2019	340,242	10,925	9,545	8,176	282	148	733	2,540	1,495	374,086
Accumulated depreciation at 1 July 2019	(172,767)	(4,409)	(4,430)	(4,390)	(65)	(108)	(705)	(1,744)	-	(188,608)
	167,475	6,516	5,115	3,786	227	40	28	796	1,495	185,478
Movements in fair value										
Additions	5,279	-	54	-	-	-	-	-	278	5,611
Transfers	-	-	-	-	(282)	(148)	-	-	-	(430)
Disposal/Expenses	-	-	-	-	-	-	-	-	(319)	(319)
Reclassification	-	-	-	-	-	-	-	-	-	-
Impairment losses recognised against asset revaluation reserve	-	-	-	-	-	-	-	-	-	-
	5,279	-	54	-	(282)	(148)	-	-	(41)	4,862
Movements in accumulated depreciation										
Depreciation and amortisation	(5,015)	(102)	(158)	(64)	(14)	-	(5)	(86)	-	(5,444)
Transfers	-	-	-	-	69	108	-	(675)	-	(498)
	(5,015)	(102)	(158)	(64)	55	108	(5)	(761)	-	(5,942)
At fair value 30 June 2020	345,521	10,925	9,599	8,176	-	-	733	2,540	1,454	378,948
Accumulated depreciation at 30 June 2020	(177,782)	(4,511)	(4,588)	(4,454)	-	-	(710)	(2,505)	-	(194,550)
	167,739	6,414	5,011	3,722	-	-	23	35	1,454	184,398

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6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

Acquisition

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

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

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

	Depreciation Period	Threshold Limit
<i>Asset recognition thresholds and depreciation periods</i>		
Land & land improvements		
land	-	All
land under roads	-	All
Buildings		
buildings	30 - 50 years	All
Plant and Equipment		
plant, machinery and equipment	3 - 13 years	1
fixtures, fittings and furniture	4 - 13 years	1
computers and telecommunications equipment	3 - 6 years	1
Infrastructure		
road formation	95 - 105 years	All
sealed road pavements	60 - 90 years	All
unsealed road pavements	15 - 25 years	All
sealed road surfaces	15 - 25 years	All
bridges	80 - 120 years	All
footpaths and cycleways	20 - 70 years	All
drainage	100 years	All
recreational, leisure and community facilities	10 - 50 years	All
waste management	10 - 50 years	All
parks, open space and streetscapes	10 - 50 years	All

Land under roads

Council recognised land under roads it controls at fair value .

Depreciation and amortisation

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

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

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

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

Depreciation periods used are listed 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.

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

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

Valuation of land and buildings

Valuation of land and buildings was undertaken by a qualified independent valuer Preston Rowe Paterson Horsham and Wimmera Pty Ltd in June 2020. The valuation of land and buildings as at 30 June 2020 has been assessed at fair value using the 2020 valuations for existing assets and recognising additions post the revaluation at cost. 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.

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

	Level 1	Level2	Level 3	Date of Valuation
Land - Non specialised	-	79	-	Jun-20
Land - Specialised	-	-	4,188	Jun-20
Land under roads	-	-	22,312	Jun-18
Buildings - Non Specialised	-	-	53,306	Jun-20
Total	-	79	79,806	

Valuation of infrastructure

Valuation of the road infrastructure has been determined in accordance with valuation undertaken by independent valuer, Peter Moloney, MIE (Aust) Member Institute of Engineers, Dip Civil Engineering (FIT) and Council's Senior Asset Engineer, Naga Sundararajah, FIE (Aust) Fellow Member Institute of Engineers, B Sc (Hons) in Civil Engineering (UK) and M. Engineering in Construction Management (SL).

A valuation of Council's bridge assets was performed by Mr Peter Moloney, Dip Civil Engineering (FIT), Member Institute of Engineers (Aust) MIE.

Valuation of drains has been determined in accordance with a valuation undertaken by independent valuer, Peter Moloney, MIE (Aust) Member Institute of Engineers, Dip Civil Engineering (FIT) and Council's Director Works & Technical Services, Anthony Judd, BMgt, MBA.

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

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

	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	167,739	Jun-19
Bridges	-	-	6,414	Jun-19
Footpaths and cycleways	-	-	5,011	Jun-19
Drainage	-	-	3,722	Jun-19
Landfill sites	-	-	23	Jun-15
Other Infrastructure	-	-	35	Jun-17
Total	-	-	182,944	

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 of 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1.40 and \$1.50 per square metre.

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 10 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2020 \$'000	2019 \$'000
Reconciliation of specialised land		
Land under roads	22,312	22,312
Community facilities	4,188	3,773
Total specialised land	26,500	26,085

6.3 Investments in associates, joint arrangements and subsidiaries

Nil

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Note 7 People and relationships

7.1 Council and key management remuneration

(a) Key Management Personnel

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

Councillors	Councillor David Pollard Mayor Councillor Graeme Milne Councillor Ellen White Councillor John Shaw (Resigned 19 August 2019) Councillor Carolyn Stewart Councillor David Vis Councillor Daryl Warren Councillor Bronwyn Simpson (Elected 23 September 2019)
Key management personnel	Anthony Judd Chief Executive Officer Hannah Yu Director Corporate Services Jerri Nelson Director Community Development (1 July 2019 to 22 August 2019) Rosemary Harris Director Community Development (23 August 2019 to 30 June 2020) Wayne O'Toole Director Works and Technical Services

	2020 No.	2019 No.
Total Number of Councillors	7	7
Chief Executive Officer and other Key Management Personnel	5	6
Total Key Management Personnel	12	13

(b) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

Short-term benefits	801	815
Post employment benefits	70	91
Long-term benefits	15	10
Termination benefits	-	-
Total	886	916

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

\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	7	5
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	-	1
\$60,000 - \$69,999	1	-
\$100,000 - \$100,999	-	1
\$110,000 - \$119,999	-	1
\$120,000 - \$129,999	-	1
\$130,000 - \$159,999	3	1
\$180,000 - \$189,999	-	-
\$220,000 - \$229,999	1	1
	12	13

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(c) Senior Officer Remuneration

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

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

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

Income Range:	2020 No.	2019 No.
<\$148,000	1	1
	<u>1</u>	<u>1</u>
Total Remuneration for the reporting year for Senior Officers included above, amounted to	112	99

7.2 Related party disclosure

(a) Transactions with related parties

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

Nil

(b) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties

Nil

(c) Loans to/from related parties

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

Nil

(d) Commitments to/from related parties

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

Nil

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Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

(a) Contingent assets

Natural Disaster Financial Assistance Grant Funding

A significant flood event occurred in December 2018 and DNFA funding of \$3.5m is anticipated for works completed in the 2020-21 financial year.

(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.

(c) Guarantees for loans to other entities

Council has guaranteed two loans taken out by Sec 86 Committees to undertake capital works on facilities located on Council land. The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee

	2020 \$'000	2019 \$'000
Bank Guarantee	300	150
TOTAL	300	150

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

8.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2020 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

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

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

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

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

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

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

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

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

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

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

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

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

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

(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

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).

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

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

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 0.35%.

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

8.4 Fair value measurement

Fair value hierarchy

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

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

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.

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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 3 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

Impairment of assets

At each reporting date, 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.

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Note 9 Other matters

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
9.1 Reserves			
(a) Asset revaluation reserves			
2020			
Property			
Land & land improvements	1,595	437	2,032
Land under roads	22,307	-	22,307
Buildings	20,826	3,720	24,546
	44,728	4,157	48,885
Infrastructure			
Roads	105,768	-	105,768
Bridges	3,014	-	3,014
Footpaths and cycleways	5,123	-	5,123
Drainage	2,022	-	2,022
Kerb & Channel	6,911	-	6,911
Other infrastructure	363	-	363
	123,201	-	123,201
Total asset revaluation reserves	167,929	4,157	172,086
2019			
Property			
Land & land improvements	1,595	-	1,595
Land under roads	22,307	-	22,307
Buildings	20,826	-	20,826
	44,728	-	44,728
Infrastructure			
Roads	50,173	55,595	105,768
Bridges	1,511	1,503	3,014
Footpaths and cycleways	4,194	929	5,123
Drainage	1,777	245	2,022
Kerb & Channel	3,860	3,051	6,911
Other infrastructure	363	-	363
	61,878	61,323	123,201
Total asset revaluation reserves	106,606	61,323	167,929

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

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
(b) Other reserves				
2020				
Defined Benefits	-	1,000	-	1,000
Total Other reserves	-	1,000	-	1,000

Defined Benefits - This reserve is used to assist with the funding of any call that may be made on Council as a result of shortfall in the Local Authorities Superannuation Fund Defined Benefits Plan. Refer to note 9.3 for further detail.

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	2020	2019
	\$'000	\$'000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	7,839	5,916
Depreciation/amortisation	8,450	7,591
(Profit)/loss on disposal of property, infrastructure, plant and equipment	8	(56)
Finance costs	132	296
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	567	(1,450)
(Increase)/Decrease in prepayments	57	(19)
Increase/(decrease) in accrued income	95	(2)
Increase/(decrease) in trade and other payables	(585)	(924)
(Decrease)/increase in trust funds and other payables	(89)	148
(Increase)/decrease in inventories	(70)	(48)
Increase/(Decrease) in provisions	(83)	11
Increase/(Decrease) in employee benefits	(89)	779
Increase/(Decrease) in grants received in advance	934	-
Net cash provided by/(used in) operating activities	17,166	12,242

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 contribution to the Fund are recognised as an expense in Comprehensive Operating Statement when they are made or due.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2020, this was 9.5% as required under Superannuation Guarantee 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 Buloke Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

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Funding arrangements

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

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

As at 30 June 2019, a interim actuarial investigation was held as the Fund provided lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 107.1%. The financial assumptions used to calculate the VBIs were:

Net investment returns 6.0% pa

Salary information 3.5% pa

Price inflation (CPI) 2.0% pa.

Vision Super has advised that the estimated VBI at 30 June 2020 decreased to 104.6% (107.1% 2019).

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2019 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular Contributions

On the basis of the results of the 2017 full actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2020, this rate was 9.5% of members' salaries (9.5% in 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 Buloke 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.

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The 2019 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Buloke Shire Council is a contributing employer. Generally, a full actuarial investigation conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2019 and a full actuarial investigation was conducted as at 30 June 2017

The Fund's actuarial investigations identified the following in the defined benefit category of which Council is a contributing employer:

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

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

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

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

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

The 2020 interim actuarial investigation

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

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Note 10 Change in accounting policy

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

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

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

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

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

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

b) AASB 16 Leases

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

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

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

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

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

d) Transition impacts

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

	2019 \$'000
Retained earnings at 30 June 2019	105,137
Revenue adjustment - impact of <i>AASB 15 Revenue from Contracts with Customers</i>	(353)
Income Adjustment - impact of <i>AASB 1058 Income of Not-for-Profit Entities</i>	-
Expense Adjustment - <i>AASB 16 Leases</i>	(17)
Retained earnings at 1 July 2019	104,767

Council adopted the practical expedient of deeming the lease asset to be equal in value to the lease liability at 1 July 2019.

The following table summarises the impacts of transition to the new standards on Council's balance sheet for the year ending 30 June 2019.

	As reported 30 June 2019 \$'000	Adjustments \$'000	Post adoption \$'000
Assets			
Right of use assets	-	506	506
Grants receivable	-	-	-
	-	506	506
Liabilities			
Unearned income - operating grants	-	353	353
Unearned income - capital grants	-	-	-
Lease liability - current	-	361	361
Lease liability - non-current	-	163	163
	-	877	877

BULOKE SHIRE COUNCIL 2019/2020 FINANCIAL REPORT

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

Note 11 Impact of COVID 19 pandemic on operations and 2019-20 financial report

On 11 March 2020, COVID 19 was declared as a global pandemic by World Health Organisation. Since then, various measures have been taken by all three levels of Government in Australia to reduce the spread of COVID-19. This crisis and measures taken to mitigate it has impacted council operations in the following areas for the financial year ended 30 June 2020.

In response to government directive amidst the COVID-19 outbreak, the leisure centre facilities, libraries, community centres were closed. These closures have only resulted in an immaterial decrease in the council user fee revenue.

Council has been required to increase maintenance of public facilities and had redeployed staff in this regard. Additional cost to Council of this requirement has been immaterial to date.

Council activated its hardship policy in response to this crisis on 16 March 2020. Financial impact from deferral of rates revenue, interest free period and rebate of public health fees has been immaterial to date.

Council was successful in gaining funding under the Victorian State Government's Working for Victoria program. Council will receive \$2.748m and incurred additional expenditure of \$2.748m over the 2019-20 and 2020-21 financial years to employ an extra fifty (50) full time positions for a six month period commencing June 2020. Council has received \$916K of this funding to 30 June 2020.

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FOR THE YEAR ENDED 30 JUNE 2020



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DESCRIPTION OF BULOKE

The Buloke Shire is located in the north west of Victoria between 210 and 360 kilometres from Melbourne.

The Buloke Shire is bounded by both the Mildura and Swan Hill Rural Cities in the north, Gannawarra and Loddon Shires in the east, Northern Grampians Shire in the south and Yarriambiack Shire in the west.

The Buloke Shire is a predominantly rural area. The main townships are Birchip, Charlton, Donald, Sea Lake and Wycheproof. The shire also comprises of the smaller townships of Berriwilllock, Culgoa, Nandaly, Nullawil and Watchem.

The Buloke shire encompasses a total land area of 8,000 square kilometres and is approximately 140 kilometres long and 60 kilometres wide.

The two main highways servicing the Buloke Shire are the Calder Highway and the Sunraysia Highway, both of which run north and south through the Shire.

Land is used largely for agriculture, particularly grain (wheat, oats and barley) production and sheep grazing.

The Buloke Shire is named after the 'buloke' or 'bullock' tree, 'Allocasuarina Luehmannii' which is common in the area and the feature of the Buloke Shire logo.

SUSTAINABLE CAPACITY INDICATORS

FOR THE YEAR ENDED 30 JUNE 2020

INDICATOR/MEASURE	2017	2018	2019	2020	COMMENTS
POPULATION Expenses per head of municipal population <i>[Total expenses / Municipal population]</i>	\$3,669.25	\$4,079.66	\$5,564.68	\$4,320.22	Increased expenses for Flood Restoration and Roads to Recovery programs in 2018/19.
INFRASTRUCTURE PER HEAD OF MUNICIPAL POPULATION <i>[Value of infrastructure / Municipal population]</i>	\$28,661.67	\$31,351.81	\$42,429.33	\$44,242.33	Flood recovery works and infrastructure revaluations in 18/19 and negative population growth has increased the value per head of population.
POPULATION DENSITY PER LENGTH OF ROAD <i>[Municipal population / Kilometres of local roads]</i>	1.17	1.16	1.16	1.16	Council covers a large area with a low dispersed population.
OWN-SOURCE REVENUE Own-source revenue per head of municipal population <i>[Own-source revenue / Municipal population]</i>	\$2,280.92	\$2,315.23	\$2,407.83	\$2,512.90	Own source revenue is relatively high when compared to other councils due to Council's rural location, low population and reliance on rate income as its main income source.
RECURRENT GRANTS Recurrent grants per head of municipal population <i>[Recurrent grants / Municipal population]</i>	\$2,169.97	\$1,376.85	\$1,499.51	\$1,687.62	Recurrent grants remain consistent, lower rates of population decline than forecasted.
DISADVANTAGE Relative Socio-Economic Disadvantage <i>[Index of Relative Socio-Economic Disadvantage by decile]</i>	3.00	3.00	3.00	3.00	Council is ranked in the lower end of the SEIFA index, indicating high levels of disadvantage within the municipality.
WORKFORCE TURNOVER Percentage of staff turnover <i>[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year]x100</i>	5.4%	15.7%	9.5%	9.6%	Staff turnover remains consistent and is expected to continue at this or a higher level into the future, given the profile of the workforce. Council has committed to an organisational strategy to attract and retain staff.

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 in paragraphs (a) and (b)

“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 decline for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

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

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

SERVICE PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2020

SERVICE INDICATOR/MEASURE	2017	2018	2019	2020	COMMENTS
AQUATIC FACILITIES Utilisation Utilisation of aquatic facilities <i>[Number of visits to aquatic facilities / Municipal population]</i>	5.9	6.4	5.1	4.9	The Buloke Shire has a relatively small population dispersed over a wide area. The number of hot days over summer show results in larger percentage variances.
ANIMAL MANAGEMENT Health and safety Animal management prosecutions <i>[Number of successful animal management prosecutions]</i>	New in 2020	New in 2020	New in 2020	100%	All animal prosecutions (2) were successful
FOOD SAFETY Health and safety Critical and major non-compliance outcome notifications <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</i>	100%	100%	100%	0%	Council had no critical or major non-compliance notifications about food premises.
GOVERNANCE Satisfaction Satisfaction with council decisions <i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i>	49%	50%	52%	58%	Council is being more proactive, utilising social media to inform the community of decisions. The improving result in satisfaction shows the community is becoming more aware of Council decisions and opportunities to engage with Council during the decision making process.
LIBRARIES Participation Active library members <i>[Number of active library members / Municipal population] x100</i>	11.3%	8.3%	7.1%	7.9%	Since the changes to the delivery of library services by Council, the number of borrowers is showing an increasing trend back to when the service was provided by 3 different service providers pre 2018/19

SERVICE INDICATOR/MEASURE	2016	2017	2018	2019	COMMENTS
MATERNAL AND CHILD HEALTH (MCH) Participation Participation in the MCH service <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	77%	77%	78%	79.5%	Council has a consistently high participation rate of children attending MCH Key Ages and Stages services up to the 36 months visit, after which the participation substantially reduces.
Participation Participation in the MCH service by Aboriginal children <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	75%	67%	74%	93%	Council has a consistently high participation rate of ATSI children attending MCH services up to the 42 months visit.
ROADS Satisfaction Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>	36%	39%	42%	39%	Council's Long Term Financial Plan identifies investment into road infrastructure.
STATUTORY PLANNING Decision Making Council planning decisions upheld at VCAT <i>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>	0%	0%	0%	100%	Council had 1 planning decision challenged in VCAT. The decision was upheld.
WASTE COLLECTION Waste diversion Kerbside collection waste diverted from landfill <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	24%	23%	25%	25%	The result is derived from the volume of recyclable waste collected from recycling bins.

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 *Local Government Act 1989*.

“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* (Cwth)

“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* (Cwth)

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

FINANCIAL PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2020

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DIMENSION/INDICATOR/ MEASURE	ACTUAL					FORECASTS			COMMENTS
	2017	2018	2019	2020	2021	2022	2023	2024	
EFFICIENCY	New in 2020	New in 2020	New in 2020	\$1,939	\$1,973	\$2,018	\$2,069	\$2,122	Council experiences little growth in the number of properties in the Shire, forecasted rates are in line with capping.
Revenue level									
Average residential rate per residential property assessment <i>[General Rates and Municipal Charges / Number of property assessments]</i>									
Expenditure level	\$3,792	\$4,036	\$5,498	\$4,227	\$4,474	\$4,269	\$4,450	\$4,646	Increased funding for Flood Restoration and Roads to Recovery programs was received in 2018/19.
Expenses per property assessment <i>[Total expenses / Number of property assessments]</i>									
LIQUIDITY	469%	415%	203%	371%	710%	511%	456%	371%	Council retired a \$7M debt in 19/20. There are no plans for borrowing.
Working capital									
Current assets compared to current liabilities <i>[Current assets / Current liabilities] x100</i>									
Unrestricted cash	252%	375%	172%	286%	538%	452%	396%	310%	Reduction in current liabilities resulting from repayment of \$7M debt.
Unrestricted cash compared to current liabilities <i>[Unrestricted cash / Current liabilities] x100</i>									

FINANCIAL PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2020

DIMENSION/ INDICATOR/MEASURE	ACTUAL					FORECASTS			COMMENTS
	2017	2018	2019	2020	2021	2022	2023	2024	
OBLIGATIONS	New in 2020	New in 2020	New in 2020	137%	142%	179%	147%	165%	With the retirement of Council's debt in 2018/19, Council is now focussing on improving condition of assets.
Asset renewal and upgrade									
Asset renewal compared to depreciation <i>[Asset renewal expense / Asset depreciation] x100</i>									
Loans and borrowings	55%	54%	52%	0%	0%	0%	0%	0%	Council retired a \$7M debt in 2019. There are no future plans to borrow funds.
Loans and borrowings compared to rates <i>[Interest bearing loans and borrowings / Rate revenue] x100</i>									
Loans and borrowings repayments compared to rates									
repayments compared to rates <i>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i>	2.3%	2.3%	2.3%	52%	0%	0%	0%	0%	Council retired a \$7M debt in 2019. There are no future plans to borrow funds.
Indebtedness	57%	55%	9.7%	8.4%	10.5%	10.0%	9.8%	9.5%	Retirement of \$7M loan in 2018/19 has resulted in low level of non-recurrent liabilities
Non-current liabilities compared to own source revenue <i>[Non-current liabilities / Own source revenue] x100</i>									
OPERATING POSITION									
Adjusted underlying result	20.22%	6.76%	-10.5%	4.47%	4.4%	4.1%	2.47%	0.6%	Variations in previous years are a result of the timing of recurrent grant payments
Adjusted underlying surplus (or deficit) <i>[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100</i>									

FINANCIAL PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2020

DIMENSION/INDICATOR/ MEASURE	ACTUAL					FORECASTS			COMMENTS
	2017	2018	2019	2020	2021	2022	2023	2024	
STABILITY	45%	48%	43%	50%	48%	51%	51%	51%	Own source revenue is relatively high compared to other councils due to Council's rural location, low population and reliance on rate income as its main income source.
Rates concentration Rates compared to adjusted underlying Revenue <i>[Rate revenue / Adjusted underlying revenue] x100</i>									
Rates effort Rates compared to property values <i>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</i>	0.92%	0.94%	0.85%	0.81%	0.78%	0.79%	0.80%	0.81%	Low increases in residential property values, higher increases in farming values and rates remaining consistent.

DEFINITIONS

"Adjusted underlying revenue" means total income other than:

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

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

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

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

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

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

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

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

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

"Population" means the resident population estimated by council

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

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

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

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

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

OTHER INFORMATION

FOR THE YEAR ENDED 30 JUNE 2020

1. BASIS OF PREPARATION

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

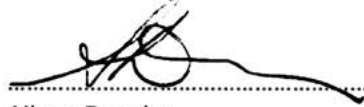
Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

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

The forecast figures included in the performance statement are those adopted by council in its Strategic Resource Plan on 1 July 2020 and which is an appendix of the Council Plan. The Strategic Resource Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The Strategic Resource Plan can be obtained by contacting council.

Certification of the Performance Statement

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



Aileen Douglas
Principal Accounting Officer

Dated: 23/10/2020

In our opinion, the accompanying Performance Statement of the Buloke Shire for the year ended 30 June 2020 presents fairly the results of Council's performance in the 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 the signing, we are not aware of any circumstances that would render any particulars in the Performance Statement to be misleading or inaccurate.

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



Cr Carolyn Stewart
Councillor

Dated: 23/10/20



Cr David Pollard
Councillor

Dated: 23-10-2020



Anthony Judd
Chief Executive Officer

Dated: 23/10/20



Independent Auditor's Report

To the Councillors of Buloke Shire Council

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

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

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

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

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

MELBOURNE
12 November 2020



Sanchu Chummar

as delegate for the Auditor-General of Victoria





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Buloke Shire Council

Drops & The Zookeepers