



# **ORDINARY COUNCIL MEETING**

## **AGENDA**

**Wednesday 9 October 2019**

**Commencing at 7.00pm**

**Wycheproof Supper Room**

**367 Broadway, Wycheproof**

**Anthony Judd  
Chief Executive Officer  
Buloke Shire Council**

## ORDER OF BUSINESS

### 1. COUNCIL WELCOME AND STATEMENT OF ACKNOWLEDGEMENT

#### WELCOME

The Mayor Cr Carolyn Stewart will welcome all in attendance.

#### STATEMENT OF ACKNOWLEDGEMENT

The Mayor Cr Carolyn Stewart will acknowledge the traditional owners of the land on which we are meeting and pay our respects to their Elders and to the Elders from other communities who maybe here today.

### 2. RECEIPT OF APOLOGIES

### 3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

#### **RECOMMENDATION:**

That Council adopt the Minutes of the Ordinary Meeting held on Wednesday, 11 September 2019 and Council adopt the Minutes of the Special Meeting held on Wednesday, 2 October 2019.

### 4. REQUESTS FOR LEAVE OF ABSENCE

### 5. DECLARATION OF PECUNIARY AND CONFLICTS OF INTEREST

In accordance with Sections 77A, 77B and 78 of the Local Government Act Councillors are required to disclose an "interest" in a decision if they would receive, or could be reasonably perceived as receiving a direct or indirect financial or non-financial benefit or detriment (other than as a voter, resident or ratepayer) from the decision.

Disclosure must occur immediately before the matter is considered or discussed.

### 6. QUESTIONS FROM THE PUBLIC

NIL 4

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## **NEXT MEETING**

THE NEXT ORDINARY MEETING OF COUNCIL WILL BE HELD IN WYCHEPROOF SUPPER ROOM, 367 BROADWAY, WYCHEPROOF ON WEDNESDAY, 13 NOVEMBER 2019 AT 7.00PM.

**Anthony Judd**  
**CHIEF EXECUTIVE OFFICER**

**6. QUESTIONS FROM THE PUBLIC**

Nil

## **7. PROCEDURAL ITEMS**

### **7.1 REPORT OF ASSEMBLY OF COUNCILLORS MEETINGS**

**Author's Title:** Executive Assistant

**Department:** Office of the CEO

**File No:** GO/05/04

**Attachments:** 1 [↓](#) Councillor Briefing Record - 4 September 2019  
2 [↓](#) Councillor Briefing Record - 18 September 2019

#### **RECOMMENDATION**

That the Council note the report of Assembly of Councillor Meetings held on 4 and 18 September 2019.

#### **1. Key Points/Issues**

The Local Government Act 1989 (the Act) provides that a record must be kept of any Meeting of Councillors and Staff deemed to be an Assembly of Councillors Meeting as defined in the Act.

An Assembly of Councillors Meeting is defined in the Act as a meeting of Councillors if the meeting considers matters that are likely to be the subject of a Council decision or the exercise of delegation and the meeting is:

A planned or scheduled meeting that includes at least half of the Councillors and a member of Council Staff; or

An Advisory Committee of the Council where one or more Councillors are present.

The Act also provides that the record of any Assembly of Councillors is to be reported to the next practicable Council Meeting and recorded in the Minutes.

A record of the Assembly of Councillors Meetings held on 4 September and 18 September is attached.

**BULOKE SHIRE COUNCIL**  
**RECORD**  
**Councillor Briefing**

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**Date and Time:** 4 September 2019 **Time:** 5.00pm – 8.00pm

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**Location:** Sea Lake Senior Citizens building

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**Attendees:** Cr- Carolyn Stewart  
Cr- Daryl Warren  
Cr- David Pollard  
Cr- Graeme Milne  
Cr- Ellen White  
Cr- David Vis

Anthony Judd –Chief Executive Officer  
Hannah Yu – Director Corporate Services  
Wayne O’Toole– Director of Works and Technical Services  
Rose Harris –Director Community Development  
Travis Fitzgibbon- Manager Customer Engagement

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**Apologies:**

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**Visitors:** Advance Sea Lake – Alison McClelland

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## ITEMS

NO.	TOPIC	PURPOSE
1.	<b>Declarations of Conflicts of Interest</b>	Nil
2.	<b>Briefing Notes 21 August 2019</b>	
3.	<b>Presentations</b>	
	3.1 Advance Sea Lake	
4.	<b>Items for Discussion</b>	
	4.1 Annual Report 2018/19	
	4.2 Update on Drought Communities	

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Program Projects

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**5. Councillor Matters**

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**6. CEO Updates**

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**Next Briefing:**

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<b>Date and Time:</b>	18 September 2019	<b>Time:</b> 3.00pm – 6.00pm
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<b>Location:</b>	Nullawil Community Centre
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**BULOKE SHIRE COUNCIL**  
**RECORD**  
**Councillor Briefing**

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**Date and Time:** 18 September 2019 **Time:** 3.00pm – 6.00pm

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**Location:** Nullawil Recreation Reserve Community Complex

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**Attendees:** Cr- Carolyn Stewart (Mayor)  
Cr- Daryl Warren (Deputy Mayor)  
Cr- David Pollard  
Cr- Graeme Milne  
Cr- Ellen White  
Cr- David Vis  
Anthony Judd –Chief Executive Officer  
Rose Harris –Director Community Development  
Travis Fitzgibbon- Manager Customer Engagement

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**Apologies:** Hannah Yu – Director Corporate Services  
Wayne O’Toole– Director of Works and Technical Services

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**Visitors:** Sandy Pollington- Manager Wycheproof Community Resource Centre  
Tom Draffen- Capital Projects Officer  
Barry McKenzie- Children and Youth Officer  
Mary-Ann Sait NCLLEN  
Riley Smith – Student  
Matt Hogan – Student

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**ITEMS**

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<b>NO.</b>	<b>TOPIC</b>	<b>PURPOSE</b>
1.	<b>Nullawil Progress Association Tour</b>	
2.	<b>Councillor /CEO only time</b>	
3.	<b>Declarations of Conflicts of Interest</b>	
4.	<b>Confirmation of Councillor Briefing Notes 4 September 2019</b>	
5.	<b>Presentations</b>	

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<b>5.1</b>	Youth- NCLLEN
<b>5.2</b>	Planet Youth
<b>5.3</b>	Riverfront Projects
<b>6.</b>	<b>Items for Discussion</b>
<b>7.</b>	<b>Councillor Matters</b>
<b>8.</b>	<b>CEO Updates</b>

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**Next Briefing:**

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<b>Date and Time:</b>	2 October 2019	<b>Time:</b> 5.00pm – 8.00pm
<b>Location:</b>	Culgoa Community Hall	

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## 7.2 LETTERS OF CONGRATULATIONS AND RECOGNITION OF ACHIEVEMENT/AWARDS

**Author's Title:** Executive Assistant

**Department:** Office of the CEO

**File No:** CR/13/01

**Attachments:** Nil

### RECOMMENDATION

That the Council acknowledge and congratulate the persons and/or groups mentioned in the report for their achievements.

#### 1. Executive Summary

This report acknowledges and congratulates community persons and/or groups for their success in being recognised for a significant achievement or for being a recipient of an honourable award.

The report also informs Council of any letters of congratulations or any particular recognition of achievement that Council has received or been awarded in the past month.

#### 2. Recognition of Achievement Items

Provider	Recipient	Date	Purpose for Recognition
University of New England, Armidale, NSW	Kerryanne Graham	30 August 2019	Graduated with a Master of Arts (English Literature) degree. Kerryanne is now in the process of completing a Master or Arts (Religious Studies)

### 7.3 CORRESPONDENCE INITIATED BY COUNCIL

**Author's Title:** Executive Assistant

**Department:** Office of the CEO

**File No:** GO/06/06

**Attachments:** Nil

#### RECOMMENDATION

That Council notes the record of correspondence sent and responses received.

#### Table of Correspondence

Council Initiative	Correspondence sent to	Date sent	Date of Response	Summary of Response
Requesting action on the poor condition of the Donald Murtoa Road	Jaala Pulford, Minister for Roads	Sent 26 September 2019		
	Regional Roads Victoria, Northern Region Office	Sent 26 September 2019		
Social Housing Flats in Wycheproof to be replaced; investigate social housing stock in Buloke Shire in general, and Buloke Shire investigate opportunities to increase social housing in Buloke Shire with relevant partners such as Haven: Home, Safe.	Deputy Secretary of Housing and Infrastructure, Dept of Health and Human Services;	Sent 21 August 2019		
	Mr Richard Wynne MP, Minister for Housing; and	Sent 20 August 2019		
	CEO of Haven; Home, Safe.	Sent 27 August 2019	5 September 2019	Forwarded a copy of letter they sent to Director of Housing, Chris Hotham and Loddon Area Director DHHS, Nathan Chapman affirming their support for Council's request to address dire local social housing situation.

<b>Council Initiative</b>	<b>Correspondence sent to</b>	<b>Date sent</b>	<b>Date of Response</b>	<b>Summary of Response</b>
Support for a Container Deposit Scheme in Victoria	Minister for Environment Hon Lily D'Ambrosio	Sent 20 August 2019	2 Oct 2019	Having heard from many Councils in support of Scheme. Monitoring and investigating the scheme proposal further. Referring to Vic Gov commitments and initiatives to tackle waste and pollution.
	CEO of Municipal Association of Victoria	Sent 20 August 2019		
	Mayor Frankston City Council	Sent 20 August 2019		

## 7.4 BUILDING PERMITS - MONTHLY UPDATE

**Author's Title:** Compliance Administration Officer

**Department:** Works and Technical Services

**File No:** DB/14/02

**Attachments:** Nil

### RECOMMENDATION

That the Council note information contained in the report on Building Permits approved by staff from 1 September 2019 to 30 September 2019.

#### 1. Executive Summary

This report provides information on Building Permits approved by staff from 1 September 2019 to 30 September 2019.

#### 2. List of Building Permits Approved by Council Surveyor

Council Ref Permit No.	BAMS Permit No.	Address	Project Description	Date Approved
20190050	3706814155993	Mildura Way, CHARLTON	Alteration: Fire Services (Charlton Park)	12/09/2019
20190051	9292989997017	236 Hogans Road, DOOBOOBETIC	New Building: Hay Shed	12/09/2019
20190052	3345583547972	111 Ferrier Road, JIL JIL	New Building: Hay Shed	12/09/2019
20190053	7746343941336	3064 Charlton – Swan Hill Road, TOWANINNY	New Building: Shed	12/09/2019
20190054	1866654443487	11 Horace Street, SEA LAKE	New Building: Shed	12/09/2019
20190055	9823596287797	1844 Charlton-St Arnaud Road, COONOOER	New Building: Hay Shed	12/09/2019
20190056	3414544328877	862 Kinnabulla West Road, KINNABULLA	New Building: Swimming Pool & Safety Barrier	12/09/2019
20190057	8478796712069	35 Corack Road, BIRCHIP	New Building: Shed	12/09/2019

<b>Council Ref Permit No.</b>	<b>BAMS Permit No.</b>	<b>Address</b>	<b>Project Description</b>	<b>Date Approved</b>
20190058	9964727201328	24 Houston Street, DONALD	New Building: Garage/Carport	12/09/2019
20190059	2228509369698	12 Meyer Street, DONALD	New Building: Carport	12/09/2019
20190060	8224182800988	31 Woods Street, DONALD	Alteration: Alteration to Assembly Building	12/09/2019
20190061	6839858265845	4567 Birchip-Sea Lake Road, BANYAN	Demolition: Demolish Toilet Block	12/09/2019

### 3. List of Building Permits Approved by Private Surveyor

<b>Council Ref No.</b>	<b>Address</b>	<b>Project Description</b>	<b>Date Approved</b>
20190062	5046 Birchip Sea Lake Road, Sea Lake	New Building: Hay Shed	09/07/2019
20190063	1939 Borung Highway, JEFFCOTT	New Building: Hay Shed	22/08/2019
20190064	101 Slaters Road, CORACK	New Building: Hay Shed	29/08/2019
20190065	343 Gil Gil Road, Gil Gil	New Building: Farm Shed	29/08/2019
20190066	395 Renneys Road, BERRIWILLOCK	New Building: Hay Shed	23/08/2019
20190067	1247 Curyo West Road, CURYO	New Building: Hay Shed	11/09/2019
20190068	2955 Sunraysia Highway, CURYO	New Building: Hay Shed	12/09/2019
20190069	629 Corack East-Chirrup Road, CORACK EAST	New Building: Hay Shed	17/09/2019
20190070	268 Reillys Road, CORACK	New Building: Hay Shed	17/09/2019
20190071	169 Pier Millan-Chinkapook Road, PIER MILAN	New Building: Farm Shed	04/09/2019
20190072	1044 Berriwillock-Birchip Road, WHIRLY	New Building: Farm Shed	05/09/2019
20190073	1174 Nullawil-Birchip Road, WHIRILY	New Building: Farm Shed	05/09/2019
20190074	Gretgrix Road, WYCHEPROOF	New Building: Shed	09/09/2019
20190075	121 Bourkes Lane, JEFFCOTT	New Building: Farm Shed	17/09/2019
20190076	3 Halliday Street, CHARLTON	New Building: Storage Shed	17/09/2019

## 7.5 PLANNING APPLICATIONS RECEIVED - MONTHLY UPDATE

**Author's Title:** Planning Officer

**Department:** Works and Technical Services

**File No:** LP/09/01

**Attachments:** Nil

### RECOMMENDATION

That the Council note information contained in the report on planning applications under consideration by staff and the status of each of these applications.

#### 1. Executive Summary

This report provides information on planning applications under consideration by staff and the status of each of these applications.

#### 2. List of Planning Applications

Application No	Applicant	Address	Date Rec	Summary of Proposal	Status
PPA801/19	TJ & WJ Bath	Culgoa-Lalbert Road, Culgoa (Lot 2 PS311691)	12/06/2019	Use and development - Rural Store	Permit issued
PPA811/19	James Course	Calder Highway, Wycheproof (Lot 1 PS820286)	25/07/2019	Construct and display a Major Promotion Sign	Permit issued
PPA812/19	Mark Yates	126 Biddlestones Road, Charlton	09/08/2019	Use and development - Renewable Energy Facility (340.2kW Solar Farm)	Notice of application Referred
PPA813/19	Charlton Community Theatre	30-34 High Street, Charlton	14/08/2019	Installation of solar panels on roof of Rex Theatre	Permit issued
PPA814/19	Ararat Survey Pty Ltd	31 Bunker Road	21/08/2019	Two lot subdivision (boundary re-alignment)	Awaiting report

Application No	Applicant	Address	Date Rec	Summary of Proposal	Status
PPA815/19	Blair Architects	22 Camp Street, Donald	23/08/2019	Goodwin Village upgrade – Construction of 5 additional bedrooms, 3 offices, storage areas and communal areas for residents	Referred
PPA816/19	Jaymie Buhagiar (DCA Design)	11-13 Learmonth Street, Charlton	05/09/2019	Use and development – 2 dwellings	Awaiting report
PPA817/19	Buloke Shire Council	2A High Street, Charlton (CA 2056 Parish of Charlton East)	10/09/2019	Removal of native vegetation – Charlton Riverfront Project	Notice of application Referred
PPA818/19	Buloke Shire Council	1 Lake Road, Sea Lake	10/09/2019	Silo Art project	Vicsmart application Permit issued
PPA819/19	KA & PR Walder	548 Watchem West School Road, Watchem	23/09/2019	Building & works – construction of a shed	Vicsmart application Permit issued

## 7.6 CIRCULAR MOTION - C67 2019/20 DIREL (LAKE TYRRELL) CONSERVATION MANAGEMENT PLAN

**Author's Title:** Chief Executive Officer

**Department:** Office of the CEO

**File No:** GS/03/05

**Attachments:** Nil

### **Relevance to Council Plan 2017 - 2021**

**Strategic Objective:** Support our councillors, staff, volunteers and the community to make informed and transparent decisions.

### **RECOMMENDATION**

That Council notes the motion circulated and Council's decision in relation to Contract C67 – 2019/20 Direl (Lake Tyrrell) Conservation Management Plan

#### **1. Executive Summary**

This report is presented to Council to note the circular motion regarding Contract C67 – 2019/20 Direl (Lake Tyrrell) Conservation Management Plan.

#### **2. Discussion**

A Circular Motion was distributed to all Councillors, via email on 23 September 2019. The Circular Motion considered by Council is set out below:

*That Council:*

- 1. Awards Contract Number C. 67 2019/20 to Dr Vincent Clark and Associates for the Direl (Lake Tyrrell) Conservation Management Plan for the fixed lump sum of \$355,510 (ex GST) and affixes the common seal*
- 2. Delegate authority to the Chief Executive Officer to approve payments to an appointed contractor for undertaking the works associated with the Contract;*
- 3. Delegate authority to the Chief Executive Officer to approve all variations under the Contract;*
- 4. Notes and declares the Confidential Attachment to this report for Contract No. C63 2018/19 – External Plant Hire & Associated Rates (Schedule of Rates) of the Local Government Act 1989 on the grounds that it relates to contractual matters as described in s 89(2) of the Local Government Act 1989.*

Councillors did not unanimously approve the Circular Motion.

As a result, Council then considered the same motion at a Special Meeting of Council held on 2 October 2019, and the motion was carried.

Council's Meetings Procedure and Common Seal Local Law 2019 outlines that any circular motion, whether carried or not, must be reported to the next Ordinary Meeting.

#### **3. Financial Implications**

There are no financial implications in this report.

#### **4. Cost Shift Considerations**

There are no cost shift considerations in this report.

**5. Community Consultation**

There was no community consultation completed under this report.

**6. Internal Consultation**

Staff from Council's Senior Leadership Team, were consulted in the development of this report.

**7. Legislative / Policy Implications**

The process for a Circular Motion must be administered in accordance with Part 4, Section 71 of Council's Meetings Procedure and Common Seal Local Law 2019.

**8. Environmental Sustainability**

There are no environmental sustainability considerations in this report.

**9. Conflict of Interest Considerations**

No officer involved in the development of this report has a conflict of interest.

**10. Conclusion**

That Council notes the motion circulated and Council's decision in relation to Contract C67 – 2019/20 Direl (Lake Tyrrell) Conservation Management Plan

## **8. GENERAL BUSINESS**

### **8.1 POLICY REPORTS**

#### **8.1.1 RESCISSION OF POLICIES**

**Author's Title:** Director Corporate Services

**Department:** Corporate Services

**File No:** IT|15|01

**Attachments:** Nil

**Relevance to Council Plan 2017 - 2021**

**Strategic Objective:** Deliver our service in a financially viable way

#### **RECOMMENDATION**

That Council rescinds the following policies:

- Website and Intranet Content Management Policy;
- IT Disaster Recovery Policy;
- Electronic Communication Policy;
- Information Security Policy;
- Mobile Phone and GPS Usage Policy; and
- Mobile Phone Policy.

#### **1. Executive Summary**

In 2013 Council adopted four separate information and communication technology (ICT) policies which set out operational controls for appropriate access to and use of technology for Council workers.

This report proposes Council rescind these policies due to their operational nature.

#### **2. Discussion**

Council Officers have undertaken a review of the following policies in accordance with the policy schedule:

- Website and Intranet Content Management Policy
- IT Disaster Recovery Policy
- Electronic Communication Policy
- Information Security Policy
- Mobile Phone and GPS Usage Policy
- Mobile Phone Policy

As part of the review, Council Officers determined the above policies are operational in nature, and neither support nor inform Council's strategic direction. Rather, they are designed to establish measures required to protect Council information, systems and ICT infrastructure, as well as requiring all electronic communications undertaken for Council business purposes are conducted in a professional manner.

The above policies are identified for rescission by Council but will remain in place as operational documents.

**3. Financial Implications**

There are no financial implications in relation to the rescission of the policies identified in this report.

**4. Cost Shift Considerations**

There are no cost shift implications from this report.

**5. Community Consultation**

The policies are internal in nature with very little impact or change for the community.

**6. Internal Consultation**

Various departments of Council have been requested to review their policies to be updated where appropriate. Council's IT Disaster Recovery policy is considered by the Audit Committee.

**7. Legislative / Policy Implications**

Council will continue to adhere to appropriate legislation. Councillor obligations in relation to appropriate access to and use of resources, including ICT resources, are well defined within the Councillor Code of Conduct.

**8. Environmental Sustainability**

There are no environmental sustainability implications associated with this report.

**9. Conflict of Interest Considerations**

No officer involved in the preparation of this report has a conflict of interest.

**10. Conclusion**

Council has previously adopted policies concerning operational and staff based matters or matters that addressed by legislation and other requirements. This report recommends their rescission.

## 8.2 MANAGEMENT REPORTS

### 8.2.1 INDUCTION OF COUNCILLOR BRONWYN SIMPSON

**Author's Title:** Executive Assistant

**Department:** Office of the CEO

**File No:** aaaa

**Attachments:** 1 [↓](#) Declaration by Form of Affirmation - Cr Simpson  
2 [↓](#) Declaration to abide by the Code of Conduct - Cr Simpson

#### **Relevance to Council Plan 2017 - 2021**

**Strategic Objective:** Support our councillors, staff, volunteers and the community to make informed and transparent decisions.

#### **RECOMMENDATION**

That Council:

1. Note the report;
2. Note that Affirmation of Office completed by Cr. Simpson in accordance with Section 63(2) of the Local Government Act 1989 is recorded in the Minutes of this Council Meeting; and
3. Note the Code of Conduct declaration made by Cr Simpson in accordance with Section 63(3) of the Local Government Act 1989 is recorded in the Minutes of this Council Meeting.

#### **1. Executive Summary**

This report is presented to advise Council in relation to the process undertaken pursuant to Section 37A of the Local Government Act 1989 to fill by Countback the Extraordinary Vacancy resulting from the resignation of former Cr John Shaw.

#### **2. Discussion**

Following the resignation of Cr John Shaw effective 19 August 2019, a vacancy was created in the Lower Avoca Ward. The CEO notified both the VEC and the Minister of Local Government as required under the Act. The VEC then fulfilled the duties of Returning Officer for the purpose of the Countback to be conducted to fill the Extraordinary Vacancy caused by the resignation of former Cr Shaw.

On September 17 2019, the Victorian Electoral Commission conducted a countback for this Ward from the Council elections held in November 2016.

Bronwyn Simpson was elected as a result of this countback and completed the declaration required which enabled the Returning Officer to proceed with the declaration of the Countback result, which was done at the VEC's head office at 1.30pm on Wednesday 18 September 2019.

At 6:00pm on Monday 23 September 2019 Cr Simpson took the Oath of Office and signed the following two declarations which are attached to this report:

- a) Declaration by form of Affirmation; and
- b) Declaration to abide by the Code of Conduct.

Before being capable of acting as a Councillor, all persons elected to be Councillors must:

- take the oath of office;

- read the Council's Councillor Code of Conduct; and
- make a declaration that they will abide by the Council's Code of Conduct.

This oath of office must be:

- made before Council's Chief Executive Officer; and
- dated and signed before the Council's Chief Executive Officer; and
- recorded in the minutes of Council.

### **3. Financial Implications**

The VEC were required to undertake the process of the Countback under the terms of the Contract with Victorian Electoral Commission for the conduct of the 2016 General Election of Councillors. The cost of conducting the Countback procedures hasn't been finalised and submitted by the VEC.

### **4. Cost Shift Considerations**

There are no cost shift considerations applicable to this report.

### **5. Community Consultation**

All Public Notices required under the Legislation were given by the Victorian Electoral Commission and the appointed Returning Officer

### **6. Internal Consultation**

There was no internal consultation applicable to this report.

### **7. Legislative / Policy Implications**

This report enables Council to meet its obligations under the *Local Government Act 1989*.

### **8. Environmental Sustainability**

There are no environmental sustainability considerations applicable to this report.

### **9. Conflict of Interest Considerations**

No officer involved in the preparation of this report had a conflict of interest.

### **10. Conclusion**

It is recommended for Council to note and record that recently elected Cr Bronwyn Simpson has:

- taken the oath of office;
- read the Council's Councillor Code of Conduct; and
- made declaration that she will abide by the Council's Code of Conduct;

before the Chief Executive Officer, Anthony Judd, on Monday 23 September 2019.



Declaration by form of affirmation

Buloke Shire Council 2019

**"I solemnly and sincerely declare and affirm that I will undertake the duties of the office of Councillor in the best interests of the people in the municipal district of the Shire of Buloke and faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the *Local Government Act 1989* or any other Act to the best of my skill and judgement."**

ALL CORRESPONDENCE TO:

WYCHEPROOF  
367 Broadway, PO Box 1  
Wycheproof VIC 3527

ALL ENQUIRIES:

Ph: (03) 5478 0100  
Fax: (03) 5493 7395

Email: [buloke@buloke.vic.gov.au](mailto:buloke@buloke.vic.gov.au)

Councillor Signature

23/09/2019  
Date

Bronwyn MARY SIMPSON  
Name (please print)

CEO Anthony Judd

23/9/19  
Date



## Declaration to abide by the Code of Conduct

Buloke Shire Council 2019

**“I hereby declare that I have read the Councillor Code of Conduct for Buloke Shire Council adopted on 8 February 2017 and declare that I will abide by this Code”.**

  
-----  
Councillor Signature

23/09/2019  
Date

Bronwyn Mary Simpson  
Name (please print)

ALL CORRESPONDENCE TO:

WYCHEPROOF  
367 Broadway, PO Box 1  
Wycheproof VIC 3527

ALL ENQUIRIES:

Ph: (03) 5478 0100  
Fax: (03) 5493 7395

Email: [buloke@buloke.vic.gov.au](mailto:buloke@buloke.vic.gov.au)

  
-----  
CEO Anthony Judd

23/9/19  
Date

## **8.2.2 SUBMISSION TO THE VICTORIAN LOCAL GOVERNMENT RATING SYSTEM REVIEW**

**Author's Title:** Chief Executive Officer

**Department:** Office of the CEO

**File No:** GR/17/11

**Attachments:** 1 [↓](#) Buloke Shire Submission to the Victorian Local Government Rating System Review

**Relevance to Council Plan 2017 - 2021**

**Strategic Objective:** Deliver our service in a financially viable way

### **RECOMMENDATION**

That Council:

1. Endorse and submit the attached submission to the Victorian Local Government Rating System Review; and
2. Forward copies to Member for Mildura, Ali Cupper, and Member for Ripon, Louise Staley.

#### **1. Executive Summary**

This report is presented to Council to consider a submission to the Victorian Local Government Rating System Review.

#### **2. Discussion**

In response to the Parliament of Victoria's Inquiry into the Sustainability and Operational Challenges of Victoria's Rural and Regional Councils the Government has commenced an inquiry into the local government rating system to identify changes that will improve its fairness and equity.

The Minister for Local Government has appointed a Panel to lead the Victorian Local Government Rating System Review and staff and councillors have made verbal representations at a consultation session held in Swan Hill. The Panel is now accepting written submissions until 1 November 2019.

In making this submission (attached), Council has addressed some of the specific consultation questions requested by the Panel, but largely the focus is on the inequity of the rating system on rural areas. The submission includes a table comparing metropolitan, regional and rural Councils, which highlights the very clear and direct relationship between low population density and increasing cost of rates charged.

A copy Council's recently adopted Revenue and Rating Strategy will also be included in Council's submission.

The review will conclude in March 2020, when the Panel provides their recommendations to the Minister.

#### **3. Financial Implications**

The attached submission highlights the variance of cost of rates across different municipalities.

#### **4. Cost Shift Considerations**

There are no known cost shift considerations to Council.

**5. Community Consultation**

A lot of the content in this submission follows the development and adoption of the Revenue and Rating Strategy in 2019, which was subject to extensive community consultation efforts.

**6. Internal Consultation**

This submission has been discussed by Council's Senior Leadership and Finance Teams

**7. Legislative / Policy Implications**

The final report of the review is likely to recommend changes to the relevant legislation around local government rates.

**8. Environmental Sustainability**

There are no known environmental sustainability considerations.

**9. Conflict of Interest Considerations**

No officer involved in the preparation of this report has a conflict of interest.

**10. Conclusion**

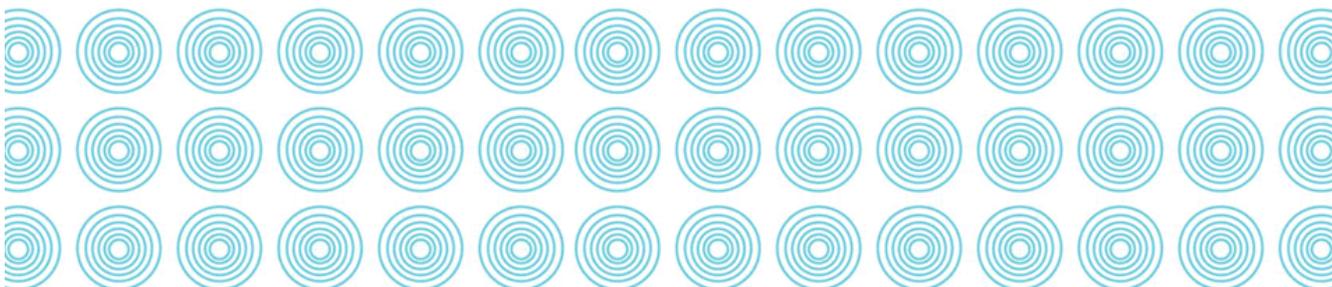
It is recommended that Council endorse and submit the attached submission to the Victorian Local Government Rating System Review.



**BULOKE SHIRE COUNCIL**

# **Submission to the Local Government Rating System Review**

**30 September 2019**



### The need for a fairer system

In making this submission, Council has considered not only the consultation questions from the discussion paper, but also the adequacy and fairness of the rating system. The initial parts of this submission address elements that are outside of the scope of the review, however it is Council's view that a review of the rating system needs to consider the impact and inequity on rural Victorians.

In 2019, the Buloke Shire Council embarked on developing its first Revenue and Rating Strategy. This was following a period of significant financial challenges where Council had cut \$4 million, from a \$26 million operating budget and 1 in 6 jobs were lost. As a result of these savings measures, key community services levels were either reduced or cut entirely.

In considering where the rating burden should lie (commercial, residential or farming), Council was faced with an extremely difficult situation whereby the farming sector had come off one of the worst drought seasons in recent years, and spending in our businesses had slowed, however the urban population were ageing, predominantly low income and rating affordability had become a vital community issue. Through the community consultation and benchmarking against other Councils, it became evident that the rating system

The following table highlights some of the structural inadequacies of the rating system and how the system disadvantages property owners in rural Victoria.

Rates Comparison						
	CIV	Rates on \$1m House	Population Density per sq/km	Population density by road length (km)	Area sq/m	Total Rate Revenue
Stonnington	0.001	\$999	4052	343.79	25.6	\$117,393,000
Boorondara	0.0012	\$1,219	2,790	318.59	60	\$188,207,000
Ballarat	0.0039	\$3,920	137.4	74.37	740	\$122,164,000
Bendigo	0.004	\$3,990	36.24	36.46	3048	\$121,851,000
South Gippsland	0.0049	\$4,910	8.68	13.93	3305	\$43,869,000
Corangamite	0.0037	\$3,740	3.64	6.79	4407	\$22,034,000
Yarriambiack	0.0063	\$6,250	0.93	1.4	7158	\$12,595,000
Buloke	0.0077	\$7,699	0.77	1.16	8004	\$13,691,000



The table highlights the clear correlation between lower population density and the high cost of rates on a \$1million house.

The comparison table below between City of Stonnington and the Buloke Shire Council shows the stark inequity of the rating system on rural Victorians. Consider this:

- In Buloke Shire, residents pay 7.5 times higher rates on the same value property
- On top of this, the waste charge is nearly double in the Buloke Shire.
- Yet, the average household income in the Buloke Shire Council is half that of the City of Stonnington residents and the SEIFA index confirms a high level of disadvantage.
- The below statistics do not consider the additional car parking revenue and other revenue generating assets and also the very different service levels that would be experienced by Stonnington and Buloke Shire residents.

	City of Stonnington	Buloke Shire Council
<b>Rates on a \$1million property</b>	\$999	\$7,699
<b>Average household income</b>	\$1,722	\$839
<b>Total rates received</b>	\$117,393,000	\$13,691,000
<b>Rates as a percentage of property values in municipality</b>	.13%	.94%
<b>Infrastructure value per head of municipal population</b>	\$5,334	\$31,351
<b>Relative Socio-Economic Disadvantage of the municipality</b>	10 (lower level of disadvantage)	3 (higher level of disadvantage)
<b>Waste Charge</b>	\$259.40	\$413

Council was disappointed that the terms of reference of this review left out other grant sources and consider that this review will deal with the underlying issues with the local government rating and revenue system. For small rural Council's like Buloke Shire Council, with a large asset base and low population, the cost of maintaining and renewing infrastructure will remain a significant challenge. With population decline, demographic shifts and impact of climate change on farm income, the ability for ratepayers to continue to afford rates will be questionable.

The recent Rural and Regional Councils Sustainability Reform Program Report commissioned by Local Government Victoria highlighted the above challenges and recommended the establishment of a '*Stabilisation Fund* for infrastructure needs to maintain productivity and liveability in Rural Victoria, focused on at-risk small shires and at-risk communities'. The Buloke Shire Council advocates for a larger review that considers the rating system in



conjunction with other recurrent grant funding opportunities that enhance the affordability and liveability of rural and regional Victoria.

## Discussion Paper Questions

### 1. How regularly does your council assess occupancies for each of the non-rateable exemptions under s154 of the *Local Government Act 1989* (the Act)?

There is a significant portion of DELWP, Department of Education and Department of Health owned land throughout the Shire. Council has not estimated the amount of rates that are foregone as a result of this land being non-rateable, however it would be quite significant in terms of Council's low rate base.

### 2. What rates and charges does your council declare?

The rating system used by Council for the 2018-19 year is as follows:

- General Rates levied using differential rates based on Capital Improved Valuations multiplied by specified rates in the dollar, being:
  - Residential rates at 100% of the General rate (2018-19: 0.7715 cents/\$CIV),
  - Farm rates at 88% of the General rate (2018-19: 0.6789 cents/\$CIV) and
  - Commercial/Industrial rates at 100% of the General rate (2018-19: 0.7715 cents/\$CIV)
- Municipal Charge levied on all rateable properties, representing 6.4% of total revenue from the municipal charge and general rates, with exemptions for properties making up single farm enterprises and cultural and recreational lands (2018-19: \$170 per property)
- Service Rates and Charges levied for kerbside garbage and recycling for eligible properties (\$413)
- Do you have a revenue and rating strategy to help determine rates and charges under s155 of the Act?  
Yes. It was adopted in 2019. A copy of the strategy and policy are attached and form part of this submission.
- How do you engage your community in determining rates and charges?  
Council ran a significant community education and consultative process as part of the Revenue and Rating Strategy, including listening posts and surveys across the wider community. Through the annual budgetary process, Council distributes

media released and advertisements calling for submissions to the budget and proposed rate structure.

Council also has information about rates on the website.

- If you use a municipal charge, how do you calculate its level?  
For the 2019-23 years, Council maintained the municipal charge at \$170 on the grounds that while it is regressive in nature and it has an adverse impact on lower valued properties, all properties should contribute to its administrative costs.
- What exemptions do you apply for municipal charges?  
Municipal Charge levied on all rateable properties, representing 6.4% of total revenue from the municipal charge and general rates, with exemptions for properties making up single farm enterprises and cultural and recreational lands (2018-19: \$170 per property).

**3. Do you issue separate notices for Special Rates and Charges, or do you combine them on a single notice?**

Council issues a municipal waste charge, which is the only special rate. These are issued on one single notice.

**4. How does your council determine general rates (uniform or differential)?**

- What criteria does your council use in their application?  
Council has a differential system.
- What evidence does your council consider when determining the rates in the dollar for your differential rating categories?  
A range of factors have been considered through the development of the rating strategy, including household income, age, disadvantage, farm incomes, benchmarking with similar Councils and service provision.
- Does your council consider what services should be paid for with other income (e.g. municipal/service/special charges)?  
The municipal garbage charge is set at full cost recovery to cover the kerbside and waste service for the Council.



**5. Please describe the payment options your council makes available to ratepayers?**

- Do you provide other payment options (in addition to offering a choice between paying in four instalments or in a lump sum)?

Council also offers a monthly payment option (over nine months).

- Do you provide any incentives for payment of rates such as early payment? What are they?

Council does not offer any early payment incentives.

**6. Do you provide any rating rebates and concessions (in addition to State government concessions)?**

No. Council only provides the pension concession and Single Farm Enterprise Concession.

**7. Do you have a policy for deferment of rates and charges?**

The Rates and Charges Financial Hardship Policy relates to the deferring of payment of any rates or charges, or the granting of a waiver of outstanding interest on rates or charges. It does so in accordance with the provisions of sections 170 and 171(a) of the Local Government Act 1989 (the Act).

The deferment or waiver of a debt under the Act will be considered after the ratepayer has exhausted other means of assistance provided by Council in paying the outstanding amount.

**8. What issues have you determined when applying rates to land that is becoming, or ceasing, to be rateable?**

Annually, over the past 5 years, how many supplementary rates and charges notices have been issued?

Over the past three years, 105 supplementary rate notices have been issued.

**9. Do you have a policy regarding treatment of unpaid rates and charges?**

- What type of collection activities do you use to recover unpaid rates and charges?

- Letters
- Phone calls
- Payment plans
- Debt Collection Agency



#### 10. What is your council's policy regarding selling land to recover unpaid rates and charges?

Sale of a property for debt recovery purposes will only be undertaken as a last resort where all other means of recovering outstanding rates have failed or where all attempts to locate the owner of the property have been unsuccessful.

- Annually, over the past 5 years, how many times have you undertaken this process?

Council typically only does this once every 2-3 years and would sell between 5-20 properties each time.

- How much has this cost, per instance?

Approximately \$32,000 (This includes selling costs and Debt collection legal charges to properties).

- What issues have you encountered when selling or claiming land?

Properties remained unsold due to location, condition of property and rates owed being higher than property value.

#### 11. What issues have you encountered in providing information for Land Information Certificates?

- Do you provide any updates (verbal or otherwise) to ratepayers/would-be ratepayers for these certificates?

Yes, typically we provide certificates to solicitors during a land/property acquisition process. The solicitors will then call the Revenue Officer for an updated balance before settlement.

#### 12. Other questions

- How many public inquiries on rates do you receive each year? What are some common themes of those inquiries?

Councillors and Council staff would get hundreds of representations from community members every year on rates. The common theme is complaints about how high those rates are, and typically, 'what do I get for these rates'. Quite often, the representations are from farmers who will say that they do not use the town based services (library, swimming pools, footpaths, etc) and do not see a grader very frequently. Most often, the queries focus around what the



ratepayers see as inequity in the provision of service against the amount of rates paid.

- What software do you use to administer your rating system?

Lynx property systems

- How many staff do you employ to administer rates and charges?

1EFT

## 8.2.3 YEAR 3 ANNUAL PLAN 2019/20 - QUARTERLY UPDATE

**Author's Title:** Chief Executive Officer

**Department:** Office of the CEO

**File No:** GS/02/03

**Attachments:** 1 [↓](#) Year 3 Annual Plan Comments

### **Relevance to Council Plan 2017 - 2021**

**Strategic Objective:** Support our councillors, staff, volunteers and the community to make informed and transparent decisions.

### **RECOMMENDATION**

That Council note the progress against the Year 3 Annual Plan 2019/20 – Quarterly Update.

#### **1. Executive Summary**

Council, at its Special Meeting 21 June 2017, adopted the Buloke Council Plan 2017-2021 and has subsequently developed and adopted a Year 1, Year 2 and Year 3 Annual Plan for the implementation of the strategic objectives. Quarterly progress reports are to be presented to Council throughout 2019/20.

#### **2. Discussion**

The purpose of these Annual Plans is for Council to develop a series of actions, projects, programs and initiatives to achieve on the Council Plan 2017-2021.

Council has received progress reports against the Year 3 Annual Plan throughout the 2019/20 year, and attached is the final report on the Plan.

The attached table highlights the updates against each of the annual plan actions, with solid progress being made against many of the items. Actions that have been noted as complete include:

- Construction of Charlton Park 2020 Facility
- New finance reporting template
- Commencing the partnering with Northern District Community Health Service on the Tactics for Tough Times Project
- Completion of works under stream 3 of Sustainability Victoria funding to retrofit community buildings for better energy efficiency.
- Development of Councillor Professional Development Plan.

Some of the other items that have had notable progress include:

- Deliver on art projects at Sea Lake silo (commenced), Nullawil silo (complete) and Charlton (progressing) murals
- Partnering with the BCG to run a climate change / farm diversification event in October
- Redevelopment of the risk register and presenting to the audit committee
- Maternal Child Health service survey to inform the Municipal Early Years Strategy.

The next update on the Annual Plan will be presented in February 2020.

### **3. Financial Implications**

The costs of the actions were included in the 2018/19 budget.

### **4. Cost Shift Considerations**

There are no cost shift considerations applicable to this report.

### **5. Community Consultation**

The Annual Plan for Year 3 was adopted by Council at the July 2019 Ordinary Meeting, and has been published on the Council website.

The development of the Council Plan included extensive community consultation.

In the past twelve months, as per the planned actions, community consultation on a range of topics including economic development and tourism, community planning, community grants, rate revenue strategy and early years have taken place that have informed the Year 3 Annual Plan.

### **6. Internal Consultation**

Internal consultation has taken place with the wider Management Team.

### **7. Legislative / Policy Implications**

In accordance with the *Local Government Act 1989* Council must prepare and approve a Council Plan.

The 2017-2021 Year 3 Annual Plan reviews the proposed tasks, measures and completion dates for the last financial year, in order to deliver the strategic objectives of the adopted Council Plan 2017-2021 required by the *Local Government Act 1989*.

### **8. Environmental Sustainability**

The natural environment and sustainability considerations are included in many of the proposed actions, and actions already undertaken.

### **9. Conflict of Interest Considerations**

No officer involved in the preparation of this report has a conflict of interest

### **10. Conclusion**

That Council note the progress made to deliver the strategic objectives noted in the adopted Year 3 Annual Plan for the Buloke Council Plan 2017-2021.

**Year 3 Annual Plan - October 2019 Comments**

Deliver our services in a financially viable way							
Action	Description of activity	Strategic Basis	Measure	Completion date	Responsible officer	Status	September Comments
Improve our financial planning and reporting	Review and improve the Council finance reporting template	Council Plan 1.1	New report template implemented	Dec-19	Aileen Douglas	Completed	New reporting system implemented for management and Council
Continuous service improvement for efficient and flexible service	Drive efficiencies through shared service Corporate System partnership (if successful with RTCP funding)	Council Plan 1.2	Finance, payroll and records system implemented	Dec-20	Anthony Judd	In progress	Funding successful. Business case addendum underway as per LGV requirements. CEO meetings held monthly
Enhance our communication and technology to improve productivity, service delivery and communication with the community.	Review the IT strategy in line with shared service opportunities and sector improvements	Council Plan 1.3	Review complete and report to Council	Feb-20	Cecilia Connellan	In progress	Internal project control meetings commenced with monthly discussions to SLT.

Build a healthy and active Community							
Action	Description of activity	Strategic Basis	Measure	Completion date	Responsible officer	Status	September Comments
Seek effective place based services and initiatives focussed on prevention based measures	Partner with Northern District Health to provide localised mental health support services	Council Plan 2.1	Program commenced	Aug-19	Rose Harris	Complete (program commenced)	"Tactics for Tough Times". Initial session has taken place in Buloke with 20 attendees with more to come. Person appointed to Counselling role and clients referred through Rural Financial Counsellors. The program focus will now shift to Loddon and Buloke areas after starting off in the Swan Hill and Gannawarra areas.
Advocate for accessible public and community transport for all Buloke residents	Through the Flexible Local Transport Program, develop accessible materials on local transport options utilising the information gathered in the stage one baseline report for the Local Mallee Transport Options.	Council Plan 2.2	Accessible material distributed	October 2019	Mark Remnant	In progress	North west services mapped and production of information brochures and Eresources underway. Resources launch scheduled for Monday 21 October.
Promote and enhance passive and active recreation	Partner with Loddon Mallee Councils and the Mallee Sports Assembly to deliver the Move It Program for over-65's	Council Plan 2.3	Loddon Mallee Move It Program – 3 sessions ran	Mar-20	Rose Harris	In progress	Mallee Sports Assembly has been successful in applying for the Buloke Move It Grant. Program to commence in October/November.
Develop community plans to enhance the liveability of all Buloke communities	Support the development and implementation of action plans for 10 townships	Council Plan 2.4	10 community action plans developed	Mar-19	Rose Harris	In progress	Action plan template developed and Managers to distribute across October/November to each Forum. Some Forums have already implemented their own Action Plans.
Develop a Buloke inclusiveness plan to address access and engagement of all residents.	Work with the Dja Dja Wurrung Clan to progress a local Treaty	Council Plan 2.6	Treaty negotiations commenced	Oct-19	Rose Harris	In progress	Initial meeting Balaki Wurrekang held in May. Completed written survey and awaiting next steps under the lead of Dja Dja Wurrung once they have met with all LGAs.
Implement the Municipal Early Years Plan and Child & Youth Strategy to address the needs of young people in the Shire.	Review the Municipal Early Years Plan and Youth Strategy	Council Plan 2.8	Reviews adopted by Council	Dec-19	Barry McKenzie	In progress	Survey completed and data being compiled for Early Years Plan. Youth Strategy timeframes to be re-considered alongside the Planet Youth work

Diversify and enhance the local economy							
Action	Description of activity	Strategic Basis	Measure	Completion date	Responsible officer	Status	September Comments
Strengthen Agribusiness diversification	Develop Rural Land Study to ensure it reflects agricultural activities.	Council Plan 3.1	Rural land Study adopted by council	Sep-19	Wayne O'Toole	In Progress	Consultations held and draft study completed. Presentation to Council Briefing in October
Capitalise on Tourism opportunities	Implement Economic Development and Tourism Strategy	Council Plan 3.2	Years 1 and 2 Action Plans implemented	June 2020	Amber Ricks	In Progress	Implementation underway, with key measures such as the Better Approvals Project, streetscape upgrades, industry gap analysis in progress.
Capitalise on Tourism opportunities	Construction of tourism facilities at Lake Tyrrell to capitalise on visitors to the area.	Council Plan 3.2	construction completed	Dec-20	Zoe Watts	In Progress	Permit approved and tender has been advertised. Works to commence start 2020.
Capitalise on Tourism opportunities	Amenity upgrades at Wycheproof, Nullawil, Culgoa, Berriwillock and Nandaly	Council Plan 3.2	construction completed	Dec-19	Daniel McLoughlan	In Progress	Tender let for supply of amenity blocks and construction RFQ's to be let in October.
Advocate and facilitate improved and equitable connectivity to promote liveability	Apply for all eligible locations in the State and Federal Governments Mobile Blackspot Program to improve telecommunications and liveability	Council Plan 3.3	applications submitted	Mar-20	Mark Remnant	In Progress	List of sites supplied to state and federal governments. No further announcements on funding rounds.
Encourage and promote renewable energy options as a driver of economic growth and a sustainable environment	Partner with the BCG to run a climate change / farm diversification event	Council Plan 3.4	Event held	Dec-19	Daniel McLoughlan	In Progress	Event to be held 29 October.
Seek funding for regional supply chain strategies (Road and Rail) to secure viable market access for Buloke products	Seek funding under state and federal roads upgrade programs (i.e. FCRP, HVSP, R2M) for key freight routes.	Council Plan 3.5	Grants submitted	Jun-20	Wayne O'Toole	Not yet started	No funding rounds have been released at this stage. List of key projects identified through Maloney Condition Reports.
Promote the lifestyle and economics of living in Buloke	Partner with the community to deliver on art projects at Sea Lake silo, Nullawil silo and Charlton murals	Council Plan 3.2	Projects completed	Dec-19	Daniel McLoughlan	In Progress	Nullawil silo completed. Tender let for Sea Lake silo with works to occur through October. Charlton murals planned for November (RFQ not let yet).
Enhance community cohesion and attractiveness with well-maintained and functional streetscapes.	Deliver improvements to the main street of Birchip to upgrade safety and implement their streetscape masterplan priorities.	Council Plan 3.7	construction completed	Sep-20	Brad Smith	In progress	Plans completed and awaiting final Regional Roads Victoria sign off prior to going to tender.

Responding to and enhancing our natural and built environment							
Action	Description of activity	Strategic Basis	Measure	Completion date	Responsible officer	Status	September Comments
Reduce the asset renewal gap	Develop ten year capital works plan	Council Plan 4.1	10 year capital works plan developed	Jan-20		In Progress	Regular meetings commenced.
Partner with communities to develop fit for purpose multi use hubs	Construction of Charlton Park 2020	Council Plan 4.2	Facility constructed and open to the public	Oct-19	Paul Fernee	Completed	Project completed and certificate of occupancy granted. Official Opening in October
Partner with communities to develop fit for purpose multi use hubs	Construction of Donald Community Multi-Purpose Project	Council Plan 4.2	Facility constructed and open to the public	Nov-19	Paul Fernee	In Progress	Works progressing for stage one. Funding to be sought for further stages. Completion November
Build community preparedness and resilience to the effects of extreme weather events	Review the Flood Response Plan	Council Plan 4.3	Flood Response Plan reviewed and endorsed by MEMPC	Feb-20	Mel Wilson	In progress	The MEMPC have completed the CERA process for 'Riverine Flooding' and the SES are currently updating the river height data for inclusion in the revised plan.
Build community preparedness and resilience to the effects of extreme weather events	Finalise the Charlton levee feasibility/business case	Council Plan 4.3	Council adopted position on the Charlton levee	Feb-20	Thomas Draffin	In Progress	Cardno engaged and engagement work underway with land owners. Geo-tech complete on old reservoir site and community engagement/survey currently being designed.
Enhance the strategic delivery of council assets	Review Councils Suite of Asset Management Plans	Council Plan 4.4	Asset Management Plans reviewed and presented to Council	Mar-20	Wayne O'Toole	In Progress	Maloney condition data received and buildings valuation work underway to inform the new plans.
Enhance the strategic delivery of council assets	Develop major projects advocacy document in line with Community Plans and other strategies	Council Plan 4.4	Major Projects Advocacy document developed	Dec-19	Anthony Judd	In Progress	Internal meetings held and initial list established
Support communities' access to recreational water by enhancing our aquatic features	Upgrade facilities at Green Lake	Council Plan 4.6	Green Lake amenity block constructed	Dec-19	Paul Fernee	In Progress	Tender let. Construction to commence October/November. To be open by Christmas.

Become a champion of environmental sustainability through design and practice	Commence Stream 3 of Sustainability Victoria funding to retrofit use community buildings for better energy efficiency.	Council Plan 4.7	Works completed and funding acquitted.	Apr-20	Paul Fernee	Completed	All projects completed
Improve waste management practices and reduce waste to landfill for improved environmental outcomes	Undertake a review of the Waste Strategy	Council Plan 4.8	Strategy presented to Council	Oct-19	Wayne O'Toole / Mark McDonald	In Progress	Presentations held with Councillors. Strategy to be delayed due to the SKM Recycling crisis and the Ministerial review of kerbside

Support our Councillors, Staff, Volunteers and the Community to make informed and transparent decisions							
Action	Description of activity	Strategic Basis	Measure	Completion date	Responsible officer	Status	September Comments
Implement a robust compliance and risk framework to ensure statutory obligations are fulfilled	Redevelop risk register	Council Plan 5.1	High rated risks presented bi-annually to Council	Jun-20	Zoe Watts	In progress	Risk register has been redeveloped and presented to Audit Committee. To be presented to Council briefing in November.
Ensure the Buloke organisational development strategy supports our culture	Redevelopment of Workforce Development Plan.	Council Plan 5.2	Plan reported to Council briefing	Dec-19	Don Elmer	In progress	Review of Plan commenced. Workforce profile developed. Consultation with key internal stakeholders, contributors and senior leadership team to commence. Likely delay in delivery of strategy to early 2020.
Ensure our Councillors have support in performing their roles and responsibilities	Implement professional development opportunities for Councillors	Council Plan 5.3 and 5.5	Councillor professional development plan developed	Aug-19	Anthony Judd	Complete	Plan developed and presented and agreed upon by Councillors
Increase our communication and involvement with the community in decision making	Develop a new complaints handling policy and process	Council Plan 5.5	report to council	Nov-19	Travis Fitzgibbon	In progress	Training session to be held in October. Adoption in November
Increase our communication and involvement with the community in decision making	Undertake audit of historical items and documents in Council offices	Council Plan 5.5	Audit published and displayed in offices	Dec-19	Ryan Hemley	In progress	Audits to be completed between October - December and put in Council's Asset Management system.

Recognise our volunteers and support their significant contributions	Implementation of Volunteer Strategy	Council Plan 5.6	90% of actions commenced	Jun-20	Rose Harris	In progress	Of 25 listed actions, 10 are completed, 11 in progress and 5 yet to commence. Opportunities to promote and achieve the Volunteer Strategy include Seniors Week, sporting clubs, community forum conversations and linking to other strategic planning.
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## 8.2.4 ANNUAL REPORT 2018/19

**Author's Title:** Manager Customer Engagement

**Department:** Office of the CEO

**File No:** CM/16/06

**Attachments:** 1 [↓](#) Buloke Shire Council Annual Report 2018-19

**Relevance to Council Plan 2017 - 2021**

**Strategic Objective:** Deliver our service in a financially viable way

### RECOMMENDATION

That Council:

1. Receives and notes the Buloke Shire Council Annual Report 2018/19 presented as an attachment to this report; and
2. Advertises that copies of the Annual Report are available at Council's Wycheproof office and on Council's website.

#### 1. Executive Summary

The purpose of this report is for Council to receive and consider the Buloke Shire Council Annual Report 2018/19.

#### 2. Discussion

Sections 131 and 134 of the Local Government Act 1989 (the Act), require that Councils prepare an Annual Report each financial year. A further requirement is for Council to meet to consider the Annual Report after Council has sent the report to the Minister for Local Government. The report highlights the incredible amount of work that the Council has undertaken on behalf of the Buloke community in the 2018/19 year.

#### 3. Financial Implications

The cost of producing the Annual Report is accounted for in the Annual Budget as well as operational costs.

#### 4. Cost Shift Considerations

There are no cost shift considerations.

#### 5. Community Consultation

Council advertised that the Annual Report would be presented at this meeting with 14 days notice or more in each of the three local newspapers as required by the Act.

#### 6. Internal Consultation

The preparation of the Annual Report occurred with input from across the organisation.

#### 7. Legislative / Policy Implications

The Annual Report has been prepared in accordance with Section 134 of the Local Government Act and was supplied to the Minister for Local Government before 30 September 2019.

#### 8. Environmental Sustainability

Council now produces far fewer hard copies of the Annual Report and heavily promotes the digital access of these and all Council reports.

**9. Conflict of Interest Considerations**

No officer involved in the preparation of the Annual report had a conflict of interest.

**10. Conclusion**

That Council receives and notes the Buloke Shire Council Annual Report 2018/19 and advertises its availability.

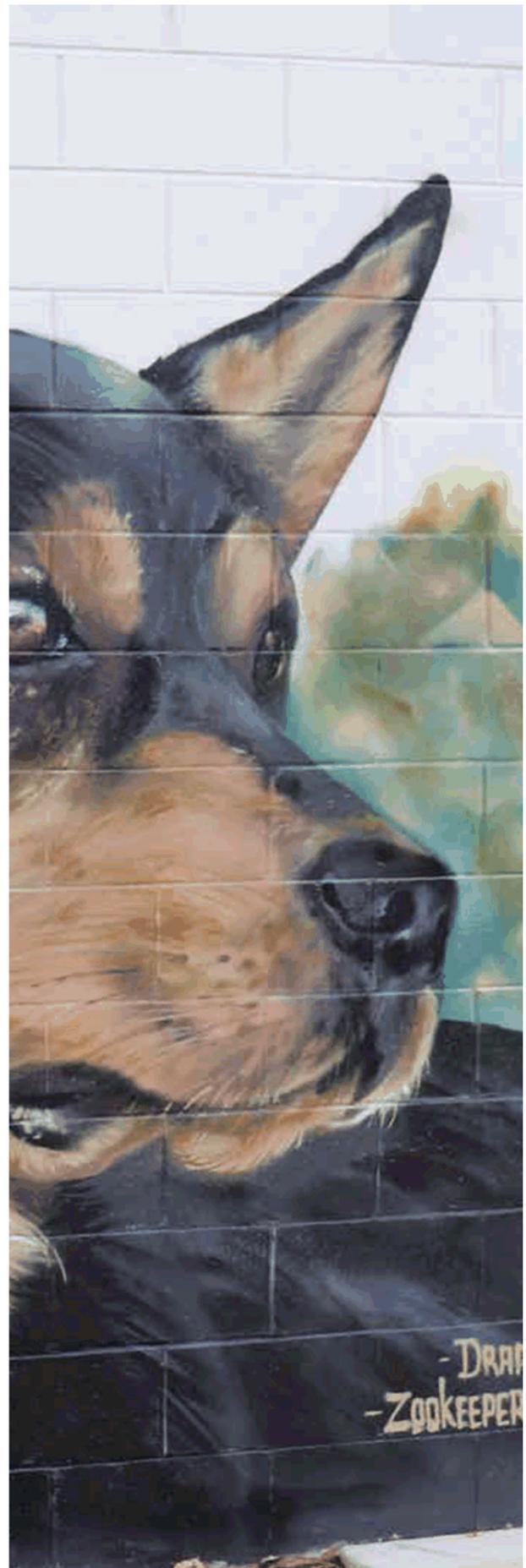
# ANNUAL REPORT 18/19



**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 smaller townships of Berriwillock, Culgoa, Nandaly, Nullawil and Watchem.

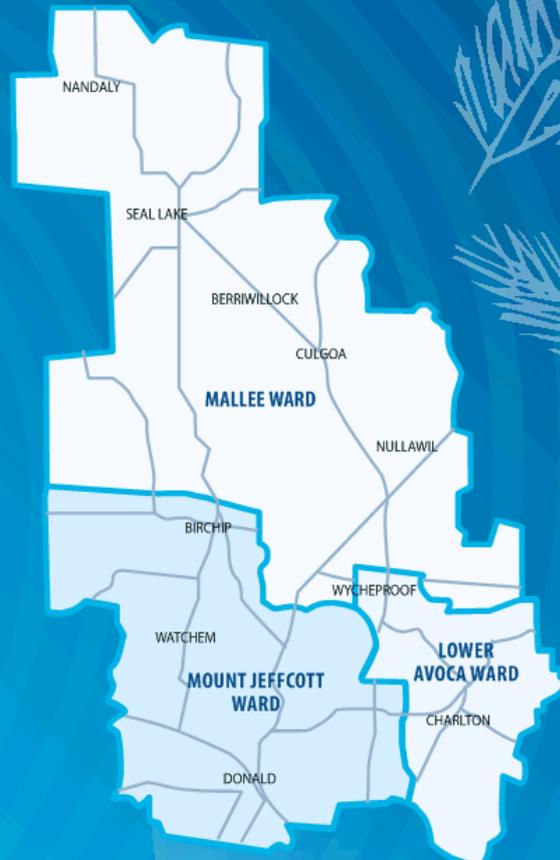
Buloke encompasses a total land area of 8,000 square kilometres and is approximately 140 kilometres long and 60 kilometres wide.

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 'bulloak' tree, 'Allocasuarina Luehmannii' which is common in the area and the feature of the Buloke Shire logo.



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# 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

# NUMBER CRUNCHING

 **16,660**  
Incoming calls

**47,103** @  
Email enquiries to  
buloke@buloke.vic.gov.au

**1,320**   
Animal registrations

 **6,259**  
Rates notices issued

 **51**  
Kilometres of  
road sealed

**23**   
Kilometres of  
gravel roads resheeted

**50**   
Births

 **57**  
Planning permits  
received

 **2,442**  
Social media  
followers

**670,572**   
Website visits

**31,688**   
Pool visits

 **Resource Usage:**  
Diesel 398,640 Ltr,  
Unleaded 33,362 Ltr,  
Electricity 805 MWh,  
Water 117,000,000 Ltr

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# HIGHLIGHTS AND MAJOR ACHIEVEMENTS

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The highlights and major achievements for the 2018/19 year are presented under the themes of the Council Plan 2017 -2021 and are reflective of the consistent effort and delivery across the whole year as Council achieved the Annual Plan – Year 2.

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.

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## DELIVER OUR SERVICES IN A FINANCIALLY VIABLE WAY

- 1** Council adopted its Annual Budget 2019/20 at a Special Meeting of Council held on 19 June 2019.  
The defining budget, which reflects Council's commitment to long term financial sustainability, includes the repayment of the \$7 million loan taken out in 2014.
- 2** The Long Term Financial Plan 2018/19-2028/29 was adopted by Council in February. The purpose of the plan is to express in financial terms the activities that Council proposes to undertake over the medium to longer term to achieve its stated objectives.
- 3** Council adopted its Revenue and Rating Strategy in May. The purpose the strategy is to set out the system of rates and charges adopted by Council for the purposes of distributing the rates burden across the municipality on a fair and equitable basis.

- 4 Council's new website was launched in March. The upgrade has greatly enhanced Council's use of information communication technology and improves communication with the community.

## BUILD A HEALTHY AND ACTIVE COMMUNITY

- 5 Buloke Library Service was launched in July with community members and school students attending the launch held in Charlton which featured celebrated author and illustrator Graeme Base, of "Animalia" fame.
- 6 Council staged its inaugural Australia Day Eve event to award its annual awards. The event, held in Wycheproof, was well attended by community members from right across Buloke and featured a Citizenship Ceremony and guest speakers Professor Greg Sassella and Lawrence Money as part of the Australia Day Ambassador program.

Alison McClelland (Citizen of the Year), Blair Gould (Young Citizen of the Year) and the Buloke United Walk (Community Event of the Year) had their amazing contributions to the community acknowledged winning the prestigious awards.



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**7** A community event to celebrate the return of water to Green Lake was held in October. The completion of the project, managed by GWMWater’s Project Delivery Team, was marked with a tap turning ceremony with Minister for Water Lisa Neville doing the honours. This was a significant project for the community of Sea Lake and beyond and the celebration reflected this.

**8** Council showed its support for the 16 Days of Activism campaign which aims to make gender inequality and disrespectful behaviour unacceptable. Council took part by sharing information with staff and the community to help raise awareness. The Mayor and CEO played their part by painting their hands orange for use in shared media materials.

**9** Councillors and senior staff met with members from Dja Dja Wurrung Clans Aboriginal Corporation (DDWCAC) on Dja Dja Wurrung land in Charlton in May.

The discussions focused on Balaki Wurrekang (Mob talking to Mob) - Treaty Engagement for Local Government Authorities. DDWCAC are currently engaging with 11 councils including Buloke, this work will be fed to the Treaty Commission.

**10** Council adopted a Flag Flying Policy in November. The policy was used to fly different flags (alongside the Australian and Aboriginal flags) for celebrations and campaigns. Council flew the Rainbow Pride Flag to celebrate and promote the International Day against Homophobia, Biphobia, Interphobia and Transphobia, the Country Racing Victoria Flag to help promote the Mt Wycheproof Cup Day and the Victorian Flag, at half-mast, to pay respect to the lives lost in the Christchurch tragedy in early 2019.

Council has also committed to the flying of the Torres Strait Island Flag to celebrate NAIDOC week.



**11** Council continued its relationship with the North Central Local Learning and Employment Network to deliver the Engage! Youth Program.

Each month our younger generation spend some time with Councillors at a Briefing to give their perspective on life in Buloke.

**12** As part of the implementation of the Municipal Early Years Plan and the Child and Youth Strategy Council rolled out supported playgroups in Charlton and Watchem. These sessions, known as 'SmallTalk Playgroups', are proving hugely popular. Sessions will be implemented in other towns.

**13** 100% immunisation rates were again achieved for 2018. Council's immunisation nurses work tirelessly to ensure that all children who are eligible to be immunised can receive their vaccinations and are provided with protection against all vaccine preventable diseases.

**14** The Birchip Early Learning Centre officially opened in May. The co-location of this centre with the P-12 school will have untold advantages in resource sharing and with Maternal Child Health Services in the precinct gives Birchip an all-encompassing facility for the towns youth to learn and grow.

## DIVERSIFY AND ENHANCE OUR LOCAL ECONOMY

**15** The Economic Development and Tourism Strategy was adopted in July. It examines the current trends in population, economic drivers and tourism markets and builds on these through eight strategies that will ensure that the Buloke Shire is an attractive place to invest. The strategy also sets out a clear action plan for implementation to drive economic activity over the coming four years.

**16** Council's Economic Development and Tourism Advisory Committee met for the first time in February. The committee, a recommendation of Council's Economic Development and Tourism Strategy, works together with Council officers to implement the strategy.

**17** \$1 million of drought funding was announced for the Shire in Charlton in March.

The funding, from the Federal Government's Drought Community Program, will be spent on infrastructure projects to be undertaken across Buloke Shire by the end of 2019 and will use local tradespeople and suppliers where possible.



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**18** Apex Park in Sea Lake undertook a transformation. A cleaner and more family friendly space includes a fantastic covered playground to complement the street art in Howard Lane.

**19** Council was one of seven councils across northern Victoria and southern New South Wales to receive funding from the Federal Government's Regional Growth Fund for foreshore redevelopments and upgrades.

It was announced that Buloke would receive \$2.9 million to undertake the Lake Tyrrell Infrastructure Development Project as well as riverfront developments in both Charlton and Donald. The three projects are worth a combined \$5.84 million.

**20** Council teamed up with Small Business Victoria and the Department of Jobs, Precincts and Regions to design a more streamlined and simplified permit approval process.

The results of the Better Approvals Project, a collaborative effort that will make doing business easier, will be rolled out in November 2019.



## RESPONDING TO AND ENHANCING OUR BUILT AND NATURAL ENVIRONMENT

- 21** Council hosted surrounding councils and lead agencies at a Roadside Management Forum held in Wycheproof in July.

The forum was put together to find a better way forward for the management of roadsides and the balancing of the various safety and biodiversity responsibilities. This event was well attended with more than a dozen organisations represented.

- 22** Works commenced on the intergenerational projects in Charlton and Donald. The \$4.2 million Charlton Park project and the \$2.3 million Donald Community Precinct Redevelopment project, both funded by the Federal Government, State Government, Council and the community will be completed in late 2019.

- 23** Stage 1 of Birchip Streetscape Improvements Project became fully funded following an announcement of \$320,000 from the State Government.

The works will improve the safety of road users, improve pedestrian access and create a bike lane. In addition, there will be landscaping to improve the aesthetics of Cumming Avenue.

- 24** Amenity Upgrades at Lake Tchum, Watchem Lake and Wooroonook Lakes were completed. The projects at three of Buloke recreational lakes are an important investment in tourism in the area and welcome improvements for locals who enjoy the lakes.



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**25** Beginning in July, Council has delivered an \$11 million Flood Road Restoration Program. These works have rectified roads right across the Shire left damaged by the 2016 flood event.

**26** Council established a household battery collection point at its Wycheproof office. Council is working together with Loddon Mallee Waste and Resource Recovery Group to reduce the number of batteries going to landfill.

**27** Council erected E-Waste storage sheds in Birchip and Sea Lake. Council secured State Government funding for essential infrastructure requirements leading up to the e-waste ban to landfill introduced on 1 July 2019.



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

**28** Cr Carolyn Stewart was elected Mayor at a Special Meeting of Council held in Wycheproof on 14 November 2019 replacing the outgoing Mayor Cr David Pollard. Cr Daryl Warren was returned as Deputy Mayor.

**29** The Buloke Integrated Community Plan was officially launched at a special event in Berriwillock that coincided with the official opening of the Berriwillock Synthetic Bowling Green.

The Buloke Integrated Community Plan is a key outcome of the Building Buloke 2030 project and sits alongside the 10 Community Plans devised for each township in the Shire and was partially funded by the Federal Governments Building Better Regions Fund.

**30** The Volunteer Strategy was adopted in July and prioritises six key strategies in which Council will support volunteering in Buloke. All communities within Buloke rely heavily on volunteers and this strategy provides a commitment to strengthen and support those volunteers within the community and Council.

**31** Council adopted its first ever Customer Service Strategy in September. The strategy sets out the organisation's commitment to customer service and provides a clear way forward in meeting the service needs of our customers now and in the future.

**32** A new Community Local Law was made in June. The purpose of the Community Local Law is to secure community safety, protect public assets and enhance community amenity.

**33** Council held its Annual Community Forum Summit in April as part of the consultation process for the Annual Budget.



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# CONTRIBUTIONS AND DONATIONS 2018/19

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This Estey Reed organ at the Nullawil Historical Society was restored with funding from Council.

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

Recipient	Description	Amount
Birchip P-12 College	Birchip Arts Show	500.00
Birchip Business Learning Centre	Birchip Connect Project	1,000.00
Birchip Community Centre	Keep Pumping Recycled Stormwater Greening Project	10,000.00
Tyrrell College	State Schools Spectacular	1,000.00
North Central LLEN	Great Victorian Bike Ride	500.00
Charlton Rotary Club	Charlton Arts Show	500.00
Birchip P-12 School	Showcasing area to St Albans students/teachers	250.00
Coonooer Bridge Recreation Reserve	War memorial and surrounds improvement project	1,000.00
Donald Bridge Club	2018 Bridge Congress	500.00
Donald Lions Club	Restoration of VRI hall	1,000.00
Lions Club of Wycheproof	Armistice Day event	1,000.00
Golden Grains Museum	Golden Grain Museum support Armistice Day Ceremony	200.00
Birchip Business and Learning Centre	"Why Can't I?" Family Violence Prevention project	250.00
Wycheproof Resource Centre	Fruit Fly Eradication Project	3,000.00
Charlton Bowling Club	Edging on the Ditches Project	2,000.00
Nandaly Public Hall	Hall Air-conditioning	2,000.00
Donald Mens Shed Inc.	Hearing and Awareness Project	1,200.00
Nullawil Historic Society	Nullawil Remembers Celebrations	2,000.00
Tchum Lake Aquatic Inc.	New Years Eve 2018 Function Sponsorship	250.00
Birchip Business Learning Centre	Below Zero Festival	500.00
WycheVision	Mountain of Fun Fest	500.00
Donald Learning Group	Over The Farm Gate	250.00
Charlton Neighbourhood House	Charlton Neighbourhood House Sponsorship	2,000.00
Murray Valley Croquet Association Inc.	Regional Croquet Championships	200.00
Charlton Forum	Buy Local Christmas Promotion	500.00
Birchip Community Forum	Community Forum Sponsorship 2018-19	1,000.00
Charlton Forum	Community Forum Sponsorship 2018-19	1,000.00
Nandaly Progress Association	Community Forum Sponsorship 2018-19	1,000.00
Watchem Progress Association	Community Forum Sponsorship 2018-19	1,000.00
Berriwillock Community Development	Community Forum Sponsorship 2018-19	1,000.00
Donald 2000	Community Forum Sponsorship 2018-19	1,000.00
Nullawil Progress Association	Community Forum Sponsorship 2018-19	1,000.00
Advance Sea Lake	Community Forum Sponsorship 2018-19	1,000.00
WycheAlive	Community Forum Sponsorship 2018-2019	1,000.00
Culgoa Development Group	Community Forum Sponsorship 2018-2019	1,000.00

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OUR COUNCIL	Watchem Progress Association	Buy Local Christmas Promotion 2018	200.00
	Berriwillock Community Development	Buy Local Christmas Promotion 2018	200.00
	Donald 2000	Buy Local Christmas Promotion 2018	500.00
	Nullawil Progress Association	Buy Local Christmas Promotion 2018	200.00
	Advance Sea Lake	Buy Local Christmas Promotion 2018	500.00
	Culgoa Development Group	Buy Local Christmas Promotion 2018	200.00
	Birchip Forum	Buy Local Christmas Promotion 2018	500.00
	WycheAlive	Buy Local Christmas Promotion 2018	500.00
	Donald P & A Society	Sponsorship 2018 Donald Ag Show	100.00
	Charlton P & A Society	Sponsorship 2018 Charlton Ag Show	100.00
OUR PEOPLE	Birchip Harness Racing Club	Birchip Harness Racing Club Cup Day Sponsorship	500.00
	Donald and District Racing Club	Donald Racing Club Cup Day Sponsorship	500.00
	Mt Wycheproof & District Racing Club	Mt Wycheproof and District Racing Club Cup Day Sponsorship	500.00
	Charlton Forum	Australia Day Ceremony Contribution	500.00
	Nullawil Progress Association	Australia Day Ceremony Contribution	500.00
	Nandaly Progress Association	Australia Day Ceremony Contribution	500.00
	Watchem Progress Association	Australia Day Ceremony Contribution	500.00
	Berriwillock Community Development	Australia Day Ceremony Contribution	500.00
	Donald 2000	Australia Day Ceremony Contribution	500.00
	Advance Sea Lake	Australia Day Ceremony Contribution	500.00
OUR PERFORMANCE	WycheAlive	Australia Day Ceremony Contribution	500.00
	Culgoa Development Group	Australia Day Ceremony Contribution	500.00
	Birchip Forum	Australia Day Ceremony Contribution	500.00
	Charlton Harness Racing Club	Charlton Harness Racing Club Cup Day Sponsorship	500.00
	Charlton College - Chartsec	Solar Power for Chartsec	3,795.00
	Donald Scout Hall Committee	Donald Scout Hall Solar Panels	2,500.00
	Tchum Lake Aquatic Club	Tchum Lake Saving With Solar	5,675.00
	Wooroonook Lakes Foreshore	Water for Wooroonook Lake	10,201.00
	Tchum Lake Aquatic Club	Water for Tchum Lake Aquatic Club	6,600.00
	Watchem Lake and Reserve Committee	Water for Watchem Lake and Recreation Reserve	2,394.00
FINANCIALS	Donald Football Club	Water for Folletti Lake Donald	805.00

Programs well contributing

Recipient	Description	Amount
Sunraysia Highway Committee	Contribution	1,000.00
LEAD Loddon Murray	Sponsorship of one place in the Loddon Murray Community Leadership Program	7,000.00
Donald Golf & Bowls Club Inc.	Buloke Hobsons Bay Bowls tournament	916.00
Goodwin Homes	Unit maintenance	1,399.14
DE & HE Hoffman - The Hoffmans	The Hoffman's Duo – performers for Seniors Week Activities	450.00
Charlton Rex Theatre Museum Ltd	Hire of the Rex Theatre for Seniors Week	250.00
Birchip Senior Citizens	Christmas Function 2018	500.00
Charlton Senior Citizens	Christmas Function 2018	500.00
Culgoa Development Group	Christmas Function 2018	300.00
Nullawil Senior Citizens	Christmas Function 2018	500.00
Sea Lake Senior Citizens	Christmas Function 2018	500.00
Wycheproof Senior Citizens	Christmas Function 2018	500.00
Donald Lions Club	Christmas Function 2018	500.00
Donald Senior Citizens	Seniors Festival Funding	238.30
Wycheproof Senior Citizens	Seniors Festival Funding	238.30
Sea Lake Senior Citizens	Seniors Festival Funding	238.30
Nullawil Senior Citizens	Seniors Festival Funding	238.30
Charlton Senior Citizens	Seniors Festival Funding	238.30
Birchip Senior Citizens	Seniors Festival Funding	238.30
Goodwin Homes	Unit maintenance	1,399.14
Charlton College	L2P Program 2018/19	28,500.00
Berriwilllock Recreation Reserve	Recreation Reserve Allocation 2017/2018	3,500.00
Charlton Parks Committee	Recreation Reserve Allocation 2017/2018	35,200.00
Donald Recreation Reserve	Recreation Reserve Allocation 2017/2018	43,200.00
Birchip Leisure Centre	Recreation Reserve Allocation 2017/2018	32,100.00
Nullawil Recreation Committee	Recreation Reserve Allocation 2017/2018	22,000.00
Nandaly Hall and Recreation Reserve	Recreation Reserve Allocation 2017/2018	2,000.00
Watchem Progress Association	Recreation Reserve Allocation 2017/2018	4,200.00
Wycheproof Recreation Reserve	Recreation Reserve Allocation 2017/2018	33,100.00
Sea Lake Community Centre	Recreation Reserve Allocation 2017/2018	37,400.00
Watchem Progress Association	Watchem mowing	5,000.00
Loddon Mallee Waste and Resource Recovery Group	Contribution	1,200.00
		<b>\$ 348,814.28</b>

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# CHALLENGES AND FUTURE OUTLOOK

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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 are:



### 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. Ten kilometres outside of these centres and pervasive black spots become extensive.



### 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 per cent of dwellings for rent in Buloke are deemed affordable to Centrelink recipients and an increase in enhanced maternal child health clients reflects some more complicated factors for guardians of small children.

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

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# THE YEAR IN REVIEW



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## MAYOR'S MESSAGE

### MAYOR, CR CAROLYN STEWART

On behalf of Council it gives me great pleasure to present the Annual Report 2018/19. Every year this report provides a great opportunity to reflect over the year and celebrate the achievements of Council and community.

The Year Two Annual Plan saw many projects and initiatives delivered, which will be reported in this document. The Buloke Shire Council Plan 2017-2021, which sits above each Annual Plan, was ambitious but achievable.

Council is delivering on its commitment to the community as we implement a range of strategies and action plans to improve life in Buloke.

The Building Buloke 2030 project represents the largest consultation program and community planning project ever undertaken by Council. Coming from this work is the Buloke Integrated Community Plan and ten Community Plans, one for each of our townships. The commitment and vision of our communities, Councillors and staff has delivered a blueprint we can all work

towards together. I am very proud of these documents and I am sure we will all derive great pride in realising these goals.

The Economic Development and Tourism Action Plan is producing significant results and this will continue to build. The engagement of an advisory committee is assisting in delivering this action plan and ensuring a positive future for a growing part of Buloke.

Buloke Shire and the Rural Living Campaign are all about providing equal services for everyone. The opening of the Birchip Early Learning Centre is a fine example of a new co-located facility that supports our community.

Again in Buloke we had to deal with the adversity of drought and the challenges of a one in 200-year storm event, whilst still picking up the pieces from the 2016 floods.

Council undertook a flood road restoration program in excess of \$10 million whilst still delivering our regular road program. I congratulate our staff on their hard work and dedication on delivering these programs.

There were also times to celebrate throughout the year. Council held its first ever Australia Day Eve event to mark our Buloke Shire Council Awards. This was a highly successful night that also involved great speakers as part of the Australia Day Ambassador Program and a Citizenship Ceremony.

There was also the returning of water to Green Lake. A long held dream of the Sea Lake community to see their social focal point's life renewed. In a year of highlights, this was a true standout.

I would like to take this opportunity to thank the community for their involvement in many periods of consultation undertaken by Council over the last year and for their willingness to give up their time to lend their experience to special committees and advisory groups.

I look forward to continuing to deliver on the Council Plan alongside the community with several intergenerational projects set to begin or be completed at Charlton Park, Donald Recreation Reserve and Lake Tyrrell over the next 12 months.

A big thank you to CEO Anthony Judd and staff for their work throughout the year. We are very lucky to have a committed group of people delivering for our community each day. They reflect a true Buloke commitment of hard work and determination to succeed.



## CHIEF EXECUTIVE OFFICER'S MESSAGE

### ANTHONY JUDD

What an amazing year it has been for Buloke Shire Council. There have been many achievements and significant highlights as we undertook the Year Two Annual Plan and continued to deliver on your Council Plan.

The Building Buloke 2030 project was an amazing undertaking that was finalised in the last year. To see such buy in from the community, working alongside staff and Councillors, and realise ten community plans and an Integrated Buloke Shire Community Plan is incredibly exciting. Our community knows what it wants to look like in ten years, and importantly we now have a clear plan on how to get there.

The event to mark the return of water to Green Lake in October will stay with me forever. A community that has endured long periods of drought had been without its key social meeting point. The joy and sense of achievement that night was palpable, not only could you feel it, you could see it. One of Buloke's great assets is alive again.

Our Council delivered library service commenced in July, putting a range of books, magazines, DVDs, audio and eBooks weekly into nine townships and providing online access to a wide range resources. This is an amazing service that will continue to develop with the communities.

A range of important documents were adopted which will shape our future. Built with strong consultation were Council's Revenue and Rating Strategy, Long Term Financial Plan, Community Local Law, Economic Development and Tourism Strategy, Customer Service Strategy, Volunteer Strategy and Annual Budget. Thank you to our community for the willingness to participate in the drafting of these documents.

Council is striving to build a better Buloke. It is not a throwaway line. We partner with a range of other organisations to deliver outcomes for the community and have successfully advocated for improvements to roads, child health and mobile blackspots.

We are building large scale projects at Charlton Park, Donald Recreation Reserve and Lake Tyrrell and have delivered a flood road restoration program worth more than \$10 million. In addition to these projects we have built amenity upgrades worth close to \$1 million at Lake Tchum, Watchem Lake and Wooroonook Lakes and are about to undertake a \$1 million Drought Communities Program into townships right across Buloke.

We want to work with and provide for our community better. We are embracing an all of organisation approach to customer service and are making it easier for the community to interact with Council online on our new website and social media and through traditional face to face service and newspaper communication.

I would like to take this opportunity to thank Councillors, staff, businesses, community groups and the Buloke community for their leadership and support over the last twelve months. The staff at Council are incredibly committed and passionate about seeing the Buloke community thrive and work hard to make a difference each and every day. I am inspired about what we can all achieve together to build a better Buloke.

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# DESCRIPTION OF OPERATIONS

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Buloke Shire is a public statutory body under the *Local Government Act 1989* (Victoria). 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 in Birchip, Charlton, Donald and Sea Lake.

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

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## 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.

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### Early Years

This service is to advocate 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.

### Public 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 Berrwilllock, 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. Expenses include loan interest, internal and external audit fees, property valuation fees and other miscellaneous corporate expenses.

### 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, 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. The income relates to Local Roads Funding received from Victorian Grants Commission.

### Saleyards

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

### Development Services

The purpose of the Development Services team is to provide 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 its 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.



## 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), an acclaimed silo art trail (in adjacent Yarriambiack Shire, drawing visitors through Buloke), heritage sites, historic buildings, collections and recreational lakes (Lakes Watchem, Tchum, Wooroonook, Buloke and Green Lake).
- Regular annual events such as the Mallee Rally, 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 decreased by an annual average of 1% over the 2006-2016 decade. In 2016, the population was 6,204 (having declined from 6,862 in 2006).



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# GRANTS RECEIVED FROM EXTERNAL SOURCES

## Grant funds received from external sources 2018/2019

Funding Source	Project Summary	Amount
Department Economic Development, Jobs, Transport & Resources	NLIS Transition Funding First Installment (Phase 2)	116,296.03
Department Economic Development, Jobs, Transport & Resources	Flexible Local Transport Solutions Program	15,000.00
Department Economic Development, Jobs, Transport & Resources	Final Claim 2017/18 Local Roads to Market Project	30,600.00
Department Economic Development, Jobs, Transport & Resources	Local Roads to Market Funding Reconstruction Birchip-Corack Rd Upgrade	250,000.00
Department Economic Development, Jobs, Transport & Resources	Local Roads to Market Program-Yeungroon Rd Upgrade. (First Installment)	312,000.00
Department Jobs Precincts & Regions	Yeungroon Road Upgrade	300,000.00
Department Health & Human Services	Home and Community Care Services	175,683.27
Department Health & Human Services	Immunisation Services	4,755.47
Department Health & Human Services	Country Football and Netball Program 2017-2018 Sea Lake Oval Lighting Upgrade Final Claim	8,000.00
Department Health & Human Services	Birchip Leisure Centre Change Room Redevelopment	90,000.00
Department Health & Human Services	First claim Minor Facilities 2019/20 Grant Donald Skate Park	119,700.00
Department Infrastructure, Regional Development & Cities	Roads to Recovery	1,251,755.00
Department Jobs Precincts & Regions	Charlton Park 2020 Multipurpose Facility Development	700,000.00
Department Jobs Precincts & Regions	Donald Multipurpose Facility Redevelopment	1,200,000.00
Department of Education & Training	Supported Playgroups	56,459.04
Department of Education & Training	Maternal Child Health Funding	357,822.80
Department of Education & Training	Local Planning and Change Management	15,000.00
Department of Education & Training	Birchip Education Precinct	356,250.00
Department of Environment Land Water & Planning	Victorian Grants Commission - Financial Assistance Grants	6,525,004.00
Department of Environment Land Water & Planning	Public Libraries Program 2017-2020	113,476.00
Department of Environment Land Water & Planning	Premiers Reading Challenge	5,616.00
Department of Environment Land Water & Planning	Resourcing Program 2016-2020 MERP 2018-19	60,000.00
Department of Environment Land Water & Planning	Roadside Weeds and Pests Program 2017-19	75,000.00
Department of Environment Land Water & Planning	First Milestone On Signing Green Lake Development Projects	119,324.40

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Funding Source	Project Summary	Amount
Department of Environment Land Water & Planning	Recreational Amenities Project	79,549.60
Department of Environment Land Water & Planning	Recycling Temp Relief Funding	4,571.00
Department of Health	Commonwealth Home Support Programme	701,529.90
Department of Health & Human Services	Victorian Seniors Festival	2,200.00
Department of Health & Human Services	Mental Health Wellbeing Drought Funding	75,000.00
Department of Infrastructure & Regional Development	BBRF Community Investment Progress Payment Community Plans 2017/18	89,661.00
Department of Premier & Cabinet	Community Grant Program	9,900.00
Department of Premier & Cabinet	Restoring Community War Memorials. (Phase 2)	5,802.00
Department of Transport	Boating Safety and Facilities Program 2018/2019	9,500.00
Department of Transport	Heavy Vehicle Safety and Productivity Program	325,000.00
Department of Treasury & Finance	Victorian Floods & Storms (Sept/Oct16) Flood Event	6,777,080.67
Department Infrastructure, Regional Development & Cities	Charlton Park 2020 Multipurpose Community Facility Development	400,000.00
Department Infrastructure, Regional Development & Cities	Donald Multipurpose Community Facility Development	500,000.00
Department Infrastructure, Regional Development & Cities	Lake Amenities Development. (Stage 1)	711,750.00
Emergency Management Victoria	NDRGS Donald Flood and Drainage Management Plan Implementation	272,250.00
Emergency Management Victoria	Charlton Flood Mitigation Levee Detailed Design. (Stage 2)	43,000.00
Mallee Catchment Management Authority	Protecting Buloke Woodlands on Roadsides	30,000.00
Municipal Association of Victoria	Tobacco Funding	6,531.58
Sustainability Victoria	Facility Audits LGESP. (Stream 2)	19,330.00
Sustainability Victoria	Local Government Energy Saver Facility Upgrade. (Stream 3)	37,185.12
Sustainability Victoria	Sea Lake Landfill E-Waste Infrastructure	19,750.26
Sustainability Victoria	Birchip Landfill E-Waste Infrastructure	27,716.18
Vic Health	Walk to School 2018/2019	15,000.00
Vic Roads	School Crossing Supervisor Subsidy 2018/2019	12,082.00
VicRoads - Fixing Country Roads	Stage 1 Commencement Safer Cumming Avenue (Birchip) Project	128,000.00
VicRoads - Fixing Country Roads	Stage 1 Commencement-Culgoa Ultima Road Upgrade	600,000.00
VicRoads - Fixing Country Roads	Reconstruction of Watchem Warracknabeal Road	620,000.00
		<b>\$23,780,131.32</b>

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# OUR COUNCIL

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## COUNCIL PROFILE

The Buloke Shire Council is a public statutory body incorporated under the *Local Government Act 1989*. 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.

3C of the Act:

3C(1). The primary objective of a Council is to endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of decisions.

3C(2) in seeking to achieve its primary objective, a Council must have regard to the following facilitating objectives.

- (a) to promote the social, economic and environmental viability and sustainability of the municipal district
- (b) to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community
- (c) to improve the overall quality of life of people in the local community
- (d) to promote appropriate business and employment opportunities
- (e) to ensure that services and facilities provided by the Council are accessible and equitable
- (f) to ensure the equitable imposition of rates and charges
- (g) to ensure transparency and accountability in Council decision making

## COUNCIL OFFICES

Wycheproof District Office is open to the general public for face-to-face customer service.

The Wycheproof District Office is open 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) 54937395

**Email:** [buloke@buloke.vic.gov.au](mailto:buloke@buloke.vic.gov.au)

**Website:** [www.buloke.vic.gov.au](http://www.buloke.vic.gov.au)

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

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# COUNCILLORS

## Lower Avoca Ward



**Cr David  
Pollard**

Mobile: 0458 918 638  
Email: [crpollard@buloke.vic.gov.au](mailto: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 John  
Shaw**

Mobile: 0488 034 182  
Email: [crshaw@buloke.vic.gov.au](mailto:crshaw@buloke.vic.gov.au)

Cr Shaw is a first term Councillor. He has a varied work background from education to engineering to hospitality. Living and running a business in Charlton he is an active member of the Rotary Club of Charlton and a local theatre group.

## Mallee Ward



**Cr David  
Vis**

Mobile: 0488 032 723  
Email: [crvis@buloke.vic.gov.au](mailto: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.

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**Cr Ellen White**

Mobile: 0417 560 706  
 Email: 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  
 Email: 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  
 Email: 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. She was elected Mayor in November 2018.



**Cr Daryl Warren (Deputy Mayor)**

Mobile: 0427 194 422  
 Email: 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. He has served as Deputy Mayor since November 2017.

# COUNCIL DELEGATES LIST

Adopted 14 November 2018

Organisation	Representative(s)
Audit Committee	Mayor (or Deputy Mayor)
Buloke and Northern Grampians Landcare Network	Cr. White
Calder Highway Improvement Committee	Cr. Pollard
Central Murray Regional Transport Forum	Cr. White
Central Vic Greenhouse Alliance	Cr. Shaw
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	Cr. Pollard, Cr. White and Cr. Milne
Donald 2000 Inc.	Cr. Warren
Economic Development and Tourism Committee	Cr White, Cr. Milne and Cr. Stewart
Loddon Mallee Waste and Resource Recovery Group	Cr. Warren
Library Advisory Committee	Cr. Milne, Cr. White and Cr. Pollard
Municipal Association of Victoria	Mayor (or Deputy Mayor)
Municipal Emergency Management Planning Committee	Cr. Pollard and Cr. White
Municipal Flood Management Committee	Cr. Warren and Cr. Pollard
North Central Local Learning Employment Network	Cr. Shaw
North West Municipalities Association	Cr. Warren
Rail Freight Alliance	Cr. Milne, Cr Vis. as substitute
Revenue and Rating Strategy Reference Group	Mayor (or his or her delegate)
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
Wimmera Southern Mallee Transport Group	Cr. Warren
Workspace Australia	Cr. Warren
Wycheproof Recreation Reserve Committee of Management	Cr. Shaw

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## MEETINGS OF COUNCIL

Buloke Shire Council holds three different types of meetings:

- Ordinary Meetings
- Councillor Briefings
- Special Meetings

Meetings are held at Council's district offices throughout the Shire on a rotating basis, and are conducted in accordance with *Local Government Act 1989*.

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.

	Ordinary Meetings	Special Meetings	Assemblies of Council
Number of Meetings held	11	2	23
Cr Carolyn Stewart (Mayor)	11	2	23
Cr Daryl Warren (Deputy Mayor)	11	2	22
Cr David Pollard	11	2	20
Cr Graeme Milne	11	2	23
Cr Ellen White	9	2	19
Cr John Shaw	5	0	10
Cr David Vis	11	1	14

Note:

Cr White was on approved leave of absence in September 2018 (1 Ordinary Meeting and 2 Assemblies of Council).

Cr Shaw was on approved leave of absence from 20 January 2019 to 20 April 2019 and from 8 May 2019 to 14 August 2019. (5 Ordinary Meetings, 1 Special Meeting and 12 Assemblies of Council).

## COUNCILLOR ALLOWANCES

The *Local Government Act 1989* (Victoria) 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 *Local Government Act 1989* (Victoria) 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	32,072.77	0	3,362.07	35,434.84
Cr White	20,500.80	0	1,944.38	22,445.18
Cr Milne	20,500.80	0	1,944.39	22,445.19
Cr Shaw	10,182.96	0	964.17	11,147.13
Cr Stewart	46,188.98	0	4,384.75	50,573.73
Cr Warren	20,500.80	1,200	1,944.39	23,645.19
Cr Vis	20,500.80	240	1,944.39	22,685.19
<b>Total</b>	<b>170,447.91</b>	<b>1,440</b>	<b>16,488.54</b>	<b>\$188,376.45</b>

Note: Cr Carolyn Stewart and Cr David Pollard both spend a period of the 2018-19 year as Mayor. Cr John Shaw chose not to receive his allowance whilst on a leave of absence.

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 \$5000 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 2018 – 30 JUNE 2019

Councillor	Travel and Accommodation	Vehicle	Childcare	Information and Communication Technology	Conferences and training	Total
Cr Pollard	1,534.52	4760.27	0	1,745.39	1220	9,260.18
Cr White	0	0	0	557.85	80	637.85
Cr Milne	2,557.50	4,871.45	0	368.37	232.09	8,029.41
Cr Shaw	0	0	0	414.32	0	414.32
Cr Stewart	1,348.91	8,187	0	543.84	2,714.90	12,794.65
Cr Warren	0	0	0	721.04	0	721.04
Cr Vis	0	3,140.20	0	371.36	0	3,511.36
<b>Total</b>	<b>5,440.93</b>	<b>20,958.92</b>	<b>0</b>	<b>4,722.17</b>	<b>4,246.99</b>	<b>\$35,368.81</b>

Some additional works were undertaken to improve coverage and replace faulty telecommunication infrastructure for Cr Milne, Cr Pollard and Cr Stewart. These works totalled \$5,040.00 and are not included in the above table.

Cr Pollard and Cr Stewart both spent time as Mayor over the course of the year. Their use of the Mayor's vehicle is accounted for in this reporting.

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 *Local Government Act 1989* 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 *Local Government Act 1989* (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, 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.
- 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 and are confidential information within the meaning of section 77(2) of the Act.
- A register of delegations kept under Section 87(1) and 98(4) of the Act.
- 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 Local Laws.
- Current Council Plan.
- Current Strategic Resource Plan.
- Current Annual Budget.
- Council's 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.

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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



	<p><b>Anthony Judd</b></p>	<p>Chief Executive Officer</p>	
	<p><b>Jerri Nelson</b></p>	<p>Director Community Development</p>	<ul style="list-style-type: none"> <li>○ Community Development</li> <li>○ Economic Development</li> <li>○ Emergency Management</li> <li>○ Environmental Compliance</li> <li>○ Immunisation</li> <li>○ Independence Support</li> <li>○ Libraries</li> <li>○ Maternal and Child Health</li> <li>○ Public Health</li> <li>○ Tourism</li> <li>○ Youth</li> </ul>
	<p><b>Hannah Yu</b></p>	<p>Director Corporate Services</p>	<ul style="list-style-type: none"> <li>○ Finance</li> <li>○ Governance</li> <li>○ Human Resources</li> <li>○ Information Communication Technology</li> <li>○ Insurance</li> <li>○ Occupational Health and Safety</li> <li>○ Payroll</li> <li>○ Records Management</li> <li>○ Revenue</li> <li>○ Risk Management</li> </ul>
	<p><b>Wayne O'Toole</b></p>	<p>Director Works and Technical Services</p>	<ul style="list-style-type: none"> <li>○ Asset Planning and Delivery</li> <li>○ Building and Surveying</li> <li>○ Community Facilities</li> <li>○ Local Laws</li> <li>○ Recreational Facilities</li> <li>○ Road Services</li> <li>○ School Crossings</li> <li>○ Town Planning</li> <li>○ Urban and Parks</li> <li>○ Waste and Environment</li> </ul>
	<p><b>Travis Fitzgibbon</b></p>	<p>Manager Customer Engagement</p>	<ul style="list-style-type: none"> <li>○ Councillor and Executive Support</li> <li>○ Customer Service</li> <li>○ Media and Communications</li> </ul>

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# 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. To help staff identify what their rights are and how they can recognise problems in the workplace and community we provide training to all Council employees on Human Rights Charter Awareness by the Victorian Equal Opportunity and Human Rights Commission.

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.



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## 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 2019 is 105.8.

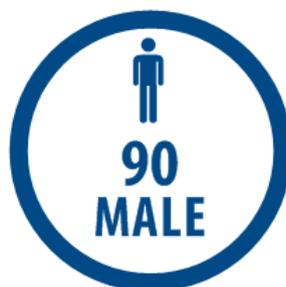
Department	Casual	Part Time	Full Time	Total
Executive Office	1	5	2	8
Corporate Services	1	7	12	20
Works and Technical Services	12	17	63	92
Community Development	8	28	7	43
<b>Totals</b>	<b>22</b>	<b>57</b>	<b>84</b>	<b>163</b>

Workplace Incidents			
2013-14	2016-2017	2017-2018	2018-2019
66	48	57	84

Employee Statistics 2018-2019			
	Male	Female	Total
Full Time	66	18	84
Limited Tenure Full Time	0	2	2
Part Time	14	35	49
Limited Tenure Part Time	0	0	0
Casual	10	23	33
<b>Totals</b>	<b>90</b>	<b>78</b>	<b>168</b>

Service Milestones Achieved During 2018-2019	
5 Years	10
10 Years	4
15 Years	1
20 Years	3

TOTAL  
EMPLOYEES





INTRODUCTION

# OUR PERFORMANCE

THE YEAR IN REVIEW

## 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.

OUR COUNCIL

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GOVERNANCE

FINANCIALS

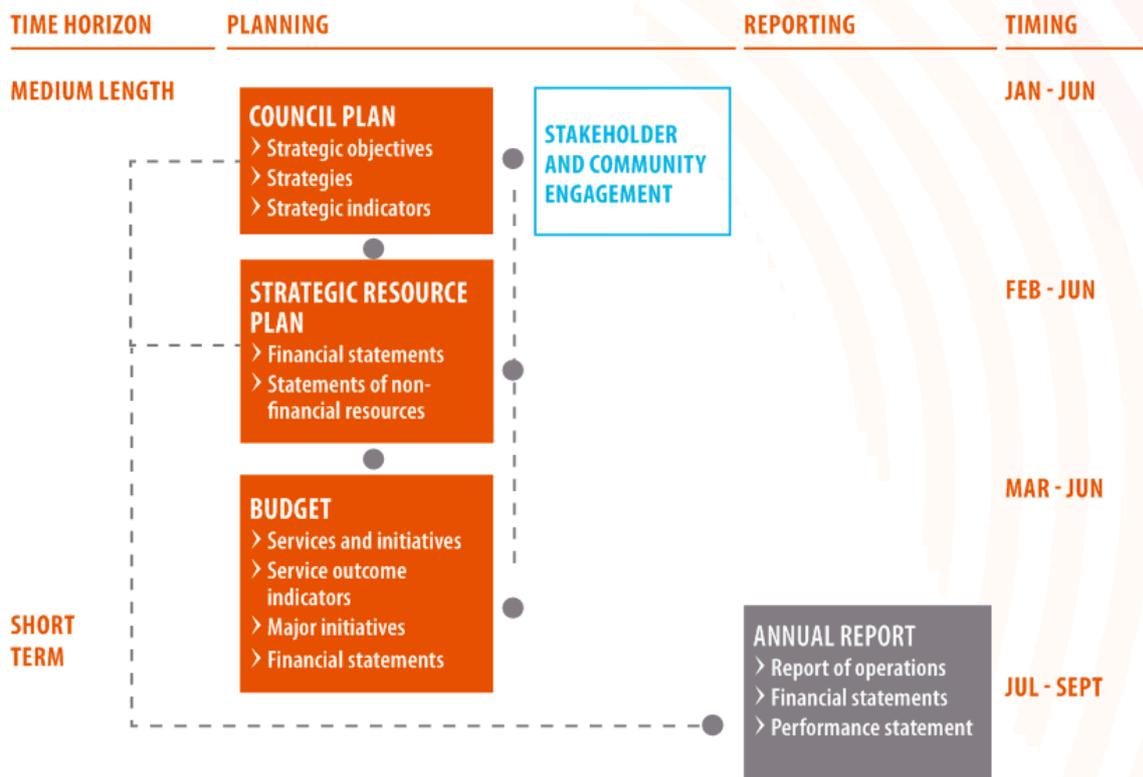
## PERFORMANCE AGAINST THE STRATEGIC OBJECTIVES IN THE COUNCIL PLAN

Council's performance for the 2018/19 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.



Source: Department of Environment, Land, Water and Planning

INTRODUCTION

# STRATEGIC OBJECTIVE 1

THE YEAR IN REVIEW

OUR COUNCIL

OUR PEOPLE



OUR PERFORMANCE

## 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.

GOVERNANCE

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### 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

- Achieve the financial results set out in the four year Strategic Resource Plan.
- Increase the community satisfaction rating with community engagement.
- External financial audits of Council reflect compliance with legislation.
- Local Government Performance Reporting Framework Results.

### MAJOR INITIATIVES

- Implementation of Long Term Financial Plan.

**Result: Completed. Adopted at February 2019 Ordinary Meeting of Council.**

- Shared Services Project with Wimmera Councils.

**Result: Completed.**

- Invest in the priorities of the ICT Strategy to improve productivity, including Phase 2 of the implementation of a corporate system.

**Result: Completed. New payroll, purchasing and finance systems implemented. Further funding secured for the remainder of this project through the Rural Councils Transformation Program.**

- Undertake a Rating and Revenue Strategy to ensure equitable outcomes for communities.

**Result: Completed. Adopted at May 2019 Ordinary Meeting of Council.**

INTRODUCTION

# STRATEGIC OBJECTIVE 2

THE YEAR IN REVIEW

OUR COUNCIL

OUR PEOPLE



OUR PERFORMANCE

## 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.

GOVERNANCE

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### 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.

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## 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

- Rates of access and participation in a range of arts, cultural and community events.
- Increased percentage of community members as active library members.
- Increased community satisfaction rating with Council's advocacy and community representation on key local issues.

## MAJOR INITIATIVES

- Partner with a range of Buloke stakeholders to advance primary prevention measures within Buloke with a focus on mental health and healthy living.

**Result: Completed.** Buloke Dementia Pathways Project actively participated in though Southern Mallee Primary Care Partnership. Strong link formed with East Wimmera Health Service mental health team. Presentation to Royal Flying Doctors Service have resulted in place based proposal for speech therapy services.

- Shared Services Project with Wimmera Councils.

**Result: Completed.**

- Develop accessible materials on local transport options utilising the information gathered in the stage one baseline report for the Local Mallee Transport Options.

**Result: In Progress.** Tender let for works. On track for October 2019 completion.

- Work with Mallee Catchment Management Authority on the recreational Tyrrell Creek projects.

**Completed.** Works completed at Tchum Lake (Signage and walking track), Stoney Crossing repairs (Lake Tyrrell) and Lake Maribed (study and signage).

- Adopt the Buloke Integrated Community Plan.

**Completed.** Adopted at December 2018 Ordinary Meeting of Council.

- Actively advocate for the effective roll out of the NDIS in Buloke.

**Result: Completed.** PYP clients who are eligible have been transferred. Council has invested significant resources into case managing the transition for many. At time of reporting, Council continues to work with some HACC PYP clients who have not yet proved their eligibility.

- Supported Playgroups to be rolled out across Buloke Shire with new funding received.

**Result: Completed.** Supported Playgroups rolled out in Charlton and Watchem.

## SERVICE PERFORMANCE INDICATORS

SERVICE/INDICATOR/MEASURE	Results 2016	Results 2017	Results 2018	Results 2019	Material Variations and Comments
<b>AQUATIC FACILITIES</b>					
<b>Satisfaction</b>	0.00	0.00	0.00	0.00	Optional Measure - not surveyed
User satisfaction with aquatic facilities (optional) [User satisfaction with how council has performed on provision of aquatic facilities]					
<b>Service standard</b>					
Health inspections of aquatic facilities	1.00	1.00	1.14	1.00	Each of the Shire's 7 pools is inspected at least once per opening season.
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]					
<b>Health and Safety</b>					
Reportable safety incidents at aquatic facilities	0.00	0.00	0.00	0.00	No reportable incidents have occurred.
[Number of WorkSafe reportable aquatic facility safety incidents]					
<b>Service cost</b>					
Cost of indoor aquatic facilities	\$0.00	\$0.00	\$0.00	\$0.00	Not Applicable
[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]					
<b>Service cost</b>					
Cost of outdoor aquatic facilities	\$7.83	\$9.37	\$9.10	\$14.71	Council has changed the interpretation of overheads to accurately reflect the costs to the service.
[Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]					
<b>Utilisation</b>					
Utilisation of aquatic facilities	7.07	5.86	6.36	5.12	Seasonal temperatures can have a high statistical impact on pool utilisation due to the relatively small population.
[Number of visits to aquatic facilities / Municipal population]					
<b>ANIMAL MANAGEMENT</b>					
<b>Timeliness</b>					
Time taken to action animal management requests	1.00	1.00	1.00	1.00	All animal requests are responded to within 24 hours.
[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]					
<b>Service standard</b>					
Animals reclaimed	66.67%	57.14%	57.14%	57.69%	Council has a success rate for the reclamation of animals.
[Number of animals reclaimed / Number of animals collected] x100					

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## SERVICE PERFORMANCE INDICATORS

SERVICE/INDICATOR/MEASURE	Results 2016	Results 2017	Results 2018	Results 2019	Material Variations and Comments
<b>LIBRARIES</b>					
<b>Utilisation</b>					
Library collection usage [Number of library collection item loans / Number of library collection items]	0.21	0.14	1.66	1.25	In 2018/19 Council changed the Library Services delivery model to delivering Library Services directly. In previous years this service was delivered by providers external to the Council.
<b>Resource standard</b>					
Standard of library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	36.64%	48.30%	52.85%	100.00%	To accommodate a change to the delivery model of Library Services in 2018/19, Council's library collection has been purchased within the last 12 months.
<b>Service cost</b>					
Cost of library service [Direct cost of the library service / Number of visits]	\$13.38	\$12.42	\$13.61	\$8.31	In 2018/19 Council changed the Library Services delivery model to delivering Library Services directly. In previous years this service was delivered by providers external to the Council.
<b>Participation</b>					
Active library members [Number of active library members / Municipal population] x100	15.19%	11.32%	8.28%	7.08%	Council changed the Library Service delivery model in 2018/19 to a direct delivery service. The change to the Library service delivery model has meant that community members were required to join the Buloke Library. Some community members may be utilising previous provider cards.
<b>MATERNAL AND CHILD HEALTH (MCH)</b>					
<b>Satisfaction</b>					
Participation in first MCH home visit Number of first MCH home visits / Number of birth notifications received] x100	97.10%	98.18%	108.93%	92.00%	All children in the Shire receive a first home visit. Timing of births and receiving a first visit will have a high statistical effect due to the low number of births.
<b>Service standard</b>					
Infant enrolments in the MCH service Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	95.65%	100.00%	100.00%	100.00%	Council is proactive in ensuring the enrolment and support of mothers and their infants. Enhanced delivery is part of this service.

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INTRODUCTION

# STRATEGIC OBJECTIVE 3

THE YEAR IN REVIEW

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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.

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### 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.

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### 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

- Local employment rates.
- Buloke Shire visitor rates.
- Increased local business participation in business development activities.
- Number of planned Buloke Shire Council business development activities
- Increased community satisfaction rating with the appearance and cleanliness of public places.

#### MAJOR INITIATIVES

- Undertake a review of the Rural Land Use elements of the Buloke Planning Scheme to ensure it reflects agricultural activities.

**Result: In Progress. Consultant appointed and background work completed. Additional consultation to occur in July 2019.**

- Implement Economic Development and Tourism Strategy Year 1 strategies.

**Result: Completed. Report on actions was noted at the June 2019 Ordinary Meeting.**

- Construction of tourism facilities at Lake Tyrrell to capitalise on visitors to the area.

**Result: In Progress. Preparation of tender documents has commenced as well as finalisation of the Cultural Heritage Management Plan. Final funding being sourced for road works.**

- Amenity upgrades at three recreational lakes.

**Result: Completed. Facilities opened at Lake Tchum, Watchem Lake and Woornook Lakes.**

- Apply for funding for all five mobile blackspots under Round 1 of the State Government's Mobile Blackspot Program.

**Result: Completed. Funding announced for Berriwillock, Glenloth East, and Wilkur.**

- Work with Agricultural Intensive Husbandry and Birchip Cropping Group to demonstrate renewable energy options.

**Result: In Progress. BCG funding application was successful and micro grid partially installed. Discussion being held to conduct demonstration events.**

- Seek funding under the Local Roads to Market Program for a key freight route.

**Result: Completed. Successful applications made for Yeungroon Road, Watchem-Warracknabeal Road and Birchip-Corack Road. Further applications made for Watchem-Warracknabeal Road and Culgoa-Ultima Road pending at time of reporting.**

- Annual evaluation of the Community Grants Program and Sustainability Grants Program success.

**Result: Completed. Reports presented to Councillor Briefings in August 2018 and February 2019.**

- Deliver improvements to Cumming Avenue, Birchip to upgrade safety and implement the Birchip Streetscape Masterplan priorities.

**Result: In Progress. Detailed designs complete. A second application for funding was successful in May 2019 after initial funding was pulled by Regional Roads Victoria.**

## SERVICE PERFORMANCE INDICATORS

SERVICE/INDICATOR/MEASURE	Results 2016	Results 2017	Results 2018	Results 2019	Material Variations and Comments
<b>STATUTORY PLANNING</b>					
<b>Timeliness</b>					
Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	52.00	28.00	37.00	30.00	Improvement in time to process planning applications.
<b>Service standard</b>					
Planning applications decided within required time frames [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	79.17%	83.33%	91.89%	96.43%	Improving trend to process planning applications within prescribed timeframes. Council experiences a low level of complex applications.
<b>Service cost</b>					
Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]	\$1,442.79	\$1,696.51	\$2,248.93	\$1,886.33	An increase of the number of planning applications received in 18/19 has effectively reduced the cost per planning application to Council.
<b>Decision making</b>					
Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	100.00%	0.00%	0.00%	0.00%	Not applicable.

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# STRATEGIC OBJECTIVE 4

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## RESPONDING TO AND ENHANCING OUR BUILT AND NATURAL ENVIRONMENT

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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.

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## 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.

- Community satisfaction rating for overall performance in local roads and footpaths.
- Asset condition of Buloke Shire Council roads, and footpaths.
- Reduce the waste to landfill ratio.

### MAJOR INITIATIVES

- Develop and maintain a suite of projects on key buildings across Buloke that are ready to submit for grant opportunities.

**Result: Completed.** Designs completed for Sea Lake Community Centre, Donald Skate Park, Streetscapes (Riverfronts), Charlton Hall, Charlton Childcare, Charlton Drainage and a range of Road Rehabilitation Projects.

- Construction of Charlton Park.

**Result: In Progress.** Charlton Park was nearing completion at time of reporting.

- Finalise plans and construct Donald Community Precinct Redevelopment.

**Result: In Progress.** This project is nearing completion at time of reporting.

- Develop plans for the Charlton Drainage Project.

**Result: Complete.**

- Use of asset management software system to inform ongoing capital and financial budgets.

**Result: Complete.**

- Use of a Memorandum of Understanding with the Department of Corrections to assist our Landcare groups to achieve community identified problem locations to eradicate weeds.

**Result: Not completed.** Discussions have commenced but it is unlikely that roadside works will be completed. Council is investigating alternative projects with the Department.

- Complete Green Lake earthworks.

**Result: Completed.** Water has been returned to Green Lake.

- Commence Sustainability works to retrofit two high use buildings under Sustainability Victoria Funding (Stream 3).

**Result: Charlton Kindergarten and Buloke Shire Council-Charlton Office building works complete.**

- Apply for E-Waste container storage to improve waste management practises.

**Result: Completed.** Works for E-Waste storage facilities have been completed in Birchip and Sea Lake.

## 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

- Improve community satisfaction rating for overall performance of waste management.
- Environmentally Sustainable Design principles are incorporated in the construction of new facilities and major upgrades.

## SERVICE PERFORMANCE INDICATORS

SERVICE/INDICATOR/MEASURE	Results 2016	Results 2017	Results 2018	Results 2019	Material Variations and Comments
<b>ROADS</b>					
<b>Satisfaction of use</b>					
Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads ] x100	3.58	5.37	5.67	2.63	The reduction in the number of requests is consistent with the level of satisfaction with local roads.
<b>Condition</b>					
Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	96.41%	89.45%	92.84%	93.75%	
<b>Service cost</b>					
Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$39.44	\$49.86	\$42.65	\$50.26	Variability in the cost of materials impact the cost per square metre.
<b>Service Cost</b>					
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$4.00	\$4.70	\$4.72	\$4.47	Variability in the cost of materials impact the cost per square metre.
<b>Satisfaction</b>					
Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	39.00	36.00	39.00	42.00	Satisfaction with sealed roads has been consistent. An improvement in satisfaction with roads is also consistent with the reduction in the number of requests.
<b>WASTE COLLECTION</b>					
<b>Satisfaction</b>					
Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	10.41	18.43	50.07	55.11	Most collection bin requests relate to damaged bins. Council's bins are ageing and damaged bins are repaired or replaced promptly on request.
<b>Satisfaction</b>					
Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	2.47	2.53	2.18	1.79	Improved community education of rubbish collection times and placement of bins has seen a reduction in the number of missed bin reports.
<b>Service cost</b>					
Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$60.60	\$60.42	\$60.14	\$60.05	Garbage collection costs per bin has been consistent.

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## SERVICE PERFORMANCE INDICATORS

SERVICE/INDICATOR/MEASURE	Results 2016	Results 2017	Results 2018	Results 2019	Material Variations and Comments
<b>WASTE COLLECTION</b>					
<b>Service cost</b>					
Cost of kerbside recyclables collection service	\$41.64	\$34.17	\$40.00	\$51.92	Cost increases for collection of recyclables has been impacted by China's 'National Sword' policy on recyclables.
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]					
<b>Waste diversion</b>					
Kerbside collection waste diverted from landfill	24.29%	23.49%	23.27%	24.54%	
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					



# 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.

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THE YEAR IN REVIEW	<p><b>5.2 ENSURE THE BULOKE ORGANISATIONAL DEVELOPMENT STRATEGY SUPPORTS OUR CULTURE</b></p> <p><b>ACTIONS</b></p> <ul style="list-style-type: none"> <li>Establish and implement regular reporting against the organisational development strategy.</li> </ul>	<p><b>5.5 INCREASE OUR COMMUNICATION AND INVOLVEMENT WITH THE COMMUNITY IN DECISION MAKING</b></p> <p><b>ACTIONS</b></p> <ul style="list-style-type: none"> <li>Provide high quality customer service and manage requests effectively through a Customer Service Charter.</li> <li>Provide targeted communication aligned to requirements and expectations of residents and stakeholders such as businesses and forums.</li> <li>Improve Council's website functionality and accessibility.</li> </ul>	
OUR COUNCIL	<p><b>5.3 ENSURE OUR COUNCILLORS HAVE SUPPORT IN PERFORMING THEIR ROLES AND RESPONSIBILITIES</b></p> <p><b>ACTIONS</b></p> <ul style="list-style-type: none"> <li>Develop and implement a Councillor Development program.</li> <li>Promote professional development opportunities for Councillors.</li> </ul>	<p><b>5.6 RECOGNISE OUR VOLUNTEERS AND SUPPORT THEIR SIGNIFICANT CONTRIBUTIONS</b></p> <p><b>ACTIONS</b></p> <ul style="list-style-type: none"> <li>Develop and implement a Volunteer Action Strategy that incorporates promotional material to encourage and retain volunteers.</li> </ul>	
OUR PEOPLE			
OUR PERFORMANCE	<p><b>5.4 REVIEW AND MONITOR PARTNERSHIP ARRANGEMENTS TO MAXIMISE SERVICES FOR BULOKE</b></p> <p><b>ACTIONS</b></p> <ul style="list-style-type: none"> <li>Secure representation on the relevant Federal, state, regional and local bodies.</li> <li>Review our partnerships to ensure that there are clear outcomes to measure our staff and Councillor investments</li> </ul>	<p><b>STRATEGIC INDICATORS</b></p> <ul style="list-style-type: none"> <li>Achieve the financial results set out in the four-year Strategic Resource Plan.</li> <li>Improve community satisfaction survey rating for customer service.</li> </ul> <p><b>MAJOR INITIATIVES</b></p> <ul style="list-style-type: none"> <li>Develop and maintain a suite of projects on key buildings across Buloke that are ready to submit for grant opportunities.</li> </ul> <p><b>Result: Completed. Designs completed for Sea Lake Community Centre, Donald Skate Park, Streetscapes (Riverfronts), Charlton Hall, Charlton Childcare, Charlton Drainage and a range of Road Rehabilitation Projects.</b></p>	
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## MAJOR INITIATIVES

- Develop a Business Continuity Management Plan that ensures a robust framework to ensure Council meets its statutory obligations.

**Result: Plans have been completed and presented to the Senior Management Team and reported to the Audit Committee.**

- Implementation of an online Learning Management System.

**Result: System successfully implemented and initial staff training completed.**

- Review and adopt an updated Meeting Procedure and Common Seal Local Law.

**Result: Completed. Adopted at the May 2019 Ordinary Meeting of Council.**

- Assess key partnerships with stakeholders.

**Result: Completed. Two workshops held with Councillors to identify improved actions.**

- Implementation of the Volunteer Strategy.

**Result: Completed. At the June 2019 Ordinary Meeting of Council 50% completion of the plan was reported.**

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THE YEAR IN REVIEW	<b>SERVICE PERFORMANCE INDICATORS</b>					
	<b>SERVICE/INDICATOR/MEASURE</b>	<b>Results 2016</b>	<b>Results 2017</b>	<b>Results 2018</b>	<b>Results 2019</b>	<b>Material Variations and Comments</b>
	<b>GOVERNANCE</b>					
	<b>Transparency</b>					
	Council decisions made at meetings closed to the public	4.59%	2.09%	9.09%	4.17%	Decisions made in meetings closed to the public are for commercial-in-confidence or other matters allowed by the Local Government Act 1989 s89(2). Majority of decisions in closed meetings relate to Contract Commercial-in-confidence matters.
OUR COUNCIL	[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors ] x100					
	<b>Consultation and engagement</b>					
	Satisfaction with community consultation and engagement	46.00	51.00	53.00	55.00	Council has invested considerable time and effort talking and listening to the community. This upward trend is reflective of Council's effort to improve on community consultation.
OUR PEOPLE	[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]					
	<b>Attendance</b>					
	Councillor attendance at council meetings	89.92%	91.43%	98.90%	95.60%	Council consistently has a high Councillor participation rate at Council meetings.
	[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100					
OUR PERFORMANCE	<b>Service cost</b>					
	Cost of governance	\$33,020.57	\$34,852.27	\$35,607.71	\$36,997.14	Council consistently has a high Councillor participation rate at Council meetings.
	[Direct cost of the governance service / Number of Councillors elected at the last Council general election]					
	<b>Satisfaction</b>					
	Satisfaction with council decisions	45.00	49.00	50.00	52.00	Increased consultation with community has resulted in an upward trend in the community's satisfaction with Council decisions.
GOVERNANCE	[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					
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# GOVERNANCE, MANAGEMENT AND OTHER INFORMATION

## GOVERNANCE

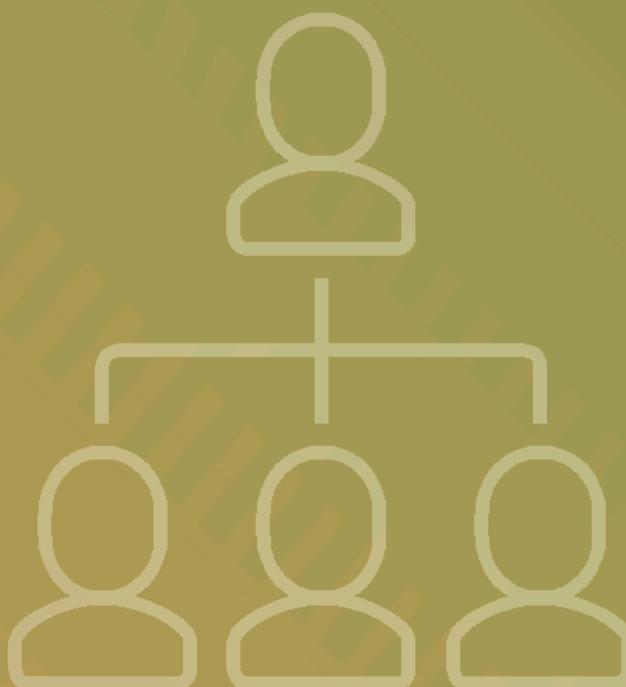
**The Buloke Shire Council is constituted under the *Local Government Act 1989 (Victoria)* to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:**

s3D of the Act status:

- (a) acting as a representative government by taking into account the diverse needs of the local community in decision making
- (b) providing leadership by establishing strategic objectives and monitoring their achievement
- (c) maintaining the viability of the Council by ensuring that resources are managed in a responsible and accountable manner
- (d) advocating the interests of the local community to other communities and governments
- (e) acting as a responsible partner in government by taking into account the needs of other communities
- (f) 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.



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# GOVERNANCE AND MANAGEMENT CHECKLIST

The following are the results in the prescribed form of Council's assessment against the prescribed governance and management checklist.

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Governance and Management Item	Assessment
--------------------------------	------------

<b>Community Engagement Policy</b> (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.
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<b>Community Engagement Guidelines</b> (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.
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<b>Strategic Resource Plan</b> (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 Act on 19 June 2019.
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<b>Annual Budget</b> (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 Act on 19 June 2019.
--	---

<b>Asset Management Plans</b> (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.
--	--

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<b>Rating Strategy</b> (strategy setting out the rating structure of Council to levy rates and charges)	Rating Strategy was adopted 8 May 2019.
---	---

<b>Risk Policy</b> ( policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation. Adopted 14 June 2016.
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<b>Fraud Policy</b> (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation. Adopted 10 February 2016.
--	--

<b>Municipal Emergency Management Plan</b> (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986. Adopted 8 November 2017.
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<b>Procurement Policy</b> (policy under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the Local Government Act. Adopted 12 June 2019.
--	--

Governance and Management Item	Assessment
<b>Business Continuity Plan</b> (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation. Adopted 8 November 2017. Policy and Framework in operation.
<b>Disaster Recovery Plan</b> (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 May 2018. Presented to Audit Committee 5 September 2018.
<b>Risk Management Framework</b> (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation. Adopted 14 June 2017.
<b>Audit Committee</b> (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 Act. Established 28 October 2004. Current Charter adopted 8 November 2017.
<b>Internal Audit</b> (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged on 8 March 2017.
<b>Performance Reporting Framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Current framework in operation. 1 July 2014.
<b>Council Plan reporting</b> (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Reported against on 10 October 2018 and 8 May 2019.
<b>Financial reporting</b> (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Monthly statements presented to Council in accordance with section 138(1) of the Act.
<b>Risk reporting</b> (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.
<b>Performance reporting</b> (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Reports prepared and presented on 12 September 2018 and 8 May 2019.

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THE YEAR IN REVIEW	<table border="1"> <thead> <tr> <th style="background-color: #d9ead3;">Governance and Management Item</th> <th style="background-color: #d9ead3;">Assessment</th> </tr> </thead> <tbody> <tr> <td><b>Annual Report</b> (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)</td> <td>Annual report considered at a meeting of Council on 10 October 2018 in accordance with section 134 of the Act.</td> </tr> <tr> <td><b>Councillor Code of Conduct</b> (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)</td> <td>Code of conduct reviewed in accordance with section 76C of the Act on 8 February 2017.</td> </tr> </tbody> </table>	Governance and Management Item	Assessment	<b>Annual Report</b> (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	Annual report considered at a meeting of Council on 10 October 2018 in accordance with section 134 of the Act.	<b>Councillor Code of Conduct</b> (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of conduct reviewed in accordance with section 76C of the Act on 8 February 2017.
Governance and Management Item	Assessment						
<b>Annual Report</b> (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	Annual report considered at a meeting of Council on 10 October 2018 in accordance with section 134 of the Act.						
<b>Councillor Code of Conduct</b> (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of conduct reviewed in accordance with section 76C of the Act on 8 February 2017.						
OUR COUNCIL	<table border="1"> <tbody> <tr> <td><b>Delegations</b> (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)</td> <td>Delegations reviewed in accordance with section 98(6) of the Act. Council to CEO on 14 March 2018. Council to Staff on 12 December 2018. CEO to Staff on 14 March 2018.</td> </tr> <tr> <td><b>Meeting Procedures</b> (a local law governing the conduct of meetings of Council and special committees)</td> <td>Meeting procedures local law made in accordance with section 91(1) of the Act. Adopted 8 May 2019.</td> </tr> </tbody> </table>	<b>Delegations</b> (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 98(6) of the Act. Council to CEO on 14 March 2018. Council to Staff on 12 December 2018. CEO to Staff on 14 March 2018.	<b>Meeting Procedures</b> (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.		
<b>Delegations</b> (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 98(6) of the Act. Council to CEO on 14 March 2018. Council to Staff on 12 December 2018. CEO to Staff on 14 March 2018.						
<b>Meeting Procedures</b> (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.						
OUR PEOPLE	<p>I certify that this information presents fairly the status of Council's governance and management arrangements.</p>  <p>Anthony Judd Chief Executive Officer</p>						
OUR PERFORMANCE							
GOVERNANCE	<p>Cr Carolyn Stewart Mayor</p>						
FINANCIALS							

# STATUTORY INFORMATION

## FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* (Commonwealth) ("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.gov.au](http://www.ovic.gov.au) and on the Buloke Shire Council website.

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

INTRODUCTION

THE YEAR IN REVIEW

## BEST VALUE

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 as at 30 June 2019 were:

2016/17	2017/18	2018/19
School Crossing	Community Development	Human Resources
Planning	Urban and Parks	Media and Communications
Building	Risk Management	Local Laws
Environmental Compliance	Governance	Building and Planning
Insurance	Brokered Care	Waste and Environment
Rates	Home Care	Asset Management
Payroll	Meals on Wheels	Customer Service
Governance	Records Management	Recreation
Immunisation	Public/Environmental Health	Maternal and Child Health
Recreation Service	Finance	Immunisation
Saleyard and Truck Wash		Saleyards and Truckwash

OUR COUNCIL

OUR PEOPLE

## 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.

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.
- Regularly promoted services available to people with a disability or mental illness and their carers and assisted with referral pathways.
- Advocated for and assisted community members in the transition as the National Disability Insurance Scheme rolled out in the Mallee Catchment. Continue to advocate for rural gaps in service.
- Promoted inclusion and participation in the community of persons with a disability through the instigation of the Inclusiveness Plan, formed through close community consultation.

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

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## CONTRACTS

During the 2018-19 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* (Victoria), 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 2018-19 year.

## PROTECTED DISCLOSURE PROCEDURES

In accordance with section 69 of the *Protected Disclosure Act 2012* (Victoria) a council must include in its annual report information about how to access the procedures established by the council under Part 9 of that Act. It is also required to provide certain information about the number and types of protected disclosures complaints investigated during the financial year.

The *Protected Disclosure Act 2012* (Victoria) 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 2018-19 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 2018-19 year.



## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

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# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

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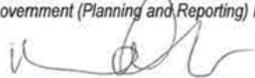
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## Certification of the Financial Statements

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

  
Hannah Yu  
Principal Accounting Officer

Date: 24/9/2019 <Date>  
Wycheproof

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

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

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

  
Cr Carolyn Stewart  
Councillor  
Date: 24/9/19 <Date>  
Wycheproof

  
Cr Daryl Warren  
Councillor

Date: 27/9/19 <Date>  
Wycheproof

  
Anthony Judd  
Chief Executive Officer

Date: 24/9/19 <Date>  
Wycheproof

## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT



### Independent Auditor's Report

#### To the Councillors of Buloke Shire Council

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

## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

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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  
26 September 2019

  
Jonathan Kyvelidis  
as delegate for the Auditor-General of Victoria

## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

### Comprehensive Income Statement For the Year Ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
<b>Income</b>			
Rates and charges	3.1	13,414	13,014
Statutory fees and fines	3.2	171	74
User fees	3.3	809	761
Grants - operating	3.4	15,007	11,432
Grants - capital	3.4	8,773	2,812
Contributions - monetary	3.5	1,657	345
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	56	25
Net gain (or loss) on settlement for equity in WRLC	3.6	-	(78)
Share of net profits (or loss) of associates and joint ventures	6.3	-	(28)
Other income	3.7	440	472
<b>Total income</b>		<b>40,327</b>	<b>28,829</b>
<b>Expenses</b>			
Employee costs	4.1	9,855	9,285
Materials and services	4.2	15,905	7,583
Depreciation and amortisation	4.3	7,591	7,136
Bad and doubtful debts	4.4	67	114
Borrowing costs	4.5	296	298
Other expenses	4.6	697	678
<b>Total expenses</b>		<b>34,411</b>	<b>25,094</b>
<b>Surplus/(deficit) for the year</b>		<b>5,916</b>	<b>3,735</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment/(decrement)	6.2	61,323	15,617
<b>Total comprehensive result</b>		<b>67,239</b>	<b>19,352</b>

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

## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

### Balance Sheet As at 30 June 2019

	Note	2019 \$'000	2018 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1 (a)	2,071	6,190
Trade and other receivables	5.1 (c)	3,204	1,754
Other financial assets	5.1 (b)	18,207	14,080
Inventories	5.2 (a)	111	63
Other assets	5.2 (b)	342	321
<b>Total current assets</b>		<b>23,935</b>	<b>22,408</b>
<b>Non-current assets</b>			
Investments in associates, joint arrangements and subsidiaries	6.3	-	-
Property, infrastructure, plant and equipment	6.2	262,382	196,659
<b>Total non-current assets</b>		<b>262,382</b>	<b>196,659</b>
<b>Total assets</b>		<b>286,317</b>	<b>219,067</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3 (a)	2,174	3,102
Trust funds and deposits	5.3 (b)	292	144
Provisions	5.5	2,340	2,158
Interest-bearing liabilities	5.4	7,000	
<b>Total current liabilities</b>		<b>11,806</b>	<b>5,404</b>
<b>Non-current liabilities</b>			
Provisions	5.5	1,445	836
Interest-bearing liabilities	5.4	-	7,000
<b>Total non-current liabilities</b>		<b>1,445</b>	<b>7,836</b>
<b>Total liabilities</b>		<b>13,251</b>	<b>13,240</b>
<b>Net assets</b>		<b>273,066</b>	<b>205,827</b>
<b>Equity</b>			
Accumulated surplus		105,137	99,221
Reserves	9.1	167,929	106,606
<b>Total Equity</b>		<b>273,066</b>	<b>205,827</b>

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

## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

### Statement of Changes in Equity For the Year Ended 30 June 2019

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2019</b>					
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	-
<b>Balance at end of the financial year</b>		<b>273,066</b>	<b>105,137</b>	<b>167,929</b>	<b>-</b>

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2018</b>				
Balance at beginning of the financial year	186,475	95,486	90,989	-
Surplus/(deficit) for the year	3,735	3,735	-	-
Net asset revaluation increment/(decrement)	15,617	-	15,617	-
<b>Balance at end of the financial year</b>	<b>205,827</b>	<b>99,221</b>	<b>106,606</b>	<b>-</b>

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

## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

### Statement of Cash Flows For the Year Ended 30 June 2019

	Note	2019 Inflows/ (Outflows) \$'000	2018 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		13,192	12,978
Statutory fees and fines		180	127
User fees		924	765
Grants - operating		15,007	11,432
Grants - capital		7,500	2,812
Contributions - monetary		1,657	345
Interest received		409	558
Other receipts		29	104
Net GST refund/payment		(79)	1,115
Employee costs		(9,076)	(9,308)
Materials and services		(16,737)	(6,998)
Other payments		(764)	(678)
<b>Net cash provided by/(used in) operating activities</b>		<b>12,242</b>	<b>13,252</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.2	(11,993)	(7,171)
Proceeds from sale of property, infrastructure, plant and equipment		55	72
Payments for investments		(16,273)	(35,771)
Proceeds from sale of investments		12,146	27,196
<b>Net cash provided by/(used in) investing activities</b>		<b>(16,065)</b>	<b>(15,674)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(296)	(291)
<b>Net cash provided by/(used in) financing activities</b>		<b>(296)</b>	<b>(291)</b>
Net increase (decrease) in cash and cash equivalents		(4,119)	(2,713)
Cash and cash equivalents at the beginning of the financial year		6,190	8,903
<b>Cash and cash equivalents at the end of the financial year</b>		<b>2,071</b>	<b>6,190</b>
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

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

## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

### Statement of Capital Works For the Year Ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
<b>Property</b>			
Buildings		6,768	1,948
<b>Total buildings</b>		<u>6,768</u>	<u>1,948</u>
<b>Total property</b>		<u>6,768</u>	<u>1,948</u>
<b>Plant and equipment</b>			
Plant, machinery and equipment		629	689
Computers and telecommunications		203	350
Library books		219	161
<b>Total plant and equipment</b>		<u>1,051</u>	<u>1,200</u>
<b>Infrastructure</b>			
Roads		3,798	2,173
Footpaths and cycleways		81	65
Drainage		-	90
Recreational, leisure and community facilities		-	598
Waste management		-	56
Parks, open space and streetscapes		-	29
Other infrastructure		295	769
<b>Total infrastructure</b>		<u>4,174</u>	<u>3,780</u>
<b>Total capital works expenditure</b>		<u>11,993</u>	<u>6,928</u>
<b>Represented by:</b>			
New asset expenditure		1,306	1,885
Asset renewal expenditure		6,303	4,132
Asset upgrade expenditure		4,384	911
<b>Total capital works expenditure</b>		<u>11,993</u>	<u>6,928</u>

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

# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

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### 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)
- other areas requiring judgments

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

## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

#### Note 1 Performance against budget

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

The budget figures detailed below are those adopted by Council on 19th June 2018. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

#### 1.1 Income and expenditure

	Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000	Variance %	Ref
<b>Income</b>					
Rates and charges	13,386	13,414	28	0%	
Statutory fees and fines	100	171	71	71%	1
User fees	777	809	32	4%	
Grants - operating	11,788	15,007	3,219	27%	2
Grants - capital	7,541	8,773	1,232	16%	3
Contributions - monetary	2,410	1,657	(753)	-31%	4
Net gain/(loss) on disposal of property, infrastructure, plant	10	56	46	455%	
Other income	404	440	36	9%	
<b>Total income</b>	<b>36,416</b>	<b>40,327</b>	<b>3,911</b>		
<b>Expenses</b>					
Employee costs	9,602	9,855	(253)	-3%	5
Materials and services	15,149	15,905	(756)	-5%	6
Depreciation and amortisation	7,061	7,591	(530)	-8%	7
Bad and doubtful debts	52	67	(15)	-29%	
Borrowing costs	297	296	1	0%	
Other expenses	776	697	79	10%	8
<b>Total expenses</b>	<b>32,937</b>	<b>34,411</b>	<b>(1,474)</b>		
<b>Surplus/(deficit) for the year</b>	<b>3,479</b>	<b>5,916</b>	<b>2,437</b>		

#### (i) Explanation of material variations

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Variance Ref	Item	Explanation
1	Statutory fees and fines	The positive variance occurs as a result of the issuing of a higher than anticipated number of fire infringement notices.
2	Grants - operating	Positive variance due to additional grants received mostly the Financial Assistance Grant paid in advance for next financial year
3	Grants - capital	Positive variance due to additional grants received regarding Donald Community Precinct, Flood management, Donald Skate Park and Birchip Kindergarten
4	Contributions - Monetary	Negative variance due to anticipate community contributions to capital project replaced by additional grants received
5	Employment Costs	Negative variance due to provision raised for redundancy but partially offset by less expenditure on salaries with several management positions filled by contractors for the majority of the financial year
6	Materials and services	Negative variance due to several management positions filled by contractors and carried forward spending on 2016 flood recovery
7	Depreciation and amortisation	Negative variance due to depreciation items omitted from budget
8	Other expenses	Positive variance due to revised treatment of Council contribution to community projects

## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

Note 1 Performance against budget (cont'd)

1.2 Capital works

	Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000	Variance %	Ref
<b>Property</b>					
Buildings	8,022	6,768	(1,254)	-16%	1
<b>Total Buildings</b>	<b>8,022</b>	<b>6,768</b>	<b>(1,254)</b>	<b>-16%</b>	
<b>Total Property</b>	<b>8,022</b>	<b>6,768</b>	<b>(1,254)</b>	<b>-16%</b>	
<b>Plant and Equipment</b>					
Plant, machinery and equipment	620	629	9	1%	
Computers and telecommunications	985	203	(782)	-79%	2
Library books	200	219	19	10%	
<b>Total Plant and Equipment</b>	<b>1,805</b>	<b>1,051</b>	<b>(754)</b>	<b>-42%</b>	
<b>Infrastructure</b>					
Roads	3,338	3,798	460	14%	3
Footpaths and cycleways	86	81	(5)	-6%	
Other infrastructure	1,203	295	(908)	-75%	4
<b>Total Infrastructure</b>	<b>4,627</b>	<b>4,174</b>	<b>(453)</b>	<b>-10%</b>	
<b>Total Capital Works Expenditure</b>	<b>14,454</b>	<b>11,993</b>	<b>(2,461)</b>	<b>-17%</b>	
<b>Represented by:</b>					
New asset expenditure	1,030	1,306	276	27%	
Asset renewal expenditure	8,155	6,303	(1,852)	-23%	
Asset upgrade expenditure	5,269	4,384	(885)	-17%	
<b>Total Capital Works Expenditure</b>	<b>14,454</b>	<b>11,993</b>	<b>(2,461)</b>	<b>-17%</b>	

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### (i) Explanation of material variations

Variance Ref	Item	Explanation
1	Buildings	Negative variance due to delays in major projects mostly regarding Lake Tyrrell infrastructure
2	Computers and telecommunications	Negative variance due to delay in IT renewal project due to change in potential funding
3	Roads	Postive variance due to expenditure on project unforeseen in budget due to new funding
4	Other infrastructure	Postive variance due to expenditure on project unforeseen in budget due to new funding

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## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

### Note 2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

#### 2 (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.

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**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
<b>2019</b>					
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	262,382
Support our Councillors, staff, volunteers and the community to make informed and transparent decisions	4	2,848	(2,844)	-	-
	<b>40,327</b>	<b>34,411</b>	<b>5,916</b>	<b>23,780</b>	<b>286,317</b>

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2018</b>					
Delivering our services in a financially viable way	15,814	1,284	14,530	3,695	22,408
Build a healthy and active community	1,600	2,207	(607)	1,249	-
Diversify and enhance our local economy	423	1,550	(1,127)	41	-
Responding to and enhancing our built and natural environment	10,987	17,128	(6,141)	9,259	196,659
Support our Councillors, staff, volunteers and the community to make informed and transparent decisions	5	2,925	(2,920)	-	-
	<b>28,829</b>	<b>25,094</b>	<b>3,735</b>	<b>14,244</b>	<b>219,067</b>

# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

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	2019 \$'000	2018 \$'000
<b>Note 3 Funding for the delivery of our services</b>		
<b>3.1 Rates and charges</b>		
<p>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 2018/19 was \$1.574 billion (2017/18 \$1.380 billion). The 2018/19 rate in the CIV dollar was a General Rate of 0.007715 cents (2017/18, 0.007899 cents) and a Farm Rate of 0.006789 cents (2017/18, 0.007741 cents).</p>		
Rates - Residential	2,475	2,519
Rates - Commercial	618	634
Rates - Rural	7,974	7,660
Windfarm electricity generation charge	79	77
Municipal Charge	751	736
Garbage Charges	1,424	1,308
Interest on Rates and Charges	93	81
Buloke Bucks	-	(1)
<b>Total rates and charges</b>	<b>13,414</b>	<b>13,014</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2019, and the valuation will be first applied in the rating year commencing 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	95	16
Governance	0	5
Planning Permits & Certificates	65	43
Revenue Collection	7	7
Building Regulations and Inspections	4	3
<b>Total statutory fees and fines</b>	<b>171</b>	<b>74</b>

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

### 3.3 User fees

Pound fees and animal registrations	59	60
Home and Community Care	166	189
Brokered Programs Charges	177	150
Public Health and Wellbeing Charges	30	29
Building Services charges	87	68
Caravan Parks & Halls	46	33
Waste and Environment	90	92
Saleyards / Truck Wash	153	137
Other	1	3
<b>Total user fees</b>	<b>809</b>	<b>761</b>

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

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## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$'000	2018 \$'000
<b>3.4 Funding from other levels of government</b>		
Grants were received in respect of the following :		
<b>Summary of grants</b>		
Commonwealth funded grants	9,469	8,678
State funded grants	14,311	5,566
<b>Total grants received</b>	<b>23,780</b>	<b>14,244</b>
<b>(a) Operating Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants	6,525	6,084
General home care	702	693
<b>Recurrent - State Government</b>		
General home care	147	145
School crossing supervisors	12	15
Libraries	119	158
Maternal and child health	358	177
Community safety	60	60
Health and immunisation	11	18
Youth	56	18
Other	31	29
<b>Total recurrent operating grants</b>	<b>8,021</b>	<b>7,397</b>
<b>Non-recurrent - Commonwealth Government</b>		
Other	90	29
<b>Non-recurrent - State Government</b>		
Environmental management	75	125
Natural disaster -flood damage	5,951	3,780
Climate change	30	6
Green Lake water security	208	36
Other	201	59
Birchip Kindergarten	356	-
Mental Health	75	-
<b>Total non-recurrent operating grants</b>	<b>6,986</b>	<b>4,035</b>
<b>Total operating grants</b>	<b>15,007</b>	<b>11,432</b>
<b>(b) Capital Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	1,252	1,072
<b>Recurrent - State Government</b>		
<b>Total recurrent capital grants</b>	<b>1,252</b>	<b>1,072</b>
<b>Non-recurrent - Commonwealth Government</b>		
Wycheproof Pool change rooms	-	200
Charlton Park 2020 redesign	400	400
Donald Community Precinct	500	-
Berrillock Bowls Green Redevelopment	-	200
<b>Non-recurrent - State Government</b>		
Recreation	1,998	286
Tyrrell College drought proofing	-	28
Lake Tyrrell infrastructure upgrades	-	200
Wycheproof Pool change rooms	-	20
Library Project	-	131
Road rehabilitation	2,566	275
Donald Skate Park	120	-
E-Waste facilities and Sustainability	85	-
Flood Management	1,141	-
Tourism and cultural heritage signs	711	-
<b>Total non-recurrent capital grants</b>	<b>7,521</b>	<b>1,740</b>
<b>Total capital grants</b>	<b>8,773</b>	<b>2,812</b>

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### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$'000	2018 \$'000
<b>(c) Unspent grants received on condition that they be spent in a specific manner</b>		
Balance at start of year	2,635	4,100
Received during the financial year and remained unspent at balance date	353	2,635
Received in prior years and spent during the financial year	(2,635)	(4,100)
Balance at year end	<u>353</u>	<u>2,635</u>

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

#### 3.5 Contributions

<b>Monetary</b>		
Revenue Collection Contributions	70	46
Youth Development Contributions	29	29
Other Community Service Contributions	59	1
Capital Works Contributions	1,440	177
Reimbursements	59	92
<b>Total contributions</b>	<u>1,657</u>	<u>345</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

<b>Proceeds of sale/disposal</b>		
Land	-	12
Library - Settlement for equity share in WRLC	-	118
Plant and Equipment	56	60
	<u>56</u>	<u>190</u>
<b>Written down value of assets disposed</b>		
Land	-	(40)
Library - Equity share in WRLC	-	(196)
Plant and Equipment	-	(7)
	<u>-</u>	<u>(243)</u>
<b>Total net gain/loss on disposal of property, infrastructure, plant and equipment</b>	<u>56</u>	<u>(53)</u>

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

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	2019 \$'000	2018 \$'000
<b>3.7 Other income</b>		
Interest on investments	319	368
Rent Council properties	11	13
Shared services charge	62	56
Sundry external works	36	32
Other income	12	3
<b>Total other income</b>	<b>440</b>	<b>472</b>

Interest is recognised as it is earned.

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

### Note 4 The cost of delivering services

#### 4.1 Employee costs

Wages and salaries	8,655	8,049
Allowances	218	210
Worksafe	227	207
Superannuation	755	819
<b>Total employee costs</b>	<b>9,855</b>	<b>9,285</b>

#### (b) Superannuation

Council made contributions to the following funds:

##### Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	16	16
<b>Employer contributions payable at reporting date.</b>	<b>-</b>	<b>-</b>

##### Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	390	419
Employer contributions - other funds	349	384
<b>Employer contributions payable at reporting date.</b>	<b>62</b>	<b>62</b>

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

#### 4.2 Materials and services

Advertising	75	89
Consultants Fees	747	480
Garbage	103	94
Information Technology	426	436
Insurance	304	302
Operational Contracts and Services	10,984	3,224
Operational Materials	925	727
Other	326	360
Promotion/Public Education	14	23
Subscriptions/Memberships/Publications	86	100
Telephone	79	61
Utilities	430	381
Vehicle and Plant Costs	1,101	1,018
Vehicle Lease Costs	305	288
<b>Total materials and services</b>	<b>15,905</b>	<b>7,583</b>

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	2019 \$'000	2018 \$'000
<b>4.3 Depreciation and amortisation</b>		
Property	1,459	1,431
Plant and equipment	957	758
Infrastructure	5,175	4,947
<b>Total depreciation</b>	<b>7,591</b>	<b>7,136</b>

Refer to note 6.2 for a more detailed breakdown of depreciation and accounting policy.

<b>4.4 Bad and doubtful debts</b>		
Rates debtors	-	-
Other debtors	67	114
<b>Total bad and doubtful debts</b>	<b>67</b>	<b>114</b>

#### Movement in provisions for doubtful debts

Balance at the beginning of the year	170	123
New Provisions recognised during the year	67	114
Amounts already provided for and written off as uncollectible	(4)	(67)
Amounts provided for but recovered during the year	-	-
<b>Balance at end of year</b>	<b>233</b>	<b>170</b>

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.

#### 4.5 Borrowing costs

Interest - Borrowings	296	298
<b>Total borrowing costs</b>	<b>296</b>	<b>298</b>

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

#### 4.6 Other expenses

Auditors' remuneration - VAGO - audit	42	40
Auditors' remuneration - Internal	37	47
Councillors' allowances	182	180
Council Contributions and Donations	349	303
Council meeting expenses	10	10
Others	48	42
Election expenses	-	5
Legal Expenses	29	51
<b>Total other expenses</b>	<b>697</b>	<b>678</b>

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	2019 \$'000	2018 \$'000
<b>Note 5 Our financial position</b>		
<b>5.1 Financial assets</b>		
<b>(a) Cash and cash equivalents</b>		
Cash on hand	1	1
Cash at bank	2,071	3,100
Term deposits	-	3,089
<b>Total cash and cash equivalents</b>	<b>2,071</b>	<b>6,190</b>
<b>(b) Other financial assets</b>		
Term deposits - current	18,207	14,080
<b>Total other financial assets</b>	<b>18,207</b>	<b>14,080</b>
<b>Total financial assets</b>	<b>20,278</b>	<b>20,270</b>
Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
- Trust funds and deposits (Note 5.3)	292	144
Total restricted funds	292	144
Total unrestricted cash and cash equivalents	1,780	6,046

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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### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$'000	2018 \$'000
<b>(c) Trade and other receivables</b>		
<b>Current</b>		
<i>Statutory receivables</i>		
Rates debtors	1,219	997
Infringement debtors	312	258
Provision for doubtful debts - infringements	(233)	(170)
GST receivable	417	338
<i>Non statutory receivables</i>		
Grant debtors	1,273	-
Other debtors		
Other debtors	216	331
Total current trade and other receivables	<u>3,204</u>	<u>1,754</u>
<b>Total trade and other receivables</b>	<u><b>3,204</b></u>	<u><b>1,754</b></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)	160	214
Past due by up to 30 days	14	5
Past due between 31 and 180 days	29	49
Past due between 181 and 365 days	10	23
Past due by more than 1 year	3	40
Total trade & other receivables	<u>216</u>	<u>331</u>

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	2019 \$'000	2018 \$'000
<b>5.2 Non-financial assets</b>		
<b>(a) Inventories</b>		
Inventories held for distribution	111	63
<b>Total inventories</b>	<u>111</u>	<u>63</u>

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

**(b) Other assets**

Prepayments	237	218
Accrued income	98	96
Other	7	7
<b>Total other assets</b>	<u>342</u>	<u>321</u>

	2019 \$'000	2018 \$'000
<b>5.3 Payables</b>		
<b>(a) Trade and other payables</b>		
Trade payables	1,904	2,500
GST payable	41	7
Accrued expenses	229	595
<b>Total trade and other payables</b>	<u>2,174</u>	<u>3,102</u>

**(b) Trust funds and deposits**

Funds held on behalf of community groups and third parties	25	17
Overpaid rates and charges	123	111
Fire Services Levy	1	1
Other refundable deposits	143	15
<b>Total trust funds and deposits</b>	<u>292</u>	<u>144</u>

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 2019.

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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### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

5.4 Interest-bearing liabilities	2019 \$'000	2018 \$'000
<b>Current</b>		
Borrowings - secured	7,000	-
<b>Non-current</b>		
Borrowings - secured	-	7,000
<b>Total</b>	<u>7,000</u>	<u>7,000</u>

Borrowings are secured by a charge over the future rate income of Council.

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

Not later than one year	7,000	-
Later than one year and not later than five years	-	7,000
Later than five years	-	-
	<u>7,000</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.

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### 5.5 Provisions

	Employee	Landfill restoration	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000
<b>2019</b>				
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	<b>2,966</b>	<b>343</b>	<b>476</b>	<b>3,785</b>
<b>2018</b>				
Balance at beginning of the financial year	2,157	324	541	3,022
Additional provisions	752	-	-	752
Amounts used	(730)	-	(45)	(775)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	7	(3)	(9)	(5)
Balance at the end of the financial year	<b>2,186</b>	<b>321</b>	<b>487</b>	<b>2,994</b>
			<b>2019</b>	<b>2018</b>
			<b>\$'000</b>	<b>\$'000</b>
<b>(a) Employee provisions</b>				
<b>Current provisions expected to be wholly settled within 12 months</b>				
Annual leave			493	511
Long service leave			-	219
Rostered days off			24	15
			<b>517</b>	<b>745</b>
<b>Current provisions expected to be wholly settled after 12 months</b>				
Annual leave			164	128
Long service leave			1,460	1,150
			<b>1,624</b>	<b>1,278</b>
Total current employee provisions			<b>2,141</b>	<b>2,023</b>
<b>Non-current</b>				
Long service leave			192	163
Redundancy			633	-
Total non-current employee provisions			<b>825</b>	<b>163</b>
Aggregate carrying amount of employee provisions:				
Current			2,141	2,023
Non-current			825	163
<b>Total aggregate carrying amount of employee provisions</b>			<b>2,966</b>	<b>2,186</b>

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

#### Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

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#### 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.

	2019	2018
Key assumptions:		
- discount rate	1.32%	2.65%
- wage inflation rate	4.31%	3.88%

#### 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 raised based on employees in this service area as at 30 June 2019. Actual redundancies incurred may be less than the provision if employees terminate their employment prior.

	2019	2018
Key assumptions:		
- discount rate	1.32%	-
- inflation rate	1.90%	-

	2019	2018
(b) Landfill restoration	\$'000	\$'000
Current	149	85
Non-current	194	236
	<b>343</b>	<b>321</b>

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.

	2019	2018
Key assumptions:		
- discount rate	1.32%	2.65%
- inflation rate	1.90%	1.90%

#### (c) Gravel pit restoration -

	2019	2018
	\$'000	\$'000
Current	50	50
Non-current	426	437
	<b>476</b>	<b>487</b>

	2019	2018
Key assumptions:		
- discount rate	1.32%	2.65%
- inflation rate	1.90%	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

2019  
\$'000

2018  
\$'000

The Council has the following funding arrangements in place as at 30 June 2019.

Other facilities - Bank Guarantee	150	150
Total facilities	150	150
Used facilities - bank guarantee	100	100
Unused facilities	50	50

Council has no overdraft facility at 30 June 2019.

### 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.

2019	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
<b>Operating</b>					
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	607	9	15	4	635
<b>Capital</b>					
Buildings	-	-	-	-	-
Total	-	-	-	-	-
<b>Total</b>	<b>607</b>	<b>9</b>	<b>15</b>	<b>4</b>	<b>635</b>

Total

2018	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
<b>Operating</b>					
Recycling	91	-	-	-	91
Garbage collection	255	-	-	-	255
IT systems and technology	182	8	23	4	217
Office equipment	51	37	-	-	88
Waste transfer stations	55	-	-	-	55
Flood reconstruction	5,085	-	-	-	5,085
Total	5,719	45	23	4	5,791
<b>Capital</b>					
Buildings	5,656	-	-	-	5,656
Total	5,656	-	-	-	5,656
<b>Total</b>	<b>11,375</b>	<b>45</b>	<b>23</b>	<b>4</b>	<b>11,447</b>

## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$'000	2018 \$'000
<b>Operating lease commitments</b>		
<p>At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):</p>		
Not later than one year	279	315
Later than one year and not later than five years	317	537
Later than five years	-	-
	<u>596</u>	<u>852</u>

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

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# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

**Note 6 Assets We Manage**  
 6.2 Property, infrastructure, plant and equipment  
 Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2018	Additions	Impairment losses	Revaluation	Depreciation	Disposal	Transfers/ Rounding	At Fair Value 30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	66,371	1,527	-	-	(1,459)	-	33	66,472
Plant and equipment	4,704	1,051	-	-	(657)	-	-	4,798
Infrastructure	123,957	3,879	-	61,323	(5,175)	-	-	183,984
Work in progress	1,627	5,536	-	-	-	-	(35)	7,128
	196,659	11,993	-	61,323	(7,591)	-	(2)	262,382

**Summary of Work in Progress**

	Opening WIP	Additions	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000
Property	406	5,241	(33)	5,614
Plant and equipment	21	-	-	21
Infrastructure	1,200	295	-	1,495
Total	1,627	5,536	(33)	7,130

# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

(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 2018	3,773	57	22,312	26,142	84,647	84,647	406	111,195
Accumulated depreciation at 1 July 2018	-	-	-	-	(44,418)	(44,418)	-	(44,418)
	3,773	57	22,312	26,142	40,229	40,229	406	66,777
<b>Movements in fair value</b>								
Additions	-	-	-	-	1,527	1,527	5,241	6,768
Revaluation	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	33	33	(33)	-
	-	-	-	-	1,560	1,560	5,208	6,768
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	-	-	-	-	(1,459)	(1,459)	-	(1,459)
	-	-	-	-	(1,459)	(1,459)	-	(1,459)
At fair value 30 June 2019	3,773	57	22,312	26,142	86,207	86,207	5,614	117,963
Accumulated depreciation at 30 June 2019	-	-	-	-	(45,877)	(45,877)	-	(45,877)
	3,773	57	22,312	26,142	40,330	40,330	5,614	72,086

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## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

**(b) Plant and Equipment**

Library	\$'000	Plant machinery and equipment	\$'000	Fixtures fittings and furniture	\$'000	Computers and telecomms	\$'000	Work in Progress	\$'000	Total plant and equipment	\$'000
At fair value 1 July 2018	161	9,549	420	1,689	21	11,840					
Accumulated depreciation at 1 July 2018	(2)	(5,824)	(410)	(879)	-	(7,115)					
	159	3,725	10	810	21	4,725					
<b>Movements in fair value</b>											
Additions	219	629	-	203	-	1,051					
Disposal	-	(78)	-	-	-	(78)					
Transfer	-	-	-	-	-	-					
	219	551	-	203	-	973					
<b>Movements in accumulated depreciation</b>											
Depreciation and amortisation	(84)	(588)	(5)	(280)	-	(957)					
Accumulated depreciation of disposals	-	78	-	-	-	78					
	(84)	(510)	(5)	(280)	-	(879)					
At fair value 30 June 2019	380	10,100	420	1,892	21	12,813					
Accumulated depreciation at 30 June 2019	(86)	(6,334)	(415)	(1,159)	-	(7,994)					
	<b>294</b>	<b>3,766</b>	<b>5</b>	<b>733</b>	<b>21</b>	<b>4,819</b>					

# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

(c) Infrastructure

	Roads	Bridges	Footpaths and cyceways	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 2018	235,516	9,737	8,302	7,817	282	148	733	2,540	1,200	266,275
Accumulated depreciation at 1 July 2018	(125,783)	(4,634)	(4,042)	(4,213)	(41)	(101)	(659)	(1,605)	-	(141,118)
<b>Movements in fair value</b>	109,733	5,103	4,260	3,604	241	47	34	935	1,200	125,157
Additions	3,798	-	81	-	-	-	-	-	295	4,174
Transfers	-	-	-	-	-	-	-	-	-	-
Revaluation	100,928	1,188	1,162	359	-	-	-	-	-	103,637
Impairment losses recognised against asset revaluation reserve	-	-	-	-	-	-	-	-	-	-
<b>Movements in accumulated depreciation</b>	104,726	1,188	1,243	359	-	-	-	-	295	107,811
Depreciation and amortisation	(4,701)	(90)	(155)	(63)	(14)	(7)	(6)	(139)	-	(5,175)
Revaluation	(42,283)	315	(233)	(114)	-	-	-	-	-	(42,315)
	(46,984)	225	(388)	(177)	(14)	(7)	(6)	(139)	-	(47,490)
At fair value 30 June 2019	340,242	10,925	9,545	8,176	282	148	733	2,540	1,495	374,066
Accumulated depreciation at 30 June 2019	(172,767)	(4,409)	(4,430)	(4,390)	(55)	(108)	(705)	(1,744)	-	(188,608)
	<b>167,475</b>	<b>6,516</b>	<b>5,115</b>	<b>3,786</b>	<b>227</b>	<b>40</b>	<b>28</b>	<b>796</b>	<b>1,495</b>	<b>185,478</b>

# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

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### 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.

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**Depreciation  
 Period**      **Threshold Limit**

### Asset recognition thresholds and depreciation periods

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	
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

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

Valuation of land and buildings was undertaken by a qualified independent valuer LG Valuation Services in 2017 and are due for revaluation in the 2019-20 financial year. The valuation of land and buildings as at 30 June 2019 has been assessed at fair value using the 2017 valuations for existing assets and recognising additions since 1st July 2018 at cost. Land values were further assessed against rating valuation prepared by the Valuer General 1st January 2019 with only an immaterial increase in value identified. This immaterial increase was consistent with average valuation increases for non-farming property across the Shire. 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.

### **Valuation of land under roads**

This valuation is based on guidelines published by State Governments within Australia and the average market value of land within the municipality. The average market value is adjusted to recognise the englobo nature of land under roads and allowance for access & carriage way rights. Council considers that a reduction of 90% of the average market value is appropriate to reflect fair value in use. Although the valuation is based on underlying market values the broad range of assumptions used mean that the inputs are considered to be level 3. - Results: The fair value of land under roads was initially recognised by Buloke shire at 30 June 2018 was \$22.35M.

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

Valuation of land under roads has been determined in accordance with a valuation undertaken by Council's Chief Executive Officer, Anthony Judd, BMgt, MBA. The valuation of land under roads has been assessed at fair value for 30th June 2019 and remains unchanged based. Fair value assessment noted only immaterial increase in value in line with average valuation increases for non-farming property across the Buloke Shire prepared by the Valuer General 1 January 2019 .

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

	Level 1	Level2	Level 3	Date of Valuation
Land - Non specialised	-	57	-	Jun-17
Land - Specialised	-	-	3,773	Jun-17
Land under roads	-	-	22,312	Jun-18
Buildings - Non Specialised	-	-	40,330	Jun-17
Total	-	57	66,415	

### **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 2019 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	167,475	Jun-19
Bridges	-	-	6,516	Jun-19
Footpaths and cycleways	-	-	5,115	Jun-19
Drainage	-	-	3,786	Jun-17
Recreational, leisure and community facilities	-	-	227	Jun-17
Parks, open space and streetscapes	-	-	40	Jun-17
Landfill sites	-	-	28	Jun-15
Other Infrastructure	-	-	796	Jun-17
<b>Total</b>	<b>-</b>	<b>-</b>	<b>183,983</b>	

### Description of significant unobservable inputs into level 3 valuations

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 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.

	2019 \$'000	2018 \$'000
<b>Reconciliation of specialised land</b>		
Land under roads	22,312	22,312
Community facilities	3,773	3,773
<b>Total specialised land</b>	<b>26,085</b>	<b>26,085</b>

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### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$'000	2018 \$'000
<b>6.3 Investments in associates, joint arrangements and subsidiaries</b>		
<b>(a) Investments in associates</b>		
Investments in associates accounted for by the equity method are:		
- Wimmera Regional Library Corporation	-	-
<b>Fair value of Council's investment in Wimmera Regional Library Corporation</b>	<u>-</u>	<u>-</u>
<b>Council's share of accumulated surplus/(deficit)</b>		
Council's share of accumulated surplus/(deficit) at start of year	-	92
Reported surplus/(deficit) for year	-	(29)
Transfers (to) from reserves	-	(63)
Distributions for the year	-	-
Council's share of accumulated surplus/(deficit) at end of year	<u>-</u>	<u>-</u>
<b>Council's share of reserves</b>		
Council's share of reserves at start of year	-	132
Transfers (to) from reserves	-	-
Variation - Change in Equity	-	(132)
Council's share of reserves at end of year	<u>-</u>	<u>-</u>
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	-	224
Share of surplus/(deficit) for year	-	(28)
Share of asset revaluation	-	-
Cost of Council Withdrawing Wimmera Regional Library Corporation at 30.6.2018	-	(78)
Distributions received - Repayment of Council Equity in WRLC at 30.6.2018	-	(118)
Carrying value of investment at end of year	<u>-</u>	<u>-</u>
<b>Council's share of expenditure commitments</b>		
Operating commitments	-	-
Capital commitments	-	-
Council's share of expenditure commitments	<u>-</u>	<u>-</u>
<b>Council's share of contingent liabilities and contingent assets</b>		
Nil	<u>-</u>	<u>-</u>

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

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

For joint operations, Council recognises its direct right to, and its share of jointly held assets, liabilities, revenues and expenses of joint operations.

Interests in joint ventures are accounted for using the equity method. Under this method, the interests are initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise Council's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

#### Significant change in the structure of Council's library services

Council withdrew from the Wimmera Regional Library Corporation effective from 30th June 2018.

# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

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### Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2018, and their income and expenses for that part of the reporting period in which control existed. This is not relevant in 2018/19 due to the withdrawal from Wimmera Regional Library Corporation by Council effective 30 June 2018.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

Entities consolidated into Council include:

- Wimmera Regional Library Corporation

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### Committees of management

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

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## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

### Note 7 People and relationships

#### 7.1 Council and key management remuneration

##### (a) Related Parties

###### Parent entity

Buloke Shire Council

###### Subsidiaries and Associates

Wimmera Regional Library Corporation

##### (b) Key Management Personnel

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

<b>Councillors</b>	Councillor David Pollard Mayor Councillor Graeme Milne Councillor Ellen White Councillor John Shaw Councillor Carolyn Stewart Councillor David Vis Councillor Daryl Warren
<b>Key management personnel</b>	Anthony Judd Chief Executive Officer Hannah Yu Director Corporate Services Jessie Holmes Director Community Development (1 July 2018 to 20 July 2018) Wayne O'Toole Director Community Development (21 July 2018 to 17 September 2018) Jerrri Nelson Director Community Development (17 September 2018 to 30 June 2018) Paul Fernee Director Works and Technical Services (1 July 2018 to 17 September 2018) Wayne O'Toole Director Works and Technical Services (17 September 2018 to 30 June 2018)

	2019 No.	2018 No.
<b>Total Number of Councillors</b>	7	7
<b>Chief Executive Officer and other Key Management Personnel</b>	6	4
<b>Total Key Management Personnel</b>	13	11

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

Total remuneration of key management personnel was as follows:

Short-term benefits	815	887
Post employment benefits	91	64
Long-term benefits	10	28
Termination benefits	-	-
<b>Total</b>	916	979

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	5	6
\$30,000 - \$39,999	1	-
\$40,000 - \$49,999	1	-
\$50,000 - \$59,999	-	1
\$100,000 - \$109,999	1	-
\$110,000 - \$119,999	1	1
\$120,000 - \$129,999	1	-
\$130,000 - \$159,999	1	2
\$180,000 - \$189,999	-	1
\$220,000 - \$229,999	1	-
	13	11

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## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

### (d) Senior Officer Remuneration

A Senior Officer is an officer of Council, other than Key Management Personnel, who:  
 a) has management responsibilities and reports directly to the Chief Executive; or  
 b) whose total annual remuneration exceeds \$148,000

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

Income Range:	2019 No.	2018 No.
<\$148,000	1	2
	1	2

Total Remuneration for the reporting year for Senior Officers included above, amounted to 99 190

### 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*

# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

### Note 8 Managing uncertainties

#### 8.1 Contingent assets and liabilities

##### (a) Contingent assets

##### Natural Disaster Financial Assistance Grant Funding

A significant flood event occurred in the Buloke Shire in September 2016. As a consequence of this flood event Council's infrastructure assets, in particular its road assets were damaged. Council has taken up an impairment charge of \$10,451M against these assets at 30 June 2018. Council received funding from Victoria's Natural Disaster Financial Assistance (DNFA) Scheme in respect of this natural disaster event to complete restoration works. A further significant flood event occurred in December 2018 and DNFA funding of \$5m is anticipated for works in 2019-20 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.

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

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

Council has guaranteed a loan taken out by a Sec 86 Committee 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

	2018 \$'000	2018 \$'000
Bank Guarantee	150	150
<b>TOTAL</b>	<b>150</b>	<b>150</b>

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 2019 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

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

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This is anticipated to immaterially impact on the recognition of certain grant income.

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

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

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

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

Council has elected to adopt the modified retrospective approach to the transition to the new lease standard. This will mean that only existing operating leases for non low value assets, with remaining terms greater than 12 months, will be recognised on transition (1 July 2019). Based on our current lease commitments and an assumption of a continuation of the current leasing arrangements Council expects that the transition to the new standard will see the initial recognition of \$317,729 in lease related assets and an equivalent liability

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

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives. This is anticipated to have no material impact on Council.

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

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

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

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

# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

### (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 re

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 1.97%.

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

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.

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### *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.

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### **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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## BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

#### Note 9 Other matters

9.1 Reserves	Balance at beginning of reporting period	Increment (decrement)	Share of increment (decrement) on revaluation of asset class by an associate	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000	\$'000
<b>2019</b>				
<b>Property</b>				
Land & land improvements	1,595	-	-	1,595
Land under roads	22,307	-	-	22,307
Buildings	20,826	-	-	20,826
	44,728	-	-	44,728
<b>Infrastructure</b>				
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
<b>Total asset revaluation reserves</b>	<b>106,606</b>	<b>61,323</b>	<b>-</b>	<b>167,929</b>
<b>2018</b>				
<b>Property</b>				
Land & land improvements	1,595	-	-	1,595
Land under roads	-	22,307	-	22,307
Buildings	20,826	-	-	20,826
	22,421	22,307	-	44,728
<b>Infrastructure</b>				
Roads	56,863	(6,690)	-	50,173
Bridges	1,511	-	-	1,511
Footpaths and cycleways	4,194	-	-	4,194
Drainage	1,777	-	-	1,777
Kerb & Channel	3,860	-	-	3,860
Other infrastructure	363	-	-	363
	68,568	(6,690)	-	61,878
<b>Total asset revaluation reserves</b>	<b>90,989</b>	<b>15,617</b>	<b>-</b>	<b>106,606</b>

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

# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

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	2019 \$'000	2018 \$'000
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>		
<b>Surplus/(deficit) for the year</b>	5,916	3,735
Depreciation/amortisation	7,591	7,136
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(56)	(25)
Profit/(loss) on disposal of Equity in WRLC	-	78
Movement in share of net profit/(loss) in associated entities	-	28
Finance costs	296	298
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	(1,450)	(130)
(Increase)/Decrease in prepayments	(19)	33
Increase/(decrease) in accrued income	(2)	190
Increase/(decrease) in trade and other payables	(924)	1,874
(Decrease)/increase in trust funds and other payables	148	7
(Increase)/decrease in inventories	(48)	56
Increase/(Decrease) in provisions	11	(57)
Increase/(Decrease) in employee benefits	779	29
Net cash provided by/(used in) operating activities	<b>12,242</b>	<b>13,252</b>

### 9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for 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 2019, this was 9.5% as required under Superannuation Guarantee legislation).

#### Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of [Employer name] in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

#### Funding arrangements

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

As at 30 June 2018, an 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 106.0%. The financial assumptions used to calculate the VBIs were:

Net investment returns 6.0% pa  
 Salary information 3.5% pa  
 Price inflation (CPI) 2.0% pa.

Vision Super has advised that the estimated VBI at 30 June 2019 increased to 107.1% (106.0% 2018). The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2018 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.

# BULOKE SHIRE COUNCIL 2018/2019 FINANCIAL REPORT

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

### **Employer Contributions**

On the basis of the results of the 2018 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year AASB 119 148 (aj) ended 30 June 2019, this rate was 9.5% of members' salaries (9.5% in 2017/2018). This rate will increase in line with any increases in the SG contribution rate.

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

### **Funding Calls**

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

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including [Employer name]) 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.

### **The 2018 interim actuarial investigation surplus amounts**

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

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

	2018	2017
A VBI surplus	\$131.9	\$69.8
A total service liability surplus	\$218.3	\$193.5
A discounted accrued benefits surplus	\$249.1	\$228.8

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2018.

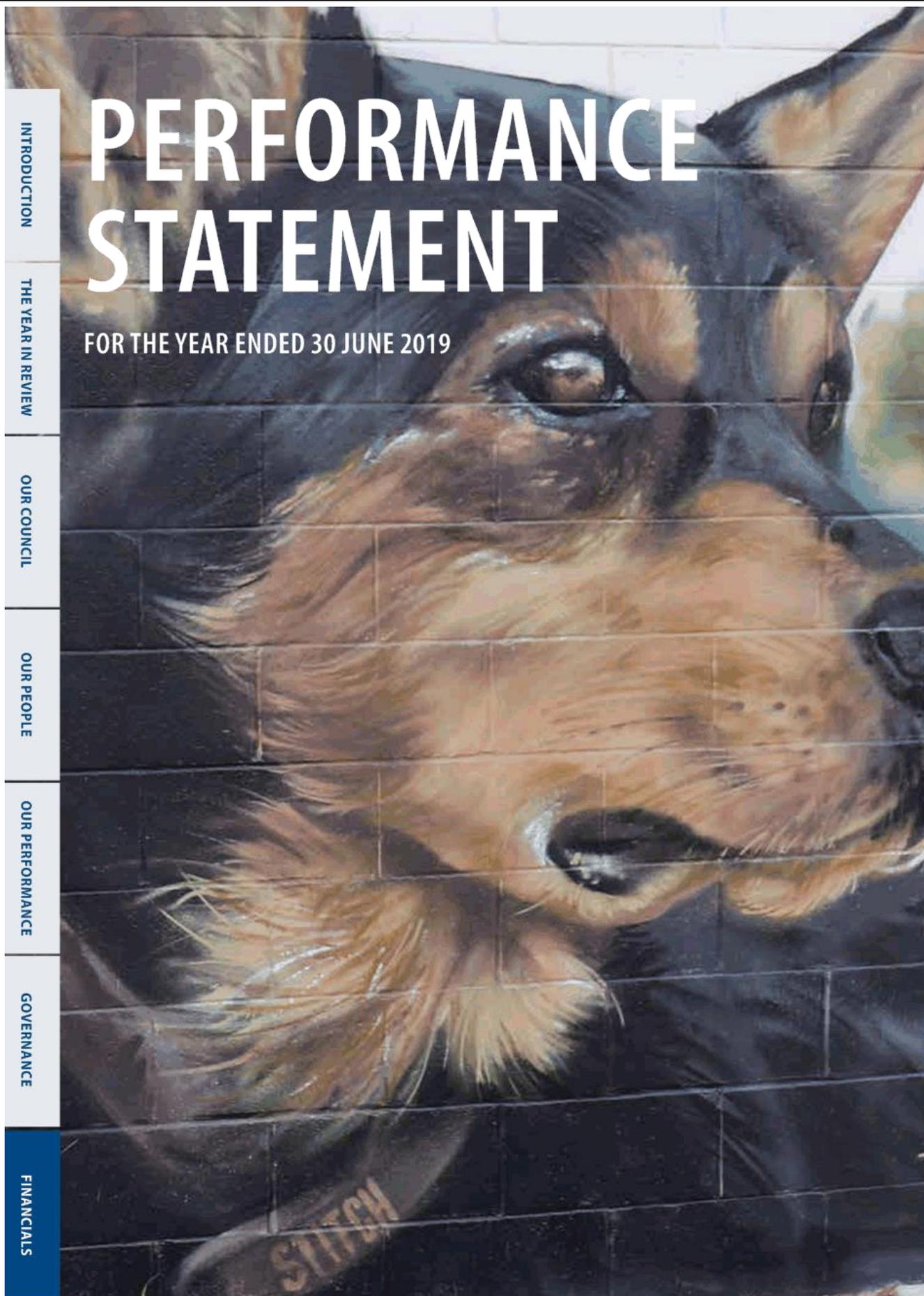
The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2018.

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

Council was notified of the 30 June 2018 VBI during August 2018 (2017: August 2017).

### **The 2019 interim actuarial investigation**

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2019. It is anticipated that this actuarial investigation will be completed in October 2019.



## PERFORMANCE STATEMENT

### FOR THE YEAR ENDED 30 JUNE 2019

## 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 Berriwillock, 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 'bulloak' tree, 'Allocasuarina Luehmannii' which is common in the area and the feature of the Buloke Shire logo.

INTRODUCTION	<b>SUSTAINABLE CAPACITY INDICATORS</b> FOR THE YEAR ENDED 30 JUNE 2019					
THE YEAR IN REVIEW	INDICATOR/MEASURE	2016	2017	2018	2019	COMMENTS
	<b>POPULATION</b> Expenses per head of municipal population <i>[Total expenses / Municipal population]</i>	\$3,611.39	\$3,669.25	\$4,079.66	\$5,564.68	Flood recovery works have impacted the expenses per head of population.
	<b>INFRASTRUCTURE PER HEAD OF MUNICIPAL POPULATION</b> <i>[Value of infrastructure / Municipal population]</i>	\$28,317.20	\$28,661.67	\$31,351.81	\$42,429.33	Flood recovery works and infrastructure revaluations has impacted the 2019 outcome.
OUR COUNCIL	<b>POPULATION DENSITY PER LENGTH OF ROAD</b> <i>[Municipal population / Kilometres of local roads]</i>	1.12	1.17	1.16	1.16	Small decline in population, no change to length of road.
OUR PEOPLE	<b>OWN-SOURCE REVENUE</b> Own-source revenue per head of municipal population <i>[Own-source revenue / Municipal population]</i>	2,219.25	\$2,280.92	\$2,315.23	\$2,407.83	Council's own source revenue is relatively high compared to other councils mainly due to the Shire's small population, its rural location and a reliance on rates as the main income source.
OUR PERFORMANCE	<b>RECURRENT GRANTS</b> Recurrent grants per head of municipal population <i>[Recurrent grants / Municipal population]</i>	\$1,221.94	\$2,169.97	\$1,376.85	\$1,499.51	Early payment of grants in in the 16/17 financial year. Recurrent grants have remained consistent.
GOVERNANCE	<b>DISADVANTAGE</b> Relative Socio-Economic Disadvantage <i>[Index of Relative Socio-Economic Disadvantage by decile]</i>	3.00	3.0	3.0	3.0	Council is ranked in the lower end of the SEIFA index, indicating high levels of disadvantage within the municipality.
FINANCIALS						

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

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

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

INTRODUCTION	<b>SERVICE PERFORMANCE INDICATORS</b> FOR THE YEAR ENDED 30 JUNE 2019					
THE YEAR IN REVIEW	SERVICE INDICATOR/MEASURE	2016	2017	2018	2019	COMMENTS
	<b>AQUATIC FACILITIES</b>	7.1	5.9	6.4	5.1	Seasonal temperatures can have a high statistical impact on pool utilisation due to the relatively small population.
	<b>Utilisation</b> Utilisation of aquatic facilities <i>[Number of visits to aquatic facilities / Municipal population]</i>					
	<b>ANIMAL MANAGEMENT</b>	2	4	5	3	Low number of prosecutions. Year on year results in a high statistical impact.
OUR COUNCIL	<b>Health and safety</b> Animal management prosecutions <i>[Number of successful animal management prosecutions]</i>					
	<b>FOOD SAFETY</b>	100%	100%	60.7%	100%	There have been no notifications during 2018, however 3 initiated in the prior year were completed in 2018.
OUR PEOPLE	<b>Health and safety</b> Critical and major non-compliance outcome notifications <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</i>					
OUR PERFORMANCE	<b>GOVERNANCE</b>	45%	49%	50%	52%	Increased consultation with community has resulted in an upward trend in the community's satisfaction with Council decisions.
	<b>Satisfaction</b> Satisfaction with council decisions <i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i>					
GOVERNANCE	<b>HOME AND COMMUNITY CARE (HACC)</b>	34%	N/A	N/A	N/A	Reporting on HACC Services ceased on 1 July 2016 following the introduction of the Commonwealth Government NDIS and CHSP programs.
	<b>Participation</b> Participation in HACC service <i>[Number of people that received a HACC service / Municipal target population for HACC services] x100</i>					
FINANCIALS						

SERVICE INDICATOR/MEASURE	2016	2017	2018	2019	COMMENTS
<p><b>Participation</b></p> <p>Participation in HACC service by CALD people  <i>[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100</i></p>	19%	N/A	N/A	N/A	
<p><b>LIBRARIES</b></p> <p><b>Participation</b></p> <p>Active library members  <i>[Number of active library members / Municipal population] x100</i></p>	15.2%	11.3%	8.3%	7.1%	Council changed the Library Service delivery model in 2018/19 to a direct delivery service. The change to the Library service delivery model has meant that community members were required to join the Buloke Library. Some community members may be utilising previous providers.
<p><b>MATERNAL AND CHILD HEALTH (MCH)</b></p> <p><b>Participation</b></p> <p>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></p>	80%	77%	77%	78%	Council has a consistently high participation rate of children attending MCH Key Ages and Stages services up to the 18 months visit, after which the participation becomes less frequent.
<p><b>Participation</b></p> <p>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></p>	143%	75%	67%	74%	Council has a consistently high participation rate of children attending MCH Key Ages and Stages services up to the 18 months visit, after which the participation becomes less frequent.
<p><b>ROADS</b></p> <p><b>Satisfaction</b></p> <p>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></p>	39%	36%	39%	42%	Satisfaction with sealed roads has been consistent. An improvement in satisfaction with roads is also consistent with the reduction in the number of requests.

INTRODUCTION						
THE YEAR IN REVIEW	<b>SERVICE INDICATOR/MEASURE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>COMMENTS</b>
	<b>STATUTORY PLANNING</b>	100%	0%	0%	0%	Council has had no planning matters referred to VCAT from 2017 to 2019.
	<b>Decision Making</b>					
	Council planning decisions upheld at VCAT					
	<i>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>					
OUR COUNCIL	<b>WASTE COLLECTION</b>	24%	24%	23%	25%	The volume of recyclables collected and diverted from landfill has been consistent. Council does not collect green organics using roadside waste collection services.
	<b>Waste diversion</b>					
	Kerbside collection waste diverted from landfill					
	<i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>					
OUR PEOPLE	<b>DEFINITIONS</b>					
	<b>"Aboriginal child"</b> means a child who is an Aboriginal person					
	<b>"Aboriginal person"</b> has the same meaning as in the <i>Aboriginal Heritage Act 2006</i>					
	<b>"Active library member"</b> means a member of a library who has borrowed a book from the library					
	<b>"Annual report"</b> means an annual report prepared by a council under sections 131, 132 and 133 of the <i>Local Government Act 1989</i> .					
	<b>"CALD"</b> means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English.					
	<b>"Class 1 food premises"</b> means food premises, within the meaning of the <i>Food Act 1984</i> , that have been declared as class 1 food premises under section 19C of that Act					
	<b>"Class 2 food premises"</b> means food premises, within the meaning of the <i>Food Act 1984</i> , that have been declared as class 2 food premises under section 19C of that Act					
	<b>"Community Care Common Standards"</b> means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth					
	<b>"Critical non-compliance outcome notification"</b> means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health					
	<b>"Food premises"</b> has the same meaning as in the <i>Food Act 1984</i>					
	<b>"HACC program"</b> means the Home and Community Care program established under the Agreement entered into for the purpose of the <i>Home and Community Care Act 1985</i> of the Commonwealth					
	<b>"HACC service"</b> means home help, personal care or community respite provided under the HACC program					
	<b>"Local road"</b> means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>					
	<b>"Major non-compliance outcome notification"</b> means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken					
	<b>"MCH"</b> 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					
	<b>"Population"</b> means the resident population estimated by council					
	<b>"Target population"</b> has the same meaning as in the Agreement entered into for the purposes of the <i>Home and Community Care Act 1985</i> of the Commonwealth					
FINANCIALS	<b>"WorkSafe reportable aquatic facility safety incident"</b> 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 <i>Occupational Health and Safety Act 2004</i> .					

## FINANCIAL PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2019

DIMENSION/INDICATOR/ MEASURE	RESULTS				FORECASTS				COMMENTS
	2016	2017	2018	2019	2020	2021	2022	2023	
<b>EFFICIENCY</b>	\$863	\$814	\$1,406	\$1,443	\$1,447	\$1,479	\$1,501	\$1,532	
<b>Revenue level</b>									
Average residential rate per residential property assessment <i>[Residential rate revenue / Number of residential property assessments]</i>									
<b>Expenditure level</b>	\$3,477	\$3,792	\$4,036	\$5,498	\$4,991	\$4,503	\$4,082	\$4,171	Expenses are managed, no/low growth in the number of properties within the shire has an effect on expenses per property assessment.
Expenses per property assessment <i>[Total expenses / Number of property assessments]</i>									
<b>Workforce turnover</b>	13%	5%	16%	9%	5%	5%	5%	5%	Staff turnover remains relatively consistent to Council's workforce numbers. Council has committed to an organisational development strategy to attract and retain staff.
Resignations and terminations compared to average staff <i>[Number of permanent staff Resignations and terminations / Average number of permanent staff for the financial year] x100</i>									
<b>LIQUIDITY</b>	249%	469%	415%	203%	478%	420%	412%	405%	Council will be retiring a \$7M debt late 2019. There are no future plans for borrowing.
<b>Working capital</b>									
Current assets compared to current liabilities <i>[Current assets / Current liabilities] x100</i>									

INTRODUCTION	FINANCIAL PERFORMANCE INDICATORS		FOR THE YEAR ENDED 30 JUNE 2019							
	DIMENSION/ INDICATOR/MEASURE	2016	2017	2018	2019	2020	2021	2022	2023	COMMENTS
THE YEAR IN REVIEW	<b>Unrestricted cash</b> Unrestricted cash compared to current liabilities <i>[Unrestricted cash / Current liabilities] x100</i>	170%	252%	375%	172%	413%	342%	340%	334%	Council has been building cash reserves to repay \$7M debt late 2019. There are no future plans for borrowing.
OUR COUNCIL	<b>OBLIGATIONS</b> <b>Asset renewal</b> Asset renewal compared to depreciation <i>[Asset renewal expense / Asset depreciation] x100</i>	72%	73%	58%	83%	109%	145%	115%	107%	Variations occur on this indicator depending on Capital Works program and funding. Depreciation continues to increase further impacting this indicator.
OUR PEOPLE	<b>Loans and borrowings</b> Loans and borrowings compared to rates <i>[Interest bearing loans and borrowings / Rate revenue] x100</i>	58%	55%	54%	52%	0%	0%	0%	0%	Council debt will be retired at the end of 2019. There are no future plans to borrow funds.
OUR PERFORMANCE	<b>Loans and borrowings repayments compared to rates</b> Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	4.1%	2.3%	2.3%	2.3%	52.2%	0%	0%	0%	Council will be retiring a \$7M debt in late 2019. This impacts on the forecast indicator for loan repayments in 2020.
GOVERNANCE	<b>Indebtedness</b> Non-current liabilities compared to own source revenue <i>[Non-current liabilities / Own source revenue] x100</i>	60%	57%	55%	9.7%	6%	6%	6%	6%	Council has a very low level of non-current liabilities as a \$7M debt (current liability) in November 2019.
FINANCIALS	<b>OPERATING POSITION</b> <b>Adjusted underlying result</b> Adjusted underlying surplus (or deficit) <i>[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100</i>	-3.67%	20.22%	6.76%	-10.5%	0.60%	-6.50%	-6.78%	-4.48	Flood rehabilitation capital grant (non-recurrent) of \$7m is budgeted in 2018/2019 (abnormal). Forecasts reflect more modest amounts of \$3M.

## FINANCIAL PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2019

DIMENSION/INDICATOR/ MEASURE	RESULTS					FORECASTS			COMMENTS
	2016	2017	2018	2019	2020	2021	2022	2023	
<b>STABILITY</b>	59%	45%	48%	43%	44%	53%	60%	60%	remained consistent. Council has little opportunity to raise revenue outside rating.
<b>Rates concentration</b> Rates compared to adjusted underlying Revenue <i>[Rate revenue / Adjusted underlying revenue] x100</i>									
<b>Rates effort</b> Rates compared to property values <i>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</i>	0.96%	0.92%	0.94%	.85%	0.80%	0.80%	0.81%	0.81%	Rates compared to property values have remained comparatively consistent with prior years.

## DEFINITIONS

“Adjusted underlying revenue” means total income other than:

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

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

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

“Current assets” has the same meaning as in the AAS

“Current liabilities” has the same meaning as in the AAS

“Non-current assets” means all assets other than current assets

“Non-current liabilities” means all liabilities other than current liabilities

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

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

“Population” means the resident population estimated by council

“Rate revenue” means revenue from general rates, municipal charges, service rates and service charges

“Recurrent grant” means a grant other than a non-recurrent grant

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

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

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

## OTHER INFORMATION

FOR THE YEAR ENDED 30 JUNE 2019

INTRODUCTION

THE YEAR IN REVIEW

### 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).

OUR COUNCIL

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.

OUR PEOPLE

The forecast figures included in the performance statement are those adopted by council in its Strategic Resource Plan on 19 June 2019 and which forms part of the Council Plan. The Strategic Resource Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The Strategic Resource Plan can be obtained by contacting council.

OUR PERFORMANCE

GOVERNANCE

FINANCIALS

### 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.



.....  
Hannah Yu  
Principal Accounting Officer

Dated: 24/9/2019

In our opinion, the accompanying Performance Statement of the Buloke Shire for the year ended 30 June 2019 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: 24/9/19.



.....  
Cr Daryl Warren  
Councillor

Dated: 24/9/19



.....  
Anthony Judd  
Chief Executive Officer

Dated: 24/9/19



## Independent Auditor's Report

### To the Councillors of Buloke Shire Council

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

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

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

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

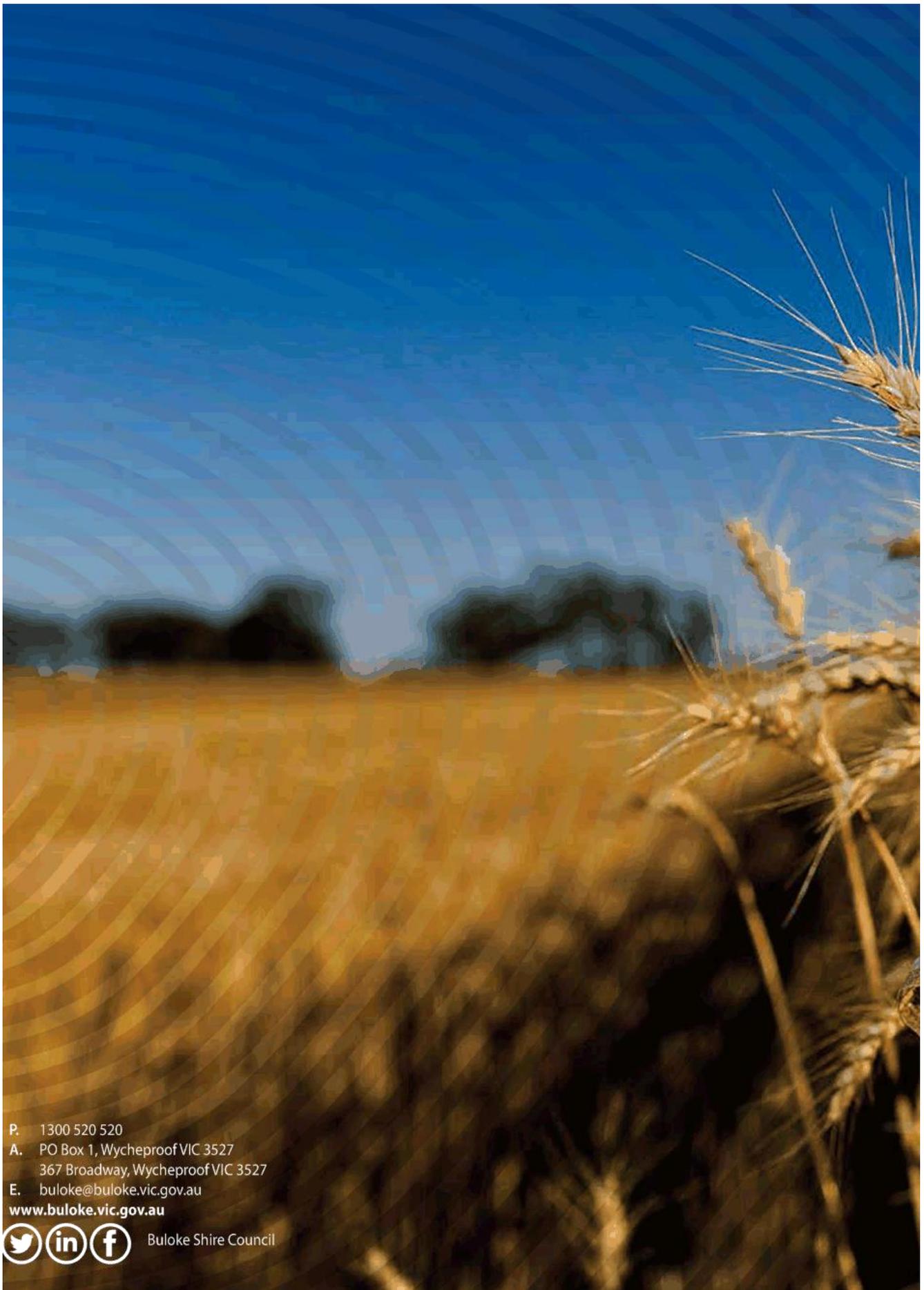
I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE  
26 September 2019

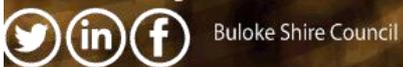
  
Jonathas Kyvelidis  
*as delegate for the Auditor-General of Victoria*

## NOTES





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## 8.2.5 COMMUNITY GRANTS AND SPONSORSHIPS

**Author's Title:** Community Development Officer

**Department:** Community Development

**File No:** GS/09/42

**Attachments:** 1 [↓](#) 2019-20 grants and sponsorships

**Relevance to Council Plan 2017 - 2021**

**Strategic Objective:** Build a healthy and active community

### RECOMMENDATION

That Council allocates the following funding under the Community Grants and Sponsorship Program:

- \$1,082 project support to the Rex Theatre; and
- \$902 Project support to Donald 2000.

### 1. Executive Summary

This report is presented to Council to consider the allocation of funds from the Community Grants and Sponsorship Program. One project is not recommended for funding

### 2. Discussion

Project:	Touch On Cash at The Rex*
Organisation:	The Rex Theatre Museum Ltd
Amount Applied:	\$1,082.00/Community Grant
Funding Amount Recommended:	\$1,082.00
Project Description:	The Rex Theatre is responding to patron and volunteer requests through offering EFTPOS services. This project (with a total value of \$2,165) will see the installation of iPad Point of Sales systems and the "Square" system for both candy bar and ticket sales. The Rex Theatre Museum Ltd is contributing the balance of funds to enable the project.
Project Benefit:	This will result in a simpler, more accurate cash handling and recording system, providing a better volunteer workflow. Volunteer burden has been recognised through the Buloke Shire Volunteer Strategy. Organisations are coming up with innovative ways to overcome these challenges. Embracing the advantages of technology is one way to build capacity and support volunteers. The application for this project notes more than 40 volunteers contribute to the operation of the Rex Theatre and the installation of this equipment will not only ease the burden on volunteers during operation, but also lessen the amount of work needed for office bearers (such as banking, recording ticket and candy bar sales and admin in generating monthly reports). The availability of EFTPOS has become an expectation among user groups, so the realisation of this project creates the potential to increase numbers of both locals, and especially tourists looking to enjoy the offerings of The Rex, with the benefits of electronic transactions.

\*This application was deferred from the August Ordinary Meeting of Council due to a quorum not being reached.

Project:	Donald, Buy In For Less
Organisation:	Donald 2000 INC
Amount Applied:	\$902/Project Support Grant
Funding Amount Recommended:	\$902
Project Description:	This project (total project cost \$1085) will produce 1000 copies of a town prospectus, with the aim of attracting new residents and investors into the Donald community.
Project Benefit:	The project addresses an issue raised through the Buloke 2030 community planning consultations in Donald, namely that population decline is a concern to the Donald community. This project will produce a tool that assists in the attraction of population and investment to Donald and the Buloke Shire. The prospectus has been developed by a dedicated group of local people and a sample prospectus was provided as part of the funding application.

The following application has not been recommended by the Panel.

Project:	Family Kite Fun Day
Organisation:	Charlton Forum
Amount Applied:	\$500/Sponsorship
Funding Amount Recommended:	Not recommended
Project Description:	A kite and kite flying exhibition to held in Charlton on Sunday October 13 (total project cost \$1028).
Reason for Recommendation:	Insufficient event and risk management was provided in this application. Project budget information showing costings and other sources of funding secured or sought was not provided. Further information was sought from the applicants but sufficient information was not provided.

### 3. Financial Implications

This brings the allocation under the community grants scheme for the 2019 – 20 financial year to \$3,952 out of a total of \$20,000. The sustainability fund contributions so far totals \$0 out of \$50,000 available.

### 4. Cost Shift Considerations

There are no cost shift considerations in this report

### 5. Community Consultation

Staff have sought clarification where necessary from community groups.

### 6. Internal Consultation

Council officers have consulted with the applicants and reviewed all documentation associated with the sponsorship applications

### 7. Legislative / Policy Implications

The community grants and sponsorship program has been developed in response to the Local Government Investigations and Compliance Inspectorate guidelines

### 8. Environmental Sustainability

There are no environmental sustainability matters considered in this report.

### 9. Conflict of Interest Considerations

No officer involved in the preparation of this report had a conflict of interest

**10. Conclusion**

It is recommended that Council considers providing funding allocations to the Donald 2000 and Charlton Rex Cinema projects.

**Community Grants, Sponsorship & Sustainability Fund**

**2019-2020**

Organisation	type	Amount in Application	recommended \$
The Rex Theatre	Small Equipment Grant	\$ 1,082.00	\$ 1,082.00
Charlton Bowling Bowling Club	Sponsorship	\$ 500.00	\$ 500.00
Charlton RSL	Project Support	\$ 718.00	\$ 718.00
Charlton Rotary	Sponsorship	\$ 500.00	\$ 250.00
Charlton Badminton	Sponsorship	\$ 500.00	\$ 500.00
Charlton Forum	sponsorship	\$ 500.00	\$ -
Donald 2000	Project Support	\$ 902.00	\$ 902.00
			<b>\$ 3,952.00</b>

## 8.2.6 LETTER TO SHIRE - MAC FARLANES RD

**Author's Title:** Manager Infrastructure Planning

**Department:** Works and Technical Services

**File No:** RO/15/01

**Attachments:**

- 1 [↓](#) Letter of request
- 2 [↓](#) MacFarlane Road Map 1
- 3 [↓](#) MacFarlane Road Map 2
- 4 [↓](#) MacFarlane Road Photo

### RECOMMENDATION

That Council consider upgrading MacFarlane Road Birchip from a minor road to an access road on the condition that the full upfront cost for the upgrade be paid for by the requestor.

#### 1. Executive Summary

Council received a joint letter from six local businesses on 12 August 2019 requesting an upgrade to MacFarlane Road Birchip from a minor road to a gravel road. Council noted the letter at its Ordinary Meeting on 11 September 2019 and requested a report be prepared for the October Ordinary Meeting in order to respond to this request.

#### 2. Discussion

MacFarlane and Lees Road, Birchip, were inspected on 17 September 2019 and the section from the Birchip Corack Road to the occupied residence is an access road (gravel) 4.770 kilometres in length. This section has been rated to be in in good to fair condition

The remaining section from the residence to Lee's Road is classified as a minor (earth) road and is 1.490 kilometres in length. The section from Lees Road to the property entrance is classified as minor and is 0.190 kilometres in length.

The total distance of the road requested to be upgraded is 1.680 kilometres, this section is well formed and in reasonably good condition.

Council's 2017-21 Road Management Plan states that any request for a road upgrade will be at the cost of the requestor/s.

##### *7.1 Road Classification*

##### *Access Road –*

*Upgrading of a road at the request of a landowner needs to be approved by Council and to Council specification.*

#### 3. Financial Implications

The upgrade to MacFarlane Road has been costed by staff has been costed at approximately \$51,000.00 and under the officer recommendation, those costs would be the responsibility of the landowner.

There would be ongoing maintenance cost for grading of approximately \$3,500.00 per year and resheeting every 15 to 20 years costing approximately \$37,000.00, which would be the responsibility of Council.

**4. Cost Shift Considerations**

There are no cost shift considerations in this report.

**5. Community Consultation**

Officers have consulted with a number of the requestors informing them of the process for having a road upgraded.

**6. Internal Consultation**

Internal Consultation has occurred between Planning, Works and Assets Departments.

**7. Legislative / Policy Implications**

Council's Road Management Plan 2017-21 states all requested road upgrades are at the cost of the requestor/s.

**8. Environmental Sustainability**

There are no environmental sustainability considerations in this report.

**9. Conflict of Interest Considerations**

No Conflict of Interest has been identified by officers preparing this report.

**10. Conclusion**

That Council consider upgrading MacFarlane Road Birchip from a minor road to an access road on the condition that the full upfront cost for the upgrade be paid for by the requestor.

Buloke Shire Council  
Broadway  
Wycheproof

To The Buloke Shire and Councillors,

We are writing to you to ask that the Buloke Shire upgrade the Eastern section of McFarlane Road Birchip around to the shearing shed owned by W E Lee on Lees Road (Buloke Shire lots 36 and 8A-folio numbers 11591-238 & 239) to improve the sustainability of six sheep feed lot enterprises in Buloke.

Currently the standard of the road surface beyond the residence of David and Valerie Lee, at 440 MacFarlane Road, deteriorates after rain to the extent that trucks cannot access the stock loading facilities at the farming enterprises operated on the land of W E Lee and Daniel Coffey located on McFarlane Road and Lees Road.

25,000 sheep and lambs are transported into and out of these facilities per year from six businesses who have feed lots on properties on these roads, including Eddie Lee, Robbie & Jo Lee, Andrew & Michelle Lee, Russell & Simone Christie, Daniel Coffey and Tom Braine.

We all have plans to increase the productivity of our feedlots situated on these roads and plan to increase the numbers to around 30,000 per year, but it will be difficult if the road conditions are not improved.

The efficiency of loading and unloading would be increased if all weather access was guaranteed to these facilities. Currently in adverse conditions stock must be moved on foot to a drier area to be loaded, exacerbating the road conditions. When wet the road is very dangerous for the farmers and other service providers like shearers and stock agents using the shearing and loading facilities.

The total distance of the road that requires upgrading to an all-weather surface is 1.6km. The existing base is gravel. We are requesting that the 1.6km be capped with St Arnaud gravel to improve access and safety for those travelling along it.

We need all weather access to our enterprises to increase the sustainability of these businesses, which we have diversified into to ensure the long term viability of our farms in Buloke. We hope you will consider our proposal favourably, and we would be willing to meet with you to discuss this issue further. Please do not hesitate to contact us for clarification.

Yours sincerely

Robbie Lee-

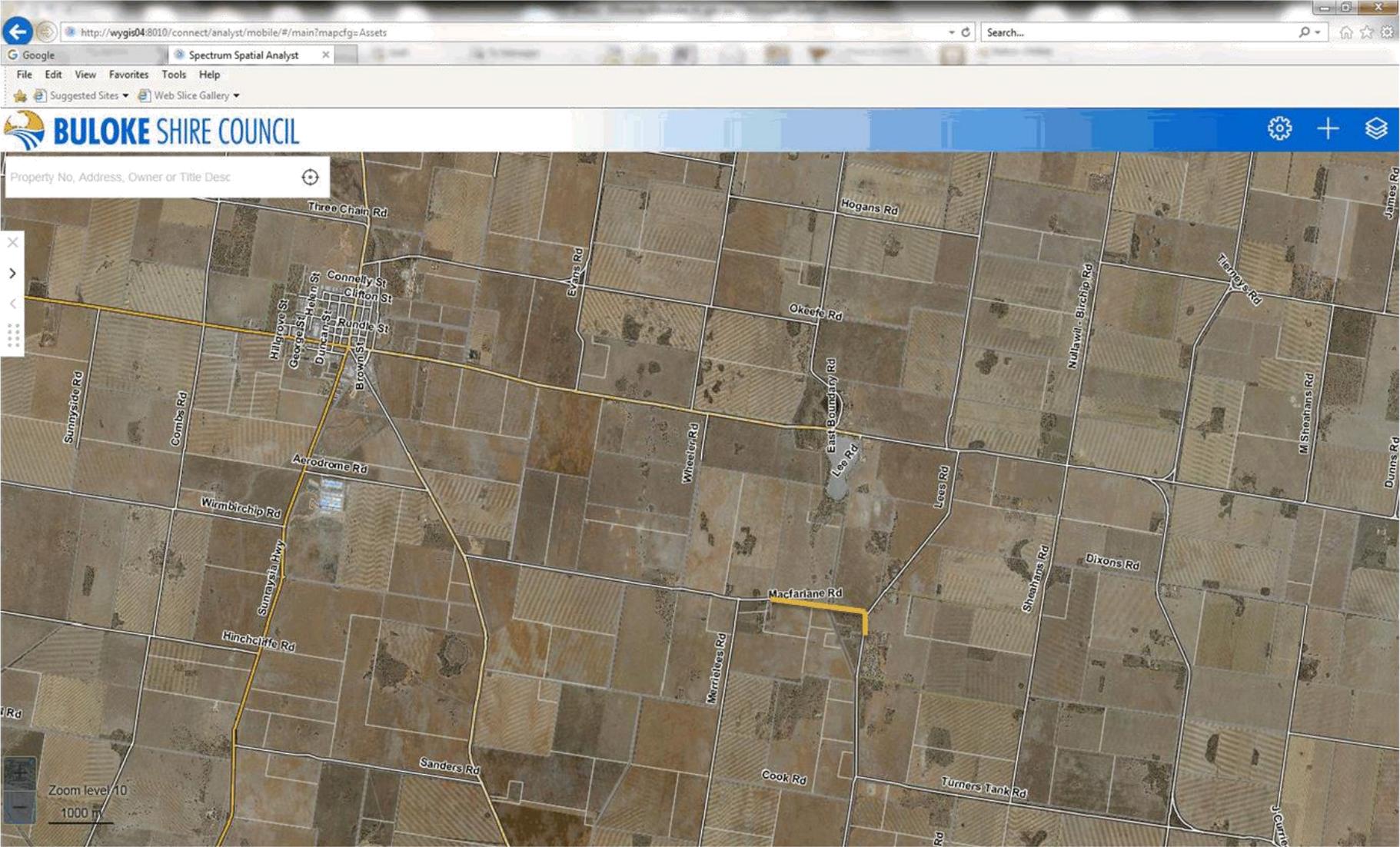
Andrew Lee-

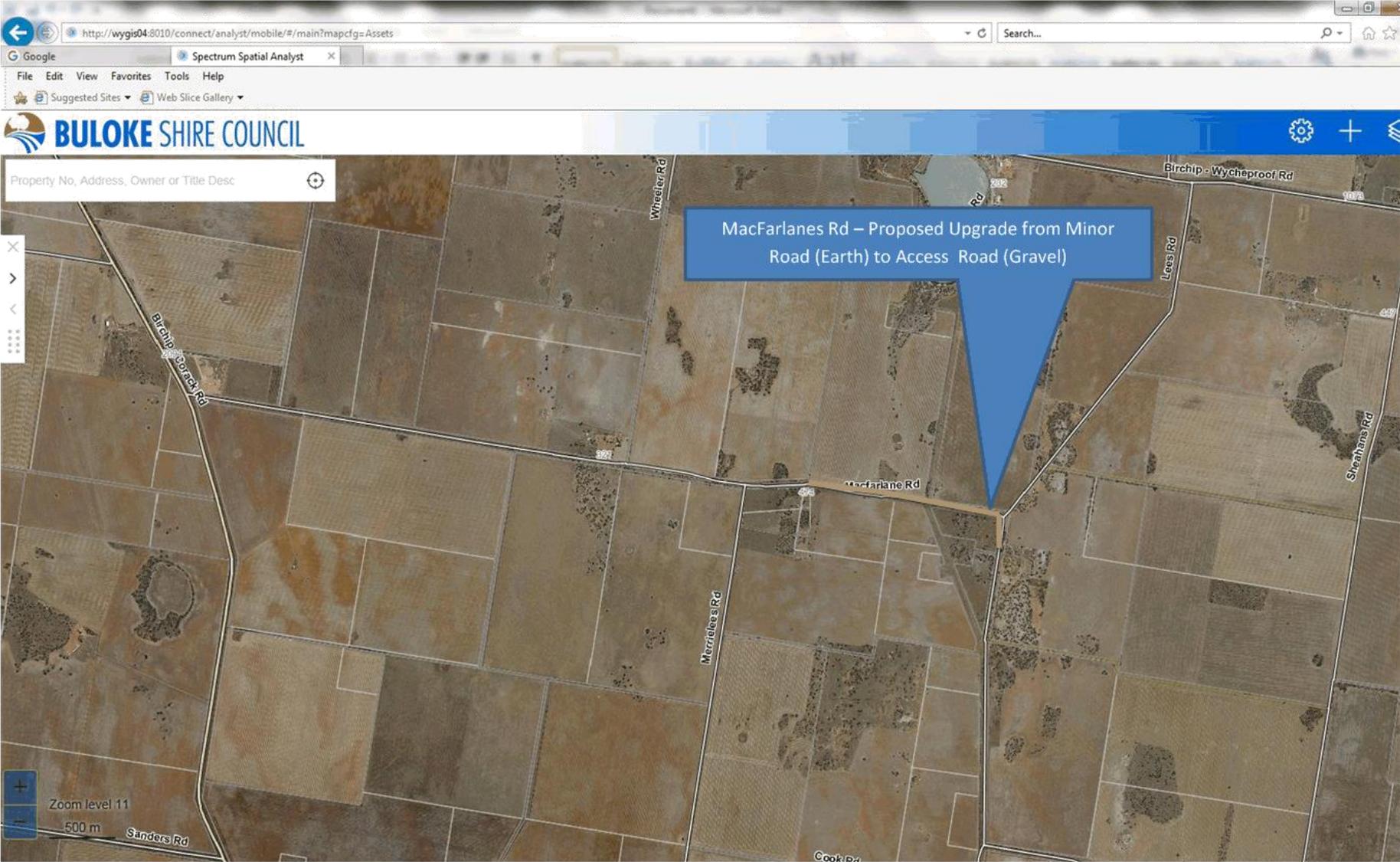
Daniel Coffey-

Tom Braine-

David Lee-

Russell Christie -









## **8.3 FINANCIAL REPORTS**

### **8.3.1 DRAFT AUDIT COMMITTEE MEETING MINUTES 4 SEPTEMBER 2019**

**Author's Title:** Governance Officer

**Department:** Corporate Services

**File No:** FM/02/09

**Attachments:** 1 [↓ Draft Audit Committee Meeting Minutes - September 2019](#)

**Relevance to Council Plan 2017 - 2021**

**Strategic Objective:** Deliver our service in a financially viable way

#### **RECOMMENDATION**

That Council notes the draft Minutes of the Audit Committee meeting held on 4 September 2019.

#### **1. Executive Summary**

The Audit Committee is a statutory committee of Council which considers matters of governance, finance and risk management. The Committee is comprised of three independent members and the Mayor. The Committee provides advice on the integrity and effectiveness of Council's financial reporting and risk management system.

#### **2. Discussion**

At its 4 September 2019 meeting, the Committee considered the following matters:

- Outstanding Actions
- Audit Committee Work Plan
- Risk Management Register
- Asset Management status update
- Draft Internal Audit Scope: Grant Acquittal Process
- Internal Audit Report: Plant and Fleet
- Progress on Internal Audit Plan
- Draft 2018/19 Financial and Performance Statements
- Draft Annual Report
- Review of Audit Committee Self-Assessment survey
- Review of Audit Committee Charter
- Financial Performance as at 31 May 2019
- 2019 JLT Risk Report
- Local Government Inspectorate Review: West Wimmera Shire Council
- VAGO Closing Report and Management Letter

#### **3. Financial Implications**

The cost of the Audit Committee function is incorporated into the 2019/20 Annual Budget.

#### **4. Cost Shift Considerations**

There are no cost shift implications associated with the Committee.

**5. Community Consultation**

Not applicable.

**6. Internal Consultation**

Councillors and senior staff are invited to attend, and present as required to at Committee meetings. Recommendations from the Committee are communicated to relevant staff members for action.

**7. Legislative / Policy Implications**

Council is required under the *Local Government Act 1989* to create and maintain an Audit Committee.

**8. Environmental Sustainability**

Not applicable.

**9. Conflict of Interest Considerations**

No officer involved in the preparation of this report had a conflict of interest.

**10. Conclusion**

The draft Audit Committee minutes are attached for the information of Council.



# **AUDIT COMMITTEE MEETING**

## **MINUTES**

**Wednesday 4 September 2019**

**Commencing at 10:00 am**

**Charlton Council Chambers**

**1 High Street Charlton**

**Anthony Judd  
Chief Executive Officer  
Buloke Shire Council**

## **ORDER OF BUSINESS**

### **1. WELCOME**

The Chair opens the meeting and welcomes those present.

### **2. RECEIPT OF APOLOGIES**

### **3. ATTENDEES**

Jessica Adler (Chair), Tom Evans (Member), Margaret Abbey (Member), Cr Carolyn Stewart (Mayor), Anthony Judd (CEO), Hannah Yu (Director Corporate Services), Aileen Douglas (Manager Finance), David Pell (AASB Audit), Ryan Kienhuis (RSD Audit), Rose Harris (Director Community Development), Travis Fitzgibbon (Manager Customer Engagement), Zoe Watts (Manager Governance), Jen Hewett (Governance).

### **4. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

#### **MOTION:**

That Council adopt the Minutes of the Audit Committee Meeting held on Wednesday, 8 May 2019.

**MOVED: TOM EVANS**

**SECONDED: MS. MARGARET ABBEY**

**CARRIED.**

Minutes were confirmed and signed by Chair.

### **5. CHIEF EXECUTIVE BRIEFING**

Briefing by Chief Executive Officer to the Audit Committee Meeting including any legal matters.

The Chief Executive provided a brief to the committee on the following matters;

Rose Harris has been appointed to the role of Director Community Development following the resignation of Jerri Nelson.

Councillor John Shaw resigned as a Councillor for the Shire. The minister and the VEC was informed of his resignation. A countback to elect a new Councillor for the Lower Avoca ward will occur on 17 September 2019.

VEC representational review is underway. The draft recommendation is the same as what is current, the second recommended option is 7 councillors with no division. Final report is due in October.

Local Government Bill: Council have previously made submissions and further information is being sought on the impacts across local government.

State Government are currently undertaking a rating system review. The scope is not large, does not address the fundamental sustainability challenge and is narrow to the rating structure.

The Defined Benefits fund has a potential of a future call, if the VBI dips below 97. It is currently at 107.1.

Buloke Shire Council Audit Committee Meeting Minutes Wednesday, 4 September 2019

Council's recycling was sent to SKM. The current waste contractor is currently stockpiling recycling material, however there may be budget implications down the track.

Flood Restoration program – The Natural Disaster relief guidelines are now in effect and very challenging to prove pre-disaster condition. The current estimate for Birchip has been revised down.

VAGO Fraud and Corruption Report was reviewed by Council and a response was prepared for the Minister. A copy of the response was provided to Audit Committee.

The Rural Council Transformation Program – this is currently in its early stages with the 6 councils having had a meeting. Buloke has implemented a new payroll system that is compliant to Single Touch Payroll (STP) requirements, and is proceeding with implementing new financial systems.

Government Funding – Roads to recovery has increased by \$300k each year over the next four years. Victorian Grants Commission has increased by 4%, higher than the 2% budgeted amount.

VAGO have undertaken a Library Audit, initial feedback indicates areas for improvements in service planning and in understanding the full cost of the service.

Tom Evans asked if there has been any work done in relation to the Defined Benefits for the 'new' reality of low interest, low CPI and low wage increases.

Margaret Abbey queried if there was much assistance available from advocacy/representation bodies to assist in the assessment of the work involved to establish evidence for pre-condition with respect to Natural Disaster Funding. The CEO responded that DTF have published a best practice guideline, and work has been undertaken to review old reports to establish pre-condition of assets, and acknowledged that a huge amount of work is involved.

## 6. DECLARATION OF PECUNIARY AND CONFLICTS OF INTEREST

There were no declarations of interest. .

## 7. MATTERS FOR DECISION / DISCUSSION / NOTING

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**8. ANY OTHER BUSINESS**

**9. MEETING CLOSE**

**NEXT MEETING**

THE NEXT AUDIT COMMITTEE MEETING WILL BE HELD IN WYCHEPROOF SUPPER ROOM

367 BROADWAY WYCHEPROOF ON WEDNESDAY, 4 DECEMBER 2019 AT 2:00PM.

**Anthony Judd**  
**CHIEF EXECUTIVE OFFICER**

## **7. MATTERS FOR DECISION / DISCUSSION / NOTING**

### **7.1 OUTSTANDING ACTION ITEMS**

**Author's Title:** Governance Officer

**Department:** Corporate Services

**File No:** FM/02/09

**Attachments:** 1 Outstanding Action Items

#### **MOTION:**

That the Audit Committee notes the status of the outstanding action items.

**MOVED: TOM EVANS**

**SECONDED: MS. MARGARET ABBEY**

**CARRIED.**

#### **1. Executive Summary**

The attachment to this report contains outstanding actions and their current status. It identifies the source of the action, whether from an audit or a direct request of the Audit Committee and also the timeframes on which it will be complete.

Officers are required to provide updated commentary and to advise when an action is complete. Once complete to the satisfaction of the Audit Committee, the action will be removed from the report.

The action items arising from the Plant and Fleet Audit that was conducted in June 2019 will be added to the listing after the Audit Committee have noted the report.

Current comments are indicated by red font.

#### **Discussion**

The audit committee noted the report and accepted the completed items.

Hannah Yu addressed the chair informing the committee that the report indicated that the action relating to a Drug and Alcohol Policy was marked as complete, the status of this changed after the agenda was distributed as questions were raised by an Occupational Health and Safety representative..

## 7.2 AUDIT COMMITTEE WORK PLAN

**Author's Title:** Governance Officer

**Department:** Corporate Services

**File No:** FM/02/09

**Attachments:** 1 Audit Committee Work Plan Sep 2019

### RECOMMENDATION

That the Audit Committee Meeting review the attached annual work plan

#### 1. Purpose

The work plan incorporates all matters to be considered by the Audit Committee over a twelve month period, including matters outlined in the Audit Committee Charter adopted by Council in November 2017.

The attached annual work plan has been populated to status of current documents and processes, and key documents and initiatives to be considered within the 2019 meeting schedule, that are known.

The work plan is a dynamic document; it will be reviewed and adjusted at each meeting of the Audit Committee and additional items added as they become known.

#### Discussion

The committee noted the work plan and requested that a report be provided to the next meeting on business continuity planning.

## 7.3 RISK MANAGEMENT

**Author's Title:** Governance Officer

**Department:** Corporate Services

**File No:** FM/02/09

**Attachments:**

1	Risk Analysis Report
2	Risk Audit Report

### RECOMMENDATION

That the Audit Committee note the risk reports.

### Purpose

Council and management is responsible for reviewing all major strategies and actions for their impact on the risk facing the organisation. Additionally, management is responsible for establishing and maintaining an effective system of internal control that supports the achievement of Council's objectives.

The risk register is a useful tool in providing an analysis of Council's key risks. It ensures there is a common and consistent understanding of risks facing Council. The register is also a means of communicating key risks to the Audit Committee.

Risks that have been identified as being 'extreme' and 'high' have been provided in the following reports generated by Council's risk management system.

### Discussion

Hannah Yu addressed the committee indicating that Council is continuing to grow the risk register and discussed the 'extreme' risks. Particularly the emerging extreme risk of vehicular collisions with kangaroos. The Procurement Officer has installed sonic animal repellents (Shoo Roos) on all fleet vehicles, the effectiveness of this is being monitored.

The Chair indicated that the OHS consequence of this risk – only requiring first aid – it was suggested this should be increased. The Chair also indicated that the consequences for dumping of illegal prescribed waste and recycling materials seem to be low and could be reconsidered..

Tom Evans queried the risk of the Aged Care Reforms, the CEO responded that council has been actively discussing the future directions.

## 7.4 ASSET MANAGEMENT UPDATE

**Author's Title:** Director Works and Technical Services

**Department:** Works and Technical Services

**File No:** FM/02/09

**Attachments:** Nil

### RECOMMENDATION

That the Audit Committee Meeting note the contents of this report

#### 1. Executive Summary

Previous internal and external audits conducted at Council have highlighted a number of improvement opportunities with its asset management processes and frameworks. Prior year open findings are incorporated into Council's regular Outstanding Action report.

The Audit Committee has requested separate key milestone reports to give a level of assurance to Council that recording and financial reporting of assets is progressing in accordance with Council's action plan. Council Officers propose a status report is presented to the Audit Committee on a six monthly basis at minimum.

Key actions taken by Council to date to continue the development of its asset management systems and processes include:

- Collated all properties/land that Council has ownership or lease over and entered as assets into Confirm system.
- Collated all buildings that Council has ownership or lease over and entered as assets and entered into Confirm system.
- Verified all properties and buildings contained in the 2018 Asset spreadsheets are in Confirm to allow for valuations and reporting by the Finance Team.
- Imported all Plant and equipment based on 2018 Asset spreadsheets into Confirm system.
- Adding in other structures and assets not in current asset spreadsheets (e.g. water tanks, sporting facilities and infrastructure).
- Certified unit rates for road related infrastructure with documented benchmarking with like Councils.
- Created componentised condition inspections for 45 largest and highest buildings.
- Finalised road infrastructure inspections including roads, drainage, footpaths and bridges (hard copy report to be provided).
- In light of the most recent Maloney Report, commenced a review of Asset Management Plans.

Actions from the Internal Audit by RSD on asset management are being undertaken.

#### Discussion

The CEO informed the committee that componentisation of buildings has been slow work and a staff member, who is also a licenced valuer, is undertaking this work. The condition of sealed road pavements is poor but an infrastructure report shows that we have had improvements over the last 3 years.

Peter Maloney has presented to council, highlighting improvements on condition.

As a result of the Maloney report, asset management plans are to be reviewed and submitted to council. Work with buildings is ongoing.

The chair had an issue with linking this report back to the outstanding actions.  
The committee would also like to continue receiving updated reports on a 6 monthly basis.

## **7.5 INTERNAL AUDIT PROGRAM - DRAFT SCOPE FOR THE GRANT ACQUITTAL PROCESS**

**Author's Title:** Governance Officer

**Department:** Corporate Services

**File No:** FM/02/09

**Attachments:** 1 Internal Audit Draft Scope Grant Acquittal Process

### **MOTION:**

That the Audit Committee notes and approves the draft scope from the Internal Auditor for the Grant Acquittal Process dated 21 August 2019.

**MOVED: TOM EVANS**

**SECONDED: MS. MARGARET ABBEY**

**CARRIED.**

### **1. Executive Summary**

At the February 2019 Audit Committee meeting, the Audit Committee agreed with Council's proposal to schedule an internal audit for the Grant Acquittal Process due to the unprecedented value of capital grants in recent times.

The proposed draft scope for the Grant Acquittal Process indicates the initial testing to occur in October 2019, a discussion draft is expected to be released in November 2019 with the final report available at the December Audit Committee meeting.

The draft scope for the Audit has been attached for consideration and approval by Audit Committee.

### **Discussion**

Ryan Kienhuis from RSD Audit addressed the meeting providing some background around the scope. It was developed by an RSD Audit Partner in response to a suggestion from the previous acting Finance Manager to review the grant agreements and the controls in place to ensure the acquittal process is appropriate. Field work by the internal auditor is expected to occur in October 2019.

Tom Evans asked why the Audit Partner did not attend this meeting, Ryan Kienhuis responded that there was conflicting meetings and as he conducted the Plant and Fleet Audit, that is on this agenda, it was appropriate for Ryan Kienhuis to attend this meeting.

## 7.6 INTERNAL AUDIT - PLANT AND FLEET

**Author's Title:** Manager Governance

**Department:** Corporate Services

**File No:** FM/02/09

**Attachments:** 1 Internal Audit Report - Plant and Fleet - August 2019

### **MOTION:**

That the Audit Committee notes the Internal Audit – Plant and Fleet dated August 2019 from RSD Audit

**MOVED: TOM EVANS**

**SECONDED: MS. MARGARET ABBEY**

**CARRIED.**

### 1. Executive Summary

Council's Internal Auditors, RSD Audit, undertook a review of Council's Plant and Fleet Services in accordance with Council's Audit Plan.

The Internal Audit for Plant and Fleet Services was undertaken and received in August 2019. Actions arising from the report will be incorporated into the Action Items Report.

### Discussion

Ryan Kienhuis addressed the committee, highlighting the highest risk findings from the audit that was conducted in August 2019.

The management framework provided a number of policies with conflicting guidance. The most detailed of these policies was adopted in 2006. It was suggested that this policy should be used to build on using IPWEA Plant Management guidance material.

It was noted that there are no risks identified around fraud and asset management in the risk register. No formal risk assessment has been completed in this area, and council should consider Fraud Awareness training for staff.

The audit also highlighted that a large amount of plant and fleet are underutilised when benchmarked against IPWEA, however due to the rural area this would be somewhat expected. It is considered better practice if benchmarks are set and parameters set for the investigation for the replacement of the assets or use other methods such as hiring – when required.

Many of council's plant assets are well past the optimum age of assets. Costing – Internal hire rates have not been updated for some time, and the current hire rate is less than the cost to maintain the plant assets. It was acknowledged that the Manager Finance will be addressing this.

The Chair commented that the VAGO report on Asset Management was around fraud risks and the lack of identification of fraud risks for plant and fleet. Ryan Kienhuis responded that RSD Audit can provide training as Kathy Teasdale (Partner) is accredited in this area.

Buloke Shire Council Audit Committee Meeting Minutes                      Wednesday, 4 September 2019

Margaret Abbey indicated that the VAGO report was a well presented report, and commented on the issues identified around the fleet and asset disposal policies.

The CEO indicated agreed that the policy needs to be reviewed and effective processes, including the scrapping and sale of assets are included.

## 7.7 INTERNAL AUDIT PROGRESS UPDATE

**Author's Title:** Director Corporate Services

**Department:** Corporate Services

**File No:** FM|05|02

**Attachments:** 1 Internal Audit Progress Update Report

### RECOMMENDATION

That the Audit Committee Meeting note:

1. The Progress Update from Council's Internal Auditors – RSD Audit

### 1. Purpose

The 2017-2019 Audit Program was endorsed by Audit Committee at its meeting on 28 April 2017. The objectives of the Internal Audit program are to provide a risk based, cyclical, strategic plan which focuses on the organisations risks and internal control systems. The progress update provides an update on the status of the Internal Audit program.

RSD Audit has provided a summary of recent reports and publications by government agencies and other sources that may impact on public sector agencies.

The Internal Audit Progress update is attached.

### Discussion

Ryan Kienhuis addressed the committee providing an update of the status of where RSD 's audit plan;

- Completed the 3-year plan
- Extension of plan has been through audit committee

and provided a list of recent reports published by various integrity agencies of investigations and reviews.

## **7.8 DRAFT 2018/19 FINANCIAL STATEMENTS AND PERFORMANCE STATEMENT**

**Author's Title:** Governance Officer

**Department:** Corporate Services

**File No:** FM/02/09

**Attachments:**

- 1 Draft Financial Statements for the year ending 30 June 2019
- 2 Draft 2018/19 Performance Statement

### **RECOMMENDATION**

The Audit Committee recommends to Council that the Financial Statements and Performance Statement for the year ended 30 June 2019, be adopted for approval in principle and for certification by Council.

### **Executive Summary**

The preparation of a Financial Statements and Performance Statement is required under the *Local Government Act 1989*. A copy of Council's Annual Report, including these statements, must be sent to the Minister for Local Government following formal adoption by Council, no later than 30 September 2018.

Accounting and Audit Solutions Bendigo, on behalf of the Victorian Auditor-General's Office has audited the Financial Statements and Performance Statement as provided in their finalised form.

The final draft is provided to the Audit Committee seeking their recommendation to Council that the Financial Statements and Performance Statements as received, be adopted for approval in principle and certification by Council.

Accounting and Audit Solutions Bendigo is satisfied that the Financial Statements and Performance Statement be forwarded to the Auditor-General for sign off.

### **Discussion**

Aileen Douglas – Manager Finance provided a brief overview of the status of the 2018/19 financial outcomes.

David Pell – AASB Audit highlighted that there were some changes to several accounting standards and indicated that the changes did not materially affect the outcomes. He also indicated that not 9.3 in the draft financial statements was updated by VAGO resulting from information provided by Vision Super, in relation to defined benefits superannuation funds.

The Chair indicated that 5.1 does not add up, due to rounding and there are a few other minor issues to be discussed outside the meeting.

Margaret Abbey indicated that her level of comfort on the financial went up after reading the VAGO closing report.

Tom Evans expressed that the 'Expenses per head of population' reported in the performance report is being distorted by the flood recovery works and asked if there was any way of highlighting this.

He also queried the Library participation rate, as it seems to have dropped. The CEO responded that the service delivery method has changed and there has been no mandatory use in the change of card. Residents may also be still utilising previous library services. Anecdotally, library participation has increased.

It was also noted that due to the change in service delivery model, it is difficult to compare 18/19 against previous years.

## 7.9 DRAFT ANNUAL REPORT

**Author's Title:** Director Corporate Services

**Department:** Corporate Services

**File No:** FM|02|10

**Attachments:** 1 Draft 2018/2019 Annual Report

### RECOMMENDATION

That the Audit Committee note the Draft Annual Report, with formatting still to be completed.

**Noted**

#### 1. Executive Summary

Council is required to prepare and submit an Annual Report of its activities to the Minister for Local Government by 30 September each year.

The report contains mandatory information relating to Council activities and its financial position, and information relevant to the community in accord with best practice guidelines.

The draft Annual Report is attached for the information of the Audit Committee. Additional information still to be obtained has been identified in the draft document, including the final 2018/19 Performance Statement and 2018/19 Financial Statements. Final formatting of the report is also still required.

#### Discussion

Travis Fitzgibbon addressed the committee to provide an overview of the status of the Annual Report preparation. Whilst most of the Annual Report has been prepared there are several pieces of information to be obtained to ensure compliance to the *Local Government (General) Regulations 2015*, and the final formatting.

The Chair asked if the Grant agreements had been reconciled? Margaret Abbey indicated that she is somewhat impressed with how much has been achieved by council in the past 12 months.

## 7.10 REVIEW ANNUAL SELF ASSESSMENT SURVEY

**Author's Title:** Governance Officer

**Department:** Corporate Services

**File No:** FM/02/09

**Attachments:** 1 Audit Committee Self-Assessment Survey 2019

### RECOMMENDATION

That the Audit Committee endorse the questions and the timing for the Self-Assessment survey

#### 1. Purpose

The Self-Assessment survey is conducted in accordance with the Audit Committee Charter by all members of the Audit Committee. Councillors are also provided with the option to provide responses to the same questions in the survey. The survey provides an opportunity for the Audit Committee to assess the effectiveness of the committee's role against the Charter, and to provide feedback to Council in areas that can be improved.

At the suggestion of the Audit Committee at the meeting held on 6 February 2019, it is proposed to conduct the survey in September – October so that the responses can be consolidated and included in the Agenda for the December Audit Committee meeting.

It is recommended that the Committee endorse the questions and the timing for the survey.

#### Discussion

Hannah Yu – Director Corporate Services indicated that based on comments after last year's self-assessment survey, it is being brought forward for distribution in September, with outcomes being reported to the December Audit Committee meeting.

The chair indicated that the survey should link to the terms of reference of the audit committee and would like to review prior to sending out.

## 7.11 REVIEW OF AUDIT COMMITTEE CHARTER

**Author's Title:** Governance Officer

**Department:** Corporate Services

**File No:** FM/02/09

**Attachments:** 1 Audit Committee Charter - Adopted September 2017

### **MOTION:**

That the Audit Committee reviews and provides feedback on any proposed amendments to the Audit Committee Charter

**MOVED: JESSICA ADLER**

**SECONDED: MS. MARGARET ABBEY**

**CARRIED.**

### **Discussion**

The Buloke Shire Council Audit Committee is established in accordance with s139 of the *Local Government Act 1989* (the Act). The function of the Committee is to support Council through advice on:

- The integrity of the Buloke Shire Council's financial reporting;
- The effectiveness of the Buloke Shire Council's risk management systems, internal control framework, compliance and internal audit activities; and
- Effective communication strategies between external auditors, internal auditor and management.

To assess the adequacy of the Audit Committee Charter, a review is to be undertaken every two years in accordance with the Charter adopted in September 2017.

The current Charter has been attached for the information of the Committee and has been based on *Audit Committees – A Guide to Good Practice for Local Government 2011*, issued by former Minister for Local Government, Jeanette Powell MP. Key matters considered in preparation of the Charter include:

- Control in rotation of independent members. Best practice suggests no more than one member should leave the Committee in any one year to ensure continuity.
- Maximum terms for the Chair and independent members of the Committee, including the right to seek reappointment after the first term, and reappointment by application for a further term. Appointment of independent members will be limited to two further terms under the proposed process.
- Selection of independent members with the requisite level of skills, expertise, and knowledge with at least one member with financial qualifications and experience.
- The ability for the Committee to convene, as required, private meeting with Council's internal auditor and external auditor.
- The requirement for the Committee to evaluate its performance and the performance of independent members on an annual basis.

Other key inclusions from the last review included:

- Additional information and context regarding the role and objectives of the Audit Committee
- Clarification on the scope of authority of the Committee
- Composition, selection, rotation and remuneration
- Meetings
- Attendance by Council Officers, including the Chief Executive Officer, reflective of roles and responsibilities within the organisation

Activities outlined in the Charter are in accord with best practice as outlined in the best practice guide.

It is proposed the Committee will evaluate its performance using the responsibilities outlined in the Charter using the annual work plan as a guidance tool.

### **Discussion**

Hannah Yu – Director Corporate Services indicated that a review of the Charter should be undertaken every 2 years and asked the committee if they had any comments or would like to make changes to the charter.

Margaret Abbey indicated that the charter is silent on an extension process to the time limit for the chair of the committee, for example, 2 years with one (or two) 2 year extensions, also that the chair should provide a Bi-annual risk and audit report from the committee to CEO for tabling at the next council meeting as provided for in the proposed Local Government Bill and the chair to deliver a report directly to councillors at a councillor meeting, should be included.

Tom Evans indicated that presenting to Council should be at the discretion of the chair.

The chair indicated that the following should be included into the charter;

- Acknowledge that bi-annual report will be a requirement
- it is at the discretion of the Chair to provide a briefing at a Council meeting.
- include the tenure for a chair to be 2 years with a 2-year extension.
- the audit committee comprises of 3 independent members and the mayor, also include that all councillors are welcome to attend Audit Committee meetings.

## 7.12 FINANCIAL PERFORMANCE AS AT 31 MAY 2019

**Author's Title:** Manager Finance

**Department:** Corporate Services

**File No:** FM/19/03

**Attachments:**

1	Income Statement 31 May 2019
2	Balance Sheet 31 May 2019
3	Cashflow Statement 31 May 2019
4	Cashflow Graph 31 May 2019
5	Capital Works Program 31 May 2019
6	Capital Works Graph 31 May 2019

### **Relevance to Council Plan 2017 - 2021**

**Strategic Objective:** Deliver our service in a financially viable way

#### **RECOMMENDATION**

That Audit Committee notes the Financial Performance Report for the month ending 31 May 2019.

**Noted**

### **1. Executive Summary**

The **Income Statement** provides a summary of the total income and total expenditure relating to Council's annual recurrent operations. It also specifically includes capital income but does not include capital works expenditure. The surplus/(deficit) is disclosed at item B on the Income Statement (Attachment 1). So as operating revenues can be compared to operating expenditures, an adjustment is made to exclude all capital income. The presentation of this income statement and resultant surplus/(deficit) is reported at item A.

The reported surplus as at 31st May 2019 is \$3.414m. *Excluding* capital grants income of \$7.768m, a deficit of \$4.353m was recorded. The result is better than, but mostly in line, with budget (deficit \$4.579m) due to compensating variances in funded income and lower than anticipated expenses. Please refer to the notes listed on the Income Statement for explanation of specific variances.

The **Balance Sheet** effectively shows a summary of the value of Assets (what we own) and our Liabilities (what we owe), both of which balance off against each other to show Net Assets or Equity (our net worth). Council's net worth as at this accounting period increased to \$209m.

The **Cash Flow Statement** has been updated to include the cash flow projections based on the Forecast Budget. The actual to budget comparisons for July to December has been consolidated. The corresponding cash flow chart maps actual cash alongside budgeted cash and restricted funds. At 31<sup>st</sup> May 2019, Council's Cash and Cash Equivalents were \$18.9m. Cash flow remains strong in readiness for the \$7m loan repayment scheduled for November.

The **Capital Works Program** depicts \$8.811m of capital works having been expended to the end of this accounting period. The Annual Budget for capital works is \$14.454m to be funded by Capital Grants of \$7.5m. However, delays in some projects result in a lower Annual Forecast of \$12.709m reflecting these projects will be carried forward to FY19/20. Forecasted contributions have reduced to \$1.2m (from \$2.3m) but Council Cash of \$4.6m remains unchanged.

## 2. Financial Implications

The table below provides an overview of Council's financial performance as at 31<sup>st</sup> May 2019

Income Statement - Excluding Capital Grants and Contributions	YTD	YTD	YTD	Annual	Annual
	Actuals	Budget	Variance	Budget	Forecast
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Total Income	26,182	26,395	(213)	26,603	27,171
Total Expenses	30,535	30,973	438	32,936	33,242
<b>Surplus/(Deficit)</b>	<b>(4,353)</b>	<b>(4,579)</b>	<b>225</b>	<b>(6,332)</b>	<b>(6,071)</b>
Add back Capital Grants Income and Contributions	7,768	9,249	(1,482)	9,812	9,038
<b>Surplus/(Deficit) including Capital Grants Income and Cont.</b>	<b>3,414</b>	<b>4,670</b>	<b>(1,256)</b>	<b>3,479</b>	<b>2,967</b>
Capital Works Program	8,811	9,525	(714)	14,454	12,709

The following commentary is provided:

### a. Total income excluding capital grants and contributions

The negative variance of \$213k results from delayed funding (2016 Floods) being partly offset by additional grants received during the year. Outstanding funding is expected before 30 June and the year end result should be higher than budget.

### b. Total expenses

Favourable budget variance (\$438k) mostly due to flood restoration works below expected (see note 7).

### c. Capital Grant Income and Contributions

Capital grant income is below budget to 31 May (\$1.482m) mostly due to delayed funding for Lake Tyrrell and Roads to Recovery.

### d. Capital Works Program Expenditure

Council has expended \$8.811m on capital works YTD this period. Significant increase in capital expenditure expected for final months of the financial year with projects nearing payment milestones.

### e. Cash and Cash Equivalents

Council has cash of \$18.904m of which \$1.430m is restricted being committed to capital projects.

## 3. Community Consultation

No consultation with the community was required for the production of this report.

## 4. Internal Consultation

The reports have been prepared in consultation with the budget managers directly responsible for Council budgets.

## 5. Legislative / Policy Implications

The report is consistent with the requirements of the *Local Government Act 1989*.

## 6. Environmental Sustainability

This report has no direct impact on environmental sustainability.

## 7. Conflict of Interest Considerations

No officer involved in the preparation of this report had a conflict of interest.

## **8. Conclusion**

Surplus as at 31<sup>st</sup> May is mostly in line with YTD budget. Grant income for both operating and capital are behind where Council planned to be on a year to date basis. However, remaining monies are forecasted to come in before the end of the financial year.

Forecasting has been finalised in the reports provided and incorporated in Cash flow and Capital Expenditure charts to indicate 30 June positions.

## **Discussion**

Audit Committee noted the report.

## 7.13 2019 JLT RISK REPORT

**Author's Title:** Governance Officer

**Department:** Corporate Services

**File No:** FM/02/09

**Attachments:** 1 JLT 2019 Risk Report

### RECOMMENDATION

That the Audit Committee Meeting note the JLT 2019 Risk Report

#### 1. Purpose

Jardine Lloyd Thomas (JLT) provide insurance brokerage services to Council, and provide brokerage services nationally. This is the second year that JLT have undertaken an in depth look at risk information provided to CEO's and General Managers within Local Government, nationally. The report reflects what CEO's and General Managers see as key risks that have a potential impact on councils. The attached report reflects this information and benchmarks it against insurance claims data, at a national level.

#### Discussion

Audit Committee noted the report, the chair indicated that she felt it was a good report and was relevant and was good to see some commonality in the findings of the report and the risk register.

## **7.14 LG INSPECTORATE REVIEW - WEST WIMMERA SHIRE COUNCIL**

**Author's Title:** Director Corporate Services

**Department:** Corporate Services

**File No:** FM|05|02

**Attachments:**

- 1 Buloke Summary
- 2 Local Inspectorate Report - Governance Arrangements

### **RECOMMENDATION**

That the Audit Committee note Council's self-assessment against Local Government Inspectorate governance findings within the West Wimmera Shire Council.

**NOTED**

#### **1. Purpose**

At the 2019 May Audit Committee Meeting Council Officers were requested to review Council practices against the findings outlined in the 2018 West Wimmera Examination – Local Government Inspectorate Report.

This assessment has been completed, and a copy of this assessment is attached for the information of the Audit Committee. A copy of the report from the Local Government Inspectorate is also attached.

#### **Discussion**

Hannah Yu - Director Corporate Services provided a brief on the findings of the Inspectorates reports and indicated that some findings had relevance to the Buloke Shire and a number of actions identified from the report will be included in the Action Items for the Audit Committee.

## **8. ANY OTHER BUSINESS**

It was acknowledged by the Chair that this meeting is the last for Tom Evans (independent member), and thanked him for his assistance and contributions.

Tom Evans stated that he had worked at a number of Councils, seeing councillors jockeying for government preselection and working with Buloke has been very nice and refreshing compared to these councils.

Anthony Judd – CEO thanked Tom for his service and seeing Buloke through it's 'darker days' and his guidance has been invaluable to staff and the mayor and former mayors have the utmost respect for him.

David Pell provided an update on the VAGO audit report and is hoping that the final management letter arrives in a timely manner, however he indicated that he has experienced some issues in another sector, in getting audit reports signed.

During the audit undertaken by AASB on behalf of VAGO David indicated that the major risks or issues identified was;

- Valuation of infrastructure plant and equipment
- Change in key management personnel, however he found that the financial statements were prepared and reported in a timely professional manner and gave credit to abilities the Finance Manager to achieve this.

The management letter for 18/19 will basically sign off and resolve all past issues, however have left some ongoing issues to be monitored into the future.

David also indicated that the building componentisation – an outstanding issue from a 2015/16 audit by VAGO, may not have been raised by AASB as an issue as there are no multistorey buildings in the shire – he feels that this may have been more around the componentisation at the pools and the pool plant and equipment.

## **9. MEETING CLOSE**

Meeting was closed at 11:25am

## 8.3.2 FINANCIAL PERFORMANCE AS AT 31 AUGUST 2019

**Author's Title:** Manager Finance

**Department:** Corporate Services

**File No:** FM/19/03

**Attachments:**

- 1 [Income Statement 31 Aug 19](#)
- 2 [Balance Sheet 31 Aug 19](#)
- 3 [Cashflow Statement 31 Aug 19](#)
- 4 [Cashflow Chart 31 Aug 19](#)
- 5 [Capital Work Program 31 Aug 19](#)

### Relevance to Council Plan 2017 - 2021

**Strategic Objective:** Deliver our service in a financially viable way

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### RECOMMENDATION

That Council receives and notes the Financial Performance Report for the month ending 31 August 2019.

#### 1. Executive Summary

The **Income Statement** provides a summary of the total income and total expenditure relating to Council's annual operations. Capital grant income is included in the calculation of the Council's total surplus/(deficit) but is presented separately in "Other Income" to distinguish operational activities. Capital grant income is specifically used to fund expenditure on Council assets which is reported on the balance sheet.

The reported surplus as at 31 August 2019 is \$11.7m. Excluding capital grant income of \$1m, the operating surplus is \$10.7m. The operating surplus is lower than budget (surplus \$11.1m) mostly due to the variation of payment timing of the Financial Assistance Grant (FAG) in the current financial year. The adopted budget allowed for the 2019/20 FAG to be paid quarterly over the year but in a late decision by the State government, 50% of the 2019/20 FAG was paid in last financial year and now forms part of carried forward surplus.

The **Balance Sheet** summarises of the value of Assets (what we own) and our Liabilities (what we owe), and the difference between assets and liabilities (Net Assets or Equity) reflects our net worth. Council's net worth as at this accounting period is \$285m due to the recognition rate income at this early stage of the financial year. Net worth is anticipated to decrease to \$279m by 30 June 2020 as budgeted expenditure occurs (\$273m as at 30 June 2019).

The **Cashflow Statement** reflects actual results for the year to date (July – August) and a projection of cashflow for the remainder of the year based on the annual budget and specified timing parameters (such when BAS/super are due and quarterly rate receipts). At 31 August 2019, Council's Cash and Cash Equivalents were \$18.7m. Cashflow remains strong in readiness for the \$7m loan repayment scheduled for November.

The **Cashflow Chart** visually depicts the cashflow statement and the updated format is illustrated in a dual design, based on best practice reporting.

The cashflow chart shows:

1. The line graph to reflect the ending bank balance each month for the year to date and a projection of the ending bank balance for the rest of the year.

- The column graph which summarises what has or will happen during each month's cashflow to explain the change in the bank balance. For example, in November the large pay out of the loan (shown by the negative cashflow red block) will significantly decrease the bank balance. Conversely, the following months show income (positive green cashflow blocks) exceeds expenses and asset expenditure (negative blue cashflow blocks) leading to some increase of the bank balance.

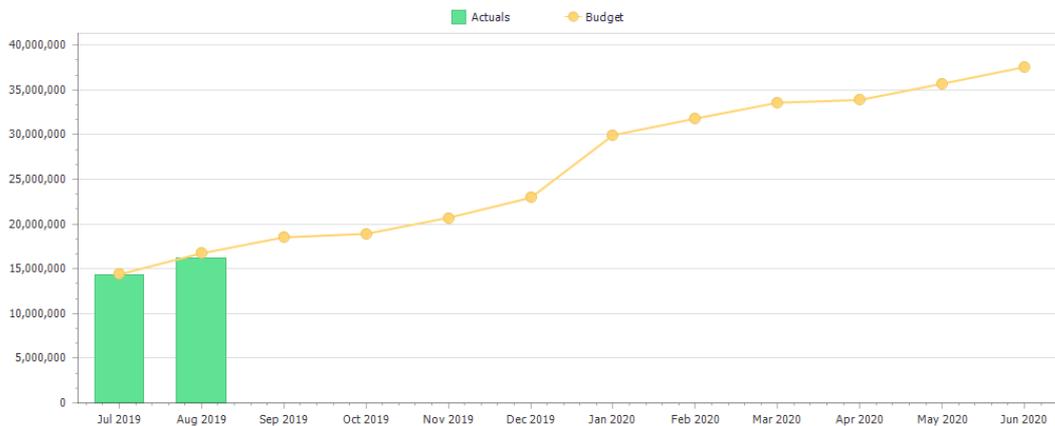
The bank balance is expected to remain positive throughout the 2019/20 financial year. Negative values used in this chart do not reflect any bank balance deficit but positive or negative cashflows in and out of the bank balance. That being Income (green) is a positive cashflow and expenses, assets expenditure and liabilities are generally negative cashflows. The small positive liability cashflow in January and April reflect the outcome of an anticipated BAS refund (GST is usually represented as a liability).

The **Capital Works Program** depicts \$1.73m of capital works having been expended or committed during July – August. However, this does not reflect actual completion of construction works. Due to the significant changes made to financial systems since the start of the financial year, the format of the capital works program report is still being finalised. The final format of this report, to be present next month, will include indication of progress of actual construction as well as year to date expenditure against budget.

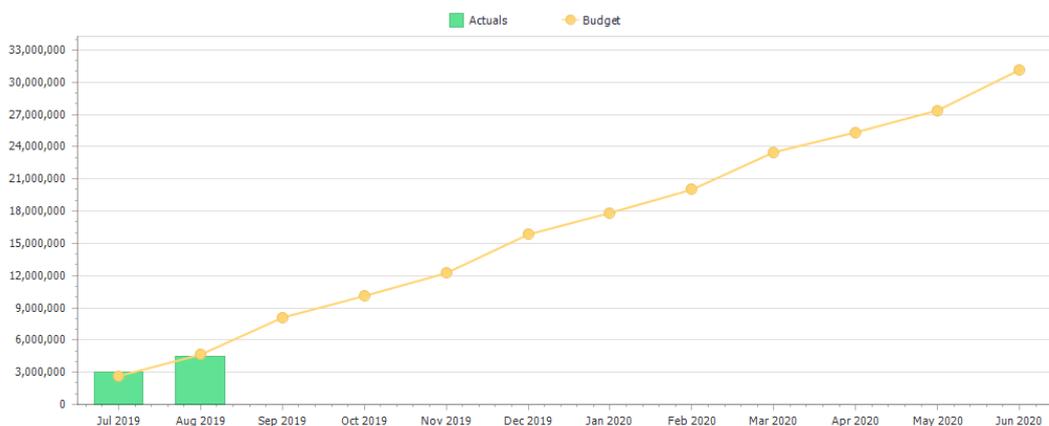
The Annual Budget for capital works is \$11.754m to be funded by Capital Grants of \$7.6m.

**Financial Implications**

The tables below provides an overview of Council's financial performance as at 31 August 2019  
 Accumulated Income to Budget — Buloke Shire Council



**Accumulated Expenses to Budget — Buloke Shire Council**



The following commentary is provided:

**a. Total income**

At this early stage of the financial year, income remains on budget. The variance caused by the upfront payment of the FAG not materially impact total income as it was partially offset by capital contributions received for the Donald Community Precinct included in the 2018/19 budget not the current financial year. The revised schedule for the FAG will be included in the budget forecast update in December.

**b. Total expenses**

Total expenses in the chart above reflect operational expenses and not capital expenditure. Year to date operational expenses reflects some immaterial under-spend for July and August across most expense categories which are anticipated to level out over the year to remain in line with the annual budget.

**c. Other Income - Capital Grants**

Whilst the timing of capital projects is being finalised, the capital income budget has been agreed to actual receipts in July and August. The projection for the rest of the year will be updated in next month's reports.

**d. Capital Works Program Expenditure**

The timing of capital works expenditure for the rest of the year will be updated in next month's reports.

**e. Cash and Cash Equivalents**

Council has cash of \$18.7m. At this stage of the financial year the balance of restricted funds for capital projects is low.

**Community Consultation**

No consultation with the community was required for the production of this report.

**2. Internal Consultation**

The reports have been prepared in consultation with the budget managers directly responsible for Council budgets.

**3. Legislative / Policy Implications**

The report is consistent with the requirements of the *Local Government Act 1989*.

**4. Environmental Sustainability**

This report has no direct impact on environmental sustainability.

**5. Conflict of Interest Considerations**

No officer involved in the preparation of this report had a conflict of interest.

**6. Conclusion**

As at 31 August the year to date surplus is mostly in line with budget and the budget for the remainder of the year is only expected to be impacted by the timing of the FAG.

The cash position is strong in preparation for the \$7m loan repayment early November.

## Income Statement — Buloke Shire Council

JUL 2019 - AUG 2019

	YTD Actual (\$) \$000	YTD Budget (\$) \$000	YTD Variance (\$) \$000	Annual Budget (\$) \$000	Notes
<b>Income</b>					
Rates and charges	13,676	13,611	65	13,691	
Statutory fees and fines	26	14	12	188	
User fees	74	119	(44)	776	1
Grants - operating	1,064	1,926	(862)	14,919	2
Contributions	305	42	264	185	
Other Income	87	53	34	253	
<b>Total Income</b>	<b>15,233</b>	<b>15,765</b>	<b>(532)</b>	<b>30,012</b>	
<b>Expense</b>					
Employee Costs	1,499	1,515	16	9,927	3
Materials and services	1,732	1,831	99	13,139	
Depreciation	1,220	1,220	0	7,318	
Bad and doubtful debts	0	0	0	50	
Borrowing costs	0	0	0	148	
Other expenses	38	73	36	654	
<b>Total Expense</b>	<b>4,488</b>	<b>4,639</b>	<b>150</b>	<b>31,236</b>	
<b>Operating Surplus/Deficit</b>	<b>10,744</b>	<b>11,126</b>	<b>(382)</b>	<b>(1,225)</b>	
<b>Other Income</b>					
Grants - capital	972	972	0	7,665	
<b>Total Other Income</b>	<b>972</b>	<b>972</b>	<b>0</b>	<b>7,665</b>	
<b>Surplus/Deficit</b>	<b>11,716</b>	<b>12,098</b>	<b>(382)</b>	<b>6,440</b>	

Notes:

1. Variance due to delay in reporting of Landfill user fees due to system change. To be resolved in September.
2. Timing of Financial Assistance Grant (FAG) varied from adopted budget due to State Government decision to pay 50% prior to June 30.
3. Timing of expenses across categories leading to general positive variance. Timing anticipated to adjust in rest of year with no change to expected totals.

## Balance Sheet — Buloke Shire Council

AUG 2019

	Aug 2019	Jun 2019	Variance
<b>Asset</b>			
<b>Current assets</b>	<b>35,092</b>	<b>23,935</b>	<b>11,157</b>
Cash and cash equivalents	18,739	20,278	(1,539)
Trade and other receivables	16,149	3,204	12,945
Inventories	111	111	0
Other assets	93	342	(249)
<b>Non-current assets</b>	<b>263,320</b>	<b>262,383</b>	<b>936</b>
Property, infrastructure, plant and equipment	263,320	262,383	936
<b>Total Asset</b>	<b>298,412</b>	<b>286,318</b>	<b>12,093</b>
<b>Liability</b>			
<b>Current liabilities</b>	<b>11,853</b>	<b>11,807</b>	<b>46</b>
Trade and other payables	1,517	2,175	(658)
Trust funds and deposits	1,143	292	851
Provisions	2,193	2,340	(147)
Interest-bearing liabilities	7,000	7,000	0
<b>Non-current liabilities</b>	<b>1,644</b>	<b>1,445</b>	<b>199</b>
Provisions	1,644	1,445	199
<b>Total Liability</b>	<b>13,497</b>	<b>13,252</b>	<b>245</b>
<b>Net Assets</b>	<b>284,914</b>	<b>273,066</b>	<b>11,848</b>
<b>Equity</b>			
<b>Equity</b>	<b>284,914</b>	<b>273,066</b>	<b>11,848</b>
Accumulated Surplus	105,266	99,218	6,048
Reserves	167,932	167,932	0
Current Earnings	11,716	5,916	5,800
<b>Total Equity</b>	<b>284,914</b>	<b>273,066</b>	<b>11,848</b>



## Cashflow Forecast — Buloke Shire Council

SEP 2019

	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Total
<b>Bank at Beginning</b>	<b>18,738,959</b>	<b>20,196,555</b>	<b>17,394,145</b>	<b>10,633,777</b>	<b>8,680,070</b>	<b>12,983,851</b>	<b>15,505,289</b>	<b>13,003,061</b>	<b>9,244,585</b>	<b>11,014,378</b>	<b>8,839,021</b>	<b>8,663,452</b>	<b>18,738,959</b>
<b>Income</b>													
<b>Operating Activities</b>	<b>1,785,290</b>	<b>403,985</b>	<b>1,800,593</b>	<b>2,247,840</b>	<b>6,999,482</b>	<b>1,859,643</b>	<b>1,785,290</b>	<b>310,836</b>	<b>1,823,545</b>	<b>1,874,138</b>	<b>2,990,312</b>	<b>1,845,020</b>	<b>25,725,973</b>
Cash Inflows - Capital Income	0	0	0	66,000	6,692,751	0	0	0	0	66,000	446,449	820,240	8,091,440
Cash Inflows - Operational Income	1,785,290	403,985	1,800,593	2,181,840	306,731	1,859,643	1,785,290	310,836	1,823,545	1,808,138	2,543,864	1,024,780	17,634,533
<b>Cash Inflows from Operation</b>	<b>1,785,290</b>	<b>403,985</b>	<b>1,800,593</b>	<b>2,247,840</b>	<b>6,999,482</b>	<b>1,859,643</b>	<b>1,785,290</b>	<b>310,836</b>	<b>1,823,545</b>	<b>1,874,138</b>	<b>2,990,312</b>	<b>1,845,020</b>	<b>25,725,973</b>
<b>Expense</b>													
<b>Operating Activities</b>	<b>(340,897)</b>	<b>(2,898,917)</b>	<b>(1,338,198)</b>	<b>(1,477,314)</b>	<b>(3,026,761)</b>	<b>(1,372,285)</b>	<b>(1,525,060)</b>	<b>(2,910,871)</b>	<b>(1,211,977)</b>	<b>(1,380,975)</b>	<b>(3,360,736)</b>	<b>(2,338,388)</b>	<b>(23,182,380)</b>
Cash Outflows	(340,897)	(2,898,917)	(1,338,198)	(1,477,314)	(3,026,761)	(1,372,285)	(1,525,060)	(2,910,871)	(1,211,977)	(1,380,975)	(3,360,736)	(2,338,388)	(23,182,380)
<b>Cash Outflows from Operation</b>	<b>(340,897)</b>	<b>(2,898,917)</b>	<b>(1,338,198)</b>	<b>(1,477,314)</b>	<b>(3,026,761)</b>	<b>(1,372,285)</b>	<b>(1,525,060)</b>	<b>(2,910,871)</b>	<b>(1,211,977)</b>	<b>(1,380,975)</b>	<b>(3,360,736)</b>	<b>(2,338,388)</b>	<b>(23,182,380)</b>
<b>Asset</b>													
<b>Current assets</b>	<b>174,636</b>	<b>(49,895)</b>	<b>183,323</b>	<b>96,345</b>	<b>(562)</b>	<b>2,099,914</b>	<b>3,015</b>	<b>188,505</b>	<b>1,443,618</b>	<b>172,482</b>	<b>(139,656)</b>	<b>115,441</b>	<b>4,287,166</b>
Trade and other receivables	174,636	(49,895)	183,323	96,345	(562)	2,099,914	3,015	188,505	1,443,618	172,482	(139,656)	115,441	4,287,166
<b>Non-current assets</b>	<b>(71,500)</b>	<b>(347,679)</b>	<b>(358,962)</b>	<b>(2,784,969)</b>	<b>0</b>	<b>0</b>	<b>(2,714,146)</b>	<b>(1,668,700)</b>	<b>(359,700)</b>	<b>(2,795,067)</b>	<b>0</b>	<b>0</b>	<b>(11,100,723)</b>
Property, infrastructure, plant and...	(71,500)	(347,679)	(358,962)	(2,784,969)	0	0	(2,714,146)	(1,668,700)	(359,700)	(2,795,067)	0	0	(11,100,723)
<b>Movement in Assets</b>	<b>103,136</b>	<b>(397,574)</b>	<b>(175,639)</b>	<b>(2,688,624)</b>	<b>(562)</b>	<b>2,099,914</b>	<b>(2,711,130)</b>	<b>(1,480,195)</b>	<b>1,083,918</b>	<b>(2,622,585)</b>	<b>(139,656)</b>	<b>115,441</b>	<b>(6,813,557)</b>



	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Total
<b>Liability</b>													
<b>Current liabilities</b>	<b>(89,932)</b>	<b>90,096</b>	<b>(7,047,124)</b>	<b>(35,609)</b>	<b>331,622</b>	<b>(65,834)</b>	<b>(51,327)</b>	<b>321,755</b>	<b>74,307</b>	<b>(45,935)</b>	<b>334,511</b>	<b>(61,981)</b>	<b>(6,245,451)</b>
Trade and other payables	(89,932)	90,096	(47,124)	(35,609)	331,622	(65,834)	(51,327)	321,755	74,307	(45,935)	334,511	(61,981)	754,549
Interest-bearing liabilities	0	0	(7,000,000)	0	0	0	0	0	0	0	0	0	(7,000,000)
<b>Movement in Liabilities</b>	<b>(89,932)</b>	<b>90,096</b>	<b>(7,047,124)</b>	<b>(35,609)</b>	<b>331,622</b>	<b>(65,834)</b>	<b>(51,327)</b>	<b>321,755</b>	<b>74,307</b>	<b>(45,935)</b>	<b>334,511</b>	<b>(61,981)</b>	<b>(6,245,451)</b>
<b>Net Movement</b>	<b>1,457,597</b>	<b>(2,802,410)</b>	<b>(6,760,368)</b>	<b>(1,953,707)</b>	<b>4,303,781</b>	<b>2,521,438</b>	<b>(2,502,228)</b>	<b>(3,758,476)</b>	<b>1,769,793</b>	<b>(2,175,357)</b>	<b>(175,569)</b>	<b>(439,908)</b>	<b>(10,515,415)</b>
<b>Bank at End</b>	<b>20,196,555</b>	<b>17,394,145</b>	<b>10,633,777</b>	<b>8,680,070</b>	<b>12,983,851</b>	<b>15,505,289</b>	<b>13,003,061</b>	<b>9,244,585</b>	<b>11,014,378</b>	<b>8,839,021</b>	<b>8,663,452</b>	<b>8,223,544</b>	<b>8,223,544</b>

## Cashflow Chart — Buloke Shire Council

SEP 2019 — AUG 2020



## Capital Expenditure — Buloke Shire Council

JUL 2019 - AUG 2019

	Actuals	Annual Budget	Budget Remaining (\$)	Budget Remaining %
Plant & Equipment	104,595	670,000	565,405	84%
IT Equipment/Systems	8,820	400,000	391,180	98%
Library books	0	50,000	50,000	100%
PM18_10 Buloke Sustainability Upgrade Project	0	100,000	100,000	100%
PM18_12 Charlton Riverfront Development	72,336	450,000	377,664	84%
PM18_13 Donald Riverfront Development	75,315	450,000	374,685	83%
PM18_15 Birchip Oval Sprinklers System	374	85,000	84,626	100%
PM18_17 Berrillock Tynan Park Toilets	0	135,000	135,000	100%
PM18_18 Culgoa Public Toilets	3,554	100,000	96,446	96%
PM18_19 Nandaly Travellers Rest Toilets	6,241	122,000	115,759	95%
PM18_20 Nullawil Public Toilets	18,180	95,000	76,820	81%
PM18_21 Wycheproof Centenary Park Toilets	6,250	140,000	133,750	96%
PM18_26 Donald Skatepark	201,187	193,000	(8,187)	(4%)
PM18_27 Charlton Levee Bank Detailed Design	22,124	115,000	92,876	81%
PM18_5 Lake Tyrrell	35,744	526,000	490,256	93%
PM18_93 Split System Replacement Project	0	15,000	15,000	100%
PM18_94 Donald Kindergarten Decking	0	70,000	70,000	100%
PM18_95 Roads to Recovery - Watchem/Warrack Upgrade Stage 2	0	450,000	450,000	100%
PM19_34 Parks and Gardens - Town Entrances - Tree Planting & Bins	0	10,000	10,000	100%
PM19_35 Parks and Gardens - Playground Replacement Program	0	80,000	80,000	100%
PM19_36 Parks and Gardens - Park Irrigation Upgrades	0	40,000	40,000	100%
PM19_37 Parks and Gardens - Park and Street Furniture/BBQUpgrade	0	20,000	20,000	100%
PM19_38 Birchip Streetscape Improvement	21,164	440,000	418,836	95%
PM19_39 Donald Community Precinct Construction	620,140	950,000	329,860	35%
PM19_40 Charlton Park 2020 Redesign	417,052	560,000	142,948	26%
PM19_41 Charlton Early Years Centre	0	350,000	350,000	100%
PM19_42 Municipal Offices - Depot Safety Improvements	2,455	30,000	27,545	92%
PM19_43 Municipal Offices - Renewal Program	0	20,000	20,000	100%
PM19_45 Birchip Leisure Centre Changerooms	3,360	145,000	141,640	98%
PM19_46 Wycheproof Golf Club Kitchen	0	60,000	60,000	100%
PM19_47 Wycheproof Bowls Club Kitchen	0	60,000	60,000	100%
PM19_48 Wycheproof Saleyards Ramp Replacement	0	45,000	45,000	100%

PM19_50 Wycheproof Saleyards Masterplan	0	25,000	25,000	100%
PM19_58 Roads to Recovery - Road Resealing Program	0	1,008,000	1,008,000	100%
PM19_59 Roads to Recovery - Birchip/Corack Road Final Seal	0	75,000	75,000	100%
PM19_60 Roads to Recovery - Yeungroon Road Final Seal	0	75,000	75,000	100%
PM19_61 Roads to Recovery - Watchem/Warrack Road Final Seal	0	80,000	80,000	100%
PM19_62 Roads to Recovery - Major Patch Program	0	100,000	100,000	100%
PM19_64 Road Renewal - Culgoa/Ultima Road	34,595	2,250,000	2,215,405	98%
PM19_65 Footpath Renewal Program	56,227	70,000	13,773	20%
PM19_66 Donald/Avon Plains Road Culvert	9,700	60,000	50,300	84%
PM19_68 Donald Aerodrome Runway Reseal	0	170,000	170,000	100%
PM19_70 Swimming Pool Renewal Program	10,820	80,000	69,180	86%
PM19_71 Wycheproof Transfer Station Fence Upgrade	0	40,000	40,000	100%
PM19_72 Solar Power to Charlton Transfer Station	0	25,000	25,000	100%
PM19_73 Solar Power to Wycheproof Transfer Station	0	25,000	25,000	100%
PM19_74 E-Waste Storage Sheds Donald, Charlton and Wycheproof	0	30,000	30,000	100%
PM19_75 Roads to Recovery - Gravel Road Resheeting Program	0	560,000	560,000	100%
PM19_76 Purchase Engineering Design Equipment	0	30,000	30,000	100%
PM19_77 Donald -Walker Street	0	75,000	75,000	100%
<b>Total</b>	<b>1,730,233</b>	<b>11,754,000</b>	<b>10,023,767</b>	<b>100%</b>

**8.4 ORGANISATIONAL REPORTS**

Nil

**8.5 REPORTS FROM COUNCILLORS**

Nil

## **9. OTHER BUSINESS**

### **9.1 NOTICES OF MOTION**

#### **9.1.1 CLIMATE CHANGE POLICY AND TRANSITION PLAN**

**Author's Title:** Councillor Ellen White

**Department:** Office of the CEO

**File No:** ED/03/04

**Attachments:** Nil

#### **RECOMMENDATION**

That Council:

1. Develop a climate change policy and transition plan; and
2. Include in the policy the goal to reach zero net emissions by 2030.

#### **1. Background**

The reports now being provided by peer reviewed researchers across a range of scientific, social and economic disciplines are showing that human induced climate change is warming the planet. The warming is affecting all ecosystems, with many animals and plants becoming extinct or under threat of extinction.

The latest report from the World Meteorological Organisation (WMO) says that:

- The average global temperature has risen by 1.1°C since pre industrial period and by 0.2°C compared to 2011-15
- Greenhouse Gas (GHG) concentrations have increased to record levels, 20% higher than previous 5 years
- GHG are on track to reach or exceed 410ppm by end of 2019
- Sea level rise has accelerated by 5mm in 2014 – 19. The decline in Arctic and Greenland ice sheets will exacerbate future sea level rises
- More than 90% of natural disasters are related to weather:
  - Storms and flooding have the highest economic negative impact
  - Droughts and heatwaves lead to human losses, intensification of bushfires and loss of harvest
  - Heatwaves were the deadliest meteorological hazard in the 2015 – 19 period, affecting all continents and resulting in new temperature records
  - Fires inject a massive increase in CO<sub>2</sub> into the atmosphere. In the Arctic fires last year, over 50MT were released.

Since 2000, in Buloke we have experienced extreme droughts, extreme temperatures, highest flooding events ever and with increased frequency, all of which have impacted on our communities, businesses and council operations.

Our Council plan includes objectives to:

- Advocate for community and public transport
- Encourage and support renewable energy options
- Build community preparedness and resilience to the effects of extreme weather events
- Ensure the practical management and protection of the Shires natural environment
- Develop a plan to reduce councils carbon footprint

The WMO report states that while mitigation is required, we also require adaptation. We need to reduce GHG emissions, particularly from energy, transport and industry.

While Buloke has completed or is in the process of completing a number of projects to reduce emissions, we do not have a policy platform or plan to do this.

**9.2 QUESTIONS FROM COUNCILLORS**

Nil

**9.3 URGENT BUSINESS**

Nil

**9.4 ANY OTHER BUSINESS**

Nil

**9.5 MATTERS WHICH MAY EXCLUDE THE PUBLIC**

Nil

**10. MEETING CLOSE**