



ALPINE
SHIRE COUNCIL

Annual Report

2019/20

About this annual report

Welcome to the Alpine Shire Council Annual Report 2019/20. This report provides an account of Council's performance against the Alpine Shire Council Plan 2017-2021 (review 2019) and Budget for 2019/20.

Performance is measured against the seven strategic objectives in the Council Plan:

1. A high performing organisation
2. A responsible and sustainable organisation
3. Incredible places for our community and visitors
4. Infrastructure and open space that our community is proud of
5. Highly utilised and well managed community facilities
6. A well planned and safe community
7. A thriving and connected community

This report can be downloaded from Council's website www.alpineshire.vic.gov.au. Hard copies are available, by request, for those in the community without access to a computer.

Front cover: The state-of-the-art \$2.6 million Myrtleford Indoor Sport Stadium expansion was completed early in 2019/20, extending the provision of sport and active recreation activities to all Myrtleford residents and visitors.

Council Vision

“Providing outstanding opportunities for its residents through sustainable growth in balance with the natural environment.”

Council Values

Council’s values are the operating principles that guide councillor and employee conduct and the relationships between them, as well as the relationship of the organisation with its community, customers, partners and stakeholders.

The values were developed following workshops with both councillors and staff – the set of six core values recognise who we are – **ALPINE**. The values are:

Accountable	We are accountable and responsible for our decisions and actions, and the impacts of these on our community and the organisation.
Leadership	We demonstrate leadership by being informed, applying innovative thinking and solutions and making fair and timely decisions in the best interest of our community and the organisation for now and the future.
Productive	We are productive by focusing on delivering efficient and high quality services and projects that respond to the needs and priorities of our community and the organisation.
Integrity	We have integrity by being committed, truthful and transparent in our decision making and our interactions with our community and the organisation.
Nurture	We nurture the relationships, contributions and strengths of our community and the individuals of the organisation.
Engaged	We are engaged with our community, and within the organisation, to build strong and effective relationships and inform our choices.

The values have been embedded in the Councillor Code of Conduct, and the Employee Code of Conduct. These documents assist in reinforcing the importance of the values across the organisation.

Year in review

Alpine Shire Council (Council) has made good progress in delivery against the 2017-2021 Council Plan (review 2019). Highlights included:

Bushfires in January 2020, and COVID-19 restrictions introduced during March 2020 had the biggest impact on Council's operations during 2019/20. See page 5 for more detail about these events.

1. A high performing organisation

- Being highly responsive as an organisation to dealing with bushfire and COVID-19 responses.
- Provision of rate and fee relief for businesses and properties affected by the January 2020 bushfires.
- Commencement of detailed work on the implementation of the *Local Government Act 2020*.
- Hosting the "Fight On" concert performed by Katy Perry in March 2020 in support of bushfire affected communities and emergency services personnel.

See page 30 for more details.

2. A responsible and sustainable organisation

- Joint development of the Business Systems Transformation project with Indigo and Towong Shire Councils, with phase one implementation due in 2020/21.
- Completion of the Better Approvals Project to provide an improved process for business customers needing to obtain multiple permits to commence or grow their business.

See page 35 for more details.

3. Incredible places for our community and visitors

- Delivery of \$6.0m of capital works projects in 2019/20 through challenges associated with bushfires and COVID-19 restrictions.

See pages 14 and 37 for more details.

4. Infrastructure and open space that our community is proud of

- Delivery of maintenance programs during the year through challenges associated with bushfires and COVID-19 restrictions.

- Completion of the Oaks Lawn Precinct at Pioneer Park Bright in time to host the Katy Perry concert in March 2020.

See page 39 for more details.

5. Highly utilised and well managed community facilities

- Adaptation of services due to COVID-19 restrictions, including introducing "click and collect" services at library branches.
- Food organics and garden organics community survey will be utilised to help inform a transition to increased recycling streams in the future.

See page 42 for more details.

6. A well planned and safe community

- Progressing a planning scheme amendment to support Mount Buffalo activation.
- Continuation of service delivery across environmental health, building, planning and local laws services while complying with COVID-19 restrictions.

See page 48 for more details.

7. A thriving and connected community

- Adoption of the Myrtleford Resilience Plan and action plan.
- Delivery of Maternal and Child Health services through bushfires and COVID-19 restrictions, with only a slight drop in participation compared to the previous year.
- Delivery of a busy event program during 2019, before bushfires and COVID-19 impacted on the delivery of events in 2020.

See page 55 for more details.

Challenges in 2019/20

- Delivery of Council's capital works program and service delivery was impacted by the January 2020 bushfires, and COVID-19 restrictions introduced in March 2020. Council transitioned quickly to continue to provide services and complete capital works in line with government restrictions.

Bushfires and COVID-19

January 2020 bushfires

Fourteen fires were ignited by lightning on 31 December 2019 in the King, Buffalo, Kiewa and Wongungarra River catchments.

On 4 January 2020, under extreme fire weather conditions, these fires increased rapidly in size, developed a convection plume and merged with five other fires in the Buffalo River and Buckland River catchments to form the Ovens NYE Fire Complex. Private properties in the Abbeyard and Catherine River area were damaged by fire during this time.

The fire was declared contained on 5 February 2020.

Evacuations

During the January 2020 bushfires the communities of the Alpine Shire experienced multiple evacuations during a 22 day period. The following communities were affected by advice to Leave Now, Evacuate Now or Stay over a period of 11 days:

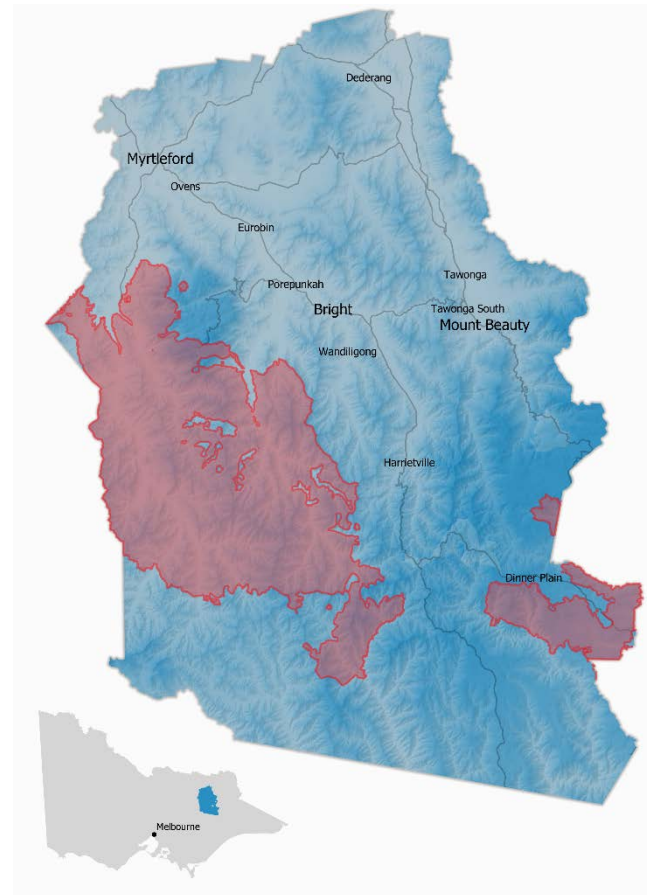
Abbeyard, Bennies, Bright, Brookside, Buckland, Buckland Junction, Buffalo Creek, Buffalo River, Dandongadale, Davenport Village, Dinner Plain, Dunphys Hill, Eurobin, Falls Creek, Flourbag, Freeburgh, Germantown, Happy Valley, Harrietteville, Havilah, Hotham Heights, Kancoona, Kancoona South, Merriang, Merriang South, Mount Buffalo, Myrtleford, Nug Nug, Ovens, Porepunkah, Rosewhite, Salt Log, Selwyn, Smoko, Wandiligong.

The first Watch and Act message including "Don't wait, leaving now is the safest option - conditions may change and get worse very quickly" was issued to most visitors and residents within the Alpine Shire on 1 January 2020. Tourists were strongly advised to leave the area and return home. A State of Disaster was declared by the Victorian Premier on 3 January 2020 for an initial period of 7 days, accompanied by further advice for tourists to leave. This was extended for an additional 2 days.

Emergency services advised on 23 January 2020 that it was safe for visitors to return to the area.

Emergency Relief Centres

Evacuees were directed to Emergency Relief Centres in Wangaratta or Wodonga. Many evacuees used the relief centre as an information point to learn about road closures, fire activity and communications from emergency services.



Map: Red areas signify areas burned during the January 2020 bushfires (based on DELWP data provided).

The majority of evacuees stopped through the relief centre to register that they were leaving and continued on to family/friends in safer areas.

Air quality

Air quality in the valleys was severely affected by smoke during this period, with the smoke eventually impacting communities across the State. On 5 January 2020, The Age reported that air quality in Bright was classified as 'hazardous', and a week later on 13 January 2020, ABC news reported that Bright had the worst air quality in the State, classified as 'hazardous' by the air quality monitoring station established by the EPA. The smoke impacted the local communities for many weeks during the fires.

Fire damage

Alpine Shire had 29% of its footprint directly impacted by the bushfire, private land accounting for 6% of the burnt area and the balance comprised of public land and plantations.

Community Impacts

The bushfires had a significant impact on the Alpine Shire community and economy due to:

- Length of time under state emergency.
- Large scale evacuations of tourists and residents.
- Evacuation of primary care services and general practitioners.
- Sustained poor air quality.
- Prolonged uncertainty and disruption.

Impacts included a reduction in the amenity of the Shire, the closure of businesses and facilities, and a substantial reduction in economic activity. The health and mental wellbeing of the community has also been impacted.

Council operations

Council's Municipal Emergency Management Plan was enacted in response to the fires. Council worked directly with Australian Defence Force teams that were assisting with emergency response across the Shire.

Community information sessions were coordinated by the Incident Control Centre at Ovens, where representatives from DELWP, CFA, Victoria Police and Council's CEO provided updates to concerned citizens. The meetings were also live-streamed on Facebook.

Council worked with the Rural City of Wangaratta to open Emergency Relief Centres and an Emergency Registration Centre was established at the Myrtleford Library where residents could register that they were safe or leaving, and seek further information.

The Rural City of Wangaratta and Indigo Shire Council assisted by providing additional emergency management personnel to be included in Alpine Shire Council's 24 hour roster, to allow Alpine Shire Council staff to rest.

On 3 January 2020, many Council-operated facilities were closed in response to the fire threat. On Monday 6 January and Friday 10 January, Council closed all services due to concerns for staff and resident safety.

On all other days, Council services continued under modified operation, depending on staff availability, emergency warnings / directives, and smoke / air quality conditions.

Services affected included: Visitor Information Centres; swimming pools and river pools; Bright Sports Centre; transfer stations; libraries; waste collection services.

Extreme smoke and associated poor-to-hazardous air quality conditions meant that staff were requested to limit work outdoors, and masks and eye drops were arranged for those needing to be outdoors.

Council's customer service team temporarily relocated to Indigo Shire Council offices, and remote work spaces were made available for Council staff wishing to work remotely in Wangaratta, Yackandandah and Wodonga.

Recovery

Whilst the Alpine Shire was fortunate to have sustained only limited physical damage to infrastructure and property across the municipality, the economic and social impact of the bushfire emergency was very significant on residents and businesses. It is estimated that the tourism economy suffered a \$90 million loss of income as a result of the bushfires and associated smoke.

All levels of government made various grants and financial assistance available to businesses and individuals impacted by the bushfires. A bushfire counselling line was established for affected areas in the North East of Victoria.

Council established a Bushfire Recovery Team, fully funded by the Victorian government via the newly formed Bushfire Recovery Victoria.

A Community Recovery Committee (CRC) was formed in May 2020 in response to the January 2020 bushfires, with membership consisting of community members from seven regions across the Alpine Shire.

Katy Perry

On 2 March 2020, the Victorian government announced that Katy Perry would be performing at a "Fight On" fire recovery concert in Bright, after she made her wishes known that she wanted to reach out to people affected by the summer bushfires. Tickets were made available for free for emergency services personnel, and local residents. Residents from Corryong in the Towong Shire were bussed to and from Bright to join in the celebratory concert. Local residents queued to get access to tickets to the free event. Council staff worked tirelessly to coordinate the event to make the concert possible, along with assistance from Visit Victoria, Brighter Days, Victoria Police and other emergency services. The concert was held on Wednesday 11 March 2020.

The concert was extremely well-received by the community, creating community spirit and support for those affected directly and indirectly by the fires. The event occurred less than a week before COVID-19 restrictions were imposed on Victorians.

COVID-19 pandemic

On 25 January 2020, the first case of the coronavirus COVID-19 was confirmed in Victoria. In the first week of March, Australia reported its first death from COVID-19. By 11 March 2020, the World Health Organisation had declared COVID-19 a global pandemic.

The Victorian government declared a State of Emergency on 16 March 2020 to provide the Chief Health Officer of Victoria with the powers needed to combat COVID-19, including an enforced 14 day isolation for all travellers entering Australia, and prohibition of mass gatherings of more than 500 people.

Council operations

By 23 March 2020, most office-based Council staff had commenced working remotely, and Councillor Briefing Sessions were being held remotely via the online meeting platform Zoom. Strict hygiene precautions were introduced for those staff needing to access Council facilities. Staff were encouraged to contact the Employee Assistance Program to manage stress related to COVID-19.

The following Council services were *cancelled* prior to 23 March 2020:

- Learn to Swim program;
- L2P Program; and
- Supported playgroup.

The following Council services were *closed* from 24 March 2020:

- Bright Sports Centre; Pools – Mount Beauty and Myrtleford;
- Visitor Information Centres – Bright, Myrtleford and Mount Beauty;
- all Community centres and halls managed by Council.

The following Council services were *modified* on 23 March 2020:

- Maternal Child Health Service modified to address risks associated with COVID-19;
- Libraries were limited to “click and collect” to enable residents to order and collect items from their local library collection.

All directly affected staff were notified and either redeployed into other available duties or temporarily stood down. Staff were supported in taking leave where required, whether due to a change in duties or illness.

Timeline of continuing restrictions

Stage 3 restrictions were introduced to Victoria from 11:59pm on 30 March 2020, including limiting both indoor and outdoor gatherings to two persons only. Playgrounds, skate parks and outside gyms in public places closed.

There were only four reasons to leave home, which were shopping for food and necessary supplies, medical or health care needs, exercising while complying with physical distancing requirements, and work and study if not able to work or learn remotely.

On 7 April 2020 the Victorian Premier announced that schools would be restricted to remote learning from home in order to help slow the spread of COVID-19.

Cautious reopening

A gradual easing of COVID-19 restrictions was announced, from 11:59pm on Tuesday 12 May 2020. It expanded the reasons people could leave their homes to include visiting friends and family, within gathering limits.

From 11:59pm on 25 May 2020, public playgrounds, skateparks and outdoor communal gym equipment was opened to a maximum of 10 people at any one time, increasing to 20 people at 11:59pm on 31 May 2020. Physical distancing and gathering rules applied at all times.

Councils were required to conduct safety inspections and undertake regular cleaning of all playground equipment and other high touch surfaces.

Council services reopened with COVID-19 appropriate precautions included:

- Public playgrounds and skateparks;
- Bright Sports Centre – gymnasium and indoor swimming pool;
- Libraries;
- Community Centres;
- Visitor Information Centres;
- Sporting activities on Council land.

Additional easing of restrictions were announced by the Victorian Premier commencing at 11:59pm on 21 June 2020, including the ski season commencing from 22 June.

Cases within the Alpine Shire

One confirmed COVID-19 case was confirmed at an aged care facility in Bright, operated by Alpine Health. Fortunately, there were no additional cases reported in the Shire during 2019/20.

Community Impacts

Following the summer bushfires, the COVID-19 restrictions imposed continuing challenges to the Alpine Shire community due to the duration of the event, the heavy restrictions on community and economic activity, concerns over spread of the disease, and further sustained uncertainty and disruption.

The COVID-19 restrictions also substantially impeded bushfire recovery activities.

Into 2020/21

July 2020 saw increased COVID-19 restrictions, and in early August 2020 the Victorian government declared a State of Disaster, and reintroduced Stage 3 COVID-19 restrictions in regional Victoria.

Ongoing support

All levels of government have provided businesses with grants, waivers, payment extension and free support services to assist with the prolonged impacts of the COVID-19 pandemic and associated restrictions.

In addition, the Federal government's employee initiatives such as JobKeeper and JobSeeker were critical in providing financial support to the financial resilience of individuals and the overall economy.

On a local level, an Alpine Recovery Hub was established to support local businesses and community members. Services include linkages to free business advice, support with accessing and applying for grants, financial counselling, and mental health and wellbeing support. The Hub adapted to maintain COVID-19 safe operations through varying levels of restriction.

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CEO's message

This last financial year has been memorable. The bushfires in the Kiewa Valley in late 2019 provided concern for many nearby community members. We felt fortunate that the fire was contained prior to Christmas through the good management of fire service agencies. Unfortunately, our community did not get much respite.

January 2020 bushfires

A few days prior to the start of another round of bushfires started and soon made their presence felt across the Alpine Shire, including the evacuation of Dinner Plain on New Year's Eve. In the five weeks the fires were uncontained, they burned nearly 30% of Alpine Shire. Thankfully only a relatively small proportion of this was private land. Residents were on high alert during this time and many evacuated on numerous occasions, as warnings and alerts were regularly issued by emergency services. Smoke from the fires caused serious air quality issues, with the EPA setting up a temporary air monitoring station in Bright.

Council services were modified during the bushfires, and our Municipal Emergency Management Plan guided the establishment of Emergency Relief Centres. We are grateful to our nearby Councils Rural City of Wangaratta, Indigo Shire Council and City of Wodonga for their assistance with staffing emergency management roles, allowing Council to fulfill a 24-hour service at the Ovens Incident Control Centre. Special mention to the Rural City of Wangaratta for establishing two bushfire relief centres, which accommodated many of our residents and their pets of this five-week period.

On 11 March 2020, Bright hosted the Katy Perry's Fight On concert. This was a free concert that Katy Perry performed to thank emergency services personnel and provide bushfire relief for 7,000 residents from Alpine and Towong Shires. Council staff worked closely with the Victorian Government over a very short time frame to facilitate this incredible community event.

COVID-19

Just two days after the Katy Perry concert, the Victorian government declared a State of Emergency in response to the COVID-19 pandemic and introduced a restriction on gatherings of more than 500 people.

Over progressively increased restrictions, Council remained adaptive and responsive in providing its services to the community. Most office-based staff commenced working from home on 23 March 2020, with minimal number staff still working in the office. Thankfully, Council's information technology systems meant the transition to working from

home was flexible and responsive, providing access to the same services as if staff were in the office.

Council briefing sessions were held electronically via online meeting platforms, and Council meetings were held in accordance with COVID-19 restrictions in place each month. It was an unusual experience to attend a Council meeting without an on-site public gallery, however we have been livestreaming our Council meetings for many years, so the community was still able to watch in real time.

Economic impact of bushfires and COVID-19 restrictions

The impacts of the bushfires and COVID-19 have devastated our local economy. It is estimated that the impacts of the bushfires cost the local economy over \$100million through the loss of tourism, softwood plantations and wine grapes.

These economic losses were compounded further with the COVID-19, which has continued to devastate our tourism industry. By the end of June 2020, the total loss to the tourism economy is estimated to be \$220million, which is approximately 65% of our total tourism economy.

Recovery from bushfires

In response to the January 2020 bushfires, we established a Bushfire Recovery team to help our community and business recover. This team is fully funded by the Victorian and Australian Governments. Council has worked closely with Falls Creek Resort Management Board, Mount Hotham Resort Management Board, Bushfire Recovery Victoria, National Bushfire Recovery Agency and other relevant agencies to establish support structures to aid recovery and increase the resilience of the Alpine region. This has included the Municipal Recovery Committee, Alpine Community Recovery Committee and Alpine Bushfire Recovery Hub in Bright. It has truly been a collaborative effort and these structures will also help our region to recover from the economic and social impacts from COVID-19. I would like to acknowledge and thank the community members that have volunteered many hours and I look forward to continuing to work together next year.

Advocating for our community

Council successfully advocated on behalf of the community on many matters this year. During the bushfires Council met with several Federal Government Ministers to ensure impacted businesses and employees could access funding and benefits. Council has maintained its strong relationship with the Victorian Government, which led to bushfire recover support, rate relief, funding to upgrade the Tawonga Caravan Park and the announcement to establish a café in the Mount Buffalo Chalet. I would like to thank the members of

parliament and their departments that we have worked with for their support and advocacy over the last 12-months.

Active bystander training

We rolled out "Equality, Respect and Family Violence – Active Bystander" training for all staff in October 2019. These workshops recapped on gender inequity and family violence material and offered strategies for bystanders to identify and call out discriminatory behaviour. Thank you to Alpine Health for facilitating these workshops for Council. As part of this, a staff survey was conducted to understand how gender equitable our workplace, which will be used to inform the development of a Gender Equity Policy.

Capital projects

Two capital works highlights this year were the expansion of the Myrtleford Indoor Sports Stadium (\$2.6m) and upgrade of the Mount Beauty Skate Park (\$0.27m). Both projects are incredible and came with strong community support and commitment. The Myrtleford District Basketball Association raised \$53,168 and the Friends of the Mount Beauty Skate Park raised \$15,000. It is incredibly rewarding working together with the community and government to deliver outcomes that will be enjoyed by our community for decades to come.

Business Systems Transformation

Council is working collaboratively with Towong and Indigo Shire Councils to collectively transform our business systems, which will ultimately improve the experience for the customer. Staff have been working together to map the requirements across the three Councils, to ensure a smooth implementation of a new customer request management system next financial year. An upgraded property and rating system and planning, building and local laws system will be delivered in 2021/22. The project has been shortlisted as a finalist for the MAV Tech Awards for Excellence in the categories of Strategy / Planning and Collaboration, with the winner due to be announced in October 2020.

Local Government Act 2020

The introduction of the wide-scale reforms associated with the new Local Government Act 2020 will see us very busy in the first half of 2020/21. A suite of new policies and documentation will be developed to comply with the new Act.

In summary, it has been an incredibly challenging, yet rewarding year. I would like to thank the community, Council staff, government agencies and members of parliament for their hard work to make the Alpine Shire an even more remarkable place to live and visit.



Charlie Bird
Chief Executive Officer

Financial summary

Financial overview 2019/20

Council ended the 2019/20 year with a surplus of \$7.9 million, which was \$2.1 million more than projected in the 2019/20 Budget. This was largely due to:

- the receipt of \$3.4m in Bushfire Recovery funds;
- higher than expected Victorian Grants Commission funding by \$0.3m;
- lower than anticipated road, drainage and tree maintenance expenditure by \$0.3m; and
- unanticipated receipt of \$0.2m additional funding to support remediation of flood damage.

This was in part offset by:

- the pass through of \$1.1m of Bushfire Recovery funds as rebated rates, fees and rents;
- capital grants being \$1.2m lower than anticipated, due to the deferral of income for the Buckland Bridge project to 2020/21.

Various measures were taken by all three levels of Government in Australia to reduce the spread of COVID-19 in 2019/20. The crisis and measures to mitigate it impacted on several areas of Council operations as follows:

- Visitor information centres, swimming pools and libraries expenses were \$0.1m less than budget;
- Visitor information centres, swimming pools and libraries income was \$0.2m less than budget.

In addition, rent waivers were provided to lessees meeting the criteria of the Victorian Government Tenancy Relief Scheme to a total of \$0.1m. There was minimal impact on Council’s staffing costs as the majority of impacted staff were redeployed or took leave.

Council’s income

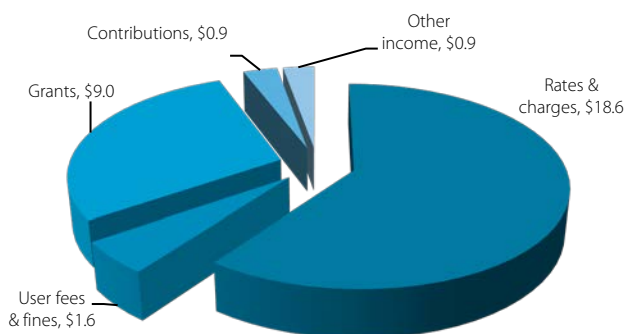


Figure 1: Alpine Shire Council revenue 2019/20 (\$millions)

Rates and charges are Council’s most significant source of revenue comprising \$18.6m million or over half of Council’s income. Grants are the second largest income source, comprising \$9.0 million. Other income includes interest on investments, rent for leased Council assets and fair value adjustments for Council’s investment property.

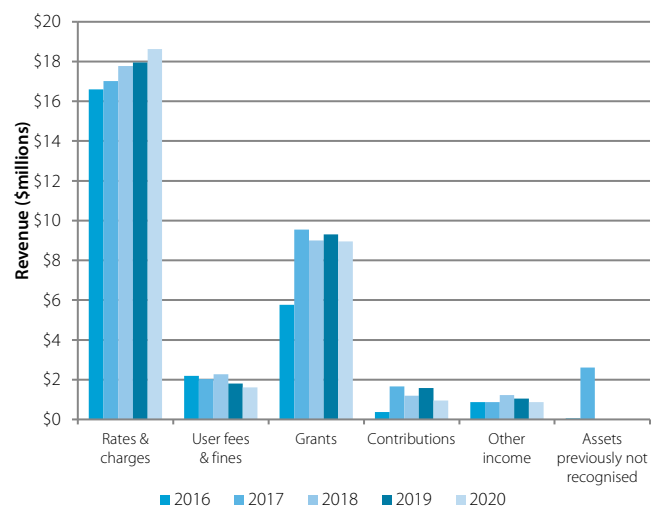


Figure 2: Alpine Shire Council revenue 2015/16 to 2019/20 (\$millions)

Figure 2 highlights Council’s revenue over a 5 year period. Rates and charges have demonstrated consistent incremental growth due to ongoing development in the Alpine Shire. Grants have fluctuated depending on the timing of payments, and the ability to obtain one-off project grants.

Council’s expenditure

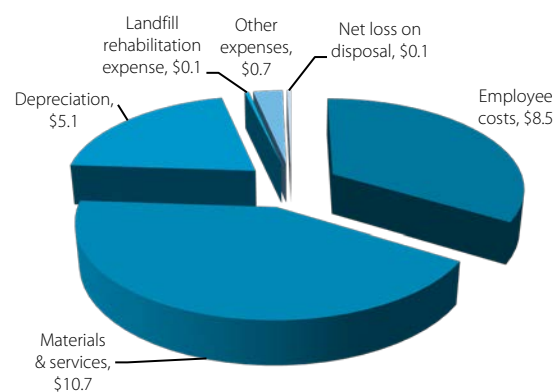


Figure 3: Alpine Shire Council expenditure 2019/20 (\$millions)

Figure 3 shows that materials and services and employee costs comprise the majority of Council’s operating expenditure.

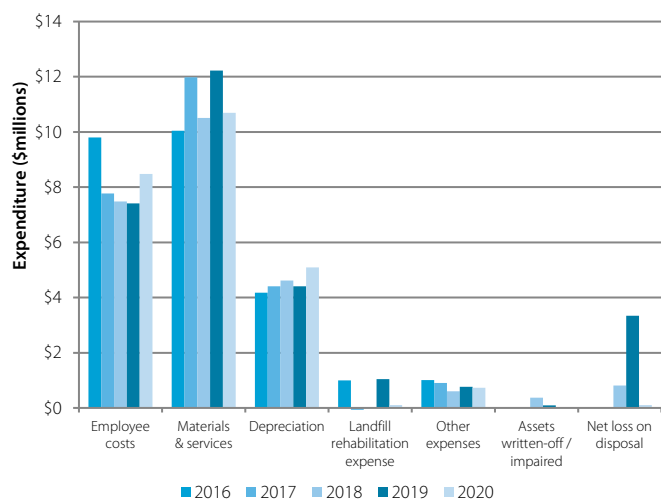


Figure 4: Alpine Shire Council expenditure 2015/16 to 2019/20 (\$millions)

Figure 4 highlights Council’s expenditure over the last five years. There has been some increase in employee expenses, partially due to a reduction in the impact of vacant positions, and partially due to a wage increase as committed in Council’s Enterprise Bargaining Agreement following consecutive years of wage freezes. Materials and services spiked in 2018/19 primarily due to the reclassification of \$2.3m of the capital works budget as operating expenditure in that financial year. Finally there was an increase in other expenses in 2019/20, primarily due to the pass through of \$1.1m in Bushfire Recovery grant funding as refunds of rates, fees and rents.

Cash balance

Following the surplus result, Council is in a strong cash position of \$25.3 million as at 30 June 2020. This is expected to reduce somewhat over the next few years as Bushfire Recovery funding is expended and the capital works program proceeds.

Looking forward

Council continues to maintain a ten-year Long Term Financial Plan (LTFP) as part of the annual budget each year. The LTFP is a critical tool for Council to ensure it makes fiscally responsible decisions. The LTFP delivers long term sustainability utilising conservative assumptions such as:

- rate rises below or in line with the rate cap;
- no increase in equivalent full time employees; and
- low to moderate increase in employee wages.

These assumptions can be changed to respond to changes in the internal and external environment. The LTFP is used to inform decisions regarding grant applications, major projects, operational spending, rating strategies and financial risk.

Funding

Council acknowledges the support of both the Victorian Government and the Australian Government for the provision of funding, without which many of the projects and services that Council delivers would not be possible. In particular the Australian Government’s Financial Assistance Grants are essential for the continued delivery of Council’s services and infrastructure.

Council’s Annual Financial Statements commence on page 83 of this report.

Capital works summary

Council delivered a \$6.0m capital works program in 2019/20, balancing investment in our infrastructure with prudent financial management. Highlights were as follows:

Completion of the Myrtleford Indoor Sports Stadium Expansion

The state-of-the-art Myrtleford Indoor Sports Stadium expansion was completed early in 2019/20, extending the provision of sport and active recreation activities to all Myrtleford residents and visitors.

The \$2.6 million expansion was made possible through generous funding received from both the Myrtleford District Basketball Association (\$53,168) and the Victorian Government under their 2016-17 Better Indoor Stadiums Fund (\$1.3 million).

The project has delivered a multi-purpose indoor court designed in line with environmentally sustainable principles, and has provided a fully-compliant spring timber floor, an accessible change room, two ambulant toilets, a meeting space, unsealed parking, storage and an evaporative cooling system.

Completion of Dinner Plain Village Detailed Designs

In November 2018, Council commenced the Dinner Plain Village Detailed Designs with the aim of developing detailed concept designs for key projects in Dinner Plain, as prioritised by the local community. In June 2020, the designs and costings were finalised, and Council now has a clear plan for delivery of future upgrades and infrastructure works at Dinner Plain. The plans identify projects which:

- Improve traffic movements and car parking in both the village centre and Scrubbers End precinct.
- Improve pedestrian connections and wayfinding around the village centre and Scrubbers End.
- Improve amenities and facilities at Scrubbers End, including safety improvements to Peashooters Toboggan Run; and
- Identify landscape improvements in the village precinct.

The Dinner Plain Village Detailed Designs enabled Council to be successful in obtaining \$500,000 funding from the Victorian Government to assist with the delivery of the \$1.4 million Scrubbers End Precinct works. This project, titled Dinner Plain Activation, will deliver upgrades over the next two years, which enhance the visitor experience of the ski

and toboggan runs, as well as walking, cross country skiing and mountain bike trails.

Completion of the Mount Beauty Skate Park Upgrade

The \$265,000 Mount Beauty Skate Park Upgrade was completed in June 2020, adjacent to the BMX track, oval, netball courts and playground at the Mount Beauty Recreation Reserve. This project was made possible due to a substantial contribution from the Friends of the Mount Beauty Skate Park (\$15,000) and funding from the State Government (\$150,000).

The local community had worked towards an extension of the Mount Beauty Skate Park since 2012 and provided a high degree of input into the concept design, as well as the final built outcome. The result is a massive bowl connected to the existing ramps and jumps. The new elements complement the retained elements and provide intermediate and advanced skaters with opportunities to enhance their skills.

Completion of the Centenary Park Toilets Renewal

The Centenary Park toilets at Bright's river pool are heavily used by locals and visitors alike and were in need of refurbishment. In June 2020 an upgrade of the toilets was completed and delivered the following improvements:

- The non-functioning shower cubicles were removed, and two additional disabled access toilets were added;
- Two ambulant toilets were incorporated, and a total of 7 toilet pans are now provided in the women's half and 4 toilet pans and 3 urinals are provided in the men's half of the facility;
- Space for changing was retained and baby change tables were provided in both disabled access toilets; and
- All surfaces, fixtures and fittings were upgraded to ensure ease of cleaning and maintenance.

Challenges

Ensuring that Council had enough project managers to successfully deliver the large capital works program continued to be a challenge throughout the year. Given the difficulty in recruiting appropriately qualified and experienced project managers, additional external consultants were appointed to deliver multiple projects.

Other notable projects completed during 2019/20

Dinner Plain Street Signage Renewal

The installation of over 60 new street signs was completed at Dinner Plain in February 2020, replacing an inconsistent palette of timber and concrete signs. The street signs are consistent with others throughout the Shire but have a dark background to ensure they are highly visible in the snow season, making it easier for visitors to find their way around the village.

Phoenix Tree Upgrade

Works to upgrade the landscape around the Phoenix Tree in Myrtleford were completed in early. Works included additional concrete paving to connect the visitor carpark to the Phoenix Tree, as well as an extension to the concrete surrounding the tree to improve access and maintenance.

The space is more welcoming for visitors who stop off to view the artwork and is now accessible for all.

Electronic Waste Infrastructure

Construction was completed on E-Waste sheds at Mount Beauty, Myrtleford and Porepunkah transfer stations in early 2020.

E-waste can now be stored in such a way as to avoid breakage, undercover, and on an impermeable surface which is bunded to meet EPA requirements and Australian Standards.

The \$300,000 E-waste sheds were largely funded by Sustainability Victoria and were completed ahead of schedule.

Standish Street Upgrade

The Standish Street Upgrade works were completed in February 2020. The works reconstructed failed sections of road pavement and renewed some sections of kerb and channel, footpaths and paving in the median islands.

The reconstruction and asphaltting of Standish Street and the Service Lane between Clyde Street and Duke Street was completed well under the \$360,000 budget in only 4 weeks.

Victoria Bridge Load Limit Upgrade

The Victoria Bridge provides a critical secondary crossing of Happy Valley Creek in Myrtleford but had a load limit of 25 tonne due to visible structural distress evident in the crossheads. A load limit upgrade to 50 tonnes was made possible through the application of Carbon Fibre Reinforced Polymer (CFRP) strips applied to strengthen the existing concrete structure.

This upgrade has permitted the bridge to be used by heavy vehicles in times of flood when the primary lower level crossing at Standish Street is inundated. The works were able to be completed with no disruption to traffic owing to the strengthening technology and methodology applied.

The project was partially funded by the Federal Government's Bridges Renewal program (\$88,750) and an additional contribution from VicRoads under the Building Our Regions – Small Scale Initiatives 2017/18 program (\$44,000), with the balance of the funding provided by Council.

Tawonga Primary School Crossing Upgrade

The Tawonga Primary School Crossing was upgraded to include a landscaped refuge and traffic calming measures to ensure improved safety for children and families crossing the Kiewa Valley Highway from the shared path to the school entry. The safer crossing, as well as the provision of a crossing supervisor, provides families with greater confidence in allowing their children to walk or ride to school.

The project was delivered within the \$60,000 budget and was wholly funded by VicRoads under the 2017-18 Building Our Regions – Small Scale Initiatives.

Ranch Road Drainage Upgrade

Drainage in Ranch Road Tawonga South was completed, diverting stormwater away from an open channel running through private property fronting the Kiewa Valley Highway. The stormwater is now directed to run in pits and pipes within the Ranch Road corridor, protecting the properties downstream from damaging stormwater flows.

The project was partly funded by VicRoads under the 2017-18 Building Our Regions – Small Scale Initiatives (\$40,000).

All projects completed during 2019/20

Shire-wide

Drainage Renewal (2019/20)
 Lock Hardware Renewal Stage 2
 Large Plant Renewal (2019/20)
 Vehicle Renewal (2019/20)
 Small Plant and Equipment Renewal (2019/20)
 Open Space Renewal (2019/20)
 Gravel Resheeting (2019/20)
 Guardrail Upgrades
 Local Road Sealing
 Kerbside Bins Renewal and New (2019/20)
 Public Bins Renewal and New (2019/20)
 Electronic Waste Infrastructure Upgrade

Bright

Centenary Park Toilets Renewal
 Path Renewal (2019/20)
 Hero Trail Renewal
 Howitt Park Irrigation and Mainline Renewal
 Pioneer Park Oaks Lawn
 Mountbatten And Delany Avenue Pedestrian Crossings
 Resealing (2019/20)
 Road Stabilisation and Patching (2019/20)
 Kerb and Channel Renewal (2019/20)
 Line Marking (2019/20)
 Mystic Lane Sealing
 Bright Depot Storage
 Bright Office Generator Replacement

Dinner Plain

Dinner Plain Village Detailed Designs
 Dinner Plain Mountain Bike Trails Stage 2
 Toboggan and Ski Run Safety Improvements
 Dinner Plain Street Name Signage

Mount Beauty

Mount Beauty Skate Park Upgrade
 Tawonga Crescent New Footpath
 Mount Beauty CBD Footpath

Myrtleford

Myrtleford Indoor Sports Stadium Expansion
 Myrtleford Showgrounds Water Supply Upgrade
 Myrtleford Library Upgrade
 Victoria Bridge Upgrade
 Standish Street Renewal
 Phoenix Tree Upgrade
 Memorial Park Cricket Facilities Renewal
 Myrtleford Pool Plant
 Shared Trail Resealing (2019/20)
 Myrtleford Landfill Environmental Management Works

Porepunkah

Roberts Creek Bridge Network Renewal
 Porepunkah Children's Centre Feasibility Study

Tawonga

Ranch Road Drainage Upgrade

Key funding announcements during 2019/20:*(funding indicated is GST exclusive)*

Local Roads and Community Infrastructure Program

Department of Infrastructure, Transport, Regional Development and Communications	\$710,300
Council contribution	\$0
Total project cost	\$710,300

Myrtleford Memorial Hall Upgrade

RDV Stronger Regional Communities Program	\$50,000
Council contribution	\$185,000
Total project cost	\$235,000

Mount Beauty Airport Upgrade

Regional Airports Program Round 1	\$1,555,910
Council contribution	\$1,555,910
Total project cost	\$3,111,820

Dinner Plain Activation

Bushfire Tourism and Business Fund	\$500,000
Council contribution	\$900,000
Total project cost	\$1,400,000

Installation of Stadium Seating (MISS)

Department of Industry, Innovation and Science – Stronger Communities Program Round 5	\$4,773
Council contribution	\$10,000
Myrtleford District Basketball Association	\$10,000
Total project cost	\$24,773

Riverside Park Barbeque Shelter Renewal

Department of Industry, Innovation and Science – Stronger Communities Program Round 5	\$16,000
Council contribution	\$24,000
Total project cost	\$40,000

Our Council

Alpine Shire profile



The Alpine Shire is situated in north-east Victoria, approximately 300km from Melbourne, and 70km south of Albury-Wodonga. The area of the Alpine Shire is 4,790 square kilometres¹ of which 92% is public land. This includes the whole of the Mount Buffalo National Park and large tracts of the Alpine National Park. The remaining 8% of land consists of towns, villages and farming land in the major river valleys: Ovens, Buffalo, Buckland and Kiewa valleys.

The Shire extends from mountain ranges down to the valley floor, where residents choose to live predominantly around the three main towns of Bright, Myrtleford and Mount Beauty – each of which proudly respects their own strong heritage and individuality. Other members of the populace live in the smaller towns, villages and surrounding farming communities that are spread throughout the Shire. The Alpine Shire surrounds two of Victoria's major ski resorts: Falls Creek and Mount Hotham, and includes the smaller snowfield attractions of Dinner Plain and Mount Buffalo.

The Alpine Shire has a rich history from ancient aboriginal settlement, mining and prospecting in the gold rush era, to post-war immigration. Today the region offers a diverse lifestyle with a mix of culture, history and experiences. The region is a well-known destination for visitors, with festivals, markets, exhibitions, sporting and recreational activities held throughout the Alpine Shire; together with a range of cafes, restaurants and wineries.

In the ABS 2016 Census the Alpine Shire industries with the greatest number of businesses were agriculture, forestry and fishing; construction; and accommodation and food services. In terms of employment, the main industries were accommodation and food services; health care and social assistance; retail trade; agriculture, forestry and fishing; manufacturing; construction; and education and training.

The population of the Alpine Shire is estimated to be 12,814² - a number which significantly increases with the seasonal influx of visitors. Population demographics from the 2016 Census show a much lower population of 20-39 year olds, but a much higher population of persons aged 55 and over compared to the Victorian State-wide average.

¹ This area does not include the resorts of Hotham Heights and Falls Creek which have a combined total of 44 square kilometres.

² Estimated Residential Population, Local Government Areas, Victoria (released 25 March 2020) – Australian Bureau of Statistics (catalogue 3218.0)

Council offices

Council's head office is located in Bright, with depot operations centres located in Bright, Mount Beauty and Myrtleford. In addition to the head office in Bright, Customer Service Centres are located in the Mount Beauty and Myrtleford libraries, allowing the community to make payments and access key Council information without having to travel to Bright.

Bright Council Office

2 Churchill Avenue

(PO Box 139)

Bright VIC 3741

Phone: 03 5755 0555

Fax: 03 5755 1811

Email: info@alpineshire.vic.gov.au

Internet: www.alpineshire.vic.gov.au

Facebook: www.facebook.com/alpineshirecouncil

Mount Beauty Library and Customer Service Centre

Lakeside Avenue

Mount Beauty VIC 3699

Phone: 03 5754 4542

Myrtleford Library and Customer Service Centre

Corner Standish Street and O'Donnell Avenue

Myrtleford VIC 3737

Phone: 03 5752 2038

Alpine Shire Councillors

Elected October 2016

Cr Peter Roper (Mayor)	First elected:	November 2008
	Re-elected:	October 2012 October 2016
	Mayor:	December 2011 – November 2014 November 2019 - current

Cr Sarah Nicholas (Deputy Mayor)	First elected	October 2016
	Deputy Mayor	November 2017 - current

Cr John Forsyth	First elected:	October 2012
	Re-elected	October 2016

Cr Ron Janas	First elected:	October 2012
	Re-elected:	October 2016
	Deputy Mayor:	November 2014 – November 2015
	Mayor:	November 2015 – November 2019

Cr Tony Keeble	First elected:	November 2008
	Re-elected:	October 2012 October 2016
	Deputy Mayor:	November 2015 – November 2017

Cr Kitty Knapstein	First elected:	October 2016
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Cr Daryl Pearce	First elected:	November 2005
	Re-elected:	November 2008 October 2012 October 2016
	Mayor:	December 2006 – December 2007
	Deputy Mayor:	December 2007 – December 2008 December 2009 – December 2011

More information regarding Councillors can be found on page 59.

The organisation

The Alpine Shire Council operates under a corporate management structure, with the Chief Executive Officer leading directors, managers and staff.

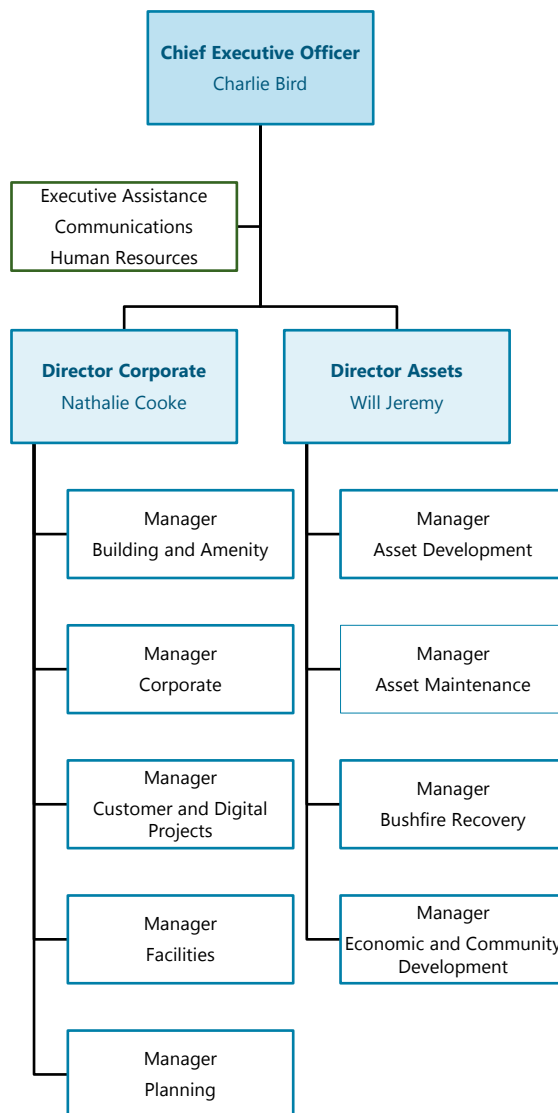
The organisation has a two directorate model consisting of Corporate and Assets. Each director reports to the CEO and is responsible for the delivery of services and projects within program areas. A small Executive Services team reports directly to the CEO.

Changes to the structure throughout the year included the creation of a Manager Bushfire Recovery position in late January 2020, following funding made available from Bushfire Recovery Victoria. A small team supports the manager, leading community recovery post-January 2020 bushfires.

In April 2020, the Manager Customer and Digital Projects position was created to temporarily share the workload of the Manager Corporate and oversee the Business Systems Transformation project, implementing a cloud-based solution to improve the customer experience and internal efficiencies. This opportunity presented itself when the Manager Corporate returned from maternity leave on a part-time basis and highlights Council’s flexible approach in delivering outstanding community outcomes.

Council also undertook small restructures across the Civil Works team and the Asset Maintenance engineering team.

Organisational structure at 30 June 2020



Chief Executive Officer

Charlie Bird

Functions reporting directly to CEO include Executive Assistance, Human Resources, and Communications.

In December 2019, Charlie Bird tendered his resignation with Council, giving three months' notice. Following the bushfires experienced across the Shire during January 2020, Council requested Mr Bird reconsider his resignation. In early February 2020, Mr Bird retracted his resignation to ensure that the organisation remained under stable leadership, working towards the long-term recovery from the bushfires. COVID-19 restrictions were imposed on Victorians from mid-March 2020.

Senior Officers reporting directly to the Chief Executive Officer and the functions for which they are responsible include:

Director Corporate

Nathalie Cooke

- Building and Amenity
 - Building services
 - Environmental health
 - Food safety
 - Local laws
 - Animal management
 - Subdivisions
- Corporate
 - Finance
 - Rates and property
 - Risk management
 - Occupational health and safety
 - Library hub
 - Library services
 - Governance
- Customer and Digital Projects
 - Information and communication technology
 - Customer service
- Facilities
 - Visitor information centres
 - Recreation (sports centres and pools)
 - Waste and recycling management
 - Public amenities
 - School crossing supervisors
 - Aerodromes
 - Leases
 - Holiday parks
- Planning
 - Statutory planning
 - Strategic planning

Director Assets

Will Jeremy

- Asset Development
 - Project prioritisation, design and delivery
 - Securing funding
- Asset Maintenance
 - Road, bridge and drainage maintenance
 - Building maintenance
 - Asset management
 - Footpaths, tracks and trails
 - Open spaces
 - Depot operations
 - Emergency management
 - Development engineering
- Bushfire Recovery
 - Bushfire recovery (community and economic)
- Economic and Community Development
 - Economic development
 - Tourism, festivals and events
 - Community development
 - Youth services
 - L2P driving program
 - Dinner Plain marketing and events
 - Dinner Plain bus
 - Maternal and child health (child and family services)
 - Immunisations
 - Supported playgroups

Council staff

Impact of bushfires and COVID-19

On 3 January 2020, the Victorian Premier declared a State of Disaster across six Shires, including the Alpine Shire in response to the bushfire conditions being experienced across the State. Thick smoke blanketed much of the Shire, requiring staff to limit their time working outdoors where possible. Evacuation orders were issued for many communities across the Shire.

Many Council-operated facilities and Council services were impacted by the bushfires, including visitor information centres, swimming pools, transfer stations and libraries. Maternal child health and environmental health teams were particularly impacted by the bushfires, and the community's needs for support. The smoke which blanketed the Shire and spread to the rest of Victoria also impacted staff, particularly outdoor teams.

COVID-19 restrictions affected the whole of Victoria, and from mid-March 2020, social / physical distancing, restrictions on public gatherings, and restrictions requiring staff to work from home, affected the workforce. Staff were supported in those areas that were required to close, such as learn to swim, L2P, supported playgroups, Bright Sports Centre, swimming pools, visitor information centres, community centres and halls, maternal and child health and library services. Permanent staff were redeployed where possible, and able to access leave.

The majority of office-based staff commenced working from home on 23 March 2020. This included a balance between working from home and working in the office only when necessary. Strict hygiene procedures were introduced for those staff needing to access the office or vehicles to undertake their duties.

All staff were encouraged to contact the Employee Assistance Program to assist with managing stress. Staff were reminded that a person must not be subject to bullying, harassment or victimisation if they were suspected to have, or reported to have a medical condition.

The workforce

The Chief Executive Officer (CEO) is employed directly by Council to manage Council's business. Employees act under the general direction of the senior management team, with terms and conditions of employment governed by an enterprise agreement.

Personnel are employed on a permanent basis (full time or part time) where the work is continuous and ongoing, on a temporary basis where there the work is temporary or seasonal, or on a casual basis where the work is of a relieving or intermittent nature.

Employee numbers are best measured by the number of full time equivalent (FTE) staff. At 30 June 2020 Council's FTE was 105.1, occupied by a total of 163 staff across the organisation, including permanent, temporary and casual positions. Five FTE (12 positions) were vacant at the time of reporting, due to a mix of seasonal positions not filled in June, and a series of recruitment both permanent and temporary positions. A more detailed summary of the workforce can be found in tables 1 and 2 on page 26.

Recruitment and selection

Council recruited for 68 positions during 2019/20, which included internal expressions of interest (for backfill), permanent, temporary and casual positions.

Council's workforce turnover for permanent staff (not including casual and temporary staff) was 11% in 2019/20.

Trainees and work experience students

As part of supporting our youth in the community, Council offers traineeships and provides opportunities for students to undertake work experience with Council. School-based work experience and university work placement is offered in a variety of roles across the organisation.

In 2019/20, Council worked in conjunction with a local secondary school to support a local student with a school-based traineeship. Regular work experience programs were also offered, and staff were pleased to share their time and help educate two local students about career paths and opportunities within Council. Council staff also participated in the local annual Careers day to assist with interview practice and careers education. Council also participated in University placements for Environmental Health and Maternal and Child Health nursing. In 2019/20, Council offered its inaugural Maternal and Child Health

scholarships to two local nurses who are pursuing extra studies to gain their Maternal and Child Health Nursing qualifications.

Council's three apprentice Gardeners and Arboriculture trainee all progressed well with their studies and are proving to be valuable members of our team

Training and development

Council is committed to supporting staff to learn, grow and embrace new opportunities. As a small council, continuous improvement is fundamental to the success of our organisation. The training and development of employees is integral to the application and maintenance of this process.

During the year, 111 separate learning opportunities were attended by staff. These sessions included individual and group training, with a mix of in-house and external training undertaken. The introduction of social distancing associated with COVID-19 meant much of the training access from April onwards was online learning.

New employee inductions were initially held as both group inductions and one-on-one inductions. This moved to a social distancing model following the introduction of COVID-19 restrictions.

Equal Employment Opportunity

Council is committed to ensuring that its workplaces promote equal opportunity and are free from discrimination.

Council's Equal Opportunity, Discrimination and Harassment Policy (No.112) was updated and adopted in June 2019, ensuring that Equal Employment Opportunity (EEO) principles are integral in Council's processes.

The objective of the policy is to ensure that people are treated as individuals, respected for their unique attributes and not excluded, harassed or bullied through unconscious bias, stereotypes or unlawful actions.

Council's Employee Code of Conduct further endorses equal employment opportunity and expects all employees to refrain from behaviour that could be perceived as discrimination, harassment or bullying.

Gender statistics for Council's workforce are shown in Tables 1 and 2 on page 26. 51% of Council's staff are female based on FTE, or 59% of the overall workforce based on head count, indicating that more women are engaged on a part-time basis. Mandatory induction sessions for all new staff include equal opportunity guidance.

Gender Equity

Council commenced a project titled "Promote gender equity and respectful relationships at Alpine Shire Council" in 2018/19, and continued it in 2019/20.

As part of this project, Council rolled out mandatory training for all staff in relation to Gender Equity in the workplace. The second instalment of this training was facilitated by Alpine Health in October 2019 and focused on bystander training to increase awareness and identify issues relating to equality, respect and family violence.

Employee Code of Conduct

Council's Employee Code of Conduct outlines the principles, values, standards and rules of behaviour that guide the decisions, procedures and systems that Council subscribes to. The code applies to all employees of the Alpine Shire Council, and is extended to cover contractors, staff on exchange, volunteers, work experience and graduate placements. The document supports the principle that customer service is the fundamental purpose of Council, and all staff must commit to providing competent, reliable and efficient services.

The Employee Code of Conduct was updated and adopted in May 2019, and rolled out to all staff.

Enterprise Agreement 2016

Council's Enterprise Agreement 2016 was approved by the Fair Work Commission on 9 December 2016. The agreement details the terms and conditions under which staff are employed and remunerated. The agreement featured a three-year wage freeze, and four-year job security conditions.

Employee Health, Safety and Wellbeing

Training, education and awareness

Health, safety and wellbeing training, education and awareness programs are driven by mandatory requirements and analysis of high-risk activities.

Course Category	Number of Courses	Number of Attendees
Mental health and wellbeing	5	7
Plant competency / licence	6	42
Equipment competency / licence	4	8
Other competencies / licences	2	11
Hazard / risk management	9	63
Behaviours	4	177
General OHS matters	2	2
First Aid and CPR	3	55

Health and wellbeing initiatives

Council continues to focus on the health and wellbeing of its employees. An employee assistance program is available to all employees and their families and access to this service has increased this year in response to factors external to Council operations including bushfires and COVID-19.

Council declared during the year that all its workplaces would be smoke free by 30 June 2020 and to support staff to transition to this goal, offered employees assistance to quit smoking through various programs.

Consultation

Employee engagement and consultation on health, safety and wellbeing matters occurs through a number of channels. The main consultative mechanism is Council's Health and Safety Committee, established in accordance with section 72 of the Occupational Health and Safety Act 2004, and its member health and safety representatives of the three designated workgroups. Engagement and consultation also occurs through management and departmental meetings and team toolbox meetings.

Incidents and injury management

There were 86 incidents reported during the year: 21 general incidents, 13 near misses, 34 hazards and 18 injuries. Of the 18 injuries, 3 resulted in lost time of a total 14.3 days and only one of the lost time injuries resulted in an above threshold WorkCover Claim. Council is committed to positive return-to-work outcomes by working closely with injured employees and their treating practitioners to find suitable or modified duties while they recover with the aim of returning to full duties.

Table 1: Total staff FTE by department (30 June 2020)

Directorate		Corporate					Assets				
Department	Executive (incl CEO, Directors and staff)	Building and Amenity	Corporate	Customer and Digital Projects	Facilities	Planning	Asset Development	Asset Maintenance	Bushfire Recovery	Economic and Community Development	Total
Permanent – FT – F	3.0	1.0	1.0	2.0	1.0	1.0	1.0	4.0		1.0	15.0
Permanent – FT – M	1.0	2.0	2.0		1.0	3.0	1.0	29.0	1.0		40.0
Permanent – FT – vacant								1.0			1.0
Permanent – PT – F	0.8	2.8	8.6	1.3	3.4		0.8			5.2	22.9
Permanent – PT – M	1.0	1.2			0.5	0.8	0.9			0.6	5.0
Permanent – PT – vacant					1.0	0.6	0.2	0.4			2.2
Temporary* – F	0.0	0.0	1.7	0.8	0.5	0.0	0.8	0.6	1.0	0.5	5.9
Temporary – M	0.0	0.6	0.0	0.0	1.5	0.0	0.8	1.2	0.0	0.0	4.1
Temporary – vacant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.5
Casual – F			1.0	0.5	2.6		0.4		0.6	1.9	7.0
Casual – M					0.5			0.3			0.8
Casual – vacant			0.1		0.7						0.8
Totals by Department	5.7	7.6	14.4	4.6	12.6	5.4	5.9	37.0	2.6	9.2	105.1
Totals by Directorate	5.7	44.7					54.7				

FT = Full Time; PT = Part Time; F = Female; M = Male

* Temporary positions include backfill positions such as maternity leave, and short-term contract staff.

Table 2: Summary of FTE categorised by employment classification and gender (at 30 June 2020)*

	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Other**	Totals
Female	0.7	1.5	9.1	8.4	12.2	9.2	2	1	6.5	50.6
Male	0.3	1.5	15.7	7.3	5.2	6.8	4.8	0.6	6.8	49.0
Vacant		0.5	2.2	0.1	0.5	1.4	0.2		0.6	5.5
Total	1.0	3.5	27.0	15.8	17.9	17.4	7.0	1.6	13.9	105.1

* Includes all permanent, temporary and casual positions at 30 June 2020.

** 'Other' includes CEO, Directors, Managers, Maternal Child Health Nurses and school-based trainees.

Volunteers

Volunteers play a crucial role in the delivery of various services provided by Council, including our visitor information services, the L2P program, youth programs, facilities management, library programs, and advisory committees.

Council appreciates the role undertaken by its many volunteers, and acknowledges that without their assistance, there would be many services which could not be provided. Much of the work done by Council's dedicated volunteers provides vital support and expertise to assist the Alpine Shire community. Two of Council's larger volunteer programs include:

L2P program

The L2P Learner Driver Mentor program is funded by the Traffic Accident Commission (TAC) and delivered by Council in conjunction with community volunteers acting as supervising drivers /mentors.

The Program funding model and management of the program changed at the commencement of the 2020 financial year and is now being managed under the Department of Transport, with the view to improve governance and accountability.

The criteria for access to the program is; age, 16 to 21 (in some cases over 21 if deemed appropriate by the Program Coordinator), have a learner's permit, not have or have limited access to a supervising driver and/or motor vehicle, or financial hardship.

The learner drivers may also have other forms of disadvantage other than transport, i.e. mental health issues, lack of suitable housing, family breakdown, disability, poverty, CALD - culturally and linguistically diverse, indigenous, teen parents or a combination of some of these.

Volunteers have access to 3 program vehicles located in the townships of Myrtleford, Bright and Mount Beauty. Alpine Shire Council has provided 2 of these vehicles and the remaining vehicle was sponsored by the Community Bank Mount Beauty & District, Upper Kiewa Valley Lions Club Inc and the Wangaratta Motor Group.

Program outcomes were significantly hindered as a result of the bushfire-related State of Emergency declared in January 2020, and again in mid-March with the cancellation of the program due to the coronavirus pandemic.

During the year the program had 17 active mentors who accumulated 593 volunteer driving hours and coordinated 41 professional driving lessons to learners.

The program is funded to support 20 young people over a 12 month period. Outcomes included support for 24 learners with 11 learners successfully gaining their probationary licence.

Alpine Ambassadors

The Alpine Ambassador volunteer program is of great benefit to the success of Council's three visitor information centres. All 60 Ambassadors enable Council to deliver a much greater level of service when assisting visitors. By sharing their local knowledge and positive experiences, they encourage visitors to stay longer, spend more and return to visit again.

A challenging year saw the temporary closure of the visitor information centres, however Ambassadors have remained positive and are looking forward to welcoming visitors back to the Alpine Shire.

Awards and recognition

Awards presented to the community

The awards presented each year recognise residents that are making a valuable contribution to their community. Nominations are made by persons that wish to recognise the good work being done in their local neighbourhood. Awards are presented to individuals and organisations. Business and tourism awards have been held previously, and were replaced with a Celebration of Business in 2018.

Australia Day

Australia Day allows us to celebrate community members that are making a difference. The Citizen of the Year is selected from among the winners of the Young Achievers and Achievers of the Year in each of the three districts. Winners in January 2019 were:

Alpine Shire Citizen of the Year: Nick Brown

Local Achiever of the Year:

Bright and District – Graham Gales

Myrtleford and District – Gail Cresswell-Dawson

Kiewa Valley – Nick Brown

Local Young Achiever of the Year:

Bright and District – Matilda Manning

Myrtleford – Liam MacGowan

Kiewa Valley – Axel Mero

Community Event of the Year:

1st Bright Cub Scouts: Project Platypus

Community Organisation of the Year:

Riding Develops Ability Myrtleford

Lifetime Achievement Award:

Hazel Riordan

Youth Awards

The annual youth awards recognise the contribution and achievements of local young people within the Shire. Coordinated by a team of enthusiastic young people, these awards acknowledge and thank 12 – 21 year olds that have lived, worked or studied in the Alpine Shire.

Youth award winners in September 2018 were:

Academic:	Rory Miller
Performing Arts:	Axel Mero
Visual Arts & Media:	Dylan Jenkins
Community:	Taneka Mackay
Endurance & Persistence:	Tovah Harley-Wilson
Rural:	Jack Quinn
Sport:	Jackson Griffiths
Workplace:	Mitch Leist
Alpine Shire Award:	
12 - 16 years:	Ash Forrer and Tommi Silvester
17 - 21 years:	Matilda Manning

Performance report

Corporate Planning and Reporting Framework

Every council in Victoria is required by the *Local Government Act 1989* to produce a Council Plan following each council election. The Alpine Shire Council Plan 2017-2021 was initially developed following the October 2016 Council election. This was the first time that the Municipal Health and Wellbeing Plan was incorporated in the Council Plan, combining two of Council's key plans together in the one document.

The Council Plan is a strategic document, detailing the desired outcomes for the four years following the elections. Annual commitments to the Council Plan are detailed in Council's Budget.

Council utilises a Long Term Financial Plan (LTFP) which projects Council's required resources (both financial and non-financial) over the next ten years. The Strategic Resource Plan details the first four years of the LTFP and is included as part of the Council Plan.

The Council Plan is reviewed each year in June – the current Annual Report is reporting against progress in the Alpine Shire Council Plan 2017-2021 (review 2019).

Council Plan

The 2017-2021 Council Plan (review 2019) has seven strategic objectives:

1. **A high performing organisation**
2. **A responsible and sustainable organisation**
3. **Incredible places for our community and visitors**
4. **Infrastructure and open space that our community is proud of**
5. **Highly utilised and well managed community facilities**
6. **A well planned and safe community**
7. **A thriving and connected community**

The Council Plan also includes strategies for achieving these strategic objectives, and strategic indicators for monitoring achievement of them. The document also contains a Strategic Resource Plan, which documents Council's resources required to deliver the Council Plan (both financial and non-financial) over the next four years.

Performance

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

- Results achieved in relation to the strategic indicators in the Council Plan.
- Progress in relation to the major initiatives identified in the Budget.
- Highlights from projects and 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.

Several of Council's strategic indicators in the Council Plan are sourced from the service performance indicators and measures. These have been identified to reduce duplicate reporting.

Local Government Planning and Reporting

2019/20 is the sixth year that all councils across Victoria will report against the prescribed Service Performance, Financial Performance, Sustainable Capacity indicators, and Governance and Management checklist contained within the *Local Government (Planning and Reporting) Regulations 2014*.

Results for these measures are found throughout the following sections under the headings "Service Performance Indicators". Further reporting is found in the "Governance and Management checklist" on page 65 and in the Performance Statement on page 139.

Strategic Objective:

1. A high performing organisation

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2019/20 Budget which contribute to the 2017-2021 Council Plan (review 2019):

Initiative / Indicator	Major initiative?	Progress to 30 June 2020
<i>Strategy: Advocate for the community on key issues</i>		
Conduct advocacy to all levels of government, and to key groups within the North East and Hume region.	No	The substantial impact of the January 2020 bushfires on the Alpine Shire meant that one quarter of the Shire was burnt (both public and private land), with an estimated \$90m impact on the local tourism industry during the normally busy school holiday period in January. Council kept both State and Federal government representatives regularly up to date with issues affecting the community, advocating strongly for the community. Council continued to advocate to all levels of government and key organisations within the North East throughout the year.
<i>Strategy: Build a skilled organisation with a positive culture</i>		
Provide mandatory and targeted training to staff	No	111 training opportunities were provided to staff during 2019/20, through a mix of group training sessions and individual learning opportunities. Following the introduction of COVID-10 social distancing, much of the training was delivered online. A total of 353 staff received training across all sessions.
<i>Strategy: Communicate and engage with stakeholders</i>		
Council website refresh phase II	Yes	Council's new website was launched on 2 August 2019. Phase II will see the introduction of an improved customer experience, which is linked with the Business Systems Transformation Project. Significant work was conducted during 2019/20, with Phase II of the website being rolled out in mid-2020/21.
<i>Strategy: Lead and govern with integrity</i>		
No initiatives in 2019/20		

Services provided to the community

The Councillors and Executive department is responsible for delivery of this service area, which includes councillor support, all human resources support, marketing and communications activities, and advocacy activities.

The following information details the key services provided to the community, and relevant key highlights and deliverables during the year.

Mount Buffalo

Council welcomed the Victorian Government's announcement of \$1.5m of funding million towards the development of 'eco pod' accommodation on Mount Buffalo and the instigation of an Expression of Interest process to seek private investment to establish a café within the iconic Mount Buffalo Chalet. Both of these are priority concepts identified in the Mount Buffalo Business Case Assessment and Activation Report, which was a key output of the Mount Buffalo Activation Taskforce.

Establishing a café will reconnect people to the chalet, build confidence in the community, business operators and potential investors. Council has advocated strongly for Government investment in this concept and worked closely with community, Taungurung Clans Aboriginal Corporation and government agencies to achieve the desired outcome.

Council continued to make progress on a proposed planning scheme amendment to permit previous uses of the Chalet, including the establishment and operation of café.

Local Government Act 2020

The new *Local Government Act 2020* (LGA 2020) was developed through an extensive consultation process to revitalise local democracy, boost council innovation and efficiency, and establish a clear, simple and accessible Act. In particular, the reformed Act aims to reduce the legislative burden of the requirements of the *Local Government Act 1989*, and is based on principles encompassing community engagement, public transparency, strategic planning, financial management, service performance, and overall governance.

The LGA 2020 received Royal Assent through the Victorian parliament in mid-March 2020. The Act is to be implemented in a phased approach through to July 2021, with four major stages including Governance, Elections and Integrity, Strategic Planning, and Operational provisions and associated requirements.

Council commenced detailed work on the implementation of the LGA 2020 and appointed an external resource to

assist with overall project planning in 2019/20.

Implementation will continue to require ongoing support from in-house and external resources.

Rate relief and fee relief following bushfires

At the ordinary council meeting held on 3 March 2020, Council endorsed the following measures to support residents affected by the January 2020 bushfires.

Rate relief

Rate relief was provided for properties burnt and businesses affected by bushfires in the Shire during the 2019/20 financial year, as follows:

- One quarter of the rates as levied for the 2019/20 financial year were waived without for properties covered by the Commercial / Industrial Differential Rate policy – non-vacant, Dinner Plain Special Rate, and Farming Differential Rate policy - non-vacant (only for commercial wineries / vineyards).
- The rates as levied for the 2019/20 financial year were waived without application in the 2019/20 financial year for other properties that were directly impacted (burnt).

Council acknowledged that other businesses impacted by the January 2020 bushfire were eligible to apply for a waiver of one quarter of the rates as levied for the 2019/20 financial year. Council reserved the right to require applicants to provide or verify further particulars

Fee relief

Fee and charges relief was provided for residents and businesses in the Shire during the 2019/20 financial year to assist people with damaged or destroyed property as well as businesses indirectly affected by the fires, as follows:

- A fee of zero dollars (\$0.00) was applied for registrations and permit applications under the *Food Act 1984*, *Public Health and Wellbeing Act 2008*, *Residential Tenancies Act 1997* and *Community Local Law 2019*, in the 2019/20 financial year.

- A refund of any fees already paid under the *Food Act 1984*, *Public Health and Wellbeing Act 2008*, *Residential Tenancies Act 1997* and *Community Local Law 2019*, in the 2019/20 financial year.
- The payment of building and planning fees by Council on behalf of the applicants, under the *Building Act 1993* and *Planning and Environment Act 1989* for rebuilding only those assets directly impacted by the January 2020 bushfires, for applications made prior to 30 June 2021.

Rate and fee relief funding was made available to Council through the Victorian government's Council Assistance Fund.

Community Satisfaction Survey 2020

The Community Satisfaction Survey is an annual survey coordinated by Local Government Victoria. The survey consists of a phone interview with 400 residents of each municipal area, which asks a suite of core questions across each council. State-wide and similar size councils are grouped to provide averages to allow each council to gauge its performance.

The survey was conducted in early March in the Alpine Shire – a postponement due to the impact of January 2020 bushfires.

Top performing areas

- Sealed local roads
- Consultation and engagement

Lower performing areas

- Lobbying and community decisions:

Customer Service

- Council's customer service index score of 65 is a four-point decrease compared to 2019, and significantly lower than both the Small Rural and State-wide averages (both 70).
- Council is implementing new customer facing systems in the coming year, and will continue to engage with the community and focus on improving customer service during 2020/21.

Community Satisfaction Survey Results 2020

Performance Measures – Index Scores	Alpine 2020	Alpine 2019	Alpine 2018	Small Rural 2020	State-wide 2020
Overall Performance	60*	60	62	56	58
Community Consultation <i>(Community consultation and engagement)</i>	57*	56	62	54	55
Advocacy <i>(Lobbying on behalf of the community)</i>	55*	56	57	52	53
Making Community Decisions <i>(Decisions made in the interest of the community)</i>	56**	59	60	53	53
Sealed Local Roads <i>(Condition of sealed local roads)</i>	61**	64	60	51	54
Customer Service	65°	69	70	70	70
% respondents having contact with Council	62%	59%	63%	66%	63%
Overall Council Direction	52	54	59	50	51

+ Alpine's result is significantly higher than State-wide Average

* Alpine's result is significantly higher than Small Rural Average

° Alpine's result is significantly lower than State-wide Average and Small Rural Average

Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Governance					
Transparency					
Council decisions made at meetings closed to the public*	0.4%	0.0%	1.5%	1.4%	Social distancing restrictions did not impact on the proportion of decisions made at meetings closed to the public.
<i>[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100</i>					
Consultation and engagement					
Satisfaction with community consultation and engagement	56	62	56	57	Council will be reviewing its approach to community engagement in collaboration with the community through the development of a Community Engagement Policy in 2020/21 in line with the requirements of the <i>Local Government Act 2020</i> .
<i>Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement</i>					
Attendance					
Councillor attendance at council meetings*	90.8%	90.1%	91.2%	93.4%	
<i>[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</i>					
Service cost					
Cost of governance	\$34,805	\$34,348	\$32,508	\$36,674	Cost of elected representation has increased in 2019/20, primarily due to a temporary increase in payments to the mayor and councillors. This was due to an Order made by the Governor in Council under s74B of the <i>Local Government Act 1989</i> on 9 January 2020, that applied to Alpine, East Gippsland, and Towong Shire Councils in recognition of the increased demand relating to the 2020 bushfires. The Order required a 100% increase in mayoral allowances, and a 50% increase in councillor allowances, for a period of 90 days (January - March 2020).
<i>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]</i>					

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Governance					
Satisfaction					
Satisfaction with council decisions <i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i>	57	60	59	56	Community satisfaction with Council decisions fell slightly compared to the previous year, however performance remains higher than both the State-wide and Small Rural Council averages (both 53). Council's upcoming review of its approach to community engagement will have an objective of improving satisfaction with Council decisions.

* Also identified as Council Plan Strategic Indicators

⁺ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Strategic Indicators

Indicator*	Comparative result 2018/19	Result 2019/20
Staff turnover as a percentage of permanent staff numbers ^o	14.4% turnover of permanent staff in 2018/19	11% turnover of permanent staff in 2019/20 (see Performance Statement for more details)
Community satisfaction with community consultation and engagement	Index score of 56 in 2019, in line with Small Rural and State-wide council averages.	Index score of 57 in 2020, in line with the State-wide council average and significantly better than the Small Rural Councils average.

⁺ Previous year data is presented where available to demonstrate trends in results.

^o Indicates that these are also Financial Performance Indicators within the Local Government Performance Reporting Framework. See 'Financial Performance Indicators' tables in the Performance Statement on page 139 for further explanation of results.

* Refer to "Service Performance Indicators" for additional Strategic Indicators marked with an asterisk *

Strategic Objective:

2. A responsible and sustainable organisation

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2019/20 Budget which contribute to the 2017-2021 Council Plan (review 2019):

Initiative / Indicator	Major initiative?	Progress to 30 June 2020
<i>Strategy: Balance financial, economic and community outcomes</i>		
No initiatives in 2019/20		
<i>Strategy: Identify and manage Council's risk</i>		
IT governance framework and IT risk controls	No	Council's Protective Data Security Framework and Information Security Policy were completed during 2019/20. Consultants were engaged to conduct a Data Protection and Governance project, which is due to be completed in September 2020.
Review of Health and Safety systems	No	Council completed a review of its Health and Safety System and a new framework and set of documentation is in place. Rollout and embedding is to occur in 2020/21.
<i>Strategy: Manage our financial resources sustainably</i>		
No initiatives in 2019/20		
<i>Strategy: Provide an excellent customer experience</i>		
Customer request management system	Yes	Joint implementation of the Business Systems Transformation project (Project Pinnacle) commenced in conjunction with Indigo and Towong Shire Councils, to deliver a customer request management system, planning, building and local laws system, and a property, rates and receipting system. The preferred vendor was awarded in mid-2019/20, with the project due for delivery in November 2020.
Planning, Building and Local Laws system	Yes	
Property, Rates and Receipting system	Yes	

Services provided to the community

The Corporate department is responsible for delivery of this service area, which manages the supporting functions to help Council to deliver services in an efficient, effective and safe manner. This includes financial control and planning, revenue collection, information and communication technology, customer service, governance and risk management.

The following information details the key services provided to the community, and relevant key highlights and deliverables during the year.

Business Systems Transformation

Project Pinnacle is a business systems implementation project that Council is undertaking with two neighbouring councils, Indigo Shire Council and Towong Shire Council. After completing a collaborative procurement process, the three Councils are now jointly implementing a modern, cloud-based enterprise solution based on the shared objectives of delivering a frictionless customer experience and improving internal efficiencies.

Better Approvals Project

Council successfully completed the Better Approvals Project that was funded by Small Business Victoria. The Better Approvals Project engaged several areas of Council including the planning, building, local laws, events and customer service team to design a dramatically improved process for small business customers to navigate the approvals process and shorten the time required to obtain approvals on their permits. More than 30 Councils across Victoria have successfully implemented this project. Every business or event applicant now has a single point of contact within Council to help them navigate the process of obtaining multiple permits from different Council departments.

Health and Safety management

A review of Council's Health and Safety Management System (HSMS) has been underway and a new formalised HSMS documentation framework has been prepared to govern Council's health and safety processes, inputs and outputs, including operational manuals, forms, registers, plans, instructions and associated documentation. Rollout will continue into FY20/21 and is expected to be complete by December 2020.

Awards

Based on the collaborative procurement of enterprise business systems with Indigo and Towong Shire Councils, Council was announced as a finalist for the MAV Tech Awards for Excellence in the categories of Strategy / Planning and Collaboration. The winner is due to be announced in October 2020.

Strategic Indicators

Indicator*	Comparative result 2018/19	Result 2019/20
Lost time injury frequency rate <i>(as defined by Australian Standard 1885.1 – 1990)</i>	Lost time injury frequency rate was 36.15 hours lost per million hours worked in 2018/19.	Lost time injury frequency rate was 16.7 hours lost per million hours worked in 2019/20.
Overall financial sustainability risk rating <i>(based on Net Result as reported in Victorian Auditor General annual Local Government Audits)</i>	Net result forecast for 2017/18 reported as 22.40% - "Green" according to Results of 2017-18 Audits: Local Government" published by VAGO in December 2018. Green for net result is defined as "More than 0% - generating surpluses consistently". 2019/20 data will be published in November / December 2019.	Net result forecast for 2018/19 reported as 7.63% - "Green" according to Results of 2018/19 Audits: Local Government" published by VAGO in November 2019. Green for net result is defined as "More than 0% - generating surpluses consistently". 2019/20 data will be published in November / December 2020
Percentage of planned hazard inspections undertaken	16 planned hazard inspections were undertaken (89%) in 2019/20.	12 planned workplace hazard inspections were undertaken (67%) in 2019/20.
Ability to pay debts ^o : Non-current liabilities as a percentage of own source revenue	21% in 2018/19.	20% in 2019/20.
Available revenue ^o : Adjusted underlying surplus (or deficit) as a percentage of underlying revenue	-6% in 2018/19.	17% in 2019/20.
Working capital ^o : Current assets as a percentage of current liabilities	349% in 2018/19.	373% in 2019/20.
Community satisfaction with customer service provided	69 in 2018/19.	69 in 2019/20.

^o Indicates that these are also Financial Performance Indicators within the Local Government Performance Reporting Framework. See 'Financial Performance Indicators' tables in the Performance Statement on page 141 for further explanation of results.

Strategic Objective:

3. Incredible places for our community and visitors

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2019/20 Budget which contribute to the 2017-2021 Council Plan (review 2019):

Initiative / Indicator	Major initiative?	Progress to 30 June 2020
<i>Strategy: Deliver Council's capital works program on time, to budget, and to the satisfaction of stakeholders</i>		
Buckland Bridge	Yes	Project timelines have been extended due to delays in obtaining authority approvals as a result of summer bushfires and COVID-19, and a newly recognised Land Use Activity Agreement (LUAA) between the Taungurung Land and Waters Council (TLaWC) and the State Government which applies to the construction area. It is anticipated that the works will commence and be completed in 2020/21.
Great Valley Trail	Yes	Refinement of alignment and planning approvals are currently underway with the aim of construction commencing in summer 2021.
Alpine Better Places - Harrietteville	Yes	The project management and design services have commenced, and the project is anticipated to be completed in 2020/21.
Alpine Better Places - Tawonga	Yes	The project management and design services have commenced, and the project is anticipated to be completed in 2020/21.
Pebble Beach footpath extension to confluence	Yes	Wet weather and site conditions have delayed the completion of the trail. The majority of the works are complete, and the path is open for use. The final sealing of the path will occur in October 2021.
Mount Beauty Skate Park upgrade	Yes	This project was completed in June 2020.
Myrtleford Indoor Sports Stadium expansion	Yes	This project was completed in September 2019, in time for the new basketball season.
Gavan Street pedestrian crossings	Yes	Construction is underway and the project is anticipated to be completed in November 2020.
Myrtleford Memorial Hall	No	Scoping and design work is currently underway for renewal works to be undertaken in 2020/21.
Dinner Plain Toboggan and Ski Run	No	This project was completed in June 2020.
Centenary Park toilets	No	This project was completed in June 2020.
<i>Strategy: Identify our community's infrastructure expectations</i>		
No initiatives in 2019/20		

Services provided to the community

The Asset Development department is responsible for delivery of this service area, which delivers the critical projects to renew, upgrade and develop Council's community assets. The area is in part subsidised by recurrent and non-recurrent grants. Deliverables from this department can be found in "Capital works summary" on page 14.

Strategic Indicators

Indicator	Comparative result 2018/19	Result 2019/20
Ratio of capital works program actually delivered compared to budgeted	114% in 2019/20.	66% actual expenditure vs. budgeted expenditure (\$6.660 million vs \$10.104 million). Figures exclude waste projects and capitalised wages. Challenges in delivering the full program included difficulty in sourcing adequately qualified project officers, as well as delays due to bushfires and COVID-19 restrictions.
Community access to our project pipeline	The community was provided access to Council's Project Dashboard in July 2018. The Project Pipeline was released to the community in December 2018. Both are available on Council's website www.alpineshire.vic.gov.au .	The community was provided access to Council's Project Dashboard in July 2018. The Project Pipeline was released to the community in December 2018. Both are available on Council's updated website www.alpineshire.vic.gov.au .

Strategic Objective:

4. Infrastructure and open space that our community is proud of

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2019/20 Budget which contribute to the 2017-2021 Council Plan (review 2019):

Initiative / Indicator	Major initiative?	Progress to 30 June 2020
<i>Strategy: Maintain Council's parks, trees and reserves</i>		
No initiatives in 2019/20		
<i>Strategy: Manage and maintain Council infrastructure</i>		
Deliver maintenance programs for civil infrastructure	No	All cyclical maintenance relating to civil infrastructure was undertaken during the year, including inspections and maintenance. Proactive works relating to roads requiring re-sheeting were scoped and commenced. All customer requests were actioned and completed.
Undertake activities in accordance with Road Management Plan (RMP)	No	Road management works identified through network inspections were programmed and completed within targeted timeframes.
<i>Strategy: Prepare for and assist in the response to emergency events</i>		
Undertake activities in accordance with Municipal Emergency Management Plan (MEMP)	No	A Fire Prevention Officer was engaged, and associated fire prevention inspections were undertaken. Bushfire recovery works are underway. Works were completed on subplans within the MEMP.
<i>Strategy: Understand and plan for Council's asset renewal requirements</i>		
Asset management system	Yes	Council engaged an additional officer to address asset management and valuation priorities during 2019/20. Revaluations of specific asset classes were completed in line with audit requirements.
Chain of responsibility solutions	Yes	Priority works were completed within the available budget.

Services provided to the community

The Asset Maintenance department is responsible for delivery of this service area, which includes oversight and maintenance of local roads, bridges and drainage, footpaths, open spaces, building maintenance, depot operations, and emergency management.

The following information details the key services provided to the community, and relevant key highlights and deliverables during the year.

Completion of Oaks Lawn Precinct Pioneer Park, Bright

This event space was constructed by Council's Asset Maintenance staff in partnership with in-kind support by the Brighter Days Committee and the Australian Defence Force with an initial budget of \$60,000.

Works started in mid-2019 with the demolition of the old BMX track and the formation of a suitable soil profile and growing media to sustain turf growth with the installation of an automatic irrigation system supplied by bore water, bollards and potable water for event use.

The project was completed in early 2020 in time for the Brighter Days Festival and the Katy Perry Concert to aid Community Bushfire Recovery.

Building Maintenance

Council proactively utilised the period of Stage 3 COVID-19 restrictions and associated closures of Visitor Information Centres (VICs) in Bright and Mount Beauty, to undertake extensive work including: carpet replacement, split system installation, interior and exterior cleaning, window tinting, painting, wall and ceiling repairs. Improvements to exterior gardens were also made.

Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Roads					
Satisfaction of use					
Sealed local road requests <i>[Number of sealed local road requests / Kilometres of sealed local roads] x100</i>	42.2	44.8	37.9	45.0	The number of sealed local road requests returned to a more usual pattern in 2019/20, following a drop in the previous year. 50% of all requests related to drainage, with the remaining 50% relating to the road surface including pot-holes and line marking.
Condition					
Sealed local roads maintained to condition standards (previously "Sealed local roads below the intervention level") <i>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100</i>	99.4%	99.1%	99.1%	98.8%	
Service cost					
Cost of sealed local road reconstruction <i>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]</i>	\$170.80	\$66.25	\$42.67	\$53.66	Reconstruction cost increased compared to the previous year due to the Standish St (Myrtleford) project where 1845m ² was reconstructed. Of this there was 153m ² of concrete pavement, as well as 60m of kerb & channel and an asphalt wearing course. The costs also included site establishment and traffic management costs.
Service Cost					
Cost of sealed local road resealing <i>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]</i>	\$5.40	\$6.18	\$6.13	\$11.44	Resealing costs increased compared to the previous year, due to an increase in asphalt overlays used in 2019/20. The Standish St (Myrtleford) project used 2210m ² of asphalt overlay, and the reseals program used 2695m ² of asphalt overlay.
Satisfaction					
Satisfaction with sealed local roads* <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>	57	60	64	61	Community satisfaction with sealed local roads fell slightly compared to the previous year, however performance remains strong compared to both the State-wide average (54) and Small Rural Council average (51).

** Also identified as Council Plan Strategic Indicators*

+ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Strategic Indicators

Indicator*	Comparative result 2018/19	Result 2019/20
Audit of the Municipal Emergency Management Plan (MEMP)	Council's Municipal Emergency Management Plan (MEMP) was endorsed by Council at the Council Meeting held on 7 August 2018. A successful audit of the MEMP was completed on 25 September 2018.	Council's Municipal Emergency Management Plan (MEMP) is audited every three years, with the most recent successful audit conducted in 2018. The MEMP will be updated prior to the next audit due in 2021.

** Refer to "Service Performance Indicators" for additional Strategic Indicators marked with an asterisk **

Strategic Objective:

5. Highly utilised and well managed community facilities

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2019/20 Budget which contribute to the 2017-2021 Council Plan (review 2019):

Initiative / Indicator	Major initiative?	Progress to 30 June 2020
<i>Strategy: Align services with community expectations</i>		
Kerbside organic waste collection survey	No	Council undertook a Food Organics and Garden Organics (FOGO) community survey in late June 2019. Following release of the Victorian government's Circular Economy Policy, the review of the FOGO community survey was finalised and presented to Council in April 2020. The Victorian government requires Councils to develop transition plans for a 4-stream separation of materials for households - as a result Council is now working on the modelling of the introduction of not only a FOGO service but also a glass collection service.
<i>Strategy: Deliver quality services for our community</i>		
Libraries RFID implementation	Yes	Implementation of RFID is near completion across all library branches. Myrtleford and Mount Beauty Libraries are 100% complete and Bright is 50% complete, with finalisation expected during August 2020.
<i>Strategy: Soundly operate and manage community facilities</i>		
Porepunkah landfill rehabilitation	Yes	A Request for Quotation relating to redesign and capping of stages 2 & 3 of the Porepunkah landfill was issued. Review of submissions and award of this contract will be completed in early 2020/21.
E-waste infrastructure	Yes	Construction of e-waste sheds at transfer stations was completed.
Operate Visitor Information Centres, seasonal pools and sports centres	No	Operations of Council facilities were disrupted due to the January 2020 bushfires and COVID-19 restrictions. Services have at times been temporarily halted and/or modified to ensure COVID-Safe operating procedures and guidelines were being met.
Deliver library programs to engage patrons	No	Delivery of library services was impacted due to bushfires and COVID-19 restrictions. The libraries adapted by implementing "click and collect" from local branches and have shifted focus towards e-Resources. Several new e-Resources have been made available including FindMyPast, PressReader and eComics. E-Resources are being promoted on a regular basis via Council's social media channels. The physical libraries have strong COVID-19 mitigations in place once allowed to reopen.

Services provided to the community

The Facilities department is responsible for delivery of this service area, which oversees aerodromes, property management, recreation facilities, school crossings, swimming pools, visitor information centres, and waste and recycling across the Shire. The Corporate department delivers library services.

The following information details the key services provided to the community, and relevant key highlights and deliverables during the year.

Facility closures due to bushfires

January saw major bushfires affect operations of numerous Council facilities. Changes to opening hours, closures of facilities and changes to service delivery models needed to be made at short notice due to the impact on fires in Alpine Shire.

Facility closures due to COVID-19

The COVID-19 pandemic created significant challenges for the delivery of services by the Facilities Department. Workplace changes including restrictions on access, social distancing and hygiene measures had to be introduced at short notice. Depending on State government staged restrictions operation of some facilities have ceased, reopened and ceased, requiring the stand down of some staff and redeployment of others.

Libraries

Despite setbacks through the bushfire season and COVID-19 restrictions our library services have rapidly adapted. Click and collect services have been available during the strictest restriction periods and robust social distancing and hygiene measures have been put in place. A portion of funding has been diverted towards purchasing additional electronic library resources such as eBooks, eAudio, eComics and popular databases such as FindMyPast and PressReader, and many of our patrons are now enjoying these resources without having to leave their homes. The library is also working in collaboration with the BeConnected initiative to support the community's digital literacy skills. Electronic resources continue to be promoted through Council's social media channels.

Kerbside FOGO survey undertaken

A survey was prepared and undertaken across Councils residence to determine the level of support for and issues associated with the introduction of a kerbside food organics, garden organics (FOGO) collection service. The survey was completed by over 2000 people and the findings and recommendations were presented to Council.

Waste Wise Events

A Waste Wise Events Guide was developed to assist event organisers to minimize waste to landfill and use of single use plastics. Extensive research and engagement with event organisers and Councils events team was undertaken to identify best practice and realistic transition processes to achieve these goals. The outcome is a Waste Wise Event Guide including a support tool kit and Event Waste Management Plan to be completed by event organisers for review and feedback/approval by Council.

Structural Issues at Bright Sports Centre

Structural issues were identified at the Bright Sports Centre in late 2019, which resulted in the temporary closure of part of the building. The squash courts and spin room were closed and access to the group exercise room was restricted. Assessment of the cause, nature and extent of the issue was undertaken over a period of a number of months. When the centre was not closed due to COVID-19 restrictions it was operating on a partially limited basis only. These structural issues in combination with the uncertainty introduced by COVID-19 have also resulted in the delay in progressing to a contract management operating model for the centre.

Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Aquatic Facilities					
Service standard					
Health inspections of aquatic facilities <i>[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]</i>	1.0	0.3	1.7	0.33	Due to appointment of a pool coordinator this year, Environmental Health staff spent time ensuring that routine pool testing capabilities were sufficient at the start of the season, and were intending to undertake inspections part way through the season. However, due to bushfire and early pool closures, these inspections were not completed. However, robust procedures for water testing are in place with pool staff, and as such the risks are considered minimal.
Utilisation					
Utilisation of aquatic facilities* <i>[Number of visits to aquatic facilities / Municipal population]</i>	3.2	3.1	2.4	2.3	Pool attendance has been greatly impacted in 2019/20 due to Bushfires in January 2020, and COVID-19 restrictions from March 2020 onwards. Outdoor pool bookings would normally include swimming classes, water aerobics, visiting athletics groups, school holiday programs, and pool parties. In Mount Beauty and Myrtleford many of these were cancelled due to fires / air quality (smoke) closures in January and February. The timing for many school groups was also affected. COVID-19 restrictions have also led to the closure of the indoor pool at Bright Sports Centre.
Service Cost					
Cost of aquatic facilities* <i>[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]</i>	New in 2020	New in 2020	New in 2020	\$8.33	Note: from 2020, this indicator replaced two previous indicators: 'Cost of indoor aquatic facilities' and 'Cost of outdoor aquatic facilities'. While there is no direct comparison for this result compared to previous years, Council anticipates that cost per visit may be higher in 2019/20 compared to future years, due to the negative impact on visitation and income due to January 2020 bushfires, and COVID-19 restrictions from March 2020 onwards.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Libraries					
Utilisation					
Physical library collection usage <i>[Number of physical library collection item loans / Number of physical library collection items]</i>	2.6	2.6	2.5	2.8	Physical resource loans dropped by 15% in Q4 of 2019/20 due to bushfires, social distancing restrictions and library closures, however throughout the year Council undertook significant weeding of the collection, removing 25% of dated stock. As a result, the overall usage of the collection has experienced an increase. It is noted that due to library closures some funds were diverted towards electronic resources which experienced an uptick in popularity and are not counted here."
Resource standard					
Recently purchased library collection <i>[Number of library collection items purchased in the last 5 years / Number of library collection items] x100</i>	58.8%	59.4%	58.8%	59.6%	Substantial weeding of dated items has taken place in 2019/20, resulting in an improved standard of the library collection. It is noted that library closures due to COVID-19 resulted in a decision to put a temporary hold on ordering and receiving new physical items, and as such this metric may be lower than it would be if we had continued to receive new items.
Participation					
Active library members* <i>[Number of active library borrowers in the last 3 financial years / The sum of the population in the last 3 financial years] x100</i>	20.7%	20.0%	18.8%	18.4%	The number of active library users has dropped slightly compared to the previous year. This is likely due to bushfires, library closures and social distancing measures impacting on services in 2019/20. Note: from 2019/20 onwards, this measure reflects the average number of active library borrowers over three years, while previous years' data was a measure of that year only.
Service cost					
Cost of library service* <i>[Direct cost of the library service / Population]</i>	New in 2020	New in 2020	New in 2020	\$25.84	Note: The cost of library services per population is a new measure in 2019/20, so there is no previous data to compare to. Overall, costs have reduced in 2019/20 compared to the previous year, however library access hours were impacted by closures due to bushfires and COVID-19 during 2020.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Waste Collection					
Satisfaction					
Kerbside bin collection requests	87.6	85.1	84.5	79.9	
<i>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000</i>					
Service standard					
Kerbside collection bins missed*	1.5	1.6	1.5	1.5	
<i>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000</i>					
Service cost					
Cost of kerbside garbage bin collection service	\$136.85	\$101.69	\$119.82	\$113.28	
<i>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]</i>					
Service cost					
Cost of kerbside recyclables collection service	\$44.30	\$60.42	\$63.46	\$61.17	
<i>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]</i>					
Waste diversion					
Kerbside collection waste diverted from landfill*	49.6%	45.9%	39.4%	40.4%	
<i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>					

* Also identified as Council Plan Strategic Indicators

+ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Retired Service Performance Indicators

The following measures were retired from the Local Government Performance Reporting Framework (LGPRF) on 1 July 2019 and are no longer part of the LGPRF from 2019/20.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Aquatic Facilities					
Health and Safety					
Reportable safety incidents at aquatic facilities <i>[Number of WorkSafe reportable aquatic facility safety incidents]</i>	0	0	0	N/A	This indicator was retired on 1 July 2019.
Service cost					
Cost of indoor aquatic facilities* <i>[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]</i>	\$7.65	\$9.46	\$8.63	N/A	This indicator was retired on 1 July 2019. It has been replaced by "Cost of aquatic facilities".
Service Cost					
Cost of outdoor aquatic facilities* <i>[Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]</i>	\$7.13	\$7.96	\$8.80	N/A	This indicator was retired on 1 July 2019. It has been replaced by "Cost of aquatic facilities".
Libraries					
Service cost					
Cost of library service* <i>[Direct cost of the library service / Number of visits]</i>	\$3.03	\$3.25	\$3.72	N/A	This indicator was retired on 1 July 2019. It has been replaced by "Cost of library service", which is now a measure of cost / population, rather than cost / visit.

Strategic Indicators

The following Strategic Indicators from the 2017-2021 Council Plan (review 2019) have changed as a result of the LGPRF changes, as outlined in 'Retired Service Performance Indicators' above. The new results can be found in 'Service Performance Indicators' in this section.

Indicator	Commentary 2019/20
Cost of indoor aquatic facilities per visit*	LGPRF measure now relates to 'Cost of aquatic facilities per visit' and doesn't differentiate between indoor and outdoor.
Cost of outdoor aquatic facilities per visit*	LGPRF measure now relates to 'Cost of aquatic facilities per visit' and doesn't differentiate between indoor and outdoor.
Cost of library services per visit*	LGPRF measure now relates to 'Cost of library service per population' rather than per visit.
Percentage of the population that are active library members*	LGPRF measure now analyses the average number of active library members / population over the past three years, rather than an annual result.

Strategic Objective:

6. A well planned and safe community

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2019/20 Budget which contribute to the 2017-2021 Council Plan (review 2019):

Initiative / Indicator	Major initiative?	Progress to 30 June 2020
<i>Strategy: Enforce local laws, regulations and codes</i>		
Implement Domestic Animal Management Plan (DAMP) initiatives	No	Council worked with local vets for Desex Your Pet month and planned a number of initiatives around re-registration and compliance. However, due to COVID-19 restrictions Council was unable to implement all these planned actions, which will now take place in the lead up to re-registration time in 2021. Officers engaged with the National Desexing Network to provide low cost desexing for people with limited means. This initiative will be available to Alpine Shire residents in 2020/21.
Domestic Wastewater Management Plan (DWMP) implementation	Yes	Officers engaged with primary schools in the Shire and completed one educational session prior to COVID-19 restrictions coming into force. Implementation of an inspection regime has also been paused due to COVID-19 restrictions. Council has successfully engaged a consultant to update the wastewater database, and has successfully bid for budget to purchase water testing equipment to enable Council to undertake flexible and responsive monitoring of water quality across the Shire.
Issue permits and enforce compliance for building, local laws, and environmental health	No	Issuing of permits, and enforcement of compliance for building, local laws and environmental health was undertaken throughout the year.
<i>Strategy: Plan for and manage development to enhance liveability</i>		
Land Development Strategy	Yes	Detailed project planning for the Land Development Strategy was undertaken in the first half of 2019/20. Council decided to delay implementation of the Land Development strategy due to difficulties with undertaking engagement during COVID-19 restrictions, and to focus on delivery of an Economic Development Strategy to address short-term economic issues. Those components of the Land Development Strategy not dependent on community engagement were delivered as scheduled.
Urban design principles - Bright	No	The Bright Western Gateway Precinct Structure Plan commenced project planning and engagement concurrently with the Land Development Strategy. The project was ultimately paused due to COVID-19 restrictions, and will be impacted by delays to the Land Development Strategy. Residual engagement and finalisation of the plan will occur in 2020/21.
Issue permits and enforce compliance for statutory planning	No	Council received 229 planning applications in 2019/20, and issued 215 outcomes during this time. Median processing days for this period was 68 days, with 57% of applications completed within 60 days. The planning team evolved during the year, engaging an additional planning officer, with a new compliance function to be set up early in the next financial year. A new software system will assist in processing of applications. The team continues to focus on providing customer service and answering customer enquiries and questions, while balancing resourcing availability to process applications. The introduction of the new Better Approvals process at the end of the financial year will be further assessed and improved in 2020/21. There has been a focus on training and support of the new team members that will continue into 2020/21.

Strategy: Raise awareness and educate community about laws, regulations and codes

No activities in 2019/20.

Services provided to the community

The Building and Amenity department is responsible for delivery of this service area, which covers building services, environmental health, and local laws. The Planning department delivers statutory planning and strategic planning services. The following information details the key services provided to the community, and relevant key highlights and deliverables during the year:

Impact of Bushfires and COVID-19 on services

Many customer facing projects and initiatives have been disrupted or delayed due to the impact of the Victorian bush fires and COVID 19. However, Council's environmental health team progressed the delivery of the Domestic Wastewater Management Plan (DWMP) through providing an education session to primary school children in Mount Beauty, and commencing the integration of wastewater system data into the health team's software system. As the COVID crisis continues, DWMP actions will focus on system improvements rather than public facing activities.

Swimming pool and spa register

Council's building team successfully implemented a new Swimming Pool and Spa register and commenced inspections of pools and spas in line with new government requirements. This is an important safety initiative which will result in Council having a better understanding of pools and spas within the Shire, and over time the safety and compliance of pools and spas will be improved as they become due for inspection.

Strategic Planning

Council's Strategic Planning team made significant progress towards the reactivation of the Mount Buffalo Chalet, by progressing a planning scheme amendment for the site to allow for a café use. This project is yet not completed however Council has played a significant role in gaining agreement on the key parameters for the amendment, which is expected to be completed in 2020/21.

Local Laws

Council's Local Laws team has joined the National Desexing Program, which provides subsidised pet desexing for people who can meet various eligibility criteria. This ensures that desexing can be made available to people on lower incomes. Pets can provide an important source of comfort and can help to reduce social isolation, particularly in elderly people. This initiative will ensure that unwanted litters don't become a burden on pet owners.

Council also participated in the national Desex your pet month in July, in partnership with local vets. This provides a non-means tested subsidy for pet owners wanting to get their pets desexed during the month of July. This initiative not only assists in reducing unwanted litters of kittens and puppies, but also ensures that pets in the program are registered with Council.

Fee waivers

Council waived most fees for food and accommodation businesses during the second half of 2019/20 and 2020/21 due to the financial impact of the bushfires and COVID 19. This not only helps existing businesses absorb the financial challenges of the crises, but also reduces the barrier to new businesses opening up in the Shire.

Table 3: Planning Permits processed by Alpine Shire Council

	2015/16	2016/17	2017/18	2018/19	2019/20
Planning permit applications received / issued	241 / 259	242 / 211	276 / 284	253 / 242	243 / 239
Median processing time (days)	35	48	43	36	68
Value of works subject to planning permit	\$31m	\$26m	\$46m	\$48.8m	\$31.15m
Value of fees	\$77,666	\$176,848*	\$199,659	\$236,760	\$236,292

Table 4: Building Permits completed by Alpine Shire Council

	2015/16	2016/17	2017/18	2018/19	2019/20
Number of building permits issued	177	189	197	169	173
Value of building works approved	\$15.1m	\$24.7m	\$23.7m	\$23.3m	\$21.15m
Value of fees	\$188,164	\$277,286	\$251,498	\$254,334	\$233,570

Strategic Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments*
Animal Management					
Timeliness					
Time taken to action animal management requests <i>[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]</i>	1.1	1.0	1.1	1.3	Council's Local Laws Officers continue to respond promptly to animal management requests. While the result suggests response took slightly longer in 2019/20 compared to the previous year, this increase is caused by a small percentage of jobs that took longer to attend to. The number of animal management requests increased by 17% in 2019/20 compared to the previous year.
Service standard					
Animals reclaimed <i>[Number of animals reclaimed / Number of animals collected] x100</i>	75.9%	60.6%	60.9%	42.1%	This indicator was impacted by the use of social media - the community are very active posting lost animals on local social media pages to return them to their owners. Council officers are generally called when these social media efforts are unsuccessful, meaning the animals are less likely to be claimed by their owners. Council is proactive in rehoming animals, and if animals reclaimed and rehomed are considered together, more than 96% of all animals collected by Council find a home.
Animals rehomed <i>[Number of animals rehomed / Number of animals collected] x 100</i>	New in 2020	New in 2020	New in 2020	54.3%	Note: new indicator for 2019-20 financial year Council has an agreement with the RSPCA to assist with rehoming animals that are not able to be returned to their owners. If animals reclaimed and rehomed are considered together, more than 96% of all animals collected by Council find a home.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments*
Service cost					
Cost of animal management service	New in 2020	New in 2020	New in 2020	\$8.69	Note: indicator is replacing previous 'Cost of animal management service' which was based on cost per number of registered animals. An increase in the number of animal management requests meant that more time was spend on animal management in 2019/20 than in previous years (an increase from 42% to 52% of Local Laws Office time). This reflects an increase in total costs compared to the previous year.
<i>[Direct cost of the animal management service / Municipal population]</i>					
Health and safety					
Animal management prosecutions	New in 2020	New in 2020	New in 2020	0.0%	No animal management prosecutions were referred to court in 2019/20. (Note: indicator is replacing previous 'Animal management prosecutions' which was a measure of number, not proportion)
<i>[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100</i>					
Food Safety					
Timeliness					
Time taken to action food complaints	1.0	3.5	1.0	1.0	Council continues to action food complaints promptly.
<i>[Number of days between receipt and first response action for all food complaints / Number of food complaints]</i>					
Service standard					
Food safety assessments*	85.6%	67.4%	37.5%	56.3%	The number of food safety assessments completed reflects an improvement on the previous year, partly due to the recruitment of an additional part-time Environmental Health Officer in July 2019. The Environmental Health team continues to apply a risk-based approach to food safety assessments, ensuring that higher risk premises and non-compliances are followed up as a priority.
<i>[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100</i>					
Service cost					
Cost of food safety service	\$355.63	\$235.34	\$130.92	\$167.52	Council engaged an additional part-time Environmental Health Officer in July 2019. Bushfires and COVID-19 in 2020 resulted in many businesses closing down temporarily or reducing operational hours, this impacted on the inspection schedule and reduced time spent on delivery of food safety services.
<i>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]</i>					

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Health and safety					
Critical and major non-compliance outcome notifications <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</i>	45.5%	33.3%	82.9%	95.8%	Environmental Health staff focussed on following up non-compliance as a priority in 2019, to ensure that Environmental Health resources were appropriately allocated according to risk profiles of food premises.
Statutory Planning					
Timeliness					
Time taken to decide planning applications* <i>[The median number of days between receipt of a planning application and a decision on the application]</i>	48	43	36	68	Council's Statutory Planning department has been transitioning in a new team during a sustained busy period. Largely complex applications have taken more time to determine whilst simpler applications have maintained acceptable decision timeframes.
Service standard					
Planning applications decided within required time frames* (previously "Planning applications decided within 60 days") <i>[Number of planning application decisions made within 60 days for regular permits and 10 days for VicSmart permits / Number of planning application decisions made] x100</i>	74.7%	81.0%	71.9%	55.7%	2019/20 Statutory Planning department workload has been impacted by a substantial backlog stemming from a period of time when the department was short staffed. Workload has been further compounded by high volumes of further development activity associated with previously approved developments.
Service cost					
Cost of statutory planning service <i>[Direct cost of the statutory planning service / Number of planning applications received]</i>	\$1,596	\$1,388	\$1,346	\$1,533	Overall costs have increased, mainly due to Council employing an additional planning officer during 2019/20.
Decision making					
Council planning decisions upheld at VCAT <i>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>	0%	0%	100%	0%	No statutory planning decisions were referred to VCAT during 2019/20.

* Also identified as Council Plan Strategic Indicators

⁺ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Retired Service Performance Indicators

The following measures were retired from the Local Government Performance Reporting Framework (LGPRF) on 1 July 2019 and are no longer part of the LGPRF from 2019/20.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Animal Management					
Service cost					
Cost of animal management service <i>[Direct cost of the animal management service / Number of registered animals]</i>	\$19.93	\$28.15	\$31.37	N/A	This indicator was retired on 1 July 2019. It has been replaced by "Cost of animal management service" which is now a measure of cost / population, rather than cost / registered animal.
Health and safety					
Animal management prosecutions <i>[Number of successful animal management prosecutions]</i>	0	0	0	N/A	This indicator was retired on 1 July 2019. It has been replaced by "Animal management prosecutions", which is now a measure of proportion rather than a measure of number.

Strategic Indicators

The following Strategic Indicators from the 2017-2021 Council Plan (review 2019) have changed as a result of the LGPRF changes, as outlined in 'Retired Service Performance Indicators' above. The new results can be found in 'Service Performance Indicators' in this section.

Indicator	Commentary 2019/20
Percentage of planning applications processed within 60 statutory days*	LGPRF measure relates to the percentage of planning applications processed within required timeframes.

Strategic Objective:

7. A thriving and connected community

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2019/20 Budget which contribute to the 2017-2021 Council Plan (review 2019):

Initiative / Indicator	Major Initiative?	Progress to 30 June 2020
<i>Strategy: Create socially connected and supported communities</i>		
Resilient Myrtleford	Yes	The Myrtleford Resilience Plan was adopted by Council in November 2019, with a supporting action plan developed and short-term activities delivered. Due to bushfires and COVID-19 restrictions, delivery of activity was halted. A plan is to be developed in early 2020/21 to determine responsibility and priority of delivery of outstanding action items.
Deliver Maternal Child Health services	No	Delivery of the Maternal and Child Health service was severely disrupted during the January 2020 bushfires, and COVID-19 restrictions. However, staff worked hard to support the community during these difficulties, with only a slight drop in participation in the service during 2019/20.
Deliver Learner to Probationary (L2P) driving program	No	The L2P program was severely disrupted during the January 2020 bushfires and COVID-19 restrictions, leading to the program being suspended in mid-March. Prior to these restrictions, there were 17 mentors who assisted with 41 driving lessons across an accumulated 593 driving hours. 11 learners successfully gained their probationary licence prior to mid-March.
<i>Strategies: Improve healthy eating and physical activity Stop family violence against women and children Reduce the incidence of alcohol and other drug related harm</i>		
Provide community programs from youth to seniors	No	Council delivered numerous community programs during the first half of the year, including: youth awards, seniors' festival, children's week, walk to school, and resilience month. Unfortunately, due to the January 2020 bushfires and COVID-19 restriction, all following community programs were suspended.
<i>Strategy: Strengthen visitor attraction and experience</i>		
Alpine Events Strategy	Yes	This strategy will be delivered in 2020/21.
Deliver destination marketing programs	No	Delivery of planned activity was disrupted by January 2020 bushfires and COVID-19 restrictions. Plans are being developed to encourage visitation back to the region once COVID-19 restrictions are lifted by the State government.
<i>Strategy: Support and encourage investment and enterprise</i>		
Economic Development Strategy	Yes	Delivery of the Economic Development Strategy has been delayed. The Consultant agreement to deliver the project has been terminated with a new arrangement in place with new consultants to commence works in Q1 2020/21.
Deliver business support programs	No	A total of 20 training events were held for small business, including online workshops by Small Business Victoria, tourism business workshops hosted by Tourism North East as well as an ongoing online training opportunity for businesses in Crisis Management. All training events from April onwards had a core focus on small business resilience as a result of the bushfires and ongoing COVID-19 pandemic event.

Initiative / Indicator	Major Initiative?	Progress to 30 June 2020
Deliver grant funding programs	No	A total of 27 projects were supported with funding through the 2019/20 Community Grants program. One project was unable to be delivered as a result of COVID-19 and two projects did not proceed. The total value of projects delivered with the assistance of the program was \$130,859. The Event Funding program assisted 78 (day and multi-day) events to be delivered across 2019/20. 19 day and multi day events were cancelled as a result of the bushfire event, COVID-19 and other inclement weather events.

Services provided to the community

The Economic and Community Development department is responsible for delivery of this service area, which covers community development, Dinner Plain services, economic development, festivals and events, tourism, maternal and child health, and youth programs.

The following information details the key services provided to the community, and relevant key highlights and deliverables during the year.

Events

A total of 78 events were hosted throughout Alpine Shire during 2019/20, including events held in Dinner Plain. These events vary from day events to events held across multiple days. The bushfire event, the impacts of COVID-19 and other inclement weather events resulted in 19 events cancelling. Some of these events were of significant scale and were to be held across multiple days (eg, La Fiera, Alpine Classic, Bright Autumn Festival).

Community Grants

A total of 27 projects were awarded funding through the 2019/20 Community Grants program. One project was not completed as a result of COVID-19. Two other projects did not proceed. The total value of the projects delivered was \$130,859.

Disaster Events

The bushfire event had a significant impact on the economy of Alpine Shire. It is estimated that \$90million was lost in tourism economy in January alone. Further to this, the COVID-19 pandemic event has and will continue to have significant impact on the tourism industry. Stage 3 COVID-19 restrictions were in place for the duration of the April school holidays and the Easter holiday period which had considerable impact on what is usually a busy period for tourism businesses across the Shire. There was a small reprieve when the restrictions were lifted in time for the June long weekend. The introduction of Stage 3 restrictions resulted in event organisers cancelling their events, with all events being cancelled through to the end of June with the exception of food markets which were permitted to continue to operate. It is estimated that at the end of June 2020, the visitor loss to the Shire is 355,000 visitors (or 61% of our total estimated annual visitation), and the total loss to the tourism economy is \$220million (or 65% of our total estimated tourism economy). Job losses in the tourism industry alone are estimated to be 2,200. The financial impact is on other industries across the Shire as a result of both disaster events has not yet been quantified.

Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Maternal and Child Health (MCH)					
Service standard					
Infant enrolments in the MCH service <i>[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100</i>	100.0%	103.2%	100.0%	101.1%	In a small number of cases, Council also conducts home visits for newborns where the birth notification was received elsewhere, but Alpine MCH Nurses conduct the first home visit.
Service cost					
Cost of the MCH service <i>[Cost of the MCH service / Hours worked by MCH nurses]</i>	\$60.93	\$63.18	\$74.30	\$67.37	
Participation					
Participation in the MCH service* <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	88.7%	86.5%	84.5%	74.4%	Participation in the MCH service was greatly impacted during January - June 2020 due to bushfires and COVID-19 restrictions. As a result of these emergencies, restrictions to service delivery were imposed by the Department of Health and Human Services. Despite the restrictions imposed, the MCH team continued to support the community, with only a 10% reduction in service participation.
Participation					
Participation in the MCH service by Aboriginal children <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	84.6%	95.7%	79.2%	58.8%	Participation in the MCH service was greatly impacted during January - June 2020 due to bushfires and COVID-19 restrictions. As a result of these emergencies, restrictions to service delivery were imposed by the Department of Health and Human Services. Council has a small number of Aboriginal and Torres Strait Island enrolments, so a slight reduction in participation creates a greater reduction in overall results.
Satisfaction					
Participation in 4-week Key Age and Stage visit <i>[Number of 4-week age and stage visits / Number of birth notifications received]x100</i>	New in 2020	New in 2020	New in 2020	102.1%	

* Also identified as Council Plan Strategic Indicators

⁺ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Retired Service Performance Indicators

The following measures were retired from the Local Government Performance Reporting Framework (LGPRF) on 1 July 2019, and are no longer form part of the LGPRF for 2019/20.

Service/indicator/measure	2016/17	2017/18	2018/19	2019/20	Comments ⁺
Maternal and Child Health (MCH)					
Satisfaction					
Participation in first MCH home visit <i>[Number of first MCH home visits / Number of birth notifications received] x100</i>	104.0%	102.1%	108.5%	N/A	This indicator was retired on 1 July 2019. It has been replaced by "Participation in 4-week Key Age and Stage visit".

Strategic Indicators

Indicator*	Comparative result 2018/19	Result 2019/20
Percentage of people who volunteer in the community	30.5% of the total population of the Alpine Shire are reported to volunteer in their community. (ABS Census 2016)	Statistics not collected by Council during 2019/20.
Number of permitted festivals and events in the Alpine Shire	A total of 131 festivals and events were held across the Shire throughout the year, including civic events delivered by Council.	78 day and multi day events were delivered throughout 2019/20. Additionally, 15 Civic events were delivered across the financial year.
Visitor numbers	Total visitor numbers to the Shire is recorded by calendar year. Results for the 2018 calendar year: Total domestic overnight visitors - 568,000, total domestic day trippers - 367,000, total international overnight visitors - 367,000 which represents a 29% increase to 2017 results.	Visitor numbers are reported by calendar year. Results were not available at the time of publication.
Increase small business and light industry in the Shire	Recent data is not available.	Recent data is not available. January 2020 bushfires and COVID-19 restrictions have impacted small business throughout the Shire.

* Refer to "Service Performance Indicators" for additional Strategic Indicators marked with an asterisk *

Governance report

Council report

Council's role

Council's role, functions and powers are governed by the *Local Government Act 1989* (the Act), which sets out the legislative framework under which all councils in Victoria must operate.

Councillors

The Alpine Shire Council comprises seven elected members in an un-subdivided Shire. Council elections occurred on 22 October 2016, appointing Councillors for a four-year term. Councillors-elect took their Oath of Office and made their Code of Conduct declaration on 8 November 2016.

The Act requires each Council to elect a Mayor, and must determine whether to elect them for a term of one or two years. The Mayor takes precedence at all municipal proceedings, and must chair all Council meetings at which they are present. If they are absent or unable to act, they must appoint a Councillor to be Acting Mayor.

On 13 November 2018, Council resolved to appoint both the Mayor and Deputy Mayor to a one year term, and to appoint the Deputy Mayor as Acting Mayor in accordance with section 73(3) of the Act. Councillor Peter Roper was elected as Council's Mayor, with Cr Sarah Nicholas re-elected as Deputy Mayor.

Councillor Code of Conduct

Councillors are committed to working together in an ethical and accountable manner to provide leadership and good governance to the Alpine Shire.

The Councillor Code of Conduct provides the necessary framework within which the Council will operate. It assists Councillors in understanding their role, their legislative obligations and the values and behaviours by which they will operate.

In accordance with the *Local Government Act 1989*, Council was required to review the Code within four months of the October 2016 general election. Council adopted the Code at a special council meeting held on 7 February 2017, and all Councillors signed a declaration that they would abide by the code. No adjustments were made to the code during 2019/20.

Council decision making

Decisions made by Council are made in one of two ways:

- At ordinary and special meetings of Council by resolution; or
- Under delegated authority by Council officers.

A 'decision of Council' (resolution) can only be made in the formal setting of an ordinary or special Council meeting. Decisions are made by majority voting. As individuals, neither the Mayor nor Councillors have the authority to act or make decisions on behalf of Council or its staff.

Prior to a Council meeting, an agenda is prepared by Council officers, containing the items that require either a Council decision (such as a planning application), or items required to be brought before Council (such as the minutes of a Council committee, or Council's annual report).

The majority of decisions, particularly those of an operational nature, are made under delegated authority from Council, either directly to officers or through the CEO. See 'delegated authority' on page 62 for more details.

Council meetings

During 2019/20, Council conducted ordinary Council meetings on the first Tuesday of each month. The standard exceptions to this were in January when no meeting was scheduled due to the Christmas holiday period, and in November, when the meeting was held on the second Tuesday of the month, due to the Melbourne Cup Day public holiday. The September meeting was held a week later than usual, to allow for auditing of financial statements.

Special meetings of Council were held in December 2019 and June 2020. The majority of both ordinary and special council meetings were held in Bright, with the March 2020 meeting held in Mount Beauty.

Council agendas were published on Council's website on the Friday prior to the council meeting. During 2019/20 a public question time was held at the beginning of each council meeting. Question time is no longer recorded in the written minutes of the council meeting, however it is available as part of the audio-visual recording of the council meeting, livestreamed on Council's website and YouTube channel. File recordings are available on the website after the meeting.

The Victorian government passed the *COVID-19 Omnibus (Emergency Measures) Bill 2020* through parliament on 24 April 2020, which allowed all councils to hold council meetings virtually until 1 November 2020. This assisted with social distancing and restrictions on public gatherings associated with COVID-19 restrictions.

Councillor briefing sessions are held to give Councillors the opportunity to meet with management to keep up to date with issues as they arise. No formal decisions of Council may be made at these meetings. Each is considered an 'Assembly of Councillors' and reported at Council meetings.

Table 5: Council meeting attendance 2019/20

Councillor	Ordinary Council	Special Council
Cr Forsyth	11	2
Cr Janas	9	2
Cr Keeble	8	2
Cr Knappstein	11	2
Cr Nicholas	10	2
Cr Pearce	11	2
Cr Roper	11	2
Total meetings	11	2

Councillor allowances

In June 2017 Council voted to effectively freeze Councillor and Mayoral allowances by adopting a decrease of 5% to the previously set allowances. This was to remove the effect of the mandatory annual adjustment factor for the remainder of the Council term. This reduction was introduced to mirror the effect of the freeze in staff wages, as set out by the Enterprise Agreement 2016 (page 24).

The Minister for Local Government announced an adjustment factor of 2.0% applying to Mayoral and Councillor allowances, effective on 1 December 2019. The amount equivalent to the superannuation guarantee (9.5% during 2019/20) is payable in addition to the allowance.

Alpine Shire Council allowances to be paid from 1 December 2019 were:

Mayor: \$59,889 per annum (\$65,578 including superannuation guarantee)

Councillors: \$20,046 per annum (21,950 including superannuation guarantee)

Councillor bushfire supplement

An Order was made by the Governor in Council under s74B of the *Local Government Act 1989* on 9 January 2020, that applied to Alpine, East Gippsland, and Towong Shire Councils in recognition of the increased demand relating to the January 2020 bushfires. The Order required a 100% increase in mayoral allowances, and a 50% increase in councillor allowances, for a period of 90 days (January - March 2020).

The 90-day bushfire supplement allowances were made in addition to the standard annual allowances. Additional payments for the 90-day period of the Order were:

Mayor: \$16,394 one-off payment including superannuation guarantee

Councillors: \$2,744 one-off payment including superannuation guarantee

Funding to support this temporary increase in allowances was provided to the three affected councils through Bushfire Recovery Victoria.

Councillor expenses

The Councillor Reimbursement of Expenses policy (no. 76) was reviewed and adopted in June 2019. The policy sets out the electronic equipment that will be provided to councillors, as well as the types of approved expenses that will be reimbursed under the policy. Expenses can only be reimbursed if the expense was incurred while performing duties as a Councillor or committee member and fulfils the requirements as described in the policy.

Council provides the Mayor with a fully maintained vehicle, and Councillors are also able to utilise fleet vehicles to attend to council business in accordance with the policy.

In accordance with r14(2)(db) of the *Local Government (Planning and Reporting) Regulations 2014*, the following table presents the required expense declarations incurred by Council on behalf of each Councillor:

Table 6: Councillor & committee member expenses 2019/20**

Councillor	TR ¹ \$	CM ⁺ \$	CC [@] \$	ICT [°] \$	C&T [#] \$	Total \$
Cr Forsyth				1,080		1,080
Cr Janas [^]	267	7,191		1,080		8,583
Cr Keeble		452		1,080	2,021	3,553
Cr Knappstein		113		1,080	1,450	2,643
Cr Nicholas	96	226		1,080		1,402
Cr Pearce		812		720		1,532
Cr Roper	265	6,331		720		7,316

¹ TR is Travel including transport, accommodation and meal costs associated with conferences and training, but does not include civic event costs.

⁺ CM is Car Mileage allocated using the cents per kilometre Australian Taxation Office rate for 2019/20 of \$0.68 / km for pool vehicles, Mayoral vehicle, and reimbursement for use of private vehicles.

[@] CC is Child-care expenses

[°] ICT is Information and Communication Technology

[#] C&T is Conferences and Training

[^] Cr Janas was Mayor for the entire 2019/20 year, with Mayoral vehicle available for full private use during the relevant term of the Mayor (in accordance with policy 76)

** Audit committee members were paid sitting fees (allowances), but no other expenses were incurred.

Councillor committees

Councillors were appointed to individual committees on 4 December 2018.

Councillor delegates were appointed on the following groups and committees (non-executive):

Committee	Delegate
Municipal Association of Victoria	Cr Roper Cr Nicholas
Hume Region Local Government Network	Cr Roper
Rural Councils Victoria	Cr Roper
Alpine Shire Council – Audit Committee	Cr Forsyth Cr Knappstein
Alpine Shire Council – Finance Committee	Cr Forsyth Cr Pearce
Alpine Shire Council – Municipal Emergency Management Planning Committee	Cr Knappstein Cr Janas Cr Keeble
Alpine Shire Council – Community Resilience Committee	Cr Knappstein Cr Janas Cr Keeble
Alpine Children's Services Inc.	Cr Keeble Cr Nicholas (observer)
Alpine Alliance (between Council and Alpine Health)	Cr Knappstein
Goulburn Broken Greenhouse Alliance	Cr Nicholas

Councillor delegates were appointed to the following groups (non-executive):

Committee	Delegate
North East Waste and Resource Recovery Group (Forum)	Cr Nicholas (Cr Pearce to be nominated as Cr Nicholas' proxy)

The following Councillor appointments made by external organisations were noted:

Committee	Delegate
Municipal Association of Victoria – Board	Cr Janas (appointed in March 2019 for a two year term – elected by NE Victorian councils)
Mount Buffalo Destination Advisory Group	Cr Janas
Mount Buffalo Business Case Assessment and Activation Taskforce	Cr Janas
Municipal Association of Victoria Emergency Management Committee	Cr Janas Cr Knapstein
Municipal Association of Victoria Environment Committee	Cr Nicholas
Municipal Association of Victoria Professional Development Reference Group	Cr Janas

Delegated authority

The *Local Government Act 1989* (LGA 1989), *Local Government Act 2020* (LGA 2020) and numerous other pieces of legislation confer specific powers, duties and functions on a council.

An Instrument of Delegation under section 98 of the LGA 1989 or s11 of the LGA 2020, provides the CEO with the necessary authority to perform the duties of the position. Council delegates powers, duties and functions to staff, and appoints authorised officers under various Acts. The CEO can further sub-delegate powers, duties and functions to staff.

Under the LGA 1989, Council is required to review the delegations provided to the CEO and council staff within 12 months of the election, and is also able to update delegations at any time during the year or the term of council. Reviews of CEO and Council appointed delegations were undertaken in October 2017 in accordance with s98(6) of the *Local Government Act 1989*. Subsequent reviews of delegations from Council under the LGA 1989 were undertaken in April 2020 to provide the CEO with additional powers due to COVID-19 restrictions and the potential for Council to be unable to form a quorum for a face-to-face Council meeting.

Following introduction of s11 and s47 of the LGA 2020, Council will be required to review all delegations by 1 September 2020.

Audit committee

Council's Audit Committee is an advisory committee of Council formed in accordance with section 139 of the Local Government Act 1989. The Audit Committee advises Council in the effective conduct of its responsibilities relating to governance, financial management and the management of risks. It oversees and monitors Council's audit processes and internal control activities.

The 2019/20 Committee consisted of seven members:

Councillor Representatives

- Cr Kitty Knapstein – appointed December 2016, reappointed December 2017, 2018 and 2019
- Cr John Forsyth – appointed December 2018, reappointed December 2019

Independent Representatives

- Ms Sue Lebish, Chair – appointed May 2015, reappointed May 2018
- Mr Mark Anderson – appointed May 2015, reappointed May 2018
- Ms Sinead Ryan – appointed April 2016, reappointed July 2019
- Mr Gerard Moore – appointed April 2018
- Mr Craig Covich – appointed July 2019

Key areas of focus for the Audit Committee during the year were:

- Annual financial and performance reports
- Review and update of the Committee's charter
- Internal audits
- Asset register and management
- Infrastructure valuations
- Policy review status
- Benchmarking against VAGO local government audits: delivering local government services
- Quarterly reports: finance, performance, health and safety and finance controls audits.

Internal Audits

Council undertook two internal audits with a health and safety focus.

Chemical Management Audit: Swimming Pools

Chemical management at Council's three swimming pools was reviewed by external provider Recovre. A prioritised action plan was established to respond to requirements relating to storage, registers, safety data sheets, signage and placarding, risk assessment, control strategies, work instructions and personal protective equipment.

Occupational Health and Safety Management System Audit

Council's Health and Safety Management System (HSMS) was reviewed by external provider HSE Management Australia. A new formalised HSMS documentation framework has been established to govern Council's OHS processes, inputs and outputs, including a HSMS manual, forms, registers, plans, instructions, and associated documentation.

Special and Advisory committees of Council

Council has two remaining committee of management under the provisions of section 86 of the *Local Government Act 1989*. These committees assist with the supervision and administration of the Bright Senior Citizens' Centre and the Mount Beauty Recreation Reserve.

Instruments of Delegation for both s86 committees were reviewed and adopted in October 2019, in accordance with the *Local Government Act 1989*.

Both s86 committees will transition to Community Asset Committees under the *Local Government Act 2020* during 2020/21.

Council also works with advisory committees that provide advice to Council regarding the operations and management of Council assets.

Organisational committees

Audit Committee - see previous page.

Finance Committee - provides oversight of Council's financial performance and management. Quarterly financial reports are also presented to Council meetings as required by s138 of the *Local Government Act 1989*.

Citizenship Ceremonies

Under the Australian *Citizenship Act 2007*, Council has the role of performing citizenship ceremonies on behalf of the Department of Immigration and Citizenship for candidates who are residents of the Alpine Shire. The Pledge of Commitment made at the citizenship ceremony is the final legal requirement to becoming an Australian citizen.

The Alpine Shire Council places great importance on Australian citizenship, with the Mayor presiding over the ceremonies. Ceremonies are held as required prior to the commencement of Council meetings. If required, there is also a special citizenship ceremony held at Australia Day ceremonies.

During 2019/20, citizenship ceremonies were held for 41 new citizens in the Alpine Shire, over five separate occasions during September, November, January (Australia Day), March and June.

Council held the June citizenship event through a combination of in-person and online ceremonies, while all other occasions were held in-person. COVID-19 restrictions, and guidelines provided by the Department of Home Affairs were observed during all ceremonies.

Risk Management

Council is committed to reducing its exposure to financial, strategic and operational risk. As part of this commitment, Council:

- Continued its regular review and reassessment of its risk register;
- Maintained its ongoing financial controls audits including credit cards, float balances and purchasing;
- Implemented findings of the previous years' fraud controls audit; and
- Undertook reviews of its occupational health and safety management system and chemical management at its swimming pools.

Risk framework and policies

As part of continuous improvement processes, Council reviewed and updated its Risk Management, and Fraud and Corruption Control policies. It also developed a Governance and Risk Framework with the aim of documenting the high-level processes and behaviours required to ensure that Council meets its intended

purpose, complies with legislative provisions; and meets expectations of accountability and transparency by:

- Integrating governance, risk management and compliance into Council's corporate planning, operational management and reporting processes;
- Documenting the policies, procedures, structures and tools used to identify and manage Council's governance, risk and compliance obligations; and
- Documenting responsibilities of Council and its employees.

Insurable risk

Council has an insurance program in place to cover its insurable risk which is reviewed annually to ensure adequate insurance coverage. Council procures its professional indemnity and public liability insurance through the MAV Liability Mutual Insurance scheme.

Governance and Management Checklist

Governance and Management Items	Assessment
1 Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	<p>Current policy in operation <input checked="" type="checkbox"/></p> <p>Communication and Consultation policy adopted: 04/04/2006</p> <p>Release of Information to the Public Domain policy adopted: 11/02/2013</p> <p>A community engagement policy is required by the Local Government Act 2020, and will be prepared during 2020/21.</p>
2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	<p>No guidelines <input checked="" type="checkbox"/></p> <p>Reason for no guidelines:</p> <p>Council utilises a range of tools to assist staff in determining when to engage with the community. A specific engagement plan is developed for each new capital project.</p>
3 Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	<p>Adopted in accordance with section 126 of the Act <input checked="" type="checkbox"/></p> <p>Date of adoption:</p> <p>16/06/2020</p>
4 Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	<p>Adopted in accordance with section 130 of the Act <input checked="" type="checkbox"/></p> <p>Date of adoption:</p> <p>16/06/2020</p>
5 Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	<p>Plans <input checked="" type="checkbox"/></p> <p>Date of operation of current plans:</p> <p>Council currently has working drafts of the following asset management plans:</p> <p>Part A - General information;</p> <p>Part B – Roads;</p> <p>Part C – Bridges;</p> <p>Part D – Buildings;</p> <p>Part E – Pathways;</p> <p>Part F – Drainage;</p> <p>Part G – Recreation;</p> <p>Part H - Open space.</p> <p>A project to update these plans commenced in 2019/20 and will continue in 2020/21. This will ensure the plans reflect current best practice.</p>
6 Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	<p>Strategy <input checked="" type="checkbox"/></p> <p>Date of operation of current strategy:</p> <p>16/06/2020</p>
7 Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	<p>Policy <input checked="" type="checkbox"/></p> <p>Date of operation of current policy:</p> <p>17/12/2019</p>

Governance and Management Items	Assessment
8 Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy <input checked="" type="checkbox"/> Date of operation of current policy: 01/10/2019
9 Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> <input checked="" type="checkbox"/> Date of preparation: Council's Municipal Emergency Management Plan was endorsed by Council on 07/08/2018. A successful audit was completed on 25/09/2018, with the next audit due in 2021.
10 Procurement policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the <i>Local Government Act 1989</i> <input checked="" type="checkbox"/> Date of approval: 02/06/2020
11 Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Plan <input checked="" type="checkbox"/> Date of operation of current plan: Last adopted on 11/12/2009 A review of the Business Continuity Plan was undertaken during 2018/19 and 2019/20. The reviewed plan was live tested in 2020 during bushfires and again during COVID-19 restrictions. Feedback from testing will be incorporated into the plan prior to being presented for adoption.
12 Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan <input checked="" type="checkbox"/> Date of operation of current plan: 16/09/2019
13 Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework <input checked="" type="checkbox"/> Date of operation of current framework: Council's Governance and Risk Framework was endorsed by Council on 17/12/2019.
14 Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act <input checked="" type="checkbox"/> Date of establishment: Council's Audit Committee was established by Instrument of Delegation on 26/10/2004. The Audit Committee's charter was last adopted on 07/05/2019. Both of these documents will be updated in 2020/21 in accordance with the <i>Local Government Act 2020</i> .

Governance and Management Items	Assessment
15 Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	<p>Engaged <input checked="" type="checkbox"/></p> <p>Date of engagement of current provider:</p> <p>At the Ordinary Council meeting on 05/04/2016, Council resolved to not appoint an internal auditor for a three year period but rather source quotes on a per audit basis as required under Council's Procurement Policy.</p> <p>Internal audits conducted during 2019/20 focused on a Health and Safety Management System audit, and a Pool Chemical audit. Outcomes are proactively managed through the Audit Committee.</p>
16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	<p>Framework <input checked="" type="checkbox"/></p> <p>Date of operation of current framework:</p> <p>01/07/2014</p>
17 Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	<p>Report <input checked="" type="checkbox"/></p> <p>Date of report:</p> <p>Quarterly Council Plan reports were presented at the following Council meetings:</p> <p>Q4: 01/10/2019 (as part of annual report);</p> <p>Q1: 12/11/2019;</p> <p>Q2: 03/03/2020;</p> <p>Q3: 02/06/2020.</p>
18 Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	<p>Statements presented to Council in accordance with section 138(1) of the Act <input checked="" type="checkbox"/></p> <p>Dates statements presented:</p> <p>Finance reports were presented at the following Council meetings:</p> <p>Q4: 03/09/2019 (in-principle financial statements for annual report); and 01/10/2019 (as part of annual report);</p> <p>Q1: 12/11/2019;</p> <p>Q2: 07/04/2020</p> <p>Q3: 02/06/2020.</p>
19 Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	<p>Reports <input checked="" type="checkbox"/></p> <p>Date of reports:</p> <p>Council's Audit Committee discusses Strategic Risk throughout the year. Climate Change was considered as a Strategic Risk in May 2020, with minutes being reported to Council in July 2020. No other specific recommendations regarding Strategic Risk were made to Council during 2019/20.</p>

Governance and Management Items	Assessment
20 Performance reporting (six-monthly reports of indicators measuring results against financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	<p>Reports <input checked="" type="checkbox"/></p> <p>Date of reports:</p> <p>Quarterly progress reports against the indicators contained in the Council Plan were presented at the following Council meetings:</p> <p>Q4: 01/10/2019 (as part of annual report);</p> <p>Q1: 12/11/2019;</p> <p>Q2: 03/03/2020;</p> <p>Q3: 02/06/2020.</p>
21 Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	<p>Considered at meeting of the Council in accordance with section 134 of the Act <input checked="" type="checkbox"/></p> <p>Date of consideration:</p> <p>01/10/2019</p>
22 Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	<p>Reviewed in accordance with section 76C of the Act <input checked="" type="checkbox"/></p> <p>Date reviewed:</p> <p>07/02/2017</p>
23 Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	<p>Reviewed in accordance with section 98(6) of the Act <input checked="" type="checkbox"/></p> <p>Date of review:</p> <p>A full review of delegations undertaken in accordance with s98(6) of the Act (within 12 months after the last general election) occurred in October 2017. Delegations were updated on 07/04/2020.</p>
24 Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	<p>Meeting procedures local law made in accordance with section 91(1) of the Act <input checked="" type="checkbox"/></p> <p>Date local law made:</p> <p>06/09/2016</p>

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



Charlie Bird
Chief Executive Officer
Date: 21 September 2020



Cr Peter Roper
Mayor
Date: 21 September 2020

Statutory Information Report

Best Value Program

In accordance with section 208B(f) of the *Local Government Act 1989*, at least once every year a council must report to its community on what it has done to ensure that it has given effect to the Best Value Principles.

During 2019/20 Council has undertaken a number of projects and reviews seeking to apply the best value principles to its services, including:

Launch of a collaborative **Business Systems Transformation** program in collaboration with Indigo Shire Council and Towong Shire Council. The program aims to provide a frictionless customer experience and drive internal efficiencies across all three Councils. The collaborative approach has aided in driving best value in procurement and implementation of the program, and provides a strong foundation for future collaborative initiatives between the Councils.

Launch of the **Better Approvals Project** to provide a streamlined approvals process for small business customers. The project engaged planning, building, local laws, events and customer service to design a dramatically improved process and reduce the time required to obtain permit approvals. Every business or event applicant now has a single point of contact within Council to help them navigate the process of obtaining multiple permits from different Council departments.

A **Food Organics and Garden Organics (FOGO)** community survey was conducted to aid in reviewing Council's waste services and support Council's transition plan for a 4 stream separation of materials for households in line with new Victorian government requirements.

Maintenance of Long Term Financial Plan ensures that Council reviews its Long Term Financial Plan (LTFP) annually to ensure that it remains financially sustainable and delivers the optimal balance of best-value services and projects to the community. The LTFP includes a scenario modelling tool which enhances Council's understanding of the impact of environmental factors on its financial outcomes (such as inflation, rate capping, grants and ongoing development in the Shire) and to understand the available mitigations for worst-case financial scenarios.

Annual Review of Procurement Policy and Financial Delegations ensures that Council's procurement is undertaken in line with Council's Procurement Policy and Financial Delegations, outlining minimum standards for tendering, contract documentation and approvals, to ensure that ratepayers obtain the best value for the services Council provides.

Documents Available for Public Inspection

In accordance with the *Local Government Act 1989* and regulation 12 of the *Local Government (General) Regulations 2015*, the following documents and information are available for public inspection on request at the Alpine Shire Council Office, 2 Churchill Avenue, Bright:

- a) a document containing details of overseas or interstate travel (other than interstate travel by land for less than 3 days) undertaken in an official capacity by any Councillor or member of Council staff in the previous 12 months;
- b) the agendas for, and minutes of, ordinary and special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to 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;
- c) the minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act;
- d) a register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act;
- e) a document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease;
- f) a register maintained under section 224(1A) of the Act of authorised officers appointed under that section;
- g) a list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

Contracts

In accordance with Regulation 14 of the *Local Government (Planning and Reporting) Regulations 2014*, the following disclosures are made:

- a) *A list of contracts entered into by Council valued at \$150,000 or more for goods or services or \$200,000 or more for the carrying out of works, of a kind specified in section 186(5)(a) and (c) of the Act:*

Council did not enter into any contracts during 2019/20 that were valued at \$150,000 or more for goods or services or \$200,000 or more for the carrying out of works that were of a kind specified in section 186(5)(a) and (c) of the Act.

- b) *A list of contracts entered into by Council valued at \$150,000 or more for goods or services or \$200,000 or more for the carrying out of works, if the Council did not engage in a competitive process before entering into the contract and it is not of a kind specified in section 186(5) or (5A) of the Act;*

Council did not enter into any contracts during 2019/20 that were valued at \$150,000 or more for goods or services or \$200,000 or more for the carrying out of works, without engaging in a competitive process.

Information privacy

The primary legislative obligations applying to Council's treatment of personal and health information are contained in the Victorian Government's *Privacy and Data Protection Act 2014* and the *Health Records Act 2001*.

The legislation prescribes a number of Information Privacy Principles that the Council is required to comply with to promote and ensure the fair and responsible collection and handling of personal and health information.

Council will continue to comply with the privacy principles contained in the Act.

More privacy information can be obtained from Council's website: www.alpineshire.vic.gov.au.

Freedom of Information

Freedom of Information (FoI) legislation ensures public accountability at all levels of government in Australia.

The *Freedom of Information Act 1982 [Vic]* gives the public a legal right to see certain council documents created after 1 January 1989 and also any personal documents relating to individuals (regardless of how long they have been held).

How do I make a request?

An application under the *Freedom of Information Act 1982* can be made by forwarding the following:

- The request must be made in writing, providing sufficient information to enable the documents to be identified, and where possible, include the approximate date range of the documents requested.
- Applications must be accompanied with the prescribed fee.

Forward your request to:

Freedom of Information officer
Alpine Shire Council
PO Box 139
BRIGHT 3741

Council will respond to your request within the legislated period. Search and access charges allowable under the Act may apply to your request.

For further information, contact Council's Freedom of Information officer on 03 5755 0555 or email foi@alpineshire.vic.gov.au.

Infrastructure and development contributions

- In accordance with section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in a council's annual report.
- For the 2019/20 year, Council did not receive any infrastructure and development contributions.

Public Interest Disclosures Act

On 31 December 2019, the *Protected Disclosure Act 2012* officially became the *Public Interest Disclosures Act 2012*. The Act is to encourage and facilitate the making of disclosures in relation to the improper conduct of Council and its employees and to provide protection for persons making disclosures against detrimental action.

In preparation for this, Council adopted an updated Public Interest Disclosures Policy on 17 December 2019, with a date of commencement on 1 January 2020.

Council fully supports the Act, having a high regard for transparency and accountability.

In accordance with Section 70 of the *Public Interest Disclosures Act 2012*, the following information is provided:

- a) Information about how to access the Protected Disclosure Procedures document

The policy and procedures are available in hard copy at the Council offices or by request and electronically via the Council website and staff intranet.

- b) The number of disclosures made to Council and notified to the IBAC for assessment

There were no disclosures made directly to Council during the period of 1 July 2019 to 30 June 2020.

Road Management Act 2004

Council, as a road authority, is required under section 22 of the *Road Management Act 2004* to publish a copy of any direction received from the Minister in its annual report. No directions were received from the Minister in 2019/20.

Food Act 1984

Council is required under section 7E of the *Food Act 1984* to publish a copy of any direction received from the Minister in its annual report. No directions were received from the Minister in 2019/20.

Carers Recognition Act 2012

Council did not provide a Home and Community Care service during 2019/20 and therefore does not meet the definition of a care agency under the *Carers Recognition Act 2012*. Therefore the reporting obligations for care agencies under s12(2)(a) of the Act do not apply to Council for the 2019/20 year.

Disability Act 2006

Alpine Shire Council is committed to supporting the rights of people with a disability to achieve full participation in community life.

As required under section 38 of the *Disability Act 2006*, Alpine Shire Council prepared a Disability Action Plan (DAP). The document was prepared jointly with Alpine Health, and is referred to as: Alpine Shire Council and Alpine Health 2011 Disability Action Plan.

Activity continued throughout 2019/20:

- The Alpine Shire currently has eight RECHARGE points across the Shire. No additional points were identified this year.
- 2019 Seniors Festival events held across the Shire, held at accessible venues.
- Final Directions report and Outcomes reports prepared and submitted to DHHS as required under funding arrangement.
- Continued to support and promote All Terrain Wheelchair.
- Building upgrades scoped and delivered during 2019/20 were completed with accessibility in mind. An accessibility audit will be explored for Visitor Information Centres in 2020/21.
- Council's website updated with consideration for people with disabilities.
- An update to the Disability Action Plan was commenced, with completion due in 2020/21.

Domestic Animals Act 1994

Pursuant to section 68A of the *Domestic Animals Act 1994*, Council must prepare a Domestic Animal Management Plan (DAMP) every four years, review the plan annually, and publish an evaluation of its implementation of the plan in its annual report.

The DAMP 2017-2021 sets out how Council manages its responsibilities under the *Domestic Animals Act 1994* and delivers services to enhance and promote responsible pet ownership in the community.

Council's 2017-2021 DAMP was reviewed and formally adopted by Council on 3 October 2017, with a review undertaken in October 2019 to reflect alignment with the new Community Local Law 2019, and an update of staff skills and matrix. Key actions in the DAMP 2017-2021 were developed with input from staff and key stakeholders such

as the RSPCA, customer request data, and service delivery statistics. They include:

- Educating the community on the benefits and requirements of registering dogs and cats;
- Reducing the number of feral cats;
- Reducing the incidence of dogs and cats wandering at large; and
- Reducing the incidence of dog attacks.

The 2017-2021 DAMP includes the following initiatives:

- Renew s84Y agreement with RSPCA (in accordance with the *Domestic Animals Act 1994*);
- Vet discounted de-sexing;
- Improve use of existing systems; and
- Further improve public awareness program.

For 2019/20, the majority of key targets were met, with the exception of the target of 95% of animal registrations being renewed by 1 June 2020. This target was not met, largely due to ongoing software issues. A new data system to manage animal registrations will be implemented as part of the Business Systems Transformation Project. Financial hardship was also a factor in lack of registration renewals, with the summer bushfires and COVID-19 affecting a large percentage of the Alpine Shire's residents.

Key areas of progress in 2019/20 were:

- Participation in 'Desex your pet month' was conducted in July 2019, where Council partnered with local veterinarians to provide discounted desexing and microchipping of animals, provided they are registered with Council. This was a very popular initiative, and will be continued in future years.
- Very high rehoming statistics (particularly for dogs), with 96% of animals collected by Council either returned to their owners or transferred to RSPCA for rehoming.
- Pet registration campaign March-April 2020 included advertising in local paper, on Council's Facebook page, and signage placement at Council libraries and the Bright Council office. Due to COVID-19 restrictions, the campaign was shortened, and did not result in the expected outcome of higher registration renewals, however it did appear to increase new pet registrations.

Local laws

The Community Local Law 2019 came into operation on 1 July 2019 and reflects a significant improvement and streamlining compared to the six previous Local Laws it replaced.

Council gazetted a provision under section 224A of the *Local Government Act 1989* on 1 August 2019, to allow Victorian Police to act as authorised officers to enforce ‘Part 2.2 – Consumption of liquor on Council land’ and ‘Part 7 – Enforcement’, where they relate to the use, possession or consumption of alcohol.

Copies of current Local Laws are available from the Council Offices in Bright and on the Alpine Shire Council website.

The *Local Government Act 2020* requires all councils to prepare Governance Rules before 1 September 2020, which will replace the council meeting procedure requirements in the current “Local Law No.1 Council Administration 2016”. Council will still require a Local Law to govern the use of Council’s common seal, and to impose offences relating to council meetings.

Local Laws in operation as at 1 July 2019

1. Council Administration	<p>The purpose of the Council Administration Local Law is to –</p> <ul style="list-style-type: none"> • provide for the peace, order and good government of the municipal district of the Alpine Shire Council; and • Provide for those matters which require a local law under the Local Government Act; and • Regulate the use of the Common Seal, election of Mayor and the proceedings of Council and the Committees of Council.
Community Local Law 2019	<p>The objectives of the Community Local Law are to:</p> <ul style="list-style-type: none"> • provide for the peace, order and good government of the municipal district; • protect, maintain and enhance the natural environment of the municipal district; • ensure the protection of Council assets and the sustainable use of resources; • protect the health and safety of persons within the municipal district; • regulate the management of animals on land and on Council land; and • provide uniform and fair administration of this Local Law.

Grants and funding

Grants awarded by Council

Just as important as the funding that Council receives, is the support that it provides to the community. Council has a long history of supporting community groups to run events, programs and projects. These are in the form of festival and event funding, and also in the form of community grants.

Tourism festival and event funding:

Events are vitally important to the economy in the Alpine Shire.

Alpine Shire Council's 2019/20 Event Funding Program was open for applications between 29 May and 21 June 2019. A total of 49 applications were received, with a cumulative request of \$375,265 in financial sponsorship.

Council supported the assessment panel's recommendation for 44 applicants to receive support through the Event Funding Program, totalling \$68,100 in financial sponsorship and an estimated value of \$71,850 in logistics support.

Logistics support includes Council staffing to deliver various services for events as well as estimated costs for additional waste management and facility cleaning services.

An assessment panel consisting of one member of the Bright and District Chamber of Commerce; one member of the Upper Kiewa Valley Community Association; one member of the Myrtleford Chamber of Commerce; a youth representative from Bright; two Councillors; and Council's Director Assets, considered the applications, providing recommendations to Council. Council's Manager Economic and Community Development, and Council's Community Development and Events Development Officers were also present to support the assessment panel.

Applications were assessed against the following criteria:

- Community impact and benefit;
- Expected economic and tourism benefits;
- Event profile;
- Capacity and capability of the event organiser to develop and deliver the event; and
- General criteria, including: long term sustainability of the event; operational detail of the event (including marketing); social justice principles; capacity to build relationships; location and fit of the event within the community; long term legacy creation; links to state/regional and local event strategies/plans.

The report to Council noted that outside of the Event Funding Program, Council had committed to providing \$40,000 of financial sponsorship to the 2019 Spartan Trifecta Event and \$20,000 of financial sponsorship to the 2020 Mountain Bike Australia (MTBA) National Championships.

Two additional applications for event funding support were received outside the Event Funding Program round and were therefore not presented to the assessment panel for consideration. These applications were presented to Council in December 2019, where additional funding was awarded as follows:

- \$10,000 financial sponsorship to GTR Events for the delivery of the Jayco Herald Sun Tour 2020; and
- \$8,400 financial sponsorship and \$1,600 logistical support to the Myrtleford Festival event for 2020.

Impact of bushfires and COVID-19

The bushfire event, the impacts of COVID-19 and other inclement weather events resulted in 19 events cancelling. Some of these events were to be of significant scale and held across multiple days (eg, La Fiera, Alpine Classic, Bright Autumn Festival).

Table 7: Tourism festival and event grants awarded by Council in August 2019

Event	Applicant	Financial Sponsorship	Logistics Support
1st FAI Continental Paragliding Championships	Victoria Hang Gliding & Paragliding Association	\$2,000	Nil
5Zero	Bright Brewery Australia Pty Ltd	\$1,000	Nil
Alfred 6 Hour	Alpine Cycling Club	Nil	\$500
Alpine Classic	O2 Events Pty Ltd	\$1,500	\$2,500
Australian Paragliding Open and National Championships	North East Victoria Hang Gliding Club	\$2,000	Nil
Barrowthon, The	Beechworth Barrowthon Inc.	\$900	\$100
Bright Autumn Festival	Bright & District Chamber of Commerce	\$5,000	\$1,500
Bright Cabaret & Comedy Festival	FAM Events & Productions & Backpack On Productions	\$1,500	Nil
Bright Festival of Photography	Bright Festival of Photography Ltd	\$1,500	Nil
Bright Fun Run	Bright P12 College	\$1,600	\$400
Bright Make it, Bake it, Grow it Market	Bright & District Chamber of Commerce	Nil	\$1,000
Bright Rotary Carols & Music in the Park	Bright Rotary Club	\$1,000	\$200
Bright Rotary Markets	Bright Rotary Club	\$1,800*	\$1,200*
Bright Spring Festival Carnival and Fireworks	Bright & District Chamber of Commerce – Spring Festival Sub-Committee	\$1,500	\$250
Brighter Days Festival	Brighter Days Foundation	Nil	\$15,000
Bright's Iconic Rod Run	Bright Rod & Kustom Club Inc	\$15,000*	\$33,000
Darker Days	Bright Brewery Australia Pty Ltd	Nil	\$250
Dederang Picnic Races	Dederang Picnic Race Club Inc	\$1,500	Nil
e-Bright, e-Bike MTB Festival	All Terrain Cycles	\$1,000	Nil
Gather Festival, The	Champagne Club Kiewa Valley Inc	\$3,000	\$900
Get a Grip of the Grind	Get a Grip of the Grind Pty Ltd	\$1,000	Nil
Harrietville Half	Team Harrietville Half	\$2,000	Nil
High Country Charity Ride	Cycle Plan	\$1,000	Nil
High Country Women's Cycling Festival	High Country Women's Cycling Pty Ltd	\$600	\$900
Kangaroo Hoppet	Kangaroo Hoppet Inc	\$1,000	\$350
LaFiera (Italian Festival Myrtleford)	Myrtleford Chamber of Commerce & Industry	\$2,500	\$2,500
Mount Beauty Music Festival	Mount Beauty Music Festival	\$2,500	\$500
Myrtleford & District Agricultural & Pastoral Society Show	Myrtleford and District Agricultural and Pastoral Society	\$2,000	\$500
Myrtleford 66th Golden Spurs Rodeo	Myrtleford Golden Spurs Rodeo Committee Inc	Nil	\$1,000
Myrtleford Bush Market	Myrtleford Chamber of Commerce & Industry	Nil	\$700
Myrtleford Farmers Market	Myrtleford Farmers Market	\$1,000	\$1,100
Myrtleford Festival, The	The Myrtleford Festival Association Inc	\$1,400	\$1,600
Myrtleford Lawn Tennis Club Annual Easter Tournament	Myrtleford Lawn Tennis Club	Nil	\$500
Myrtleford Rotary Annual Show'n'Shine and Swap Meet	Rotary Club of Myrtleford	Nil	\$1,000
New Year's Eve Mount Beauty 2019	Mount Beauty United Cricket Club	\$1,500	\$500
OVCC Championship Conformation Shows	Ovens Valley Canine Club Inc	Nil	\$500

Event	Applicant	Financial Sponsorship	Logistics Support
Porepunkah Community Christmas Party	Porepunkah Community Christmas Party Committee	\$1,000	\$200
Ride 4 Ora - A ride against family violence	Ovens Valley Horse Riders Association	\$500	Nil
Team Mount Beauty MTB Events	Team Mount Beauty Inc	\$1,500	\$1,000
Tour of Bright	Alpine Cycling Club	\$1,900	\$1,100
Valley Fire Festival	Champagne Club Kiewa Valley Inc	\$800	\$200
Wandi Cross	Wandi Trail Runners Inc	\$2,000	Nil
Wandiligong Nut Festival	Wandiligong Nut Festival Inc	\$1,500	\$500
Wingjam	Wingvan	\$600	\$400
Total*		\$68,100	\$71,850

*When allocating funding in August 2019, Council noted the following:

- provision of financial support and cash sponsorship for the delivery of the Bright Rotary Markets is contingent on the Twilight Market being held in a location other than the Bright CBD;
- provision of financial sponsorship for the delivery of Bright's Iconic Rod Run is on the basis that no support will be provided to the Bright Rod & Kustom Club Inc for the hire of a marquee after the 2019 event; and
- provision of financial support for the Brighter Days Festival is on the basis that the event is held in Pioneer Park.

*Additional funding was awarded by Council in December 2019, as follows:

- \$10,000 financial sponsorship to GTR Events for the delivery of the Jayco Herald Sun Tour 2020; and
- \$8,400 financial sponsorship and \$1,600 logistical support to the Myrtleford Festival event for 2020.

Dinner Plain festival and event funding

Council allocated \$50,000 in its 2019/20 budget to assist with the delivery of events in Dinner Plain. Events are vitally important for the economy of Dinner Plain and a key driver of tourism, particularly in the green season.

Funding is to support a mixture of event types spread over the year. These include existing successful events and emerging events designed to attract visitation by targeting key school holiday and public holiday periods.

Attracting event organisers to Dinner Plain is challenging, but ongoing event activity is critical for Dinner Plain's economy.

No applications were received through the first round of 2019/20 Dinner Plain Event Funding application process. Events proposed in November 2019 were proposed by Council as a means of supporting the Dinner Plain economy, and providing free events for the general public to attend during the holiday periods.

After the first event funding process was completed, event organisers of both the Sled Dog Challenge and Geebung Polo events indicated interest in seeking support from Council to support the delivery of an event in 2019/20. On

the basis of this interest, a second round of the event funding program was made available and was presented to Council in December 2019.

Five applications were received in the second round, and were assessed by five members from the Dinner Plain businesses and community with Council officers assessed applications received against the following criteria, as detailed in the Event Funding Program Guidelines:

- Community impact and benefit;
- Expected economic and tourism benefits;
- Event profile;
- Capacity and capability of the event organiser to develop and deliver the event; and
- General criteria, including: long term sustainability of the event; operational detail of the event (including marketing); social justice principles; capacity to build relationships; location and fit of the event within the community; long term legacy creation; links to State / regional and local event strategies / plans.

Table 8: Dinner Plain festival and event grants awarded by Council in November 2019

Event name	Applicant	Funding
Easter Festival	Alpine Shire Council	\$6,500
Flickerfest	Alpine Shire Council	\$6,000
New Year's Eve Fireworks and Entertainment	Alpine Shire Council	\$6,500
Snow Season Opening Weekend Fireworks and Entertainment	Alpine Shire Council	\$6,500
Total		\$25,500

Table 9: Dinner Plain festival and event grants awarded by Council in December 2019*

Event name	Applicant	Financial Sponsorship	Logistics Support
Easter Good Friday Welcome	Dinner Plain Residents and Business Operators Society (DPRBOS)	Nil	Nil
Easter Art Exhibition	DPRBOS	Nil	\$400
Easter Kids Activities – Kids Movies and Car Boot Sale	DPRBOS	\$500	\$250
Cool Wine Challenge	DPRBOS	\$500	Nil
Stoneaxe Pastoral Geebung Polo Classic	Alps Links Development Association	\$5,000	Nil
Total		\$6,000	\$650

*When allocating funding in December 2019, Council noted:

- Provision of financial sponsorship to the Dinner Plain Residents and Business Society (DPRBOS) is to be used for:
 - \$500 funding for marketing all DPRBOS events planned for the Easter weekend;
 - \$500 funding for the cricket and jumping castle activities on Australia Day weekend, contingent upon those activities being delivered on the Dinner Plain ski slope and coinciding with the Flickerfest event.
- Provision of financial sponsorship for the delivery of the 2020 Geebung Polo event was on the basis that no support will be provided to the Alps Links Development Association for the 2021 event.
- Provided delegation to the Chief Executive Officer for the distribution of the residual funds, \$17,850.

Community grants funding

Council's Community Grants Program is a long established funding program assisting community groups and organisations to deliver community focussed projects, programs and initiatives.

The 2019/20 Community Grants Program was open for applications between 29 May and 21 June 2019. A total of 45 eligible applications were received, with a cumulative request of \$191,811 in funding.

The applications were reviewed by an assessment panel comprising: one member of the Mudgegonga Community; one member of the Myrtleford Chamber of Commerce; one member of the Bright and District Chamber of Commerce; one youth representative from Mount Beauty; two Councillors; and Council's Director Assets. The nominated member of the Mount Beauty community withdrew from the assessment process due to ill health. Council's Manager Economic and Community Development, and Council's Community Development Officer were also present to support the assessment panel.

Applications were assessed against the following criteria:

- The degree of benefit to the community;
- The contribution and support from the community toward the project;
- The degree to which projects can be maintained and are sustainable;
- The impact on environmental, economic, social, built, recreational and wellbeing criteria; and
- The geographical spread of funding allocation across the Shire;

The assessment panel recommended that 25 applicants receive funding, with 12 receiving the full amount of funding requested and 13 received funding at a reduced level.

Impact of bushfires and COVID-19

One project was not completed as a result of COVID-19. Two other projects did not proceed.

Table 10: Community Grants awarded by Council in August 2018

Applicant	Project	Sponsorship funds awarded by Council	Total project cost
1st Myrtleford Scout Group	Safety Equipment	\$750	\$2,117
Alpine Little Athletics Centre	Hurdle Trolley	\$1,057	\$1,409
Alpine Regional Horsemen's Association	Arena Extension	\$5,877	\$12,253
Boomerang Bags Bright & Townships	Wrap, Reuse, Maintain & Extend Workshops	\$1,741	\$4,461
Bright & District Chamber of Commerce	Storage container for Christmas Tree	\$1,500	\$2,800
Bright Courthouse Committee of Management	Government Hills Arts Precinct - Branding and Signage	\$4,605	\$9,602
Bright Croquet Club Inc.	Storage Shed for Greenkeeper Equipment	\$1,050	\$2,800
Bright United Men's Shed	Astronomy Trailer Shelter	\$1,000	\$4,400
Gapsted CFA	Training Trailer	\$4,406	\$5,906
Harrierville Bush Kinder	Indoors, Outdoors and Beyond	\$1,644	\$4,343
Kiewa Valley Historical Society	Improvements to Exhibition Interpretation and Signage Equipment	\$1,100	\$2,337
Mount Beauty & District Men's Shed	Purchase of a 15 inch Heavy-Duty Portable Thicknesser	\$2,000	\$3,084
Mount Beauty Dragon Boat Club	Gazebo for Club Events	\$1,042	\$1,402
Mount Beauty Dragon Boat Club	Concept 2 Rower	\$1,485	\$2,020
Mount Beauty Golf Club Inc	Women and Junior Participation in Golf Workshops	\$1,000	\$5,800

Applicant	Project	Sponsorship funds awarded by Council	Total project cost
Mount Beauty Neighbourhood Centre	Painting for a cause	\$3,000	\$17,500
Mount Beauty Playgroup	Dramatic and collaborative play equipment improvement	\$1,550	\$2,067
Mudgegonga Hall Committee	Hall Insulation and Guttering Project	\$2,000	\$3,047
Myrtleford & District Landcare & Sustainability Group	Say NO to bottled water, tap it instead and enjoy the best: NE Victorian water	\$2,103	\$5,845
Myrtleford Cemetery Trust	Drive & Path way extension	\$3,000	\$12,500
Myrtleford Community Garden	Install large water tank	\$1,045	\$3,050
Myrtleford Table Tennis Association Inc	Purchase safety barriers	\$600	\$800
Porepunkah Panthers Baseball Club	Baseball Equipment	\$190	\$190
Sustainable Upper Ovens	Event Waste Management Toolkit	\$2,500	\$10,000
Team Mount Beauty	Junior Ride Program - Ride Leader Packs	\$1,266	\$1,766
Total*		\$47,511	\$121,499

*When allocating funding in December 2019, Council noted:

- Allocated \$500 to support community groups wishing to apply for small grants to run Clean Up Australia Day events in March 2020. This program will be open for applications in January 2020;
- Provided delegation to the Chief Executive Officer to distribute residual or unspent funds;
- Provide feedback and assistance to unsuccessful applicants in highlighting other potential funding opportunities that may be available for their projects; and
- Allocated funding of \$5,000 to each of the Mount Beauty, Myrtleford and Bright communities for the purpose of supporting community-led Christmas decoration initiatives from the 2019/20 Community Grants Budget.

Glossary

Alpine Shire	the geographic region in which the Alpine Shire Council operates.
Alpine Shire Council	the organisation represented by elected councillors and staff.
Annual report	a report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement
Budget	a plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the council plan
Council	the abbreviation of Alpine Shire Council
council (lowercase)	a reference to councils generally, not specifically the Alpine Shire Council
Council Plan	a plan setting out the medium-term strategic objectives, strategies, strategic indicators and resources reflecting vision and aspirations of the community for the next four year
Financial performance indicators	a prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability and efficiency
Financial statements	the financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and a statement of capital works and included in the annual report
Financial year	the period of 12 months ending on 30 June each year
Indicator	what will be measured to assess performance
Initiatives	actions that are one-off in nature and/or lead to improvements in service
Major initiative	significant initiatives that will directly contribute to the achievement of the council plan during the current year and have a major focus in the budget
Measure	how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator
Minister	the Minister for Local Government
Performance statement	a statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report
Planning and accountability framework	the key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act
Regulations	the <i>Local Government (Planning and Reporting) Regulations 2014</i>
Services	assistance, support, advice and other actions undertaken by a council for the benefit of the local community
Service outcome indicators	the prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved
Service performance indicators	a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes
Strategic objectives	the outcomes a council is seeking to achieve over the next four years and included in the council plan
Strategic resource plan	a plan of the financial and non-financial resources for at least the next four years required to achieve the strategic objectives in the council plan. It is also referred to as a long term financial plan
Strategies	high level actions directed at achieving the strategic objectives in the council plan
Sustainable capacity indicators	a prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks covering financial performance, capacity and governance and management

Acronyms and abbreviations

CEO	Chief Executive Officer
CFA	Country Fire Authority
CPA	Certified Practising Accountant
CPR	Cardiopulmonary Resuscitation
CSS	Community Satisfaction Survey
DAMP	Domestic Animal Management Plan
DELWP	Department of Environment, Land, Water and Planning (Victorian Government)
DHHS	Department of Health and Human Services (Victorian Government)
EA	Enterprise Agreement
FOI	Freedom of Information
FTE	Full Time Equivalent staff
HACC	Home and Community Care Services
HR	Human Resources
ICT	Information and Communication Technology
LGV	Local Government Victoria
LGPRF	Local Government Performance Reporting Framework
LPPF	Local Planning Policy Framework
MAV	Municipal Association of Victoria
MSS	Municipal Strategic Statement
MTB	Mountain Bike
OH&S	Occupational Health and Safety
RDV	Regional Development Victoria
RSPCA	Royal Society for the Prevention of Cruelty to Animals
SES	State Emergency Service
VCAT	Victorian Civil and Administrative Tribunal
VIC	Visitor Information Centre

Annual Financial Report

For the year ended 30 June 2020

Understanding the Financial Report

The Annual Financial Report comprises of the audited Financial Statements and Performance Statement. The purpose of the Financial Statements is to provide readers with a detailed report of Council's financial performance (profit or loss), financial position (level of assets against liabilities) and cash flow (increase or decrease in cash held by Council) in accordance with Australian Accounting Standards. The preparation of the Financial Statements is consistent for all councils across Victoria and also provides a comparison against the previous financial year.

The purpose of the performance statement is to provide readers with an overview of how Council performed against the nominated Service Performance, Sustainable Capacity and Financial Capacity indicators as required by section 131 of the *Local Government Act 1989* and part 4 of the *Local Government (Planning and Reporting) Regulations 2014*. This reporting is consistent for all councils across Victoria, and provides a comparison against the previous financial year(s) results.

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Certification of the Financial Report

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.



Emma Woolaston
PRINCIPAL ACCOUNTING OFFICER

Date: 7 October 2020
Location: Bright

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

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

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



John Forsyth
COUNCILLOR

Date: 7 October 2020
Location: Bright



Daryl Pearce
COUNCILLOR

Date: 7 October 2020
Location: Bright



Charlie Bird
CHIEF EXECUTIVE OFFICER

Date: 7 October 2020
Location: Bright

Victorian Auditor-General's Office Report



Victorian Auditor-General's Office

Independent Auditor's Report

To the Councillors of Alpine Shire Council

Opinion	<p>I have audited the financial report of Alpine Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2020 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the annual financial report. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<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>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report


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

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

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

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

MELBOURNE
15 October 2020



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Comprehensive Income Statement

For the year ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Income			
Rates and charges	3.1	18,581	17,949
Statutory fees and fines	3.2	540	579
User fees	3.3	1,018	1,225
Grants - operating	3.4	8,690	5,403
Grants - capital	3.4	3,093	3,904
Contributions - monetary	3.5	711	1,002
Contributions - non-monetary	3.5	265	582
Other income	3.6	1,039	1,036
Share of net profits of associates	6.3	26	19
Total income		33,963	31,699
Expenses			
Employee costs	4.1	(8,186)	(7,417)
Materials and services	4.2	(10,896)	(12,218)
Depreciation	4.3	(5,015)	(4,405)
Bad and doubtful debts	4.4	4	(6)
Other expenses	4.5	(1,835)	(760)
Net loss on disposal of property, infrastructure, plant and equipment	4.6	(64)	(3,339)
Landfill rehabilitation expense	4.7	(48)	(1,047)
Assets written-off / impaired		-	(89)
Total expenses		(26,040)	(29,281)
Surplus for the year		7,923	2,418
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation (decrement)/increment	9.1	(3,251)	4,215
Total comprehensive result		4,672	6,633

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

Balance Sheet

As at 30 June 2020

	Note	2020 \$'000	2019 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	1,277	1,699
Other financial assets	5.1	24,000	15,000
Trade and other receivables	5.1	1,882	2,328
Inventories	5.2	122	169
Other assets	5.2	504	227
Non-current assets classified as held for sale	6.1	515	515
Total current assets		28,300	19,938
Non-current assets			
Property, infrastructure, plant and equipment	6.2	217,685	219,825
Investments in associates	6.3	102	76
Investment property	6.4	3,260	3,260
Total non-current assets		221,047	223,161
Total assets		249,347	243,099
Liabilities			
Current liabilities			
Trade and other payables	5.3	2,424	2,871
Trust funds and deposits	5.3	414	373
Unearned income	5.3	2,283	36
Provisions	5.4	2,459	2,395
Total current liabilities		7,580	5,675
Non-current liabilities			
Unearned income	5.3	458	494
Provisions	5.4	3,860	3,842
Total non-current liabilities		4,318	4,336
Total liabilities		11,898	10,011
Net assets		237,449	233,088
Equity			
Accumulated surplus		115,119	108,130
Reserves	9.1	122,330	124,958
Total equity		237,449	233,088

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

Statement of Changes in Equity

For the year ended 30 June 2020

2020	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at the beginning of the financial year		233,088	108,130	121,457	3,501
Impact of change in accounting policy - AASB 15 Revenue from Contracts with Customers	Overview	(311)	(311)	-	-
Adjusted balance at the beginning of the financial year		232,777	107,819	121,457	3,501
Surplus for the year		7,923	7,923	-	-
Net asset revaluation decrement	6.2	(3,251)	-	(3,251)	-
Transfers to other reserves	9.1	-	(651)	-	651
Transfers from other reserves	9.1	-	28	-	(28)
Balance at the end of the financial year		237,449	115,119	118,206	4,124

2019	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at the beginning of the financial year		226,455	107,255	117,242	1,958
Surplus for the year		2,418	2,418	-	-
Net asset revaluation increment	6.2	4,215	-	4,215	-
Transfers to other reserves	9.1	-	(1,868)	-	1,868
Transfers from other reserves	9.1	-	325	-	(325)
Balance at the end of the financial year		233,088	108,130	121,457	3,501

Statement of Cash Flows

For the year ended 30 June 2020

	Notes	2020 Inflows/ (Outflows) \$'000	2019 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		17,653	18,043
Statutory fees and fines		550	579
User fees		1,050	1,161
Grants - operating		8,853	5,403
Grants - capital		5,206	3,641
Contributions - monetary		919	1,090
Interest received		364	387
Rent received		602	589
Trust funds and deposits taken		2,749	2,982
Other receipts		47	319
Net GST refund		1,299	1,772
Materials and services		(13,222)	(13,214)
Employee costs		(8,018)	(7,453)
Trust funds and deposits repaid		(2,704)	(2,867)
Other payments		(844)	(831)
Net cash provided by operating activities	9.2	14,504	11,601
Cash flows from investing activities			
Payments for investments		(9,001)	(500)
Payments for property, infrastructure, plant and equipment	6.2	(5,985)	(11,096)
Proceeds from sale of property, infrastructure, plant and equipment	4.6	60	109
Net cash used in investing activities		(14,926)	(11,487)
Net increase/(decrease) in cash and cash equivalents		(422)	114
Cash and cash equivalents at the beginning of the financial year		1,699	1,585
Cash and cash equivalents at the end of the financial year	5.1	1,277	1,699
Financing arrangements - total facilities	5.5	315	315
Restrictions on cash assets	5.1	414	373

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

Statement of Capital Works

For the year ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Property			
Buildings		1,134	5,083
Total property		1,134	5,083
Plant and equipment			
Plant, machinery and equipment		569	678
Fixtures, fittings and furniture		27	85
Computers and telecommunications		-	39
Library books		68	70
Total plant and equipment		664	872
Infrastructure			
Roads		2,293	2,582
Bridges		571	371
Footpaths and cycleways		714	1,468
Drainage		178	349
Recreational, leisure and community facilities		315	78
Parks, open space and streetscapes		30	211
Waste		86	82
Total infrastructure		4,187	5,141
Total capital works expenditure		5,985	11,096
Represented by:			
New asset expenditure		352	353
Asset renewal expenditure		2,926	4,064
Asset upgrade expenditure		2,707	6,679
Total capital works expenditure		5,985	11,096

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

Notes to the Financial Report

For the year ended 30 June 2020

Overview

Introduction

The Alpine Shire Council (Council) was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate. The Council's main office is located at 2 Churchill Avenue, Bright Victoria 3741.

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 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

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 5.4);
- the determination of landfill provisions (refer to Note 5.4).

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

Change in accounting policy

Other than stated below, 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.

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

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

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

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

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

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

b) AASB 16 Leases

AASB 16 Leases requires right of use assets and related liabilities for all lease agreements to be recognised on the balance sheet. The Statement of Comprehensive Income is to separately recognise the amortisation of

Notes to the Financial Statements

For the year ended 30 June 2020

Overview (continued)

the right of use asset, and the finance costs relating to the lease. Council has elected to adopt the modified (cumulative catch up) method under the standard and as such has not adjusted 2019 disclosures. There was no transition impact of this for Council.

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

AASB 1058 Income of Not-for-Profit Entities applies to income received where no contract is in place. This includes statutory charges (such as rates) as well as most grant agreements. Council adopted AASB 1058 Income of Not-for-Profit Entities using the modified (cumulative catch up) method. Income for 2019 is not adjusted, because the new standard is only applied from the date of initial application. AASB 1058 Income of Not-for-Profit Entities requires income to be recognised as Council satisfies the performance obligations under the contract.

d) Transition impacts

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

	2019
	\$'000
Retained earnings at 30 June 2019	108,130
Revenue adjustment - impact of AASB 15 Revenue from Contracts with Customers	(311)
Retained earnings at 1 July 2019	107,819

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

	As reported	Adjustments	Post adoption
	30 June 2019		
	\$'000	\$'000	\$'000
Liabilities			
Unearned income	-	311	311
	-	311	311

Impact of COVID-19 crisis on council operations and 2019-20 financial report

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

- Visitor information centres, leisure centre and recreation and library income were collectively \$0.1m less than budget.
- Visitor information centres, leisure centre and recreation and tourism expenses were collectively \$0.2m less than budget.
- There was minimal impact on staffing costs as the majority of impacted staff were redeployed or took leave
- Council has provided rent relief in the form of rent waiver to lessee's meeting the criteria under the Victorian Government Tenancy Relief Scheme at an estimated cost of \$0.1m.

Notes to the Financial Statements

For the year ended 30 June 2020

Note 1 Performance against budget

The performance against budget note compares Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* require explanation of any material variances. Council has adopted a materiality threshold of greater than \$100,000 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 figure details below are those adopted by Council on 18 June 2019. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council set 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*.

Notes to the Financial Statements

For the year ended 30 June 2020

1.1 Income and expenditure

	Budget 2020 \$'000	Actual 2020 \$'000	Variance 2020 \$'000	Variance 2020 %	Ref
Income					
Rates and charges	18,634	18,581	(53)	(0)	
Statutory fees and fines	541	540	(1)	(0)	
User fees	1,065	1,018	(47)	(4)	
Grants - Operating	4,701	8,690	3,989	85	1
Grants - Capital	4,250	3,093	(1,157)	(27)	2
Contributions - monetary	735	711	(24)	(3)	
Contributions – non-monetary	210	265	55	26	
Other income	863	1,039	176	20	3
Share of net profits of associates	-	26	26	-	
Total income	30,999	33,963	2,964	10	
Expenses					
Employee costs	(8,476)	(8,186)	290	(3)	4
Materials and services	(10,688)	(10,896)	(208)	2	5
Bad and doubtful debts	-	4	4	-	
Depreciation	(5,088)	(5,015)	73	(1)	
Landfill rehabilitation expense	(107)	(48)	59	(55)	
Other expenses	(731)	(1,835)	(1,104)	151	6
Net loss on disposal of property, infrastructure, plant and equipment	(100)	(64)	36	(36)	
Total expenses	(25,190)	(26,040)	(850)	3	
Surplus for the year	5,809	7,923	2,114	36	

Notes to the Financial Statements

For the year ended 30 June 2020

1.1 Income and expenditure (continued)

Ref	Item	Explanation
1	Grants – Operating	<p>\$4.0m favourable to budget primarily due to:</p> <ul style="list-style-type: none"> • additional grant funding for bushfire recovery of \$3.4m. • higher than expected funding from the 2019/20 Victorian Grants Commission by \$0.3m. • additional grant funding for 2016 and 2018 flood damage remediation of \$0.2m.
2	Grants - Capital	<p>Capital grants were \$1.2m unfavourable to budget primarily due to delays in the completion of the Buckland Bridge works. Although the project grant has been received, under new accounting standards it cannot be recognised as income until project performance obligations are met in 2020/21. The timeline has been extended due to delays in authority approvals as a result of summer bushfires, COVID-19, and a native title claim affecting the land on which the bridge is proposed to be built.</p>
3	Other income	<p>Other income was \$0.2m favourable to budget primarily due to:</p> <ul style="list-style-type: none"> • recognition of non-monetary contributions from volunteers of \$0.1m in line with updated accounting standards; offset by the recognition of the additional expense in Other expenses. • unbudgeted insurance claims income.
4	Employee costs	<p>\$0.3m lower than budget due to the ongoing impact of vacancies; offset by alternative resource expenses captured in the Materials and Services budget.</p>

Notes to the Financial Statements

For the year ended 30 June 2020

1.1 Income and expenditure (continued)

Ref	Item	Explanation
5	Materials and services	<p>Materials and services were \$10.9m, \$0.2m higher than the budgeted \$10.7m. Primary reasons for the increase versus budget included:</p> <ul style="list-style-type: none"> • The reclassification of \$1.3m in capital expenses as operating expenditure. • \$0.3m expenditure on alternative resources to support employee vacancies. • \$0.2m in unanticipated Bushfire Recovery related expenses including destination marketing and support for community resilience. <p>These increases were in part offset by:</p> <ul style="list-style-type: none"> • \$0.3m lower than budgeted road, drainage and tree maintenance expenditure due to reduced dependency on external contractors, bushfire and COVID-19 impacts on the completion of work, and some delays in procuring materials. • An error in the budget as a result of internal charges of \$0.3m not being eliminated. • \$0.2m lower than budgeted business systems costs. • \$0.2m lower than anticipated visitor information centre, pool and tourism costs due to the impact of bushfires and COVID-19. • \$0.2m lower than budgeted due to non-completion of various compliance and management plan projects within planning, building and amenity departments. • Carry forward of Land Development Strategy expenditure of \$0.1m. • \$0.1m lower than anticipated comingled waste processing costs.
6	Other expenses	<p>Other expenses were over budget by \$1.1m due to:</p> <ul style="list-style-type: none"> • \$1.1m of grant funded funding being passed on directly to the community by way of rates and fees relief. • Recognition of non-monetary service contributions from volunteers of \$0.1m in line with updated accounting standards; offset by the recognition of the additional income in Other income.

Notes to the Financial Statements

For the year ended 30 June 2020

1.2 Capital works

	Budget 2020 \$'000	Actual 2020 \$'000	Variance 2020 \$'000	Variance 2020 %	Ref
Property					
Buildings	1,735	1,134	(601)	(35)	1
Total buildings	1,735	1,134	(601)	(35)	
Total property	1,735	1,134	(601)	(35)	
Plant and equipment					
Plant, machinery and equipment	651	569	(82)	(13)	
Fixtures, fittings and furniture	-	27	27	100	
Computers and telecommunications	276	-	(276)	-	2
Library Books	81	68	(13)	(16)	
Total plant and equipment	1,008	664	(344)	(34)	
Infrastructure					
Roads	3,293	2,293	(1,000)	(30)	3
Bridges	2,545	571	(1,974)	(78)	4
Footpaths and cycleways	1,250	714	(536)	(43)	5
Drainage	74	178	104	141	6
Recreational, leisure and community facilities	402	315	(87)	(22)	
Parks, open space and streetscapes	365	30	(335)	(92)	7
Waste management	84	86	2	-	
Total infrastructure	8,013	4,187	(3,826)	(48)	
Total capital works expenditure	10,756	5,985	(4,771)	(44)	
Represented by:					
New asset expenditure	1,433	352	(1,081)	(75)	
Asset renewal expenditure	6,975	2,926	(4,049)	(58)	
Asset upgrade expenditure	2,348	2,707	359	15	
Total capital works expenditure	10,756	5,985	(4,771)	(44)	

Expenditure on uncompleted works in progress has been included in the relevant categories in the above table. For further information refer to Note 6.2 Summary of work in progress - additions.

Notes to the Financial Statements

For the year ended 30 June 2020

1.2 Capital works (continued)

Ref	Item	Explanation
1	Buildings	<p>\$0.6m under budget due to:</p> <ul style="list-style-type: none"> Delays in completing the Myrtleford Memorial Hall Renewal, Mount Beauty Depot and Bright Railway Museum Renewal projects The reclassification of \$0.2m of various capital project expenditure as operating expenditure.
2	Computers and telecommunications	\$0.3m under budget due to the delay in implementation of various software replacements.
3	Roads	<p>\$1.0m less than budgeted primarily due to:</p> <ul style="list-style-type: none"> Delays in completing the Gavan Street Pedestrian Crossings, Alpine Better Places Harrierville And Tawonga and Bright Car Parking Improvements projects The reclassification of \$0.2m of various capital project expenditure as operating expenditure.
4	Bridges	\$2.0m under budget primarily due to delays in completing the Buckland Bridge renewal project.
5	Footpaths and cycleways	\$0.5m under budget primarily due to delays in completing the Great Valley Trail project.
6	Drainage	\$0.1m over budget primarily due to expenditure on the Ranch Road Drainage Upgrade project not included in the budget as it was not carried forward from the 2018/19 budget.
7	Parks, open space and streetscapes	<p>\$0.3m favourable to budget due to:</p> <ul style="list-style-type: none"> Reclassification of the \$0.2m Rotary Pines Preliminary Landscaping project as operating expenditure Delays in completing the Howitt Park Playground Design and Riverside Park Barbeque Shelter Renewal projects.

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2 Analysis of Council results by program

2.1 Analysis of Council results by program

Summary of revenues, expenses, assets and capital expenses by program

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
2020	\$'000	\$'000	\$'000	\$'000	\$'000
Councillors and Executive	65	8,939	(8,874)	39	102
Asset Development	3,347	1,148	2,199	3,287	-
Asset Maintenance	375	7,531	(7,156)	112	220,653
Economic and Community Development	796	1,268	(472)	699	-
Bushfire Recovery	2,261	225	2,036	2,261	-
Corporate Services	21,659	2,304	19,355	5,342	28,415
Customer and Digital Projects	51	706	(655)	-	108
Facilities	4,660	3,765	895	37	69
Planning Services	251	78	173	-	-
Building and Amenity	498	76	422	6	-
	33,963	26,040	7,923	11,783	249,347

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
2019	\$'000	\$'000	\$'000	\$'000	\$'000
Councillors and Executive	48	7,935	(7,887)	3	76
Asset Development	4,087	2,175	1,912	4,062	-
Asset Maintenance	858	10,508	(9,650)	108	222,213
Economic and Community Development	1,068	1,726	(658)	958	-
Corporate Services	20,058	2,043	18,015	4,152	20,746
Facilities	4,581	4,706	(125)	19	64
Planning Services	494	106	388	-	-
Building and Amenity	505	82	423	5	-
	31,699	29,281	2,418	9,307	243,099

Notes to the Financial Statements

For the year ended 30 June 2020

2.1 Analysis of Council results by program (continued)

Asset Development

Asset Development delivers the critical projects to develop, renew and upgrade our community assets.

Asset Maintenance

Asset Maintenance is responsible for maintaining our vital civil assets in order to underpin the wellbeing of the community. Services include local roads, bridges and drainage, footpaths, open spaces, building maintenance, operations, and emergency management.

Bushfire Recovery

Bushfire Recovery is a new function in place to support communities and businesses to recover from the 2019/2020 bushfires.

Corporate Services

Corporate Services manages the supporting functions that help Council to deliver services in a responsible and sustainable manner. Services include financial control and planning, revenue collection, governance, libraries, health and safety and risk management.

Customer and Digital Projects

Customer and Digital Projects manages the information technology and customer service functions that underpin the effective operation of Council.

Councillors and Executive

Includes all human resources support, marketing and communications activities, and advocacy activities. This area also includes remuneration for the Council workforce, the Mayor and the Councillors.

Economic and Community Development

Economic and Community Development supports a thriving, connected community and focuses on building economic and community capacity. It plays a role in facilitating festivals, events and tourism, and manages community services such as youth activities, community grants and the Maternal and Child Health service.

Facilities

Council operates a range of facilities and services for the benefit of our residents and visitors. These include airports, waste facilities, swimming pools, community centres, recreation facilities, public amenity facilities, school crossings and visitor information centres.

Planning Services

Planning Services develops frameworks and plans for the ongoing development of land across the Shire and assesses planning applications submitted by individuals and businesses.

Building and Amenity

Building and Amenity provides various services to uphold the amenity and safety of the community such as assessment of building and waste water applications, conduct of fire safety and environmental health inspections, registration of food premises, management of animals and enforcement of local laws.

Notes to the Financial Statements

For the year ended 30 June 2020

Note 3 Funding for the delivery of our services

3.1 Rates and charges

	2020	2019
	\$'000	\$'000
General rates	14,598	14,056
Waste charges	3,216	3,160
Dinner Plain special rate	178	172
Supplementary rates and rate adjustments	237	196
Interest on rates and charges	74	88
Revenue in lieu of rates	278	277
Total rates and charges	18,581	17,949

Council uses capital improved value (CIV) as the basis of valuation of all properties within the shire. The CIV of a property is the total market value of the land plus buildings and other improvements.

The valuation base used to calculate general rates for 2019/2020 was \$3,555 million (\$3,199 million in 2018/2019). The 2019/2020 rate in the dollar was 0.004158 for residential, 0.0030350 for farm and 0.005946 for commercial/industrial (2018/19 0.004424 for residential, 0.003230 for farm and 0.006326 for commercial/industrial).

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

Annual rates and charges are recognised as revenues when Council issues annual rates notices.

Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

3.2 Statutory fees and fines

	2020	2019
	\$'000	\$'000
Town planning fees	239	279
Health services	123	132
Animal and roadside trading permits	96	124
Infringements and costs	62	29
Land information certificates	19	14
Election Fines	1	1
Total statutory fees and fines	540	579

Statutory fees and fines are recognised as revenue when the service has been provided where a specific service obligation is required, all other services are recognised when the payment is received.

Notes to the Financial Statements

For the year ended 30 June 2020

3.3 User fees

	2020	2019
	\$'000	\$'000
Building services	243	244
Waste management services	360	375
Engineering works	8	118
Leisure centre and recreation	180	209
Community centres	42	26
Legal costs recovered	22	32
Visitor information centres	151	209
Library income	8	8
Other fees and charges	4	4
Total user fees	1,018	1,225

User fees are recognised as revenue when the service has been provided where a specific service obligation is required all other services are recognised when the payment is received. Visitor information centres and leisure centre and recreation were less than expected due to a reduction in services as a result of COVID-19 restrictions.

Notes to the Financial Statements

For the year ended 30 June 2020

3.4 Funding from other levels of government

Grants were received in respect of the following:

Summary of grants

	2020 \$'000	2019 \$'000
Commonwealth funded grants	4,801	4,241
State funded grants	6,982	5,066
Total	11,783	9,307

(a) Operating recurrent grants

Commonwealth Government

Financial assistance grant	4,091	3,792
Fuel rebate	30	29

State Government

School crossing supervisors	37	36
Maternal and child health	296	282
Rates administration	-	184
Youth services	72	74
Senior citizen centres	49	45
Library services	160	176
Immunisation funding	6	7
Weed management	22	20
Tobacco activity	6	5
Total recurrent operating grants	4,769	4,650

Operating non-recurrent grants

State Government

Learning and development	6	3
Municipal emergency resourcing program	60	60
Economic development and tourism	125	226
Cycle Safety Strategy	5	20
Flood/storm incident and recovery	189	138
Community development	151	324
Recycling services	-	(18)
Mayor and Councillor Allowance	33	-
Bushfire Recovery	3,352	-
Total non-recurrent operating grants	3,921	753

Total operating grants	8,690	5,403
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Notes to the Financial Statements

For the year ended 30 June 2020

3.4 Funding from other levels of government (continued)

	2020 \$'000	2019 \$'000
(b) Capital grants		
Capital recurrent grants		
<i>Commonwealth Government</i>		
Roads to Recovery	710	449
Total recurrent capital grants	710	449
Capital non-recurrent grants		
<i>State Government</i>		
Capital projects		
Roads	1,133	1,358
Bridges	260	93
Recreational, leisure	420	629
Pathways	164	40
Buildings	406	1,335
Total non-recurrent capital grants	2,383	3,455
Total capital grants	3,093	3,904
Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	520	455
Received during the financial year and remained unspent at balance date	2,151	520
Received in prior years and spent during the financial year	(510)	(455)
Balance at year end	2,161	520

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

3.5 Contributions

	2020 \$'000	2019 \$'000
Monetary	711	1,002
Non-monetary	265	582
Total contributions	976	1,584
Contributions of non-monetary assets were received in relation to the following services:		
Land	2	17
Roads	111	372
Other infrastructure	152	193
Total non- monetary contributions	265	582

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

Notes to the Financial Statements

For the year ended 30 June 2020

3.6 Other income

	2020	2019
	\$'000	\$'000
Insurance claim reimbursement	47	28
Interest on investments	317	424
Rent	583	584
Non-monetary services received	92	-
Total other income	1,039	1,036

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

Notes to the Financial Statements

For the year ended 30 June 2020

Note 4 Cost of delivering services

4.1 Employee costs

	2020 \$'000	2019 \$'000
a) Employee costs		
Wages and salaries - permanent	6,033	5,416
Workcover	106	153
Wages and salaries - casual	483	594
Annual leave and long service leave	844	589
Superannuation	699	645
Fringe benefits tax	21	20
Total employee costs	8,186	7,417
b) Superannuation		
Council has made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	27	26
Accumulated funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	310	324
Employer contributions - other funds	362	295
Total accumulated funds	672	619
Employer contributions payable at reporting date	29	28

There were no contributions outstanding and no loans issued from or to the above superannuation schemes as at 30 June 2020.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2021 is \$27,263.

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

4.2 Materials and services

	2020 \$'000	2019 \$'000
Administration	1,803	1,753
Operational	5,068	5,882
Asset maintenance	2,506	2,296
Non-recurrent projects	1,519	2,287
Total materials and services	10,896	12,218

Non-recurrent material and services expenditure refers to the portion of capital works project expenditure that is not eligible to be capitalised.

Notes to the Financial Statements

For the year ended 30 June 2020

4.3 Depreciation

	2020 \$'000	2019 \$'000
Property	1,691	1,220
Plant and equipment	466	449
Infrastructure	2,858	2,736
Total Depreciation	5,015	4,405

Refer to note 6 for a more detailed breakdown of depreciation charges

4.4 Bad and doubtful debts

	2020 \$'000	2019 \$'000
Other debtors	(4)	6
Total bad and doubtful debts	(4)	6

Provision for doubtful debt is recognised in accordance with the expected credit loss model, or when there is objective evidence that an impairment loss has occurred. Bad debts are written-off when identified.

Excluding one-off items, year end sundry debtor balances have not escalated above 2019 levels. When using the expected credit loss model, in addition to 'base expectations', Council has also applied to other debts greater than 30 days outstanding a factor of 3.6% in consideration of potential economic impacts of prolonged restrictions due to COVID-19.

4.5 Other expenses

	2020 \$'000	2019 \$'000
Auditors remuneration - VAGO - audit of financial statements, performance statement and grant acquittals	37	37
Auditors remuneration - Internal	29	25
Councillors allowances	241	205
Council grants and contributions	345	488
Refund of rates	911	5
Refund of fees	114	-
Refund of rent income	66	-
Non-monetary services received	92	-
Total other expenses	1,835	760

4.6 Net loss on disposal of property, infrastructure, plant and equipment

	2020 \$'000	2019 \$'000
Proceeds of sale	(60)	(109)
Written down value of assets disposed	124	3,448
Total net loss on disposal of property, infrastructure, plant and equipment	64	3,339

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

As a result of a review of parks and open spaces and streetscape and waste assets in 2019 these assets were written down by \$2.7 million.

Notes to the Financial Statements

For the year ended 30 June 2020

4.7 Landfill rehabilitation expenses

	2020	2019
	\$'000	\$'000
Additional provisions	-	758
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	48	289
Total landfill rehabilitation expenses	48	1,047

Notes to the Financial Statements

For the year ended 30 June 2020

Note 5 Our financial position

5.1 Financial assets

	2020 \$'000	2019 \$'000
(a) Cash and cash equivalents		
Cash on hand	2	2
Cash at bank	1,275	1,697
Total cash and cash equivalents	1,277	1,699
(b) Other financial assets		
Term deposits	24,000	15,000
Total other financial assets	24,000	15,000
Council's cash and cash equivalents are subject to restrictions that limit amounts available for discretionary use. These include:		
Trust funds and deposits Note 5.3(b)	414	373
Total unrestricted cash, cash equivalents and other financial assets	24,863	16,326
Intended allocations		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
Cash held to fund carried forward capital works	2,171	778
Dinner Plain reserve	699	727
Subdivision reserves	178	177
Waste reserve	3,247	2,597
Total funds subject to intended allocations	6,295	4,279

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.

	2020 \$'000	2019 \$'000
(c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	839	821
Net GST receivable	334	327
<i>Non-statutory receivables</i>		
Other debtors	715	1,193
Provision for doubtful debts - other debtors	(6)	(13)
Total current trade and other receivables	1,882	2,328

Short-term receivables are carried at invoice amount. A provision for doubtful debts is recognised in accordance with the expected credit loss model, or when there is objective evidence that impairment has occurred. A provision for rent relief is recognised in the form of rent waiver to lessee's meeting the criteria under the Victorian Government Tenancy Relief Scheme as a result of COVID-19 restrictions. Long-term receivables are carried at amortised cost using the effective interest rate method.

Notes to the Financial Statements

For the year ended 30 June 2020

5.1 Financial assets (continued)

(d) Ageing of receivables

At balance date other debtors representing financial assets were past due but not impaired. The ageing of the Council's trade and other receivables (excluding statutory receivables) was:

	2020 \$'000	2019 \$'000
Current (not yet due)	600	1,107
Past due by up to 30 days	60	47
Past due between 31 and 180 days	24	17
Past due between 181 and 365 days	8	3
Past due more than 1 year	23	19
Total trade and other receivables	715	1,193

(e) Impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$6,000 (2019: \$13,000) were impaired. The amount of the provision raised against these debtors was \$6,000 (2019: \$13,000). In determining the value of the provision for doubtful debts, an expected credit loss model was used, incorporating a combination of historical trends, knowledge of individual issues and forward-looking expected losses. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

5.2 Non-financial assets

(a) Inventories

Current

	2020 \$'000	2019 \$'000
Merchandise	69	64
Pavement materials	53	105
Total inventories	122	169

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

	2020 \$'000	2019 \$'000
Prepayments	400	105
Accrued income	104	122
Total other assets	504	227

Notes to the Financial Statements

For the year ended 30 June 2020

5.3 Payables

	2020	2019
	\$'000	\$'000
(a) Trade and other payables		
Trade payables	2,156	2,474
Accrued expenses	263	388
Other creditors	5	9
Total trade and other payables	2,424	2,871
(b) Trust funds and deposits		
Fire services levy	143	83
Retention amounts	191	236
Subdivision works	28	52
Other deposits	52	2
Total trust funds and deposits	414	373
(c) Lease income received in advance		
Current	36	36
Non-current	458	494
Total lease income received in advance	494	530
(d) Unearned income		
Grants received in advance - operating	164	-
Grants received in advance - capital	1,977	-
Other	106	-
Total unearned income	2,247	-

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

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

Fire Services Levy - Council is the collection agent for the fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the State Government in line with that process.

Retention amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

Subdivision works - Council receives deposits as a form of surety from property developers until certain works are completed. Once the works are completed the amounts are refunded.

Unearned income

This represents -

- Lease income received in advance for the Bright and Myrtleford Caravan Park leases at the start of the lease to be recognised on a straight line basis over the life of the leases (21 years).
- Grants received in advance for capital and operating projects to be recognised when the specific obligations for the grant agreement have been fulfilled.
- Other income in advance comprised of fees and contributions with specific obligations to be recognised when they have been fulfilled.

Notes to the Financial Statements

For the year ended 30 June 2020

5.4 Provisions

	Employee provisions \$'000	Landfill restoration \$'000	Total \$'000
2020			
Balance at beginning of the financial year	1,931	4,306	6,237
Additional provisions	983	-	983
Amounts used	(892)	(63)	(955)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	6	48	54
Balance at the end of the financial year	2,028	4,291	6,319
2019			
Balance at beginning of the financial year	1,967	3,311	5,278
Additional provisions	760	758	1,518
Amounts used	(858)	(52)	(910)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	62	289	351
Balance at the end of the financial year	1,931	4,306	6,237

	2020 \$'000	2019 \$'000
a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	620	583
Long service leave	153	122
Other accrued and parental leave	86	138
	859	843
Current provisions expected to be wholly settled after 12 months		
Annual leave	163	100
Long service leave	742	757
	905	857
Total current provisions	1,764	1,700
Non-current		
Long service leave	264	231
	264	231
Total aggregate carrying amount of employee provisions	2,028	1,931

	2020	2019
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average increase in employee costs	2.80%	2.80%
Weighted average discount rates	0.87%	1.32%
Weighted average settlement period	2 years	2 years

Notes to the Financial Statements

For the year ended 30 June 2020

5.4 Provisions (continued)

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

Wages and salaries and annual leave

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

present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

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

b) Landfill restoration

Current

Non-current

Total landfill restoration

2020	2019
\$'000	\$'000
695	695
3,596	3,611
4,291	4,306

The following assumptions were adopted in measuring the present value of landfill restoration:

Weighted average increase in restoration costs
Weighted average discount rates
Weighted average settlement period

2020	2019
2.30%	2.48%
0.87%	1.32%
3 Years	3 Years

Council is obligated to restore former landfill sites at Myrtleford and Porepunkah to a particular standard. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken, which has been estimated

based on current understanding of work required to reinstate the sites to this standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Notes to the Financial Statements

For the year ended 30 June 2020

5.5 Commitments

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

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2020					
Operating					
Waste management	1,930	1,717	1,849	-	5,496
Electricity	754	-	-	-	754
Dinner Plain bus	168	42	42	-	252
Cleaning	163	90	21	-	274
Consultancy	469	-	-	-	469
Other	211	-	-	-	211
Total	3,695	1,849	1,912	-	7,456
Capital					
Buildings	13	-	-	-	13
Bridges	1,122	-	-	-	1,122
Pathways	105	-	-	-	105
Roads	164	-	-	-	164
Total	1,404	-	-	-	1,404
	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
2019					
Operating					
Waste management	1,738	1,717	2,408	777	6,640
Electricity	680	680	-	-	1,360
Dinner Plain bus	168	42	42	-	252
Cleaning	225	42	11	-	278
Consultancy	81	-	-	-	81
Other	66	-	-	-	66
Total	2,958	2,481	2,461	777	8,677
Capital					
Buildings	494	-	-	-	494
Bridges	106	-	-	-	106
Other	21	-	-	-	21
Total	621	-	-	-	621

Notes to the Financial Statements

For the year ended 30 June 2020

5.5 Commitments (continued)

	2020	2019
	\$'000	\$'000
b) Operating lease receivables		
The Council has entered into commercial property leases on some properties, consisting caravan parks, a community centre, fitness centre and a cafe. These properties held under operating leases have remaining non-cancellable lease terms between 1 and 19 years. All leases include a CPI based revision of the rental charge annually.		
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	493	476
Later than one year and not later than five years	1,573	1,651
Later than five years	2,970	3,338
Total operating lease receivables	5,036	5,465

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

Notes to the Financial Statements

For the year ended 30 June 2020

Note 6 Assets we manage

6.1 Non current assets classified as held for sale

	2020	2019
	\$'000	\$'000
Property held for sale	515	515
Total non-current assets classified as held for sale	515	515

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of their carrying amount and fair value less costs of disposal and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

Notes to the Financial Statements

For the year ended 30 June 2020

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	At fair value 30 June 2019 \$'000	Acquisitions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	At fair value 30 June 2020 \$'000
Land	32,017	-	2	-	-	-	-	32,019
Buildings	30,864	1,134	-	-	(1,691)	(31)	2,405	32,681
Plant and equipment	3,386	664	-	(69)	(466)	(53)	-	3,462
Infrastructure	150,891	3,754	263	(3,182)	(2,858)	(40)	172	149,000
Work in progress	2,667	433	-	-	-	-	(2,577)	523
Total	219,825	5,985	265	(3,251)	(5,015)	(124)	-	217,685

Summary of work in progress	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Closing WIP \$'000
Buildings	2,289	-	(2,289)	-
Plant and equipment	-	-	-	-
Infrastructure	378	433	(288)	523
Total	2,667	433	(2,577)	523

Notes to the Financial Statements

For the year ended 30 June 2020

6.2 Property infrastructure plant and equipment (continued)

a) Property	Land	Land under roads	Total land	Buildings	Total buildings	Work in progress	Total property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2019	24,424	7,593	32,017	73,043	73,043	2,289	107,349
Accumulated depreciation at 30 June 2019	-	-	-	(42,179)	(42,179)	-	(42,179)
	24,424	7,593	32,017	30,864	30,864	2,289	65,170
Movements in fair value							
Acquisition of assets at fair value	-	-	-	1,134	1,134	-	1,134
Contributed assets	-	2	2	-	-	-	2
Fair value of assets disposed	-	-	-	(1,702)	(1,702)	-	(1,702)
Transfers	-	-	-	2,405	2,405	(2,289)	116
	-	2	2	1,837	1,837	(2,289)	(450)
Movements in accumulated depreciation							
Depreciation and amortisation	-	-	-	(1,691)	(1,691)	-	(1,691)
Accumulated depreciation of disposals	-	-	-	1,671	1,671	-	1,671
	-	-	-	(20)	(20)	-	(20)
At fair value 30 June 2020	24,424	7,595	32,019	74,880	74,880	-	106,899
Accumulated depreciation at 30 June 2020	-	-	-	(42,199)	(42,199)	-	(42,199)
	24,424	7,595	32,019	32,681	32,681	-	64,700

Notes to the Financial Statements

For the year ended 30 June 2020

6.2 Property infrastructure plant and equipment (continued)

	Plant, machinery and equipment	Fixtures, fittings and furniture	Computers and telecomms	Library Books	Work in progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
b) Plant and equipment						
At fair value 1 July 2019	5,501	444	460	816	-	7,221
Accumulated depreciation at 30 June 2019	(2,855)	(223)	(300)	(457)	-	(3,835)
	2,646	221	160	359	-	3,386
Movements in fair value						
Acquisition of assets at fair value	569	27	-	68	-	664
Revaluation increments/(decrements)	-	-	-	(70)	-	(70)
Fair value of assets disposed	(211)	-	-	(151)	-	(362)
	358	27	-	(153)	-	232
Movements in accumulated depreciation						
Depreciation and amortisation	(292)	(33)	(53)	(88)	-	(466)
Revaluation increments/(decrements)	-	-	-	1	-	1
Accumulated depreciation of disposals	191	-	-	118	-	309
	(101)	(33)	(53)	31	-	(156)
At fair value 30 June 2020	5,859	471	460	663	-	7,453
Accumulated depreciation at 30 June 2020	(2,956)	(256)	(353)	(426)	-	(3,991)
	2,903	215	107	237	-	3,462

Notes to the Financial Statements

For the year ended 30 June 2020

6.2 Property, infrastructure, plant and equipment (continued)

	Roads	Bridges	Footpaths and cycleways	Drainage	Waste	Recreational, leisure and community facilities	Parks, open spaces and streetscapes	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
c) Infrastructure									
At fair value 1 July 2019	133,342	27,826	10,582	22,031	876	4,614	2,846	378	202,495
Accumulated depreciation at 30 June 2019	(29,888)	(7,796)	(3,373)	(7,098)	(213)	(1,602)	(1,256)	-	(51,226)
	103,454	20,030	7,209	14,933	663	3,012	1,590	378	151,269
Movements in fair value									
Acquisition of assets at fair value	2,114	379	652	178	86	315	30	433	4,187
Contributed assets	111	-	25	127	-	-	-	-	263
Revaluation increments/(decrements)	9,057	(2,532)	-	1,541	-	-	-	-	8,066
Fair value of assets disposed/written-off	(159)	-	-	-	-	-	-	-	(159)
Transfers	(1,247)	154	1,265	-	-	-	-	(288)	(116)
	9,876	(1,999)	1,942	1,846	86	315	30	145	12,241
Movements in accumulated depreciation									
Depreciation and amortisation	(1,810)	(279)	(181)	(223)	(60)	(165)	(140)	-	(2,858)
Revaluation increments/(decrements)	(9,531)	634	-	(2,351)	-	-	-	-	(11,248)
Accumulated depreciation of disposals	119	-	-	-	-	-	-	-	119
Transfers	422	-	(422)	-	-	-	-	-	-
	(10,800)	355	(603)	(2,574)	(60)	(165)	(140)	-	(13,987)
At fair value 30 June 2020	143,218	25,827	12,524	23,877	962	4,929	2,876	523	214,736
Accumulated depreciation at 30 June 2020	(40,688)	(7,441)	(3,976)	(9,672)	(273)	(1,767)	(1,396)	-	(65,213)
	102,530	18,386	8,548	14,205	689	3,162	1,480	523	149,523

Notes to the Financial Statements

For the year ended 30 June 2020

6.2 Property, infrastructure, plant and equipment (continued)

Acquisition

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

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

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

Asset recognition thresholds and depreciation periods

Class of Asset	Depreciation period	Threshold limit \$'000
Land	-	-
Land under roads	-	5
Buildings	15 to 100 years	5
Roads	25 to 80 years	5
Bridges	70 years	5
Drainage	50 to 100 years	5
Footpaths and cycleways	22 to 97 years	5
Recreational, leisure and community facilities	15 to 50 years	5
Parks, open space and streetscapes	20 to 50 years	5
Waste management	12 to 20 years	-
Plant, machinery and equipment	3 to 20 years	2
Fixtures, fittings and furniture	5 to 20 years	2
Computers and telecomms	3 to 10 years	2

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation

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

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

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

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

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

Repairs and maintenance

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

Notes to the Financial Statements

For the year ended 30 June 2020

6.2 Property, infrastructure, plant and equipment (continued)

Valuation of land and land under roads

Valuation of land was undertaken by a qualified independent valuer Martin Burns AAPI (Liquid Pacific). The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

The COVID-19 restrictions have adversely effected tourism industry within the Alpine Shire, this may have impacted related land values. As this effect at present is not reliably quantifiable no adjustment has been made.

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

Valuation of buildings

Valuation of Council's building assets was performed by a qualified independent valuer Martin Burns AAPI (Liquid Pacific). The date of the current valuation is detailed in the following table.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation. Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2020 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of valuation
Land	-	13,134	11,290	Jun-2019
Land under roads	-	-	7,595	Jun-2019
Specialised buildings	-	-	23,696	Jun-2019
Non-specialised buildings	-	8,985	-	Jun-2019
Total	-	22,119	42,581	

Notes to the Financial Statements

For the year ended 30 June 2020

6.2 Property, infrastructure, plant and equipment (continued)

Valuation of infrastructure

Valuation of Council's infrastructure assets was performed by an asset management consultant Andrew Bainbridge, Bachelor of Engineering (Civil). The date of the current valuation is detailed in the following table.

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

Infrastructure asset values are not expected to be materially impacted by COVID-19 as at 30 June 2020. Formal revaluations were undertaken for Infrastructure assets during 2019/20 (Roads, Bridges, Drainage) which were predominately based on industry standard unit rates (Rawlinson's Construction Costs Guild) and are largely immune to the impacts of COVID-19. Infrastructure asset values are not considered to be impaired due to COVID-19.

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of valuation
Roads	-	-	102,530	Jun-2020
Bridges	-	-	18,386	Jun-2020
Footpaths and cycleways	-	-	8,548	Jun-2017
Drainage	-	-	14,205	Jun-2020
Waste management	-	-	689	Jun-2019
Recreational, leisure and community facilities	-	-	3,162	Jun-2018
Parks, open space and streetscapes	-	-	1,480	Jun-2019
Total	-	-	149,000	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads are 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 10% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$6.60 and \$650 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement cost is calculated on a square metre basis and ranges from \$200 to \$4000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 15 years to

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

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 5 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.

Reconciliation of specialised land

Land under roads
Parks and reserves
Facilities
Office/depots

Total specialised land

	2020 \$'000	2019 \$'000
Land under roads	7,595	7,593
Parks and reserves	5,205	5,205
Facilities	4,260	4,260
Office/depots	1,825	1,825
Total specialised land	18,885	18,883

Notes to the Financial Statements

For the year ended 30 June 2020

6.3 Investments in associates

Investment in associates accounted for by the equity method are:

MomentumOne Shared Services Pty Ltd

A 50% Interest is held in the MomentumOne Shared Services Pty Ltd.

Fair value of Council's investment in MomentumOne Shared Services Pty Ltd.

Council's share of accumulated surplus

Council's share of accumulated surplus at start of year

Reported profit/(deficit) for year

Council's share of accumulated surplus at end of year

Movement in carrying value of investment in associates

Carrying value of investment at start of year

Distributions for the year

Share of profit/(deficit) for year

Carrying value of investment at end of year

Council's share of expenditure commitments

Operating commitments

Capital commitments

Council's share of expenditure commitments

	2020 \$'000	2019 \$'000
Fair value of Council's investment in MomentumOne Shared Services Pty Ltd.	102	76
Council's share of accumulated surplus		
Council's share of accumulated surplus at start of year	41	22
Reported profit/(deficit) for year	26	19
Council's share of accumulated surplus at end of year	67	41
Movement in carrying value of investment in associates		
Carrying value of investment at start of year	76	57
Distributions for the year	-	-
Share of profit/(deficit) for year	26	19
Carrying value of investment at end of year	102	76
Council's share of expenditure commitments		
Operating commitments	-	-
Capital commitments	-	-
Council's share of expenditure commitments	-	-

Associates are 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.

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.

Notes to the Financial Statements

For the year ended 30 June 2020

6.4 Investment property

	2020	2019
	\$'000	\$'000
Balance at beginning of financial year	3,260	3,260
Transferred from property infrastructure plant and equipment	-	-
Fair value adjustments	-	-
Balance at end of financial year	3,260	3,260

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

Valuation of investment property

Valuation of investment property has been determined in accordance with an independent valuation by a qualified independent valuer LG Valuation Services Pty Ltd (API Registration no. 62901) who has recent experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property as at 30 June 2018.

The COVID-19 restrictions have adversely affected the tourism industry within the Alpine Shire, this may have impacted these property values. As this effect at present is not reliably quantifiable no adjustment has been made.

Notes to the Financial Statements

For the year ended 30 June 2020

Note 7 People and relationships

7.1 Council and key management remuneration

a) Related Parties

Interests in associates are detailed in Note 6.3.

b) Key management personnel

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

Councillors

Ron Janas - Mayor to 12 November 2019
Sarah Nicholas – Deputy Mayor
Peter Roper - Mayor from 13 November 2019
Daryl Pearce
Tony Keeble
John Forsyth
Kitty Knappstein

Chief executive officer and other key management personnel

Charlie Bird- Chief Executive Officer
Nathalie Cooke - Director
William Jeremy - Director

Notes to the Financial Statements

For the year ended 30 June 2020

7.1 Council and key management remuneration (continued)

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

\$20,000 - \$29,999
 \$40,000 - \$49,999
 \$60,000 - \$69,999
 \$180,000 - \$189,999
 \$230,000 - \$239,999

2020	2019
No.	No.
5	6
1	-
1	1
2	2
1	1
10	10

Total Number of Councillors

Chief Executive Officer and other Key Management Personnel

Total Key Management Personnel

2020	2019
No.	No.
7	7
3	3
10	10

(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

Short-term benefits
 Long-term benefits
 Termination benefits
 Post-employment benefits
 Total

2020	2019
\$'000	\$'000
771	715
13	12
-	-
49	47
833	774

(d) Senior officer Remuneration

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

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$151,000.

There were no officers meeting this definition.

Notes to the Financial Statements

For the year ended 30 June 2020

7.2 Related party disclosure

(a) Transactions with related parties

2020
\$'000

2019
\$'000

MomentumOne

The CEO is a director of MomentumOne Shared Services Pty Ltd as Council owns 50% of this company. MomentumOne provides a labour hire services mainly for the operating of Council's swimming pool facilities.

Paid to MomentumOne Shared Services Pty Ltd

288

302

Alpine Community Plantations

William Jeremy is a member of the board of management for Alpine Community Plantations. Transactions with Alpine Community Plantations have been predominately related to the maintenance of a mountain bike trails.

Paid to Alpine Community Plantations

13

25

Tourism North East

The CEO is a member of the Tourism North East board of directors. Tourism North East provides marketing and advertising services for Council.

Paid to Tourism North East

291

202

Received from Tourism North East

-

30

Partners of key management personnel that are employed by Council

Council employed partners of key management personnel. This is a normal Council employee/contractor relationship.

6

18

(b) Outstanding balances with related parties

The outstanding balances owing to related parties is to

MomentumOne Shared Services Pty Ltd

2

4

The outstanding balances owing with related parties is to

Tourism North East

-

30

(c) Loans to/from related parties

There were no loans either to or from related parties.

(d) Commitments to/from related parties

Council has contracted with MomentumOne to provide labour hire services for seasonal swimming pools for three years to September 2022.

Notes to the Financial Statements

For the year ended 30 June 2020

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

Contingent liabilities

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

Landfill

Council is responsible for three small landfill sites that have been closed for more than twenty years at Myrtleford, Mount Beauty and Harrietteville. These sites are being monitored by Council and it may be required to perform rehabilitation works in the future. It is estimated that the works if required are likely to cost \$800,000.

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 in note 9.3. As a result of the volatility in financial markets the likelihood of making such contributions in future periods

exists. COVID-19 restrictions and the subsequent economic recession in Australia has increased the probability of requiring an additional contribution.

Liability Mutual Insurance

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

Contracted works

Council has received a claim for payment of \$32,522 for works carried out at Mount Beauty swimming pool. Based on legal opinion Council has rejected this claim however the matter remains unresolved

8.2 Change in accounting standards

The following AASs have been issued that are not mandatory for the 30 June 2020 reporting period. Council has assessed these standards and has identified no material impacts from their application.

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

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

- recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset;
- reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service concession asset;
- initially measure a service concession asset constructed, developed or acquired by the

operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in AASB 13 Fair Value Measurement. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with AASB 116 Property, Plant and Equipment or AASB 138 Intangible Assets, as appropriate, except as specified AASB 1059;

- recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator; and
- disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

Notes to the Financial Statements

For the year ended 30 June 2020

8.2 Change in accounting standards (continued)

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

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

The Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and

its application by improving the wording and aligning the definition across AASB Standards and other publications. The impacts on the local government sector are expected to be minimal.

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

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

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in 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's 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 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 has exposure to credit risk on some financial assets included in the balance sheet. To help manage this risk:

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

Notes to the Financial Statements

For the year ended 30 June 2020

8.3 Financial instruments (continued)

charge over the rateable property.

- There are no material financial assets which are individually determined to be impaired. Is of our contingent liabilities are disclosed in Note 8.1

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

(d) Liquidity risk

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

To help reduce these risks Council:

- has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- has readily accessible standby facilities and other funding arrangements in place;
- monitors budget to actual performance on a regular basis; and
- sets limits on borrowings relating to the percentage of loans to rate revenue and

percentage of loan principal repayments to rate revenue.

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

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

All financial liabilities are expected to be settled within normal terms of trade.

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

(e) Sensitivity disclosure analysis

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

A parallel shift of 0.25% and -0.75% in market interest rates (AUD) from year end rates of 1.1%.

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

8.4 Fair value measurement

Fair value hierarchy

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised

within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Notes to the Financial Statements

For the year ended 30 June 2020

8.4 Fair value measurement (continued)

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 4 years. The valuation is performed either by experienced council officers or independent experts. Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been

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

Impairment of assets

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

8.5 Events occurring after the balance date

On the 6 August 2020 stage 3 COVID-19 restrictions were reintroduced in regional Victoria; as a result, Council has

- closed or restricted access to some facilities including visitor information centres, libraries, and leisure centre.
- redeployed or requested impacted staff to take leave so this will have minimal impact on staffing costs.
- provided rent relief in the form of rent waiver to lessee's meeting the criteria under the Victorian Government Tenancy Relief Scheme.
- cancelled or modified tourism related events organised by Council.

The financial impact of this for 2020/21 is expected to be similar to 2019/20.

The 2020/21 Adopted Budget (adopted 16 June 2020) assumed a continuation of restrictions experienced from late in the 2020 financial year through to the end of September 2020. All receivables and payables balances along with actual impacts on revenue and expenses and asset values are not expected to be further impacted by the announcement. Disclosures regarding COVID-19 have been made in the relevant notes to the statements.

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

Notes to the Financial Statements

For the year ended 30 June 2020

Note 9 Other matters

9.1 Reserves

	Balance at beginning of reporting period	Increment / (decrement)	Balance at end of reporting period
	\$'000	\$'000	\$'000
a) Asset revaluation reserve			
2020			
Property			
Land	21,559	-	21,559
Buildings	17,978	-	17,978
	39,537	-	39,537
Plant, machinery and equipment			
Books	91	(69)	22
Infrastructure			
Roads	55,214	(474)	54,740
Bridges	15,642	(1,898)	13,744
Footpaths and cycleways	1,239	-	1,239
Drainage	8,793	(810)	7,983
Waste	353	-	353
Recreational, leisure and community	159	-	159
Parks, open spaces and streetscapes	429	-	429
	81,829	(3,182)	78,647
Total asset revaluation reserve	121,457	(3,251)	118,206
2019			
Property			
Land	17,193	4,366	21,559
Buildings	19,002	(1,024)	17,978
	36,195	3,342	39,537
Plant, machinery and equipment			
Books	-	91	91
Infrastructure			
Roads	55,214	-	55,214
Bridges	15,642	-	15,642
Footpaths and cycleways	1,239	-	1,239
Waste	-	353	353
Drainage	8,793	-	8,793
Recreational, leisure and community	159	-	159
Parks, open spaces and streetscapes	-	429	429
	81,047	782	81,829
Total asset revaluation reserve	117,242	4,215	121,457

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

Notes to the Financial Statements

For the year ended 30 June 2020

9.1 Reserves (continued)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
b) Other reserves				
2020				
Dinner Plain	727	-	(28)	699
Waste	2,597	650	-	3,247
Subdivision recreation	177	1	-	178
Total other reserves	3,501	651	(28)	4,124
2019				
Dinner Plain	1,025	-	(298)	727
Gravel pit restoration	27	-	(27)	-
Waste	865	1,732	-	2,597
Subdivision recreation	41	136	-	177
Total other reserves	1,958	1,868	(325)	3,501

The **Dinner Plain reserve** is maintained to ensure all rates raised from Dinner Plain properties are quarantined and invested back into Dinner Plain.

The **gravel pit restoration reserve** has been closed as the Harrierville quarry is no longer in use and there is no requirement for restoration.

The **waste reserve** is maintained to fund landfill rehabilitation works. Where budgeted rehabilitation projects are not carried out in the financial year, funds are allocated to the reserve to fund future rehabilitation work.

The **subdivision recreation reserve** is maintained to account for contributions received under the *Subdivision Act 1988*. This reserve funds future recreational projects which meet the definition of the Act.

Notes to the Financial Statements

For the year ended 30 June 2020

9.2 Reconciliation of cash flows from operating activities to surplus

	2020	2019
	\$'000	\$'000
Surplus for the year	7,923	2,418
Depreciation	5,015	4,405
Net loss on disposal of property, infrastructure, plant and equipment	64	3,339
Contributions - non-monetary assets	(265)	(582)
Proceeds from the sale of non-current assets classified as held for sale	-	141
Landfill rehabilitation expense	48	1,047
Assets written-off / impaired	-	89
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	446	(317)
(Increase)/decrease in prepayments	(295)	92
(Increase)/decrease in accrued income	18	(37)
Decrease in inventories	47	2
Increase in investment in associates	(26)	(19)
Increase/(decrease) in trade and other payables	(447)	1,032
Increase in trust funds and other deposits	41	7
Increase/(decrease) in employee provisions	97	(36)
Increase in unearned income	1,901	72
Decrease in landfill restoration provision	(63)	(52)
Net cash provided by operating activities	14,504	11,601

9.3 Superannuation

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

Accumulation

The Fund's accumulation categories, Vision MySuper / Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2020, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

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

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the

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

Funding arrangements

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

As at 30 June 2019, an interim actuarial investigation was completed. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 107.1%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

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

Vision Super has advised that the estimated VBI at 30 June 2020 was 104.6%.

Notes to the Financial Statements

For the year ended 30 June 2020

9.3 Superannuation (continued)

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

Employer contributions

Regular contributions

On the basis of the results of the 2017 full actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2020, this rate was 9.5% of members' salaries (9.5% in 2018/2019). 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 Council) are required to make an employer contribution to cover the shortfall. Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound-up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

The 2019 interim actuarial investigation surplus amounts

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

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

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

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

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

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

The 2020 triennial actuarial investigation

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

	2019	2017
Net investment return	5.6% pa	6.5% pa
Salary inflation	2.5% pa	3.5% pa
Price inflation	2.0% pa	2.5% pa

Performance Statement

For the year ended 30 June 2020

Performance Statement

For the year ended 30 June 2020

Description of municipality

The Alpine Shire Council is situated in north-east Victoria, approximately 300km from the Victorian state capital Melbourne, and 70km south of Albury-Wodonga. The area of the Alpine Shire is 4,790 square kilometres consisting of 92% public land.

The Shire extends from mountain ranges to the valley floor, where residents choose to live predominantly around the three main towns of Bright, Myrtleford and Mount Beauty. Other members of the populace live in the smaller towns, villages and surrounding farming communities that are spread throughout the Shire.

The region offers a diverse lifestyle with a mix of culture, history and experiences. The region is a well-known destination for tourists with festivals, markets, exhibitions, sporting and recreational activities held throughout the Alpine Shire; together with a range of cafes, restaurants and wineries.

The estimated resident population of the Shire is 12,814, a number which significantly increases with the seasonal influx of tourists. Population demographics show a lower population of 20-39 year olds, but a much higher population of persons aged 55 and over as compared to the Victorian averages.

Other Information

For the year ended 30 June 2020

1. Basis of preparation

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

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

The Performance Statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by Council's Strategic Resource Plan. The *Local Government (Planning and Reporting) Regulations 2014* require explanation of any material variations in the results contained in the Performance Statement. Council has utilised materiality thresholds as described in the "Local Government Better Practice Guide 2018-19 - Performance Statement" relevant to each indicator and measure. Where Council's year on year result varies by more than 10% of the State-wide average (2018/19), Council has reported a material variance. Explanations have not been provided for variations below these materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the Performance Statement are those adopted by Council in its Strategic Resource Plan on 16 June 2020 and which forms part of the Council Plan. The Strategic Resource Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The Strategic Resource Plan can be obtained by contacting Council.

2. Impact of Bushfires and COVID-19 on Performance Statement

The Alpine Shire experienced bushfires during January 2020, impacting on communities across the entire municipality. The impact was felt not only due to direct threat of the fire, but also due to the severe smoke conditions that impacted on operation of facilities and delivery of services.

COVID-19 was officially declared as a global pandemic by the World Health Organisation in March 2020. Since then, various measures have been taken by all three levels of Government in Australia to reduce the spread of COVID-19.

Bushfires and COVID-19, and measures taken to mitigate them, have impacted on council operations and resulting performance in the following areas for the financial year ended 30 June 2020:

- * Maternal and Child Health service dropped from 85% to 74%, and participation by Aboriginal children dropped from 79% to 59%.
- * Utilisation of aquatic facilities also dropped somewhat from 2.4 to 2.2 visits per capita.

Generally the financial indicators show that Council is financially sustainable and that services are being delivered within expected parameters.

3. Retired measures

The following measures were retired at the end of the 2018/19 year, and no longer form part of the Performance Statement in 2019/20:

- * Animal management prosecutions. Previously a measure of number, replaced with a measure of proportion (page 145).
- * Average residential rate per residential property assessment. Replaced with average rate per property assessment (page 151).
- * Asset renewal compared to depreciation. Replaced with asset renewal and upgrade compared to depreciation (page 153).

Sustainable Capacity Indicators

For the year ended 30 June 2020

Indicator / measure	Results				Material Variations
	2016/17	2017/18	2018/19	2019/20	
Population					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,969	\$1,951	\$2,300	\$2,032	The 2018/19 expenses result was higher than trend due to the impact of a number of one-off items, including a) a write-down in the value of Council's open spaces and waste assets following a detailed revaluation exercise; b) an increase in the provision for the rehabilitation of the Myrtleford landfill following a review of future requirements; and c) a significant proportion of infrastructure project expenditure being operational in nature. The 2019/20 result is more reflective of the expected trend for expenses to increase in line with inflationary pressures.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$15,021	\$14,727	\$14,753	\$14,489	
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	21.5	21.7	22.0	22.4	
Own-source revenue					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,584	\$1,701	\$1,635	\$1,655	There has been some minor impact on user fees due to the impact of COVID-19 and the 2019/20 bushfire season.

Sustainable Capacity Indicators (continued)

For the year ended 30 June 2020

<i>Indicator / measure</i>	Results				Material Variations
	2016/17	2017/18	2018/19	2019/20	
Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$573	\$421	\$401	\$428	The Roads to Recovery Grant and Financial Assistant Grant both increased in 2019/20.
Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	5	5	5	5	
Workforce turnover <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year]x100	31.1 %	7.1 %	14.4 %	11.0 %	

Sustainable Capacity Indicators (continued)

For the year ended 30 June 2020

Definitions

"adjusted underlying revenue" means total income other than—

- (a) non-recurrent capital 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 excluding revenue which is not under the control of council (including government grants)

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

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

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

Service Performance Indicators

For the year ended 30 June 2020

Service / indicator / measure	Results				Material Variations
	2016/17	2017/18	2018/19	2019/20	
Aquatic facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	3.2	3.1	2.4	2.2	Pool attendance has been greatly impacted in 2019/20 due to Bushfires in January 2020, and COVID-19 restrictions from March 2020 onwards. Outdoor pool bookings would normally include swimming classes, water aerobics, visiting athletics groups, school holiday programs, and pool parties. In Mount Beauty and Myrtleford many of these were cancelled due to fires / air quality (smoke) closures in January and February. The timing for many school groups was also affected. COVID-19 restrictions have also led to the closure of the indoor pool at Bright Sports Centre.
Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	New in 2020	New in 2020	New in 2020	0%	No animal management prosecutions were referred to court in 2019/20. (Note: indicator is replacing previous 'Animal management prosecutions' which was a measure of number, not proportion)
Food safety Health and safety <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	45.5 %	33.3 %	82.9 %	95.8 %	Environmental Health staff focussed on following up non-compliance as a priority in 2019, to ensure that Environmental Health resources were appropriately allocated according to risk profiles of food premises.

Service Performance Indicators (continued)

For the year ended 30 June 2020

Service/indicator /measure	Results				Material Variations
	2016/17	2017/18	2018/19	2019/20	
Governance Satisfaction Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	57	60	59	56	Community satisfaction with Council decisions fell slightly compared to the previous year, however performance remains higher than both the State-wide and Small Rural Council averages (both 53). Council's upcoming review of its approach to community engagement will have an objective of improving satisfaction with Council decisions.
Libraries Participation Active library members [Number of active library members / Municipal population] x100	20.7 %	20.0 %	18.8 %	18.4 %	The number of active library users has dropped slightly compared to the previous year. This is likely due to bushfires, library closures and social distancing measures impacting on services in 2019/20. Note: from 2019/20 onwards, this measure reflects the average number of active library borrowers over three years, while previous years' data was a measure of that year only.

Service Performance Indicators (continued)

For the year ended 30 June 2020

Service/indicator /measure	Results				Material Variations
	2016/17	2017/18	2018/19	2019/20	
Maternal and child health Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	88.7 %	86.6 %	84.5 %	74.4 %	Participation in the MCH service was greatly impacted during January - June 2020 due to bushfires and COVID-19 restrictions. As a result of these emergencies, restrictions to service delivery were imposed by the Department of Health and Human Services. Despite the restrictions imposed, the MCH team continued to support the community, with only a 10% reduction in service participation.
Participation <i>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	84.6 %	95.7 %	79.2 %	58.8 %	Participation in the MCH service was greatly impacted during January - June 2020 due to bushfires and COVID-19 restrictions. As a result of these emergencies, restrictions to service delivery were imposed by the Department of Health and Human Services. Council has a small number of Aboriginal and Torres Strait Island enrolments, so a slight reduction in participation creates a greater reduction in overall results.

Service Performance Indicators (continued)

For the year ended 30 June 2020

Service/indicator /measure	Results				Material Variations
	2016/17	2017/18	2018/19	2019/20	
Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	57	60	64	61	Community satisfaction with sealed local roads fell slightly compared to the previous year, however performance remains strong compared to both the State-wide average (54) and Small Rural Council average (51).
Statutory Planning Decision making <i>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	0 %	0 %	100 %	0 %	No statutory planning decisions were referred to VCAT during 2019/20.
Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	49.6 %	45.9 %	39.4 %	40.4 %	

Service Performance Indicators (continued)

For the year ended 30 June 2020

Retired measures Service/indicator /measure	Results			
	2016/17	2017/18	2018/19	2019/20
Animal Management Health and Safety Animal management prosecutions [Number of successful animal management prosecutions]	0	0	0	Retired in 2020

Service Performance Indicators (continued)

For the year ended 30 June 2020

Definitions

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

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

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

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

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

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

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

"Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth to control the standards of HACC service provision.

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

Financial Performance Indicators

For the year ended 30 June 2020

Dimension / indicator / measure	Results				Forecasts				Material Variations
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
Efficiency									
Expenditure level									
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$2,875	\$2,803	\$3,361	\$2,955	\$3,130	\$2,966	\$3,004	\$3,066	The 2018/19 expenses result was higher than trend due to the impact of a number of one-off items, including a) a write-down in the value of Council's open spaces and waste assets following a detailed revaluation exercise; b) an increase in the provision for the rehabilitation of the Myrtleford landfill following a review of future requirements; and c) a significant proportion of infrastructure project expenditure being operational in nature. The 2019/20 result is more reflective of the expected trend for expenses to increase in line with inflationary pressures.
Revenue level									
<i>Average rate per property assessment</i> [General rates and Municipal charges / Number of property assessments]	New in 2020	New in 2020	New in 2020	\$1,684	\$1,735	\$1,755	\$1,799	\$1,826	

Financial Performance Indicators (continued)

For the year ended 30 June 2020

Dimension / indicator / measure	Results				Forecasts				Material Variations
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
Liquidity									
Working capital									
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	285.4 %	422.7 %	349.5 %	373.4 %	442.2 %	425.5 %	418.8 %	466.8 %	Cash balances have increased slightly in 2019/20 due to the receipt of Bushfire Recovery funding.
Unrestricted cash									
<i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	32.7 %	1.4 %	4.8 %	-48.1 %	30.3 %	43.4 %	46.0 %	48.0 %	Council's commitment to carried-forward capital works of \$2.2m and unspent conditional grants of \$2.2m is greater than the amount of cash on hand \$1.3m, resulting in a negative unrestricted cash amount for 2019/20. However Council holds a significant proportion of funds in term deposits of \$24.0m with maturity dates staged throughout the year in order to support cashflow and there are no concerns regarding the availability of cash to meet these commitments. Term deposits with an original maturity of greater than 90 days are defined as other financial assets for the purposes of the Performance Statement.

Financial Performance Indicators (continued)

For the year ended 30 June 2020

Dimension / indicator / measure	Results				Forecasts				Material Variations
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
Obligations									
Loans and borrowings									
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	Council continues to operate free from borrowings and has no foreseeable need for loans in the future.
<i>Loans and borrowings repayments</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	
Indebtedness									
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	19.3 %	16.2 %	20.8 %	20.4 %	16.6 %	13.9 %	10.8 %	10.2 %	
Asset renewal and upgrade									
<i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and asset upgrade expense / Asset depreciation] x100	New in 2020	New in 2020	New in 2020	112.3 %	84.9 %	188.7 %	150.9 %	149.2 %	

Financial Performance Indicators (continued)

For the year ended 30 June 2020

Dimension / indicator / measure	Results				Forecasts				Material Variations
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	12.3 %	13.1 %	-6.3 %	16.8 %	0.6 %	-0.1 %	8.7 %	8.9 %	The 2018/19 deficit result was significantly lower than trend due to the impact of a number of one-off items, including a) a write-down in the value of Council's open spaces and waste assets following a detailed revaluation exercise; b) an increase in the provision for the rehabilitation of the Myrtleford landfill following a review of future requirements; and c) a significant proportion of infrastructure project expenditure being operational in nature.
Stability Rates concentration Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	59.1 %	62.2 %	64.5 %	58.8 %	68.4 %	73.6 %	68.0 %	68.7 %	Council received significant Bushfire Recovery funding of \$3.4m in 2019/20 which proportionately increased non-rates sources of revenue.
Rates effort Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.58 %	0.63 %	0.55 %	0.51 %	0.51 %	0.51 %	0.52 %	0.54 %	The overall value of property across the Shire significantly increased in 2019/20.

Financial Performance Indicators (continued)

For the year ended 30 June 2020

Retired measures Dimension / indicator / measure	Results			
	2016/17	2017/18	2018/19	2019/20
Efficiency Revenue level Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,710	\$1,717	\$1,753	Retired in 2020
Obligations Asset renewal Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x100	77%	76%	92%	Retired in 2020

Financial Performance Indicators (continued)

For the year ended 30 June 2020

Definitions

"adjusted underlying revenue" means total income other than—

- (a) non-recurrent capital 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)

"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.

Certification of the Performance Statement

For the year ended 30 June 2020

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*.



Emma Woolaston
Principal Accounting Officer

Date: 7 October 2020

In our opinion, the accompanying Performance Statement of the Alpine Shire Council for the year ended 30 June 2020 presents fairly the results of Council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

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

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

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



John Forsyth
Councillor

Date: 7 October 2020



Daryl Pearce
Councillor

Date: 7 October 2020



Charlie Bird
Chief Executive Officer

Date: 7 October 2020

Victorian Auditor-General's Office Report



Victorian Auditor-General's Office

Independent Auditor's Report

To the Councillors of Alpine Shire Council

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

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

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

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

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

MELBOURNE
15 October 2020



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Produced by:

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