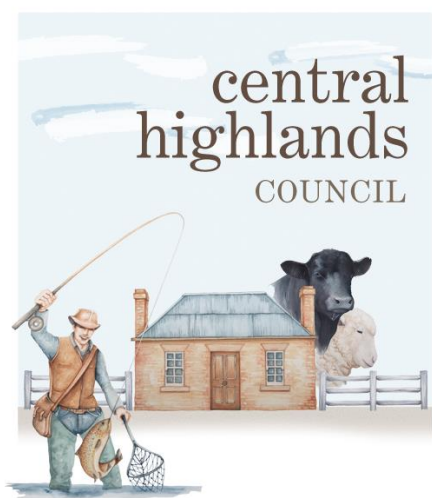




# **CENTRAL HIGHLANDS COUNCIL ANNUAL REPORT 2019 / 2020**





## Contact Information

### Administration & Works & Services

Address: 6 Tarleton Street, Hamilton TAS 7140  
Phone: (03) 6286 3202  
Email: [council@centralhighlands.tas.gov.au](mailto:council@centralhighlands.tas.gov.au)  
Website: [www.centralhighlands.tas.gov.au](http://www.centralhighlands.tas.gov.au)

### Development & Environmental Services

Address: 19 Alexander Street, Bothwell TAS 7030  
Phone: (03) 6259 5503  
Fax: (03) 6259 5722



## **The following statistics are provided from the 2016 Census Data**

### **Population**

Male 1,141      Female 998      Total 2141

The median age of people in the Central Highlands was 50 years. Children 0-14 years made up 16.2% of the population and people aged 65 years and over made up 23.6% of the population.

Aboriginal and/or Torres Strait Islander people made up 5.3% of the population.

### **Employment**

897 people, aged 15 years and over, reported being in the labour force in the week before Census night. Of these 53.6% were employed full time, 30.9% were employed part-time and 8.0% were unemployed.

Of the employed people in Central Highlands, 19.9% worked in Sheep and Beef Cattle Farming, 3.5% worked in accommodation and 3.9% in local government administration.

The most common occupations included managers 23.7%, Labourers 21.4%, Technicians and Trade Workers 15.1%, Community and Personal Service Workers 9.4% and Machinery Operators and Drivers 9.2%.

### **Education**

In the Central Highlands, 24.5% of people were attending an educational institution. Of these, 31.9% were in primary school, 15.4% in secondary school and 9.9% in a tertiary or technical institution.

Of people aged 15 years and over in Central Highlands, 9.1% reported having completed Year 12 as their highest level of educational attainment, 16.1% had completed a Certificate III or IV and 5.9% had completed an Advanced Diploma or Diploma.

### **Families**

Of the families in the Central Highlands 31.1% were couple families with children, 54.6% were couple families without children and 12.4% were one parent families.

In the Central Highlands, of all households, 60.6% were family households, 35.1% were single person households and 4.3% were group households

34.7% of households had a weekly household income of less than \$650 and 3% of households had a weekly income of more than \$3,000.

The median weekly income for people aged 15 years and over was \$467.

### **Dwellings**

36.3 % (891) of private dwellings were occupied and 63.7% (1,561) of private dwellings were unoccupied on census night. Of the occupied private dwellings, 4.0% had 1 bedroom, 23.4% had two bedrooms and 49.4% had 3 bedrooms. The average household size was 2.1 people.

## Introduction

*The Local Government Act 1993* requires every Council in Tasmania to produce an Annual Report. This gives an opportunity for the Council to inform the community of achievements and challenges in the last year, and review areas to be improved upon.

This includes the annual corporate planning and reporting cycle of the Central Highlands Council each year. This report covers the period of the 2019/2020 financial year.

The Council is required under *Section 72 of the Local Government Act 1993* to prepare a report that contains:

- a summary of the annual plan for the preceding financial year;
- a statement of its goals and objectives in relation to public health for the preceding year;
- a statement of the Council's activities and its performance in respect of goals and objectives set for the proceeding financial year;
- the financial statements for the proceeding financial year;
- a statement of the activities and performance of the Council in relation to any activity taken pursuant to Section 21 as compared with its objectives for the preceding financial year;
- a statement of the total allowances and expenses paid to the Mayor, Deputy Mayor and Councillors;
- a statement detailing the attendance of each Councillor at meetings of the Council and any Council Committee during the preceding financial year
- a statement in accordance with Subsection 4 relating to the total remuneration paid to employees of Council who hold positions designated by the Council as being senior position;
- a copy of the audit opinion for the proceeding financial year;
- a statement specifying details of any land donated by the Council under Section 177, including the name of the recipient, the reasons of the donation, and the value of the land;
- any other prescribed matter.

This report contains a series of chapters, each devoted to a function of Council, and an explanation of how these functions interact within the Central Highlands Council structure.

The report also contains audited standard, financial, and performance statements. This shows how monies raised via rates, charges, fees and grants received have been expended.

Each year the Council prepares an Annual Budget within the context of the actions identified in the Strategic Plan 2015 – 2024. The Strategic Plan and Budget are used to inform the decisions and actions of Council for the coming year.



Central Highlands Council values the input of the community. Members of the community are invited to make submissions on the Annual Report for discussion at Council's Annual General Meeting, which will be held at 8.45am on Tuesday 16 February 2021. Any person wishing to make a submission should do so by close of business Tuesday 9 February 2021.

### **Corporate Vision**

To provide residents and visitors opportunities to participate in and enjoy a vibrant local economy, rewarding community life, cultural heritage and a natural environment that is world class.

### **Corporate Mission**

Provide leadership to ensure that local government and other services are provided to satisfy the social, economic and environmental needs of the present day community, whilst endeavouring to ensure the best possible outcomes for future generations.

### **Strategic Plan**

Council's Strategic Plan 2015-2024 is available free of charge by contacting either the Bothwell or Hamilton Office or on Council's website at [www.centralhighlands.tas.gov.au](http://www.centralhighlands.tas.gov.au)

## Mayor's Report

Welcome to the Mayor's Report for the Central Highlands Council financial year 2019/2020 which I provide with pleasure.

Even though this report is a statutory requirement of Council, I provide this report as a continuation of my commitment to true transparency of Central Highlands Council commitments, behaviour and actions over the previous 12 months being the 2019/2020 financial year.



I welcome our new residents who have chosen to join us in the beautiful Central Highlands. Our Council has approximately 798,241 hectares of land, including national parks and world recognised wilderness heritage areas. We have some of the best fly and trout fishing across the world and an ever increasing interest in our tourism opportunities, including Council being approached regarding future tourism opportunities yet to be defined. Tourism is certainly an ongoing and developing area across our Central Highlands, and I am always looking for opportunities for existing and new developments to provide employment of local people as well as the use of locally grown foods on menus and other catering opportunities. Across our whole Central Highlands community we are world renowned for our bushwalking opportunities as well as our ever strong agricultural and horticultural industries.

### Coronavirus (COVID-19)

The Coronavirus or also known as COVID-19 has been one of the most stressful and challenging period for our Council, the wider community and all countries across the globe.

In the past we have endured natural disasters like floods, droughts, fire and financial hardship challenges, but never before has this Council and community had to come to grips with the current global health crisis including our own beautiful state Tasmania.

It has taken the world by surprise.

On Tuesday 17th March 2020, the Ordinary Meeting of Council was held in the Hamilton Town Hall.

Prior to the Council meeting was the Councillors Conversation "off the record" session. This allows Councillors to engage in an open conversation about any council related issues or concerns that we can address, resolve if necessary and then move forward as a team.

I continue to implement this session as I've also found it's yet another avenue that can also provide support across the council table.

The main focus of the meeting was the importance of Council leading the way in the COVID-19 virus.

The meeting commenced at 9am with Council practising 'social distancing' with myself, Councillors, Managers and the Minute Secretary being seated 1.5 metres apart. Masks and hand sanitisers were readily available upon entrance to the Hamilton Town Hall. This has been an ongoing practice for Council meetings whilst alternating the location of meetings between Hamilton and Bothwell Town Halls.

Currently, there are many changes for Council and the wider community to adapt to during this current crisis focusing on an effort to 'Stop the Spread' of COVID-19 in Tasmania. Councillors discussed options to put in place for future monthly Ordinary Meetings of Council and possible Planning Committee meetings. Council as a Planning Authority often have complex development applications that require time consuming discussions, therefore the need to call a Planning Committee meeting.

Options were discussed for future meetings which included video linking and teleconference meetings.

To my understanding, the consensus of Councillors appeared to be in favour of teleconference linkups when we were unable to hold our 'social distancing' meetings in the town halls. This worked reasonably well, however face to face meetings were preferable. Council have cancelled all other committee meetings and community gatherings in an effort to protect our community, especially our elderly who are most vulnerable to this virus. (over 50% of our population are over 50 yrs. of age).

Council made a decision to respect and follow the lead of our RSL, and cancel all ANZAC Day Services in the Central Highlands. Services cancelled throughout the Central Highlands included the Bothwell, Hamilton and Gretna Dawn services.

As a Council we are disappointed we had to make this decision but do not apologise for keeping our community as safe as we possibly can.

Also, we as a Council must abide by the stringent health guidelines and State Government advice provided continuously to enforce changes as they arise; information and updates come on a daily basis (at a minimum), and my aim is to ensure we act immediately on the advice received from officials. The Bothwell Visitor Centre and Hamilton Centres were temporarily closed.

Additional safety measures continue to be undertaken by Council's General Manager, Development & Environmental Services Manager, Works & Services Manager and Environmental Health Officer in the implementation of new rules to protect the office and the outdoor workforce employees in the Bothwell and Hamilton offices and depots.

From Monday 30th March 2020, both Bothwell and Hamilton administration offices were temporarily closed to the public.

Currently, Central Highlands Council's Administration Officers continue to abide by 'social distancing' and conduct their daily duties by a 'common sense' responsible approach and attitude. Workforce transportation changes included workers travelling to their designated tasks in separate vehicles hence practising 'social distancing'.

The Central Highlands Council's Emergency Management Officers keep me updated on emergency management changes and Councillors and council employees continue to participate in temperature checks, hand sanitiser and social distancing upon entry to the halls.

Councillors and employees have been very proactive in working together to minimise any possible spread of the coronavirus

## **COVID-19 in our Community**

Especially now, as our borders open, we must not become complacent. We must all continue to do the right thing to reduce the risk of any outbreaks in our state.

Let's all keep up the good work.

## **Professional and Personal Development Opportunities**

I strongly believe that Council employees and our elected Councillors should continue on a path of both professional and personal development. I have ensured a number of opportunities have been presented to elected Councillors, and have noted that these opportunities can assist in a more informed and understanding of Council including the attendance at workshops and training focusing on Understanding Financial Statements and Reports, the Role and Responsibilities of Elected Councillors including the Governance and Operational processes and functions of Council.

I deemed that a number of workshops were compulsory for Councillors, and thus their attendance and engagement was crucial in development of skills and also enabling a thorough understanding of Council reiterating how our elected arm and employee/administrative arm are expected to work together, with myself as the conduit working closely with our General Manager.

Myself and other councillors are representatives on many committees including the Bothwell Football Club and Community Centre, the Independent Living Units Committee, Bothwell Swimming Pool Committee, Plant Committee, Australia Day Committee, Bothwell Cemetery Committee, Bothwell Visitor Information Centre and Highlands Tasmania Tourism Committee. I have been pleased, and thankful to those Councillors who put in their time and their effort.

Council, when conducting business as the Planning Authority need to remain unbiased and are guided by the Central Highlands Interim Planning Scheme and the Land Use Planning and Approvals Act 1993.

There has been additional opportunities for myself in attending the elected members Local Government Association of Tasmania (LGAT) meetings and conferences, Southern Tasmanian Councils Authority (STCA) and the Mayors Round-table regular meetings. I personally find the Mayors Round-table meetings valuable in that I am able to hear, and share, some issues that overlap all local government, as well as some specific to only one, two or three Councils. At times, these meetings have provided valuable opportunities for our Central Highlands Council to learn from other local government bodies, as well as offering support when, where, and if possible. My continuing relationship with other Mayors at our Round-table meetings has been to talk, and listen, regarding issues and possible solutions to providing and retaining services to local communities.

The Bothwell Doctors Medical Centre, managed by our new service provider Dr Mary Lumsden, has been a thriving centre with doctors available for our Central Highlands community. Many community members travel from all areas of the Central Highlands to visit doctors at this Centre.

Dr Mary has a kind and caring personality and our community are very fond of her. Thank you to our doctors and their staff for their continued support.

Central Highlands Medical Practice in Ouse is operating at full capacity. Thank you to Dr Renier and Susan Swart for their dedication over many years.



I continue to stand strong in my belief that our Central Highlands people should not be placed at a disadvantage based purely on the fact of our geographical location.

The Central Highlands Health and Wellbeing plan - 'Being Well and Staying Well in the Heart of Tasmania' was approved by Council at the July 2020 Ordinary Meeting of Council.

Funding has been included in the 20/21 Council estimates to ensure Council and the community can work towards meeting some of the goals in the Community Health & Wellbeing Plan during COVID-19 and beyond.

### **Bushfire Season**

During 2019/2020 the Central Highlands Council and community were threatened with bushfires throughout our municipality.

In January and February 2019 the Great Pine Tier Fire had burnt 55,328 hectares. We were very fortunate no lives were lost.

The support and coordination provided by State Government departments including Tasmania Police, Tasmania Fire Service, State Emergency Services, Parks & Wildlife Services, Sustainable Timbers Tasmania, working alongside our Council employees, volunteers, local farmers, businesses and residents in protecting our community in circumstances of the emergency like the Great Pine Tier Fire was enormous.

In October 2019 a registered burn resulted in causing a serious vegetation fire at Tods Corner Road and burnt towards Poatina Road, Flintstone, Barren Tier and Miena. This fire burned down the gully towards Poatina Road heading towards Arthur's Lake and Flintstone.

On 30th December 2019 to 8th January 2020 the Pelham Fire was a large fire in the Pelham region of the Central Highlands municipality that put people and public assets at the potential risk of causing death, injury or damage to property. There was a multi-agency response including, but not limited to TFS, TasPol, Parks & Wildlife, SES, contractors and Council.

During this bushfire, earthmoving equipment was deployed by TFS to numerous properties constructing fire breaks for a total of 14 days. The bushfire caused damage to Council's road network in the Pelham area which included damage to the sealed road surface, drainage infrastructure, guard rails, guide posts, landslip area from removal of dangerous trees and vegetation etc. Council's Works Manager estimated the rehabilitation works cost at around \$75,000 to the municipal area.

Everyone played their part, and it was this dedication to community, and support for community that allowed us to face the fires, with no loss of life.

On behalf of the Central Highlands Council I thank you all.

Previous fires I understand has contributed to place our community under extra stress, as many of us including Central Highlands Council, nervously wait the coming fire season.

The past year has seen the negotiation of a number of agreements including funding opportunities which assist in the development and maintenance of our infrastructure and road networks and always keeping in mind identifying additional tourism opportunities.

This includes the vital action of supporting our existing tourism businesses and opportunities. These agreements and funding opportunities around the area requires a permanent and ongoing commitment and dedication from myself, and with the generalised support of council as a whole.

I'm proud that I've been able to deliver infrastructure across the Central Highlands municipality including the re-stabilisation section of road from the Lyell Highway going into Bronte Park Village. I have also secured financial assistance from the State Government to urgently address the needed realignment of the Bothwell 'Pub with No Beer' corner, as well as identifying and correcting the deterioration of the road on the Den Hill. My persistence and determination with State Government Ministers over the past 4 years including organising numerous meetings and on-site visits to the 'Pub with No Beer' site on the Highlands Lakes Road, has resulted in the 'Pub with No Beer' infrastructure works now in progress. The completion date for this project is February 2020.

Our roads and bridges are crucial infrastructure and so that council can keep these roads safe for all users, I continue to identify further areas across the whole of the Central Highlands that may need strengthening and/or redevelopment, or maintenance. As always, I appreciate hearing from our Central Highlands community in regard to infrastructure issues which need to be put forward to receive Council's attention.

A number of capital works have been completed in the 2019/2020 some of which include:

- Pelham Road - Seal
- Ellendale Road - Reseal
- Hollow Tree Road Reseal & Preparation
- Re-sheeting of Gravel Roads
- Flintstone Drive Stabilisation
- Bothwell Football Club & Community Centre - kitchen
- Waste Transfer Stations - slabs for bin placement
- Broad River Bridge, Dawson Rd - underpinning
- Nive River Bridge, Gowan Brae - bridge replacement
- Hunterston Bridge – bridge replacement

Unfortunately, due to COVID-19, it has been necessary for the cancellation of two of the Central Highlands major events. The Hamilton Show, an annual event which has been running for years, had to be cancelled as well as Central Highlands Council's annual Bushfest weekend that is held in Bothwell.

Council are eager to receive ideas from the community for a future event thus providing an important opportunity of drawing locals and visitors to the area, and showcasing the area. The Central Highlands has had a number of businesses opening across the area, which is fantastic, and further increases employment opportunities as well as providing a boost to our economy.

This is an opportune time for me to thank all volunteers across our Central Highlands who give so much of their time for the many different activities throughout the year. Without our volunteers many of our festivals, community events and other events simply wouldn't be possible. So I say Thank You all, for your time and efforts in helping across various roles throughout the year.

In regard to telecommunications across the Central Highlands, I continue, on a regular basis, to engage with both the Commonwealth and State governments speaking directly with the aim of encouraging the targeted financial assistance to our Council to consider addressing the issues of various known black spots. The channelling of these funds is crucial across our Central Highlands area for the safety of our residents, and also for the safety of the many tourists we find travelling our roads.

As well as identifying black spots across our roads I have also concentrated on black spots across our telecommunications; this includes those black spots where our resident's quality of life is not at

the standard of others due to a lack of access of telecommunications, as well as the increased probability of reduction of safety.

Specifically, residents and visitors in the Cramps Bay area around the Great Lake benefitted from the installation of a new Telstra mobile base station that delivers Telstra 3G and 4G mobile data services to the region. This was a long time coming but shows that dedication and commitment, plus raising the issues constantly can produce a positive outcome.

I have continued meeting with the Regional General Manager for Telstra Regional Australia, Tasmania, Mr Michael Patterson, since 2018 regarding Telstra mobile coverage across the municipality. I continually receive correspondence from all tiers of Government. On 18 November 2020 the Australian Government opened the competitive assessment process for Round 5A of the Mobile Black Spot Program (the Program) and is now calling for applications from Mobile Network Operators (MNOs) and Mobile Network Infrastructure Providers (MNIPs). Council may be eligible for consideration under the Program.

The Government has refreshed the design of the Program for Round 5A based on feedback from a wide range of stakeholders, including many councils. This round includes a focus on improving mobile connectivity along major transport corridors and in disaster-prone regions, and on testing new technologies that support shared mobile infrastructure in regional areas. I will keep you updated as we progress.

### **Community Grants Program**

Council has provided assistance through the Community Grants Program of over \$100,000. Some of the recipients include:

- Annual bursaries to Central Highlands Year 10 students at Bothwell, Glenora and New Norfolk High Schools
- Family Day Care Facility
- Annual allocation to Central Highlands General Practice
- Annual allocation to Bothwell Medical Centre
- Annual allocations to Ouse, Westerway, Bothwell, Glenora & New Norfolk Schools
- Individual sports people and groups
- Local Fire Brigades and the Ouse Community Garden.

### **Financial Hardship Assistance**

In reply to many ratepayers' queries to me, it's been important that I provide community with the following information in regard to Financial Hardship Assistance.

Policy No. 2020 – 57 Financial Hardship Assistance Model Policy was approved at the April 2020 'Ordinary' Council Meeting which enables Council to assist community members who are suffering financial hardship by providing an appropriate level of relief for Local Government rates.

The Commercial Addendum developed by the Local Government Association of Tasmania to the Financial Hardship Assistance Model Policy has been provided to achieve a consistent approach to rates assistance for commercial operators across the municipality. This policy was approved by Council at the June 2020 'Ordinary' Council Meeting.

The Commercial Addendum is intended to be supplementary to any other public benefit concessions policy or any other economic relief measure that Council may implement.

The Commercial Addendum applies to commercial/business ratepayers within the Valuer-General land use code – ‘Commercial’ who are experiencing hardship due to the loss of operating revenue or reduced disposable income. It is not intended to be used to maintain financial positions for those who do not need it and are not genuinely impacted by serious financial hardship.

The principles, as outlined in the Hardship Policy are:

- (1) Consistent, equitable and respectful treatment of all residents and ratepayers that is sensitive to their specific circumstances.
- (2) Maintaining Council’s ability to provide essential services to our community through appropriately applied rating.
- (3) Assisting ratepayers who are suffering serious financial hardship, so that they may overcome these circumstances and return to financial stability and contributing equitably to local services.
- (4) Ensuring that those able to contribute to local services continue to do so.
- (5) Minimising the opportunity for misuse, exploitation or fraud by ensuring decisions made to provide special relief or assistance are supported by sufficient evidence.
- (6) Maintaining confidentiality and privacy of applicants and ratepayers, their applications and any information provided.

One additional principle applies to this Commercial Addendum. That is, the principle of proportionality – namely, that any agreed arrangements will take into account both individual and community wide circumstances (such as the COVID-19 pandemic) on commercial ratepayers, with specific regard to their revenue, expenses, and profitability.

This Addendum relates to and depends on other Council policies, as well as Tasmanian Government legislation, including:

- Local Government Act 1993, Part 9 – Rates and Charges<sup>1</sup>, particularly:
- Section 86A – General principles in relation to making or varying rates
- Sections 125-127 – Postponement of payment
- Section 128 – Late payments
- Section 129 – Remission of rates
- *COVID-19 Disease Emergency (Miscellaneous Provisions) Act 2020*
- *COVID-19 Disease Emergency (Commercial Leases Code) Act 2020*
- Rates and Charges Policy (pursuant to section 86B of the *Local Government Act 1993*).

### ***How Council Can Help***

The Local Government Act 1993 provides Council with three methods of rate relief:

1. Postponing rate payments (sections 125-127);
2. Remission of late payment penalties or interest (section 128); and
3. Remission of rates (section 129).

Remission of any rates is reserved only for the most serious and exceptional of financial hardship cases. Even in these cases, deferral of rate payments must be applied for and granted first, before an application for rates remission can be considered – see the Hardship Policy for further information.

Businesses eligible for the JobKeeper Program will automatically be treated as experiencing genuine financial hardship.



## ***Scale of Rates Relief***

The following sets out an eligibility scale of rates relief measures based on a business's loss of revenue (due to COVID-19).

Council will apply the following to businesses experiencing loss of revenue (compared to the same period in the previous year):

- Between 75-100% - a rates waiver;
- Between 50-75% - a rates deferral, negotiated payment terms and/or waiver of penalty and interest charges;
- Between 30-50% - negotiated payment terms and/or waiver of penalty and interest charges;
- Between 0-30% - would prima facie receive no benefit unless they show individual cause<sup>1</sup>.

The value of any waiver will be capped at \$1000.

## ***Applications***

To seek Commercial financial hardship assistance from Council, an application must be made in writing, addressed to the General Manager, and submitted as follows:

- Submitted via online form at: <http://centralhighlands.tas.gov.au/>
- Emailed to Council@Centralhighlands.tas.gov.au; or
- Mailed to PO Box 20, Hamilton TAS 7140.

Applications must:

- Demonstrate and provide evidence for financial hardship and circumstances;
- Describe the type of assistance sought, being:
  - Postponing rate payments (a deferral arrangement);
  - Remission of late payment penalties or interest; and/or
  - Remission of rates (in the most serious and exceptional of financial hardship cases);
- Address the requirements of the relevant subsections of the Hardship Policy (e.g. How Council Can Help – deferral with the intention of remission).

See Policy No. 2020 – 57 Financial Hardship Assistance Model Policy for information on the assessment of applications.

I look forward to the next financial year, with both excitement and anticipation as we embark on another year of providing on-the-ground services as well as other services and opportunities, aiming to keep our community culture being a culture of true community, and our community spirits high.

I remain honoured to be the Mayor of our stunning Central Highlands, and I continue to work hard to achieve positive results in not only maintaining our way of life across our area, but importantly to identify opportunities that can assist in enhancing our way of life, to provide access to services and crucially to instil a sense of confidence and pride of our area, not just for our elected Councillors, but for our Council employees and our wider Central Highlands community also. I'm always looking for, and listening to, ideas to better our community and implement things that will benefit our people.

For the year that we have completed, Thank You to my fellow elected Councillors and our administrative arm, the employees of the Central Highlands Council. As Mayor, I continue to appreciate the support and respect given to the position of Mayor and I look forward to the year ahead and working to continue to provide further opportunities and support across our Central Highlands. The working relationship between myself as Mayor and our General Manager remains strong and will, no doubt, continue to be an asset of Council in the year ahead.

As Mayor, I shall continue to provide opportunities for discussion and difference of opinions around the table of elected members.

Councillors, I appreciate your time, your effort, your commitment and your support and contribution in building a strong effective Council and in the delivery of services.

Loueen (Lou) Triffitt

Mayor

## Current Councillors as at 30 June 2020



Loueen Triffitt  
**Mayor**  
6286 3275



Jim Allwright  
**Councillor**  
6288 1392



Anthony Archer  
**Councillor**  
0427 215 558



Tony Bailey  
**Councillor**  
0418 863 284



Scott Bowden  
**Councillor**  
0419 595 542



Anita Campbell  
**Councillor**  
0427 538 744



Robert Cassidy  
**Councillor**  
0458 737 747



Julie Honner  
**Councillor**  
0417 168 339



Jim Poore  
**Councillor**  
0412 733 617

## Councillor Attendance at Ordinary Council Meetings, Special Council Meetings & Annual General Meeting

	Meeting Attendance (including Annual Meeting & Special meetings)			
	Full	Part	Absent	Possible
Mayor Loueen Triffitt	13			<b>13</b>
Deputy Mayor James Allwright	13			<b>13</b>
Clr Anthony Archer	8	3	2	<b>13</b>
Clr Anthony Bailey	13			<b>13</b>
Clr Scott Bowden	11		2	<b>13</b>
Clr Anita Campbell	12		1	<b>13</b>
Clr Robert Cassidy	13			<b>13</b>
Clr Julie Honner	13			<b>13</b>
Clr Jim Poore	12		1	<b>13</b>

## Councillor Attendance at Committee Meetings & Workshops

	Meeting Attendance at Council Committee & Audit Panel Meetings as members				Meeting Attendance at Council Workshops			
	Full	Part	Absent	Possible	Full	Part	Absent	Possible
Mayor Loueen M Triffitt	6		2	<b>8</b>	8		1	<b>9</b>
Deputy Mayor James Allwright	10			<b>10</b>	7		2	<b>9</b>
Clr Anthony Archer	1			<b>1</b>	6		3	<b>9</b>
Clr Anthony W Bailey	4			<b>4</b>	8		1	<b>9</b>
Clr Scott Bowden	0		1	<b>1</b>	3		6	<b>9</b>
Clr Anita Campbell	1			<b>1</b>	7		2	<b>9</b>
Clr Robert Cassidy	4		1	<b>5</b>	7	1	1	<b>9</b>
Clr Julie Honner	2			<b>2</b>	8		1	<b>9</b>
Clr Jim Poore	11		1	<b>12</b>	6		3	<b>9</b>



## **Current Council Committee Representation 2019 / 2020**

### **Bothwell Swimming Pool Committee**

Mayor L M Triffitt (Chair)  
Clr J Poore  
Clr A Campbell

### **Plant Committee**

Mayor L M Triffitt (Chair)  
Clr A Bailey  
Clr S Bowden  
Clr A Archer (proxy)

### **Audit Panel**

Clr J R Allwright  
Clr J Poore  
Clr A Campbell (proxy)

### **Planning Committee**

Clr J R Allwright (Chair)  
Mayor L Triffitt  
Clr J Poore  
Clr R L Cassidy  
Clr A Bailey (proxy)

### **Australia Day Committee**

Clr A W Bailey (Chair)  
Clr A Campbell  
Mayor L M Triffitt

### **Bothwell Football Club & Community Centre Committee**

Clr J Honner (Chair)  
Clr A Bailey  
Clr A Campbell (proxy)

### **Central Highlands Visitor Centre Management Committee**

Clr J Poore (Chair)  
Clr J Honner  
Clr R Cassidy (proxy)

### **Bothwell Cemetery Committee**

Mayor L M Triffitt (Chair)  
Clr A Campbell  
Clr R Cassidy  
Clr A Archer (proxy)

### **Independent Living Units Committee**

Mayor L M Triffitt (Chair)  
Clr A Bailey  
Clr Cassidy (proxy)

### **Strategic Planning Sub-Committee**

Clr A Bailey  
Clr A Archer  
Clr A Campbell

### **Highlands Tasmania Tourism Committee**

Mayor L M Triffitt (Chair)  
Deputy Mayor J Allwright  
Clr R L Cassidy (proxy)

### **Waste Committee**

Clr J R Allwright (Chair)  
Clr J Poore  
Clr S Bowden  
Clr J Honner (proxy)

## **External Committee Representation**

### **Bothwell Spin-In Committee**

Mayor L Triffitt  
Clr J Honner (proxy)

### **Australasian Golf Museum**

Mayor L Triffitt  
Clr R Cassidy  
Clr A Archer (Proxy)

### **Southern Tasmanian Waste Group**

Deputy Mayor J Allwright  
Clr S Bowden (Proxy)

### **The Derwent Catchment Project**

Clr A Bailey

### **Great Lake Community Centre Committee**

Mayor L M Triffitt  
Clr J Honner (Proxy)

### **TasWater Owners Representative**

Deputy Mayor J Allwright  
Clr A Archer (deputy rep)

### **Clyde Water Trust (Liaison)**

Clr J Poore

### **Health Action Team Central Highlands (HATCH)**

Clr A Bailey  
Clr J Honner (Proxy)

### **The Central Highlands Men's Shed Steering Committee**

Clr A W Bailey  
Deputy Mayor J Allwright (Proxy)

## Overview & Highlights

### **Central Highlands Health & Wellbeing Plan – Being Well and Staying Well in the Heart of Tasmania**

To help develop this Plan, a series of community conversations were held across the Central Highlands in 2019. The Plan aims to prevent ill-health and build better health. It builds on strengths and provides ways for Central Highlanders and Central Highland communities to connect with their own health and wellbeing, the services they need, and a healthy and well future.

### **Hollow Tree Road Motorcycle Road Safety Audit**

Funding up to \$200,000 from the Tasmanian Government's, Making Our Rural Roads Safer Action Plan theme for the 2020/21 financial year has been allocated to the Central Highlands Council. The funds will be used by the Council, to undertake low-cost infrastructure treatments to improve road safety for motorcyclists on Hollow Tree Road.

Hollow Tree Road was selected as a test case for the motorcycle road safety audit and resulting treatment plan because it has a high relative crash rate for motorcyclists resulting in a number of serious causality crashes and a fatality. Stakeholders have also expressed concerns about the frequency of motorcycle crashes, injuries to riders and damage to property.

The Department of State Growth partnered with the Central Highlands Council to undertake the audit of Hollow Tree Road and a stakeholder workshop on Wednesday 19 February 2020. Stakeholder input through a Safe System approach, identified a number of potential beneficial low-cost infrastructure treatments including:

- Extending culverts located on curve alignments.
- Extending pavement seal on the outside of curves, located at critical sites.
- Sealing of identified bellmouths.
- Signage upgrades for consistency and alignment with the Australian Standards.

Stakeholders were keen to participate in the process and are enthusiastic about the potential road safety benefits to motorcyclists and other road users. Those who participated in the audit and the workshop included:

- Central Highlands Council members
- Expert motorcyclists
- Neighbouring Local Government representatives
- Nominated Central Highlands Council employees
- Nominated local stakeholders
- State Growth employees
- Tasmania Police

## **COVID-19**

As a result of COVID-19, Council introduced the following measures to assist residents and ratepayers:

- No penalties, charges, interest or debt collection for late rates payments and extended payment periods (with such measures in place) until 30 June 2020
- Rent relief on council owned buildings where tenants are experiencing financial hardship until 30 June 2020.
- Introduced a Financial Hardship Policy to assist ratepayers suffering serious financial hardship
- Introduced the Commercial Addendum to Financial Hardship Assistance Policy for commercial operators
- Settlement of creditor invoices within 14 days to assist local businesses
- Apply a nil increase on rates, fees and charges for 2020-21

### **South Central Sub-Group Grant – Workforce Development Project**

The Tasmanian Community Fund has granted \$395,000 to the South Central Sub-Region (SCS), made up of the Brighton, Central Highlands, Derwent Valley and Southern Midlands Councils, for its Workforce Development Project.

The project essentially is the engagement of a Workforce Development Coordinator for three years to directly connect employers and job seekers whilst ensuring they acquire the necessary training and education.

The Regional Workforce Planning Report of 2017, commissioned by SCS, highlighted the large number of employment opportunities that require specific skills that are not being filled by local job seekers. The project's aim is to match employer requirements with training to enable the regional workforce to take up these local employment opportunities.

The Coordinator will be housed at the South Central Trade Training Centre (SCTTC), in Bridgewater, (thereby facilitating crucial linkages), and will service the entire South Central Sub-region.

The Coordinator will engage with potential employers and employees, and also other organisations such as schools, Skills Tasmania, TasCOSS, the local PCYCs, local government, TasTAFE, the TCBITB and numerous educational and training initiatives such as 26TEN.

The Tasmanian Community Fund is an independent Fund that supports and strengthens Tasmanian communities by distributing funds to those communities.



## **Bothwell Doctor**

Council were pleased, after months of searching, to be able to obtain the services of Dr Mary Lumsden to provide a medical service at Bothwell. Dr Lumsden took over the practice from Huon Regional Care from 1 December 2019.

## **Australia Day**

On 26<sup>th</sup> January 2020, a morning tea was held at the Ellendale Hall to present our annual citizenship awards.

The 2020 Central Highlands Australia Day Citizen of the Year was awarded to Peter Rainbird.

The 2020 Central Highlands Young Citizen of the year was awarded to Brock Watkins.

## **NRM program – The Derwent Catchment Project**

Central Highlands and Derwent Valley Council support a shared NRM program across the municipalities delivered by the Derwent Catchment Project, a local Landcare group.

Major programs this year include: the initiation of a 3-year \$1.3 million pasture network program funded by NRM South through the Australian Government's National Landcare Program to support farmers in best practice dryland grazing; a cross-tenure weed management program which controls priority weed infestations around high value agricultural and natural areas (which has run for 6 years, works with 8 partners and last year brought in \$100,000 cash contributions on top of Councils funding for weed management across the catchment); a strategic plan for sustainable development in tourism and agriculture funded by the Australian Government's Building Better Regions and Central Highlands Council and the Tyenna River Restoration Program which has made massive progress through the Willow Warriors, a group of passionate angler volunteers, and the Clark Family at Lanoma.

Over the last year the Hamilton Native Plant Nursery has become viable enough to employ a full-time nursery manager. The nursery grows natives collected from local seed and hardens them to the Derwent conditions. Last year 25,000 plants were grown for shelterbelts and broader DCP projects including 15,000 saltbush plants for a forage shrub trial as part of the pasture network.

As part of the NRM role DCP undertakes site visits and provides revegetation and species selection advice to landholders across the catchment as well as ad hoc support for rate payers with land management queries.

## Key Focus Areas

### Goal 1 - Community Building: *Build Capacity to enhance community spirit and sense of well being*

#### Strategies

- Continue to upgrade existing public open spaces and sporting facilities and encourage community use
- Advocate for improved health, education, transport and other government and non-government services within the Central Highlands
- Continue to strengthen partnerships with all tiers of government
- Support and encourage social and community events within the Central Highlands
- Provide support to community organisations and groups
- Foster and develop an inclusive and engaged community with a strong sense of ownership of its area
- Foster and support youth activities in the Central Highlands

#### Initiatives

<b>Continue support of local organisations and groups</b>	<p>Council continue to support local organisations and groups by way of in-kind support such as provision of plant and labour, photocopying, and free or subsidised use of Council premises, to name a few.</p> <p><b>Groups to benefit were:</b></p> <ul style="list-style-type: none"><li>➤ Bothwell Exercise Group – waive hall hire fees Bothwell Hall for exercise classes</li><li>➤ Australasian Golf Museum – lease of premises no charge</li><li>➤ Bothwell Historical Society – lease of premises no charge</li><li>➤ Ouse On-Line Access Centre – lease of premises no charge</li><li>➤ Great Lake Community Centre Inc. – lease of premises no charge</li><li>➤ The Derwent Catchment Project – use of premises no charge</li><li>➤ Ellendale Hall Committee – use of Ellendale Hall no charge</li><li>➤ Engineering fees – Hamilton Show Marquees</li><li>➤ Staff Member provide in kind support to “Pop-up Picnic &amp; Play” Queens Park Bothwell</li><li>➤ Waive Fees BDHS for use of Bothwell Football Club &amp; Community Centre</li><li>➤ Contribute to electrical repairs Bothwell CWA - \$959.36</li><li>➤ Reimburse extra cost of power during fires to Great lake Community Centre Inc. \$640.08</li></ul>
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	<ul style="list-style-type: none"> <li>➤ Allocation of \$3,000 to Anglers Alliance for lakes cameras</li> <li>➤ Waive fees for chair hire Westerway Primary 100 year anniversary</li> </ul>
<b>Continue the support of community groups and clubs through in-kind assistance as well as through Council's Community Grants Program</b>	<p>Council provided assistance through the Community Grants Program to the following:</p> <ul style="list-style-type: none"> <li>➤ Bothwell Speed Shear - \$2000</li> <li>➤ Hamilton Anglican Parish Heating Grant - \$3,000</li> <li>➤ Anglican Parish Hamilton Churches Grant - \$2,500</li> <li>➤ Blue farmer Sign - \$350.00</li> <li>➤ Royal Flying Doctors - \$1,000.00</li> <li>➤ Westerway primary School 100 Year Anniversary - \$1,000.00</li> <li>➤ Ellendale Hall Committee Community Christmas Party - \$785.00</li> <li>➤ CHCHC Community Garden Group - \$435.00</li> <li>➤ Ouse &amp; Highlands Community Alive Group Community Children's Xmas Party - \$1,000</li> <li>➤ Southern Highlands Progress Association - \$780 towards defibrillators</li> <li>➤ Bailey Mayne - \$150 towards costs Tas Cricket team Representation interstate</li> <li>➤ Donation of \$250 towards the Diabetes Tasmania Pollie pedal 2020</li> <li>➤ Donation of \$300 to Campdrafting Tas Inc. towards championships</li> <li>➤ Donation of \$1,000 to St Vincent de Paul Society Winter Appeal</li> <li>➤ Donation of \$180 to Lions Club of Hobart re 2020 Circus Quirkus</li> <li>➤ Donation of \$200 to the Derwent Pony Club</li> </ul>
<b>Continue the annual allocation to schools to assist with their programs for school children</b>	Council makes an annual allocation to Bothwell District High School, Ouse Primary School, Westerway Primary School & Glenora District High School
<b>Provide annual bursaries for a child at each school continuing further education and Annual citizenship awards</b>	Council provide annual bursaries to Central Highlands Year 10 students at Bothwell District High School, Glenora District High School and New Norfolk High School to further their education whilst also providing annual citizenship awards to students
<b>Provide assistance to continue the home day care facility at Bothwell</b>	Council allocates \$5000 per year towards the Family Day Care Facility at Bothwell
<b>Continue to allocate funds to the provision of medical services to Ouse and Bothwell</b>	Council makes an annual allocation to the Central Highlands General Practice and Bothwell Doctors to support the provision of medical services to our community.

<b>Support programs and activities that promote the health and wellbeing of our community</b>	Council allocated one staff member for a few hours a week to assist with the Meal Delivery Program.
<b>Continue support regional groups of benefit to Central Highland's residents</b>	<p>Council is a member of the following regional groups"</p> <ul style="list-style-type: none"> <li>➤ STCA</li> <li>➤ Destination Southern Tasmania</li> <li>➤ Local Government Shared Services</li> <li>➤ South Central Sub-Region Group</li> </ul>



*Picture: Komatsu Loader*

## **Goal 2 Infrastructure and Facilities – *Manage Council's physical assets in an efficient and effective manner***

### **Strategies**

- Develop and implement a 10 year asset management plan for all classes of assets
- Continue to work at regional and state levels to improve transport and infrastructure
- Seek external funding to assist with upgrading of existing infrastructure and funding of new infrastructure and facilities
- Ensure that the standard of existing assets and services are maintained in a cost effective manner



## Initiatives

<b>Allocate funds to ensure that existing services and assets are maintained</b>	Council budgets sufficient funds to ensure that its assets and services are maintained
<b>Expand the 10 year asset management plan to include all classes of assets</b>	Council has a long term asset management plan for roads, bridges and buildings
<b>Underpin Dawsons Bridge</b>	Bridge Pro was the successful tenderer for the underpinning works on Dawsons Bridge and have completed the work.
<b>Replace 3 vehicles and the Hamilton CAT Loader and purchase a dog trailer and water cart</b>	Council replaced the vehicles and Loader. The Water cart was purchased. It was decided to repair the dog trailer rather than replacing it.



*Picture: New Water Cart Hamilton*



<b>Prepare a design to form the basis of work to be undertaken to provide water and power to grassed area at Bothwell Caravan Park, new signage and BBQ</b>	This design work was not undertaken and has been included in the 2020/21 budget.
<b>Complete the construction of the new public conveniences at Ouse Park</b>	The public conveniences at the Ouse Park have been completed and are operational.



*Picture: Nive River Bridge Gowan Brae*

<b>Replace the Nive River Bridge at Gowan Brae</b>	Replacement of the Nive River Bridge at Gowan Brae has been completed by TasSpan.
<b>Reseal:</b>  <b>3 kms Hollow Tree Road</b> <b>1 Km Wayatinah Road</b>  <b>And stabilise and seal patches</b> <b>Flintstone Drive</b>	<p>Hollow Tree Road reseal works were completed by Roadways.</p> <p>Wayatinah Road was not resealed and the funds were transferred for mill and fill works on Ellendale Road.</p> <p>Stabilisation and sealing patches of Flintstone Drive was completed by Roadways.</p>

<b>Undertake drainage works on Victoria Valley Road</b>	Works were completed.
<b>Undertake Stage 1 of the stormwater upgrade at Bothwell</b>	The upgrade of stormwater at Bothwell was not commenced. Works have been included in the 2020/2021 budget.
<b>Construct and seal 1kms of Pelham Road (Stage 3) and complete sealing of Stage 2</b>	Stage 3 works were completed by Council staff, and sealing of Stage 2 of the Pelham Road works has been completed.
<b>Update the solar heating at the Bothwell Swimming Pool</b>	Updating of the solar heating was deferred.
<b>Close off kitchen area in the Bothwell Football Club &amp; Community Centre</b>	Works to section off the kitchen area at the Bothwell Football Club & Community Centre has been completed.
<b>Replace section of footpath at Lyell Highway, Ouse</b>	The proposed work was not undertaken and has been rescheduled for 2020/21.
<b>Undertake works on the fascia and gutters Bothwell Town Hall</b>	This work has been rescheduled to be undertaken during the 2020/21 financial year.
<b>Complete maintenance works of assets and facilities within budget allocations</b>	Maintenance works were carried out as per Council's budget. A revaluation and condition assessment of our road network has been completed. Council bridges are inspected annually with a report provided to guide Council on maintenance and capital works required.
<b>Replace old play equipment, Hamilton Park</b>	Removal of old play equipment and installation of new play equipment from Island Recreation has been completed.
<b>Install liner at the Hamilton Refuse Site</b>	The liner has been purchased and will be installed during the 2020/21 financial year.
<b>Provide a DrumMuster shed at the Bothwell Waste Transfer Station</b>	It was decided not to provide a shed but to erect a compound for containers.



*Picture: Road upgrades Pelham Road*

### **Goal 3    Financial Sustainability – *Manage Council's finances and assets to ensure long term viability and sustainability of Council***

#### **Strategies**

- Manage finances and assets in a transparent way to allow the maximization of resources to provide efficient and consistent delivery of services
- Review annually, Council's Long Term Financial Management Plan and Council's Long Term Asset Management Plan
- Where efficiency gains can be identified, resource share services with other local government councils
- Endeavour to, and continue to lobby for, an increase in the level of grant income
- Encourage development to expand Council's rate base
- Identify revenue streams that could complement / substitute for existing resources
- Develop and maintain sound risk management processes



## Initiatives

<p><b>Identify appropriate grant funding to leverage Council funding for projects</b></p>	<p>Council received:</p> <ul style="list-style-type: none"> <li>➤ Financial Assistance Grants from the State Grants Commission \$2,506,457</li> <li>➤ Federal Road to Recovery Grant \$589,128</li> <li>➤ Economic &amp; Community Recovery Grant of \$80,000 for Bronte Park public amenities</li> <li>➤ NDRRA Grant of \$62,418</li> <li>➤ DHHS Grant of \$50,000 towards recruitment of a GP for Bothwell</li> </ul>
<p><b>Continually review and update policies and Council's risk register</b></p>	<p>Council's risk register and policies are updated by staff as required and reviewed at each Audit Panel Meeting.</p>
<p><b>Continue participation in the Local Government Shared Services and South Central Sub-Region Group and identify other services that can be resource shared</b></p>	<p>Council is a member of the Local Government Shared Services (LGSS) to access resource sharing opportunities. Council currently use this service for the provision of a planner and dog control officer. A joint tender for debt collection resulted in participating councils receiving the benefit of reduced commission fees, a saving for all members who participated in the tendering process.</p> <p>The South Central Sub-Region (SCS) was formalised in early 2016 with the Brighton, Central Highlands, Derwent Valley and Southern Midlands Councils endorsing an intent to work together as much as possible on matters of common interest or where benefits can be achieved by working collaboratively. The SCS meets approximately every two months with the Mayor and General Manager of each Council attending.</p> <p>The SCS was successfully in obtaining a grant of \$395,000 from the Tasmanian Community Fund for its Workforce Development Project.</p>
<p><b>Provide financial management reports to Council monthly</b></p>	<p>Financial reports are prepared by Council's accountant monthly and placed on the Ordinary Council Meeting Agenda each month</p>
<p><b>Ensure Annual Financial Statements are completed within the statutory timeframe</b></p>	<p>Council's Annual Financial Statements were completed on time.</p>
<p><b>Ensure that staff are provided with continual training in Council's financial software and records management systems</b></p>	<p>Council staff are provided with training on an as required basis.</p>

## **Goal 4**   *Natural Environment – Encourage responsible management of the natural resources and assets in the Central Highlands*

### **Strategies**

- Continue to fund and support the Derwent Catchment Project
- Continue with existing waste minimisation and recycling opportunities
- Promote the reduce, reuse, recycle, recover message
- Continue the program of weed reduction in the Central Highlands
- Ensure the Central Highlands Emergency Management Plan is reviewed regularly to enable preparedness for natural events and emergencies
- Strive to provide a clean and healthy environment
- Support and assist practical programs that address existing environmental problems and improve the environment

### **Initiatives**

<b>Allocate funds to continue our support of the Derwent Catchment Project to implement on ground projects and provide a link between Council and the community on natural resource management issues</b>	Council continues to fund natural resource management through funding to the Derwent Catchment Project of \$40,000 per year. Additional funds are provided to support grant applications of benefit to the Central Highlands.
<b>Work with other stakeholders, land managers and government agencies to ensure strategic weed control</b>	Council works with the Derwent Catchment Project to implement its weed strategy and allocated funds to carry out weed management
<b>Monitor the usage of Council waste transfer stations and refuse site to ensure that the facilities meet the needs of our ratepayers and are maintained at an acceptable standard</b>	<p>Council operates one controlled refuse site at Hamilton which has available a DrumMUSTER facility. A DrumMUSTER compound has now been provided at the Bothwell Waste Transfer Station.</p> <p>Manned waste transfer sites are available at Bothwell, Miena and Bronte Park.</p> <p>A Refuse Disposal site is located at Hamilton.</p> <p>A Bulky Waste Collection is provided throughout the municipal area which is designed to allow residents to place items out for collection that are too bulky or unsuitable for the door to door collection.</p> <p>Council provided a relatively comprehensive kerbside collection service for waste &amp; recycling to the residents of Bothwell, Ellendale, Fentonbury, Gretna, Hamilton,</p>



	<p>Ouse, Osterley, Wayatinah and Westerway. Thorpe Waste currently holds the contract. All waste is taken to the Hamilton Refuse Disposal Site and the recyclables taken to Hobart for processing.</p> <p>Roadside stand alone bins have been placed at Reynolds Neck, Brandum Bay, Jillet Road, Doctors Point, Haulage Hill, Interlaken, Cramps Bay, Wilburville, Arthurs Lake and Derwent Bridge. The bins are designed to accept domestic waste only, can be accessed 24/7 and have proved to be very successful in most areas.</p> <p>All waste and recycling collected is reported to the DPIPWE annually.</p>
<b>Provide education and encouragement of recycling within the Municipality to expand the life of the Hamilton Refuse Site</b>	<p>Council provides recycling facilities throughout the municipal area and have a fortnightly door to door recycling collection throughout our towns.</p> <p>Council engage a contractor, Thorp Recycling, to collect recycling from static sites and ensure that sites are clean. Thorp Recycling improved the way that recyclable material is managed at the sites by installing 25m skip bins for the collection of scrap steel which is then taken to Hobart for processing. This has been very successful.</p>
<b>Facilitate regular meetings of the Central Highlands Emergency Management Committee and ensure that the Central Highlands Emergency Management Plan is reviewed and remains current</b>	<p>Due to the COVID-19 pandemic restrictions, no meetings were held.</p> <p>Councillors attended an in-house workshop on the Central Highlands Emergency Management Plan in September 2019.</p>
<b>Continue as a member of the Southern Tasmania Waste Group</b>	<p>Council continues its memberships of this committee</p>

## **Goal 5 Economic Development – *Encourage economic viability within the municipality***

### **Strategies**

- Encourage expansion in the business sector and opening of new market opportunities
- Support the implementation of the Southern Highlands Irrigation Scheme
- Continue with the Highlands Tasmania and Bushfest branding
- Encourage the establishment of alternative industries to support job creation and increase permanent residents
- Promote our area's tourism opportunities, destinations and events

- Support existing businesses to continue to grow and prosper
- Develop partnerships with State Government, industry and regional bodies to promote economic and employment opportunities
- Work with the community to further develop tourism in the area

## Initiatives

<b>Continue as a member of Destination Southern Tasmania</b>	Council is a current member of Destination Southern Tasmania
<b>Continue as a member of STCA and LGAT</b>	Council continues its membership and participation in the STCA and LGAT
<b>Complete the installation of the public toilet at Ouse Park</b>	New public toilets at Ouse Park have been completed



*Picture: Completed Ouse Toilets*

<b>Continue with Highlands Bushfest to showcase the Central Highlands</b>	Bushfest was held in November 2019 and was very successful. Due to the COVID-19 pandemic, Council resolved to cancel Bushfest for 2020.
<b>Continue with providing the tourism brochure through the Brochure Exchange facility, Brooke Street Pier, Spirit of Tasmania and other visitor centres</b>	Council's "Journey to the Centre of the Earth" brochure is placed at the Hobart Airport, Brooke Street Pier and on both Spirit of Tasmania vessels which is maintained by the Tourism Brochure Exchange
<b>Continue the roll out of the Highlands Tasmania Touring Map</b>	The Highlands Tasmania Touring Map is placed in businesses throughout the Central Highlands and state-wide

<p><b>Engage and strengthen the community by supporting community events and local initiatives that enhance visitation to the Central Highlands</b></p>	<p>Council provides funding and in-kind support to community groups providing events in the Central Highlands.</p> <p>Council provides in kind support to the Hamilton Agricultural Show which is organised by a group of dedicated local community members. The Show is a traditional grassroots show that draws large crowds to Hamilton every year.</p> <p>Council holds an annual event, Highlands Bushfest, which brings increased visitation to Bothwell and surrounds. Bushfest is held in November each year.</p> <p>Council provided \$6,200 towards the 2019 World Fly Fishing Championships.</p>
<p><b>Promotion of Central Highlands through production of material and via Council's website and Council's Facebook page</b></p>	<p>Council's website and Facebook page is updated regularly by staff. Council's brochure and maps are distributed widely throughout the State</p>
<p><b>Continue support of the Highlands Digest to enable it to provide community information to residents</b></p>	<p>Council provide an allocation of \$10,800 to Centralinc to assist with the production of the Highlands Digest which provides a valuable avenue for dissemination of information about the Central Highlands</p>
<p><b>Continue to support the Central Highlands Visitor Management Committee to optimise the use of the Centre and the dispersement of information to tourists and visitors to the Central Highlands and provide funding for the purchase of goods for sale that promote the Central Highlands</b></p>	<p>The Central Highlands Visitor Management Committee meets regularly throughout the year.</p> <p>The Centre is manned by a committed group of volunteers. Displays are changed regularly.</p> <p>The centre has items for sale that promotes the Central Highlands.</p> <p>Due to COVID-19 the centre has been closed during the latter part of the financial year.</p>

**Goal 6 Governance and Leadership – *Provide governance and leadership in an open, transparent, accountable and responsible manner in the best interests of our community as a whole***

**Strategies**

- Ensure Council fulfils its legislative and governance responsibilities and its decision making is supported by sustainable policies and procedures
- Ensure that Council members have the resources and skills development opportunities to effectively fulfil their responsibilities

- Ensure appropriate management of risk associated with Council's operations and activities
- Provide a supportive culture that promotes the well-being of staff and encourages staff development and continuous learning
- Provide advocacy on behalf of the community and actively engage government and other organisations in the pursuit of community priorities
- Consider Council's strategic direction in relation to resource sharing with neighbouring councils and opportunities for mutual benefit
- Support and encourage community participation and engagement
- Ensure that customers receive quality responses that are prompt, accurate and fair
- Council decision making will be always made in open council except where legislative or legal requirements determine otherwise

## Initiatives

<b>Annually review Council's Long Term Financial Plan and Strategy and Long Term Asset Management Plans</b>	<p>Council 's Asset Management Plan was adopted by Council in March 2018.</p> <p>Council's Long Term Financial Management Plan and Strategy was updated in April 2019.</p> <p>Council's Audit Panel reviewed the Asset Management Plan in 2019.</p>
<b>Continually monitor and review Council's financial situation and report findings to Council in a clear and transparent format on a monthly basis</b>	<p>Council engage a consultant accountant who provides regular updates and reports to Council at monthly Council and Audit Panel Meetings.</p>
<b>Encourage staff to undertake training to further develop their skills</b>	<p>Council encourage staff to undertake any training they may require.</p> <p>The following training was provided in 2019/20:</p> <ul style="list-style-type: none"> <li>➤ Backhoe Assessment – one employee</li> <li>➤ Loader Assessment – two employees</li> <li>➤ Medium Rigid assessment – 2 employee</li> <li>➤ White Card – 1 employee</li> <li>➤ Familiarisation training new loader – all Hamilton outdoor employees</li> <li>➤ In house training COVID-19 SWMS and safety plan – all employees</li> <li>➤ Monthly Toolbox Meetings</li> </ul>
<b>Support Elected Members to take advantage of seminars, training and</b>	<p>Information regarding seminars, training etc. is disseminated to Councillors.</p>

<b>workshops that assist them in their position as a Councillor and their duty to engage in ongoing professional development</b>	Several workshops held throughout the year provided the opportunity for informed learning e.g. planning, emergency management, road safety and biosecurity.
<b>Review the risk register at each Audit Panel Meeting</b>	Council's risk register is updated regularly and presented at each Audit Panel Meeting
<b>Ensure ongoing compliance with all legislation, regulations and codes of practice which impact upon Council</b>	Council endeavours to ensure that it complies with the requirements of all legislation, regulations and codes of practice applicable to Local Government
<b>Continue to provide the Central Highlands Newsletter to all ratepayers</b>	Council sends out a newsletter with rates instalment notices as required.  Additional information is posted to Council's facebook page and website.

## Public Health Report

Council will:

- Conduct immunisation sessions as required and promote the need for immunisation
- Ensure proper provision of on-site effluent disposal in compliance with the current regulatory framework, codes, standards and best environmental practice
- Undertake routine inspection of places of public assembly, food premises, public health risk activities and water carters to ensure compliance with relevant legislation
- Promptly investigate environmental health complaints
- Maintain an effective analysis program for food, recreational waters and general complaints
- Continue to promote safe food handling through the provision of the I'M ALERT free online food safety training program

## Environmental and Public Health Report

Councils within Tasmania have statutory responsibilities for promoting acceptable standards of environmental health within their municipal area through the administration of legislation, provision of environmental health services and community education. Key legislation administered to promote acceptable standards of environmental health at the local level includes the *Public Health Act 1997*, *Food Act 2003*, *Environmental Management and Pollution Control Act 1994*, *Local Government Act 1993* and *Building Act 2016*

Council has performed its functions under the Public Health Act 1997 and Regulations, the Food Act 2003 and Regulations and Standards the Environmental Management and Pollution Control Act 1994 and Regulations, as detailed below.

Council employs a part-time Environmental Health Officer (EHO).

The main functions in **Environmental Health** are:



- Disease control, including immunisation services, public health risk activities and notifiable disease investigations
- Food regulation and surveillance
- Maintenance of appropriate standards for public-use buildings
- Health education and promotion
- Drinking water quality monitoring and remediation
- Surveillance of recreational water bodies including swimming pools and swimming beaches
- Surveillance of public health risk activities and regulated systems.(Council have no public health risk activities or regulated systems)

The principle statutes are the *Public Health Act 1997* and the *Food Act 2003*.

#### ***Council activities in relation to Environmental Health:***

- 65 Food Business Registrations, P1 15, P2 38, P3 11, P3N 1, 1Mobile Food Van. Inspections were limited, only complaints were investigated due to COVID-19 restrictions. Council still have I'm Alert Food Safety Training free of charge to the community as a Food Safety Initiative. All Food premises now have at least one person trained in Food Safety. As of the 30<sup>th</sup> June the site continues to be used by any new employees to food businesses.
- Participating in the Health Departments Food Surveillance Program.
- Distribution of Posters and Pamphlets relating to Health Education and Promotion.
- Investigation of notifiable diseases
- A DrumMUSTER collection facility continues to operate at the Hamilton Regional Disposal and Recycling Site and the DrumMUSTER site at Bothwell is operational and will provide an ongoing service with one employee trained as a DrumMUSTER inspector.
- Waste Management and monitoring including current EPN for Hamilton Landfill.
- Council have an ongoing silage and ag pipe recycling point at the Hamilton Landfill, and this service is free of charge to both residents and Council and has been extended to include Bothwell Waste Transfer Station.
- School immunisation was carried out in accordance with the National Health and Medical Research Council Immunisation Schedule, and was conducted by Council's Medical Officer of Health at the Bothwell District High School and Bothwell Medical Office.
- "Free" infant immunisation continues to be offered by appointment at the Ouse Medical Centre and Bothwell Medical Centre as per the national immunisation schedule.
- Recreational Water Quality Monitoring, lakes and rivers, including Bothwell Public Swimming Pool.
- Annual Reporting done by the 30<sup>th</sup> September each year for Recreational Water Monitoring, Private Water Licences, Food Premises and Waste Reporting.

**'Environmental Management'** is an integrated approach to achieve a sustainable future. When applied to activities or developments, it involves:

- The application of the principles of ecology, pollution control and environmental planning; and
- The methodology of monitoring the impact of proposed development.

The main functions in environmental management are:

- Environmental water and air quality monitoring and remediation
- The assessment and issuing of special plumbing permits for on-site wastewater management systems
- Monitoring and response to environmentally relevant activities including level 1 Activities
- Assessment of existing developments and new applications for development

- Response to environmental nuisances.

The principle statutes are the *Environmental Management and Pollution Control Act 1994*, the *Land Use Planning Approvals Act 1993*, the *Building Act 2016* and the *Litter Act 2007*.

***Council activities in relation to Environmental Management:***

- Environmental Nuisances / complaints (15) are followed up by inspections and may require the issue of abatement notices, Environmental Protection Notices and / or infringement notices.
- Issuing of Environmental Protection Notices when required and follow up and monitoring of conditions of Notices.
- Septic tank installation assessments and permits. Monitoring and recording services for 44 Aerated Wastewater Treatment Systems
- Monitoring of Private Sewage Treatment systems.
- Environmental Assessment of potentially harmful activities (e.g. composting, fish farms, sewage treatment plants and private water plants).

**REPORTING REQUIREMENTS**

***Annual***

- Recreational Water Quality Report (Council & DHHS) – by 30 September each year
- Drinking Water Quality Report (Council & DHHS) - by 30 September each year
- Annual Public Health Statement (Council) – Required in accordance with S.71 and S.72 of the *Local Government Act 1993*. To be provided by end of October each year
- Environmental Health Officer Annual Register (DHHS) - by 30 September each year
- Annual Food Safety Report (DHHS) - by 30 September each year.

## Development Statistics

	2015-16	2016-17	2017-18	2018-19	2019-20
Total No Applications	52	56	60	80	84
No. Permitted	18	11	5	10	12
No. Discretionary	32	39	40	39	33
Subdivision Applications	5	2	2	11	9
No. Lots	20	3	3	32	5
Planning Scheme Amendments	0	0	0	0	0
No Permit Required	2	4	13	20	30

## Building Statistics

	2015-16	2016-17	2017-18	2018-19	2019-20
Total No. Buildings	50	44	53	65	61
Permit Work	-	-	-	23	21
Notifiable Work	-	-	-	36	33
Low Risk Work	-	-	-	6	7
Total No. Plumbing	49	36	36	32	34
Permit Work	-	-	-	21	20
Notifiable Work	-	-	-	6	10
Low Risk Work	-	-	-	5	4

### Pool Attendance Statistics

Season Passes	2015-16	2016-17	2017-18	2018-19	2019-20
Family	0	2	1	3	0
Junior	3	3	0	0	0
Adult					1
<b>Daily Attendance</b>					
Junior	524	1316	802	935	559
Adult	189	387	187	107	90

### Dog Control Statistics

	2015-16	2016-17	2017-18	2018-19	2019-20
Dogs Registered	1024	1067	1044	995	1005
Kennel Licenses	31	36	33	30	43
Infringement Notices	1	14	16	21	7
Impounded Dogs	9	12	10	8	6
Declared Dangerous Dogs	0	0	0	1	1

### Remissions and Small Debt Write Offs

Small Debt Write Off	11.91	03-0226-01309	38.84
03-0220-00925	21.80	01-0855-02012	101.32
03-0253-00676	16.90	03-0233-01514	21.05
04-0015-01412	10.00	01-0893-03637	21.21
03-0237-01678	20.34	03-0205-00255	19.18
01-0805-02223	43.80	01-0852-02185	26.42
03-0221-00940	20.30	01-0870-02212	13.27
03-0254-03733	13.90	01-0805-03937	562.13
03-0212-00612	18.70	01-0810-03938	395.33
01-0858-03955	46.80	04-0017-03967	528.17
01-0858-03955	23.26	01-0805-02805	364.71
01-0817-02238	22.60	10-0400-03595	160.00
01-0838-02982	160.00		
<b>TOTAL \$2,681.94</b>			

In addition to the above remissions as a result of COVID-19, Council resolved to remit all penalties on Instalment No 4 of rates which was due on 30 April 2020. Penalties were applied to 394 properties and a total of \$7,038.09 was remitted.

### **Remissions given on Building, Plumbing & Development applications 2019 / 2020:**

DA 2019/41 - \$740.00 – Planning Application for a Subdivision (1 Lot & Balance) (Remitted at July 2019 Council Meeting)

### **Under Section 72 of the Local Government Act 1993, the following is reported:**

Total Remuneration Bracket	No Of Senior Employees
\$101,001 - \$120,000	2
\$140,001 - \$170,000	2

- Total remuneration includes salary, employer superannuation contribution, value of use of motor vehicle provided, value of other allowances and benefits paid to an employee.

Total Allowances and expenses and reimbursements paid to the Mayor, Deputy Mayor and Councillors were \$130,085

### **Donation of Land Statement S177 Local Government Act 1993**

Section 177 of the Local Government Act requires Council to report on any land donated by Council during the year. It is reported that no land was donated during the 2019/20 financial year.

### **Public Interest Disclosures Statement**

Statement required under Section 86 of the Public Interest Disclosures Act 2002.

Council has established a written procedure in accordance with the Act. A copy of the Central Highlands Council Public Interest Disclosure Procedures Manual is available on Council's website [www.centralhighlands.tas.gov.au](http://www.centralhighlands.tas.gov.au)

Number of Disclosures made to Council & determined to be a public interest disclosure	0
Number of disclosures investigated by Council	0
Number of disclosed matters referred by the Ombudsman	0
Number of disclosures referred by Council to the Ombudsman	0
Number of disclosures taken over by the Ombudsman from Council	0
Number of disclosed matters Council declined to investigate	0
Number of disclosed matters that were substantiated	0
Number of recommendations made by the Ombudsman to Council	0

## Code of Conduct Complaint Information

Section 72 of the Local Government Act 1993 requires a council to report in its annual report the number of code of conduct complaints that were upheld by the Code of Conduct Panel during the preceding financial year and the total costs met by the council during the preceding financial year in respect of all code of conduct complaints.

1 complaint was lodged with the Code of Conduct Panel on 3 June 2020. The Panel determined that the complaint be dismissed in August 2020. The cost was \$3,011.25.

## Enterprise Powers Statement

Council has not exercised any powers or undertaken any activities in accordance with Section 21 of the Local Government Act 1993.

## Contracts for supply or provision of goods and services valued at or above \$100,000

Description	Period of Contract	Value inc GST	Successful Contractor	Business Address of Successful Contractor
Services for Supply, Installation and maintenance of Waste Bins & Collection of Waste	1/9/2017 to 30/6/2022	\$195,638.02	JJ Richards & Sons Pty Ltd	3 Grant Street Cleveland Queensland 4163
Kerbside Domestic Garbage & Recycling Collection Service	Two year extension to Contract from 1/7/2018 to 30/6/2020	\$143,571.88	Thorp Waste	24 Glen Lea Road, Brighton 7030
Replacement Gowan Brae Bridge	Nov 2019 to 30/6/2020	\$261,450.61	TasSpan	PO Box 225 Latrobe 7307



Purchase of Loader	Aug 2019	\$232,800.00	Komatsu	1095 Cambridge Road Cambridge 7310
Gravel Crushing	Nov 2019 to Nov 2021	Various rates by location of quarry & size of gravel	Dennis Fieldwick Pty Ltd	PO Box 131E Devonport 7310

### Non Application of Public Tender Process

A Council is to report in its annual report all instances where the public tender process (Regulation 23) has not been applied:

The public tender process has been applied in all instances.

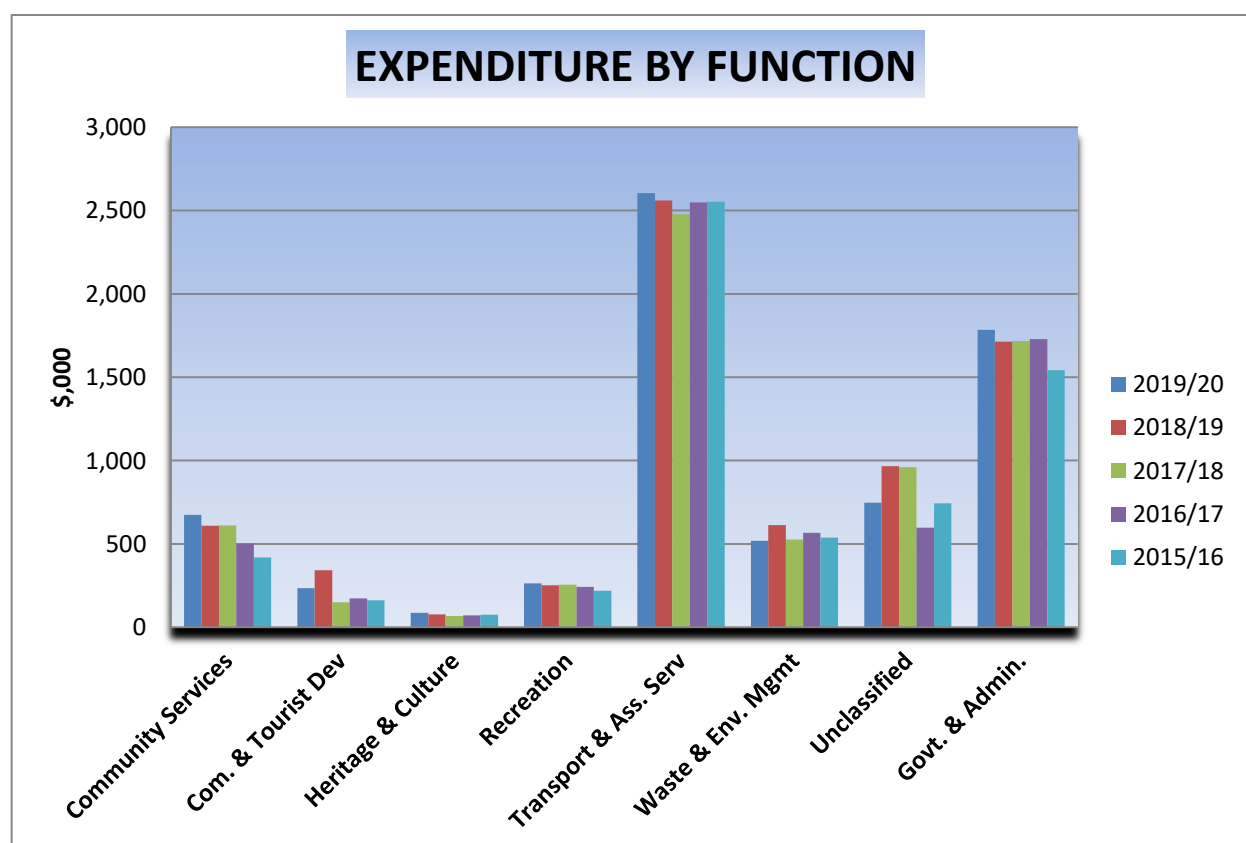
### Financial Performance Indicators

**Comparative Financial Performance Indicators are provided for the current and previous six years.**

Indicator	2020 %	2019 %	2018 %	2017 %	2016 %	2015 %	2014 %
Rate Revenue Analysis Rate Income : <b>Total Revenue</b>	52.5	50.1	50.7	50.3	49.8	48	48
Working Capital Ratio Current Assets: <b>Current Liabilities</b>	16.03	13.41	14.10	12.13	14.39	15.58	15.36
Debt Ratio Total Liabilities: <b>Total Assets</b>	2.00	1.60	1.53	1.28	1.11	1.32	0.7

## Expenditure by Function

	2019/20 '000	2018/19 '000	2017/18 '000	2016/17 '000	2015/16 '000	2014/15 '000	2013/14 '000
<b>Community Services</b>	675	609	612	502	420	532	572
<b>Com. &amp; Tourist Dev</b>	235	343	151	173	162	190	207
<b>Heritage &amp; Culture</b>	86	77	67	72	76	70	70
<b>Recreation</b>	263	253	255	242	219	196	176
<b>Transport &amp; Ass. Serv</b>	2,604	2,560	2,478	2,549	2,552	2,573	2,643
<b>Waste &amp; Env. Mgmt</b>	519	613	527	566	539	532	492
<b>Unclassified</b>	748	966	960	597	743	836	1,472
<b>Govt. &amp; Admin.</b>	1,784	1,713	1,717	1,728	1,542	1,785	1,535



## Reserves

	\$'000	\$'000	\$'000	\$'000	\$,000	\$,000	\$,000
Reserves	2020	2019	2018	2017	2016	2015	2014
Plant Replacement	453	453	453	453	453	453	453
Bridges	377	377	377	377	377	377	377
Sundry	145	242	143	143	196	297	121
Long Service Leave	444	404	354	371	351	335	298
Regional Refuse Site	80	80	80	80	80	80	80
Quarry Reserve	180	80	80	80	80	80	80
Grants	0	9	44	170	54	0	0
<b>Total</b>	<b>1,679</b>	<b>1,645</b>	<b>1,531</b>	<b>1,674</b>	<b>1,591</b>	<b>1,622</b>	<b>1,409</b>

## Non - Current Assets

Non-Current Asset	30-Jun-20 Asset value \$'000	30-Jun-19 Asset value \$'000	Increase/ (Decrease) \$'000
Land	3,402	3,402	0
Buildings	5,163	5,194	(31)
Plant, Machinery & Equipment	2,180	2,160	20
Office Equipment	171	177	(6)
Computer Equipment	53	70	(17)
Infrastructure	785	793	(8)
Roads	60,551	59,499	1,052
Drainage Systems	1,005	1,021	(16)
Bridges	8,218	7,816	402
Footpaths, Kerbs & Gutters	934	904	30
Works in Progress	558	1125	(567)
Investment in Southern Water	7,071	9,110	(2,039)
Land Under Roads	1,111	957	154
<b>TOTALS</b>	<b>91,202</b>	<b>92,228</b>	<b>(1,026)</b>

## **Independent Auditor's Report**

**To the Councillors of Central Highlands Council**

### **Report on the Audit of the Financial Report**

#### **Opinion**

I have audited the financial report of Central Highlands Council (Council), which comprises the statement of financial position as at 30 June 2020 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the General Manager.

In my opinion the accompanying financial report:

- (a) presents fairly, in all material respects, Council's financial position as at 30 June 2020 and its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

#### **Basis for Opinion**

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

My audit responsibility does not extend to the budget figures included in the financial report, the asset renewal funding ratio disclosed in note 39(e) nor the Significant Business Activities disclosed in note 38 to the financial report and accordingly, I express no opinion on them.

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

### **Responsibilities of the General Manager for the Financial Report**

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1993* and for such internal control as determined necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the General Manager is responsible for assessing 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 Council is to be dissolved by an Act of Parliament or the Councillors intend to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

My objectives 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager.
- Conclude on the appropriateness of the General Manager's 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 conclusion is based



on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause 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 General Manager 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.



Leigh Franklin  
**Assistant Auditor-General, Financial Audit Services**  
**Delegate of the Auditor-General**

**Tasmanian Audit Office**

7 January 2021  
Hobart

# central highlands COUNCIL



**Central Highlands Council**  
**ANNUAL FINANCIAL REPORT**  
*For the Year Ended 30 June 2020*

# Central Highlands Council

## Financial Report

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## Statement of Comprehensive Income For the Year Ended 30 June 2020

	Note	Budget 2020 \$	Actual 2020 \$	Actual 2019 \$
<b>Income</b>				
<b>Income from continuing operations</b>				
Rates and charges	5	3,730,404	3,743,865	3,629,488
Statutory fees and fines	6	35,000	46,524	48,734
User fees	7	210,500	329,852	325,430
Grants	8	2,428,040	2,566,108	2,464,768
Contributions	9	26,034	24,624	70,534
Interest	10	170,000	122,037	215,000
Other income	11	214,000	242,916	399,045
Investment revenue from water corporation	13	102,000	51,000	95,032
		<b>6,915,978</b>	<b>7,126,926</b>	<b>7,248,031</b>
<b>Capital income</b>				
Capital grants received specifically for new or upgraded assets	8	724,000	651,546	211,847
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	12	20,000	46,924	(154,330)
		<b>744,000</b>	<b>698,470</b>	<b>57,517</b>
<b>Total income from continuing operations</b>		<b>7,659,978</b>	<b>7,825,396</b>	<b>7,305,548</b>
<b>Expenses from continuing operations</b>				
Employee benefits	14	(1,949,709)	(1,941,814)	(1,984,659)
Materials and services	15	(1,408,866)	(1,543,223)	(1,564,720)
Depreciation and amortisation	16	(2,112,000)	(2,121,424)	(2,124,957)
Other expenses	17	(1,542,145)	(1,307,737)	(1,460,552)
<b>Total expenses from continuing operations</b>		<b>(7,012,720)</b>	<b>(6,914,198)</b>	<b>(7,134,888)</b>
<b>Net result for the year</b>		<b>647,258</b>	<b>911,198</b>	<b>170,660</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified subsequently to net result</b>				
Financial assets available for sale reserve				
Fair Value adjustment on equity investment assets	28(b)	-	(2,039,306)	1,082,279
Net asset revaluation increment(decrement)	28(a)	-	547,218	-
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>(1,492,088)</b>	<b>1,082,279</b>
<b>Total Comprehensive result</b>		<b>647,258</b>	<b>(580,890)</b>	<b>1,252,939</b>

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

**Statement of Financial Position  
As at 30 June 2020**

	Note	2020	2019
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	19	11,222,003	10,473,798
Trade and other receivables	20	224,839	259,626
Inventories	21	6,375	9,982
Other assets	22	54,632	5,789
<b>Total current assets</b>		<b>11,507,849</b>	<b>10,749,195</b>
<b>Non-current assets</b>			
Investment in water corporation	18	7,071,048	9,110,354
Property, infrastructure, plant and equipment	23	84,130,730	83,117,878
<b>Total non-current assets</b>		<b>91,201,778</b>	<b>92,228,232</b>
<b>Total assets</b>		<b>102,709,627</b>	<b>102,977,427</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	24	535,057	483,367
Trust funds and deposits	25	146,499	190,840
Contract liabilities	27	279,946	-
Provisions	26	883,593	767,580
<b>Total current liabilities</b>		<b>1,845,095</b>	<b>1,441,787</b>
<b>Non-current liabilities</b>			
Provisions	26	213,779	208,019
<b>Total non-current liabilities</b>		<b>213,779</b>	<b>208,019</b>
<b>Total liabilities</b>		<b>2,058,874</b>	<b>1,649,806</b>
<b>Net Assets</b>		<b>100,650,753</b>	<b>101,327,621</b>
<b>Equity</b>			
Accumulated surplus		32,859,677	32,077,737
Reserves	28	67,791,076	69,249,884
<b>Total Equity</b>		<b>100,650,753</b>	<b>101,327,621</b>

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



## Statement of Cash Flows For the Year Ended 30 June 2020

		2020 Inflows/ (Outflows) \$	2019 Inflows/ (Outflows) \$
<b>Cash flows from operating activities</b>	<b>Note</b>		
Rates		3,815,864	3,613,275
Statutory fees and fines		51,176	53,608
User charges and other fines		436,272	379,918
Grants		2,566,108	2,464,768
Interest		119,645	230,956
Investment revenue from water corporation	13	51,000	95,032
Other receipts		223,199	491,432
Net GST refund/payment		239,898	279,809
Payments to suppliers		(3,126,330)	(3,511,426)
Payments to employees (including redundancies)		(1,820,041)	(1,792,145)
<b>Net cash provided by (used in) operating activities</b>	<b>29</b>	<b><u>2,556,792</u></b>	<b><u>2,305,227</u></b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment		(2,567,524)	(2,148,545)
Proceeds from sale of property, infrastructure, plant and equipment		27,391	6,200
Capital grants		731,546	211,847
<b>Net cash provided by (used in) investing activities</b>		<b><u>(1,808,587)</u></b>	<b><u>(1,930,498)</u></b>
 Net increase (decrease) in cash and cash equivalents		 748,205	 374,729
Cash and cash equivalents at the beginning of the financial year		<u>10,473,798</u>	<u>10,099,069</u>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>30</b>	<b><u>11,222,003</u></b>	<b><u>10,473,798</u></b>
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The above statement should be read in conjunction with the accompanying notes.

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

	Note	Accumulated Surplus 2020 \$	Asset Revaluation Reserve 2020 \$	Fair Value Reserve 2020 \$	Other Reserves 2020 \$	Total 2020 \$
<b>2020</b>						
Balance at beginning of the financial year		32,077,737	67,652,595	(47,966)	1,645,255	101,327,621
Adjustment due to AASB 15 adoption	37	(95,978)	-	-	-	(95,978)
Adjustment due to AASB 16 adoption		-	-	-	-	-
Adjustment on change in accounting policy		-	-	-	-	-
<b>Restated opening balance</b>		<b>31,981,759</b>	<b>67,652,595</b>	<b>(47,966)</b>	<b>1,645,255</b>	<b>101,231,643</b>
Surplus / (deficit) for the year		911,198	-	-	-	911,198
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	18	-	-	(2,039,306)	-	(2,039,306)
Net asset revaluation increment(decrement) reversals	28	-	547,218	-	-	547,218
Transfers between reserves		(33,280)	-	-	33,280	-
<b>Balance at end of the financial year</b>		<b>32,859,677</b>	<b>68,199,813</b>	<b>(2,087,272)</b>	<b>1,678,535</b>	<b>100,650,753</b>
		Accumulated Surplus 2019 \$	Asset Revaluation Reserve 2019 \$	Fair Value Reserve 2019 \$	Other Reserves 2019 \$	Total 2019 \$
<b>2019</b>						
Balance at beginning of the financial year		32,021,698	67,652,595	(1,130,245)	1,530,634	100,074,682
Adjustment on change in accounting policy		-	-	-	-	-
Surplus / (deficit) for the year		170,660	-	-	-	170,660
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	18	-	-	1,082,279	-	1,082,279
Net asset revaluation increment(decrement) reversals	28	-	-	-	-	-
Transfers between reserves		(114,621)	-	-	114,621	-
<b>Balance at end of the financial year</b>		<b>32,077,737</b>	<b>67,652,595</b>	<b>(47,966)</b>	<b>1,645,255</b>	<b>101,327,621</b>

The above statement should be read with the accompanying notes.

Introduction

**Note 1 Reporting Entity**

- (a) The Central Highlands Council (the Council) was established in 1993 and is a body corporate with perpetual succession and a common seal.  
Council's main office is located at 6 Tarleton Street, Hamilton, Tasmania.
- (b) The purpose of the Council is to:
- provide for health, safety and welfare of the community;
  - represent and promote the interests of the community;
  - provide for the peace, order and good government in the municipality.

**Note 2 Basis of accounting**

These financial statements are a general purpose financial report that consists of a Statement of Comprehensive Income, Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the *Local Government Act 1993* (LGA1993) (as amended). Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities.

This financial report has been prepared on the accrual and going concern basis.

All amounts are presented in Australian dollars and unless stated, have been rounded to the nearest dollar.

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 18, 23, 26, and 40.

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

**Note 3 Use of judgements and estimates**

*Judgements and Assumptions*

In the application of Australian Accounting Standards, Council is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Council has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Judgements made by Council that have significant effects on the financial report are disclosed in the relevant notes as follows:

*Employee benefits*

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 26.

*Defined benefit superannuation fund obligations*

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in note 31.

*Fair value of property, infrastructure, plant & equipment*

Assumptions and judgements are utilised in determining the fair value of Council's property, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in note 23.

*Investment in water corporation*

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 18.

**Note 4 Functions/Activities of the Council**

(a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants	Other	Total Revenue	Total Expenditure	Surplus/ (Deficit)	Assets
	\$	\$	\$	\$	\$	\$
Government and administration						
2019 - 2020	895,892	3,423,396	4,319,288	1,784,396	2,534,892	1,584,449
2018 - 2019	987,173	3,291,021	4,278,194	1,713,438	2,564,756	1,596,576
Roads, streets and bridges						
2019 - 2020	2,115,799	22,201	2,138,000	2,603,821	(465,821)	71,818,249
2018 - 2019	1,675,806	26,034	1,701,840	2,560,412	(858,572)	70,197,366
Waste management						
2019 - 2020	-	622,455	622,455	519,214	103,241	367,800
2018 - 2019	-	599,298	599,298	613,272	(13,974)	374,845
Heritage and Culture						
2019 - 2020	-	8,871	8,871	85,731	(76,860)	1,756,860
2018 - 2019	-	2,798	2,798	77,040	(74,242)	1,290,936
Community services						
2019 - 2020	205,963	178,305	384,268	675,380	(291,112)	2,327,144
2018 - 2019	13,636	225,467	239,103	609,493	(370,390)	2,799,984
Recreation facilities						
2019 - 2020	-	19,680	19,680	262,758	(243,078)	2,401,183
2018 - 2019	-	54,778	54,778	252,629	(197,851)	2,406,014
Commercial and Tourism						
2019 - 2020	-	132,559	132,559	234,605	(102,046)	736,908
2018 - 2019	-	90,067	90,067	343,038	(252,971)	747,414
Other - not attributable						
2019 - 2020	-	200,275	200,275	748,293	(548,018)	21,717,033
2018 - 2019	-	339,470	339,470	965,566	(626,096)	23,564,292
<b>Total</b>						
2019 - 2020	3,217,654	4,607,742	7,825,396	6,914,198	911,198	102,709,627
2018 - 2019	2,676,615	4,628,933	7,305,548	7,134,888	170,660	102,977,427

(b) Reconciliation of Assets from note 4 (a) with the Statement of Financial Position at 30 June:

	2020	2019
	\$	\$
Current assets	11,507,849	10,749,195
Non-current assets	91,201,778	92,228,232
	<b>102,709,627</b>	<b>102,977,427</b>

(c) Governance and administration

Operation and maintenance of council chambers, administration offices, and councillors.

*Roads, streets and bridges*

Construction, maintenance and cleaning of road, streets, footpaths, bridges, parking facilities and street lighting.

*Waste Management*

Collection, handling, processing and disposal of all waste materials.

*Heritage and Culture*

Provision and maintenance of public halls and civic centres, provision of library services and development of facilities relative to heritage and cultural requirements of the Municipality.

*Community services*

Administration and operation of dog registration, operation of pounds, control of straying stock, and noxious weeds. Operation of the Child Care Centre, operation and support of the performing arts, museum and the presentation of festivals. Community Development which provides for the implementation of a process by which strategies and plans can be developed so that the Council can fulfil their general responsibility for enhancing the quality of life of the whole community.

*Recreation facilities*

Operation and maintenance of sporting facilities (includes swimming pools, active and passive recreation and recreation centres).

*Commercial and Tourism*

Development and promotion of tourism and economic services within the Municipality. Provision of community facilities and the development and administration of town planning schemes, processing of subdivisions, development and building applications, and inspection of building structures.

*Other - not attributable*

Rates and charges and work not attributed elsewhere.



	2020	2019
	\$	\$

**Note 5 Rates and charges**

Council uses Assessed Annual Value as the basis of valuation of all properties within the municipality. The Assessed Annual Value within Central Highlands is 4% of its Capital Value.

The valuation base used to calculate general rates for 2019-2020 was \$42.471 million (2018-2019 \$40.440 million). The 2019-20 rate in the AAV dollar was 3.40380 cents (2018-2019, 3.4520 cents).

General Rate	2,896,890	2,799,330
Fire Levy	224,520	217,375
Garbage charge	622,455	599,298
Revenue in advance	-	13,485
<b>Total rates and charges</b>	<b>3,743,865</b>	<b>3,629,488</b>

The date of the latest general revaluation of land for rating purposes within the municipality was 2014, and the valuation was first applied in the rating year commencing 1 July 2015.

**Accounting policy under AASB 15 and AASB 1058 - applicable from 1 July 2019**

Council recognises revenue from rates and annual charges for the amount it is expected to be entitled to at the beginning of the rating period to which they relate, or when the charge has been applied. Rates and charges in advance are recognised as a financial liability until the beginning of the rating period to which they relate.

Refer to note 37 for accounting policy related to AASB 15 and AASB 1058.

**Accounting policy under AASB 118 and AASB 1004 - applicable for 2019 comparative**

**Rates and charges income**

Rate income is recognised as revenue when Council obtains control over the assets comprising the receipt.

Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

**Note 6 Statutory fees and fines**

Statutory Fees	46,524	48,734
<b>Total statutory fees and fines</b>	<b>46,524</b>	<b>48,734</b>

**Accounting policy**

**Statutory fee and fine income**

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

**Note 7 User fees**

Rental Housing	78,384	73,687
Planning Fees	90,227	51,299
Building Fees	27,622	25,089
Tips and Waste Transfer Stations	4,174	6,474
Hall Hire	1,067	767
Camp Ground Fees	17,296	26,888
Animal licences	18,934	25,179
Food & Public Assembly Licences	2,825	14,525
Sewer Connection Fees	12,120	13,960
Cemetery Charges	7,562	7,083
Bushfest	0	34,947
Other fees and charges	69,641	45,532
<b>Total user fees</b>	<b>329,652</b>	<b>325,430</b>

**Accounting policy**

**User fee income**

Fee income is recognised as revenue when the service has been provided, or the payment is received, whichever first occurs.

**Rental income**

Rents are recognised as revenue when the payment is due. Rental payments received in advance are recognised as a payable until they are due.

**Operating leases as lessor**

Council is a lessor and enters into agreements with a number of lessees. These include commercial and non-commercial agreements.

Where leases are non-commercial agreements, these are generally with not for profit, such as sporting, organisations. In these cases subsidised or peppercorn rents are charged because Council recognises part of its role is community service and community support. In these situations, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

Where leases are commercial agreements, but properties leased are part of properties predominantly used by Council for its own purposes, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

	2020	2019
	\$	\$
<b>Note 8 Grants</b>		
Grants were received in respect of the following :		
<b>Summary of grants</b>		
Federally funded grants	3,095,585	2,672,979
State funded grants	122,069	3,636
<b>Total</b>	<b>3,217,654</b>	<b>2,676,615</b>
<b>Grants - Recurrent</b>		
Financial assistance grant	2,506,457	2,464,768
Other	59,651	-
<b>Total recurrent grants</b>	<b>2,566,108</b>	<b>2,464,768</b>

**Accounting policy under AASB 15 and AASB 1058 - applicable from 1 July 2019**

Council recognises unlied grant revenue and those without performance obligations when received. In cases where funding includes specific performance obligations or is to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and recognises income as obligations are fulfilled.

The performance obligations are varied based on the agreement, but include completion of the agreed asset.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Refer to note 37 for accounting policy related to AASB 15 and AASB 1058.

**Accounting policy under AASB 1004 - applicable for 2019 comparative**

The Australian Commonwealth Government provides unlied Financial Assistance Grants to Council for general purpose use and the provision of local roads. Previously, in accordance with AASB1004:Contributions, Council recognised these grants as revenue when it received the funds and obtained control.

**Grant income - recurrent and capital**

Grant income is recognised as revenue when Council obtains control over the assets comprising the receipt. Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where grants recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant is also disclosed.

Unreceived contributions over which Council has control are recognised as receivables.

The Australian Commonwealth Government provides unlied Financial Assistance Grants to Council for general purpose use and the provision of local roads. In accordance with AASB1004: Contributions, Council recognised these grants as revenue when it received the funds and obtained control.

In both years the Commonwealth has made early payment of the first two quarterly instalments for the following year. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2019-20 by \$37,359, (2018-19, (\$60,054)). This has impacted the Statement of Comprehensive Income resulting in the Surplus/(deficit) being higher by the same

<b>Capital grants received specifically for new or upgraded assets</b>	<b>\$</b>	<b>\$</b>
Commonwealth Government - roads to recovery	589,128	198,211
Community Infrastructure	62,418	-
Stronger Communities Programme	-	10,000
Other	-	3,636
<b>Total capital grants</b>	<b>651,546</b>	<b>211,847</b>

**Conditions on grants**

Non-reciprocal grants which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

Unexpended at the close of the previous reporting period	44,000
Less: expended during the current period from revenues recognised in previous reporting periods	-
Roads to recovery	-
Highlands Food Connect Grant	(16,500)
Preventative Health projects in the Central Highlands	(3,465)
Grant Auspicing for Bothwell CWA	(15,000)
Community infrastructure	-
	(34,965)
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions	-
Highlands Food Connect Grant	-
Preventative Health projects in the Central Highlands	-
Grant Auspicing for Bothwell CWA	-
	-
<b>Unexpended at the close of the reporting period</b>	<b>9,035</b>
Net increase (decrease) in non-reciprocal grant revenues for the year:	(34,965)

**Accounting policy**

**Grant income - operating and capital**

Grant income is recognised as revenue when Council obtains control over the assets comprising the receipt.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where grants recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant is also disclosed. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date and conditions include a requirement to refund unused contributions. Revenue is then recognised as the various performance obligations under an agreement are fulfilled. Council does not currently have any reciprocal grants.

Unreceived contributions over which Council has control are recognised as receivables.

	2020 \$	2019 \$
<b>Note 9 Contributions</b>		
<b>Cash</b>		
Heavy Vehicle Contribution Fees	22,201	26,034
Parks, open space and streetscapes	2,423	-
<b>Total</b>	<b>24,624</b>	<b>26,034</b>
<b>Non-monetary assets</b>		
Buildings	-	30,600
Plant and equipment	-	13,900
<b>Total</b>	<b>-</b>	<b>44,500</b>
<b>Total contributions</b>	<b>24,624</b>	<b>70,534</b>

**Accounting policy under AASB 15 - applicable from 1 July 2019**

Council recognises contributions without performance obligations when received. In cases where the contributions is for a specific purpose to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and income recognised as obligations are fulfilled.

Refer to note 37 for accounting policy related to AASB 15 and AASB 1058.

**Accounting policy under AASB 1004 - applicable for 2019 comparative**

**Contribution income**

Contributions are recognised as revenue when Council obtains control over the assets comprising the receipt.

Revenue is recognised when Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to Council and the amount of the contribution can be measured reliably. Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Non-monetary contributions (including developer contributions) with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets.

Unreceived contributions over which Council has control are recognised as receivables.

Where contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused contribution is also disclosed. The note also discloses the amount of unused contribution from prior years that was expended on Council's operations during the current year.

**Note 10 Interest**

Interest on financial assets	122,037	215,000
<b>Total</b>	<b>122,037</b>	<b>215,000</b>

**Accounting policy**

**Interest income**

Interest is recognised progressively as it is earned.

**Note 11 Other income**

Private Works	125,795	296,505
Reimbursements	90,524	65,985
Penalties and interest	26,597	36,555
<b>Total other income</b>	<b>242,916</b>	<b>399,045</b>

**Accounting policy**

**Other income**

Private Works jobs, reimbursements and penalties and interest are recognised as revenue when the payment is due or the payment is received, whichever first occurs.

**Note 12 Net gain/(loss) on disposal of property, infrastructure, plant and equipment**

Proceeds of sale	27,391	6,200
Write down value of assets disposed	19,533	(160,530)
<b>Total</b>	<b>46,924</b>	<b>(154,330)</b>

**Accounting policy**

**Gains and losses on asset disposals**

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



	2020	2019
	\$	\$
<b>Note 13 Investment revenue from water corporation</b>		
Dividend revenue received	42,736	53,492
Tax equivalent received	8,264	34,730
Guarantee fee received	-	6,810
<b>Total investment revenue from water corporation</b>	<b>51,000</b>	<b>95,032</b>

**Accounting policy**

**Investment revenue**

Dividend revenue is recognised when Council's right to receive payment is established and it can be reliably measured.

<b>Note 14 Employee benefits</b>		
Wages and salaries	1,676,583	1,621,155
Workers compensation	26,760	2,170
Annual leave and long service leave	217,752	210,323
Sick Leave	70,373	58,552
Superannuation	158,671	153,649
Fringe benefits tax	33,976	27,933
<b>Total employee benefits</b>	<b>2,184,115</b>	<b>2,073,782</b>
Less amounts capitalised	(242,301)	(89,123)
<b>Total operating employee benefits</b>	<b>1,941,814</b>	<b>1,984,659</b>

**Accounting policy**

**Employee benefits**

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

<b>Note 15 Materials and services</b>		
Contract payments	635,323	544,801
Building maintenance	44,193	27,650
Plant and equipment maintenance, hire and fuel	272,100	309,991
Consultants	111,339	88,507
Materials and services	378,914	456,483
Other	101,354	137,288
<b>Total materials and services</b>	<b>1,543,223</b>	<b>1,564,720</b>

**Accounting policy**

**Materials and services expense**

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. 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.

	2020 \$	2019 \$
<b>Note 16 Depreciation and amortisation</b>		
<i>Property</i>		
Buildings	124,078	115,454
<i>Plant and Equipment</i>		
Plant, machinery and equipment	309,454	308,329
Fixtures, fittings and furniture	17,128	17,236
Computers and telecommunications	30,861	30,608
<i>Infrastructure</i>		
Roads	1,285,015	1,285,015
Bridges	212,040	204,659
Footpaths and cycleways	52,820	52,820
Drainage	16,301	16,003
Infrastructure	73,727	72,833
<i>Other Assets</i>		
Deferred expenditure	-	22,000
<b>Total depreciation and amortisation</b>	<b>2,121,424</b>	<b>2,124,957</b>

#### Accounting policy

##### Depreciation and amortisation expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

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.

Land and 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.

Major depreciation periods used are listed below and are consistent with the prior year unless otherwise stated:

	Period
Land improvements	50 years
Buildings	
buildings	10-100 years
building improvements	10-20 years
Leasehold improvements	
leasehold building improvements	10-20 years
Plant and Equipment	
plant, machinery and equipment	2-15 years
fixtures, fittings and furniture	10-20 years
computers and telecommunications	2.5-10 years
leased plant and equipment	2-15 years
Roads	
road pavements and seals	12-30 years
road substructure	60 years
road formation and earthworks	200 years
road kerb, channel and minor culverts	50-80 years
Bridges	
bridges deck	20-80 years
bridges substructure	25-50 years
Other Infrastructure	
footpaths and cycleways	5-80 years
drainage	100 years
recreational, leisure and community facilities	10-20 years
waste management	10-20 years
parks, open space and streetscapes	10-20 years
off street car parks	10-20 years



	2020	2019
	\$	\$
<b>Note 17 Other expenses</b>		
External auditors' remuneration (Tasmanian Audit Office)	30,034	27,039
Councillors' allowances	132,802	137,700
Fire Levy	223,995	216,181
Light and Power	112,971	113,965
Insurance	294,738	241,232
Valuation Fees	11,450	12,300
Communications and Telephones	51,694	60,267
Community Support and Donations	75,242	63,867
Land Tax	22,987	22,641
Subscriptions and membership	32,376	32,698
Advertising	28,561	33,418
Legal Fees	76,244	152,879
Printing and Stationery	17,698	18,102
Bank Fees	21,397	18,952
Payroll Tax	3,520	36,438
Water, Sewerage and Rates	113,009	111,010
Landfill Restoration Provisions	-	100,000
Other	59,019	61,863
<b>Total other expenses</b>	<b>1,307,737</b>	<b>1,460,552</b>

**Accounting policy**

**Other expenses**

Expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

**Note 18 Investment in water corporation**

Opening Balance	9,110,354	8,028,075
Fair Value adjustments on equity investment assets	(2,039,306)	1,082,279
<b>Total investment in water corporation</b>	<b>7,071,048</b>	<b>9,110,354</b>

Council has derived returns from the water corporation as disclosed at note 13.

**Accounting policy under AASB 9**

**Equity Investment**

As Council's investment in TasWater is held for long-term strategic purposes, Council has elected under AASB 9: Financial Instruments to irrevocably classify this equity investment as designated as fair value through other comprehensive income. Subsequent changes in fair value on designated investments in equity instruments are recognised in other comprehensive income (for fair value reserve, refer Note 28) and not reclassified through the profit or loss when derecognised. Dividends associated with the equity investments are recognised in profit and loss when the right of payment has been established and it can be reliably measured. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2020, Council holds a 0.49% (2019: 0.49%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution.

**Note 19 Cash and cash equivalents**

Cash on hand	550	550
Cash at bank	1,001,893	1,141,299
Term deposits and investments	10,219,560	9,331,949
<b>Total cash and cash equivalents</b>	<b>11,222,003</b>	<b>10,473,798</b>

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

- Trust funds and deposits (note 25)	146,499	190,840
- Conditions on grants (note 8)	-	9,035
- Grants received in advance (27)	172,929	-
- Provisions (note 26)	1,097,372	975,599
<b>Restricted funds</b>	<b>1,416,800</b>	<b>1,175,474</b>

<b>Total unrestricted cash and cash equivalents</b>	<b>9,805,203</b>	<b>9,298,324</b>
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**Accounting policy**

**Cash and cash equivalents**

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

**Restricted funds**

(i) Includes refundable building, contract and other refundable amounts held in trust by Council for completion of specific purposes.

(ii) Represents grant funding received in advance until specific performance obligations required under funding arrangements are completed.

	2020	2019
	\$	\$
<b>Note 20 Trade and other receivables</b>		
<b>Current</b>		
Rates debtors	162,749	130,777
Other debtors	68,119	134,878
Provision for impairment - other debtors	(6,029)	(6,029)
<b>Total trade and other receivables</b>	<b>224,839</b>	<b>259,626</b>
<b>Reconciliation of movement in expected credit loss</b>		
Carrying amount at 1 July	6,029	
Amounts written off during the year	-	
Amounts recovered during the year	-	
Increase/(decrease) in provision recognised in profit or loss	-	
<b>Carrying amount at 30 June</b>	<b>6,029</b>	
<b>Reconciliation of movement in expected credit loss</b>		
Carrying amount at 1 July under AASB 9		6,029
Amounts written off during the year		-
Amounts recovered during the year		-
Increase / (decrease) in provision recognised in profit or loss		-
<b>Carrying amount at 30 June</b>		<b>6,029</b>

**Accounting policy**

**Trade and other receivables**

Trade receivables that do not contain a significant financing component are measured at amortised cost, which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk has increased significantly since initial recognition, and when estimating the ECL, Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience, an informed credit assessment and forward-looking information. Council has established a provision matrix to facilitate the impairment assessment. For rate debtors, Council takes the view that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold unless there are circumstances where a property is likely to be unsaleable. For non-rate debtors, Council uses the presumptions that assets more than 30 days past due have a significant increase in credit risk and those more than 180 days will likely be in default. Council writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

<b>Note 21 Inventories</b>		
Inventories held for consumption	6,375	9,982
<b>Total inventories</b>	<b>6,375</b>	<b>9,982</b>

**Accounting policy**

**Inventories**

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

Where inventories are acquired at no cost, or for nominal consideration, the cost shall be the current replacement cost as at the date of acquisition.

<b>Note 22 Other assets</b>		
<b>Current</b>		
Prepayments	46,451	-
Accrued income*	8,181	5,789
<b>Total</b>	<b>54,632</b>	<b>5,789</b>

\* Accrued income only includes interest receivable.

Note 23

	2020	2019
	\$	\$
<b>Property, infrastructure, plant and equipment</b>		
<b>Summary</b>		
at cost	6,324,626	6,701,707
Less accumulated depreciation	(3,362,790)	(3,170,022)
	<u>2,961,836</u>	<u>3,531,685</u>
at fair value at 30 June	110,649,559	107,497,846
Less accumulated depreciation	(29,480,665)	(27,911,653)
	<u>81,168,894</u>	<u>79,586,193</u>
<b>Total</b>	<u>84,130,730</u>	<u>83,117,878</u>
<b>Property</b>		
<b>Land</b>		
at fair value at 30 June	3,401,816	3,401,816
	<u>3,401,816</u>	<u>3,401,816</u>
<b>Land under roads</b>		
at Council valuation at 30 June	1,111,124	957,396
	<u>1,111,124</u>	<u>957,396</u>
<b>Total Land</b>	<u>4,512,940</u>	<u>4,359,212</u>
<b>Buildings</b>		
at fair value at 30 June	5,818,043	5,724,616
Less accumulated depreciation	(654,574)	(530,495)
<b>Total Buildings</b>	<u>5,163,469</u>	<u>5,194,121</u>
<b>Total Property</b>	<u>9,676,409</u>	<u>9,553,333</u>

Valuation of land (excluding land under roads) and buildings was undertaken by the Valuer-General in 2014-15. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Land under roads were revalued in 2019/20 based on unit rate per hectare provided by the Valuer General through the Department of Primary Industries, Parks Water and Environment.

Note	2020	2019
	\$	\$
<b>Property, infrastructure, plant and equipment (cont.)</b>		
<b>Plant and Equipment</b>		
Plant, machinery and equipment		
at cost	5,170,713	5,003,924
Less accumulated depreciation	(2,990,718)	(2,844,278)
	<u>2,179,995</u>	<u>2,159,646</u>
Fixtures, fittings and furniture		
at cost	270,790	259,281
Less accumulated depreciation	(99,811)	(82,682)
	<u>170,979</u>	<u>176,599</u>
Computers and telecommunications		
at cost	324,801	313,195
Less accumulated depreciation	(272,261)	(243,062)
	<u>52,540</u>	<u>70,133</u>
<b>Total Plant and Equipment</b>	<u>2,403,514</u>	<u>2,406,378</u>
<b>Infrastructure</b>		
Roads		
at fair value at 30 June	78,206,073	76,314,943
Less accumulated depreciation	(17,655,183)	(16,816,512)
	<u>60,550,890</u>	<u>59,498,431</u>
Bridges		
at fair value at 30 June	16,114,517	15,240,097
Less accumulated depreciation	(7,896,761)	(7,423,870)
	<u>8,217,756</u>	<u>7,816,227</u>
Footpaths, kerbs and gutters		
at fair value at 30 June	2,789,021	2,706,735
Less accumulated depreciation	(1,855,449)	(1,802,629)
	<u>933,572</u>	<u>904,106</u>
Drainage		
at fair value at 30 June	1,630,154	1,630,154
Less accumulated depreciation	(625,248)	(608,947)
	<u>1,004,906</u>	<u>1,021,207</u>
Infrastructure		
at fair value at 30 June	1,578,811	1,522,089
Less accumulated depreciation	(793,450)	(729,200)
	<u>785,361</u>	<u>792,889</u>
<b>Total Infrastructure</b>	<u>71,492,485</u>	<u>70,032,860</u>
A full valuation of roads and footpaths was undertaken by independent valuers, Moloneys Asset Management Systems, effective October 2014. Bridges were revalued by AusSpan effective 2020. Drainage and other infrastructure have not been revalued due to the immaterial amount of assets in these classes.		
<b>Works in progress</b>		
Buildings at cost	15,759	35,418
Roads at cost	193,296	916,101
Infrastructure	36,609	7,350
Drainage	50,484	45,815
Footpaths, kerbs and gutters	351	82,286
Bridges	261,823	38,337
<b>Total Works in progress</b>	<u>558,322</u>	<u>1,125,307</u>
<b>Total property, infrastructure, plant and equipment</b>	<u>84,130,730</u>	<u>83,117,878</u>

Note 23 Property, infrastructure, plant and equipment (cont.)

Reconciliation of property, infrastructure, plant and equipment

2020	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 28)	Depreciation and amortisation (note 16)	Written down value of disposals	Transfers	Balance at end of financial year
	\$	\$	\$	\$	\$	\$	\$
<b>Property</b>							
land	3,401,816	-	-	-	-	-	3,401,816
land under roads	957,396	-	153,728	-	-	-	1,111,124
Total land	4,359,212	-	153,728	-	-	-	4,512,940
buildings	5,194,121	-	-	124,078	-	93,426	5,163,469
Total buildings	5,194,121	-	-	124,078	-	93,426	5,163,469
Total property	9,553,333	-	153,728	124,078	-	93,426	9,676,409
<b>Plant and Equipment</b>							
plant, machinery and equipment	2,159,646	348,012	-	309,454	18,209	-	2,179,995
fixtures, fittings and furniture	176,599	11,508	-	17,128	-	-	170,979
computers and telecommunications	70,133	13,268	-	30,861	-	-	52,540
Total plant and equipment	2,406,378	372,788	-	357,443	18,209	-	2,403,514
<b>Infrastructure</b>							
roads	59,498,431	-	-	1,285,015	-	2,337,474	60,550,890
bridges	7,816,227	-	393,490	212,040	(37,742)	182,337	8,217,756
footpaths, kerbs and gutters	904,106	-	-	52,820	-	82,286	933,572
drainage	1,021,207	-	-	16,301	-	-	1,004,906
infrastructure	792,889	-	-	73,727	-	66,199	785,361
Total infrastructure	70,032,860	-	393,490	1,639,903	(37,742)	2,668,296	71,492,485
<b>Works in progress</b>							
roads	916,101	1,614,669	-	-	-	(2,337,474)	193,296
buildings	35,418	73,767	-	-	-	(93,426)	15,759
infrastructure	7,350	95,458	-	-	-	(66,199)	36,609
drainage	45,815	4,669	-	-	-	-	50,484
footpaths, kerbs and gutters	82,286	351	-	-	-	(82,286)	351
bridges	38,337	405,823	-	-	-	(182,337)	261,823
Total works in progress	1,125,307	2,194,737	-	-	-	(2,761,722)	558,322
<b>Total property, infrastructure, plant and equipment</b>	<b>83,117,878</b>	<b>2,567,525</b>	<b>547,218</b>	<b>2,121,424</b>	<b>(19,533)</b>	<b>-</b>	<b>84,130,730</b>

(a) Impairment losses

Impairment losses are recognised in the Statement of comprehensive income under other expenses.

Reversals of impairment losses are recognised in the statement of comprehensive income under other revenue.

Note 23 *Property, infrastructure, plant and equipment (cont.)*

Reconciliation of property, infrastructure, plant and equipment

2019	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 28)	Depreciation and amortisation (note 16)	Written down value of disposals	Transfers	Balance at end of financial year
	\$	\$	\$	\$	\$	\$	\$
<b>Property</b>							
land	3,395,000	6,816	-	-	-	-	3,401,816
land under roads	957,396	-	-	-	-	-	957,396
<b>Total land</b>	<b>4,352,396</b>	<b>6,816</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,359,212</b>
buildings	5,107,130	30,600	-	115,454	-	171,845	5,194,121
<b>Total buildings</b>	<b>5,107,130</b>	<b>30,600</b>	<b>-</b>	<b>115,454</b>	<b>-</b>	<b>171,845</b>	<b>5,194,121</b>
<b>Total property</b>	<b>9,459,526</b>	<b>37,416</b>	<b>-</b>	<b>115,454</b>	<b>-</b>	<b>171,845</b>	<b>9,553,333</b>
<b>Plant and Equipment</b>							
plant, machinery and equipment	2,250,520	217,455	-	308,329	-	-	2,159,646
fixtures, fittings and furniture	146,916	46,919	-	17,236	-	-	176,599
computers and telecommunications	84,056	16,685	-	30,608	-	-	70,133
<b>Total plant and equipment</b>	<b>2,481,492</b>	<b>281,059</b>	<b>-</b>	<b>356,173</b>	<b>-</b>	<b>-</b>	<b>2,406,378</b>
<b>Infrastructure</b>							
roads	59,931,818	-	-	1,285,015	160,530	1,012,158	59,498,431
bridges	7,983,719	-	-	204,659	-	37,167	7,816,227
footpaths, kerbs and gutters	956,926	-	-	52,820	-	-	904,106
drainage	1,037,210	-	-	16,003	-	-	1,021,207
infrastructure	784,846	-	-	72,833	-	80,876	792,889
<b>Total infrastructure</b>	<b>70,694,519</b>	<b>-</b>	<b>-</b>	<b>1,631,330</b>	<b>160,530</b>	<b>1,130,201</b>	<b>70,032,860</b>
<b>Works in progress</b>							
roads	342,748	1,585,511	-	-	-	(1,012,158)	916,101
buildings	120,550	86,713	-	-	-	(171,845)	35,418
infrastructure	50,003	38,223	-	-	-	(80,876)	7,350
drainage	18,751	27,064	-	-	-	-	45,815
footpaths, kerbs and gutters	-	82,286	-	-	-	-	82,286
bridges	20,731	54,773	-	-	-	(37,167)	38,337
<b>Total works in progress</b>	<b>552,783</b>	<b>1,874,570</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,302,046)</b>	<b>1,125,307</b>
<b>Total property, infrastructure, plant and equipment</b>	<b>83,188,320</b>	<b>2,193,045</b>	<b>-</b>	<b>2,102,957</b>	<b>160,530</b>	<b>-</b>	<b>83,117,878</b>

(a) *Impairment losses*

Impairment losses are recognised in the Statement of comprehensive income under other expenses.

Reversals of impairment losses are recognised in the statement of comprehensive income under other revenue.



**Note 23 Property, infrastructure, plant and equipment (cont.)**

**Accounting policy**

**Recognition and measurement of assets**

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs. Property, infrastructure, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council. Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction. The following classes of assets have been recognised. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	Threshold
	\$
Land	
land	5,000
land improvements	5,000
land under roads	5,000
Buildings	
buildings	5,000
building improvements	5,000
heritage buildings	5,000
Plant and Equipment	
plant, machinery and equipment	1,000
fixtures, fittings and furniture	1,000
computers and telecommunications	1,000
leased plant and equipment	1,000
Roads	
road pavements and seals	5,000
road substructure	5,000
road formation and earthworks	5,000
road kerb, channel and minor culverts	5,000
Bridges	
bridges deck	5,000
bridges substructure	5,000
Other Infrastructure	
footpaths and cycleways	5,000
drainage	5,000
recreational, leisure and community facilities	5,000
waste management	5,000
parks, open space and streetscapes	5,000
off street car parks	5,000
Intangible assets	
intangible assets	1,000

**Revaluation**

Council has adopted the following valuation bases for its non-current assets:

Land	fair value
Land improvements	cost
Plant and machinery	cost
Furniture, fittings and office equipment	cost
Stormwater and drainage infrastructure	fair value
Roads and streets infrastructure	fair value
Bridges	fair value
Buildings	fair value
Intangibles	cost
Parks, recreation facilities and community amenities	cost
Investment in water corporation	fair value

**Note 23 Property, infrastructure, plant and equipment (cont.)**

**Accounting policy (cont.)**

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, furniture and fittings and computers, are measured at their fair value in accordance with AASB 116 *Property, Plant & Equipment* and AASB 13 *Fair Value Measurement*. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis to ensure valuations represent fair value. The valuation is performed either by experienced Council officers or independent experts.

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 on an asset result in changes to the permissible or practical highest and best use of the asset.

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 surplus 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**

Impairment losses are recognised in the statement of comprehensive income under other expenses.

Reversals of impairment losses are recognised in the statement of comprehensive income under other revenue.



	2020	2019
	\$	\$
<b>Note 24 Trade and other payables</b>		
Trade payables	459,865	411,113
Accrued expenses	68,603	67,190
Other	6,589	5,064
<b>Total trade and other payables</b>	<b>535,057</b>	<b>483,367</b>

**Accounting policy**

**Trade and other payables**

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received. General creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.

<b>Note 25 Trust funds and deposits</b>		
Refundable building deposits	1,200	1,200
Retention amounts	47,407	49,417
Other refundable deposits	97,892	140,223
<b>Total trust funds and deposits</b>	<b>146,499</b>	<b>190,840</b>

**Accounting policy**

**Tender deposits**

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited.

Notes to the Financial Report  
For the Year Ended 30 June 2020

Note 26 Provisions

	Annual leave & RDO's	Long service leave	Sick Leave	Landfill Restoration	Other	Total
2020	\$	\$	\$	\$	\$	\$
Balance at beginning of the financial year	165,542	403,914	204,452	100,000	101,691	975,599
Additional provisions	157,007	66,188	52,287	-	45,928	321,410
Amounts used	(106,476)	(26,295)	(42,498)	-	(24,368)	(199,637)
Balance at the end of the financial year	216,073	443,807	214,241	100,000	123,251	1,097,372
Current	216,073	344,088	214,241		109,191	883,593
Non-Current		99,719		100,000	14,060	213,779
Total	216,073	443,807	214,241	100,000	123,251	1,097,372
2019						
Balance at beginning of the financial year	149,606	354,329	192,140	-	87,010	783,085
Additional provisions	138,630	79,103	32,825	100,000	37,028	387,586
Amounts used	(122,694)	(29,518)	(20,513)	-	(22,347)	(195,072)
Balance at the end of the financial year	165,542	403,914	204,452	100,000	101,691	975,599
Current	165,542	308,440	204,452		89,146	767,580
Non-Current		95,474		100,000	12,545	208,019
Total	165,542	403,914	204,452	100,000	101,691	975,599

2020 2019

(a) Employee benefits

The following assumptions were adopted in measuring the present value of employee benefits:

Weighted average increase in employee costs	5.32%	6.97%
Weighted average discount rates	0.38%	1.04%
Weighted average settlement period	12	12

Employee Numbers - FTE

27 27

Note 26 Provisions (cont.)

**Accounting policy**

**Employee benefits**

*i) Short term obligations*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

*ii) Other long term employee benefit obligations*

The liability for long service leave and annual leave which is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

*iii) Sick leave*

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

*iv) Defined benefit plans*

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the statement of financial position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans i.e. as an expense when it becomes payable.

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund, which is a sub fund of the Tasplan Superannuation. The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 Employee Benefits, Council does not use defined benefit accounting for these contributions.

*v) Defined contribution plans*

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(b) Landfill restoration**

Council is obligated to restore its waste transfer stations to a particular standard. Current projections indicate that the waste transfer station site will cease operation in 2021/22 and restoration work is expected to commence two years after. The forecast life of the sites is based on current estimates of remaining capacity and the forecast rate of infill. The provision for restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council does not expect to receive reimbursement from a third party

Note 27 Contract liabilities

**Current**

Rates and charges in advance	107,017	-
Grants received in advance	172,929	-
	<u>279,946</u>	

**Accounting policy under AASB 15 and AASB 1058 - applicable from 1 July 2019**

Council recognised the following contract liabilities with customers:

i) Rates and charges in advance represents amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by council at the beginning of the rating or charge period to which the advance payment relates.

ii) Grants received in advance includes funding for the construction of a public toilet block and also health promotion in the municipality. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue.

iii) Upfront payments of funding are recognised as a contract liability until performance obligations in accordance with AASB 15 are satisfied and recognition criteria are met.

Refer to note 37 for accounting policy related to AASB 15 and AASB 1058.

Note 28 Reserves

	Balance at beginning of reporting year	Increment	(decrement)	Balance at end of reporting year
(a) Asset revaluation reserve	\$	\$	\$	\$
<b>2020</b>				
<b>Property</b>				
Land	1,994,350	-	-	1,994,350
Land under roads	-	153,728	-	153,728
Buildings	1,712,197	-	-	1,712,197
Fixtures and fittings	4,530	-	-	4,530
	<u>3,711,077</u>	<u>153,728</u>	<u>-</u>	<u>3,864,805</u>
<b>Infrastructure</b>				
Roads	53,840,334	-	-	53,840,334
Bridges	6,958,522	393,490	-	7,352,012
Footpaths and cycleways	2,545,740	-	-	2,545,740
Drainage	596,922	-	-	596,922
	<u>63,941,518</u>	<u>393,490</u>	<u>-</u>	<u>64,335,008</u>
<b>Total asset revaluation reserve</b>	<u>67,652,595</u>	<u>547,218</u>	<u>-</u>	<u>68,199,813</u>
<b>2019</b>				
<b>Property</b>				
Land	1,994,350	-	-	1,994,350
Buildings	1,712,197	-	-	1,712,197
Fixtures and fittings	4,530	-	-	4,530
	<u>3,711,077</u>	<u>-</u>	<u>-</u>	<u>3,711,077</u>
<b>Infrastructure</b>				
Roads	53,840,334	-	-	53,840,334
Bridges	6,958,522	-	-	6,958,522
Footpaths and cycleways	2,545,740	-	-	2,545,740
Drainage	596,922	-	-	596,922
	<u>63,941,518</u>	<u>-</u>	<u>-</u>	<u>63,941,518</u>
<b>Total asset revaluation reserve</b>	<u>67,652,595</u>	<u>-</u>	<u>-</u>	<u>67,652,595</u>

The asset revaluation reserve was established to capture the movements in asset valuations upon the periodic revaluation of Council's assets.

	Balance at beginning of reporting year	Increment	(decrement)	Balance at end of reporting year
(b) Fair value reserve	\$	\$	\$	\$
<b>2020</b>				
<b>Equity Investment assets</b>				
Investment in water corporation	(47,966)	-	(2,039,306)	(2,087,272)
<b>Total fair value reserve</b>	<u>(47,966)</u>	<u>-</u>	<u>(2,039,306)</u>	<u>(2,087,272)</u>
<b>2019</b>				
<b>Equity Investment assets</b>				
Investment in water corporation	(1,130,245)	1,082,279	-	(47,966)
<b>Total fair value reserve</b>	<u>(1,130,245)</u>	<u>1,082,279</u>	<u>-</u>	<u>(47,966)</u>

Council has to designate its investment in Taswater as an equity investment at fair value through other comprehensive income. Subsequent changes in fair value are reflected in the reserve and will not be reclassified through the profit or loss when derecognised.



**Note 28 Reserves (cont)**

	Balance at beginning of reporting year	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting year
(c) Other reserves	\$	\$	\$	\$
<b>2020</b>				
Other Reserves	1,645,255	42,315	(9,035)	1,678,535
<b>Total Other reserves</b>	<b>1,645,255</b>	<b>42,315</b>	<b>(9,035)</b>	<b>1,678,535</b>
<b>2019</b>				
Other Reserves	1,530,634	179,104	(64,483)	1,645,255
<b>Total Other reserves</b>	<b>1,530,634</b>	<b>179,104</b>	<b>(64,483)</b>	<b>1,645,255</b>
			<b>2020</b>	<b>2019</b>
			\$	\$
(a) Asset revaluation reserve			68,199,813	67,652,595
(b) Fair value reserve			(2,087,272)	(47,966)
(c) Other reserves			1,678,535	1,645,255
<b>Total Reserves</b>			<b>67,791,076</b>	<b>69,249,884</b>

**Note 29 Reconciliation of cash flows from operating activities to net result for the year**

Result from continuing operations	911,198	170,660
Depreciation/amortisation	2,121,424	2,124,957
(Profit)/loss on disposal of property, plant and equipment, infrastructure	(46,924)	154,330
Capital grants received specifically for new or upgraded assets	(731,546)	(211,847)
<i>Change in assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	34,787	3,737
Decrease/(increase) in other assets	(48,843)	(28,544)
Decrease/(increase) in inventories	3,607	(3,982)
Increase/(decrease) in trade and other payables	51,690	(162,951)
Increase/(decrease) in provisions	121,773	192,514
Increase/(decrease) in other liabilities	139,626	66,353
<b>Net cash provided by/(used in) operating activities</b>	<b>2,556,792</b>	<b>2,305,227</b>

**Note 30 Reconciliation of cash and cash equivalents**

Cash and cash equivalents (see note 19)	11,222,003	10,473,798
<b>Total reconciliation of cash and cash equivalents</b>	<b>11,222,003</b>	<b>10,473,798</b>

Note 31 Superannuation

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), a sub-fund of the Tasplan Superannuation Fund (Tasplan). The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 *Employee Benefits*, Council does not use defined benefit accounting for these contributions.

For the year ended 30 June 2020 the Council contributed 0% (2019: 0%) of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, the Council is required to meet its share of the deficiency.

Rice Warner Pty Ltd undertook the last actuarial review of the Fund at 30 June 2017. The review disclosed that at that time the net market value of assets available for funding member benefits was \$58,940,000, the value of vested benefits was \$51,170,000, the surplus over vested benefits was \$7,770,000, the value of total accrued benefits was \$50,606,000, and the number of members was 134. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in the Tasplan Super's financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

- Net Investment Return 7.0% p.a.
- Salary Inflation 4.0% p.a.
- Price Inflation n/a

The actuarial review concluded that:

- The value of assets of the Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2017.
- The value of assets of the Fund was adequate to meet the value of the liabilities of the Fund in respect of accrued benefits as at 30 June
- Based on the assumptions used, and assuming the Employer contributes at the levels described below, the value of the assets is expected to continue to be adequate to meet the value of the liabilities of the Fund in respect of vested benefits at all times during the period up to 30 June 2017.

Given the strong financial position of the Fund, the Actuary recommended that the Council consider a contribution holiday and contribute 0% of salaries from 1 July 2018 to 30 June 2021.

The Actuary will continue to undertake a brief review of the financial position the Fund at the end of each financial year to confirm that the contribution rates remain appropriate. The next full triennial actuarial review of the Fund will have an effective date of 30 June 2021 and is expected to be completed late in 2021.

Council also contributes to other accumulation schemes on behalf of a number of employees; however the Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

During the year Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the *Superannuation Guarantee (Administration) Act 1992*.

As required in terms of paragraph 148 of AASB 119 *Employee Benefits*, Council discloses the following details:

- The 2017 actuarial review used the "aggregate" funding method. This is a standard actuarial funding method. The results from this method were tested by projecting future fund assets and liabilities for a range of future assumed investment returns. The funding method used is consistent with the method used at the previous actuarial review in 2014.

Under the aggregate funding method of financing the benefits, the stability of the Councils' contributions over time depends on how closely the Fund's actual experience matches the expected experience. If the actual experience differs from that expected, the Councils' contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards financing members' benefits.

- In terms of Rule 27.4 of the Tasplan Trust Deed (Trust Deed), there is a risk that employers within the Fund may incur an additional liability when an Employer ceases to participate in the Fund at a time when the assets of the Fund are less than members' vested benefits. Each member of the Fund who is an employee of the Employer who is ceasing to Participate is required to be provided with a benefit at least equal to their vested benefit in terms of Rule 27.4 (b) (A). However, there is no provision in the Trust Deed requiring an employer to make contributions other than its regular contributions up to the date of cessation of contributions. This issue can be resolved by the Trustee seeking an Actuarial Certificate in terms of Rule 26.5 identifying a deficit and the Trustee determining in terms of Rule 26.3(c) that the particular employer should make the payment required to make good any shortfall before the cessation of participation is approved.

**Note 31 Superannuation (cont.)**

- The application of Fund assets on Tasplan being wound-up is set out in Rule 41.4. This Rule provides that expenses and taxation liabilities should have first call on the available assets. Additional assets will initially be applied for the benefit of the then remaining members and/or their Dependents in such manner as the Trustee considers equitable and appropriate in accordance with the Applicable Requirements (broadly, superannuation and taxation legislative requirements and other requirements as determined by the regulators).

The Trust Deed does not contemplate the Fund withdrawing from Tasplan. However it is likely that Rule 27.4 would be applied in this case (as detailed above).

- The Fund is a defined benefit Fund.
- The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. Thus the Fund is not able to prepare standard AASB119 defined benefit reporting.
- As reported above, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2017. Moderate investment returns, since that date, make it quite probable that this is still the position. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2020.
- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by Rice Warner Pty Ltd as at 30 June 2019, showed that the Fund had assets of \$56.64 million and members' Vested Benefits were \$47.32 million. These amounts represented 0.6% and 0.5% respectively of the corresponding total amounts for Tasplan.
- As at 30 June 2019 the fund had 107 members and the total employer contributions and member contributions for the year ending 30 June 2019 were \$1,000,322 and \$221,484 respectively.

	2020	2019
	\$	\$
<b>Fund</b>		
<b>Defined benefits fund</b>		
Employer contributions to Tasplan	-	-
	-	-
<b>Accumulation funds</b>		
Employer contributions to super funds	158,671	153,649
	158,671	153,649

	2020	2019
	\$	\$
<b>Note 32 Commitments</b>		
<b>Capital expenditure commitments</b>		
Roads	-	65,093
<b>Total</b>	-	65,093
<b>Contractual commitments</b>		
Contractual commitments at end of financial year but not recognised in the financial report are as follows:		
Recycling and garbage collection contracts (expires 2022)	702,102	660,276
<b>Total</b>	702,102	660,276

**Note 33 Contingent liabilities**

Council is presently involved in confidential legal matters, which are being conducted through Council's solicitors.

As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

Note 34 Financial Instruments

(a) Interest Rate Risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

2020

	Weighted average interest rate	Floating interest rate \$	Fixed interest maturing in:		Non- interest bearing \$	Total \$
			1 year or less \$	Over 1 to 5 years \$		
<b>Financial assets</b>						
Cash and cash equivalents	0.56%	10,219,561	1,002,442	-	-	11,222,003
Trade and other receivables		224,839	-	-	-	224,839
Investment in water corporation		-	-	-	7,071,048	7,071,048
<b>Total financial assets</b>		<b>10,444,400</b>	<b>1,002,442</b>	<b>-</b>	<b>7,071,048</b>	<b>18,517,890</b>
<b>Financial liabilities</b>						
Trade and other payables		-	-	-	535,057	535,057
Trust funds and deposits		-	-	-	146,499	146,499
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>681,556</b>	<b>681,556</b>
<b>Net financial assets (liabilities)</b>		<b>10,444,400</b>	<b>1,002,442</b>	<b>-</b>	<b>6,389,492</b>	<b>17,836,334</b>

2019

	Weighted average interest rate	Floating interest rate \$	Fixed interest maturing in:		Non- interest bearing \$	Total \$
			1 year or less \$	Over 1 to 5 years \$		
<b>Financial assets</b>						
Cash and cash equivalents	1.65%	1,141,850	9,331,948	-	-	10,473,798
Trade and other receivables		259,626	-	-	-	259,626
Investment in water corporation		-	-	-	9,110,354	9,110,354
<b>Total financial assets</b>		<b>1,401,476</b>	<b>9,331,948</b>	<b>-</b>	<b>9,110,354</b>	<b>19,843,778</b>
<b>Financial liabilities</b>						
Trade and other payables		-	-	-	483,367	483,367
Trust funds and deposits		-	-	-	190,840	190,840
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>674,207</b>	<b>674,207</b>
<b>Net financial assets (liabilities)</b>		<b>1,401,476</b>	<b>9,331,948</b>	<b>-</b>	<b>8,436,147</b>	<b>19,169,571</b>

**Note 34 Financial Instruments (cont.)**

**(b) Fair Value**

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2020 \$	2019 \$	2020 \$	2019 \$
<b>Financial assets</b>				
Cash and cash equivalents	11,222,003	10,473,798	11,222,003	10,473,798
Trade and other receivables	224,839	259,626	224,839	259,626
Investment in water corporation	7,071,048	9,110,354	7,071,048	9,110,354
<b>Total financial assets</b>	<b>18,517,890</b>	<b>19,843,778</b>	<b>18,517,890</b>	<b>19,843,778</b>
<b>Financial liabilities</b>				
Trade and other payables	535,057	483,367	535,057	483,367
Trust funds and deposits	146,499	190,840	146,499	190,840
<b>Total financial liabilities</b>	<b>681,556</b>	<b>674,207</b>	<b>681,556</b>	<b>674,207</b>

**(c) Credit Risk**

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Statement of Financial Position.

**(d) Risks and mitigation**

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

**Market risk**

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

**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. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1993*. We manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

#### Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in our Statement of Financial Position. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our Investment policy.

Credit risk arises from Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. Council's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable policy note. Council generally trades with recognised, creditworthy third parties, and as such collateral is generally not requested, nor is it Council's policy to securitise its trade and other receivables.

It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation.

In addition, receivable balances are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when we provide a guarantee for another party.

#### Credit quality of contractual financial assets that are neither past due nor impaired

	Financial Institutions (AAA credit rating)	Government agencies (BBB credit rating)	Other (min BBB credit rating)	Total
<b>2020</b>				
Cash and cash equivalents	11,222,003	-	-	11,222,003
<b>Total contractual financial assets</b>	<b>11,222,003</b>	<b>-</b>	<b>-</b>	<b>11,222,003</b>
<b>2019</b>				
Cash and cash equivalents	10,473,798	-	-	10,473,798
<b>Total contractual financial assets</b>	<b>10,473,798</b>	<b>-</b>	<b>-</b>	<b>10,473,798</b>

#### Movement in Provisions for Impairment of Trade and Other Receivables

	2020 \$	2019 \$
Balance at the beginning of the year	6,029	6,029
New Provisions recognised during the year	-	-
<b>Balance at end of year</b>	<b>6,029</b>	<b>6,029</b>

#### Ageing of Trade and Other Receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's Trade and Other Receivables was:

	2020 \$	2019 \$
Current (not yet due)	40,359	43,934
Past due by up to 30 days	2,386	82,274
Past due between 31 and 180 days	13,584	2,521
Past due between 181 and 365 days	5,761	120
Past due by more than 1 year	-	-
<b>Total Trade &amp; Other Receivables</b>	<b>62,090</b>	<b>128,849</b>



#### Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover a financial asset at all.

To help reduce these risks we:

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

The Councils exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The table below lists the contractual maturities for Financial Liabilities

These amounts represent the discounted cash flow payments (ie principal only).

2020	6 mths or less	6-12 months	1-2 years	Contracted Cash Flow	Carrying Amount
	\$	\$	\$	\$	\$
Trade and other payables	535,057	-	-	-	535,057
Trust funds and deposits	146,499	-	-	-	146,499
<b>Total financial liabilities</b>	<b>681,556</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>681,556</b>

2019	6 mths or less	6-12 months	1-2 years	Contracted Cash Flow	Carrying Amount
	\$	\$	\$	\$	\$
Trade and other payables	483,367	-	-	-	483,367
Trust funds and deposits	190,840	-	-	-	190,840
<b>Total financial liabilities</b>	<b>674,207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>674,207</b>

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from Reserve Bank of Australia):

- A parallel shift of + 1% and -2% in market interest rates (AUD) from year-end rates of 4.4%.

The table below discloses the impact on net operating result and equity for each category of financial instruments held by Council at year-end, if the above movements were to occur.

		Interest rate risk			
		- 2 %		+1%	
		-200 basis points		+100 basis points	
		Profit	Equity	Profit	Equity
2019		\$	\$	\$	\$
<b>Financial assets:</b>					
Cash and cash equivalents	11,222,003	(224,440)	(224,440)	112,220	112,220
Trade and other receivables	224,839	(4,497)	(4,497)	2,248	2,248

		Interest rate risk			
		- 2 %		+1%	
		-200 basis points		+100 basis points	
		Profit	Equity	Profit	Equity
2018		\$	\$	\$	\$
<b>Financial assets:</b>					
Cash and cash equivalents	10,473,798	(209,476)	(209,476)	104,738	104,738
Trade and other receivables	259,626	(5,193)	(5,193)	2,596	2,596

Note 35 Events occurring after balance date

- (a) No matters have occurred after balance date that warrant disclosure in this report.

**Note 36 Related party transactions**

**(i) Responsible Persons**

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

**Councillors** Councillor Loueen Triffit (Mayor)  
Councillor James Allwright (Deputy Mayor)  
Councillor Anthony Bailey  
Councillor Robert Cassidy  
Councillor Jim Poore  
Councillor Julie Honner  
Councillor Anthony Archer  
Councillor Scott Bowden  
Councillor Anita Campbell

**General Manager** Lyn Eyles  
**Senior Managers** Adam Wilson  
Jason Branch  
Graham Rogers

**(ii) Councillor Remuneration**

**2020**

**Short term employee benefits**

	Allowances	Vehicles	Total Compensation AASB 124	Expenses <sup>1</sup>	Total allowances and expenses section 72
	\$	\$	\$	\$	\$
Mayor	33,148	-	33,148	525	33,673
Deputy Mayor	19,468	-	19,468	3,021	22,489
Councillors	66,299	-	66,299	7,624	73,923
<b>Total</b>	<b>118,915</b>	<b>-</b>	<b>118,915</b>	<b>11,170</b>	<b>130,085</b>

**2019**

**Short term employee benefits**

	Allowances	Vehicles	Total Compensation AASB 124	Expenses <sup>1</sup>	Total allowances and expenses section 72
	\$	\$	\$	\$	\$
Mayor	32,192	-	32,192	2,178	34,370
Deputy Mayor	18,853	-	18,853	2,762	21,615
Councillors	63,247	-	63,247	6,516	69,763
<b>Total</b>	<b>114,292</b>	<b>-</b>	<b>114,292</b>	<b>11,456</b>	<b>125,748</b>

<sup>1</sup> Section 72(1)(b) of the *Local Government Act 1993* requires the disclosure of expenses paid to Councillors.

(iii) Key Management Personnel Remuneration

2020	Remuneration band	Number of employees	Short term employee benefits			Post employment benefits		Total
			Salary <sup>1</sup>	Vehicles <sup>2</sup>	Other Allowances and Benefits <sup>3</sup>	Superannuation <sup>4</sup>	Non-monetary Benefits <sup>5</sup>	
			\$	\$	\$	\$	\$	\$
	\$100 001 - \$120 000	2	170,046	28,043	-	16,034	4,608	218,731
	\$140 001 - \$170 000	2	227,463	29,598	5,000	24,743	24,708	311,512
	<b>Total</b>		<b>397,509</b>	<b>57,641</b>	<b>5,000</b>	<b>40,777</b>	<b>29,316</b>	<b>530,243</b>

2019	Remuneration band	Number of employees	Short term employee benefits			Post employment benefits		Total
			Salary <sup>1</sup>	Vehicles <sup>2</sup>	Other Allowances and Benefits <sup>3</sup>	Superannuation <sup>4</sup>	Non-monetary Benefits <sup>5</sup>	
			\$	\$	\$	\$	\$	\$
	\$100 001 - \$120 000	2	165,865	28,610	-	15,136	(3,921)	205,690
	\$130 001 - \$160 000	2	227,298	29,803	5,000	23,853	18,675	304,629
	<b>Total</b>		<b>393,163</b>	<b>58,413</b>	<b>5,000</b>	<b>38,989</b>	<b>14,754</b>	<b>510,319</b>

1 Gross Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.

2 Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).

3 Other benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.

4 Superannuation means the contribution to the superannuation fund of the individual. Superannuation benefits for members of a defined benefit scheme were calculated at 0% of employees' gross income.

5 Other non-monetary benefits include annual and long service leave movements.

(iv) Remuneration Principles

**Councillors**

Councillors are entitled to an allowance based on the number of voters in the Local Government area (LGA) and the revenue of the council.

Councillors are also entitled to reimbursement for telephone, travel, child care and other expenses in accordance with the council's policy.

**Executives**

The employment terms and conditions of senior executives are contained in individual employment contracts and prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions. In addition to their salaries, Council also provides non-cash benefits and contributes to post-employment superannuation plans on their behalf.

The performance of each senior executive, including the General Manager, is reviewed annually which includes a review of their remuneration package. The terms of employment of each senior executive, including the General Manager, contain a termination clause that requires the senior executive or Council to provide a minimum notice period of up to 3 months prior to termination of the contract. Whilst not automatic, contracts can be extended.

(v) Transactions with related parties

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

Nature of the transaction	Amount of the transactions during the year	Outstanding balances, including commitments at year end	Terms and conditions
Supply of gravel <sup>1</sup>	\$52,609	Council owes \$5,913	30-day terms on invoices

1 Council purchased gravel during the year from a company which has a member of Councils KMP as a director. Amounts were billed based on normal rates for such supplies and were due and payable under normal payment terms.

In accordance with s84(2)(b) of the *Local Government Act 1993*, no interests have been notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings.

(vi) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of council live and operate within the municipality. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates on a primary residence
- Dog registration
- Use of Council's swimming pool

Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

**Note 37 Other significant accounting policies and pending accounting standards**

**(a) Taxation**

Council is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and the Goods and Services Tax.

*Goods and services tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(b) Impairment of non-financial assets**

At each reporting date, 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 to sell 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 Statement of Comprehensive Income, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve 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. For non-cash generating assets of Council such as roads, drains, public buildings and the like, value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

**(c) Allocation between current and non-current**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being Council's operational cycle, or if Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

**(d) Financial guarantees**

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

**(e) Contingent assets, contingent liabilities and commitments**

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value inclusive of the GST payable.

**(f) Budget**

The estimated revenue and expense amounts in the Statement of Other Comprehensive Income represent revised budget amounts and are not audited.

Note 37 Other significant accounting policies and pending accounting standards (cont)

(g) Adoption of new and amended accounting standards

In the current year, Council has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

(i) AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities (continued)

AASB 15 introduces a five-step process for revenue recognition, with the core principle of the new standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

The impact of the new standard has changed in the timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element. Under the new income recognition model applicable to not-for-profit entities, Council determines whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'. If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), Council applies the general AASB15 principles to determine the appropriate revenue recognition. If these criteria are not met, Council considers whether AASB1058 applies.

Impairment of financial assets

AASB 1058 supersedes all the income recognition requirements relating to council, previously in AASB 1004 Contributions. The timing of income recognition under AASB 1058 depends on whether a transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset (such as cash or another asset) received.

AASB 1058 applies when Council receives volunteer services or enters into other transactions in which the consideration to acquire an asset is significantly less than the fair value of the asset, and where the asset is principally to enable Council to further its objectives. In cases where Council enters into other transactions, Council recognises and measures the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment).

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by council (i.e. an in-substance acquisition of a non-financial asset), Council recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. Council will recognise income as it satisfies its obligations under the transfer, similarly to income recognition in relation to performance obligations under AASB 15 as discussed above.

Council has elected to measure a class of right-of-use assets arising under 'peppercorn (Concessionary) leases' at initial recognition at cost, in accordance with AASB 16.23-25, which incorporates the amount of initial measurement of the lease liability.

AASB 1058 also encompasses non-contractual statutory income such as rates, taxes and fines. Council previously recognised income when received. Under AASB 1058, income is recognised when the taxable event has occurred. An impact for Council is that prepaid rates received prior to the beginning of a rating period, has now been recognised as a financial liability until the commencement of that rating period. The impact to Council has been that revenue previously recognised when received from Rates and charges in advance as disclosed in note 5, is now recorded as a liability, with revenue deferred until the commencement of the applicable rating period.

For further details on individual revenue streams refer to their accompanying policy note.

The tables below highlight the impact of adopting AASB 15 and AASB 1058 on the Statement of Comprehensive income and Statement of Financial Position. There was no material impact on Council's Statement of Cash Flows.

Statement of Comprehensive Income (Extract)	Reference	Note	Amounts under AASB 118 & 1004	Adjustment	Amounts under AASB 15 & 1058
<b>Recurrent income</b>			\$	\$	\$
Rates and charges		5	3,629,488	(86,943)	3,542,545
Capital grants		8	2,676,615	(9,035)	2,667,580
<b>Current assets</b>					
Other assets					
<b>Current liabilities</b>					
Other liabilities				95,978	95,978
<b>Equity</b>					
Accumulated surplus			32,077,737	(95,978)	31,981,759
1					
Prepaid rates received prior to the beginning of a rating period, are now held as a financial liability until the commencement of statutory rating period at which point Council recognises rate income.					
2					
For grant funding where specific performance obligations are yet to be completed to acquire, construct or upgrade a recognisable non-financial asset, Council recognises a liability until obligations are fulfilled.					

**Note 37 Other significant accounting policies and pending accounting standards (cont)**

**(g) Adoption of new and amended accounting standards (continued)**

**(ii) AASB 16 Leases**

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as tablet and personal computers, small items of office furniture and telephones), Council has opted to recognise a lease expense on a straight-line basis as permitted by AASB 16. This expense is presented within 'other expenses' in profit or loss.

Council has leases that are short-term leases and leases of low-value asset and will not be recognising a right-of-use asset.

**(h) Pending Accounting Standards**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2020 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

**(i) AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Correction, applicable to annual reporting periods beginning on or after 1 January 2022.**

The amendments address an inconsistency between the requirements in AASB10, and those in AASB128 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Adoption of AASB 2017-5 is not expected to have any impact on council.

All other Australian accounting standards and interpretations with future effective dates are either not applicable to Council's activities, or have no material impact.



**Note 38 Significant Business Activities**

The operating capital and competitive neutrality costs of the Council's significant business activities:

	Hamilton and Bothwell Camping Grounds	
	2020	2019
<b>Revenue</b>	\$	\$
User Changes	17,295	26,498
<b>Total Revenue</b>	<b>17,295</b>	<b>26,498</b>
<b>Expenditure</b>		
<i>Direct</i>		
Employee Costs	691	164
Materials and Contacts	1,293	5,431
Utilities	1,458	3,372
<i>Indirect</i>		
Engineering & Administration	138	33
<b>Total Expenses</b>	<b>3,580</b>	<b>9,000</b>
<i>Notional cost of free services received</i>		
<i>Capital Costs</i>		
Depreciation	545	545
Opportunity cost of capital	1,575	2,632
<b>Total Capital Costs</b>	<b>2,120</b>	<b>3,177</b>
<i>Competitive neutrality adjustments</i>		
Rates, water and land tax	6,549	8,667
	<b>6,549</b>	<b>8,667</b>
<i>Calculated Surplus/(Deficit)</i>	5,046	5,654
Tax Equivalent rate	30%	30%
Taxation equivalent	1,514	1,696
<b>Competitive neutrality costs</b>	<b>8,063</b>	<b>10,363</b>

**Accounting policy**

**Significant business activities**

Council is required to report the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council. Council's disclosure is reconciled above. Council has determined, based upon materiality that Camping Grounds as defined above are considered significant business activities. Competitive neutrality costs include notional costs i.e. income tax equivalent, rates and loan guarantees.

Note	39	Management indicators	Benchmark	2020 \$	2019 \$	2018 \$	2017 \$
	(a)	<b>Underlying surplus or deficit</b>					
		Net result for the year		911,198	170,660	691,941	2,750,742
		Less non-operating income					
		Capital grants		651,546	211,847	611,721	1,423,755
		FAGs in advance		37,359	60,054	(2,104)	1,193,201
		Insurance claims		-	-	-	75,607
		Contributions - non monetary assets		-	44,500	-	-
		Add non-operational expenses					
		Flood/Fire damage		17,761	33,246	-	62,043
		Landfill restoration provision		-	100,000	-	-
		Planning appeal		46,690	135,788	-	-
		Underlying surplus/deficit	0	286,744	123,293	82,324	120,222

The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations.  
Good result in the past four years.

(b)	<b>Underlying surplus ratio</b>						
	<u>Underlying surplus or deficit</u>			286,744	123,293	82,324	120,222
	Recurrent income*			7,089,567	7,187,977	6,858,954	6,625,422
	Underlying surplus ratio %	0%		4.0%	1.7%	1.2%	1.8%

This ratio serves as an overall measure of financial operating effectiveness.  
Good result in the past four years.

(c)	<b>Net financial liabilities</b>						
	Liquid assets less			11,446,842	10,733,424	10,362,432	9,784,299
	total liabilities			2,058,874	1,649,806	1,553,890	1,290,698
	Net financial asset	0		9,387,968	9,083,618	8,808,542	8,493,601

This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets means that, if all liabilities fell due at once, additional revenue would be needed to fund the shortfall.

Good result in all years.

(d)	<b>Net financial liabilities ratio</b>						
	<u>Net financial liabilities</u>			9,387,968	9,083,618	8,808,542	8,493,601
	Recurrent income*			7,089,567	7,187,977	6,858,954	6,625,422
	Net financial liabilities ratio %	0% - (50%)		132%	126%	128%	128%

This ratio indicates the net financial obligations of Council compared to its recurrent income.  
Good result in all years.

(e) **Asset renewal funding ratio**

An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.

	<i>Transport Infrastructure</i>						
	<u>Projected capital funding outlays**</u>			1,440,000	1,871,000	1,500,000	1,836,856
	Projected capital expenditure funding***			1,340,000	1,540,000	1,500,000	1,533,000
	Asset renewal funding ratio %	90-100%		107%	121%	100%	120%

\*\* Current value of projected capital funding outlays for an asset identified in Council's long-term financial plan.

\*\*\* Value of projected capital expenditure funding for an asset identified in Council's long-term strategic asset management plan.

This ratio measures Council's capacity to fund future asset replacement requirements.  
Good result in all years.

Note	39	Management indicators (cont.)	2020 \$	2019 \$	2018 \$	2017 \$	0
(f)		<b>Asset consumption ratio</b>					
		An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.					
		<i>Roads</i>					
		<u>Depreciated replacement cost</u>	60,550,890	59,498,431	59,931,818	59,737,055	
		Current replacement cost	78,206,073	76,314,943	75,630,314	75,079,685	
		Asset consumption ratio %	60%	77.4%	78.0%	79.2%	79.6%
		<i>Buildings</i>					
		<u>Depreciated replacement cost</u>	5,163,469	5,194,121	5,107,130	4,945,474	
		Current replacement cost	5,818,043	5,724,616	5,522,171	5,252,310	
		Asset consumption ratio %	60%	88.7%	90.7%	92.5%	94.2%
		<i>Drainage</i>					
		<u>Depreciated replacement cost</u>	1,004,906	1,021,207	1,037,210	1,023,359	
		Current replacement cost	1,630,154	1,630,154	1,630,154	1,600,301	
		Asset consumption ratio %	60%	61.6%	62.6%	63.6%	63.9%
		<i>Bridges</i>					
		<u>Depreciated replacement cost</u>	8,217,756	7,816,227	7,983,719	8,153,378	
		Current replacement cost	16,114,517	15,240,097	15,254,656	15,229,656	
		Asset consumption ratio %	60%	51.0%	51.3%	52.3%	53.5%
		<i>Footpaths and Cycleways</i>					
		<u>Depreciated replacement cost</u>	933,572	904,106	956,926	1,000,954	
		Current replacement cost	2,789,021	2,706,735	2,706,735	2,697,767	
		Asset consumption ratio %	60%	33.5%	33.4%	35.4%	37.1%
		<i>Other infrastructure assets</i>					
		<u>Depreciated replacement cost</u>	785,361	792,889	784,846	673,535	
		Current replacement cost	1,578,811	1,522,089	1,441,213	1,263,750	
		Asset consumption ratio %	60%	49.7%	52.1%	54.5%	53.3%
		This ratio measures Council's capacity to fund future asset replacement requirements.					
(g)		<b>Asset sustainability ratio</b>					
		<u>Capex on replacement/renewal of existing assets</u>	1,786,424	992,581	2,328,571	2,581,980	
		Annual depreciation expense	2,121,424	2,124,957	2,099,464	2,115,960	
		Asset sustainability ratio %	100%	84.2%	46.7%	110.9%	122.0%
		This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base.					
		Good results in 2020, 2018 and 2017. Significantly below benchmark in 2019 due to major upgrades taking priority to convert gravel roads to sealed.					

	Capital renewal expenditure	Capital new/upgrade expenditure	Total Capital Expenditure
By asset class	\$	\$	\$
Buildings	30,000	36,417	66,417
Land	-	-	0
Plant, machinery and equipment	348,012	-	348,012
Fixtures, fittings and furniture	0	11,508	11,508
Computers	9,368	3,900	13,268
Roads	906,748	707,921	1,614,669
Footpaths, kerbs and gutters	351	-	351
Drainage	-	4,669	4,669
Other infrastructure	86,122	16,686	102,808
Bridges	405,823	-	405,823
<b>Total</b>	<b>1,786,424</b>	<b>781,101</b>	<b>2,567,525</b>

**Note 40 Fair Value Measurements**

Council measures and recognises the following assets at fair value on a recurring basis:

- Investment in water corporation
- Property, infrastructure plant and equipment
  - Land
  - Buildings, including footpaths & cycleways
  - Roads
  - Bridges
  - Other infrastructure

Council does not measure any liabilities at fair value on a recurring basis.

**(a) Fair Value Hierarchy**

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2020.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

**As at 30 June 2020**

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Recurring fair value measurements</b>					
Investment in water corporation	18	-	-	7,071,048	7,071,048
Land	23	-	3,401,816	-	3,401,816
Buildings	23	-	5,163,469	-	5,163,469
Land under roads	23	-	1,111,124	-	1,111,124
Roads, including footpaths & cycleways	23	-	-	61,484,462	61,484,462
Bridges	23	-	-	8,217,756	8,217,756
Drainage	23	-	-	1,004,906	1,004,906
Other Infrastructure	23	-	-	785,361	785,361
		-	<b>9,676,409</b>	<b>78,563,533</b>	<b>88,239,942</b>

**As at 30 June 2018**

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Recurring fair value measurements</b>					
Investment in water corporation	18	-	-	9,110,354	9,110,354
Land	23	-	3,401,816	-	3,401,816
Buildings	23	-	5,194,121	-	5,194,121
Land under roads	23	-	957,396	-	957,396
Roads, including footpaths & cycleways	23	-	-	60,402,537	60,402,537
Bridges	23	-	-	7,816,227	7,816,227
Drainage	23	-	-	1,021,207	1,021,207
Other Infrastructure	23	-	-	792,889	792,889
		-	<b>9,553,333</b>	<b>79,143,214</b>	<b>88,696,547</b>

There were no transfers between levels 1 and 2 during the year, nor between levels 2 and 3.

**(b) Highest and best use**

All assets valued at fair value in this note are being used for their highest and best use.

**(c) Valuation techniques and significant inputs used to derive fair values**

Note 40 Fair Value Measurements (cont.)

**Investment in water corporation**

Refer to Note 18 for details.

**Land and buildings**

Valuation of land (excluding land under roads) and buildings was undertaken by the Valuer-General in 2014-15. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions.

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of residual value and useful life that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as level 3. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

**Land under roads**

Land under roads valuation is based on unit rate per hectare provided by the Valuer General through the Department of Primary Industries, Parks Water and Environment as at 1/7/19.

**Infrastructure assets**

All Council infrastructure assets are fair valued using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

CRC was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. The resulting valuation reflects the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output.

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in Note 23.

The calculation of DRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

The methods for calculating CRC are described under individual asset categories below.

**Roads, including footpaths & cycleways**

A full valuation of roads and footpaths was undertaken by independent valuers, Moloneys Asset Management Systems, effective October 2014. The values were determined using current replacement costs which resulted in a reduction in fair value. Previous valuations were based on historical cost plus indexation. A new valuation and assessment will be undertaken in 2020/21.

**Note 40 Fair Value Measurements (cont.)**

CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates are based on Council's Enterprise Bargaining Agreement (EBA). Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

**Bridges**

A full valuation of bridge assets was undertaken by independent valuers, AusSpan, effective 2020. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area.

Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

**Other Infrastructure**

Other infrastructure is not deemed to be significant in terms of Council's Statement of Financial Position.

**(d) Unobservable inputs and sensitivities**

Asset / liability category*	Carrying amount (at fair value)	Key unobservable inputs *	Expected range of inputs	Description of how changes in inputs will affect the fair value
Roads	\$ 60,550,890	Unit replacement cost per sqm	from \$9/sqm (unsealed) up to \$40/sqm (sealed)	The higher the unit cost, the higher the fair value
		Useful life	Refer Note 1e	The longer the useful life, the higher the fair value
Bridges	\$ 8,217,756	Useful life	Refer Note 1e	The longer the useful life, the higher the fair value
Investment in Water Corporation	\$ 7,071,048	Useful life	Refer Note 1e	The longer the useful life, the higher the fair value
Buildings	\$ 5,163,469	Useful life	Refer Note 1e	The longer the useful life, the higher the fair value

**(e) Valuation processes**

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment in water corporation and investment property (recurring fair value measurements) is set out in notes 18 and 23.

Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

**(f) Assets and liabilities not measured at fair value but for which fair value is disclosed**

Council does not have assets and liabilities which are not measured at fair value.

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (Level 2).

**Note 41 Material budget variations**

Council's original budget was adopted by the Council on 19 June 2019. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity, the weather, and by decisions made by the Council. Material variations of more than 10% are explained below:

**Revenues**

**(i) User fees**

The amount over budget of \$119,352 (57%) was due mainly to uncreased planning fees and receipt of 137 Certificate property sales.

**(ii) Interest**

Revenue income was down \$47,963 on budget (28%) due to lower than expected bank interest rates available.

**(iii) Other income**

The increase of \$28,916 on budget (14%) was due mainly to private works done by council.

**(iv) Investment revenue from water corporation**

Dividend revenue was down \$51,000 on budget (46%) due to Covid19 remissions.

**(iv) Grants**

The variation for capital grants was down \$72,454 on budget (10%) due to the adoption of new accounting standards AASB 15 which deferred the receipting of grants until they are utilised.

**Expenses**

**(i) Other expenses**

The decrease of \$234,408 on budget (10%) was due to a reduction in community support and donations and reduced payroll tax due to covid19 remissions.

**(ii) Materials and services**

An increase on budget of \$134,363 (10%) was due to a combination of events. The increase in activity from user fees, private works and unbudgeted operating grants also incurred additional costs which were unknown at the time of setting the budget.



### Certification of the Financial Report

The financial report presents fairly the financial position of the Central Highlands Council as at 30 June 2020 and the results of its operations and cash flows for the year then ended, in accordance with the Local Government Act 1993 (as amended), Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.



Lyn Eyles  
**General Manager**

Date : 04-January-2021