



Annual Report 2018-2019



Cover image : Bay of Fires, Courtesy of Tourism Tasmania

This report has been prepared in accordance with the requirements of the Local Government Act 1993. The report relates to Council's Annual Plan and Strategic Plan for the year ending 30 June 2019 and provides an overview of Council's operations and achievements during this period.

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Fast Facts



Municipal area

- 3809 square kilometres



Population

- 6104 (ABS 2016 data) permanent residents to more than 15,000 in the summer months
- Rated properties: 6386



Natural Attractions

- Bay of Fires
- Peron Dunes
- Mt Victoria
- Blue Tier
- Evercreech White Gum reserve
- Mt William National Park
- Eddystone Point
- St Columba Falls
- Halls Falls
- St Patricks Head



Major Industries

- Tourism
- Retail Trade
- Health Care and Social Assistance

Industries of growth

- Tourism
- Fishing and Aquaculture
- Agriculture
- Forestry
- Mining



Adventure

- St Helens Mountain Bike Network (Opening November 2019)
- Blue Derby Mountain Bike Trails
- Fishing – Game fishing including tuna, marlin, swordfish, shark, deep sea and reef fishing for a variety of species as well as Bay River and estuary fishing.
- Surfing
- Diving - Bay of Fires
- Bush walking – there are a range of trails on offer in our municipality for all fitness levels
- Camping - there are a number of free camping grounds in our municipality located at the Bay of Fires.

Connect with us:

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St Helens, Tasmania, 7216**

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(Excluding public holidays)

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www.facebook.com/BODCTas/

Region Snapshot



The Break O'Day municipality extends along the East Coast of Tasmania from Eddystone Point (Irapuna) in the north to Denison River in the south and west through the Fingal Valley. Our region includes a diverse range of scenery and townships from the arty and creative hub of St Marys, historic townships like Fingal, Mathinna and Weldborough, the mining town of Cornwall, rich farming

towns like Pyengana and Goulds Country as well as coastal towns and hamlets such as Seymour, Four Mile Creek, Falmouth, Ansons Bay, Scamander, Beaumaris, Binalong Bay and St Helens - the Game Fishing capital of Tasmania. St Helens is the major hub of the Break O'Day region and East Coast featuring a hospital, numerous accommodation options, a District High School that offers Kindergarten to grade 12, Trade Training Centre, Neighbourhood House, Business Enterprise Centre, numerous restaurants and cafés, retail outlets and more. The soon to open St Helens MTB Networks is seeing a range of MTB related businesses developing to support the MTB Network.

St Marys is the main hub of the Fingal Valley and features a District School offering Kindergarten to grade 12, a Community Health Centre, a range of unique local businesses, coffee shops and regular artisan markets. While our region has won international acclaim for the coastal beauty of the Bay of Fires, which is synonymous with pristine white sand, turquoise water and distinguishable orange lichen covered rocks, we also have a range of national parks, conservation areas and reserves on our doorstep.

Mt William National Park, located in the northern reaches of the municipality blends beachscapes with the forest.

There are also some beautiful waterfalls in the area from the striking St Columba Falls, one of Tasmania's highest, multi-tiered falls to beautiful Halls Falls. The Fingal Valley is also home to a number of waterfalls including the picturesque Mathinna Falls.

The beauty of the Blue Tier has long been a secret quietly kept by the locals but is now gaining recognition thanks to the Blue Tier Descent which is the jewel in the crown of the Blue Derby Mountain Bike Trails which operate in this area, however the Blue Tier also offers 4WD and bush walking opportunities. It is an area of diverse cultural and historic significance that starts with the region's aboriginal people through to the early days of tin mining which brought a large Chinese population to the area.

The Fingal Valley is predominantly an agricultural area but also features many forest walks and recreation areas. Head to the forest reserve of Evercreech which features some of the tallest gums in the world and visit Mathinna Falls while you are there. If you are the adventurous type you could climb St Patricks Head and get a 360 degree view of the coast and the valley; a trek well worth the effort. From the mountains to the sea, the Break O'Day region is abundant in natural attractions, activities and development opportunity.

About Us

Our Vision

“A naturally beautiful environment that speaks to our heart. A diverse and thriving community; a place of opportunity. A place where everyone feels safe, welcome and connected.”

Our Values

Working as a TEAM with OPEN & HONEST COMMUNICATION; we act with INTEGRITY whilst showing RESPECT and being POSITIVE and proactive in our actions

Our commitment to our community

Leadership/ Ownership:

- We will be visionary and accountable leaders who advocate and represent the views of our community in a transparent way.
- We will make decisions for the greater good of Break O’Day by being accessible and listening to our community.

Great Communication:

- We will listen, consult and engage with the community and individuals.
- We will be open, honest and proactive in our communication. We will keep people informed about the things that matter to them.

Infrastructure and services:

- We will plan, deliver and maintain quality infrastructure and services.
- We will strive to deliver excellent customer service and promote Break O’Day as a desired destination.

Working together:

- We will build, and maintain strong relationships and partnerships through consultation, engagement and collaboration.
- We will support and facilitate our community.

Stewardship/ Custodian:

- We will be responsible in planning and management of the Break O’Day area.
- We will make good decisions about our environment and resources.
- We will balance competing needs and demands while keeping a sustainable future in mind.

Fiscal Responsibility:

- We will work within a culture of financial sustainability focusing on securing outside funding, spending wisely and being fair to all.
- We will recognise the limitations of resources and the community’s capacity to pay.
- By ensuring that all we do fits within the above mentioned ideals, we will be able to successfully, and positively influence our customer’s perception of us and therefore our brand.

Mayor's Message



Welcome.

What an amazing year it has been!

Firstly I just have to say how proud I am of the leadership and direction of our Council over the last 12 months, and I mean both Councillors and Council staff. Without sound leadership, representation and team-work, we simply could not achieve the things we have. Congrats Team!

In the last 12 months we have certainly achieved some impressive things, as I like to say, for a small community we definitely punch well above our weight! One of the most significant of these achievements would have to be the One Night Stand Concert.

The most impressive thing for me to see was the backing of the community, especially the business community for this event. Not only did they get behind the event, many went that extra mile to ensure that patrons to the event got a chance to see the real St Helens Community Spirit! Walking through the town on the Sunday to a sea of orange shop fronts was just great.

The other thing that I got to see firsthand that most others in the community did not, was the sheer amount of work that happened behind the scenes. While

the event was put on by triple j, they had a long list of responsibilities for Council and on top of this, Council officers also had to work with the rest of the community and support and facilitate their events and ideas, not to mention developing traffic management plans, carparking, coordinating volunteers and much more.

I still can't believe that our core event group was made up of four officers and they pulled off in 12 weeks one of the biggest events in Tasmania! When you consider that the population of St Helens grew 100 times from 3,000 to 30,000, it really is a staggering amount of people in our small town!

We are still being recognised for our work in putting this event together and have won several awards to date. We won the Local Government Association of Tasmania's Excellence Award for a small Council for the One Night Stand event, Erica Mckinnell won Tasplan's International Women's Day Award for Inspirational Leadership during the One Night Stand as well as Local Government Professionals – Emerging Leader Award, we received an Honourable mention at the Great Eastern Driver Awards and at the time of writing this, we are a finalist in the Launceston Chamber of Commerce Business Excellence Awards.

Earlier in the financial year, I was lucky enough to be able to represent Break O'Day at the Sustainable Trails Conference in New Zealand. This conference was all about the Mountain Bike industry and we heard from some of the best in the industry regarding; marketing and branding, governance, financial sustainability and more. Not only did we take away some invaluable learnings, we also made some great connections that we continue to be in contact with. The New Zealand operators were very friendly and welcoming and just couldn't help us enough! They were more than happy to share with us their successes and learnings and we feel privileged to be able to bring some of these back to St Helens. As we get closer and closer to the opening of the St Helens MTB Network you will start to see some of these ideas rollout! I don't know about you but I just can't wait until the trail opening in November!

Speaking of the Mountain Bike Trails, it is imperative that we recognise and thank both the State and Federal Governments for their financial contributions to the project. Without this support, we simply would not have been able to fund this project. The funding that we receive both State and Federally is imperative to the operation of Council, in particular the delivery of major projects like the Mountain Bike Trails. Without this financial support, the following projects would not have been possible; the

St Helens Mountain Bike Trails, jetty refurbishments, flood mitigation works in St Marys, the renovation of the Old Tasmanian Hotel in Fingal and most recently the Drought Community funding which will allow us to undertake a range of projects in the Fingal Valley of benefit to the community whilst creating local employment.

Not only has the State Government provided us with some important and essential funding, they also built our community a brand new, \$12 million Hospital and are taking over the management of the Binalong Bay Road.

The St Helens Hospital is a state-of-the-art purpose built facility designed to ensure the health needs of the Break O'Day Community will be catered for well in to the future, and I have to say, how lucky I feel personally that we have such an impressive health facility right here in our town. We also look forward to working with the State Government on their plans for Binalong Bay Road. As the start/end of the State Government's Great Eastern Drive Visitor economy initiative, it makes perfect sense that they would want to ensure this road is in good condition and we hope that their plans will include a pedestrian and cycle way from Binalong Bay to St Helens.

Lastly, I would like to officially welcome our two new

Councillors to the team, Cllr Kristi Chapple and Leesa Whitaker. It has been a pleasure getting to know them and hear their ideas and representations from the community.

I would also like to formally recognise our outgoing Councillors and their efforts. However, I do look forward to working with him in his new capacity. We are certainly lucky to have John Tucker representing our community. I look forward to working with the whole Council team, and staff in the coming 12 months.

Mick Tucker
MAYOR

On the trails - St Helens - Photo Credit, St Helens Mountain Bike Trails



Mayor and Councillors

The Council is comprised of nine Councillors (including the Mayor and Deputy Mayor) elected by the community; each serve for a term of four years.

All Councillors must comply with Council's Code of Conduct. The Code covers issues such as the requirement to act in good faith, duty of due care and diligence, conflict and pecuniary interest, issues of improper use of power and information, independence, confidentiality and the obligation to uphold the law.

The Council meet monthly for workshops, scheduled Council meetings and as required when Special Council Meetings are called.

Member expenses are made up of printing and stationery, telephone charges, internet, travel and sustenance and delegate expenses (conferences, committee meetings, strategic planning sessions and workshops to name a few).

An election was held in October 2018 where there were two new Councillors elected, Clr's Lesa Whittaker and Kristi Chapple. Clr Hannah Rubenach-Quinn did not re-stand and sitting Clr Margaret Osborne OAM was not successful in being re-elected.

In March 2019 Clr John Tucker resigned from Council after being successful in gaining the seat vacated by Rene Hidding in the Tasmanian House of Assembly. Following Clr Tucker's resignation a re-count took place and Clr Margaret Osborne OAM was successful in gaining the vacancy left by Clr Tucker.

As one would expect no two years are the same, in some cases this is something to be pleased about...

Councillor Attendance 2017-2018

Councillor	Ordinary Meetings Attended	AGM Attended	Total Meetings Attended
Mayor Mick Tucker	13/13	1/1	14/14
Deputy Mayor John McGiveron	12/13	1/1	13/14
Clr Kristi Chapple (Commenced November 2018)	8/8	0/1	8/9
Clr Janet Drummond	12/13	0/1	12/14
Clr Barry LeFevre	13 / 13	1 / 1	14 / 14
Clr Glenn McGuinness	12 / 13	0 / 1	12 / 14
Clr Margaret Osborne OAM (Ceased October 2018 & Re-elected April 2019)	8/8	1/1	9/9
Clr Hannah Rubenach-Quinn (Ceased October 2018)	5 / 5	N/A	5 / 5
Clr John Tucker (Ceased March 2019)	9 / 10	1 / 1	10 / 11
Clr Lesa Whittaker (Commenced November 2018)	8 / 8	1 / 1	9 / 9
Clr Kylie Wright	11 / 13	1 / 1	12 / 14

Organisational Structure



General Manager's Report



Something we will never see again is the triple j One Night Stand concert. This event certainly dominated the early part of the year, and did we as a community show what we can achieve and deliver when we become focussed and work together!! It is an absolute credit to the Break O'Day community and Council that we delivered an ONS concert that smashed records and was the best and safest event ever held.

At the outset of planning neither ABC/triple j or ourselves ever envisaged that nearly 30,000 people would attend and that for the first time in the event's history that a lock out would occur due to capacity being reached – and the planned capacity was higher than ever reached before. As it was more than a one night stand, during the afterglow of this event recognition for what was achieved has flowed. We received many numerous emails and comments congratulating us on the outstanding event. Break O'Day Council received the LGAT 2019 Award for Excellence in Service Delivery for Small Councils which recognised the team effort which occurred within Council.

During the year we had a few changes from an employee perspective, Geraldine O'Connor joined us as Planning Coordinator bringing with her a wealth of experience from her most recent work at the University of Technology

of Sydney as well as a town planning background. Susan Chapple also joined the Development Services team as the Planning Administration Officer which was a bit of a career shift but she has fitted in perfectly.

The period surrounding Council elections is always a period of uncertainty, not just for the Councillors and candidates but for the organisation. It is always something we are acutely aware of and the concern about what the future holds is something that builds around this time. Over the term of a Council we come to know the priorities and thinking of Council and this is really important to Council officers performing their roles efficiently and effectively.

When the dust settled, we had two new Councillors, Kristi Chapple and Lesa Whittaker (as we know, it was Kristi who dubbed us in for the concert of a life time). We had also bade farewell to Clrs Hannah Rubenach-Quinn (who did not stand) and Clr Marg Osborne, our longest serving Councillor. But as we know in politics nothing is ever certain and not long after Clr John Tucker had settled back in, duties with a higher power drew him away to enter State Parliament as our local MP for Lyons and we wished him all the best for the future and reminded him that he needed to look after the Break O'Day area.

What this meant was that after a period of Long Service Leave, Marg Osborne came back as a Councillor and it is great to see Marg back at the table working for the community.

The Council elections were important locally, but the bigger game in town was the Federal Election scheduled for the first half of 2019. This is a time to have clearly developed priority projects for lobbying activities in the lead up to the election. In July 2018 Council identified five priority projects which it knew were important to the community and these projects formed the basis of lobbying the Labor and Liberal parties as well as Senator Steve Martin who was standing for the Nationals. When the dust had settled, we had secured \$3.0 Million for three of the projects and our local MP Brian Mitchell was re-elected.

Following a lengthy project development and approvals process it was with a sense of relief that we finally broke soil to begin construction of the Mountain Bike Trails around St Helens in late 2018. Construction quickly ramped up with World Trail employing five teams of trail builders on the project and Council focussing on the infrastructure relating to the trails.

Complementing the trail construction has been a focus on developing a brand and marketing for the trails as well as working with the business community on the experience which visitors have whilst in our area. This is where it really matters and this is where the job opportunities will be for those in our community looking to build a successful future staying in Break O'Day.

What we achieve as a community, Council or organisation depends on many things, but at the forefront is how we work together with a common purpose. ONS demonstrated what we can achieve with a single minded focus. The support which everyone who makes up the organisation and myself receive is greatly appreciated. Thank you to the community, our volunteers, Councillors and the many supporters we have outside our area.

John Brown
GENERAL MANAGER

SCAMJAM is a youth event run by youth for youth - Pictured, this year's competitors.



1. Community

To strengthen our sense of community and lifestyle through opportunities for people to connect and feel valued.

Strategies

1. Create an informed and involved community by developing channels of communication.

2. Build community capacity by creating opportunities for involvement or enjoyment that enable people to share their skills and knowledge.

3. Foster and support leadership within the community to share the responsibility for securing the future we desire.

4. Foster a range of community facilities and programs which strengthen the capacity, wellbeing and cultural identity of our community.

Communication

Improve and develop communication processes that lead to the community feeling more informed and involved.

Council's communication processes continues to be developed and fine-tuned. The major activity of the year involved the development and launch of a new Council website which the community seem to have embraced. We have used our Facebook page and newsletters to try and educate our community where to find relevant information. For example, Community Consultation, News and Events as well as Major Project updates.

During the development of the website, all content was rewritten to ensure easy to understand and find information for the community.

We received feedback from FLOW MTB that they thought our website, particularly the Discover Us section was a great source of information for visitors and made it easy for them to organise their visit to St Helens. The web developer, Puddle Hub has also reported that another Council thought we had done a great job in shifting from a Council orientated page to a Customer focus through both navigation and the use of plain English that they have mimicked our website in their own style. We will continue

to push the website as the main source of information and continue to look for opportunities to get our community looking for and using the new site to find information.

Changes have been made to the Planning FAQ sheet and flow chart after review by the Development Services Department. Once approved these documents will be designed up to be more user friendly, left with front counter staff for their own use as well as to be handed out to customers. They will also be hosted on the website under the Planning section.

Our Facebook continues to grow steadily with our June following at 2873. Our page is largely used as a source of information on Council activity, in the last few months we have been promoting other good news stories in the region as well as drafting our own 'longer reads'. These are largely put together by the Community Services Department and feature successful learner driver participants. These posts receive high engagement from our audience.

For the 2018 - 2019 Financial Year, there have been 28 positive news stories published or broadcast about our Council or area as the direct result of a media release or tip-off to the media.

Journalists are also using our Facebook page and website to gather information about our area and develop their own stories, many of which have been positive.

There has been no significant 'bad press' throughout this period .

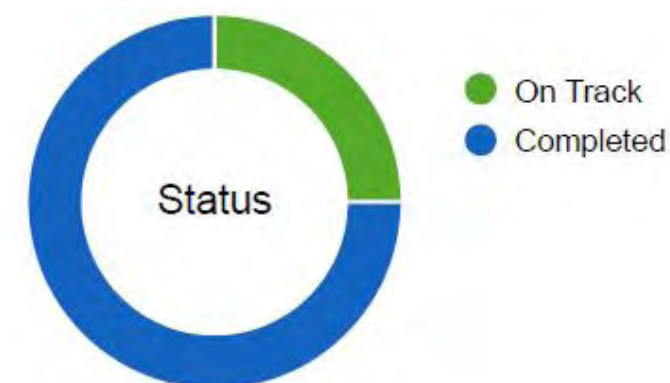
Key Focus Area

Communication

Activities: 3

On track: 25%

Completed: 75%



Events and Activities

Create a culture of volunteering and support to enable vibrant and sustainable events, activities and community groups.

The strong focus on events was complemented by the outstanding success of the One Night Stand Concert which was held in September. Throughout the year we continued to work with community groups in relation to events and ensuring that they are supported by volunteers. This included connecting new people to existing groups.

Key ongoing events which were supported during the year included the St Helens Athletic Carnival, Break O'Day Triathlon, St Helens Wheels, Wine & Dine, Fingal Valley Festival, St Marys Car Show, Bay of Fires Winter Arts Festival and the Australia Day event. There were a number of smaller events and activities which Council continues to provide ongoing support for their delivery.

There has been a focus on attracting other key events and we have been working closely with Geocentric Outdoors in relation to the Dragon Trail Mountain Bike event for March 2020 which will be held on the new MTB trails. We have also been working on the upcoming National Orienteering and National Rogaining Championships. Work is continuing

with the Break O'Day Chamber of Commerce and Jetski Australia on and event in 2020 as well. During the latter part of the year, a new Destination Action Plan was developed for St Helens and within the DAP are a number of potential event ideas. We anticipate the DAP group will have a positive effect on volunteering and the creation of a sustainable and vibrant events calendar.

Australia Day 2019

On Friday 25 January, 2019 Council hosted an Australia Day Eve function which included the Official Ceremony followed by a Night Market under festoon lighting. The event was well attended.

Australia Day Award Winners were:

- Australia Day Citizen of the Year Award Melanie Norton
- Australia Day Young Citizen of the Year Award April Bromley
- Mayor's Special Award Margaret Torrents, Stephen WOalley, Ebony Duke
- Break O'Day Municipality Excellence Award Stephen Jones and Sally Felmingham

The attendees enjoyed music by The Pretty Things, food supplied by Marine Rescue and the Event Collective, whilst

Little Rivers Brewery had bumper sales, all thanks to the heat and sun. Children had their faces painted and there were many market stalls, for people to wander around and experience the many talents of some Break O'Day local Artisans

SCAMJAM - Youth event

The youth of the Break O'Day municipality celebrated youth week a few days early this year with their annual BMX, scooter and skate competition, SCAMJAM. Held on Saturday 6 April at the Scamander River Mouth skate park, the event is organised and run by the youth of the area in partnership with Break O'Day Council, Tasmanian Government and Youth Week Tasmania 2019.

This year was a special year as we saw new sponsor Red Herring also come on board. Not only did Red Herring donate prizes, including skate lessons for the most promising skate board rider, but also helped get two, sponsored scooter riders to the event, Julius Petrohilos and Jett McLoughlin. Julius and Jett not only judged the events but did several awe inspiring demo rides throughout the day.

This year's event saw competitors from around the area showing off their skills in a range of divisions and genres

including BMX, scooter and skate board competitions. With a reputation as a family fun day there were also plenty of spectators around on the day just enjoying the atmosphere. “SCAMJAM is a great fun day just to get together, to catch up with everybody and to share some skills,” Last year’s winner and one of this year’s organisers, Tyron Goodsell said.

The competition was fierce this year with a field of 17 all competing for some amazing prizes on offer which included scooter grips and accessories, stickers and more. “I am really proud of this event which our youth take-on every year,” Mayor Mick Tucker said. “Not only is it a great experience in terms of skill development and being a part of a community event, it fosters pride and confidence in the youth’s achievements.

The winners of this year’s SCAMJAM were;

- Scooter 13 and over: 1st - Mathew Whiteley, 2nd - Tyron Goodsell
- Scooter 12 and under: 1st - Miles Chisholm, 2nd - Callum Thomas
- 13 and over BMX: 1st Sam Barnard
- Open Skate Board: 1st Alex Mead

SCAMJAM has featured in:

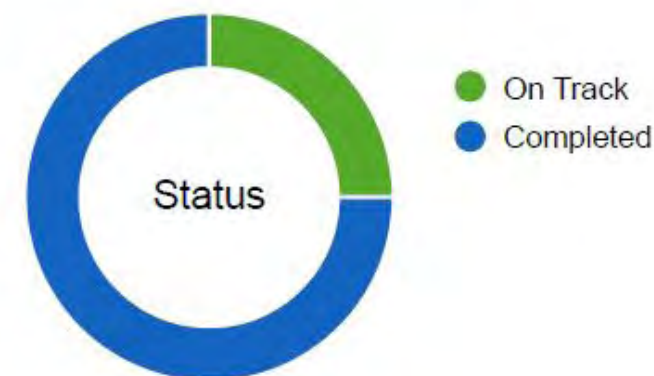
- St Helens District High School newsletter;
- Examiner Newspaper;
- Council Newsletter; and
- Council Facebook page.

Key Focus Area Events and Activities

Activities: 4

On track: 25%

Completed: 75%



Community and Council Collaborations

Work within a community engagement framework which defines the relationship between the community and Council in decision making and project delivery.

The development of a Community Engagement Framework is recognised as a very important document which can add greater clarity and certainty to the manner in which Council engages with the community. During the year a draft framework has been under development and has substantially progressed though it is yet to be reviewed by Council. Progress slowed as it became apparent through the Local Government Act review process that the likelihood of a similar document being required through legislative prescription became apparent. It seemed prudent to ensure that the final document is compliant.

Council have continued to work on infrastructure projects which have been identified through the Local Township Plan processes. This has included working with the Fingal community in relation to proposed uses for the Fingal Recreation Ground (young people have identified some additional uses for this facility including a pump track and half court), the Rail Trail from Fingal to St Marys; bus shelters at Mathinna and a BBQ shelter at Ansons Bay.

Work with the Arts and Cultural community has been limited during the year with the focus being on the Bay of Fires Arts Committee in relation to rebuilding this event.

Township plans

As part of the community conversations that were held during the process of developing Council's 10year Strategic Plan, Council advised that township meetings would follow the completion of this process. This involves Council staff attending townships within our municipality and asking individual communities to identify what they see as important for the future of their township and how Council can work with them to develop their ideas as set out within a township plan.

Council has developed a further three township plans in consultation with the following communities:

- Falmouth
- Cornwall
- St Marys

Some of the issues that have been raised by the communities so far have been similar e.g, increased signage and access to walking and bike trails.

The Falmouth Township Plan identified issues that the community would like to see developed within their community:

- Protecting and enhancing the environmental values of Falmouth;
- Ensuring there are enough community facilities to service Falmouth's future needs; and
- Improved stormwater drains and movement related issues including walking trails and pedestrian safety.

The Cornwall Township Plan, in consultation with the community identified the following issues they would like to see addressed:

- Protecting and enhancing the environmental values of Cornwall;
- Township maintenance; and
- Supporting tourism.

Many issues are the same within our townships and the St Marys Township Plan was similar to Cornwall's:

- Protecting and enhancing the environmental values of St Marys;
- Township maintenance; and
- Supporting tourism by developing a walking/cycle trail

along the old railway line – St Marys to Fingal.
Township Plans have a term of two years and after this period all action lists will be reviewed. Council will provide feedback to the communities on the progress of their Plans. All Township Plans are located on Council's website under My Community.

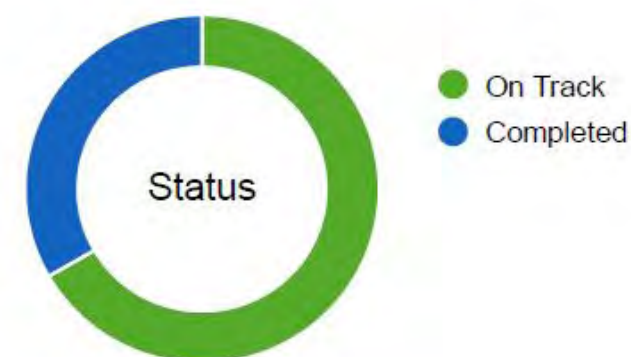
Key Focus Area

Community and Council Collaboration

Activities: 3

On track: 66.67%

Completed: 33.33%



One Night Stand - Leaves a Lasting impression

There is no doubting the success of the St Helens One Night Stand. Not only was it the biggest One Night Stand in history, attracting a crowd of more than 30,000, the event also raised more than \$20,000 for Whitelion who's programs provide mentoring services to disadvantaged youth. seventeen not-for profit groups also got the opportunity at the event to sell food with all proceeds going back to these hardworking, dedicated and volunteer based community organisations.

While Council and triple j played lead roles in planning and delivering the event, the overall success was a huge collaborative effort that the whole Break O'Day Community should be proud of. Without the support of our community and importantly, the business community, there is no doubt that the impact the One Night Stand had on our municipality would not have been as significant.

Economic and marketing benefits aside, the real success of this event as far as we were concerned was the positive effect it had on our community. There was a real festive spirit around the area that reflected the pride our community had, not only due to the honor of hosting the event but in terms of how much we achieved as an community in the short, 12 week lead time.

From a purely Council perspective, this event is certainly the largest we have ever organised and was an epic undertaking. A core team of four Council Officers, led by Community Servicers Project Officer Erica McKinnell, were responsible for the day to day of the event which included organising:

- Volunteers
- Food
- Fencing
- Security
- Toilets
- Traffic Management
- Public Transport
- Accommodation Options
- Emergency Management and much more.

The efforts of the team and in particular Erica have been officially recognised through several awards.

Erica has won:

- Tasplan's International Women's Day award for, Inspirational Leadership in Local Government
- Local Government Professionals – Emerging Leader Award

The One Night Stand Team and Council won:

- Local Government Award for Excellence

- Received an Honourable mention at the Great Eastern Driver Awards and at the time of writing this, we are a finalist in the Launceston Chamber of Commerce Business Excellence Awards.

After the event, we sent out a survey to around 70 businesses asking for feedback on the event; we received 37 responses. The survey asked questions like; Did you open for the One Night Stand? Did you run any special promotions? How did you find patrons and compared to an average weekend what were your takings?

Overall the feedback we received was positive, with the majority of businesses; remaining open and running some kind of promotion and reporting they found patrons to be friendly and polite. The economic returns were harder to measure however of the 37 respondents;

- 13 reported, 11% increase – however 9 of these businesses were identified as not being in an industry that would benefit from the increased visitation.
- 10 reported a 11-25% increase
- 4 an increase of 26 – 50% and
- 6 more than 50% - of these four recorded more than a 90% increase.



2. Economy - *To foster innovation and develop vibrant and growing local economies which offer opportunities for employment and development of businesses across a range of industry sectors.*

Strategies

- 1. Develop and highlight opportunities which exist and can be realised in a manner that respects the natural environment and lifestyle of the BOD area.**
- 2. Provision of relevant training and skills development programs to create a workforce for the future that meets the changing needs of business.**
- 3. Create a positive brand which draws on the attractiveness of the area and lifestyle to entice people and businesses' to live and work in BOD.**
- 4. Support and encourage innovation and growth in the economy through local leadership; infrastructure provision; support services and customer focussed service delivery.**

Opportunities

Prepare and maintain an economic prospectus which details opportunities; infrastructure and land availability; and local resources.

The Break O'Day Prospectus has been developed during the year and is in the final stages of finalisation prior to publication and inclusion on the BODC website. A number of other actions were to be undertaken during the year and largely they remain a work in progress due to their nature. Baseline data on our area relating to our economy is being maintained and is available through a project run by Northern Tasmania Development Corporation involving id Consulting, this is called id.community.

Agricultural opportunities, with a focus on the Fingal Valley, are being explored with a focus on horticulture and cropping opportunities. During the year Tas Irrigation commenced the initial stages of investigating a large scale irrigation project for the eastern end of the Fingal Valley and Council has made it clear it would like to be part of the investigative process.

Potential horticulture opportunities for the East Coast have been identified and are under investigation to check on viability.

An initial business case has been investigated for the Georges Bay Slipway site. On initial analysis the concept of a multi-business model with a private marina was questionable as a commercially viable. Other options such as a combined aquaculture, marina and Maritime College teaching facility are being investigated. Crown Land Services are conducting an Expression of Interest process.

Recycling and reuse activities have included investigating recycling equipment and potential markets for different types of plastic. The large cost of sorting and cleaning makes the volume of recyclable waste in BOD uneconomic to process. We are also looking at the potential for an autoclave type facility to remove contamination from plastic waste in an effort to make recycling more economically viable

Tourism

Getting social at The Social. Photo credit, St Helens Mountain Bike Trails.

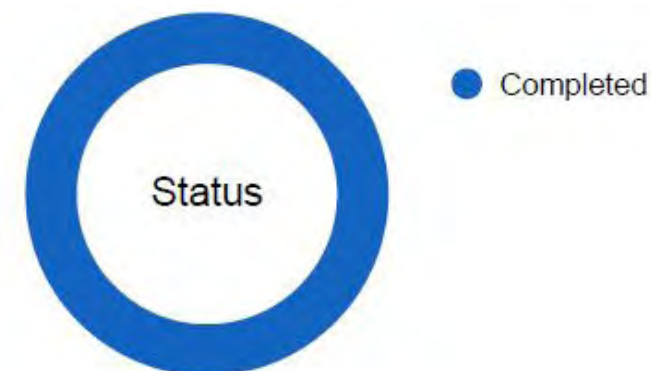


Key Focus Area

Opportunities

Activities: 5

Completed: 100%



Tourism

Broadening, lengthening and improving the visitor experience through development of attractions and activities; promotion and signage; and great customer service.

As a tourism dependent region, we remain focused on developing, seeking and promoting tourism opportunity in our region.

Developing the Mountain Bike project brand has been a major activity in the second half of the year. Work is progressing in this space with the visual brand including a logo are finalised.

Kingthing were engaged following a public Expression of Tourism Interest process. As the successful candidate they held a

As a tourism dependent region, we remain focused on developing, seeking and promoting tourism opportunity in our region.

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Kingthing were engaged following a public Expression of

Interest process. As the successful candidate they held a Brand discovery workshop in January 2019 and from this a Brand and Marketing Plan was developed and is now being implemented. Kingthing have also developed a Content plan and Tactical matrix which will guide marketing activities for the trails.

An industry toolkit has also been developed which was presented at a business/community information session on 26 June. The Toolkit includes, information on how the brand was developed and decided on, as well as understanding the MTB visitor market and opportunities for businesses.

A site map for the St Helens Mountain Bike Trails website has been developed with a landing page already published. Both Instagram and Facebook platforms for the trails have also been launched.

We have already had the first official photography and videography of the trails completed which we will make available for businesses and stakeholders to use. The video we produced has been viewed by more than 22,000 people.

FLOW MTB, a well-recognised MTB media outlet with an online focus, have also produced an article and video of the trails, this reached around 20,000.

This financial year we have been reviewing signage in the Break O'Day area. This project has many aspects as much of the wayfinding signage in our area falls under either Parks and Wildlife or State Growth jurisdiction.

Signage in the area become a strong focus in discussions with the St Helens Destination Action Group and considering the level of collaboration required for this project, Council will work alongside the DAP group to evaluate and formulate plans for this kind of signage.

In house, we have been focused on designing, planning and implementing all the signage for the MTB trails. This is a huge task with signage falling under a number of genres, educational, wayfinding and on-trail signage. We will continue to work through this in the coming financial year ready for the trails opening in November 2019.

In terms of our own signage, the development of the Style Guide last year and the Communications Style Guide this year, are informing the design and style of our signage to ensure consistency. As new signage is rolled out, we will use the new style to ensure consistency around the municipality.

It was planned that a review of visitor information provision

would occur during the year led by East Coast Regional Tourism (ECRTO). Due to changing priorities of the ECRTO, this did not occur.

Visitor Information Centre

The St Helens Visitor Information Centre (VIC) is staffed by a core of two permanent part time employees, supported by one casual and a team of 10 enthusiastic and knowledgeable volunteers.

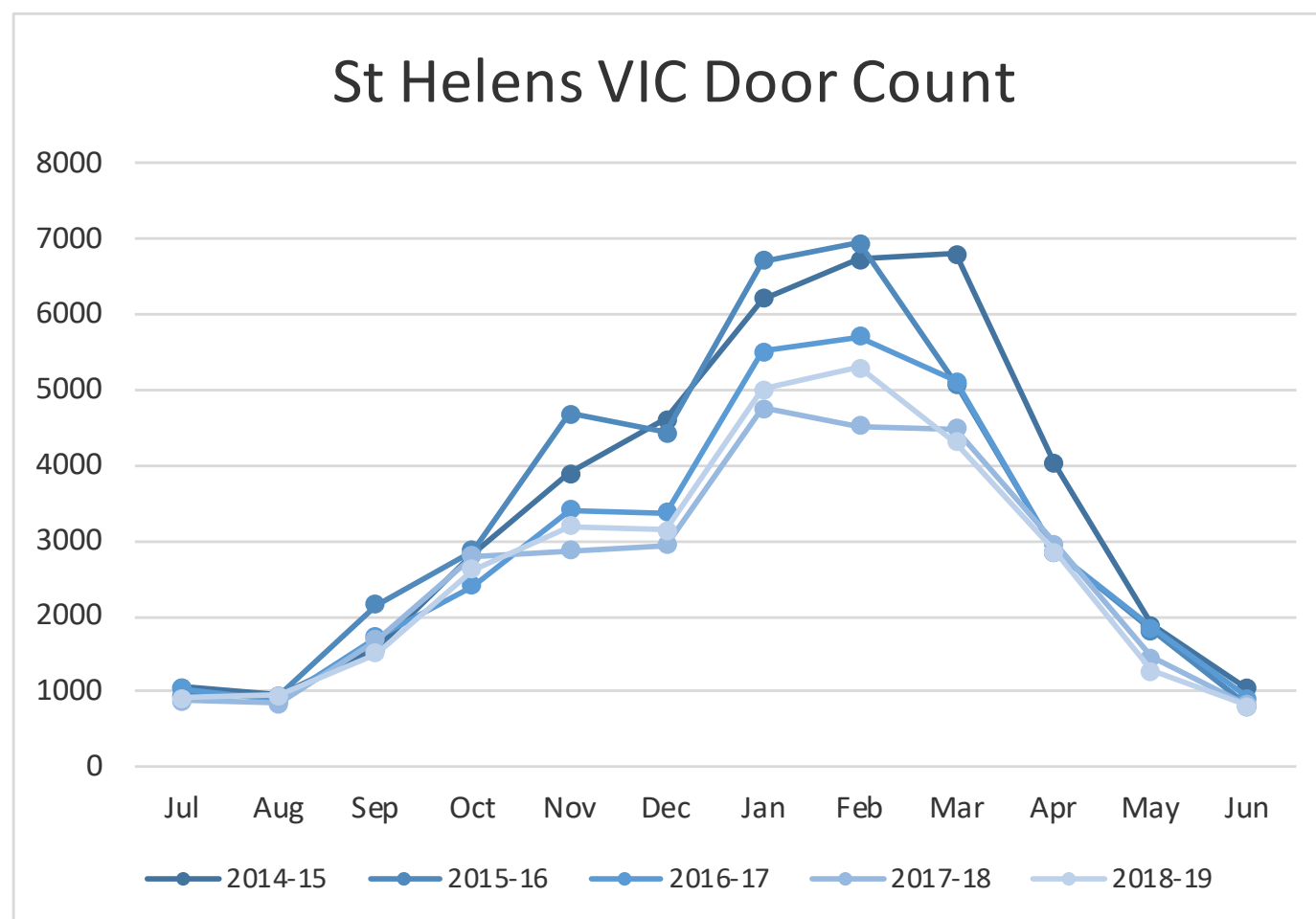
The VIC is open every day of every week from 9.00am to 5.00pm (except Good Friday, Christmas Day and Anzac Day morning).

The VIC plays an integral role in tourism in our area. Not only do staff help visitors to our area find accommodation they also help them plan a range of activities to do and places to see. Working with local providers they ensure that our local businesses are represented in the centre.

Despite a changing visitor audience who tend to use their devices and apps to source information, the VIC still services thousands of visitors a year.

The change in visitor information seeking habits are reflected in the State Government's reinvention of their tourism strategy which will guide the future of VICs.

The following table depicts the change in visitation statistics over the last five years .



St Helens History Room

The St Helens History Room is located at the St Helens History and Visitor Information Centre. This facility is owned by the Break O'Day Council and is visited by tens of thousands of tourists a year seeking local tourism information. This year 994 people took advantage of visiting the museum and immersing themselves in the history of our area. Located in the main street of St Helens, the St Helens History Room celebrates the history and culture of our unique and diverse area.

The following is a list of displays and exhibitions hosted by the History Room;

Displays / Exhibitions

- SHHR arranged foyer display for One Night Stand and held 'Night At The Museum' (Oct 2018)
- 'Remembering The Armistice 1918' exhibition was well received. Range of WW1 local soldier images was supplied to Chris Hughes (CDO) for Council's presentation on Remembrance Day. (November 2018)
- 'Bluey's Magical Adventure' book launch (Dec 2018)
- 'History of the LeFevres in Tasmania' book launch (Dec 2018)
- 'Submerged' Travelling Exhibition from Australian National Maritime Museum (Dec 2018 – Feb 2019)

- 'Story of Scouting in St Helens' exhibition, part of the Tasmanian Heritage Festival by the National Trust (March – May 2019)
- Revamped Maritime section display in museum part of St Helens History Room to incorporate model boat of the 'Jane' on loan by Cranks and Tinkerers museum in St Marys
- 'Prominent Parkside' Foyer cabinet display on the history of Parkside
- 'Technology Through Time' cabinet display in museum
- ANZAC Day commemoration in museum (April 2019)
- 'Changing Face of St Helens' temporary exhibition for Bay of Fires Winter Arts Festival including Heritage Walks with Garry Richardson (June 2019).

Key Focus Area

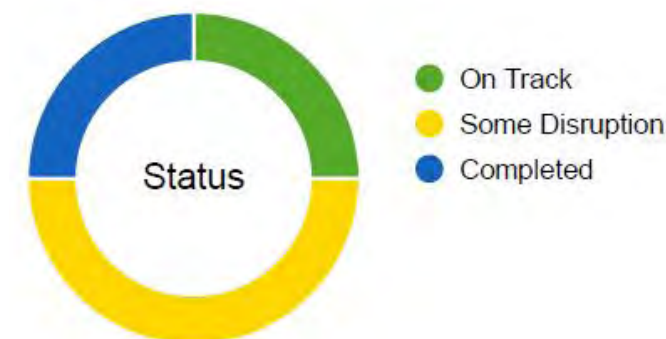
Tourism

Activities: 3

On Track: 25%

Some Disruption: 50%

Completed: 25%



Volunteers play a crucial role at the St Helens Visitor Information Centre as well as the History Room.



Employment

Create a variety of jobs that will reduce the seasonality of the local economy and provide ample opportunities for youth to remain in the area.

Employment creation is seen by the Break O'Day Council as critical to enhancing the sustainability of our local communities, not just from a financial perspective but also from a social and workforce perspective. The BODC area is characterised by an aging population with the median age projected to rise by 10 years over the next 25 years; at the same time the working age population is shrinking substantially. To assist in addressing this Council is pursuing a range of initiatives whilst at the same time supporting existing services seen as playing a key role in the sustainability of our communities and the creation of employment.

The St Helens Mountain Bike Project has been a major project for a number of years and during 2018-19 we finally commenced construction. As construction progressed the focus has increasingly turned towards the 'off trail' experience which visitors have. A key activity for the year has been focussed on the local business community and working to ensure they are as ready as possible to take advantage of this opportunity.

Support for the Break O'Day Business Enterprise Centre has continued through the year as this assists existing businesses to grow and people wishing to start up a new businesses leading to employment.

During the year the Workforce for the Future project which had been funded by Skills Tasmania was completed. This report provides an understanding of where future jobs are going to occur and where labour and skill shortages currently exist. The completion of this project has dovetailed nicely with the commencement of the

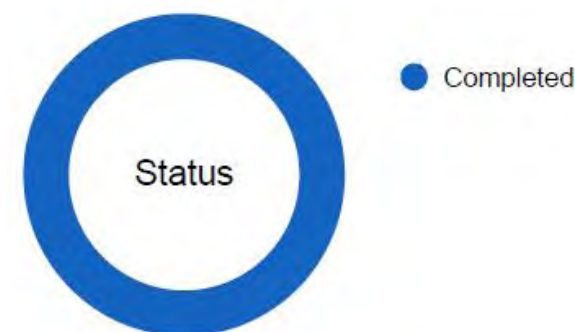
Jobs Action Package project which is funded by the State Government and is being facilitated by TasCOSS and TCCI. Council has participated actively in this project along with a number of committed community members representing a cross section of the community. During the latter part of the year the project lost a degree of direction as community members became frustrated with the way in which the project was progressing. A small group of interested community members are working with Council staff to get it back on track.

Key Focus Area

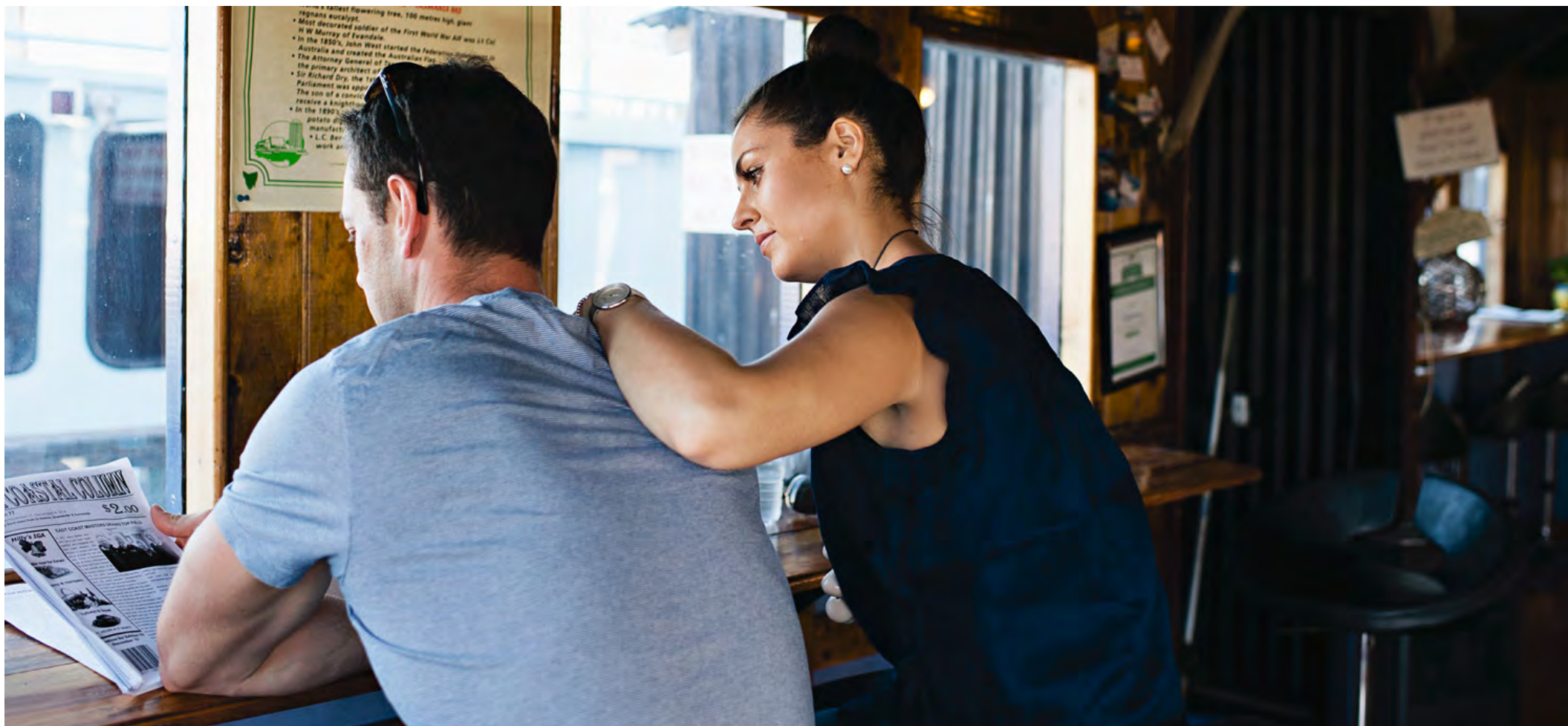
Employment

Activities: 3

Completed: 100%



Enjoying a bite to eat at Skippers. Photo Credit, Tourism Tasmania.



Brand Development

Undertake and identify opportunities to develop a positive brand for Break O'Day Council and the area.

Developing a positive Brand for the Break O'Day area is an ongoing focus. While a brand is technically how you are perceived, with a clear direction that reflects our organisational values, we have been working towards influencing our brand in the public sphere. Our brand can be defined by Our Vision – A naturally beautiful environment that speaks to our heart. A diverse and thriving community; a place of opportunity. A place where everyone feels safe, welcome and connected.

Work towards influencing this brand centres around how we communicate through various platforms with our audiences. In this space over the last 12 months we have:

- Developed a plain English and customer focussed website
- Worked closely with the media to produce a range of good news stories about our area
- Promoted good news stories on our area through our Facebook page and newsletter
- Developed a Communications Guide for internal use that ensures a consistent approach to how we relay our messages in an inclusive and accessible manner.

- Started developing a Community Engagement Strategy that reflects our vision and community goals.

Uniform signage at BODC assets is part of upgrading of assets. Signage has been raised in the Destination Action Plan process and the Communications Coordinator will support the DAP group in examining opportunities for improvement in the 2019-2020 year.

Aside from our own brand, another area of focus has been on the development of a brand for the St Helens Mountain Bike Trails.

Economic development leadership in Break O'Day continues to be a challenge to foster. During the year we have continued to work with BEC and the Chamber of Commerce assisting and encouraging businesses to participate in driving development and projects such as the DAP.

Key Focus Area Brand Development

Activities: 3

Completed: 100.0%



Support

Integrate and simplify processes and services to facilitate the development and growth of businesses.

During 2018-2019 Council continued to work with the State Government on the i-Plan project and introduced a range of simplified and improved development and planning processes. i-plan is a digital platform providing statewide planning and development information.

i-Plan is currently with the State Government pending the release of the development application module. Timing is in the hands of the State Government however once completed residents will be able to lodge DA's on-line via the web portal. Council is progressing the development of our municipal area's Local Provision Schedules which will reflect the State Planning Provisions while meeting the specific local needs and objectives of our area.

The following process improvements have been introduced:

1. Subdivision Development - developer requirements for subdivision engineering drawings and asset management information prior to Practical Completion and Sealing of Plans
2. Application process for access crossovers from Council's Road network and information relating to new property access from State Highways.
3. Improved and concise planning conditions referencing LGAT/IPWEA Standard Engineering Drawings.

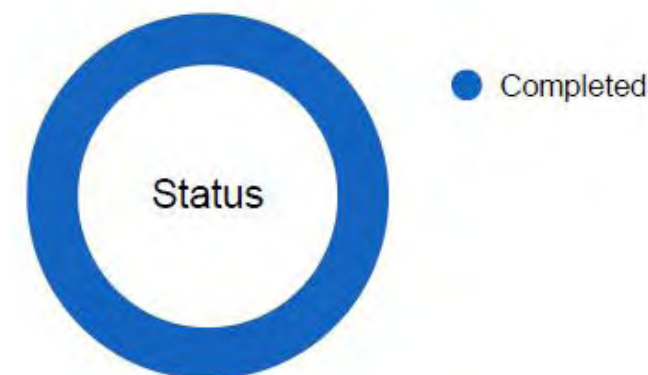
Our existing customer Development information package is under continuous review with a focus on improving information and clarifying development and planning processes.

Key Focus Area

Support

Activities: 2

Completed: 100.0%



Sightseeing at the Bay of Fires. Photo Credit, Tourism Tasmania.



St Helens Mountain Bike Trails - On track for November opening

After two years of solid work getting approvals and permits in place, construction, branding and more, we are finally getting close to being able to open the St Helens Mountain Bike Trails.

The last 12 months have seen a lot of work progress in this area including the development of a brand for the trails. This is a significant piece in the overall project puzzle as we need to ensure that we have a clear vision for the trails, one that resonates with riders and is true and respectful to the values of our community and environment. Once this was established we developed a logo, marketing plan, brand strategy as well as developing and implementing digital platforms like Instagram, Facebook and a webpage.

There is one dual direction, multi-user trail, the Townlink which will end/start at Lions Park opposite the Tasman Hwy/ St Helens Point Rd intersection. This trail finishes/ starts with a ride/walk on the boardwalk around boggy creek with a platform at the finish/start point designed to cater for several riders to stop before they cross the road so they can continue their ride around the Georges Bay multi-user track. We had instruction from road managers, Department of State Growth and their traffic engineer as to what this crossing should look like. They decided on a refugee island meaning riders and pedestrians will only

have to cross one lane of traffic at a time.

Thanks to funding from the Federal Government, we will be doing some work on the Georges Bay multi-user track next year which includes building a link at the bottom of Lawry Heights and a bridge adjacent to the existing bridge at the wharf. This will make the multi-user track a continuous trail from Lions Park to the centre of town.

One element of our trail network which, we believe is a real point of difference to some of the other Tasmanian trails is our purpose built Trailhead. Our Trailhead plans include an amenities block with bike washdown and hygiene stations, a commercial business as well as plenty of space for recreating or hosting events in the future.

Another element of our project which stands us apart from others is our development of a Bike Hygiene Station. Unlike the Bike Wash stations, the Hygiene stations will dose the water used to spray bikes with an anti-fungal solution which will kill the fungus that causes root rot, phytophthora cinnamomi which can decimate native flora. As there was currently nothing like this being used in Australia, we decided to create our own. Working with our partners, Parks and Wildlife service, NRM and local business East Coast Welding and ACE Electrical we

designed and built our own. In addition to placing hygiene stations in select locations, we will also be rolling out an education campaign around the importance of protecting our unique environment by keeping your bike clean.

A centre piece of the new network will be the trail starting at Poimena on the Blue Tier and finishing at Swimcart in the Bay of Fires, an epic ride of some 40+ kms. Improvements to the design resulted in us obtaining new approvals to take the trail around Australia Hill providing some spectacular viewing points of the coastline. During the year we have worked closely with Parks and Wildlife Service and Friends of the Blue Tier to design a new car park and shuttle drop off area to service the MTB riders. This will provide much needed increased parking and separate the areas of riders and walkers.

This financial year we also stepped up our engagement with our community about the trails. We held a Public Information session in June which had more than 130 attendees! At this session we announced that we would run a series of Business Information sessions in the lead up to the opening. These sessions aim to give businesses as much information about the trails themselves as well as valuable tips and information on how to make the most of the MTB visitor economy. We also committed to putting

out a monthly MTB newsletter which contains relevant info for both businesses and the general public.

We look forward to organising an opening event for the trails which we are committed to being a real community celebration. See you all there!

Our purpose built Bike Hygiene Station.



3. Environment

To balance our use of the natural environment to ensure that it is available for future generations to enjoy as we do.

Strategies

- 1. Ensure the necessary regulations and information is in place to enable appropriate use and address inappropriate actions.**
- 2. Increase the community's awareness of the natural environment; the pressures it faces; and actions we can take to sustain it and what it provides.**
- 3. Undertake and support activities which restore, protect and access the natural environment which enables us to care for, celebrate and enjoy it.**
- 4. Recognise and alleviate the issues and risks to the environment from our use, and the risk to us from a changing environment. (For example flood and fire.)**

Appropriate Development

Encourage sensible and sustainable development through sound land use planning, building and design

Progress in this space has been varied with additional resources being applied towards the progress of the Local Provisions Schedules (LPS) which is the major focus of this Key Focus Area. The Tasmanian Planning Scheme has required us to transition from the now redundant Environmental Living and Rural Resource zones to new zones in line with the Tasmanian Planning Scheme.

Consultants, GHD, have been engaged to work with Council officers on the completion of the LPS work. GIS mapping has been undertaken so we can prepare base maps to work with as we focus on transitioning properties from the now obsolete zones to the most appropriate zones under the new zoning structure. Monthly reports are being provided to Council in relation to progress and this has included a briefing in relation to the structure of the LPS.

A revised Dog Management Policy was adopted by Council in December 2018 following a lengthy policy development process which involved significant engagement with local communities, the Parks & Wildlife Service and people from

outside Break O'Day. Following adoption of the revised Policy activity turned to implementing the policy. Work started with PWS on joint implementation of signage for new and changed dog zones. Planning for new land-based off lead exercise areas in key settlements was started and is being progressed for finalisation in 2019-2020.

Information material relating to Development activity was reviewed as part of implementation of the new Council website. This is a process of ongoing continuous refinement.

Priory Ridge Vineyard. Photo Credit, Tourism Tasmania.



Key Focus Area

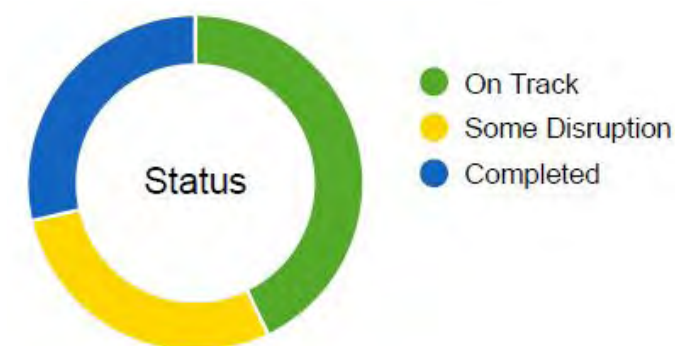
Appropriate Development

Activities: 7

On Track: 42.86%

Some Disruption: 28.57%

Completed: 28.57%



Enjoying our Environment

Provide opportunities to access and learn more about our environment and the ways it can be enjoyed in a sustainable manner.

A significant review of information provided to the community was undertaken as part of the development of the new Council website, which focused on natural resource management, land, weed and water management and biodiversity information. Residents and visitors, including prospective ones, were provided information and advice on environmental issues and values of interest and in response to issues arising; for example a Fruit Fly biosecurity alert information sheet and an online map of changed dog beach access zones.

The importance of Georges Bay to the community means the health of the bay and its catchment are a concern. Georges Bay health issues were considered during the revision of the Break O'Day NRM Strategy and priorities have been included in the draft Action Plan. It was proposed that we coordinate the establishment of a reference group of relevant stakeholders however this didn't occur as planned; instead the focus for activity in the George River catchment and bay has been with the Lower George Riverworks Trust on flood and floodplain

issues. Community interest in bay and catchment health will continue to be supported and catchment and bay management priorities will be reviewed during 2019/20.

Outcomes were also achieved through events and activities together with the community combining enjoying and caring for the environment. During the year activities were increased to recognise the work being undertaken in relation to the Mountain Bike Trails project. A MTB Trails Weed and Disease Management Plan is in place to manage risks of spreading weeds and diseases, such as Phytophthora. Measures include hygiene controls during construction of the trails and installing bike hygiene stations so riders can clean and disinfect their bikes. Linked to this is education for the community in relation to our environment and the importance of hygiene.

Around 1000 people have taken part in Council environmental events this financial year. This included Council funding a Discovery Ranger from the Parks and Wildlife Service to undertake activities during the summer holiday in January.

The Discovery Ranger engaged beachgoers up and down the coast in activities to explore topics such as Aboriginal

culture and traditions, wildlife, estuaries and local issues such as the revised dog policy, cats and weeds. This also included launching new 'Hook, Line and Sinker' fishing waste collection containers on jetties, which have become a great success.

The Discovery Ranger Program is geared towards children and families which we had identified as a key audience not only interested in the natural environment, but who also share what they learn about nature and how to care for it with families and friends.

Council also saw a successful Irapuna Community Weekend held again this year with its community partners, the Parks and Wildlife Service, Bay of Fires Walk, the Aboriginal Land Council and IMAS. During this annual three day program of walks in Irapuna / Bay of Fires volunteers collect marine debris and waste and remove the invasive weed sea spurge from beaches from Mount William National Park as far south as Ansons Bay. Along the way they experience the areas spectacular coastline share knowledge of its cultural values. More than 100 volunteers took part again this year, many for the first time.

Council's Natural Resource Management officer has also been active in the community to explore ways to be involved with Council in good stewardship of our environment. Stalls at the St Helens and St Marys markets were held to discuss face to face with the community Council's environmental policies and programs and help people with environmental interests and questions. The officer also presented to the St Helens Gardening Club addressed 'what is a weed'?

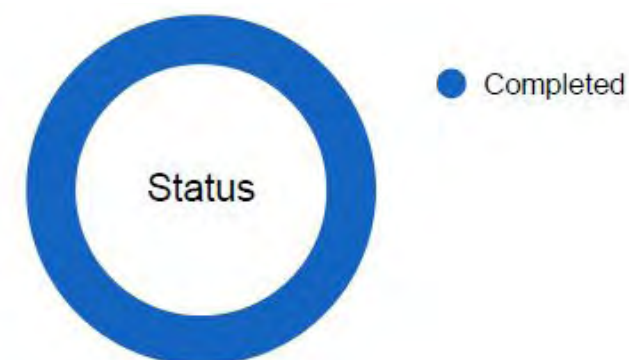
With these activities Council also achieves important opportunities for the community to enjoy our natural environment and to care for and sustain it with Council.

Key Focus Area

Enjoying our Environment

Activities: 1

Completed: 100%



Land Management

Develop the financial and human resources to undertake projects and activities which address environmental issues such as weeds and land degradation.

A review of Council's Natural Resource Management Strategy was undertaken by its NRM Committee to ensure it aligned with the Break O'Day Council Strategic Plan 2017-2027.

- The NRM Committee is a Special Committee of Council that is made up of;
- Three Councillors
- Two individual or local interest group representatives
- One local conservation interest representative
- One aboriginal community representative
- Two representatives from the agricultural sector
- One representative from Parks and Wildlife Service
- One representative from the forest industry
- One representative from the marine and aquaculture sector, and
- One representative from the education sector.

For more information on the NRM Committee please go to the Our Environment section of the website and click on the Natural Resource Management tab.

The development of the new strategy was extensive, particularly the involvement of the community and industry representatives on the NRM Committee. As a result of this work, two draft plans – a Strategy and an Action Plan identifying short term priorities – were completed and will now progress through a community consultation phase prior to adoption by Council later in 2019.

The farming community and landholders were supported to consider projects and funding opportunities, including the National Landcare Program Smart Farming Partnerships, Tasmanian Weed Action Plan grants and TFGA Landcare grants. Federal NRM funding secured by NRM North over five years for various programs will continue to be explored for opportunities in the Break O'Day area.

Activity continued in relation to a range of land management activities with a particular focus on weed management, on Council's properties through Council's Weeds Officer and across the municipality by Council's Natural Resource Management Facilitator. On-ground weed control was achieved on Council properties to implement its Weed Action Plan. Control treatments targeted priority weed infestations, such as Spanish

heath, pampas grass, blackberry, bluebell creeper, gorse and boneseed on new sites and to follow-up and secure

previous control efforts. Landholders in Break O'Day were provided with weed management information and advice, including for compliance with the Weed Management Act, throughout the year. The Upper South Esk Landcare and Productivity Group was supported with a program to control an infestation of Patersons curse at Mangana.

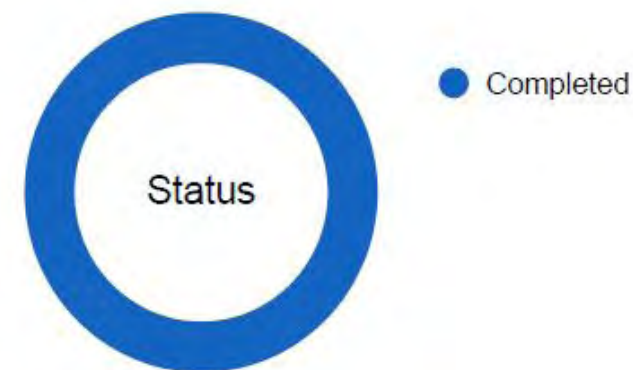
The annual Big Beach Walk sees volunteers collecting marine debris and removing seaspurge.



Key Focus Area Land Management

Activities: 2

Completed: 100%



Water Management

Develop and implement strategies and activities to reduce the risk of flooding, inundation and erosion within our rivers, estuaries and coastal areas.

The major focus continues to be reducing the risk of flooding continue for the St Marys community and the Lower George River floodplain area.

During the year substantial progress was made in relation to the St Marys Flood Risk Management Plan which was adopted by Council following a community consultation process. The Plan identifies a number of flood management priorities including raising the height of The Flat bridge; a flash flood warning system and a flood levee near Groom Street to protect households. Council identified this project as a priority for lobbying the Federal Government during the Election campaign. Through this lobbying we were successful in securing \$400,000 in Federal funding for the project through their Community Development Grants Program.

The Lower George Riverworks Trust, with Trustees elected by land owners, plays the lead role in addressing flood and river management issues on the Lower George River. Council provided support to the Trust and worked with

it through the year to progress activities which included developing a Lower George River Flood and River Management Action Plan 2019-2022. The Plan includes priorities for sediment and floodplain management, including the significant and impending risk of a new river channel breaking-out across the floodplain and Binalong Bay Road. Landholders at Priory and on the floodplain

were also assisted to address stabilizing sediment along the river by applying for TFGA funding to undertake works on their land. 3

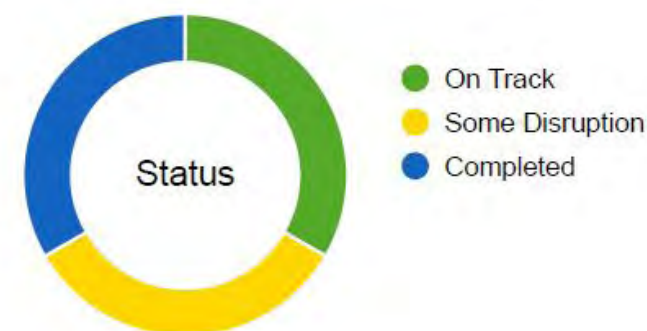
Key Focus Area Water Management

Activities: 3

On Track: 3.33%

Some Disruption: 33.33%

Completed: 33.33%



St Marys Rivulet in flood. January 2015.



Dog Management Policy - Seeking a balance for all parties

In December 2018 Council adopted a revised Dog Management Policy after a prolonged review process with the community and the Tasmanian Parks and Wildlife Service (PWS). The review started in the previous year and drew an unprecedented level of community interest, attracting 100 submissions on two draft policies. The Policy has been regularly reviewed and revised by Council since 2009.

Council is required by the Tasmanian Dog Control Act 2000 to have a local Dog Management Policy and can make 'Declared Areas' for dogs determining how and when they are permitted, or not at all. The Act also requires Council to seek and consider input from the community on policy changes and declared areas for dog access.

Council's approach with our Dog Management Policy is to find the balance in the community between providing opportunities for dogs and their owners, managing public health and safety risks in relation to dogs, and protecting wildlife from harm. On Crown land the PWS controls dog access through Reserve management legislation in Tasmania.

Break O'Day's beaches were a focal point again with this review; they are very popular with dogs and their owners, but also other beach goers, who are not always comfortable

or happy to have dogs on the beach with them. What's more, the beaches of Break O'Day are home, and the breeding habitat, of many shorebirds, several species of which are protected by law as threatened species both at a national, state and international level.

Striking a balance between users and wildlife is challenging and contentious, during this year's review Council received strong representations from all sides; for dog interests and more access, for less beach access so people are safer and, for greater protection for wildlife like the hooded plover. The PWS also became more involved than before and reviewed its position in Break O'Day on regulating dog access to achieve the legislated nature conservation objectives for its Reserves.

Council has consistently sought to coordinate its dog management with PWS, so that the Break O'Day community has one set of rules for dog access on beaches that set a fair balance between dogs, people and wildlife. The increased community interest in this review and a protracted process with PWS, meant achieving the balance with the revised policy adopted this year took longer, but is more significant for Council and the community.

Community and PWS input during the review also pointed to improving how Council and PWS work together to

implement dog management in Break O'Day. Work has started on signage for dog zones, more land based dog exercise facilities and education and enforcement will continue in partnership with PWS.

Council is proud to have a community actively involved in local public policy such as this and to succeed with the difficult task of coordinating it with PWS. Over the years, awareness of the issues has increased and many behaviors have changed with successive policy reviews. This collective action makes Council's Dog Management Policy a success, balancing our use and enjoyment of the environment to ensure it is available for future generations.

Hooded Plovers are common in our area and a threatened species.



4. Infrastructure

To provide quality infrastructure which enhances the liveability and viability of our communities for residents and visitors.

Strategies

1. Be proactive infrastructure managers by anticipating and responding to the growing and changing needs of the community and the area.

2. Work with stakeholders to ensure the community can access the infrastructure necessary to maintain their lifestyle.

3. Develop and maintain infrastructure assets in line with affordable long-term strategies.

Community Facilities

Provide community facilities that encourage participation and supports the lifestyle of residents and growing visitor numbers

During 2018-2019 Council made substantial progress in this area, including securing funding to continue the ongoing major upgrade of the Old Tasmanian Hotel at Fingal, the development of a draft four-year capital plan for buildings, the progression of the St Marys Sports Complex Master Plan, and the investigation and planning of additional dog exercise areas.

Working closely with the Fingal Valley Neighbourhood House, designs were completed for the Old Tasmanian Hotel Upgrade which Council considered at the February 2019 Council Meeting. The decision was made to progress through the Planning, Building and Plumbing Approvals processes.

Council Planning Approval was received on 16 April which included Heritage Tasmania consent for the works. The project was identified by Council as being a priority for lobbying in the Federal Election campaign and Council was successful in securing funding of \$500,000 from the

Community Development Grant program which, along with the \$100,000 from Council, will substantially complete the project.

A change in the identification and programming of future works meant that the 10 Year Toilet Replacement Program which was proposed to develop was rolled into the broader draft four and 10 Year Capital Works Program for all Buildings.

The St Marys Sports Complex Master Plan was further refined in conjunction with the local community groups who use the facility. It was considered by Council and endorsed at the August 2018 Council Meeting. Implementation commenced with the construction of new Kiosk/Barbecue area which was completed in time for the New Year's Day Races; a new Swabbing Shed was also constructed at the same time.

Delays in the finalisation of the Dog Management Policy has meant that the new Dog Management areas have not been completed as planned.

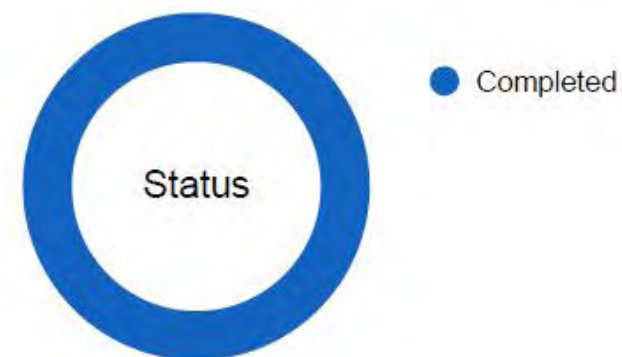
Beauty Bay is a great example of a well utilised public area with facilities including, jetty, shower, toilet and barbecue.



Key Focus Area Community Facilities

Activities: 3

Completed: 100%



Towns

Create townships that are vibrant and welcoming through improvements to infrastructure such as streetscapes, parking, safety and signage.

During 2018-2019, Council has worked on several projects to meet the key focus area objectives that include streetscape design and construction, progressing the implementation of Local Area Township plans, parking plans, and the pending removal by the Department of State Growth of the old Scamander road bridge.

St Helens Streetscape Project (Design Phase)

The next stage of the St Helens Streetscape project involves the footpath upgrade on the eastern side of Cecilia Street between Circassian Street and Georges Bay Esplanade with some consideration being given to the intersection at Georges Bay Esplanade. The project was included as part of a broader public consultation process and direct contact with the adjacent business owner occurred prior. The Project Design Phase was completed and progressed to a more detailed design and determination of capital cost estimate for future budget considerations.

Fingal Streetscape Project

A preliminary conceptual design was developed and

presented to Councillors at the July 2018 Workshop for review and discussion prior to being updated for public consultation. The project was limited to the upgrade of footpath and kerb and channel along the northern side of Talbot Street between the Fingal Post Office and Mathinna Street. Community comment was invited at a Community Drop-In session held in Fingal on 25 September 2018. The design was altered to include community suggestions and endorsed by Council. Construction works were commenced in February 2019 and largely completed during the year.

Following advice that Council could access Drought Communities Program funding for this project, the next stage of the Streetscape on the opposite side of Talbot Street has been identified as a project and will be undertaken in the next financial year.

Scamander Entrance - Wrinklers

This activity did not progress as planned during the year. A concept design was prepared for the entire area and this formed the basis of discussions with State Government agencies with an interest in the project. A number of issues arose through discussions with the Parks and Wildlife Service and it was decided to restrict the footprint

of the project to the area including the existing toilet block and bus shelter which would enable Council to address traffic movement issues at the site. Significant delays were experienced in receiving Crown Land Services permission to undertake the ecological assessment, this occurred during June 2019. Council is now in a position to progress through the PWS Approvals process and then ultimately Council approval processes.

Old Scamander Bridge

Council officers continued to progress this project with the community during the early part of the year but progress was impacted by the lack of clarity and information from the Department of State Growth. Ultimately the Department deferred the project with a timeframe to be confirmed.

St Helens Car Parking

Development of a car parking strategy for St Helens commenced during the year with a focus on collecting traffic movement data around the St Helens CBD across a range of times to develop an understanding of what is happening during busy and quieter periods. Off street parking maps were reviewed to ensure they were accurate.

St Marys Car Parking

Available land for additional off-street parking is limited in close proximity to the St Marys business precinct. Capital is required to formalise parking behind the Community Hall and this has been included in Council's four year Capital Projects budget.

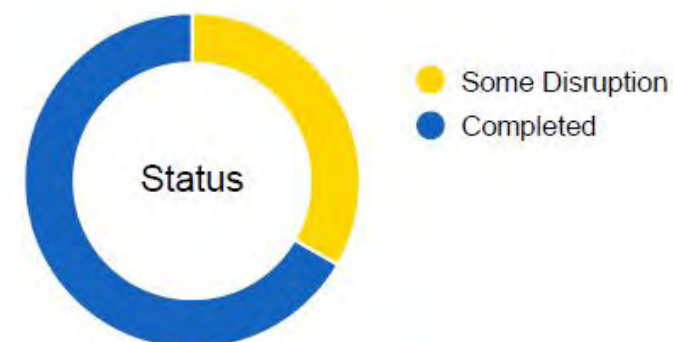
Key Focus Area

Towns

Activities: 6

Some Disruption: 33.33%

Completed: 66.66%



Telecommunications

Ensure residents and visitors can access telecommunication services such as NBN and mobile phone coverage where they are living and visiting.

During 2018-2019, Council participated in the review by the Australian Government relating to identified mobile phone coverage black spots for the municipality and we continue to monitor the situation and provide comment on a needs basis for the roll-out of service provider projects.

The Australian Government's Mobile Black Spot Program is delivering improved coverage outcomes and benefits to the Australian community with 572 base stations already activated. The following schedule applied for the 2018-2019 financial year.

In addition to black spot funded projects, development applications have been received for:

- The upgrade of the telecommunications tower from OPTUS at Baretop Hill
- The upgrade of mobile equipment on the Mount William Base Station Tower from Telstra.

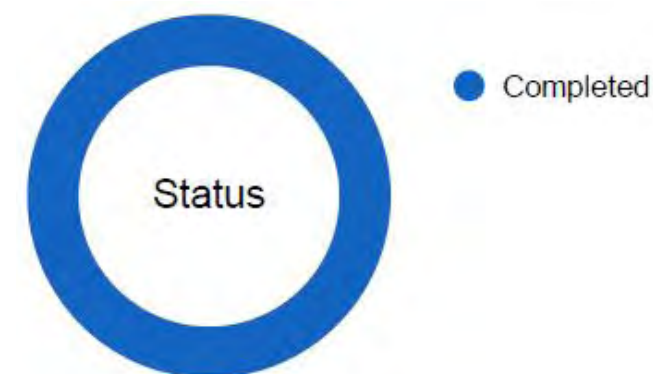
The National Mobile Black Spot Database for Round 4 of the Mobile Black Spot Program has been reviewed by the Manager Infrastructure and Development Services. Known Black Spots have been confirmed on the database.

Service Provider	Location	Planned Completion
Telstra	Musselroe Bay	Q4, 2018
Vodafone	Pyenganna	Q3, 2018
Vodafone	Goshen	Q4, 2018

Key Focus Area Telecommunications

Activities: 1

Completed: 100%



Father and daughter checking out the Whale Trail signage at Shelley Point, Beaumaris.



Waste Management

Provide access to services and facilities which support a sustainable lifestyle.

During 2018-2019, Council continued to provide waste management services (kerbside general waste and recyclables collection, town litter collection and waste transfer stations) with a focus on constraining service costs. Activity was focused on infrastructure upgrades at waste transfer stations, encouraging recycling and re-use, implementation of regional waste projects, and piloting green waste mulching.

Although internal landfill reduction targets were met, Council continues to address a range of challenges, that include high contamination rates and increasing costs associated with processing recyclable and reuseable waste streams, illegal dumping of waste on public land including asbestos containing materials and changes in community sentiment on single use plastics.

St Marys Waste Transfer Station

The St Marys WTS Retaining Wall was completed in early December 2018 which resulted in a substantial upgrading of the site through better placement of bulk waste transport bins and additional usable space for the segregation of

recyclable materials.

Fingal Waste Transfer Station

The upgrading of the Fingal Waste Transfer Station Retaining Wall construction was carried forward to the 2019/20 budget year due to the need to resolve the lease of the site. In preparation for the works the required materials were sourced at the same time as materials for the St Marys WTS project.

Identify Recyclables Recovery Opportunities

BODC participated in a Northern Tasmania Waste Management Group (NTWMG) audit of recyclable waste being collected from kerbside collections. This was to identify the type and rate of contamination occurring in waste streams and implement regional initiatives to reduce contamination rates and costs associated with land filling this material. The audit was completed in December 2018 and made available at May 2019. The Regional group are now acting on the report recommendations.

New recycling bins are now in place at St Helens, Scamander and St Marys WTS which adds the opportunity for hard plastics to be recycled by those residents without access to kerbside recycling. Site improvements were also undertaken

during May 2019 at the St Helens Waste Transfer Station to make provision for an extended green waste storage and mulching area and to provide more space for the placement of clean fill for recovery, non-treated timbers (mulching or recovery).

Contamination of waste streams remains a challenge including the illegal dumping of asbestos containing products at a number of sites which resulted in Council and the community incurring almost \$50,000 of avoidable costs.

Green Waste Recycling

An extensive review of green waste activities was undertaken during the year which included a Cost Benefit Analysis for both green waste shredding and composting options. Following consideration by Council a mulching trial was implemented. In May 2019 the green waste at the St Helens WTS was double mulched as a pilot initiative with a subsequent ageing period of four months.

Ten cubic metres of contaminated waste had to be manually removed from unprocessed green waste at a substantial cost to Council and the community. Contamination included, rubber mats, garden hoses, wire, plastic bags, nylon rope, trailer covers, putrescibles, animal skins,

general waste, building materials including treated pine and asbestos sheeting. Council officers have introduced additional controls to prevent contamination.

The trial has progressed well with desired temperature, moisture and aerobic conditions being maintained. The mulch is to be used by Council with consideration to be given to selling the material for cost recovery purposes.

Ansons Bay WTS

A review of the operation at this site was undertaken to identify opportunities to improve screening and appearance from Ansons Bay Road. Earthworks and native tree seeding was completed during June 2019

Examine opportunities for operational cost reductions
Waste tracking has been introduced at the St Helens WTS since July 2018 on a pilot basis. Data collected (broad categories of waste type) is being recorded and examined to determine opportunities to implement landfill avoidance strategies. Some identified opportunities include:

- Encourage the separation of non-treated timbers, scrap metal, concrete and stone products for reprocessing and re-use.
- Treated timbers could also be separated for disposal at the Copping Landfill.

- Dealing with waste stream contamination based on changing user attitudes and behaviour

The average contamination rate of kerbside recyclables collected in Break O'Day has been measured to be 18% by weight when compared against the National range of 6 to 10%. Council pays a significant processing fee for every tonne of material collected. Reducing the contamination rate provides an opportunity for a recycling service to be maintained and to slow the rate of processing cost increases. Updated information has been prepared and made available to residents giving clarity as to what materials can be placed into recycling bins.

The global oversupply of cardboard for recycling has reduced the value of the material making collection more unprofitable. Council officers are searching for cost effective opportunities to maximise transport efficiencies to recycling facilities at Launceston rather than landfill this clean raw material commodity.

Garage Sale Trail

The promotion of the Garage Sale Trail was amped up this year with a comprehensive Facebook campaign as well as articles in the newsletter and [posters displayed in

numerous locations. This saw an increase in registrations over the previous year. There were 10 Gargae Sales registered in the Break O'Day area including the two tip-shop sales.

Tonnage of waste to landfill

In the 2018/2019 financial year, 2,382T of municipal waste was landfilled; 2,289T to the Copping landfill and 93T of contaminated waste placed into kerbside recyclables bins.

Table 1 (below): General/Putrescible Municipal Waste to Copping Landfill

Year	2016-2017 Base Year	2017-2018	2018-2019
Landfill Waste to Copping Landfill – (T)	3,000	2,455	2,289
Reduction on Base Year (T)	-	545	711
Reduction on Base Year (%)	-	18.2	23.7

Table 2 (below): Kerbside Recyclables Collection

14.9% by weight

Collected (T)	Material to Recovery/ Reprocessing (T)	Preventable Contamination to Launceston Landfill (T)
624	531	~93 *



JJ Richards staff conducting an audit of our municipality's recycling which found high contamination levels.



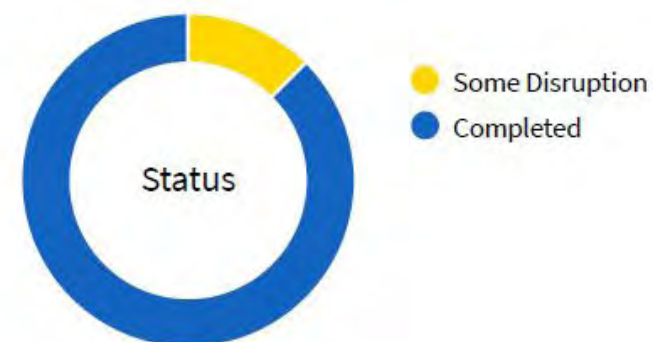
Key Focus Area

Waste Management

Activities: 8

Some Disruption: 12.5%

Completed: 87.5%



Roads and Streets

Develop a well-maintained road network that recognises the changing demands and requirements of residents and visitors.

Council provides a municipal road network that enables transport access in accordance with service delivery objectives. Asset management is central to meeting objectives for the maintenance, upgrade and renewal of road assets.

During 2018-2019, Council made a significant level of progress in undertaking asset condition assessments; monitoring traffic flow across the municipal road network; pursuing the hand-over of Binalong Bay Road to the Tasmanian Government and upgrades to the State Road Network and delivering capital and maintenance programs.

Strategic Road Plan

During 2018/2019, traffic count data has been collected across the municipality to prepare an update of Council's current Strategic Road Plan. Data is also used to support the ongoing asset management of Council's road network, in the preparation of Traffic Impact Assessments associated with Development Applications and to support

government funding applications for programs such as, Black Spot and Vulnerable Road Users.

During this year, there has been a focus on traffic movements in and around the St Helens CBD, the Gardens Road, Binalong Bay Road and St Helens Point Road. The Department of State Growth has been recording traffic movements on the Tasman Hwy and Esk Main Road as part of a Speed Limit Review exercise. Departmental data is available to Council.

Road Network

The closure of Grimstones Road as a public road is progressing through the Local Government (Highways) Act process. Clarification is being sought in relation to use of the road by forestry entities.

The transfer of responsibility for Binalong Bay Road from the Break O'Day Council to the State Government has been pursued on a number of occasions with the Minister for Infrastructure. It is understood that this will occur in 2019-20.

Council's Infrastructure and Development Services Manager met with the Department of State Growth

and consulting engineering company Jacobs and other government stakeholders in December to assist State Growth progress their assessment of Great Eastern Drive. This includes: the development of a number of potential project sites generally under the following categories:

- Turn treatments at popular tourism locations
- Short passing facilities / pull-over areas
- Road widening

Parking Area off Tasman Hwy near Four Mile Creek has been upgraded and we are waiting on consultant's report to be provided for presentation to the Council.

Department of State Growth has also upgraded a number of intersections on the Tasman Hwy between St Helens and Scamander. The proposed upgrading works at Flagstaff Road and Basin Creek Road by the Department of State Growth were meant to have occurred late in 2018 but were delayed by Departmental processes.

Break O'Day Council is responsible for around 350km of gravel road.

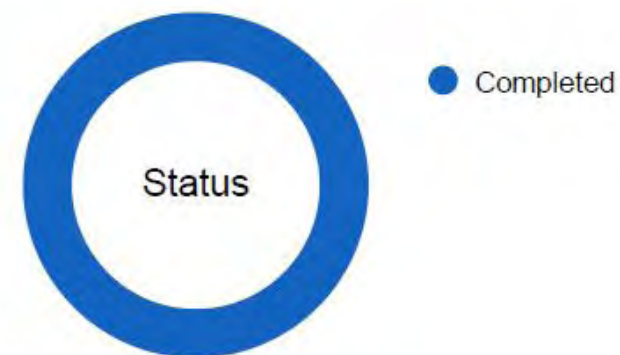


Key Focus Area

Roads and Streets

Activities: 5

Completed: 100%



Recreational Facilities

Support an outdoor, active and healthy lifestyle for residents and visitors through a range of recreational facilities including walking trails, bike trails and other identified infrastructure.

The development of a range of recreational facilities has been a major part of activity during the 2018-19 year. This activity has included the development of conceptual designs through to construction activities as we deliver on the MTB Project.

Bay of Fires Descent MTB Trail

Trail construction commenced in December 2018 with sections completed being Sections 4, 6, 7 (no construction required on section 7 as trail is on existing roads / tracks) and section 8 to the Gardens Road. The last section of trail from Gardens Road to Swimcart Beach is being negotiated with Parks and Wildlife who are taking into consideration all the site constraints and users, these are still in the process of being identified.

Planning Approval for revised sections 1, 2 and 3 of MTB Trail and including a new carpark and temporary toilet has been received. Crown consent is being sought to commence works which should be granted by August

2019.

Construction completion is planned for November 2019.

St Helens Stacked Loop MTB Trails

Trail construction commenced in April 2019 with trails completed being Loops 3, 8, 9, 10 and most of loop 4, the Town Link trail is substantially complete except for a 4 metre bridge section and some retaining and capping. Descent 3 and 2 are well progressed and several sections of Loop 6 and 7 has commenced.

The boardwalk at the St Helens Point Road / Tasman Highway intersection which is the access point of the Town Link Trail is complete. The pedestrian refuge / road crossing will be installed in September / October 2019 closer to the trail opening in November 2019.

The construction program and resources being used puts us on target for a partial opening of the network in November 2019 and all open by mid 2020.

Flagstaff Road MTB Trail Head

Trailhead construction on Flagstaff Road is well underway with the site cleared and hardstand, roads and carparks established. The effluent system is installed and 3 phase

power is connected on the site. The Trail Head features include toilet block, shelters, bike hygiene station and signage.

Construction of toilet block and shelter is being designed and to be constructed over the coming months to be completed for November 2019 trails opening.

Walking Trails Network

A review of existing walking trails was completed which provides a comprehensive list of walking trails in the Break O'Day area. Short day walks are being identified between land managers across the municipality that will form the basis of a consolidated list of trails that will be promoted as key destinations for people of all capabilities. Service levels will be established and resources provided to keep these trails at agreed service levels.

During the year Council staff started working with the Fingal community on the potential to convert the disused railway line between Fingal and St Marys into a shared use trail. The project is very much in its infancy and has involved discussions with adjoining property owners and an Ecological Assessment being undertaken.

St Helens - Binalong Bay Link.

Preliminary investigations have concluded. Route options and cost estimated for the preferred route to within +/- 30% were presented to Councillors for information and discussion at the October 2018 workshop and subsequently for receipt at the October 2018 Ordinary Meeting of Council.

Binalong Bay Foreshore

Progress with this project has been delayed as we worked through clarification on the exact area of the Lease which would enable implementation of the Binalong Bay Foreshore Master Plan. Towards the end of the year we received verbal advice that a lease will be issued shortly and we are currently waiting on this document from Crown Law.

Georges Bay Marine Infrastructure

Upgrading and repair work was completed on Beauty Bay and Kirwans Beach Jetties in line with Condition Assessment recommendations. Construction works on the Cunningham Street jetty replacement commenced in June and will be completed by mid July 2019.

Community engagement in relation to an agreed Strategy for new marine infrastructure was commenced as part

of the St Helens Township Plan engagement process in Feb/March with community members providing their thoughts and ideas on what was needed around the bay and which areas should be the focus for different activities to occur. Council staff are currently developing a draft strategy drawing on this information and previously provided thoughts from a group of users and past strategic documents.

Georges Bay Foreshore Track

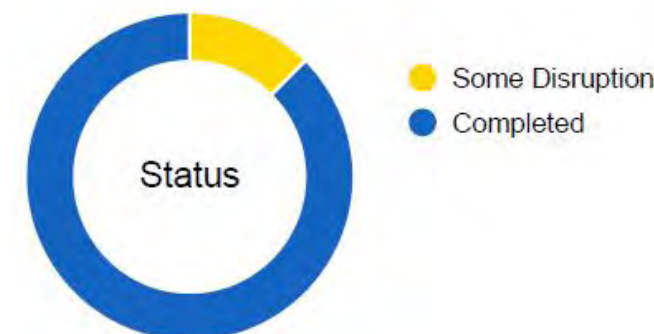
The concept design and construction cost estimates to complete the missing links in the existing Georges Bay Foreshore Track, St Helens Foreshore to Jason Street; and Talbot Street to Kirwans Beach were developed and considered by Council during the year. Council identified this project as a priority for the Federal Election campaign and lobbying was undertaken to secure a funding commitment. This was secured through the Community Development Grant program with \$2.1Million obtained. An Ecological Assessment was undertaken and Council staff are now progressing the project through the approvals phase.

Key Focus Area Recreational Facilities

Activities: 8

Some Disruption: 12.5

Completed: 87.5%



Waste Reduction - A more sustainable future

During the last 12 months, we have continued to work towards our goal of reducing waste to landfill.

As a Council we see it as our responsibility to provide the right infrastructure and services to make it as easy as possible for our community to practice the three R's of waste, Reduce, Reuse, Recycle. At the end of the day though, everyone in the community needs to be accountable for their household waste.

The kerbside recycling program implemented in 2018 has seen our waste to landfill reduced, however there is still a lot of work for us as a community to do in this space. Despite comprehensive education campaigns around what can and can't go in your kerbside recycling bin, we are still seeing consistent contamination of our recycling – as many people are aware, trying to sort waste with a high contamination rate is not cost effective for the contractor and so any truckloads that are high in contaminants will unfortunately have to go to landfill. To give you an example, the average contamination rate in the nation is between 6% to 10%, in Break O'Day this rate is 18%. While we as a Council can educate our community about what should be going in your recycling bin, it is ultimately up to each household to embrace not just recycling but reducing and reusing as well. The most common contaminants we find in kerbside

recycling bins are, soft plastics, fabric, nappies, bottle top lids. Despite this high contamination rate, the introduction of the service has still seen a reduction of 711T of waste go to landfill, imagine what we could achieve as a community if we all made more of an effort.

Disappointingly this year we also spent more than \$50,000 cleaning up the illegal dumping of hazardous materials at our Waste Transfer Stations. On our website you can find a comprehensive list of what can and cannot be disposed of at our Waste Transfer Stations and it is important that the public are informed of this before ending up at the WTS.

This financial year we audited and updated the St Helens and St Marys Waste Transfer Stations (WTS) to allow users to reuse and recycle more waste than ever before. This includes; new recycling bins at St Marys, Scamander and St Helens WTS, added sites for items such as clean fill, non-treated timbers, treated timbers, furniture etc. We have also funded an extra shipping container for the St Helens Tip Shop to allow them to store more items.

One of the most significant things Council has done in the last 12 months to reduce waste has been to trial a mulching program. This involved the double mulching of all green waste at the St Helens WTS. Not only did this provide us with

more room, essentially extending the life of the site, if the trial is successful we will have a product we can use in our own areas and potentially on sell.

Just like recycling however, the contamination found amongst the green waste was significant – around 10 cubic metres of contamination was removed before the mulching process. This had to be done manually, was time consuming and will not be financially viable in the long term.

In order to utilise the various locations of the WTS, decrease contamination and reduce as much of your waste going to landfill as possible, we recommend that you take a bit of extra time packing your ute or trailer to make sure you have sorted the various materials from each other. Based on the layout of the tip, the recycling items should go on last as they will come off first.

Did you know there are many items you can dispose of at the St Helens WTS for free? This includes: polystyrene, cardboard, glass, steel, empty gas bottles, car batteries, e-waste (TVs, computers, printers, game consoles etc), car bodies, white goods except for fridges and freezers, waste oil, household paint, light globes and hard plastics. The transfer station attendant will direct you to the location to place these items.

The mulcher in action at the St Helens Waste Transfer Site.



5. Services *To have access to quality services that are responsive to the changing needs of the community and lead to improved health, education and employment outcomes.*

Strategies

1. Improve accessibility to a range of quality services and programs by advocating and pursuing for local delivery.

2. Work collaboratively to ensure services and service providers are coordinated and meeting the actual and changing needs of the community.

3. Ensure Council services support the betterment of the community while balancing statutory requirements with community and customer needs.

Health

Retain and expand local provision of disability, preventative, chronic and acute health care services including pursuing innovative healthcare service delivery options.

The Royal Flying Doctor Service (RFDS) and Break O'Day Council continue to have a strong working relationship delivering Primary Health Care services to people living with mental illness, dementia, cardiovascular disease and chronic obstructive pulmonary disease in the Break O'Day community.

Uptake of the services within Break O'Day continues to be very high with the majority of referrals being for mental illness and cardiovascular disease.

The Australian Government have approved the expansion of the RFDS Youth Mental Health Program within Break O'Day to support our youth aged between 8-16 years of age living with mild to moderate mental illness. Referrals can be accepted from the person themselves, a GP, medical professional, community member or allied health professionals. This service is free for eligible youth in the Break O'Day.

RFDS have undertaken consultation with the community and through data from Primary Health Tasmania it has been identified that people in remote areas living with multi-morbidities (two or more co-occurring diseases) are generally overweight and need support with nutrition. In partnership with a dietitian, RFDS have designed a Healthy Eating program for non-clinicians. Volunteers have been upskilled within our community to run these workshops so the program can be sustainable beyond RFDS and funding models. The Prime Mover program continues to run within our community and is currently being run out of the St Helens District Hospital.

Fishing at Scamander Beach. Photo Credit, Tourism Tasmania.



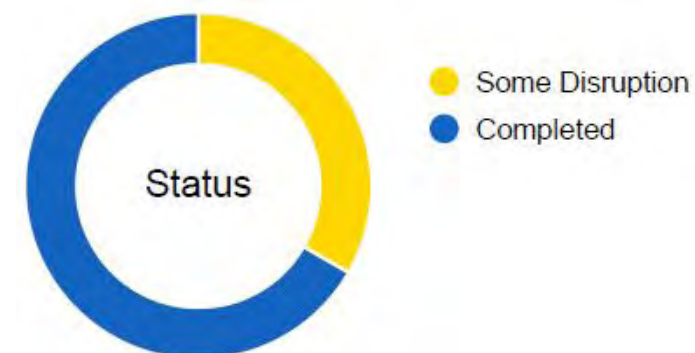
Key Focus Area

Health

Activities: 3

Some Disruption: 33.33%

Completed: 66.66%



Mental Health

Improve the mental health of our community through stability in service delivery and a holistic approach to the provision of services locally.

St Helens Neighbourhood House hosts the Suicide Prevention Trial Site for the Break O'Day and Bicheno areas. Prior to the implementation of the Trial Site program, Break O'Day Council was a stakeholder in the Break O'Day Mental Health Action Group (MHAG). The MHAG was established in 2016 to ensure ongoing action towards suicide prevention within the Break O'Day community. MHAG won the Lifeline Tasmania Communities in Action LIFE Award in 2018. As a direct result of the work undertaken by MHAG they were approached by Primary Health Tasmania to become one of 12 National Trial Sites for Suicide Prevention.

The Trial Site is governed by a local volunteer working group. Extensive consultation within the community was undertaken to identify activities to test different approaches to reducing self-harm and suicide. The group meet bi-monthly to review a detailed activity plan outlining strategies and initiatives for suicide prevention. The Trial Site also continues the work implemented and established by the MHAG such as:-

- Community Champion Training,

- Updating and distribution of a local mental health service providers directory;
- Facilitating local Mental Health Professional Network quarterly meetings;
- Rolling out Mental Health Week activities ensuring that positive mental health and resilience are an ongoing focus for the community.
- Supporting numerous training opportunities to up-skill the community in mental health, suicide prevention and to build community resilience and well-being.

One of the new initiatives established this year by the Trial Site is the 'Safe Place Café'. This mobile coffee and talk outreach service provides a safe place for vulnerable and at-risk people to talk as well as information about the local network of assistance for those in need. It is run by trained volunteers who have all undertaken Community Champion Training which provides them with a sound knowledge base to support people in need. We have found that continuing to provide access to the Café on a rotational basis regularly throughout the municipality has seen greater engagement and is helping to build community resilience.

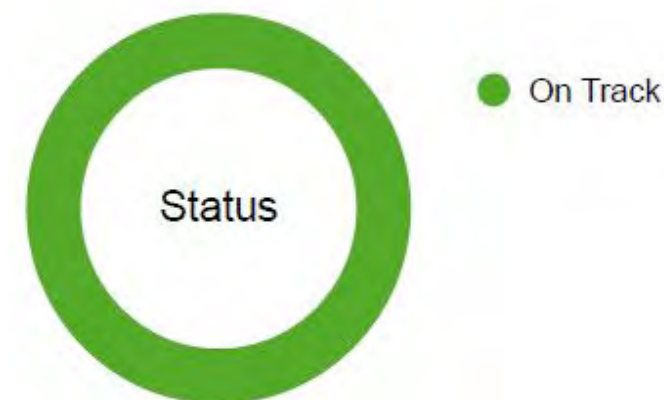
It's important to note that the working group has ensured that all initiatives rolled out during the Trial, e.g. The Safe Place Café, remain sustainable when the Trial ends in June 2020.

Key Focus Area

Mental Health

Activities: 2

On Track: 100%



Education Skills and Training

Improve education and Skills Training opportunities and encourage greater personal development through delivery of programs locally which meet the needs of industry and the community.

The major focus during the year was on completion of the Workforce for the Future project which had been funded by Skills Tasmania and was being guided by a local steering committee. This report provides an understanding of where future jobs are going to occur and where labour and skill shortages currently exist. It provides a platform for working with local service providers and the Trade Training Centre to ensure that the skills training required by local businesses is being delivered.

Transport

Gaps in community transport in relation to vehicles being able to accommodate wheel chair access has been identified through an audit undertaken by the Disability Access Committee.

Council's Learner Driver Mentor Program (Get In2 Gear) has increased access for learners to not only gain on road driving hours, but also limit their isolation within the Break O'Day Municipality.

It has been identified that there is no public transport

available within Break O'Day and this is something that some learners who are early retirees and who have relocated to the area had no idea about.

A lot of learners have benefited from Get In2 Gear reside all over Break O'Day including the Fingal Valley, Goshen and Lottah.

Usually when Learners arrive at Council to apply for the program, they are often lacking in self-confidence, suffer from a mental illness, a lifetime of isolation, or come from a household where often there are no Tasmanian Drivers Licence holders. After driving with the generous volunteer mentors, the learners gain a trusting relationship and more self-confidence, which is then proven by their new found confidence in safely driving on the Break O'Day roads.

Often the Mentors will also drive door-to-door and pick the learners up from their homes, where needed. This service is second to none for those who are isolated or without support from family who can transport them to and from their mentoring session.

Hardly ever do learners pass their provisional or international changeover tests on the first go. Here is where they are taught the lesson of learning from the feedback, trying again and to never give up. This is also an important personal lesson.

Once they pass the practical test, Council seeks their permission to write a story on their life and what brought them to Get In2 Gear. A lot of the time their story revolves around their social isolation with no access to vehicles or public transport.

Once the good news story is created and a photo of their achievement is taken, Council places this on the BODC facebook page. These Facebook posts are collectively the most interacted posts by the community and are often picked up by local Tasmanian media outlets, like the Examiner and ABC Radio. The learners are interviewed and get to feel a little famous for a day. This gives them a sense of achievement and self-pride.

The Facebook posts have resulted in a huge increase in learners achieving their licences, for example:

Licence Obtainments for 2018-2019	
Provisional	16
L2	8
International Changeover	2
On Road Hours for 2018-2019	895.6

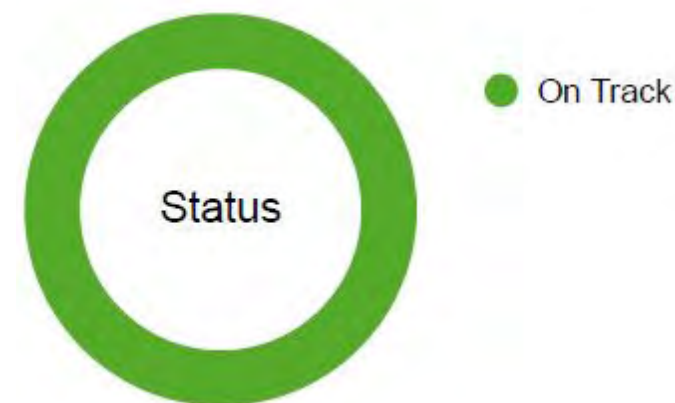
Employment Gained for Financial Year 2017/2018	
Full Time	4
Part Time	5
Casual	2

Key Focus Area

Education Skills and Training

Activities: 4

On Track: 100%



Service Delivery

Ensure Council Services support the betterment of the community while balancing statutory requirements with community and customer needs.

Service Delivery has been a focus for Break O' Day Council in relation to Development Services Activities. The Department of Justice have commenced the development of an Online Building and Planning Portal called i-Plan and State Government Representatives have advised that the funding of the Online Portal has been secured. This will assist in the process and requirements for General Enquires and Development Applications for all Councils state wide.

Summary of Cumulative Value of Building Approvals Graph :

The graph opposite clearly demonstrates the value of building approvals for the previous three financial years. The significant contributions to this data include:

- Price rises in construction materials,
- Increase in commercial development in Break O Day, and
- The number of approvals issued.

The high values reported in the 2017-2018 financial year

include some large commercial projects such as the new St Helens Waterfront Holiday Park (Stieglitz) and the new St Helens Hospital.



Summary of Cumulative Number of Building Approvals Graph:

The graph opposite illustrates a fairly consistent number of approvals issued for the three financial years reported. The previous two financial years' approval statistics have been heavily impacted by the new Building Act 2016 which was introduced on 1 January 2017. The new legislation has provided an expansion of small building projects being exempt from requiring building or plumbing approval and this has had a direct impact on the number of approvals issued.

Cumulative Number of Building Approvals

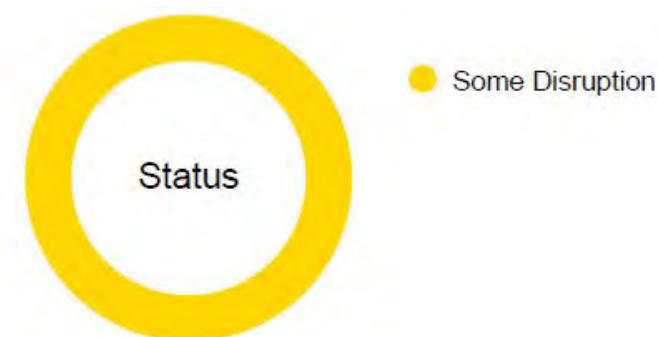


Key Focus Area

Service Delivery

Activities: 1

Some Disruption: 100%



St Helens Wharf. Photo credit, Tourism Tasmania



Corporate Activities

Local Government Reform

Local Government is always under increasing financial pressure and as such have been collectively examining ways in which resources can be shared to reduce financial cost and ensure a more efficient way of working. An alliance of northern region Councils are working on specific projects such as:

- The development of a Regional Road sealing tender process which is being explored with seven Councils interested in a combined tender approach. BODC is leading this development of the information and the process.
- EOI's for Legal Service procurements narrowed to preferred supplier and negotiation of arrangements is close to completion. Draft Agreement for services is being prepared.
- A proposal to progress the Shared Services working groups has been finalised with a focus on ensuring that the Shared IT Services project is delivering the outcomes we are looking for and not just building capacity in the participants

Financial Sustainability

Break O'Day has an ongoing focus on financial sustainability. At a management/operational level, this means:

- Seeking to identify efficiencies in service delivery, and
- Seeking to identify operational cost savings or opportunities to generate revenue
- Seeking grant funds to undertake projects which have been identified as Council priority activities

Council also seeks to identify opportunities for improvements in environmental sustainability.

Operational Reviews

The savings target of \$50,000 was not reached this year with savings totalling \$14,400 being secured. We have made very substantial savings in the previous 3 years and this is becoming more difficult which means the focus will need to change.

- Cleaning contract savings achieved through indexation waiving \$3,400
- Solar power savings associated with the Council Depot installation are estimated at \$3,500 per annum. This will increase in the next year as savings from the latest solar panel installations are realised.
- Reviewed mobile phone packages and changing land line

phone provider including converting more land lines from ISDN to SIP. Mobile phone changes is realising \$3,500 per annum. Savings on land lines seems to be approximately \$4,000 per annum.

On a positive note we have been able to achieve substantial 'one off' savings in Capital Works projects such as the annual Road resealing Tender and the Fingal Streetscape which have a positive impact on the financial position of Council.

In terms of environmental sustainability, photocopy/printing paper was trialled with no wrapping paper. This trial was considered successful and further copy paper purchases of this type commenced.

In 2018/2019, the operational efficiency target was for 500 staff hours yearly, ongoing. A work process change in agenda formatting achieved a saving of approximately 50 hours. The target was raised regularly as an agenda item at management team meetings.

With respect to seeking grant funds, Council achieved a success rate of 75%, and, grant funds of \$125,000 were secured which was 50% of the target.

Grant Funding

The focus on grant funding continued through the year with a success rate of 86% being achieved and a total of \$122,678 being secured through competitive application processes.

In addition to this an additional \$3.0 MILLION was secured through the restricted Community Development Grant Program for the following works:

- Old Tasmanian Hotel Upgrade (Fingal) \$500,000
- St Marys Flood Mitigation Works \$400,000
- Georges Bay Foreshore Multi-User Track \$2.1MILLION

A further \$1Million was secured as Grant Funding through the Drought Communities Program which is funding a range of projects in the Fingal Valley.

Application Title	Funding Source	Amount Sought	Status
Triple J One Night Stand	Events Tasmania	\$35,000.00	Successful
The Gardens Road & Lyall Road Intersection and Approaches	2018 Black Spot Funding Program - Australian Government	\$200,000.00	Unsuccessful
2018 - 2019 26TEN Community Grant	Libraries Tasmania	\$45,454.55	Successful
New Vehicle - Hyundai i30 Go	Learner Driver Mentor Program - Department of State Growth	\$20,000.00	Successful
ScamJam	Youth Week Tasmania Grants Program 2019 - Department of Communities Tasmania	\$2,000.00	Successful
Get In 2 Gear	Learner Driver Mentor Program 2019 - 2020, Department of State Growth	\$19,924.00	Successful
International Womens Day	Department of Communities Tasmania	\$300.00	Successful
The Gardens Road & Lyall Road Intersection and Approaches	2019 Black Spot Funding Programme - Australian Government	\$200,000.00	Pending

Legislated Requirements

Contributions and Requirements

Organisation / Group	Project	Amount received
Cornwall Community Development Group Inc.	Heritage Signage in Minors Wall and Soldiers Walk areas	\$3,322.00
East Coast Swans Football Club	Purchase of Dishwasher, Ceramic top stove, plastic container ware and initial installation & fitting	\$3,500.00
Falmouth Community Centre	Upgrade of Tennis Court	\$5,718.60
Fingal Neighbourhood House	Reticulated Watering System	\$2,000.00
St Helens Neighbourhood House	Free2Be Project	\$5,200.00
Hub 4 Health	Display board for the Active 4 Life Gym in St Marys	\$585.00
Scamander Surf Lifesaving Club	Disabled Toilet	\$500.00
St Helens-St Marys RSL Sub Branch Inc.	Employing a Professional Painter to paint the mural on the southern wall of the Memorial Hall, St Helens & Upgrade anti-graffiti protection	\$4,000.00
St Helens Hospital Auxiliary	Purchase of Shipping Container for St Marys Recycling Centre	\$3,000.00

St Helens Point Progress Association	Sign for advertising bi-monthly meetings	\$123.00
St Marys Pacing Club	Renew carpet in Members Room	\$2,816.00
St Marys Pacing Club	Renew carpet in Members Room	\$2,816.00
Wildcare Friends of Larapuna Coast		\$1,650.00
Ansons Bay Progress Association	Battery and 2 set of Pads for Community Defibrillator	\$514.75
East Coast Masters Golf Tournament	Scamander River Golf Club	1,500.00
Annual Sponsorship 2018 - 2019	The Portland Endurance Club Inc.	500
Annual Sponsorship 2018-2019	St Helens Marine Rescue	3,000.00
Annual Funding for Directory 2018 -2019	Business Enterprise Centre	2,000.00
Council Annual Funding 2018-2019	Greater Esk Tourism	2,500.00
Council Support 10/16.14.2.240	Business Enterprise Centre	25,454.54

2018- 2019 Annual Sponsorship	Fingal Valley Festival	2,000.00
Annual Contribution to BOD SES Unit	SES	17,000.00
Annual Sponsorship 2018-2019	St Helens Girl Guides – Sangaree	\$2,500.00
2018-2019 Council Contribution Sponsorship	St Helens Athletics Club	2,500.00
2018 Annual School Prizes Monies	St Helens District High School	1,000.00
2019 Bay of Fires Winter Arts Festival	Bay Of Fires Arts Association	14,000.00
Annual Contribution 2018-2019	St Helens Ministers Fraternal	1,600.00
Annual contribution 2018-2019	Triathlon	2,000.00
2018-2019 Council Support	Woodchopping event	2,000.00
2018-2019 Council Support	St Helens Surf Angling Club	1,000.00
2018- 2019 Council Support	St Helens Game Fishing Club	2,000.00

2018-2019 Event Council Support	St Marys Community Car and Bike Show	2,000.00
2018-2019 Suicide Golf Day 1,000.00	Golf Day	1,000.00

Rates and Charges

- Rates and Charges written off for the period: \$16,719
- Rate remissions/donations provided by Council: \$65,097
- Pensioner Rebates funded by State Government: \$422,843.

Donation of Land Statement

Section 72(1)(da) of the Local Government Act 1993 requires Council to report on details of any land donated by Council during the year.

No donations were made during the 2018-2019 Financial Year.

Enterprise Power Statement

Under section 72 (1)(ca) of the Local Government Act 1993 the council is required to report on exercising of enterprise powers relating to the formation and operation of corporations, trusts, partnerships or other bodies (section 21).

The Council is an initial member and shareholder of Northern Tasmanian Development Corporation Ltd (NTDC). NTDC is a not-for-profit public company limited by guarantee. The primary objectives of the NTDC are to:

- provide pro-active, engaged and strategic regional economic leadership;
- consolidate an agreed vision for the development, sustainability and prosperity of the geographic region that the Organisation's Members encompass;
- and implement a strategic economic action plan based on the Northern Regional Futures Plan framework or similar; and
- to provide effective representation and advocacy to State and Federal Government and other stakeholders.

The NTDC is currently engaged in a number of initiatives including the development of the Regional Economic Development Plan. This plan focuses on 6 key themes: Industry development, investment transaction, population growth, place-making, innovation and culture, and human capacity.

It is considered that Council, the Municipality and rate payers generally, will benefit from the investment in NTDC. The organisation will effect direct and material economic, employment, and investment outcomes, and

contribute indirectly to social and community benefits as a consequence of NTDC achieving the objectives that it

will be set up to achieve.

Council's shareholding is based on annual funding contributions calculated using a formula based on municipality population. Council's annual membership fee for 2018-2019 was \$26,808.10 (2017-2018 \$26,257).

Code of Conduct Complaints

During the 2018-2019 Financial Year there were two (2) Code of Conduct complaints received and referred to the Local Government Division. One complaint was withdrawn and the other complaint was dismissed either wholly or in part and the financial cost incurred by Council was \$62.70.

Right to Information

Council received four requests for information under the Right to Information Act 2009.

Public Interest Disclosure Statements

Current public interest disclosure procedures are available in Council's Policy LG30 – Public Interest Disclosure which can be viewed or downloaded from Council's website, under My Council, Policies.

Disclosures during 2017 - 2018:

The number and types of disclosures made to Break O'Day Council during the year and the number of those disclosures that the Council determined to be public interest disclosures – Nil

The number of disclosures determined by Break O'Day Council to be public interest disclosures that it investigated during the year - Nil

The number and types of disclosed matters referred to Break O'Day Council during the year by the Ombudsman - Nil

The number and types of disclosed matters referred during the year by Break O'Day Council to the Ombudsman to investigate - Nil

The number and types of investigations of disclosed matters taken over by the Ombudsman from Break O'Day Council during the year - Nil

The number and types of disclosed matters that Break O'Day Council has decided not to investigate during the year – Nil

The number and types of disclosed matters that were

substantiated on investigation and the action taken on completion of the investigation - Nil

Any recommendations of the Ombudsman under this Act that relate to Break O'Day Council – Nil

Financial Assistance Grants to Local Government

Break O'Day Council receives approximately \$2.95 million in Financial Assistance Grants (FAG's) each financial year. This is of vital importance to Council and our community because:

- It is a significant source of funds; and
- Unlike many other grants and subsidies, it is "untied", that is, Council has complete flexibility to use these funds to achieve identified priority outcomes

Council utilises these funds in many ways to protect and maintain assets and infrastructure within the community:

- Capital and major maintenance works on Council owned/managed built facilities, eg halls, toilet blocks, BBQ facilities, etc.
- Undertake road and street upgrades, streetscape works, footpaths, etc in townships.

- Bridge replacement programs.
- Natural Resource Management and community development activities, and more.

Remuneration Statement

The following table provides the remuneration for those positions designated by Council as senior positions as required under the Local Government Act 1993. The positions of General Manager, Manager Corporate, Services, Works Manager, Manager Community Services, Human Resources Manager and Building Services, Coordinator, have all been defined as senior positions by Break O'Day Council.

The Remuneration Band Positions	Number
\$80,000 - \$100,000	7
\$101,000 - \$120,000	3
\$121,000 - \$140,000	-
\$141,000 - \$160,000	-
\$161,000 - \$180,000	-
\$181,000 - \$200,000	1

Contracts and Tenders

The following contracts/tenders were awarded during 2017- 2018 with a value greater than \$50,000.

Description	Period of Contract	Value Ex. GST	Name	Address
Parnella Stormwater – Stage 2 – Catchment 4 – 030\001\107\	August 2018 – November 2018	\$584,073	Civilscape Contracting Tasmania	Ridgley, Tas
2018/2019 Bituminous Surfacing Program – 030\001\086\	Completed by December 2018	\$237,635	Crossroads Civil Contracting	Rocherlea, Tas
2018/2019 Bridge Replacement Package – 030\001\109	Completed by April 2019	\$372,600	BridgePro Engineering	Latrobe, Tas
St Helens Mountain Bike Trail Network – 030\001\106		\$2,840,300	World Trail Pty Ltd	Cairns, Qld
Mountain Bike Trails – Brand and Marketing Strategy Development – 030\002\010\	Completed by June 2020	\$87,650	Kingthing Marketing	Launceston, Tas
Parnella Stormwater – Stage 2 – Catchment 2 – 030\001\110\	October 2018 – March 2019	\$454,282	Civilscape Contracting Tasmania	Ridgley, Tas
St Helens Mountain Bike Trail Network – Town Link Boardwalk Platforms – 030\001\112\		\$240,709	AJR Construct Pty Ltd	Don, Tas
Stormwater Modelling for Break O’Day Municipality – 030\001\113\	February 2019 – April 2019	\$69,885	Water Technology Pty Ltd	Notting Hill, Vic

Public Health, Environmental Monitoring and Reporting

Public Health Statement

Break O'Day's commitment to maintaining public health protection is highlighted in the Strategic Plan within the Community Goal – To strengthen our sense of community and lifestyle through opportunities for people to connect and feel valued.

Strategy 4 – Foster a range of community facilities and programs which strengthen the capacity, wellbeing and cultural identity of our community.

Responsibility for carrying out the legislative requirements of the Public Health Act 1997 and the Food Act 2003 lies with the Environmental Services Team. This team comprises of one EHO working 0.5 FTE and one Natural Resources Management Officer working 0.6 FTE.

Functions carried out under the *Public Health Act 1997*

Recreational water quality

Council monitors six beaches for compliance with the Public Health Act 1997 and the Recreational Water Quality Guidelines 2007.

Type of sampling conducted: Bacteriological – indicator organisms *Enterococci*/100ml.

Sampling Details

Sampling was conducted once a month from December 2018 to January 2019.

Results of the water sampling are below:

BEACH	11/12/2018	21/01/2019	18/02/2019	19/03/2019
Grants Lagoon	<10	<10	10	<10
Beauty Bay	<10	20	<10	<10
Wrinklers Lagoon	145	<10	<10	<10
Scamander River	<10	<10	<10	10
Henderson Lagoon	10	<10	31	<10
Yarmouth Creek	84	<10	201	20

Immunisations

Programs were conducted for children in Grade 7, in addition to any catch-Up required by the Department of Health and Human Services.

In 2018/2019 a total of 173 children were vaccinated and a total of 175 vaccines administered.

Public Health Risk Activities

Two tattoo premises and body piercing premises and operators registrations.

Place of assembly

Three permits issued, for the One Night Stand and Wheels, Wine & Dine and One Night Stand After Party.

Private burial

Two permits issued.

Functions Carried Out Under the *Food Act 2003*

Permanent food business registered – 97
Mobile food businesses – 13
Food stalls – 17
Food business complaints – 1 investigation

Food business plans assessments and occupancy – form
49 = 4 reports, form 50 reports = 4 reports

Food handling training – 2 sessions

Nuisance (Smoke & Noise)

Under the authorisation of the Environmental Management Pollution Control Act 1994, Local Government Act 1993 and the Caravan By-Law, the EHO investigated and resolved numerous complaints about noise relating to amplified music, motorbikes, heat pumps and roosters. Numerous complaints with smoke emissions were also dealt with informally.

Caravan By-law

235 licences were issued.

Onsite Wastewater Compliance

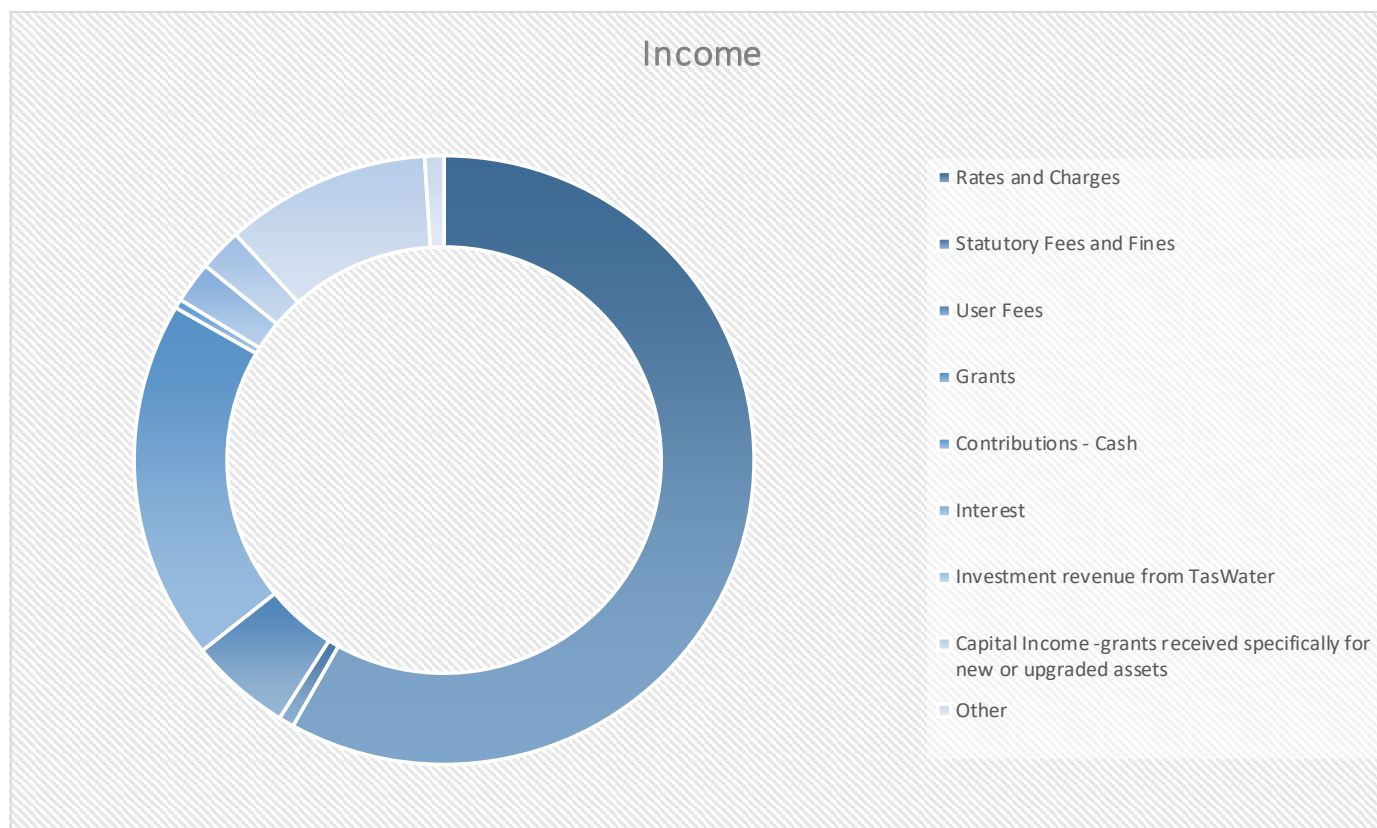
All residential and commercial developments that require onsite wastewater systems were assessed for compliance against the Australian/New Zealand Standards AS 1547:2012 and plumbing consent provided. Also provided was planning advice to comply with the code requirements of the Break O'Day Planning Scheme 2013.

Any instances of on-site wastewater system failures were investigated and resolved through negotiation.

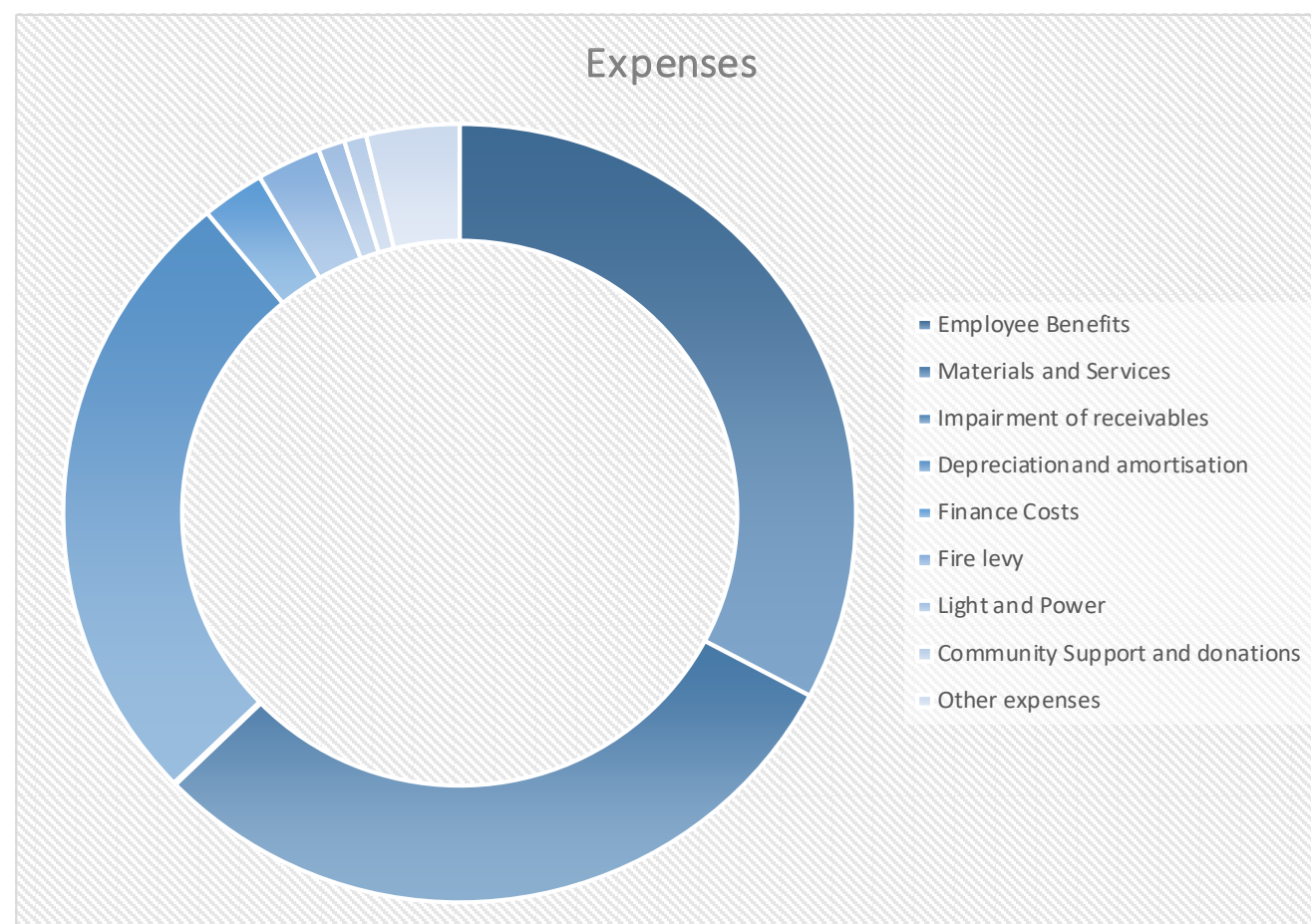
Financial Snapshots

The following financial snap-shots have been taken directly from the financial statements following.

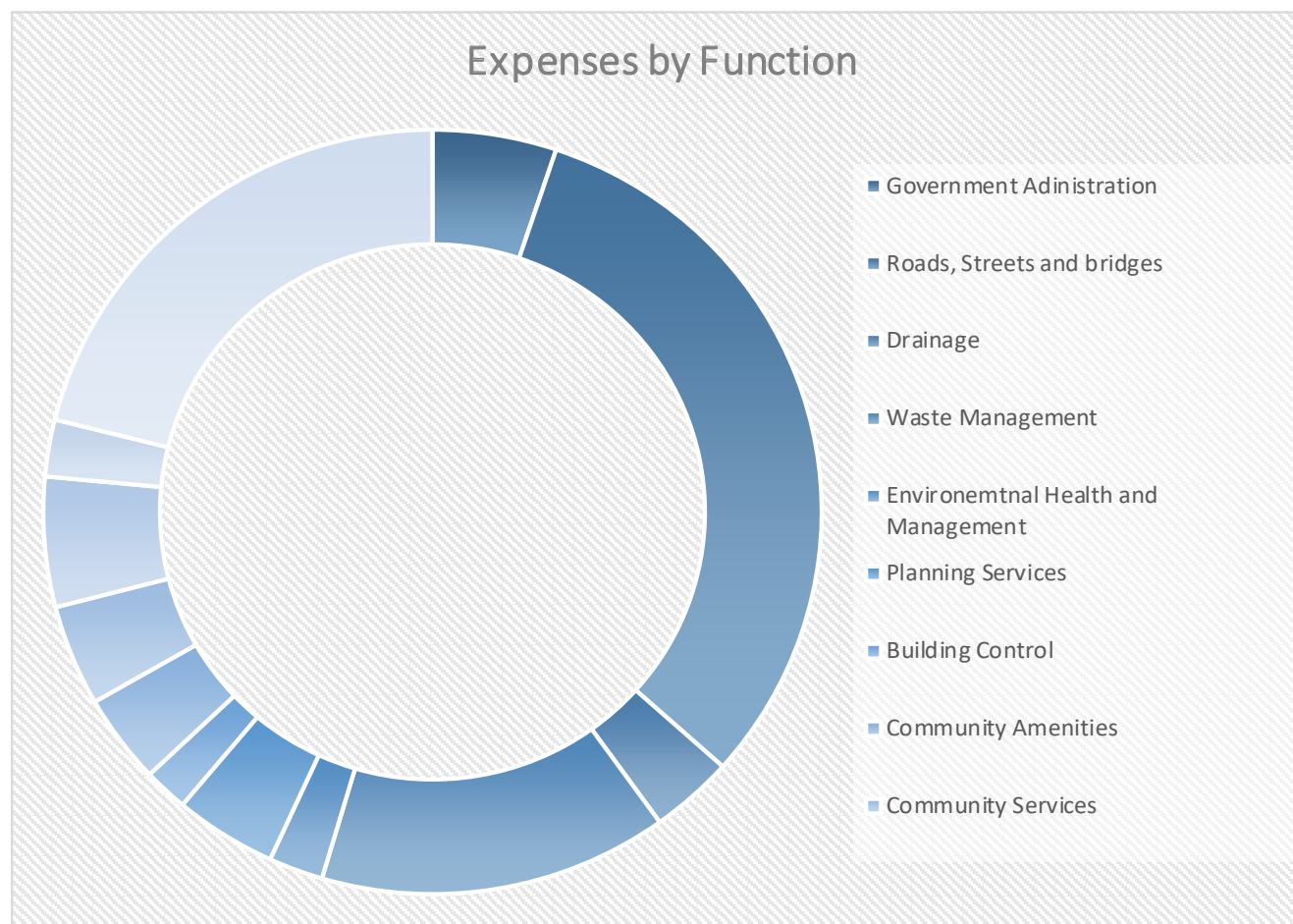
Income \$	
Rates and Charges	9,315,205
Statutory Fees and Fines	128,841
User Fees	854,541
Grants	3,063,360
Contributions - Cash	77,758
Interest	351,306
Investment revenue from TasWater	361,493
Capital Income -grants received specifically for new or upgraded assets	1,719,523
Other	160,786



Expenses \$	
Employee Benefits	4,306,263
Materials and Services	3,934,702
Impairment of receivables	12,611
Depreciation and amortisation	3,441,977
Finance Costs	338,256
Fire levy	344,578
Light and Power	142,989
Community Support and donations	118,911
Other expenses	499,273



Expenses by function \$	
Government Administration	675,467
Roads, Streets and bridges	4,124,567
Drainage	455,282
Waste Management	1,902,935
Environmental Health and Management	296,968
Planning Services	558,119
Building Control	242,380
Community Amenities	494,845
Community Services	559,084
Recreation facilities	720,615
Economic Development	315,020
Other including unattributable administration and corporate activities	2,769,056



Independent Auditor's Report

To the Councillors of Break O'Day Council

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Break O'Day Council (Council), which comprises the statement of financial position as at 30 June 2019 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 2019 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* (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 and the asset renewal funding ratio disclosed in note 42(f) to the financial report and accordingly, I express no opinion on them. Furthermore, I express no opinion on the General Manager's determination that Council did not have any Significant Business Activities for inclusion in the financial report as required by Section 84(2)(da) of the *Local Government Act 1993*.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit		Audit procedures to address the matter included
Property and infrastructure assets <i>Refer to note 17, 25 and 43</i>		
At 30 June 2019 Council’s assets included land, buildings and infrastructure assets including roads, bridges and drainage measured at fair values totalling \$131.6m. The fair values of land and buildings are derived from observable market information while the fair values of infrastructure assets are based on current written down replacement cost. Council undertakes formal revaluations on a regular basis to ensure valuations represent fair value.		<ul style="list-style-type: none">• Assessing the scope, expertise and independence of experts involved in the valuations.• Evaluating the appropriateness of the valuation methodology applied to determine the fair values.• Assessing assumptions and other key inputs in the valuation models.• Testing, on a sample basis, the mathematical accuracy of the valuation model’s calculations.• Evaluating management’s assessment of the useful lives.• Performing substantive analytical procedures on depreciation expenses.• Testing, on a sample basis, significant expenditure on maintenance and capital works to corroborate appropriate treatment.• Testing, on a sample basis, capital work-in-progress to ensure that active projects will result in usable assets and that assets commissioned are transferred in a timely manner.• Evaluating the adequacy of disclosures made in the financial report, including those regarding key assumptions used.
The calculation of depreciation requires estimation of asset useful lives, which involves a high degree of subjectivity. Changes in assumptions and depreciation policies can significantly impact the depreciation charged.		
Capital payments in 2018–19 totalled \$7.2m on a number of significant programs to upgrade and maintain assets. Capital projects can contain a combination of enhancement and maintenance activity which are not distinct and therefore the allocation of costs		

Why this matter is considered to be one of the most significant matters in the audit

Audit procedures to address the matter included

between capital and operating expenditure is inherently judgemental.

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,

...3 of 4

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.

From the matters communicated with the General Manager, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Leigh Franklin

Assistant Auditor-General, Financial Audit Services
Delegate of the Auditor-General

Tasmanian Audit Office

4 October 2019
Hobart



Break O'Day Council

ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2019

Break O'Day Council

Financial Report

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Statement of Comprehensive Income For the Year Ended 30 June 2019

	Note	Budget 2019 \$	Actual 2019 \$	Actual 2018 \$
Income				
Recurrent Income				
Rates and charges	5	9,238,000	9,315,205	8,770,087
Statutory fees and fines	6	102,000	128,841	133,364
User fees	7	718,088	854,541	825,729
Grants	8	2,855,798	3,063,360	3,052,197
Contributions - cash	9	-	77,758	77,699
Interest	10	250,000	351,306	268,294
Other income	11	93,100	160,786	244,995
Investment revenue from water corporation	13, 20	388,000	361,493	583,843
		13,644,986	14,313,290	13,956,208
Capital income				
Capital grants received specifically for new or upgraded assets	8	5,059,400	1,719,523	2,300,487
Contributions - non-monetary assets	9	-	-	408,600
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	12	40,000	(168,680)	(252,588)
		5,099,400	1,550,843	2,456,499
Total income		18,744,386	15,864,133	16,412,707
Expenses				
Employee benefits	14	(4,998,145)	(4,306,263)	(4,314,353)
Materials and services	15	(3,524,083)	(3,934,702)	(3,759,906)
Impairment of receivables	16	-	12,611	(21,697)
Depreciation and amortisation	17	(3,457,248)	(3,441,977)	(3,546,098)
Finance costs	18	(335,328)	(338,256)	(350,296)
Other expenses	19	(1,160,235)	(1,105,751)	(1,076,609)
		(13,475,039)	(13,114,338)	(13,068,959)
Surplus / (deficit)		5,269,347	2,749,795	3,343,748
Other comprehensive income				
Items that will not be reclassified to surplus or deficit				
Fair Value adjustment on equity investments	30	-	4,954,610	-
Net asset revaluation increment(decrement) reversals	30	-	359,405	1,211,843
		-	5,314,015	1,211,843
Items that may be reclassified subsequently to surplus or deficit				
Financial assets available for sale reserve				
Fair Value adjustment on equity investment assets	30	-	-	432,016
		-	-	-
Total Other Comprehensive Income		-	5,314,015	1,643,859
Comprehensive result		5,269,347	8,063,810	4,987,607

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

Statement of Financial Position As at 30 June 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	21	8,692,180	9,664,903
Trade and other receivables	22	890,072	552,207
Inventories	23	146,073	92,540
Other assets	24	64,816	75,699
Total current assets		9,793,141	10,385,349
Non-current assets			
Investment in water corporation	20	38,672,525	33,717,915
Trade and other receivables	22	14,392	14,392
Other assets	24	139,000	30,000
Property, infrastructure, plant and equipment	25	144,849,527	141,085,812
Total non-current assets		183,675,444	174,848,119
Total assets		193,468,585	185,233,468
Liabilities			
Current liabilities			
Trade and other payables	26	1,033,969	633,668
Trust funds and deposits	27	224,092	246,446
Provisions	29	853,572	765,525
Interest-bearing loans and borrowings	28	340,941	326,296
Total current liabilities		2,452,574	1,971,935
Non-current liabilities			
Provisions	29	569,414	537,805
Interest-bearing loans and borrowings	28	8,484,374	8,825,315
Total non-current liabilities		9,053,788	9,363,120
Total liabilities		11,506,362	11,335,055
Net Assets		181,962,223	173,898,413
Equity			
Accumulated surplus		33,517,364	30,216,738
Reserves	30	148,444,859	143,681,675
Total Equity		181,962,223	173,898,413

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

Statement of Cash Flows
For the Year Ended 30 June 2019

	Note	2019 Inflows/ (Outflows) \$	2018 Inflows/ (Outflows) \$
Cash flows from operating activities			
Rates		9,308,810	8,634,739
User charges and other fines		717,103	1,770,592
Grants		3,063,360	3,052,197
Reimbursements		59,120	51,127
Interest		386,284	255,312
Investment revenue from water corporation		361,493	583,843
Other receipts	13	157,070	281,256
Net GST refund/payment		403,486	391,823
Payments to suppliers		(5,155,446)	(6,080,643)
Payments to employees (including redundancies)		(4,186,607)	(4,196,151)
Finance costs		(338,256)	(350,296)
Net cash provided by (used in) operating activities	31	4,776,417	4,393,799
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(7,146,767)	(5,604,078)
Proceeds from sale of property, infrastructure, plant and equipment		153,400	155,926
Capital grants		1,719,523	2,300,487
Payments for other assets		(149,000)	-
Net cash provided by (used in) investing activities		(5,422,844)	(3,147,665)
Cash flows from financing activities			
Proceeds from interest-bearing loans and borrowings		-	1,500,000
Repayment of interest-bearing loans and borrowings		(326,296)	(312,292)
Net cash provided by (used in) financing activities	32	(326,296)	1,187,708
Net increase (decrease) in cash and cash equivalents		(972,723)	2,433,842
Cash and cash equivalents at the beginning of the financial year		9,664,903	7,231,061
Cash and cash equivalents at the end of the financial year	33	8,692,180	9,664,903
Financing arrangements	34		
Restrictions on cash assets	21		

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

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

	Note	Accumulated Surplus 2019	Asset Revaluation Reserve 2019	Fair Value Reserve 2019	Other Reserves 2019	Total 2019
2019		\$	\$	\$	\$	\$
Balance at beginning of the financial year		30,216,738	145,025,359	(2,365,521)	1,021,837	173,898,413
Surplus / (deficit) for the year		2,749,795	-	-	-	2,749,795
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	20	-	-	4,954,610	-	4,954,610
Net asset revaluation increment/(decrement) reversals	30	-	359,405	-	-	359,405
Transfers between reserves	30	550,831	-	-	(550,831)	-
Balance at end of the financial year		33,517,364	145,384,764	2,589,089	471,006	181,962,223

	Note	Accumulated Surplus 2018	Asset Revaluation Reserve 2018	Fair Value Reserve 2018	Other Reserves 2018	Total 2018
2018		\$	\$	\$	\$	\$
Balance at beginning of the financial year		27,196,620	143,813,516	(2,797,537)	698,207	168,910,806
Surplus / (deficit) for the year		3,343,748	-	-	-	3,343,748
Other Comprehensive Income:						
Financial assets available for sale reserve						
Fair Value adjustment on Available for Sale Assets	20	-	-	432,016	-	432,016
Net asset revaluation increment/(decrement) reversals	30	-	1,211,843	-	-	1,211,843
Transfers between reserves	30	(323,630)	-	-	323,630	-
Balance at end of the financial year		30,216,738	145,025,359	(2,365,521)	1,021,837	173,898,413

The above statement should be read with the accompanying notes.

Introduction

Note 1 Reporting Entity

- (a) The Break O'Day Council was established in 1993 and is a body corporate with perpetual succession and a common seal.
Council's main office is located at St Helens, Tasmania.
- (b) The purpose of the Council is to:
- provide for health, safety and welfare of the community;
 - to 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.

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 20, 25 and 29.

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

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 entitlements

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 29.

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 35.

Fair value of property, 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 25.

Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 20.

Landfill / Tip Rehabilitation

Assumptions and judgements are utilised in determining the present value of future rehabilitation costs. These assumptions are discussed in note 29.

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						
2018 - 2019	12,500	1,912	14,412	675,467	(661,055)	35,897
2017 - 2018	65,000	2,265	67,265	654,779	(587,514)	4,737
Roads, streets and bridges						
2018 - 2019	2,384,198	2,698,864	5,083,062	4,124,567	958,495	94,732,155
2017 - 2018	3,807,998	2,779,724	6,587,722	4,569,421	2,018,301	95,507,764
Drainage						
2018 - 2019	-	-	-	455,282	(455,282)	18,154,222
2017 - 2018	-	875	875	452,828	(451,953)	17,236,912
Waste management						
2018 - 2019	-	1,969,531	1,969,531	1,902,935	66,596	335,425
2017 - 2018	8,679	1,727,049	1,735,728	1,712,130	23,598	383,502
Environmental Health/Environmental Management						
2018 - 2019	-	97,695	97,695	296,968	(199,273)	214,403
2017 - 2018	48,728	97,138	145,866	410,152	(264,286)	217,249
Planning services						
2018 - 2019	-	317,031	317,031	558,119	(241,088)	1,815
2017 - 2018	-	327,824	327,824	440,287	(112,463)	5,459
Building control						
2018 - 2019	-	219,613	219,613	242,380	(22,767)	58,085
2017 - 2018	-	199,775	199,775	260,452	(60,677)	74,446
Community amenities						
2018 - 2019	-	63,064	63,064	494,845	(431,781)	3,093,995
2017 - 2018	-	66,440	66,440	492,720	(426,280)	3,332,397
Community services						
2018 - 2019	1,059,566	20,561	1,080,127	559,084	521,043	624,275
2017 - 2018	21,920	13,003	34,923	450,594	(415,671)	627,973
Recreation facilities						
2018 - 2019	-	62,295	62,295	720,615	(658,320)	9,623,171
2017 - 2018	50,000	356,020	406,020	670,380	(264,360)	9,159,514
Economic development						
2018 - 2019	607	42,579	43,186	315,020	(271,834)	632,643
2017 - 2018	16,603	47,178	63,781	316,003	(252,222)	99,162
Other - not attributable						
2018 - 2019	1,326,012	5,588,105	6,914,117	2,769,056	4,145,061	65,962,499
2017 - 2018	1,333,756	5,442,732	6,776,488	2,639,213	4,137,275	58,584,353
Total						
2018 - 2019	4,782,883	11,081,250	15,864,133	13,114,338	2,749,795	193,468,585
2017 - 2018	5,352,684	11,060,023	16,412,707	13,068,959	3,343,748	185,233,468

(b) Reconciliation of Assets from note 2 with the Statement of Financial Position at 30 June:

	2019	2018
	\$	\$
Current assets	9,793,141	10,385,349
Non-current assets	183,675,444	174,848,119
	<u>193,468,585</u>	<u>185,233,468</u>

(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.

Drainage

Operation and maintenance of open or deep drainage systems in urban areas, including the lining of piping of creeks but excludes drainage associated with road works, flood mitigation and agriculture.

Waste Management

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

Environmental Health/Environmental Management

Environmental Health includes disease control, food surveillance, public-use building standards, health education and promotion, water quality, workplace safety and cemeteries.

Environmental management includes strategies and programs for the protection of the environment and regulations of activities affecting the environment.

Planning Services

Administration of the town planning scheme, subdivisions and urban and rural renewal programs.

Building control

The development and maintenance of building constructions standards.

Community amenities

Operation and maintenance of housing for aged persons and persons of limited means, Civic Centre, Council halls (excluding indoor sports complexes).

Community services

Administration and operation of dog registration, operation of pounds, control of straying stock, and noxious weeds. 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 active and passive recreation and recreation centres).

Economic development

Maintenance and marketing of tourist facilities and property development.

Other - not attributable

Rates and charges and work not attributed elsewhere.

		2019	2018
		\$	\$

Note 5

Rates and charges

Council uses Assessed Annual Value (AAV) as the basis of valuation of all properties within the municipality. The AAV of a property is its estimated gross annual rental value.

The valuation base used to calculate general rates for 2018-2019 was \$74,797 million (2017-2018 \$74,035 million). The 2018-2019 rate in the AAV dollar was 8.26554 cents (2017-2018, 7.940).

General Rate	7,145,711	6,863,746
Fire Levy	347,189	336,539
Garbage charge	1,155,562	1,099,400
Wheellie Bin Charges	645,551	480,644
Revenue in advance	21,192	(10,242)
Total rates and charges	9,315,205	8,770,087

The date of the latest general revaluation of land for rating purposes within the municipality was 1 January 2013, and the valuation was applied in the rating year commencing 1 July 2013.

Accounting policy

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

Infringements and costs	11,567	22,601
Land information certificates	117,274	110,763
Total statutory fees and fines	128,841	133,364

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

Waste and garbage	168,128	143,024
Health food licences/fees	20,194	16,427
Dog registrations and associated revenue	43,308	35,842
Building and development services	345,523	339,329
Commission received	15,218	15,033
Facility leases and hall hire	138,564	141,992
Private works	44,717	44,879
Other fees and charges	78,889	89,203
Total user fees	854,541	825,729

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.

Note 8

Grants

Grants were received in respect of the following :

Summary of grants

Federally funded grants	4,297,710	3,813,082
State funded grants	485,173	1,496,695
Others	-	42,907
Total	4,782,883	5,352,684

Grants - Recurrent

Financial assistance grant	2,948,310	2,916,049
Event Funding - Triple J One Night Stand	35,000	-
26TEN Communities	45,455	-
Facilitation of Break O'Day NRM	-	34,400
Learner Driver	19,311	21,920
St Marys Flood Risk Management	-	15,000
Regional Workforce Development Plan	12,500	65,000
Other	2,784	(172)
Total recurrent grants	3,063,360	3,052,197

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. The Commonwealth made early payment of the two quarterly instalments of \$1,496,018 in 2018-19 and \$1,462,513 in 2017-18 for the following years. In accordance with AASB1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control. The early receipt of instalments have not materially affected the financial result for 2018-19.

Capital grants received specifically for new or upgraded assets

Commonwealth Government - roads to recovery	761,900	882,033
Learner Driver Mentor Program Vehicle	20,000	-
Mountain Bike Trails - State	350,000	-
Mountain Bike Trails - Federal	587,500	-
Break O'Day Multi-Purpose Indoor Stadium	-	50,000
Golden Fleece Bridge	-	395,525
Community infrastructure	-	15,000
St Marys & Upper Scamander Bridges	-	300,000
2016 Floods	-	648,147
Other Grants	123	9,782
Total capital grants	1,719,523	2,300,487

	2019	2018
	\$	\$
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	671,349	375,053
Less: expended during the current period from revenues recognised in previous reporting periods		
Regional Workforce Development Plan	(33,510)	-
Community Infrastructure Fund Grant	(1,990)	-
St Marys Flood Risk Management \$40k Grant	-	(21,923)
Public Toilet at Poimena, Blue Tier Regional	-	(9,919)
Asset Management Planning (LGAT)	-	(5,000)
Safer Communities	-	(27,252)
Roads to recovery	(568,242)	(62,937)
Learner Driver Mentor Program	(22,387)	(21,805)
26TEN Community Grant for Break O'Day Council	-	(31,370)
Georges Bay/Parnella Landslide Area	-	(165,847)
	<u>(626,129)</u>	<u>(346,053)</u>
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions		
26TEN Community Grant for Break O'Day Council	45,455	-
Community Infrastructure Fund Grant	-	15,000
Roads to recovery	-	568,242
Learner Driver Mentor Program	-	22,387
Regional Workforce Development Plan	12,500	36,720
	<u>57,955</u>	<u>642,349</u>
	<u>103,175</u>	<u>671,349</u>
Unexpended at the close of this reporting period		
Net increase (decrease) in non-reciprocal grant revenues for the year:	<u>(568,174)</u>	<u>296,296</u>

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

Note 9	Contributions	2019	2018
		\$	\$
	Cash		
	Heavy Vehicle Contribution Fees	72,642	72,642
	Parks, open space and streetscapes	5,116	5,057
	Total	77,758	77,699
	(b) Non-monetary assets		
	Recreation and sports facilities	-	408,600
	Total	-	408,600
	Total contributions	77,758	486,299

Accounting policy

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.

Note 10

Interest

Interest on financial assets	245,611	175,364
Interest and penalties on rates	105,695	92,930
Total	351,306	268,294

Accounting policy

Interest income

Interest is recognised progressively as it is earned.

Note 11

Other income

Sale of goods	54,284	147,351
Employment subsidies	8,675	12,130
S137 undaimed funds	12,179	22,275
Reimbursements	50,445	38,997
Other	35,203	24,242
Total other income	160,786	244,995

Accounting policy

Other Income

Other income is recognised as revenue when the payment is due or the payment is received, whichever first occurs.

		2019	2018
		\$	\$
Note 12	Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
	Proceeds of sale	153,400	155,926
	Written down value of assets disposed	(322,080)	(408,514)
	Total	(168,680)	(252,588)

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.

Note 13

Investment revenue from water corporation

Dividend revenue received	203,480	358,882
Tax equivalent received	132,110	171,790
Guarantee fee received	25,903	53,171
Total investment revenue from water corporation	361,493	583,843

Accounting policy

Investment revenue

Dividend revenue is recognised when Council's right to receive payment is established.

Note 14

Employee benefits

Wages and salaries	3,484,638	3,348,891
Workers compensation	90,674	75,894
Annual leave and long service leave	463,669	411,370
Superannuation	470,549	427,231
Fringe benefits tax	33,085	22,457
Staff training, recruitment and conferences	61,458	78,468
Uniforms and protective clothing	24,626	28,289
Payroll tax, licences and membership fees	198,317	190,631
Less amounts capitalised	4,827,016	4,583,231
Total employee benefits	(520,753)	(268,878)
	4,306,263	4,314,353

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.

Note 15	Materials and services	2019	2018
		\$	\$
	Materials and services	1,116,760	1,045,258
	Contract payments	1,170,682	1,233,434
	Waste collection contracts*	1,029,716	842,873
	Plant and equipment maintenance and hire	131,368	133,894
	Professional and consultants fees	354,247	395,437
	Fuel and lubricants	131,929	109,010
	Total materials and services	3,934,702	3,759,906

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.

Note 16

Impairment of receivables

Rates debtors	5,316	9,436
Other debtors	234	13,390
Recoveries of previous bad debts	(18,161)	(1,129)
Total impairment of receivables	(12,611)	21,697

Accounting policy

Impairment expense

Expenses are recognised when Council has determined there to be an increase in the credit risk of a financial asset since initial recognition. Councils policy and events giving rise to impairment losses are disclosed in note 22.

Note 17	Depreciation and amortisation	2019	2018
		\$	\$
	<i>Property</i>		
	Land improvements	177,553	178,458
	Buildings		
	Buildings	230,424	242,098
	<i>Plant and Equipment</i>		
	Plant, machinery and equipment	291,868	287,041
	Fixtures, fittings and furniture	206,987	205,720
	<i>Infrastructure</i>		
	Roads	1,713,954	1,836,116
	Bridges	443,397	445,313
	Drainage	356,194	329,352
	<i>Other assets</i>		
	Municipal revaluation	21,600	22,000
	Total depreciation and amortisation	3,441,977	3,546,098

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	25 years
Buildings	30-100 years
Plant and Equipment	
plant, machinery and equipment	3-20 years
fixtures, fittings and furniture	3-20 years
computers and telecommunications	5-10 years
Roads	
road pavements and seals	22-85 years
road substructure	100 years
road formation and earthworks	100 years
road kerb, channel and minor culverts	85 years
Bridges	
bridges deck	20-80 years
bridges substructure	20-80 years
Other Infrastructure	
footpaths and cycleways	50 years
drainage	60-80 years
recreational, leisure and community facilities	25 years
waste management	25 years
parks, open space and streetscapes	25 years
Municipal revaluations	6 years

		2019	2018
		\$	\$
Note 18	Finance costs		
	Interest - Borrowings	338,256	350,296
	Total finance costs	338,256	350,296

Accounting policy

Finance 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.

Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. No borrowing costs were capitalised during the period, (\$0).

Borrowing costs include interest on bank overdrafts, interest on borrowings, unwinding of discounts, and finance lease charges.

Note 19

Other expenses

External auditors' remuneration	37,670	35,800
Internal auditors' remuneration and expenses	5,862	6,253
Councillors' allowances and reimbursements	197,171	179,207
Fire levy	344,578	332,279
Light and power	142,989	168,271
Rates discounts and remissions	207,287	200,181
Community support and donations	118,911	114,573
Land tax	37,549	45,615
Tip site rehabilitation provision	10,845	760
Other	2,889	(6,330)
Total other expenses	1,105,751	1,076,609

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 20

Investment in water corporation

	2019	2018
	\$	\$
Opening Balance	33,717,915	33,285,899
Fair Value adjustments on available-for-sale assets	-	432,016
Fair Value adjustments on equity investment assets	4,954,610	-
Total investment in water corporation	38,672,525	33,717,915

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

Accounting policy under AASB 9 - applicable from 1 July 2018

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 30) 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 2019, Council continues to hold a 2.08% (2018: 2.10%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution which reflects the Council's voting rights.

Accounting policy under AASB 139 - applicable for 2018 comparative

Available for sale

Council's investment in TasWater is valued at its fair value determined by Council's ownership interest against the water corporation's net asset value at balance date. Any unrealised gains and losses are recognised through the Statement of Comprehensive Income to an Available-for-sale Fair value reserve each year (refer note 30).

Council has classified this asset as an Available-for-sale financial asset as defined in AASB 139 Financial Instruments: Recognition and Measurement and has followed AASB 132 Financial Instruments: Presentation and AASB 7 Financial Instruments: Disclosures to value and present the asset in the financial report. Council's investment is not traded in an active market and is only sensitive to fluctuations in the value of TasWater's net assets.

Note 21

Cash and cash equivalents

Cash on hand	3,010	2,900
Cash at bank	212,664	299,817
Cash on deposit	8,403,559	9,304,895
Committee accounts	72,947	57,291
Total cash and cash equivalents	8,692,180	9,664,903

Councils 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 27)
- Conditions on grants (note 8)
- Provisions (note 29)

Restricted funds

	224,092	246,446
	103,175	671,349
	1,422,986	1,303,330
Restricted funds	1,750,253	2,221,125

Total unrestricted cash and cash equivalents

	6,941,927	7,443,778
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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.

Note	2019	2018
22	\$	\$
Trade and other receivables		
Current		
Rates debtors	469,723	478,119
Other debtors	472,744	141,274
Provision for expected credit loss (2019) / impairment (2018)	(52,395)	(67,186)
Total	890,072	552,207
Non-current		
Loans and advances to community organisations	14,392	14,392
Total	14,392	14,392
Total trade and other receivables	904,464	566,599
Reconciliation of movement in expected credit loss		
Carrying amount at 30 June 2018 under AASB 139	(67,186)	
Amounts restated through Accumulated Funds	-	
Carrying amount at 1 July under AASB 9	(67,186)	
Amounts written off during the year	1,945	
Amounts recovered during the year	18,161	
Increase / (decrease) in provision recognised in profit or loss	(5,315)	
Carrying amount at 30 June	(52,395)	
Reconciliation of movement in provision for impairment of receivables		
Carrying amount at 1 July	(48,971)	
Amounts written off during the year	3,482	
Amounts recovered during the year	1,129	
Increase / (decrease) in provision recognised in profit or loss	(22,826)	
Carrying amount at 30 June	(67,186)	

Accounting policy

Trade and other receivables

Accounting policy under AASB 9 - applicable from 1 July 2018

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.

Accounting policy under AASB 139 - applicable for 2018 comparative

Receivables are carried at amortised cost using the effective interest rate method. A provision for impairment is recognised when there is objective evidence that an impairment loss has occurred. A provision for impairment on rates has not been established as unpaid rates represents a charge against the rateable property that will be recovered when the property is next sold.

Note 23

	2019	2018
	\$	\$
Inventories		
Inventories held for consumption	146,073	92,540
Total inventories	146,073	92,540

Accounting policy

Inventories

Inventories held for consumption are measured at cost adjusted when applicable for any loss of service potential.

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.

Note 24

Other assets

Current		
Prepayments	24,253	18,558
Accrued income*	15,763	50,741
Municipal revaluation	24,800	6,400
Total	64,816	75,699
Non-current		
Shares in Bendigo Bank	30,000	30,000
Municipal revaluation	109,000	-
Total	139,000	30,000

* Accrued income only includes items that are reciprocal in nature. This does not include Rates in Advance.

Reconciliation of movement in municipal revaluation

Carrying amount at 30 June 2018

Revaluation expense

Amounts amortised during the year

Carrying amount at 30 June

6,400
149,000
(21,600)
133,800

Reconciliation of movement in provision for impairment of receivables

Carrying amount at 1 July

Amounts amortised during the year

Carrying amount at 30 June

28,400
(22,000)
6,400

Accounting policy

Municipal revaluation

The Valuer General revalues the properties within the municipality every six years. Council uses those valuations as the basis of calculating general rates for the following six years and the cost of the revaluation is amortised over that period.

Note 25 Property, infrastructure, plant and equipment

	2019	2018
	\$	\$
Summary		
at cost	19,169,942	14,564,034
Less accumulated depreciation	(5,957,419)	(5,888,437)
	13,212,523	8,675,597
at fair value as at 30 June	191,537,998	190,546,315
Less accumulated depreciation	(59,900,994)	(58,136,100)
	131,637,004	132,410,215
Total	144,849,527	141,085,812
Property		
Land		
at fair value at 30 June	5,752,000	6,403,110
	5,752,000	6,403,110
Land under roads		
at Council valuation at 30 June	2,628,405	2,628,405
	2,628,405	2,628,405
Land improvements		
at cost	5,206,553	4,917,826
Less accumulated depreciation	(2,375,726)	(2,324,047)
	2,830,827	2,593,779
Total Land	11,211,232	11,625,294
Buildings		
at fair value at 30 June	10,865,142	11,593,166
Less accumulated depreciation	(509,615)	(973,837)
	10,355,527	10,619,329
Heritage buildings		
at fair value at 30 June	16,663	16,663
Less accumulated depreciation	(1,968)	(1,968)
	14,695	14,695
Total Buildings	10,370,222	10,634,024
Total Property	21,581,454	22,259,318

Note 25 Property, infrastructure, plant and equipment (cont.)

Plant and Equipment

Plant, machinery and equipment

at cost	4,169,802	3,782,067
Less accumulated depreciation	(2,242,916)	(2,360,070)
	1,926,886	1,421,997

Fixtures, fittings and furniture

at cost	2,024,625	1,841,894
Less accumulated depreciation	(1,338,777)	(1,204,320)
	685,848	637,574

Total Plant and Equipment

	2,612,734	2,059,571
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Infrastructure

Roads

at fair value at 30 June	113,481,022	113,133,861
Less accumulated depreciation	(40,552,968)	(39,348,371)
	72,928,054	73,785,490

Bridges

at fair value at 30 June	29,741,717	29,530,166
Less accumulated depreciation	(7,937,616)	(7,807,892)
	21,804,101	21,722,274

Drainage

at fair value at 30 June	29,053,049	27,240,944
Less accumulated depreciation	(10,898,827)	(10,004,032)
	18,154,222	17,236,912

Total Infrastructure

	112,886,377	112,744,676
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Works in progress

Buildings at cost

	117,128	120,340
--	---------	---------

Roads at cost

	3,238,595	2,269,810
--	-----------	-----------

Land improvements at cost

	2,888,097	1,176,200
--	-----------	-----------

Drainage

	1,474,900	453,931
--	-----------	---------

Bridges

	39,092	1,966
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Fixtures, fittings and furniture

	11,150	-
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Total Works in progress

	7,768,962	4,022,247
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Total property, infrastructure, plant and equipment

	144,849,527	141,085,812
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Note 25 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 30)	Depreciation and amortisation (note 17)	Written down value of disposals	Transfers	Balance at end of financial year
		\$	\$	\$	\$	\$	\$	\$
Property								
land		6,403,110	-	(629,110)	-	22,000	-	5,752,000
land under roads		2,628,405	-	-	-	-	-	2,628,405
land improvements		2,593,779	-	-	177,553	-	414,601	2,830,827
Total land		11,625,294	-	(629,110)	177,553	22,000	414,601	11,211,232
buildings		10,619,329	-	(191,742)	230,424	13,264	171,628	10,355,527
heritage buildings		14,695	-	-	-	-	-	14,695
Total buildings		10,634,024	-	(191,742)	230,424	13,264	171,628	10,370,222
Total property		22,259,318	-	(820,852)	407,977	35,264	586,229	21,581,454
Plant and Equipment								
plant, machinery and equipment		1,421,997	827,043	-	291,868	30,286	-	1,926,886
fixtures, fittings and furniture		637,574	102,141	-	206,987	-	153,120	685,848
Total plant and equipment		2,059,571	929,184	-	498,855	30,286	153,120	2,612,734
Infrastructure								
roads		73,785,490	-	-	1,713,954	153,916	1,010,434	72,928,054
bridges		21,722,274	-	-	443,397	102,614	627,838	21,804,101
drainage		17,236,912	-	1,180,257	356,194	-	93,247	18,154,222
Total infrastructure		112,744,676	-	1,180,257	2,513,545	256,530	1,731,519	112,886,377
Works in progress								
buildings		120,340	168,416	-	-	-	(171,628)	117,128
fixtures, fittings and furniture		-	172,192	-	-	-	(161,042)	11,150
roads		2,269,810	1,979,219	-	-	-	(1,010,434)	3,238,595
land improvements		1,176,200	2,118,576	-	-	-	(406,679)	2,888,097
drainage		453,931	1,114,216	-	-	-	(93,247)	1,474,900
bridges		1,966	664,964	-	-	-	(627,838)	39,092
Total works in progress		4,022,247	6,217,583	-	-	-	(2,470,868)	7,768,962
Total property, plant and equipment, infrastructure		141,085,812	7,146,767	359,405	3,420,377	322,080	-	144,849,527

Note 25 Property, infrastructure, plant and equipment (cont.)

Reconciliation of property, infrastructure, plant and equipment

2018	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 30)	Depreciation and amortisation (note 17)	Written down value of disposals	Transfers	Balance at end of financial year
	\$	\$	\$	\$	\$	\$	\$
Property							
land	6,018,110	385,000	-	-	-	-	6,403,110
land under roads	2,628,405	-	-	-	-	-	2,628,405
land improvements	2,430,536	-	-	178,458	-	341,701	2,593,779
Total land	11,077,051	385,000	-	178,458	-	341,701	11,625,294
buildings	10,275,274	25,000	-	241,930	-	560,985	10,619,329
heritage buildings	14,863	-	-	168	-	-	14,695
Total buildings	10,290,137	25,000	-	242,098	-	560,985	10,634,024
Total property	21,367,188	410,000	-	420,556	-	902,686	22,259,318
Plant and Equipment							
plant, machinery and equipment	1,314,176	472,568	-	287,041	77,706	-	1,421,997
fixtures, fittings and furniture	563,146	280,661	-	205,720	513	-	637,574
Total plant and equipment	1,877,322	753,229	-	492,761	78,219	-	2,059,571
Infrastructure							
roads	74,505,430	-	-	1,836,116	280,333	1,396,509	73,785,490
bridges	18,185,476	-	1,211,843	445,313	49,962	2,820,230	21,722,274
drainage	17,566,264	-	-	329,352	-	-	17,236,912
Total infrastructure	110,257,170	-	1,211,843	2,610,781	330,295	4,216,739	112,744,676
Works in progress							
buildings	200,275	481,050	-	-	-	(560,985)	120,340
roads	1,474,483	2,191,836	-	-	-	(1,396,509)	2,269,810
land improvements	817,708	700,193	-	-	-	(341,701)	1,176,200
drainage	5,289	448,642	-	-	-	-	453,931
bridges	1,794,467	1,027,729	-	-	-	(2,820,230)	1,966
Total works in progress	4,292,222	4,849,450	-	-	-	(5,119,425)	4,022,247
Total property, plant and equipment, infrastructure	137,793,902	6,012,679	1,211,843	3,524,098	408,514	-	141,085,812

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 incidental to the acquisition.	
Property, infrastructure, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.	
Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.	
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
	\$'000
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	1,500
fixtures, fittings and furniture	1,500
computers and telecommunications	1,500
leased plant and equipment	1,500
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
Municipal revaluations	1,500
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
Parks, recreation facilities and community amenities	cost
Heritage	fair value
Investment in water corporation	fair value

Note 25 Property, plant and equipment, infrastructure (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 <i>Property, Plant & Equipment</i> and AASB 13 <i>Fair Value Measurement</i> . 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.
Land under roads
Council recognised the value of land under roads if controls at fair value.

	2019	2018
	\$	\$
Note 26 Trade and other payables		
Trade payables	874,188	448,720
Accrued expenses	159,781	184,948
Total trade and other payables	1,033,969	633,668

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.

Note 27 Trust funds and deposits

Refundable building deposits	14,400	9,000
Section 137 seizures	142,170	146,120
Refundable civic facilities deposits	4,780	4,570
Retention amounts	47,132	78,768
Other refundable deposits	15,610	7,988
Total trust funds and deposits	224,092	246,446

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.

Note 28 Interest-bearing loans and borrowings

Current	340,941	326,296
Borrowings - secured		
Non-current		
Borrowings - secured	8,484,374	8,825,315
Total	8,825,315	9,151,611
Borrowings are secured over Council's rates revenue.		
The maturity profile for Council's borrowings is:		
Not later than one year	340,941	326,296
Later than one year and not later than five years	3,024,096	2,958,493
Later than five years	5,460,278	5,866,822
Total	8,825,315	9,151,611

Accounting policy

Interest bearing liabilities

The borrowing capacity of Council is limited by the Local Government Act 1993. Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition these liabilities are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over the period of the liability using the effective interest method.

Note 29 Provisions

	Annual leave & RDO's	Long service leave	Landfill restoration	Other	Total
2019	\$	\$	\$	\$	\$
Balance at beginning of the financial year	412,317	572,829	244,165	74,019	1,303,330
Additional provisions	344,769	155,170	17,391	39,663	556,993
Amounts used	(318,835)	(86,995)	-	(31,507)	(437,337)
Balance at the end of the financial year	438,251	641,004	261,556	82,175	1,422,986
2018					
Balance at beginning of the financial year	388,476	480,857	250,692	65,103	1,185,128
Additional provisions	293,352	124,643	760	32,772	451,527
Amounts used	(269,511)	(32,671)	(7,287)	(23,856)	(333,325)
Balance at the end of the financial year	412,317	572,829	244,165	74,019	1,303,330
(a) Employee benefits				2019	2018
(i) Current				\$	\$
Annual leave and RDO's				438,251	412,317
Long service leave				355,765	300,638
				794,016	712,955
(ii) Non-current					
Long service leave				285,239	272,191
				285,239	272,191
Aggregate carrying amount of employee benefits:					
Current				794,016	712,955
Non-current				285,239	272,191
				1,079,255	985,146
The following assumptions were adopted in measuring the present value of employee benefits:					
Weighted average increase in employee costs				5.32%	8.92%
Weighted average discount rates				1.05%	2.17%
Weighted average settlement period				10	10
(iii) Current					
All annual leave and the long service leave entitlements representing 10 or more years of continuous service				438,251	412,317
- Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value					
- Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value				355,765	300,638
				794,016	712,955
(iv) Non-current					
Long service leave representing less than 10 years of continuous service measured at present value				285,239	272,191
(v) Employee Numbers (FTE)				52	50

Note 29 Provisions (cont.)

Accounting policy	
Employee benefits	
<i>i) Short term obligations</i>	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.
<i>ii) Other long term employee benefit obligations</i>	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.
<i>iii) Sick leave</i>	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.
<i>iv) Defined benefit plans</i>	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 Quadrant Superannuation Scheme. 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.
<i>v) Defined contribution plans</i>	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) Land fill restoration

Council is obligated to restore it's waste transfer stations and quarries to a particular standard. Current projections indicate that the waste transfer station sites will cease operation in 2027 and the quarries will cease operations in 2030 and restoration work is expected to commence shortly thereafter. 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.

Notes to the Financial Report
For the Year Ended 30 June 2019

Note	30	Reserves	Balance at beginning of reporting year	Increment	(decrement)	Balance at end of reporting year
			\$	\$	\$	\$
		(a) Asset revaluation reserve				
2019						
Property						
Land			1,498,962	-	(629,110)	869,852
Land improvements			16,273	-	-	16,273
Buildings			1,120,368	-	(191,742)	928,626
			2,635,603	-	(820,852)	1,814,751
Infrastructure						
Roads			127,789,391	-	-	127,789,391
Bridges			2,214,840	-	-	2,214,840
Drainage			12,385,525	1,180,257	-	13,565,782
			142,389,756	1,180,257	-	143,570,013
		Total asset revaluation reserve	145,025,359	1,180,257	(820,852)	145,384,764

2018						
Property						
Land			1,498,962	-	-	1,498,962
Land improvements			16,273	-	-	16,273
Buildings			1,120,368	-	-	1,120,368
			2,635,603	-	-	2,635,603
Infrastructure						
Roads			127,789,391	-	-	127,789,391
Bridges			1,002,997	1,211,843	-	2,214,840
Drainage			12,385,525	-	-	12,385,525
			141,177,913	1,211,843	-	142,389,756
		Total asset revaluation reserve	143,813,516	1,211,843	-	145,025,359

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

		(b) Fair value reserve	Balance at beginning of reporting year	Increment	(decrement)	Balance at end of reporting year
			\$	\$	\$	\$
2019						
Equity Investment assets						
Investment in water corporation			(2,365,521)	4,954,610	-	2,589,089
		Total fair value reserve	(2,365,521)	4,954,610	-	2,589,089
2018						
Available-for-sale assets						
Investment in water corporation			(2,797,537)	432,016	-	(2,365,521)
		Total fair value reserve	(2,797,537)	432,016	-	(2,365,521)

Council designates 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. Equity Investment assets within the Fair value reserve were previously classified as 'Available-for-sale assets'.

Notes to the Financial Report
For the Year Ended 30 June 2019

	Balance at beginning of reporting year	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting year
(c) Other reserves	\$	\$	\$	\$
2019				
Facilities and properties	76,907	2,843	-	79,750
Other Reserves	944,930	14,500	(568,174)	391,256
Total Other reserves	1,021,837	17,343	(568,174)	471,006
2018				
Facilities and properties	71,850	5,057	-	76,907
Other Reserves	626,357	318,573	-	944,930
Total Other reserves	698,207	323,630	-	1,021,837

Facilities and properties reserve recognises those funds that are being retained for future contributions to capital works on Council properties, buildings and recreational facilities. It includes contributions from developers towards establishment of public open space areas.

Other reserves are amounts set aside for specific purposes. These largely include grants not yet expended and funds received for various community development and cultural projects.

	2019	2018
Total Reserves	\$ 148,444,859	\$ 143,681,675

Note 31 Reconciliation of cash flows from operating activities to surplus (deficit)

Surplus/(Deficit)	2,749,795	3,343,748
Depreciation/amortisation		
(Profit)/loss on disposal of property, plant and equipment, infrastructure	3,441,977	3,546,098
Contributions non-monetary	168,680	252,588
Capital grants received specifically for new or upgraded assets	-	(408,600)
<i>Change in assets and liabilities:</i>	(1,719,523)	(2,300,487)
Decrease/(increase) in trade and other receivables	(337,865)	515,188
Decrease/(increase) in other assets	29,283	(12,112)
Decrease/(increase) in inventories	(53,533)	45,304
Increase/(decrease) in trade and other payables	400,301	(715,819)
Increase/(decrease) in provisions	119,656	118,202
Increase/(decrease) in other liabilities	(22,354)	9,689
Net cash provided by/(used in) operating activities	4,776,417	4,393,799

Note 32 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

Balance as at 1 July	\$	\$
Changes from financing cash flows:		
Cash Received	9,151,611	7,963,903
Cash Repayments	(326,296)	1,500,000
Balance as at 30 June	8,825,315	9,151,611

Interest-bearing loans and borrowings

Note 33 Reconciliation of cash and cash equivalents	2019	2018
Cash and cash equivalents (see note 19)	\$ 8,692,180	\$ 9,664,903
Total reconciliation of cash and cash equivalents	8,692,180	9,664,903

Note 34 Financing arrangements

Credit Card	30,000	30,000
Used facilities	4,566	4,928
Unused facilities	25,434	25,072
Security Deposit Guarantee	100,000	100,000
Used Facility	91,000	91,000
Unused facilities	9,000	9,000

Note 35 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 2019 the Council contributed 0% (2018: 9.5%) 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 2017.
- 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.

The Actuary recommended that in future the Council contribute 9.5% of salaries in 2017/18 and 0% 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 2020 and is expected to be completed late in 2020.

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.

- 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 2018, showed that the Fund had assets of \$57.48 million and members' Vested Benefits were \$48.39 million. These amounts represented 0.7% and 0.6% respectively of the corresponding total amounts for Tasplan.
- As at 30 June 2018 the fund had 119 members and the total employer contributions and member contributions for the year ending 30 June 2018 were \$1,515,272 and \$266,000 respectively.

Fund	2019	2018
Defined benefits fund	\$	\$
Employer contributions to Tasplan	-	9,921
	-	9,921
Accumulation funds		
Employer contributions to super funds	470,548	417,310
	470,548	417,310

Note 36 Commitments

Contractual commitments

Contractual commitments at end of financial year but not recognised in the financial report are as follows:

Waste transfer stations and collections	2,872,956	3,228,412
Cleaning contracts for council buildings	132,777	110,648
Total contractual commitments	3,005,733	3,339,060

Capital expenditure commitments

Roads and drainage	31,952	46,526
Bridges	-	215,332
Other Infrastructure	1,794,966	-
Total capital expenditure commitments	1,826,918	261,858

Note 37 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:

2019

	Weighted average interest rate	Floating interest rate	Fixed interest maturing in:				Total
		\$	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	\$
Financial assets							
Cash and cash equivalents	2.19%	1,619,853	7,069,317	-	-	3,010	8,692,180
Trade and other receivables		-	-	-	-	904,464	904,464
Investment in water corporation		-	-	-	-	38,672,525	38,672,525
Total financial assets		1,619,853	7,069,317	-	-	39,579,999	48,269,169
Financial liabilities							
Trade and other payables		-	-	-	-	1,033,969	1,033,969
Trust funds and deposits		-	-	-	-	224,092	224,092
Interest-bearing loans and borrowings	3.68%	-	340,941	3,024,096	5,460,278	-	8,825,315
Total financial liabilities		-	340,941	3,024,096	5,460,278	1,258,061	10,083,376
Net financial assets (liabilities)		1,619,853	6,728,376	(3,024,096)	(5,460,278)	38,321,938	38,185,793

2018

	Weighted average interest rate	Floating interest rate	Fixed interest maturing in:				Total
		\$	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	\$
Financial assets							
Cash and cash equivalents	2.52%	1,582,168	8,079,835	-	-	2,900	9,664,903
Trade and other receivables		-	-	-	-	566,599	566,599
Investment in water corporation		-	-	-	-	33,717,915	33,717,915
Total financial assets		1,582,168	8,079,835	-	-	34,287,414	43,949,417
Financial liabilities							
Trade and other payables		-	-	-	-	633,668	633,668
Trust funds and deposits		-	-	-	-	246,446	246,446
Interest-bearing loans and borrowings	3.70%	-	326,296	2,958,493	5,866,822	-	9,151,611
Total financial liabilities		-	326,296	2,958,493	5,866,822	880,114	10,031,725
Net financial assets (liabilities)		1,582,168	7,753,539	(2,958,493)	(5,866,822)	33,407,300	33,917,692

Note 37 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 Statement of Financial Position		Aggregate net fair value	
	2019	2018	2019	2018
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	8,692,180	9,664,903	8,692,180	9,664,903
Trade and other receivables	904,464	566,599	904,464	566,599
Investment in water corporation	38,672,525	33,717,915	38,672,525	33,717,915
Total financial assets	48,269,169	43,949,417	48,269,169	43,949,417

Financial liabilities

Trade and other payables	1,033,969	633,668	1,033,969	633,668
Trust funds and deposits	224,092	246,446	224,092	246,446
Interest-bearing loans and borrowings	8,825,315	9,151,611	9,627,909	9,541,402
Total financial liabilities	10,083,376	10,031,725	10,885,970	10,421,516

(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.

Council loan borrowings are sourced from Tascorp at a Government level of interest rate and security. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

Council manage the interest rate exposure on council debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Treasury and Finance each year.

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.

Note 37 Financial Instruments (cont.)

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, Council:

- has a policy for establishing credit limits for the entities we deal with;
- may require collateral where appropriate; and
- 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 balance 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 Council provide a guarantee for another party.

Movement in Provisions for Impairment of Trade and Other Receivables

	2019	2018
	\$	\$
Balance at the beginning of the year	(67,186)	(48,971)
New/used Provisions recognised during the year	(5,316)	(22,826)
Amounts already provided for and written off as uncollectible	1,946	3,482
Amounts provided for but recovered during the year	18,161	1,129
Balance at end of year	(52,395)	(67,186)

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:

	2019	2018
	\$	\$
Current (not yet due)	31,739	83,621
Past due by up to 30 days	21,699	34,349
Past due between 31 and 180 days	15,206	11,879
Past due between 181 and 365 days	4,274	103
Past due by more than 1 year	54,005	61,379
Total Trade & Other Receivables	126,923	191,331

Liquidity risk

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

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

To help reduce these risks Council:

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

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

Note 37 Financial Instruments (cont.)

The table below lists the contractual maturities for Financial Liabilities

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

2019	6 mths or less	6-12 months	1-2 years	2-5 years	>5 years	Contracted Cash Flow	Carrying Amount
	\$	\$	\$	\$	\$	\$	\$
Trade and other payables	1,033,969	-	-	-	-	1,033,969	1,033,969
Trust funds and deposits	224,092	-	-	-	-	224,092	224,092
Interest-bearing loans and borrowings	168,599	172,342	356,256	2,667,840	5,460,278	8,825,315	8,825,315
Total financial liabilities	1,426,660	172,342	356,256	2,667,840	5,460,278	10,083,376	10,083,376

2018	6 mths or less	6-12 months	1-2 years	2-5 years	>5 years	Contracted Cash Flow	Carrying Amount
	\$	\$	\$	\$	\$	\$	\$
Trade and other payables	633,668	-	-	-	-	633,668	633,668
Trust funds and deposits	246,446	-	-	-	-	246,446	246,446
Interest-bearing loans and borrowings	161,358	164,938	340,941	2,617,552	5,866,822	9,151,611	9,151,611
Total financial liabilities	1,041,472	164,938	340,941	2,617,552	5,866,822	10,031,725	10,031,725

Note 37 Financial Instruments (cont.)

(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

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				
Financial assets:				
Cash and cash equivalents	8,692,180	(173,844)	86,922	86,922
Trade and other receivables	904,464	(18,089)	9,045	9,045
Financial liabilities:				
Interest-bearing loans and borrowings	8,825,315	176,506	(88,253)	(88,253)

	Interest rate risk			
	-2 %		+1%	
	-200 basis points		+100 basis points	
	Profit	Equity	Profit	Equity
	\$	\$	\$	\$
2018				
Financial assets:				
Cash and cash equivalents	9,664,903	(193,298)	96,649	96,649
Trade and other receivables	566,599	(11,332)	5,666	5,666
Financial liabilities:				
Interest-bearing loans and borrowings	9,151,611	183,032	(91,516)	(91,516)

Note 38 Events occurring after balance date

No matters have occurred after balance date that warrant disclosure in this report.

Note 39 Special committees and other activities

	2019 \$	2018 \$
Pyengana Ground and Hall Committee		
Opening balance cash on hand	57,291	42,716
Receipts	21,420	22,192
Less payments	(5,764)	(7,617)
Closing balance - cash on hand	72,947	57,291

Note 40 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 Mick Tucker (Mayor)
	Councillor John McGiveron (Deputy Mayor)
	Councillor Margaret Osborne (to October 2018 and re-elected April 2019)
	Councillor Glen McGuinness
	Councillor Janet Drummond
	Councillor Barry LeFevre
	Councillor Kylie Wright
	Councillor Lesa Whitaker (from November 2018)
	Councillor Kristi Chapple (from November 2018)
	Councillor John Tucker (to March 2019)
	Councillor Hannah Rubenach (to October 2018)

**General Manager
Senior Managers**

John Brown
Bob Hoogland
Christina Hughes
David Jolly (from 1/7/18)
Jake Ihnen
Paula Kloosterman
Wayne Polden

(ii) Councillor Remuneration

2019

Short term benefits

	Allowances \$	Vehicles \$	Total Compensation AASB 124 \$	Expenses ¹ \$	Total allowances and expenses section 72 \$
Mayor	43,936	-	43,936	12,100	56,036
Deputy Mayor	24,568	-	24,568	2,541	27,109
Councillors	86,817	-	86,817	19,659	106,476
Total	155,321	-	155,321	34,300	189,621

2018

Short term benefits

	Allowances \$	Vehicles \$	Total Compensation AASB 124 \$	Expenses ¹ \$	Total allowances and expenses section 72 \$
Mayor	42,953	-	42,953	7,354	50,307
Deputy Mayor	24,019	-	24,019	2,283	26,302
Councillors	85,904	-	85,904	16,694	102,598
Total	152,876	-	152,876	26,331	179,207

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

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For the Year Ended 30 June 2019

(iii) Key Management Personnel Remuneration

2019	Remuneration band	Number of employees	Short term employee benefits		Post employment benefits		
			Salary ¹ \$	Vehicles ² \$	Superannuation ³ \$	Non-monetary Benefits ⁴ \$	Total \$
	\$100 001 - \$130 000	5	488,575	41,571	62,900	(7,396)	585,650
	\$140 001 - \$160 000	1	124,612	6,153	15,577	11,731	158,073
	\$220 001 - \$240 000	1	190,320	6,469	24,220	19,781	240,790
Total			803,507	54,193	102,697	24,116	984,513

2018	Remuneration band	Number of employees	Short term employee benefits		Post employment benefits		
			Salary ¹ \$	Vehicles ² \$	Superannuation ³ \$	Non-monetary Benefits ⁴ \$	Total \$
	\$80 001 - \$100 000	1	179,149	13,612	22,587	5,124	220,472
	\$100 001 - \$120 000	4	297,273	23,041	39,089	16,873	376,276
	\$200 001 - \$220 000	1	180,356	3,763	22,006	(4,582)	201,543
Total			656,778	40,416	83,682	17,415	798,291

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 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.

4 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 services and materials	\$4,627	Council owes \$134	30-day terms on invoices

Council purchased stationery and electrical repairs services during the year from businesses associated with Council KMP. 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.

Note 41 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 Other 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 41 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:

AASB 9 Financial Instruments

This standard replaces the existing standard, AASB 139: Financial Instruments: Recognition and Measurement and revises classification, measurement and disclosure of financial assets and liabilities. It reduces the number of categories for financial assets and simplifies the measurement choices, including the removal of impairment testing of assets measured at fair value. Classification of financial assets is determined by Council's business model for holding the particular asset and its contractual cash flows.

Council has applied this standard from 1 July 2018 using a retrospective approach with cumulative catch-up. This does not require Council to restate comparative figures, but does require the presentation of both qualitative and quantitative disclosures for affected items, along with a corresponding adjustment to the opening balance of Accumulated surpluses for transitional effects of re-measurement.

Impairment of financial assets

The adoption of AASB 9 has fundamentally changed Council's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach, with a forward-looking expected credit loss (ECL) approach. AASB 9 requires Council to recognise an allowance for ECLs for all financial assets not held at fair value through profit or loss.

The effect of adopting AASB 9 as at 1 July 2018 was considered insignificant and no adjustment was made.

(h) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

(i) AASB 15 Revenue from Contracts with Customers

The standard has been deferred by AASB 2016-7 Deferral of AASB 15 for Not-for-Profit Entities, until the 2019-20 reporting period.

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.

Accounting policy changes will arise in the timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.

Council has analysed the new revenue recognition requirements noting that future impacts include:

- Depending on the respective contractual terms, the new requirements of AASB 15 may result in a change to the timing of revenue from sales of goods and services such that some revenue may need to be deferred as a liability to a later reporting period to the extent that Council has received cash, but has not met its associated performance obligations, (a promise to transfer a good or service).
 - Grants received to construct non-financial assets controlled by Council will be recognised as a liability, and subsequently recognised progressively as revenue as Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.
 - Other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific.
 - Grants that are not enforceable and/or not sufficiently specific, will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants for which there are no sufficiently specific performance obligations, for example the Commonwealth Financial Assistance Grants. These grants will continue being recognised as revenue upfront assuming no change to the current grant arrangements.
- For Council there will not be a significant effect in the treatment of all grants with sufficiently specific performance obligations where the conditions have yet to be fulfilled at year end. Council currently presents unexpended grant income received in note 8. Council's assessment is that the majority of the amounts unexpended for the year, \$44,000, will be expended in 2019/20.

Council will apply the standard from 1 July 2019.

Note 41 Other significant accounting policies and pending accounting standards (cont)

(ii) AASB 1058 Income of Not-for-Profit Entities

This standard has been deferred until the 2019-20 reporting period.

AASB 1058 supersedes all the income recognition requirements relating to councils, 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.

AASB 1058 also encompasses non-contractual statutory income such as rates, taxes and fines. Council currently recognises 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, will now be recognised as a financial liability until the commencement of that rating period. The impact to Council will be that revenue recognised when received from Rates and Charges in advance as disclosed in note 2.1, will now be recorded as a liability, with revenue deferred until the commencement of the applicable rating period.

(iii) AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. Council will apply the standard from 1 July 2019.

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.

The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and increases in lease payments. A corresponding right to use assets will be recognised, which will be amortised over the term of the lease. Rent expense will no longer be shown. The profit and loss impact of the leases will be through amortisation and interest charges. In the Statement of Cash Flows lease payments will be shown as cash flows from financing activities instead of operating activities.

Lessor accounting under AASB 16 remains largely unchanged. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

(iv) 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 acknowledge inconsistency between the requirements in AASB 10, and those in AASB 128 (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.

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 42 Management indicators

(a)	Underlying surplus or deficit	Benchmark	2019 \$	2018 \$	2017 \$	2016 \$
	Net result for the year		2,749,795	3,343,748	2,896,781	3,561,194
	Less non-operating income					
	Capital grants		1,719,523	2,300,487	1,283,291	1,988,644
	FAGs in advance		33,505	85,425	1,377,088	(1,297,926)
	Disposal of assets		-	-	151,660	-
	Flood Grant		-	-	-	2,628,405
	Contributions - non monetary assets		-	408,600	82,097	833,000
	Add non-operational expenses					
	Flood damage rectification		-	16,951	417,519	280,507
	Net loss on disposal of assets for abnormal reasons		-	125,944	191,651	-
	Underlying surplus/deficit	500,000	996,767	692,131	611,815	(310,422)

The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations. Council has achieved the benchmark in the past three years.

(b) Underlying surplus ratio

Underlying surplus or deficit	996,767	692,131	611,815	(310,422)
Recurrent income	14,111,105	13,744,139	13,756,903	13,520,655
Underlying surplus ratio %	7.1%	5.0%	4.4%	-2.3%

This ratio serves as an overall measure of financial operating effectiveness.

(c) Net financial liabilities

Liquid assets less total liabilities	9,582,252	10,217,110	8,298,456	7,472,837
Net financial liabilities	11,506,362	11,335,055	10,735,274	10,220,119
	0	(1,117,945)	(2,436,816)	(2,747,282)

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.

(d) Net financial liabilities ratio

Net financial liabilities	(1,924,110)	(1,117,945)	(2,436,816)	(2,747,282)
Recurrent income	14,111,105	13,744,139	13,756,903	13,520,655
Net financial liabilities ratio %	0% - (50%)	-13.6%	-8.1%	-17.7%

This ratio indicates the net financial obligations of Council compared to its recurrent income.

(e) Asset consumption ratio

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>Transport Infrastructure</i>						
Depreciated replacement cost	94,732,155	95,507,764	92,690,906	88,116,717		
Current replacement cost	143,222,739	142,664,027	138,752,307	135,652,822		
Asset consumption ratio %	66%	67%	67%	65%		
<i>Buildings</i>						
Depreciated replacement cost	10,355,527	10,619,329	10,275,274	8,855,997		
Current replacement cost	10,865,142	11,593,166	11,007,181	9,352,269		
Asset consumption ratio %	95%	92%	93%	95%		
<i>Drainage</i>						
Depreciated replacement cost	18,154,222	17,236,912	17,566,264	17,493,621		
Current replacement cost	29,053,049	27,240,944	27,240,946	26,811,354		
Asset consumption ratio %	62%	63%	64%	65%		

This ratio indicates the level of service potential available in Council's existing asset base.

Note 42 Management indicators (cont.)

(f) Asset renewal funding ratio

An asset renewal funding ratio is calculated in relation to each asset class required to be included in a long-term strategic asset management plan of Council. Council has prepared a long-term strategic asset management plan which was adopted in February 2018.

Transport Infrastructure

Projected capital funding outlays**

Projected capital expenditure funding***	1,239,000	1,849,000	1,522,000	2,049,000
	1,380,000	1,547,000	1,513,000	1,937,000

90-100%

90% 120% 101% 106%

Buildings

Projected capital funding outlays**

Projected capital expenditure funding***	320,000	148,000	192,000	192,000
	245,000	200,000	190,000	230,000

90-100%

131% 74% 101% 83%

Drainage

Projected capital funding outlays**

Projected capital expenditure funding***	50,000	50,000	85,000	15,000
	50,000	50,000	85,000	15,000

90-100%

100% 100% 100% 100%

** 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.

**** Council's long term strategic management plan has recently been developed hence no ratios are available for earlier years.

This ratio measures Council's capacity to fund future asset replacement requirements.

(g) Asset sustainability ratio

	2019	2018	2017	2016
	\$	\$	\$	\$
Capex on replacement/renewal of existing assets	3,918,377	3,917,923	5,198,709	2,799,848
Annual depreciation expense	3,441,977	3,546,098	3,359,005	3,613,869
Asset sustainability ratio %	100%	114%	110%	77%

This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base.

	Capital renewal expenditure	Capital new /upgrade expenditure	Total Capital Expenditure
By asset class	\$	\$	\$
Land improvements	315,863	1,802,713	2,118,576
Buildings	166,426	1,990	168,416
Plant, machinery and equipment	827,043	-	827,043
Fixtures, fittings and furniture	218,914	55,419	274,333
Roads	1,715,058	264,161	1,979,219
Bridges	636,617	28,347	664,964
Drainage	38,456	1,075,760	1,114,216
Total	3,918,377	3,228,390	7,146,767

Note 43

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 2019.

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 2019

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
Investment in water corporation	25	-	-	38,672,525	38,672,525
Land	25	-	5,752,000	-	5,752,000
Land under roads	23	-	2,628,405	-	2,628,405
Buildings	25	-	10,370,222	-	10,370,222
Roads, including footpaths & cycleways	25	-	-	72,928,054	72,928,054
Bridges	25	-	-	21,804,101	21,804,101
Drainage	25	-	-	18,154,222	18,154,222
		-	18,750,627	151,558,902	170,309,529

As at 30 June 2018

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
Investment in water corporation	25	-	-	33,717,915	33,717,915
Land	25	-	6,403,110	-	6,403,110
Land under roads	23	-	2,628,405	-	2,628,405
Buildings	25	-	10,634,024	-	10,634,024
Roads, including footpaths & cycleways	25	-	-	73,785,490	73,785,490
Bridges	25	-	-	21,722,274	21,722,274
Drainage	25	-	-	17,236,912	17,236,912
		-	19,665,539	146,462,591	166,128,130

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

Investment in water corporation

Council's investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2019, Council continued to hold a 2.08% (2018, 2.10%) ownership interest in TasWater which is based on schedule 2 of the Corporation's Constitution which reflects the Council's voting rights. Council's investment is not traded in an active market and is only sensitive to fluctuations in the value of TasWater's net assets.

Land

Land fair values were determined by the Valuer-General as part of the municipal revaluation at 30 June 2019.

Note 43

Fair Value Measurements (cont.)

Land under roads

Land under roads fair values were determined using the Valuer-General adjustment factors 2014 to 2018.

Buildings

The fair value of buildings were also determined by the Valuer-General at 30 June 2019.

Where Council buildings are of a specialist nature (eg heritage buildings) and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. The gross current values have been derived from reference to market data for recent projects and costing guides.

Infrastructure assets

All Council infrastructure assets were 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 unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a "Greenfield" assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks.

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 17.

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 was undertaken by independent valuers, Maloney Asset Management Systems, effective 1 July 2016 on depreciated replacement cost. The values were adjusted as at 30 June 2017 to reflect the movement.

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. All road segments are then componentised into formation, pavement, sub-pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

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, TasSpan, effective June 2018. 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.

Drainage

Revaluation and assessments of drainage was undertaken by Council Officers as at 30 June 2019. The valuations were based on depreciated replacement cost using unit replacement rates provided by AJL Consulting Engineers.

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.

CRC is based on the unit price for the component type. For pipes, the unit price is multiplied by the asset's length. The unit price for pipes is based on the construction material as well as the depth the pipe is laid.

Other Infrastructure

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

Note 43 Fair Value Measurements (cont.)

(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	\$ 72,928,054	Unit replacement cost per sqm	from \$9/sqm (unsealed) up to \$40/sqm (sealed)	The higher the unit cost, the higher the fair value
Bridges	\$ 21,804,101	Useful life	Refer Note 25	The longer the useful life, the higher the fair value
Drainage	\$ 18,154,222	Useful life	Refer Note 25	The longer the useful life, the higher the fair value
		Unit price per metre	From \$79/m up to \$1,649/m, depending on pipe diameter	The higher the unit price the higher the fair value

*There were no significant inter-relationships between unobservable inputs that materially affect fair values.

(e) Valuation processes

Council's current policy for the valuation of property, infrastructure, plant and equipment and investment in water corporation is set out in note 25 and 20 respectively.

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, but for which fair values are disclosed in other notes.

Council borrowings are measured at amortised cost with interest recognised in statement of comprehensive income when incurred. The fair value of borrowings disclosed in note 37 is provided by Tascorp (level 2).

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 44 Contingent liabilities and contingent assets

Contingent liabilities
Outstanding legal matters
Security deposit guaranties
Total contingent liabilities

	2019	2018
	\$	\$
	-	9,500
	109,000	109,000
	109,000	118,500

Contingent assets
Security deposit guaranties
Total contingent assets

	2019	2018
	168,798	57,988
	168,798	57,988

Note 45

Material budget variations

Council's original budget was adopted by the Council on 25 June 2018. 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 increase of \$136,453 on budget (19%) was due to increased building and planning services fees from better than expected activity in those areas.

(ii) Interest

Revenue income up \$101,306 on budget (41%) due mainly to a very conservative estimate being made for interest in the budget. Planned capital expenditures were delayed resulting in additional monies being available for investment.

(iii) Other income

The increase of \$67,686 on budget (77%) was due to unexpected reimbursements and community events which generated income.

(iv) Grants

The variation for capital was down \$3,339,877 on budget (66%) due to several grants for mountain bike trails not being received during the year.

Expenses

(i) Employee benefits

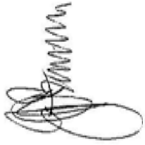
The decrease of \$691,882 on budget (14%) was due to unfilled positions that were included in the budget and some employees working on capital projects who were budgeted in operating.

(ii) Materials and services

An increase on budget of \$410,619, (12%) was due to a combination of events. The increase in activity from user fees, reimbursements, community events 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 Break O'Day Council as at 30 June 2019 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.



John Brown
General Manager

Date : 13 August 2019