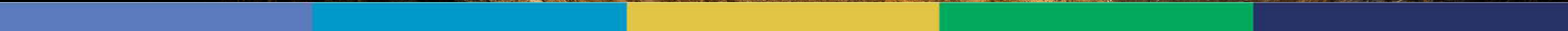




Annual Report 2019-2020



Cover image : St Helens MTB Trails

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 2020 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 (Opened 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:

**Location: 32-34 Georges Bay Esplanade,
St Helens, Tasmania, 7216**

Phone: (03) 6376 7900

Email: admin@bodc.tas.gov.au

Office Hours:

Monday - Friday 9am - 5pm

(Excluding public holidays)

After Hours Emergency: 6398 2281

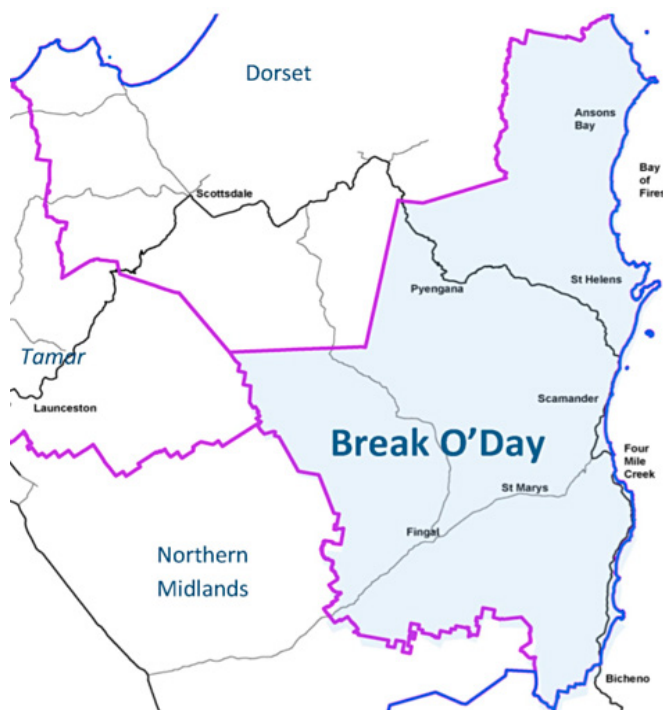


Website: www.bodc.tas.gov.au



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.

In November 2019 the St Helens MTB Network officially opened and has seen 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, as well as the 42km Bay of Fires Trail which takes riders from the top of the Tier all the way to Swimcart beach in the Bay of Fires. 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 Patrick's 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!

Well 2019-2020 has certainly been a crazy year! It started out with a lot of momentum that was suddenly halted with the COVID-19 pandemic. None-the-less, Council and Council staff have still managed to keep the cogs turning and we have seen some great projects completed and started.

Our focus for the first six months of the 2019-2020FY was on completing and, officially opening stage 1 of the St Helens MTB trails. This project was a real sprint to the finish line but the end result was an amazing achievement that has really transformed our town into a MTB destination.

The official opening of the network was 22 November 2019 followed by a celebration called Mountains to the Sea Trail-fest taking place on the 23rd. This event saw people flooding the trailhead at Flagstaff as well as the township where Council officers had organised several activities from live music to extreme MTB demonstrations.

Not even 12 months in and the trails have received plenty of media coverage, not just from local media but from MTB media outlets as well such as FLOW MTB, AMB and Revolution.

The focus of the MTB project for Council was our

community. As a tourism dependant region, increasing visitation to our area is really important as these visitors support our local businesses and drive the economy of our municipality. If anyone has any doubts about the impact that the trails have had on our town, all you have to do is count the number of cars with MTB on them next time you are in town on the weekend, or drop by a local business and ask them!

After the opening staff continued to work on the MTB trail project stage 2 and 3. Stage 2 saw the opening of three black diamond descents on 20 June 2020 with stage 3 scheduled for completion by September 2020. Due to COVID-19 restrictions, we just had a soft opening for the black diamond trails but it still brought hundreds of Tasmanian riders to St Helens to test out the new trails.

Just like all other businesses, Council was impacted by COVID-19 in February 2020. Council staff had to quickly formulate working from home plans while at the same time making sure that our community would still have continuity of service. Staff should be congratulated on how they rose to the challenge and I am proud to say that despite COVID, it was pretty much business as usual for staff.

The pandemic also saw Council focusing on community wellbeing and recovery. This saw Council develop and

implement the Rates Hardship Policy as well as the Community Care and Recovery Package, both designed to support our residents and business during this time. Council staff also undertook Business Care Calls and supported businesses with COVID safety plans.

Due to the Pandemic, Council also hired a Health and Wellbeing Officer who works with staff and the community developing initiatives to promote wellbeing. Two of these initiatives were Kindness Cards and Thank you cards. Staff also planned Community Care Calls for July which will see staff heading out to 11 townships across the municipality undertaking a survey and generally catching up with the community to see how they have fared and what they would like to see Council do to assist them.

Another major project that Council has started this financial year is the construction of the missing links of the Georges Bay multi-user track. We received just over \$2million in Federal funding to undertake these works which will see the construction of an elevated walkway, pedestrian bridge and gravel track extensions. Once completed the works will allow walkers and cyclists to ride/walk all the way around Georges Bay to Lions Park where they can also head up the Townlink Track to the St Helens MTB trailhead at Flagstaff. Work for this project will commence next financial year. We are all excited

about this project as not only will it be a real legacy for our community but we will also be using local contractors to undertake the work.

The Old Tasmania Hotel project in Fingal has also received significant Federal funding as well as a financial contribution from Council to complete renovations works, these should be completed by the end of 2020. This project is something that I am really proud of as not only has it seen the restoration of a historically and culturally significant building to the Fingal Community, but when completed the work will allow a variety of services to operate out of the building as well as providing a wonderful community space for all to enjoy.

While COVID has certainly had a negative impact on all of us, it is important we stay focussed on the positives and I truly believe that we will see some real positives once we come out the other side of this. One thing I have already noticed is that Council are starting to see increasing support from our community, this is a really positive thing. Too often we find that the community has high expectations of Council without the willingness to support or help despite putting forward ideas and suggestions. At the end of the day we are all in this together and Council and Community have to work together to achieve the life, community and municipality we want.

I believe that we will all come out of this pandemic stronger, more connected and more motivated to affect some real positive changes in our community.

Mick Tucker
MAYOR

Councillors Barry LeFevre, Lesa Whitaker, Glen McGuiness, Mayor Mick Tucker and Kristi Chapple checking out the trail head with Trail Project manager Ben Pettman.



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).

A year of highs, lows and achievements coupled with a sea of uncertainty for us to navigate our way through. Maybe this is the best way to summarise the roller coaster year that we have all had.

Councillor Attendance 2019-2020

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

Organisational Structure



General Manager's Report



There is no doubt that opening the first stage of the St Helens Mountain Bike Trails was a highlight. We have been working towards this day for a number of years as we navigated extensive approval processes and then ultimately we started building the Network. The support that we received from key stakeholders, the community and the business community in the lead up to the Trails opening was truly amazing. It has been a real collaborative effort and this was recognised by the Australian Mountain Bike Association where we won an Award for the Power of Partnership.

The recognition that this project is receiving doesn't just stop there, the innovation associated with the project includes our unique Trail Ambassador program, Emergency Management system and the hygiene stations we have designed and created. The Trail Ambassador program was developed by a cross-Department team who participated in the Local Government Professionals Management challenge a few months earlier. It made a huge amount of sense and it was really pleasing to actually see this innovative program being put into practice and the outstanding support from the business community.

Other highlights have been finally dealing with some long-term unfinished projects, both the Old Tasmanian

Hotel top floor and the missing section of the Georges Bay Multi-User Track have hung around for basically 30 years or more, they are actually projects started back in the days of the former Fingal and Portland Councils. Both of these projects will be completed in the second half of 2020 and I just know that they will bring immense enjoyment to their respective communities and users.

Early in 2020 the sea of uncertainty appeared in the form of COVID-19 and in late March the world that we knew became a thing of the past. In an incredibly short period of time we evolved our approach to service delivery from our traditional approach based around the office and depot to the online working from home approach and splitting the depot operations. During this time our employees were amazing as they threw themselves into making it happen so that we could continue delivering services with minimal interruption whilst they dealt with their own personal uncertainty. The support of our Councillors during this time was great, they just let us get on and make the decisions we felt were right to keep things going whilst keeping them informed of the rapidly changing situation we were dealing with.

When we sit back and look there have been a number of positives which have come out of this which have become part of our ongoing approach. A number of system

changes with a focus on electronic processing are here to stay as is our use of video meeting platforms such as MS Teams and Zoom. It also provided us with a reality check on our daily lives and a refocus towards the things that really matter and that maybe we started taking for granted. Our wellbeing became front and centre as we grappled with, and continue to grapple with, the impact on our mental health. It was during this time that we added the focus of wellbeing to our activities which has become part of our response to COVID-19. We became acutely aware of not just our own feelings but how our community was feeling, volunteers, business owners, community groups, were all under stress and we needed to help in any way we could. A focus on wellbeing actually forms part of the Vision within Council's Strategic Plan so it is something really important to our community and will be a vital focus in the years ahead.

The support from our political representatives at the Federal and State level is a vital part of securing our future. The projects I have mentioned above all relied upon State and/or Federal funding and would not have proceeded without their support.

As in any year we had a few employees move on in other directions and we welcomed some new people to the BODC Team. A special thank you to Paula (Human Resource

Manager/EHO); Chris (Town Planner); Tim (Economic Development Officer), Geraldine (Planning Services Coordinator) and Luke (Trails Worker) who left us during the year and we wish you all the best for the future. To all of our other amazing and dedicated employees, thank you so much for the huge effort this year and in particular during this very trying time.

Mayor and Councillors, also a big thank you for the support during the year. It has enabled myself and the BODC team to get on with doing our best for the community we serve.

John Brown
GENERAL MANAGER

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.

Actions 1.1.1.1: Online Surveys - Use surveys in community consultation regarding Council activities and show transparency and accountability of Council)

Actions 1.1.1.2: Council Services Survey - Publish online survey regarding Council services and perception in the community in order to establish a benchmark to gauge brand development.

Actions 1.1.1.3: Plain English Communication - Develop a 'Plain English' approach to Council communications in line with the new Communications Guide.

Actions 1.1.1.4: Communication Activities - Examine opportunities to implement new communication activities or develop existing activities to increase engagement with the community and knowledge of Council activities.

Communication activities have progressed well during the year with a number of new activities initiated partially due to the impact of COVID-19.

The use of surveys is becoming an increasingly important communication and consultation tool for Council and online delivery of information, the inclusion of surveys will become more of a focus for Council moving forward. This is reflected in the Community Engagement Strategy which will be implemented in the 2020-2021 Financial year.

This financial year we have continued the Business survey which is now allowing us to compare year on year data. This survey examines visitation trends in summer and winter. It was planned that Council would develop a benchmarking survey to enamine community perception and identify areas that Council could work on. Unfortunately, after receiving quotes to develop and implement this survey, it was determined that we needed to find a more cost effective model. We will continue to investigate options for this.

Council also planned to undertake a MTB survey but due to the COVID-19 this has been postponed until we can better capture interstate and international visitors.

As part of Council's Community Recovery program, Council staff will undertake a Recovery and Health and Wellbeing survey in early July 2020. This will see staff visit 11 townships with a survey which will also be available online. The focus on 'plain english' communication is an ongoing activity. Aside from reminding staff about the

On 19 September Council assisted in organising a charity event for Love Your Sister.

Communication Guide which, outlines the importance of tone, the Communications Coordinator has also been working with Development Services around plain English communication of the Local Provision Schedules (LPS.) community as well as the business community.

Key Focus Area

Communication



Events and Activities

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

Actions 1.2.1.1: Increasing Volunteers - Work with Volunteering Tasmania to engage with our community to increase our volunteer pool.

Actions 1.2.1.2: Event Capacity Building - Build the capacity of the community to conduct events.

Actions 1.2.1.3: Community Event Support - Liaise with local organisations to facilitate community events which are held throughout the year with a focus on encouraging sustainability of these events.

Actions 1.2.1.4: Event Attraction - Build connections with external event holders to encourage them to host events in our municipality resulting in one new event.

The focus of Community Services shifted once COVID-19 started affecting our communities. One shift was the role the department played in helping businesses develop COVID-19 safety plans which is currently a legislated requirement.

A lot has been achieved in this area even though it has been significantly affected by COVID-19 with a number of events scheduled for the latter part of the 2019-2020 year being cancelled and a similar situation potentially happening for our forthcoming summer season.

Addressing the impact of COVID-19 on our volunteers has been an important part of our work in recent months. COVID – 19 significantly affected volunteering in our community as volunteers were no longer able to fulfil their roles or facilitate events. Recognition of our volunteers during this time became very important and a recognition program was initiated in the form of Thank you and Kindness Cards. One positive outcome in volunteering for 2019-2020 was the attraction of an additional 10 volunteers after the Fingal/Mangana fires.

We had a successful event period for the month of January and February before COVID forced the cancellation of events including the Dragon Trail, our first MTB event. The Dragon Trail event has been rescheduled for 2021. This event is an adventure style extreme MTB event that will

see over 100 competitors competing over three days. We are continuing to work with external event organisers in planning for events and looking for opportunities to bring more events to our region.

Key Focus Area Events and Activities



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.

Actions 1.3.1.1: Community Engagement Framework - Complete the development of a Community Engagement Framework for consideration and adoption by Council.

Actions 1.3.1.2: Framework Integration - Commence the implementation of the Community Engagement Framework in Council activities.

Actions 1.3.1.3: Local Township Plans - Work with the community to ensure the identified activities in the Township Plans are addressed.

Actions 1.3.1.4: Arts & Cultural Strategy - Review the Strategy to reflect changes in community group activity levels.

Activities in this area have been disrupted to an extent due to some unforeseen factors which have arisen since the Plan was adopted 12 months ago.

The Community Engagement Framework is a key item requiring completion but has been affected by the current Local Government Act review and is currently on hold until the review is completed. We did have the document independently audited and reviewed by Our Say, who considered the document best practice. Our Say are Community Engagement specialists.

Council staff continue to work with and provide funding to the Bay of Fires Arts Prize committee. While the event was cancelled in 2020, the committee plan for the event to go ahead in 2021. It is Council’s goal to ensure that this event remains a sustainable drawcard to our region and is in line with the Arts and Cultural Strategy.

All township plans have now been completed and reporting against actions in each plan has now commenced. This financial year we held a drop-in session in Scamander to develop their Township plan as well as held St Helens Township community consultation which was broken into three reports; Marine Strategy, general township issues and

parking and traffic. The Scamander and St Helens Township Plans have now been completed and is awaiting adoption by Council. The Scamander Township plan has been adopted by Council.

Key Focus Area Council and Community Collaboration



Australia Day Celebrations 2019



Official Opening of the St Helens Mountain Bike Trails

On Friday 22 November, 2019 we officially opened the St Helens MTB Trails with a VIP ride and ribbon cutting ceremony, followed by a community celebration called the Mountains to the Sea Trail-fest on the Saturday November 23.

The VIP ride involved a group of around 10 VIPs including Mayor Mick Tucker and, Senators Duniam and Chandler participating in a World Trail guided ride of the bottom half of the Bay of Fires Trail.

Despite there being a few minor crashes, the riders all finished in one piece with big smiles all stating that they had thoroughly enjoyed the ride, commenting that it was a great way to experience our beautiful natural environment.

Senator Chandler officially opened the Bay of Fires trail as she pedaled across the finish line onto the white sands of Swimcart Beach, Bay of Fires. The media were also waiting which resulted in the opening receiving great coverage, not just from Tasmanian news outlets but also MTB magazines like FLOW, Revolution and AMB.

Following the VIP ride, participants were shuttled up to the Flagstaff Trailhead where they were greeted with a gourmet BBQ provided by Council and featuring burgers and sausages prepared by the East Coast Providore. Speeches were given and the ribbon officially cut by Local Liberal MP John Tucker, who represented the Premier.

Saturday saw the township of St Helens come alive with MTB inspired activity. Many local businesses jumped on board this event providing specials, promotions and activities for MTB riders. The idea of holding the event in town being to keep the activity in the CBD to ensure that visitors could utilise local businesses.

Council arranged for extreme MTB demonstrations from Borys Zagrocki, MTB stunt rider, kids MTB skill sessions from Shape and Ride (now Rideo) as well as live music from east coast band, the Pretty Things. All in all, there was a very festive vibe in the town.

The day was a great success and saw MTB enthusiasts and families flooding both the town as well as the Trailhead at Flagstaff.

Since the official opening, we have been working hard on stage 2 and 3 of the trails which including the launch of three new Black Diamond Descents Icarus, Shucka and Send Helens which opened on June 20.

By September 2020 we will have added a climbing trail, another descent as well as a 27km wilderness ride.

Aside from the development of the trails themselves, Council staff have also worked hard behind the scenes developing some very innovative systems for the network. This includes an Emergency Management online portal, purpose built bike hygiene stations as well as a Trail Ambassador program.

The Emergency Management Portal was developed by Austere and is both an operational management tool as well as Emergency Management tool. The system is an online platform that allows multiple levels of use. The portal contains trail information including maps of the trails, locations of emergency markers, high risk features, access routes as well as areas that require action which can be logged on the ground by trail workers.

For emergency services, the portal provides information on each Emergency marker including the closest access point, distances, timing to walk in, timing to carry a stretcher and helicopter access.

Sustainability and protecting our natural environment was front and center when we began planning the construction of the St Helens MTB trails. After ground truthing the trails evidence of root rot or *Phytophthora cinnamomi* (PC) in one area. Despite testing for PC coming back negative, the risk was too great to ignore so we moved the trail alignment, developed a procedure for construction designed to stop the spread and started thinking about how we could mitigate the risk of spread. The Trail Project Manager worked with Parks and Wildlife and spoke with an environmental specialist in WA to gather ideas. This led to the development of a Bike Hygiene station that could be dropped in remote locations. This meant the stations had to be solar powered and contain

The 'Godfather' of MTB Hans Rey and Extreme MTB stunt cyclist, Borys Zagrocki at the Official opening of the St Helens MTB Trails

their own water. In simple terms, once the start button on the hygiene stations is pressed a set amount of water is dosed with phytoclean – a chemical that kills PC on contact. The user then has 30 seconds to spray the dirt covered areas of their bike.

We have installed three of these stations in the network, one at Loila Tier, one at Flagstaff trailhead and one at the Ansons Bay Split point.

The construction of the trails was made possible with funding from both the Australian and Tasmanian Governments.



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

Actions 2.1.1.1: Economic Prospectus - Promote availability of economic prospectus and update to maintain relevance.

Actions 2.1.1.2: Irrigation Projects - Support the investigations by Tas Irrigation of infrastructure servicing the eastern end of the Fingal Valley.

Actions 2.1.1.3: Agriculture Opportunities - Research and examine potential opportunities to develop agriculture and horticulture within the Break O'Day Council area with particular focus on the Fingal Valley.

Actions 2.1.1.4: MTB Business Tool Kit - Develop a 'Mini Prospectus' or Business Tool Kit to address business interest arising from the MTB Project.

Actions 2.1.1.5: Population Strategy - Participate in regional approach to addressing the population decline of the Break O'Day area.

Actions 2.1.1.6: Growing the Population - Review the Break O'Day Economic Development Strategy and develop an approach for consideration by Council and subsequent implementation.

Actions 2.1.1.7: Aged Housing - Investigate the demand for Independent Living Units and explore the possibility of attracting a development(s) to the area.

Actions 2.1.1.8: Public Housing - Lobby the State Government and housing providers to build new public housing to replace the houses which have been sold to private buyers.

Actions 2.1.1.9: Housing - Review and report to Council on how Council might encourage new housing to be made available for the private rental market.

Progress in this area has been somewhat variable with an ongoing effort in relation to affordable and aged care housing being required. With the need to properly understand our population challenges and strategies it has been identified that we need to implement an item which Council can focus on to establish clear directions for the future. A refocus on opportunities is also necessary.

A major review of the Prospectus was undertaken towards the end of the year to maximise relevance. It is now progressing through design stages and will be available in the next financial year.

A MTB Toolkit was developed in partnership with Kingthing

Marketing which contains information for businesses who wished to align with and leverage off the opportunities presented by the completion of the St Helens MTB Trail Network.

Opportunities in the agricultural sector as well as obstacles were examined this financial year. Access to water was raised as a major concern and Tas Irrigation continues to work with land owners at the Eastern end of the Fingal and Mathinna valleys and Council has expressed our desire to be involved in this space and a watching brief is being maintained.

Agricultural Opportunities investigated include:

- A Biochar facility
- Expansion/ diversification into free range chickens, eggs and pork
- Exploration of other horticulture activities including avocado growing
- Future visitor accommodation.

Our municipality has declining population growth and an above average median age. This means that Council needs to have a strategic plan to build our population both in numbers and diversity. We understand that one influencing factor in this space is housing which, is why this financial year we examined several housing options. Council Officers have been working with the Northern

Tasmanian Development Corporation (NTDC) on their population attraction program. Broader investigations on actions need to be undertaken and further work with the Institute for the Study of Social Change. Initial discussions have been undertaken with UTas in this space but were interrupted due to the Pandemic. Both projects will be progressed in 2020-2021.

In terms of exploring Housing options, Council has had discussions with the Department of Communities Tasmania around the development of aged housing at the Annie Street, St Helens Hospital site.

Council also partnered with Centacare in examining options for affordable housing to address homelessness in our community. Centacare were successful in securing funding for the construction of social housing in Scamander however unfortunately residents objected to the development. Both Council and Centacare are committed to addressing homelessness and will continue to look at other options in the Break O'Day area.

Key Focus Area Opportunities



Tourism

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

Actions 2.1.2.1: Visitor Information Provision - Work with East Coast Tourism to strategically review the provision of visitor information services on the East Coast.

Actions 2.1.2.2: Bay of Fires Master Plan - Liaise with the State Government and other stakeholders to develop a Master Plan for the Bay of Fires area.

Actions 2.1.2.3: Visitor Information Sites - Review Tourism signage at 'mushrooms' and design new information with updated images where required.

Actions 2.1.2.4: Fingal Valley Tourism - Support Fingal Valley community groups to undertake tourism activities and projects.

Actions 2.1.2.5: St Helens Destination Action Plan - Support the business community to finalise and implement a Destination Action Plan (DAP) for St Helens.

Actions 2.1.2.6: Break O'Day Visitor APP - Examine the validity and develop business case for funding of an App.

Actions 2.1.2.7: Tourism Reliance - Develop a greater community understanding of the importance of Tourism to the local economy.

Substantial work was undertaken in this area during the year with a number of activities completed or being pursued.

Break O'Day continues to have a strong working relationship with East Coast Tasmania Tourism (ECTT) and has been working in collaboration on a number of projects including examining ways to fill the gap left by the closure of Visitor Information Centres (VIC) in Bicheno, Swansea and Triabunna.

We have been looking at our own VIC activities and this year reviewed four tourism signage 'mushrooms' located at Scamander, St Helens, St Marys and Fingal. Based on this review, new information will be developed and installed in 2021. We also examined the option of developing a tourism app however this was found not to be viable based on cost and successful apps already working in this space.

Council worked with ECTT on developing the Fingal Valley as

a tourism destination. This has resulted in the inclusion of Fingal on the Great Eastern Drive as well as updating a brochure promoting the region.

An important activity this financial year has been the planning for developing a Bay of Fires Master Plan. This will be a massive project and requires input and collaboration between Council, the State Government, Parks and Wildlife Service and the community. Preliminary discussions with Government and Parks and Wildlife Service have already started.

Our region's reliance on tourism and visitation has been put front and centre with the development of the MTB network which provided us with a unique platform to talk about tourism opportunities locally.

Through regular business information sessions, MTB toolkits and our relationship with ECTT, we have provided information on how to leverage visitors and maximise opportunities offered by the trails.

We believe that this understanding has also driven the resurgence of the Destination Action Plan Group which, after several months of no contact due to COVID-19 is now starting to gain community traction.

Tourism 'mushroom' site at Scamander River Mouth and St Marys, Main Street.



St Helens History Room

The 2019 -2020 was a very good one for the St Helens History Room providing the best revenue in takings. Visitation was lower than previous years but was still approx. the fourth highest on record since 2009 despite the effect of the pandemic. The St Helens History Room and Visitor Information Centre were closed as a result of the COVID-19 pandemic from 25 March 2020, re-opening to the public on 17 June 2020.

Exhibitions and Displays

- 'Changing Face of St Helens'
- 'Private Collections'
- 'Shackleton'
- 'On Yer Bike' - Due to closure of the centre at this time, a youtube ' virtual tour' of the exhibition was presented through the St Helens History Room's website
- Revamped Hirst Collection display
- 'Siberi to Siberia'
- 'Technology Through Time'
- 'Bowood'
- 'Bottles'
- 'Prominent Parkside'
- ANZAC Day Remembrance
- 'Fossicking and Finds'

Dragon Room

- Antique Chinese objects purchased between Council and Friends' of St Helens History Room that enabled the Dragon Room to be revamped

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.

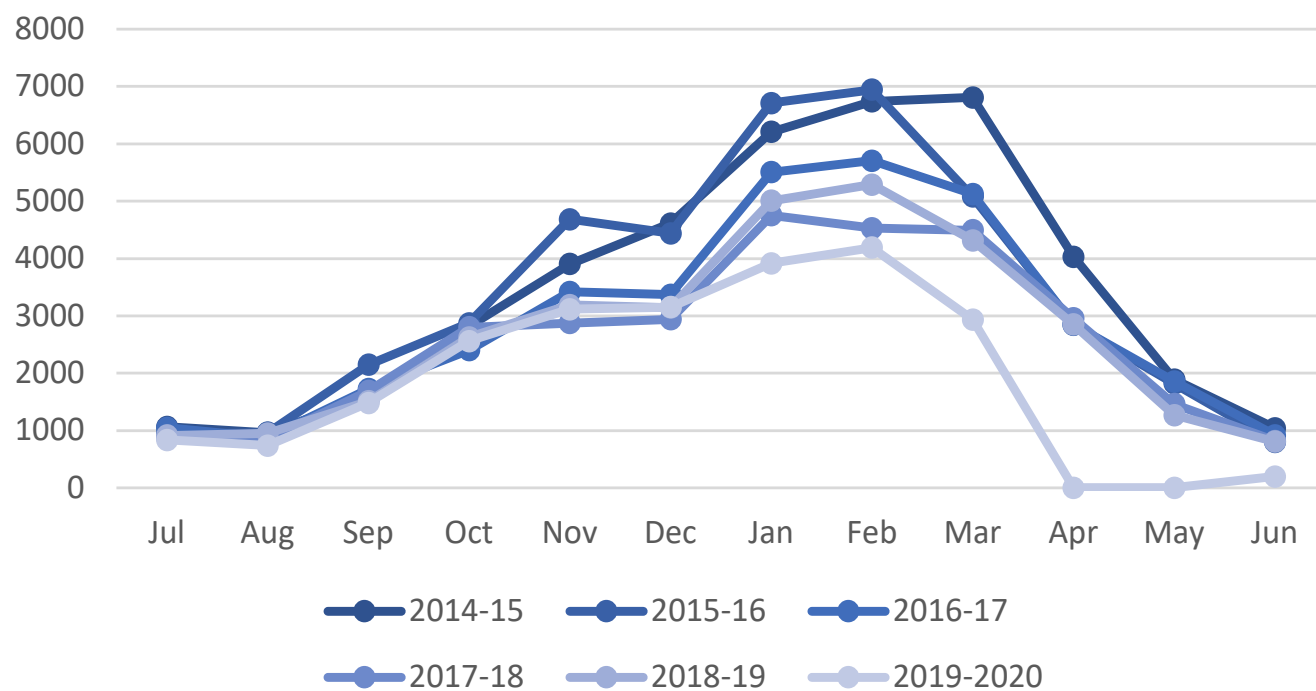
The change in visitor information seeking habits are reflected in the State Government's reinvention of their tourism strategy which will guide the future of VICs.

Statistics

Revenue (\$)	Amount	Visitor Numbers	Volunteer Hours
SHHR Entry	\$ 6 352.00	974(Families/ Couples)	1253
Sales/ Donations	\$ 1 422.05	501 (Concessions)	
Total	\$ 7 774.05	Total 1475	26 hours / week

(2010) 1700; (2011) 2001: (2009) 2100

St Helens VIC Door Count



Key Focus Area Tourism



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.

Actions 2.2.1.1: Economic Development Assistance - Provide direct support for new and existing businesses wishing to establish or expand activities.

Actions 2.2.1.2: Business Enterprise Centre (BEC) - Support the activities of the BEC with a focus on business start-ups and expansion of existing businesses.

Actions 2.2.1.3: Business Opportunities - Research and examine business opportunities that could create jobs in Break O’Day.

Actions 2.2.1.4: Business Community Leadership - Support the development of strong leadership in the community to facilitate overall development and growth.

Activities in this area are generally reactive to demand. A heartening thing this year was seeing the leadership that is starting to emerge in our local business community, particularly from the tourism sector, and particularly through the Destination Action Plan Group. The St Helens MTB project has created a number of new business opportunities resulting in businesses being established and significant capital investment.

Council renewed its financial support for the Break O’Day Business Enterprise Centre and continues to work collaboratively with the Centre as well as local businesses directly. This includes assisting businesses to navigate approval processes and this year, due to COVID, we also conducted business care calls, we have helped businesses with COVID Safety Plans and for several months as well as emailed them weekly with all relevant business information around COVID guidelines and funding opportunities.

Council has been working with the local Destination Action Plan Group and will continue to support their endeavors where possible.

Key Focus Area Employment



Brand Development

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

Positive brand development is a culmination of various activities across departments within Council.

Communication plays an integral role in this space and it is felt that a positive brand for Council is being developed. Brand is also influenced and can be determined by positive news stories. The Communications Coordinator has worked with several media outlets to ensure a regular feature from the Mayor as well as ensuring that journalists have access to information and Council’s spokesperson, the Mayor.

Another factor that is creating a positive brand for our region, wider than our local community is the promotion and interest in the St Helens MTB trails which have appeared in several popular MTB magazines including FLOW, AMB and Revolution.

Support

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

Minor area of activity with progress being reliant on State Government.

Actions 2.4.1.1: I-Plan - Participate with the State Government I-PLAN technology to enable online development query and online submission of development applications. Result, simplified Council processes and integration with I-PLAN.

Iplan is currently with the State Government pending the release of the Development Application module which will allow the public to lodge DA’s on-line via the web portal. Council officers continue to support the government initiative.

Key Focus Area Support



Investing in our communities

As a region dependent on tourism, Council has ensured it continues to invest in infrastructure that fosters and encourages visitation to our area. By doing this we are helping our businesses and economy flourish which, in turn, will lead to population growth and a thriving community.

In the 2019-2020 year Council received \$1million in funding through the Drought Communities Program (DCP). This allowed us to undertake a number of different infrastructure projects in the Fingal Valley aimed at bolstering the economy through employment as well as providing for increased visitation.

Some of the projects funded by the program include:

- Fingal Streetscape works
- Track works – Gray Mares Tail Falls, Mathinna Falls, and St Patricks Head

To undertake these works we advertised four track work positions which were filled by candidates from the Break O'Day area.

The streetscape works aim to provide parking for visitors as well as beautify the town, making it a more desirable place to stop and explore.

The works on Gray Mares Tail Falls and Mathinna Falls aim to increase, and enable access to these beautiful and iconic, Fingal Valley attractions.

Another major project that Council received Federal funding for is the extension of the Georges Bay Multi-User Track. This project received \$2.1 million and will see the multi-user track that follows Georges Bay, extended so that users can continue to follow the track around the bay right to the centre of St Helens township. The project includes a gravel walkway from near the slip at the bottom of Jason Street, an elevated walkway, as well as a purpose built bridge that will sit alongside the Golden Fleece bridge.

Council has ensured that it has used local contractors as much as possible for this project including utilising local boat builders Lyndcraft to build the elevated walkway and bridge, as well as local contractors Streetwise who will supply raw material and construct the gravel sections of track.

When completed this project will be a real legacy for our community. Not only will locals be able to enjoy the new track, but mountain bike riders will be able to ride to and from the Flagstaff Trailhead, off-road and safely.

We can't wait to be able to officially open the track and see it being used and enjoyed by locals and visitors alike.

One of FLOW MTB's images from their coverage of the network.



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.

Actions 3.1.1.1: Local Provisions Schedule (LPS) - Complete and submit LPS to the Tasmanian Planning Commission.

Actions 3.1.1.2: Tree Guide - Develop a guide for the municipality to inform street tree establishment and management.

Actions 3.1.1.3: Communication - Increase communication with local real estate agents to build understanding of the critical changes in land use planning.

Actions 3.1.1.4: Industrial Land - Develop land use strategy to address immediate and longer term industrial land requirements in the St Helens area. in 2020-21 in an Urban Green Infrastructure activity.

Actions 3.1.1.3: Communication - Increase communication with local real estate agents to build understanding of the critical changes in land use planning.

The finalisation of the draft Local Provisions Schedules was a major undertaking during the year and it now rests with the Tasmanian Planning Commission. In the later part of the year Council recognised the need for key strategic land use planning documents to be reviewed and this will be pursued in the forthcoming year.

We held community information sessions on the Draft Local Provisions Schedules in St Marys and St Helens and officers have been engaging with local real estate agents, developers and land owners with regard to proposed changes.

Council officers have developed guidelines for street trees that integrates with the Tree Management Policy. In June 2020 Council agreed to allocate funds towards developing a Land Use Strategy to address industrial land requirements in Break O'Day. This will be investigated in 2020-2021.

The view from St Patricks Head



Key Focus Area

Appropriate Development



Enjoying our Environment

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

Actions 3.2.1.1: Community Activation - Produce and provide information, publications and resources on natural resource management and support activities that foster a positive relationship with the environment.

Actions 3.2.1.2: Recognition Program - Recognise significant contributions to the environment and natural resource management with targeted awards, grant programs or events.

Progress on these activities continue to show positive outcomes, particularly around the areas of waste management and waste reduction with the community becoming increasingly engaged.

Council has undertaken several campaigns aimed at educating the community about waste including information about Council taking over the kerbside waste collection service. This included updating our website with further information as well as messaging through Facebook and the newsletter.

In terms of enjoying the environment, Council partnered with Parks and Wildlife to deliver the Discovery Ranger program to our area over summer. We also participated in the annual Big Beach walk which is well attended by the community

Key Focus Area Enjoying our Environment



Land Management

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

Actions 3.3.1.1: Land Management Activities - Secure financial and human resources for projects to rehabilitate degraded land and sustain soil productivity.

Actions 3.3.1.2: Activity and Condition Review - Investigate soil and water management performance by works and land development projects to identify planning and management improvements.

Actions 3.3.1.3: Weed Plan - Update Weed Plan with community consultation.

Actions 3.3.1.4: Best Practice Activities - Facilitate weed, pest and disease hygiene protocols and best practice in Council operations and promote benefits in industry.

Actions 3.3.1.5: Dog Management Policy - Implement revised Dog Management Policy - signage, education, compliance and new dog exercise facilities.

Activity in this area has been variable during the year due in part to the level of resources required to develop and implement the Dog Management Policy. Solid progress is being made in relation to land management activities with an increased focus on weed management. In terms of weed activity, Break O’Day Council received \$55,000 in funding through the Weed Action Fund - Drought and Weed Program. This money is funding a Drought Weeds Officer as well as \$30,000 of grants for Break O’Day farmers with weed challenges exacerbated by the drought.

We also employed a new Weed Program Coordinator who has been focussing on on-ground weed control while they settle in and familiarise themselves with problem weeds and areas before a long term weed strategy is developed, this project involves community consultation which has been hindered by COVID-19 as was the delivery of information sessions on the spread of weeds and diseases to industry.

A major undertaking has been the implementation of the new Dog Management Policy, which was developed in partnership with Parks and Wildlife Services, has seen an improved attitude to responsible dog ownership. Part of the implementation of the new policy saw the installation of new signage, increased compliance patrols and enforcement actions as well as more public education and communication.

Key Focus Area Land Management



Implementing the new Dog Management Policy has been a focus this financial year.



Water

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

Actions 3.4.1.1: George River Catchment - Review issues and their management status in the George River catchment and bay system to identify catchment and water quality priorities.

Actions 3.4.1.2: Boat Sewage - Address dumping of boat sewage in Georges Bay by working with the boating community and authorities on use of the wharf sewage pump-out station.

Actions 3.4.1.3: St Marys Flood Mitigation - Support implementation of Plan priorities - flood mitigation work, warning system and other strategies

Actions 3.4.1.4: Lower George Riverworks Trust - Support and work with the Trust to implement and secure funding for a works action plan for managing flooding issues.

The major focus of activity in this space has been the St Marys Flood Mitigation project and completion of the various components which are substantially underway, this includes; raising the Flat bridge and building an automatic rain gauge station for a flood warning system. The heavy focus on this project has resulted in other activities not occurring during the year. These will be followed up next financial year.

Reasonable but slow progress has been made on the Lower George River Flood and River Management Action Plan 2019-2022. With COVID, volunteer capacity declined with the Lower George Riverworks Trust.

Disruptions and work priorities for other activities have meant addressing the dumping of sewage and oils spills was not implemented, however a publicity campaign will be undertaken next financial year.

Key Focus Area Water



St Marys Flood Mitigation Project

In April 2019, Senator Steve Martin announced \$1.9 million in funding for the Break O'Day area, this included \$400,000 for the St Marys Flood mitigation project.

This project aims to address the flood impact on the township during severe weather events. The project involves several priorities, the following were completed this financial year:

- The implementation of the St Marys Flood Risk Management Plan - developed with community input in 2018-2019
- Lifting of the Flat Bridge
- Installation of a Flash Flood Warning System/weather station

Still being developed and will be carried over into the next financial year are:

- Construction of a Flood Levee at Groom Street
- Community Flood Planning - pilot project by SES

Development of a Local Provision Scheme

The Tasmanian Government has been working to implement a statewide planning scheme, the Tasmanian Planning Scheme (TPS) which will ensure that planning schemes for each individual Council area are based on the

same common provisions and zones for consistency.

The TPS is made up of two parts:

- The State Planning Provisions (SPPs) and
- The Draft Break O'Day Local Provisions Schedule (LPS)

The development of the LPS has required Council to translate some zones which were unique to Break O'Day to the standard zones of the Tasmanian Planning Scheme. The Environmental Living Zone is one such zone which is disappearing.

In 2019, Council's Planning Coordinator with representatives from GHD, went out to the community to outline the zone changes, what this means and what mechanisms could be used to make changes to the LPS as the process progresses through the Tasmanian Planning Commission.

In March 2020, Council's Senior Town Planner presented a Draft LPS to Council. The draft was made up of:

- Zone Maps
- Code Overlay Maps
- Specific Area Plans (SAPs)
- Site Specific Qualifications (SSQs)

As part of the development of the LPS, Council reviewed settlements across the municipality identifying areas that will require further consideration.

While most zones were a clean translation across, there

were two specific zones in our area that required thorough examination; the change from Environmental Living to Landscape Conservation and Rural Resource to rural Living or Agriculture zones.

This meant Council's planner, with input from GHD examined:

- Rural Living Zone transition – reviewing suitability of lot sizes applicable to different areas
- Landscape Conservation Zone – how/where to apply this zone

Also considered were:

- Additional industrial land required
- Whether a Specific Area Plan is required for Binalong Bay (stormwater issues in particular)
- Infill pressures in Falmouth

Once the Draft LPS has been assessed as suitable, it will go out on public for exhibition for 60 days. This will be advertised in the Examiner and a copy of the draft will be made available through the Council's website.

There is no doubt that this is a complicated process and Council is committed to ensuring the voices of the community are heard.

Raising the Flat Bridge at St Marys was one activity in the St Marys Flood Mitigation Project.



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

Actions 4.1.1.1: Old Tasmanian Hotel - Commence external and internal upgrade to the Old Tasmanian Hotel in accordance with grant funding.

Council's focus has been on undertaking major restoration works both external and internal at the Old Tasmanian Hotel in Fingal. This project has been on Council's books for many years as it required significant funding, finally, through Federal Government funding the project has become a reality.

Key Focus Area Community Facilities



Renovations to the Old Tasmania Hotel, Fingal have focussed on retaining the buildings heritage - Pictured the Old Tas. Hotel then and now



Towns

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

Action 4.2.1.1: Car Parking Strategy - Develop a car parking strategy for St Helens providing a long term plan for off-street parking.

Opportunities continue to be investigated for securing long term parking in St Helens, some progress has been made during the year however the development of a formal Strategy will be a priority for completing in the 2020-2021 year.

Council has secured a long term lease over the land on the corner of Cecilia and Quail Streets, St Helens. With works scheduled to start next financial year.

Telecommunications

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

Action 4.2.2.1: Mobile Black Spot - Monitor the roll-out of the Australian Government Mobile Black Spot Program and submit applications to service providers for areas across the municipality that require improved mobile phone coverage.

Telecommunications is an area requiring constant lobbying with the Federal Government and telecommunications providers. An area of concern is the fragmentation of network upgrades across different providers. Council continues to monitor the roll-out of the Australian Government Mobile Black Spot Program.

The Federal Government have funded a number of base stations in Tasmania under the Mobile Black Spot Programme, including one at Pyengana. The Government is proposing to run an additional round of the Program and Council has nominated Ansons Bay, The Gardens and Mangana for improved coverage.

Key Focus Area Towns



Key Focus Area Telecommunications



Waste Management:

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

Actions 4.3.1.1: Green Waste Recycling - Produce weed-free green mulch for sale on a full cost recovery basis at the St Helens Waste Transfer Station.

Actions 4.3.1.2: Inert Landfill Resource Recovery - Invoke operational changes at the St Helens Waste Transfer Station to enable the separation and recovery of materials for re-use.

Actions 4.3.1.3: Glass Re-Use - Investigate and verify by Cost Benefit Analysis - re-use opportunities for glass collected at Municipal Waste Transfer Stations.

Actions 4.3.1.4: Single Use Plastics - Develop a Municipal policy position on Single Use Plastics.

Council has had a focus on addressing the issue of Green Waste. The successful mulching trial has provided Council with the confidence to develop this into an ongoing strategy resulting in cost savings and a valuable commodity for the community. A pilot trial was undertaken in 2019 to double mulch and age green waste resulting in the production of a weed free mulch which was sold under

Expression of Interest to a local business. An operational cost recovery rate of 65% was realised as opposed to nil recovery under traditional operations. The practice will continue at the St Helens Waste Transfer Station with future mulch produced to be sold.

Operational changes were implemented at the St Helens Waste Transfer Station to provide users with the opportunity to separate various waste streams and therefore further substantially reducing waste to landfill. The St Helens site now has areas for;

1. Untreated and unpainted timber, this is stock piled and made available for purchase
2. Scrap Steel
3. Plaster board
4. Concrete, bricks, gravel and soil
5. Glass

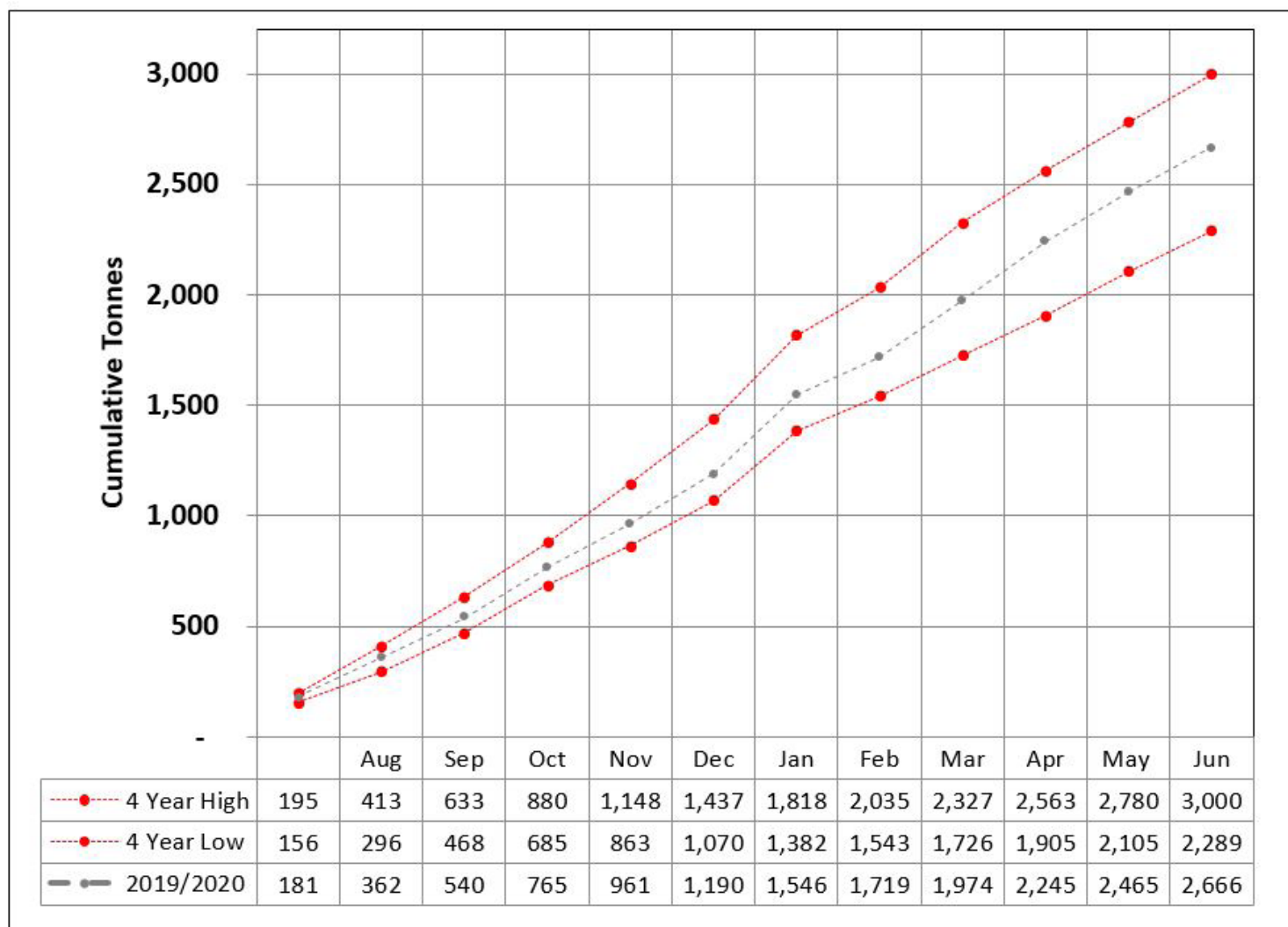
Council committed to work progressively and with the community to reduce the use of single-use plastics and other materials, in favour of reuse, recycling and organic waste management. Plastics commodity prices remain low which limits cost effective recovery options. Polystyrene recovery has temporarily been suspended due to COVID-19 disrupting the recovery chain. Glass is transported to the Scamander Waste Transfer Station and stockpiled. The quantity of glass collected

through Council's waste transfer stations is low as the majority of glass across the municipality is collected via the kerbside recyclables collection service. At the present time, there is an insufficient quantity of stockpiled glass to warrant the cost of crushing for re-use as drainage line fill, road base and asphalt/ spray coat road sealing additive. Council continues to investigate re-use and market opportunities to generate revenue for waste stream.

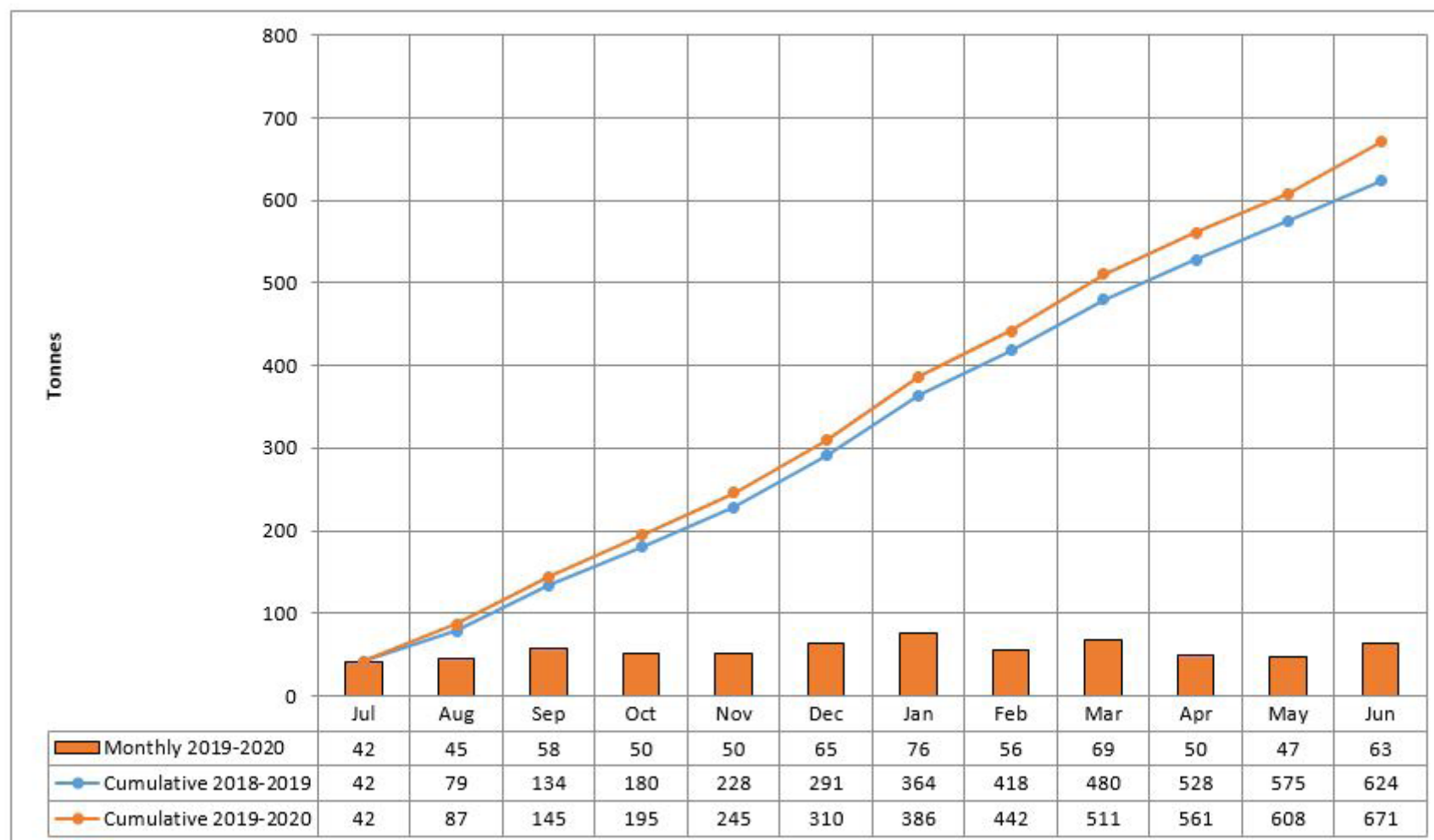
Key Focus Area Waste Management



Waste Management - Municipal General Wastes to Copping Landfill



Kerbside co-mingled Recyclables



Roads and Streets

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

Actions 4.3.2.1: State Network - Pursue upgrades to State Government road infrastructure assets (Esk Main Road and Tasman Highway) to improve safety and reliability - result, network quality.

Actions 4.3.2.2: Municipal Road Network - Complete transfer of the responsibility of Binalong Bay Road to the State Government.

Actions 4.3.2.3: Strategic Road Plan - Update Council's Plan to identify routes of Strategic Importance and urgency for the purpose of securing future road upgrade funding.

Actions 4.3.2.4: Scamander Wrinklers Entrance - Finalise approvals and undertake construction works to enhance the northern entrance of Scamander at Wrinklers Lagoon bridge.

Progress continues to be made in this area with many of the actions requiring Council to pursue them over an extended number of years, particularly where they relate

to the State Road network. Completion of the Esk Main Road upgrade with road widening between Fingal and St Marys during the year was a highlight and commencement of upgrades on the Tasman Highway will be an important milestone in this area.

Great Eastern Drive/ Tasman Highway - The Elephant Pass/ Tasman Highway intersection has been upgraded to include a passing lane. Passing lanes have been constructed at the main access points to the Chain of Lagoons. Substantial intersection upgrades occurred at Flagstaff Road and Basin Creek during the year. Council continues to pursue upgrades to the Tasman Highway south of Scamander (road widening and shoulder sealing) and improvement to the section of highway between Dianas Basin and St Helens.

Various meetings have been held with the Department of State Growth project managers to discuss required upgrade works and the timing of the handover of Binalong Bay Road to the State Government. The Department of State Growth engaged Pitt & Sherry to undertake design investigations on Binalong Bay Road commencing from July 2020.

In May 2020, the Australian Government announced a new \$500 million Local Roads and Community Infrastructure

Program (LRCI Program). This program is to support local Councils to deliver priority local road and community infrastructure projects across Australia, supporting jobs and the resilience of local economies to help communities bounce back from the COVID-19 pandemic. Council received a funding allocation of \$647,406 through this program and project nomination work is in progress.

The Scamander Wrinklers Entrance Project is progressing with the drafting of a revised site plan based on community feedback and toilet design being undertaken. Community engagement was modified due to COVID-19 and was undertaken via mail out to all Scamander residents in April and May and included the concept proposals.

Key Focus Area Roads and Streets



The works crew undertaking resheeting works on Lottah Rd, Goulds Country.



Recreational Facilities

Actions 4.3.3.1: Short Walks - Develop walking trail inventory for short walks.

Actions 4.3.3.2: Walking Trails Network - Liaise with stakeholders responsible for trails to ensure a coordinated and logical approach to trail upgrading and maintenance for priority trails.

Actions 4.3.3.3: Georges Bay Foreshore Trail - Secure approvals and commence construction.

Actions 4.3.3.4: St Helens to Binalong Bay Link walking and cycling track - Develop the project to a shovel ready stage and pursue funding.

Actions 4.3.3.5: St Helens MTB Network - Complete construction of Network including support infrastructure.

Actions 4.3.3.6: Bay of Fires Trail - Complete construction of Poimena to Swimcart trail including support infrastructure.

Actions 4.3.3.7: Rail Trail - Develop a Master Plan for a Rail Trail between St Marys and Fingal.

Actions 4.3.3.8: Walking / Bike Trail - Develop a Feasibility Study for a walking / bike trail between Mt Nicholas and Elephant Pass subject to receipt of external funding.

This was a key area of focus during the year with the major activity being the construction and delivery of the St Helens MTB Trail Network which opened on 22 November 2019, as well as the initial stages of completing the missing link of the Georges Bay Foreshore Track. In addition Council worked closely with Parks and Wildlife Services to upgrade walking tracks in the Fingal Valley using Federal Drought Communities Programme funding.

Using Drought Communities Program funding Council developed a Walking Trail upgrade project with Parks and Wildlife Service which saw a focus on upgrading key trails in the Fingal Valley, Gray Mares Tail Falls, Mathinna Falls and St Patricks Head Walking Tracks.

Council Officers have been working in collaboration with Parks and Wildlife Service, the St Helens Destination Action Plan (DAP) group and lead agency, East Coast Tasmania Tourism (ECTT), on the development of a Great Eastern Walking guide. The guide will be published in the 2020-2021 features walks all along the East Coast and the guide will be promoted through Visitor Information Centre's and online via the Great Eastern Drive and Discover Tasmania channels.

Planning is well under way for the Georges Bay Foreshore Trail project which will include the construction of a cycle pedestrian shared way bridge across the Golden Fleece Rivulet from the St Helens Wharf around the bay to the Lions Park.

The St Helens MTB Trail Network construction includes a purpose built Trailhead at Flagstaff Road with hardstand and the establishment of roads and carparks. The Trailhead area features; toilet block, shelters, bike hygiene station and trail map signage. The majority of trails including the Bay of Fires Descent were completed at this time however there are more trails scheduled or under construction that will be added to the Network by September 2020.

Construction activities for the Bay of Fires Trail included installation of a hygiene station and small car park at Ansons Bay Road and creation of a new car park at Poimena. Additional construction work has occurred to realign part of the Blue Tier Trail and the creation of a new Trailhead entrance which is scheduled for the time of reopening in September 2020. Unfortunately like everything, in late March we were forced to close the network due to the COVID-19 pandemic. In June when restrictions were eased the St Helens MTB Trail Network

and the section of trail from Anson Bay Road to Swimcart Beach were reopened however the top section, from Poimena to Anson Bay Road was kept closed due to wet weather conditions.

A Rail Trail from St Marys to Fingal is a key project listed under the Trails Master Plan and a flora and fauna report has been completed for this project.

Council sought external funding in order to develop a feasibility study for a walking/bike trail between Mt Nicholas and Elephant Pass and was successful in obtaining funding through the Building Better Regions Program.

Key Focus Area

Recreational Facilities



The St Helens MTB Trails opened on 22 November



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 delivery options - The provision of health services to be delivered at a local level addressing the community's needs.

Actions 5.1.1.1: Local Services - Work with external health services to expand the delivery of services to our community and seek additional funding by supporting the Royal Flying Doctors Service to ensure services are delivered throughout our municipality.

Actions 5.1.1.2: Old St Helens Hospital - Participate in the engagement process to determine the future use of the site.

Actions 5.1.1.3: Local Service Delivery - Work with Government agencies in relation to provision of health services to be delivered at a local level.

Actions 5.1.1.4: Doctors - Work with service providers, stakeholders and the State Government to ensure that adequate permanent doctors operate in Break O'Day

Progress on health activities has generally been on track however a resolution of the future use of the old St Helens Hospital site continues to be a source of frustration with Council and the community. Council supported the Department of Communities Tasmania to undertake a Community Engagement process regarding potential uses for the old St Helens Hospital site in July 2019. Community ideas were collated and forwarded to Communities Tasmania for their consideration. Council is now waiting on a decision from Communities Tasmania as to the future of the Old Hospital. Council will continue to lobby the State Government in regards to finding a suitable purpose for the site. Communities Tasmania proposed that they would engage an external provider to assess the economic and social benefits of the community ideas. Recently, the Old Hospital has been utilised during COVID-19 as a Respiratory Testing Clinic.

During the year we continued to work with the Royal Flying Doctors Service (RFDS) in identifying additional services for our area and supporting RFDS in sourcing funding. Current funding arrangements conclude in June 2021.

A new service that commenced this year was the additional two mental health workers dedicated to assisting our young people. This is a non-referral service and during COVID-19 was well utilised.

Currently THRIVE is reviewing the Framework for Action which will identify any new gaps in the current service delivery in health services within our municipality. Once this document is completed discussions with relevant agencies will take place and external funding will be sought.

Another focus has been working to provide support to Ochre Health regarding attracting new Doctors. This is an ongoing activity and we continue to provide support and welcome potential new Doctors to our area. Ochre were working with the Government to source additional medical staff to be able to provide the required number of medical practitioners. Ochre have continued to provide a number of doctors to ensure that an adequate service is able to operate in Break O’Day.

Key Focus Area

Health



	%	#
● Completed	100.0	4

Walkers getting out and about on the Georges Bay Multi-User track.



Youth

Actions 5.1.2.1: Local Government - Work in conjunction with St Helens District High School and St Marys District High School students to develop projects / events - educating young people in Local Government procedures.

Actions 5.1.2.2: Work Experience - Investigate with local businesses as to engaging with young people in work experience programs. (100% completed)

Unfortunately due to COVID-19 restrictions, Schools closed down and visitors are not allowed on School grounds, all interaction with local School students had to cease which impacted activities.

A number of activities were focussed on during the year before COVID-19 such as Youth Week Event – SCAMJAM; Climate Change – work was undertaken with representatives from St Helens District High School on Global Warming and Climate Change and a program of activity was being prepared which included a Community event on World Environment Day; Local Government – providing opportunities for students to attend a Council

workshop in June to give them an understanding of how Council Workshops/Meetings are ran.
Development of a work experience activity will form part of the activities undertaken through the Employment Partnership Project which has been named “Break O’Day Employment Connect”.

Key Focus Area Youth



Mental Health

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

Continue to be part of the group which are funded by PHT in relation to suicide in males aged between 40 and 64 and identify learnings that can be shared with the whole community.

Actions 5.2.1.1: Mental Health Working Group - Support the Mental Health Services Working Group to map changes if any and seek additional funding through partnerships with external services.

Actions 5.2.1.2: THRIVE - Maintain working relationship with THRIVE and participate in their activities.

Actions 5.2.1.3: Suicide Prevention - Maintain involvement in the Suicide Prevention Trial.

Council have continued to support activities in this area. In addition to the identified activities, Council has increased its focus on Mental Health and Wellbeing on a number of levels within the organisation and also within the broader community. This has occurred as part of the response to the impact of COVID-19 on life in general. Break O'Day and Bicheno Suicide Prevention Trial

Committee is currently in suspension and the Community Champions session which was scheduled for March had to be cancelled due to COVID-19.

THRIVE projects are continuing, more specifically Thrive Build, Community Garden, School Mentoring, with a large number of community members volunteering to ensure the continuation of these projects. Thrive Build has now two completed container builds. The Community Garden has increased the number of volunteers working within the garden as well as produce sold from the garden with all proceeds from sales going back into purchasing equipment to assist the volunteers develop the garden. A number of THRIVE projects had to close down due to COVID-19 however programs have started to come back on line with the appropriate restrictions in place including, the community garden and the school mentoring program. Council continues to work with relevant people to progress the school mentoring program at St Marys District High School.

Several projects are now up and running under the Suicide Prevention Trial; Safe Cafe and the Community Suicide Response Group. We are currently developing protocols around communication for the Suicide Response. A

Bereavement Group has now been established to work with those impacted in the community. Two successful sessions were held in Fingal and St Helens where community members were invited to participate in building our community's response to suicide. These forums were part of the project planning for the Community Suicide Response Group to engage our community.

Key Focus Area Mental Health



The Thrive Community garden's bumper potato crop.



Education & Skills 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.

Implement outcomes of the BDO Report.

Actions 5.2.2.1: Jobs Action Package - Support the implementation of the outcomes of the TasCOSS and TCCI led process addressing employment barriers in the Break O'Day area.

Good progress has been made in this area during the year due in large part to the Employment Partnership Program resulting from the Jobs Action Package. Work in recent years in relation to the Skills Needs Analysis and identification of barriers to employment have provided a solid foundation for this work.

A project proposal was developed by a local stakeholder group which addressed the key barriers identified through the consultation processes of TasCOSS and TCCI, this was submitted to the Steering Committee within State Government in July 2019. The local Steering Group were advised in February 2020 that it had been successful. Work has now commenced on the establishment of the project,

“Break O'Day Employment Connect” which, is being managed by the Fingal Valley Neighbourhood House. Recruitment for positions will commence at the start of July and a consultant has been engaged to develop the website and supporting electronic platforms.

Key Focus Area Education and Skills Training



Transport

Facilitate a range of transport options that support movement within and outside the Break O'Day area.

Activity in this area progressed as planned and is likely to accelerate in the forthcoming year through the Break O'Day Employment Connect project.

Actions 5.2.3.1: Local Transport Network - Promote the transport services that are currently available through the development of a community page.

Actions 5.2.3.2: Transport Gap Analysis - Work with local community organisations who offer transport to identify where the needs are for additional transport options and work with the current providers on servicing the identified gaps.

Actions 5.2.3.3: Learner Driver Mentor Program - Recruit and train additional mentors to support the program.

Transport related barriers were identified during the engagement process through the Jobs Action Package project. Developing a solution formed part of the proposal and will form part of the soon to be established website for Break O'Day Employment Connect. Promotion of the Local Transport Network has progressed and is likely to accelerate next financial year through the Break O'Day Employment Connect project.

Two new Learner Driver Mentors were inducted and commenced mentoring learners prior to COVID-19 pandemic.

The Department of State Growth approved the Learner Driver Mentor Program to recommence in July 2020 once appropriate PPE was implemented. Once we can restart the program we will start re-engaging all the learners and get them back in to their regular hours.

Key Focus Area Transport



The Learner Driver Program has proven to be a very successful and meaningful program for our community.



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.

Actions 6.1.1.1: Northern Region Shared Services - Pursue joint procurement opportunities and a common IT platform involving northern region Councils.

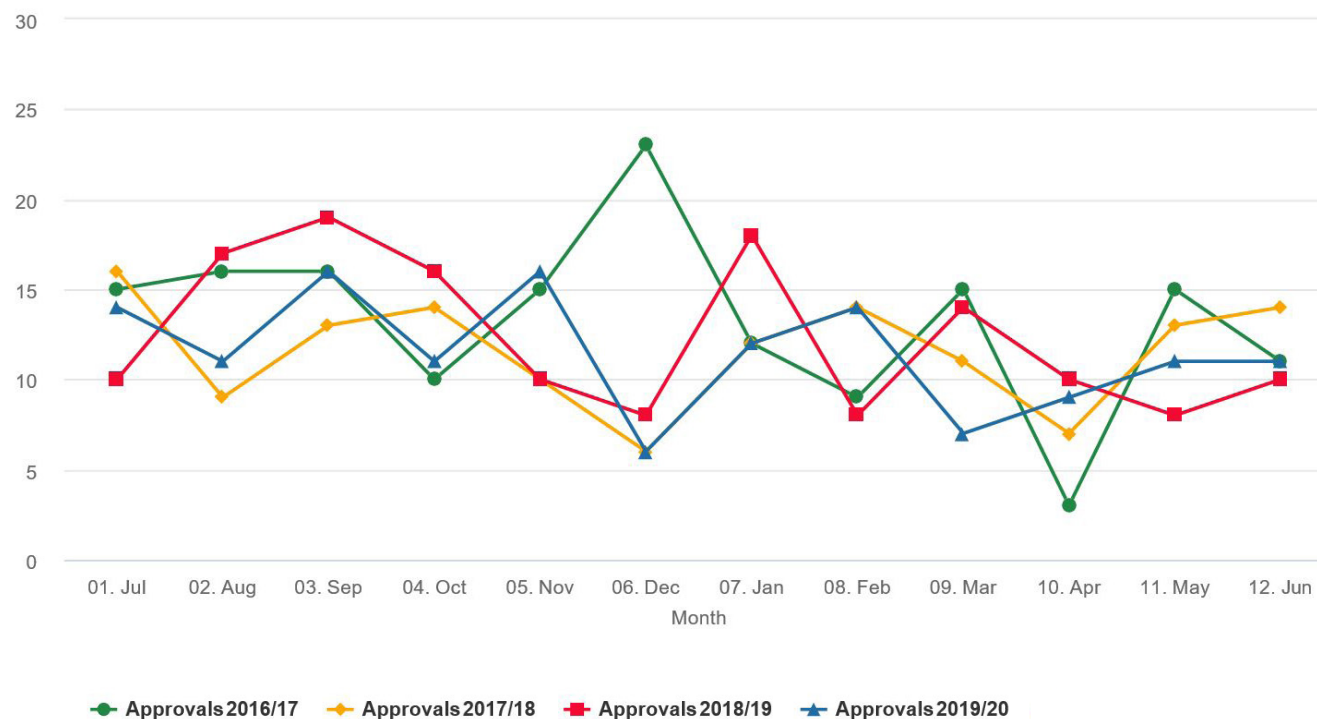
The State Government have commenced the development of an Online Building and Planning Portal called PlanBuild and State Government Representatives have advised that the funding of the Online Portal has been secured. Design of the system interface has commenced and its expected that this will assist in the process and requirements for General Enquiries 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:

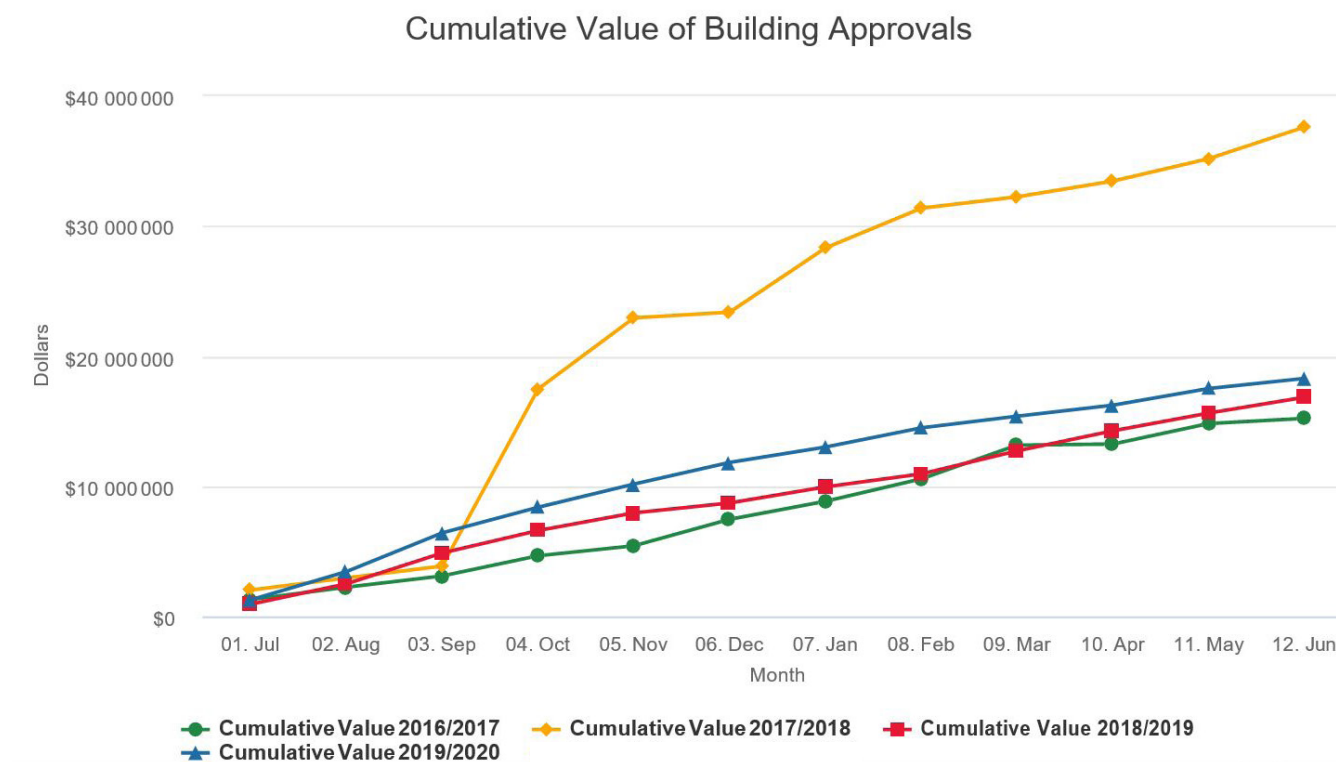
- Price rises in construction materials,
- Increase in development in Break O Day, and
- Steady number of approvals issued compared to previous financial years

Number of Building Applications Approved



BODC Total number of building applications by month and financial year

Cumulative Value of Building Approvals



COVID -19 Response

Covid-19 and how service delivery was impacted – inc Community Care package info

Just like the rest of the world, Council was significantly affected by COVID-19. Forced Lock-down saw staff rapidly having to adapt to working from home, while other staff like the works department who cannot work from home, having to come up with creative rostering systems to allow a continuation of service for our ratepayers.

Once all the logistics were ironed out, it was business as almost usual for Council staff as it was understood it was important that we remained open, able and willing to assist our community during this difficult time.

Community assistance and recovery soon became a focus of Council activity which lead to the development of our Community Care and Recovery Package and Rates Hardship Assistance Policy.

The Community Care and Recovery Package provided relief in various forms for businesses and the ratepayer community:

Business relief:

- 100% Commercial rate remission for affected businesses
- Waived Food licences
- Waived lease fees on Commercial premises leased from Council

Rate Payer Community relief:

- 0% increase in general rate for 2020-2021
- Reduce planning and building fees for new approvals (excluding discretionary applications)
- Focus Council support on the community and community organisations
- Work with event organisers to reschedule events
- Develop infrastructure to shovel ready to provide employment and economic activity

The Community Care and Recovery Package is reviewed monthly at the Council meeting to ensure that we are continuing to do all we can to support our community.

The Rates Hardship Policy was developed to provide rate relief to ratepayers experiencing extreme hardship due to the pandemic.

The policy provides three options for ratepayers to receive rate relief with each case being assessed on an individual basis.

1. Allowing time for rates to be paid with no penalties, interest or recovery action
2. Writing off of penalty or interest charges due to late payments
3. In extreme hardship, writing off rates charged to a property

Corporate Activities

Local Government Reform

Actions 6.1.1.1: Northern Region Shared Services - Pursue joint procurement opportunities and a common IT platform involving northern region Councils.

A regional approach to cost saving on annual Road Sealing Tenders is being examined with BODC undertaking work associated with this approach. A Common IT platform approach is also being progressed with a potential service provider making a presentation to northern region GMs on 18 December 2019. This has been followed up with a detailed presentation to representatives of interested Councils on 27 February 2020. Detailed scoping will be commencing shortly following engagement of an IT Consultant to progress the project. Councils will individually consider the options provided.

A Joint Legal Service procurement was finalised in July 2019 and is now in operation. Savings from this initiative will be identified on an annual basis.

Key Focus Area Local Government Reform



Financial Sustainability

Achieving outcomes in this area have been becoming more challenging as the major opportunities have been realised in recent years. Given the impact of COVID-19 efforts in this area will be emphasised in the year ahead.

Actions 6.1.4.1: Value for Money Reviews - Undertake reviews of operational activities to identify revenue opportunities, cost savings and / or process improvements. Results, ongoing annual savings of \$50,000 and 500 hours identified and achieved.

Actions 6.1.4.2: Procurement Processes - Undertake a review of procurement processes with a focus on environmental sustainability - the use of recyclable materials within the products etc which Council procures.

Actions 6.1.4.3: Operational Efficiencies - Examine opportunities for operational cost reductions resulting in reduced waste management cost based on \$ / t to landfill.

Achieving outcomes through Value for Money Reviews have been becoming more challenging as major opportunities have been realised in recent years. This includes savings through phone and device packages, changes in gas supplier, etc. Given the impact of COVID-19 efforts in this area will be emphasised in the year ahead.

Savings to date include:

- Mobile phone/tablet package savings identified \$3,500 annually
- LGAT coordinated electricity contract negotiated no decrease in costs but mitigated against potential increases - product trial identified savings of \$9,000 per annum
- Change in gas energy provider generated savings of \$2,000 per year.
- With the advent of COVID-19 restrictions, most of Council but particularly building and planning moved to emailing rather than printing and sending information. It is estimated that this has saved \$3,500 in printing and postage costs.

Key Focus Area Financial Sustainability



Financial Management

Actions 6.1.5.1: Audit Panel - Audit Panel meetings facilitated in accordance with legislative requirements, responding to all recommendations of the Panel.

Quarterly Audit Panel meeting were held with minutes and reports received by Council.

Actions 6.1.5.2: Financial Viability and Accountability - Maintain financial viability and accountability in budgeting and administration. Regularly review the Long Term Financial Plan (LTFP) to ensure that it accurately reflects the results of Council decision making. Result, meet or exceed Long Term Financial Plan forecasts for operational results.

Audited 2018/2019 financial statements were received and quarterly budget reviews completed as well as updating the Long Term Financial Plan which was adopted in principle by Council.

Actions 6.1.5.3: Internal Audits - Implement 2019 / 2020 Internal Audits according to the adopted schedule.

Internal audit review program for 2019/2020 was mostly completed, additional Synectic audits were commenced but not completed.

Key Focus Area Financial Management



Grant Funding

The focus on grant funding continued through the year with a success rate of 86% being achieved and a total of \$149,032.00 being secured through competitive application processes.

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

Council was a key partner with the Fingal Valley Neighbourhood House is securing \$600,000 in funding for the Break O'Day Employment Connect project.

Application Title	Funding Source	Amount Sought	Status
Youth Week Event - SCAMJAM 2020	Department of Communities Tasmania	2,000.00	Successful
Infrastructure for Events	Building Better Regions Fund (BBRF) Department of Infrastructure	\$20,000.00	Unsuccessful
Trails Strategy	Building Better Regions Fund (BBRF) Department of Infrastructure	30,000.00	Successful
Funding for Learner Driver Mentor Program, Get In 2 Gear	Department of State Growth	20,032.00	Successful
Drought and Weed Management Program	Weeds Action Fund - Drought and Weed Management Program	55,000.00	Successful
Photography Assets	Regional Tourism Projects Special Release 2020 Department of State Growth	\$7,000.00	Unsuccessful
Shade Sails for Flagstaff Trailhead	Regional Tourism Projects Special Release 2020 Department of State Growth	15,000.00	Successful

Grant Funding Acknowledgments

We would like to formally acknowledge and thank the grant funding bodies that have supported our projects this financial year – without this funding, many Council projects just simply would not happen.

To receive this funding, there is a lot of work that goes on behind the scenes with staff preparing, researching and drafting comprehensive grant documentation.

This financial year we would like to thank the following for their financial assistance:

- Financial Assistance Grants – from the Australian Government
- Building Better Regions – Australian Government Department of Infrastructure
- Department of State Growth – Tasmanian Government
- Weed Action Fund – Tasmanian Department of Primary Industries, Parks, Water and Environment
- Regional Tourism Special projects – Tasmanian Department of State Growth
- Roads to Recovery – Australian Government

Senators Duniam and Chandler with media after completing the Bay of Fires VIP ride for the official opening.



Legislated Requirements

Contributions and Requirements

Organisation / Group	Project	Amount received
St Helens- St Marys RSL Sub Branch	Bench seating in St Helens Memorial Park	\$3,900.00
St Helens Little Athletics Centre	Build a purpose built cover for high jump mat	\$5,000.00
St Helens Christian Fellowship	Support for veterans and people who suffer from PTSD	\$5,000.00
Scamander Sports Complex	Community BBQ and Gazebo	\$1,872.85
St Helens Bowls Club	Upgrade kitchen facilities – replace stove	\$5,500.00
Fingal Valley Neighbourhood House	Replace fridge	\$1,500.00
Suncoast Pony & Riding Club	Horsemanship Clinic	\$2,000.00
East Coast Masters Golf Tournament	Scamander River Golf Club	1,500.00
Annual Sponsorship 2019 - 2020	St Helens Marine Rescue	3,000.00
Annual Funding for Directory 2019 -2020	Business Enterprise Centre	2,000.00
Council Annual Funding 2019-2020	Valley Tourism	2,500.00

Council Annual Funding 2019-2020	Business Enterprise Centre	28,000.00
Annual Contribution to BOD SES Unit	SES	17,000.00
2019-2020 Council Contribution Sponsorship	St Helens Athletics Club	2,500.00
2019 Annual School Prizes Monies	St Helens District High School	1,000.00
2020 Bay of Fires Winter Arts Festival	Bay Of Fires Arts Association	7,000.00
Annual Contribution 2019-2020	St Helens Ministers Fraternal	1,600.00
Annual contribution 2019-2020	Triathlon	2,000.00
2019-2020 Council Support	Wheels Wine & Dine event	5,000.00
2019-2020 Council Support	Woodchopping event	2,000.00
2019- 2020 Council Support	St Helens Game Fishing Club	2,000.00
2019-2020 Council support	Golf Day	1,000.00

Rates and Charges

- Rates and Charges written off for the period: \$4,317
- Rate remissions/donations provided by Council: \$181,196 (includes commercial rate remission)
- Pensioner Rebates funded by State Government: \$424,745

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 2019-2020 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 2019-2020 was \$27,371.30 (2018-2019 \$26,808.10).

Code of Conduct Complaints

During the 2019-2020 Financial Year there were nil Code of Conduct complaints received or referred to the Local Government Division. The financial cost incurred by Council was nil.

Right to Information

Council received ONE request 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 2019 - 2020:

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.
- 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, Works Operations Manager have all been defined as senior positions by Break O'Day Council.

The Remuneration Band Positions	Number
\$100 001 – \$130 000	5
\$140 001 - \$160 000	1
\$220 001 – \$240 000	1

Contracts and Tenders

The following contracts/tenders were awarded during 2019-2020 with a value greater than \$50,000.

Description	Period of Contract	Value Ex. GST	Name	Address
2019/2020 Bituminous Surfacing Program – 030\001\115\	August 2019 – December 2019	\$288,125.00	Crossroads Civil Contracting Pty Ltd	Rocherlea, Tas
Supply and Delivery of Rubbish Compactor Truck – 030\001\119\	November 2019	\$205,626.61	Bucher	Victoria
Bulk Waste Transfer Service – 030\001\117\	January 2020 – June 2023	Approx \$180,000.00 per annum (Individual service rates from 6 Waste Transfer Sites within Break O'Day)	MDG Contracting Pty Ltd	East Devonport, Tas
Old Tasmania Hotel Fingal- Restoration Project – 030\004\009\	February 2020 – May 2020	\$787,986.55	Moorey Constructions Pty Ltd	Scamander, Tas
Brown Street, Fingal – Road Pavement Remediation – 030\001\122\	January 2020 – April 2020	\$192,195.50	Streetwise Developments Pty Ltd	Mowbray, Tas
Drilling, Blasting, Crushing, Blending and Stockpiling of Gravel at Halfway Hill Quarry on Ansons Bay Road and Merry Creek Quarry on Mathinna Plains Road – 038\003\001\	March 2020 – as required	Approx \$83,000 (Contract Rates Submitted)	Fieldwicks Crushing and Screening Pty Ltd	Wesley Vale, Tas
Bridge 2792 – Repair and Protective Coating Renewal – 030\001\121\	May 2020 – September 2020	\$236,069.00	Crisp Bros & Haywards Pty Ltd	Kings Meadows, Tas
Kerbside Co-Mingled Recyclables Collection – 030\001\123\	July 2020 – June 2023	Approx \$300,000.00 per annum	JJ's Waste & Recycling	Cleveland, Qld
St Helens Foreshore Path – Design and Construction - 030\001\116\	June 2020 – November 2020	\$944,010.62	Streetwise Developments Pty Ltd	Mowbray, Tas
St Helens Foreshore Path – Design and Construct – Separable Portions - Bridge and Elevated Walkway – 030\001\120\	June 2020 – November 2020	\$1,174,770.00	BridgePro Engineering Pty Ltd	Latrobe, Tas

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 2019 to January 2020.

Results of the water sampling are below:

BEACH	10/12/2019	07/01/2020
Grants Lagoon	<10	<10
Beauty Bay	<10	10
Wrinklers Lagoon	<10	<10
Scamander River	<10	<10
Henderson Lagoon	<10	<10
Yarmouth Creek	<10	<10

Immunisations

Programs were conducted for children in Grade 7 and 10, in addition to any catch-up required by the Department of Health and Human Services.

In 2019/2020 a total of 122 children were vaccinated and a total of 151 vaccines administered

Public Health Risk Activities

No. License to Carry out public health risk activity: 2

No. Registration of Premises to Carry out public health risk activity: 2

Place of assembly Licences

Wolfe Brothers at St Helens RSL Car Park – 5/01/2020

Wine & Dine East Coast Car Club, St Helens Foreshore – 25/01/2020

Private burial

Irish Town Road, St Marys

Functions Carried Out Under the Food Act 2003

- Permanent food business registered – 87
- Mobile food businesses – 27
- Food business complaints – 3
- Food handling training – Nil due to COVID 19

Food business plans assessments and occupancy Reports:

- Environmental Health Officer Report (Form 49) = 0
- Environmental Health Officer Occupancy Report form (Form 50) = 3

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

249 licences were issued.

Onsite Wastewater Compliance

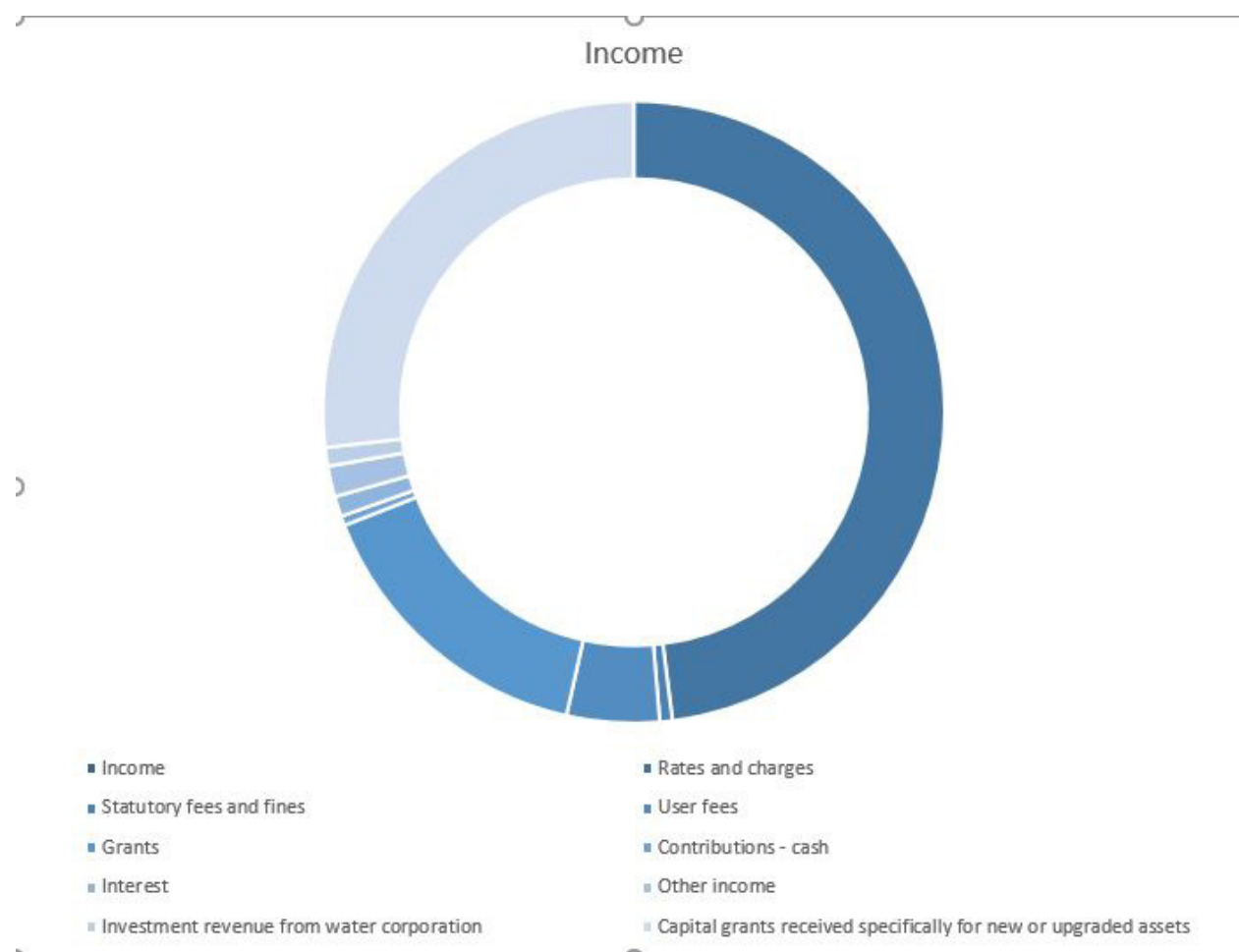
All residential and commercial developments that require onsite wastewater systems were assessed for compliance against the Australian/New Zealand Standards AS 1547:2012 and plumbing consent provided. Also provided was planning advice to comply with the code requirements of the Break O'Day Planning Scheme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

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

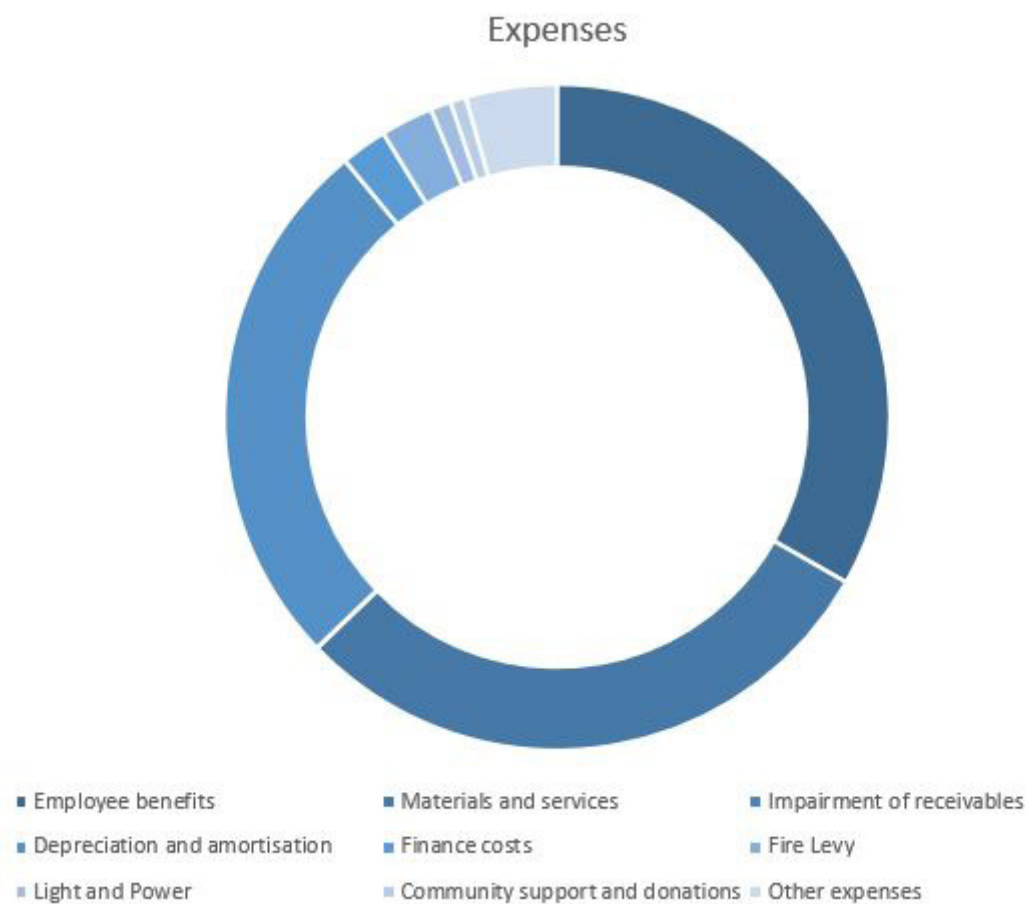
Financial Snapshots

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

Income \$	
Rates and Charges	9,654,497
Statutory Fees and Fines	131,468
User Fees	968,377
Grants	3,133,651
Contributions - Cash	98,809
Interest	212,309
Investment revenue from TasWater	194,000
Capital Income -grants received specifically for new or upgraded assets	5,392,576
Other	321,497

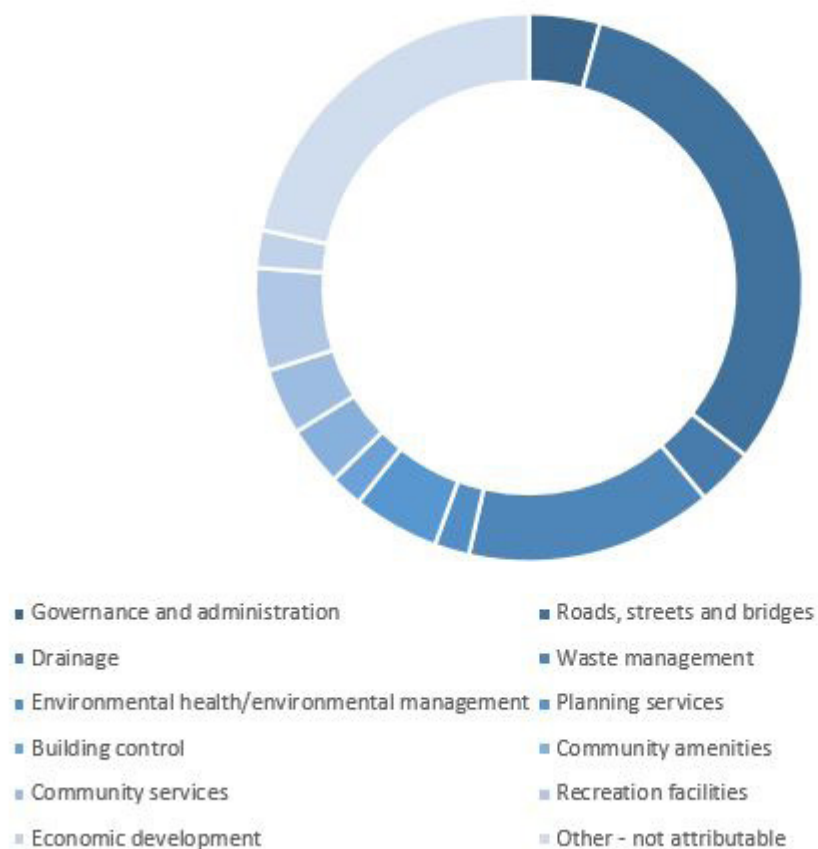


Expenses \$	
Employee Benefits	4,743,068
Materials and Services	4,215,435
Impairment of receivables	4,067
Depreciation and amortisation	3,732,684
Finance Costs	321,640
Fire levy	364,926
Light and Power	141,610
Community Support and donations	109,027
Other expenses	631,036



Expenses by function \$	
Government Administration	596,958
Roads, Streets and bridges	4,466,470
Drainage	486,849
Waste Management	2,086,264
Environmental Health and Management	293,513
Planning Services	729,058
Building Control	277,171
Community Amenities	503,866
Community Services	557,580
Recreation facilities	865,007
Economic Development	318,715
Other including unattributable administration and corporate activities	3,082,042

Expenses by Function





Break O'Day Council

ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2020

Break O'Day Council

Financial Report

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Statement of Comprehensive Income For the Year Ended 30 June 2020

	Note	Budget 2020 \$	Actual 2020 \$	Actual 2019 \$
Income from continuing operations				
Recurrent Income				
Rates and charges	5	9,635,814	9,654,497	9,315,205
Statutory fees and fines	6	102,000	131,468	128,841
User fees	7	689,991	968,377	854,541
Grants	8	2,927,718	3,133,651	3,063,360
Contributions - cash	9	-	98,809	77,758
Interest	10	250,000	212,309	351,306
Other income	11	93,100	321,497	160,786
Investment revenue from water corporation	13	388,000	194,000	361,493
		14,086,623	14,714,608	14,313,290
Capital income				
Capital grants received specifically for new or upgraded assets	8	2,878,410	5,392,576	1,719,523
Contributions - non-monetary assets	9	-	-	-
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	12	27,000	(318,269)	(168,680)
		2,905,410	5,074,307	1,550,843
Total income from continuing operations		16,992,033	19,788,915	15,864,133
Expenses from continuing operations				
Employee benefits	14	(5,063,524)	(4,743,068)	(4,306,263)
Materials and services	15	(3,484,329)	(4,215,435)	(3,934,702)
Impairment of receivables	16	-	(4,067)	12,611
Depreciation and amortisation	17	(3,507,593)	(3,732,684)	(3,441,977)
Finance costs	18	(335,328)	(321,640)	(338,256)
Other expenses	19	(1,287,292)	(1,246,599)	(1,105,751)
Total expenses from continuing operations		(13,678,066)	(14,263,493)	(13,114,338)
Net result for the year		3,313,966	5,525,422	2,749,795
Other comprehensive income				
Items that will not be reclassified subsequently to net result				
Fair Value adjustment on equity investment assets	33	-	(9,089,569)	4,954,610
Net asset revaluation increment(decrement)	33	-	6,086,870	359,405
Total Other Comprehensive Income		-	(3,002,699)	5,314,015
Total Comprehensive result		3,313,966	2,522,723	8,063,810

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

Statement of Financial Position As at 30 June 2020

	Note	2020 \$	2019 \$
Assets			
Current assets			
Cash and cash equivalents	21	10,256,813	8,692,180
Trade and other receivables	22	1,093,391	890,072
Inventories	23	63,905	146,073
Other assets	25	60,433	64,816
Total current assets		11,474,542	9,793,141
Non-current assets			
Investment in water corporation	20	29,582,956	38,672,525
Trade and other receivables	22	14,392	14,392
Right-of-use assets	24	41,334	-
Other assets	25	120,600	139,000
Property, infrastructure, plant and equipment	26	154,921,761	144,849,527
Total non-current assets		184,681,043	183,675,444
Total assets		196,155,585	193,468,585
Liabilities			
Current liabilities			
Trade and other payables	27	1,521,387	1,033,969
Trust funds and deposits	28	230,548	224,092
Lease liabilities	31	11,800	-
Contract liabilities	32	312,847	-
Provisions	30	829,258	853,572
Interest-bearing loans and borrowings	29	356,256	340,941
Total current liabilities		3,262,096	2,452,574
Non-current liabilities			
Provisions	30	549,757	569,414
Lease liabilities	31	29,534	-
Interest-bearing loans and borrowings	29	8,128,118	8,484,374
Total non-current liabilities		8,707,409	9,053,788
Total liabilities		11,969,505	11,506,362
Net Assets		184,186,080	181,962,223
Equity			
Accumulated surplus		38,735,537	33,517,364
Reserves	33	145,450,543	148,444,859
Total Equity		184,186,080	181,962,223

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

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

	Note	Accumulated Surplus 2020 \$	Asset Revaluation Reserve 2020 \$	Fair Value Reserve 2020 \$	Other Reserves 2020 \$	Total 2020 \$
2020						
Balance at beginning of the financial year		33,517,364	145,384,764	2,589,089	471,006	181,962,223
Effect of changes in accounting policy for:						
Adjustment due to AASB 15 adoption	45	(298,866)	-	-	-	(298,866)
Adjustment due to AASB 16 adoption		-	-	-	-	-
Restated opening balance		33,218,498	145,384,764	2,589,089	471,006	181,663,357
Net result for the year		5,525,422	-	-	-	5,525,422
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	20	-	-	(9,089,569)	-	(9,089,569)
Net asset revaluation increment(decrement) reversals	33	-	6,086,870	-	-	6,086,870
Transfers between reserves	30	(8,383)	-	-	8,383	-
Balance at end of the financial year		38,735,537	151,471,634	(6,500,480)	479,389	184,186,080

		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
Adjustment due to compliance with revised accounting standard		-	-	-	-	-
Adjustment on change in accounting policy		-	-	-	-	-
Net result 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	33	-	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

The above statement should be read with the accompanying notes.

Statement of Cash Flows For the Year Ended 30 June 2020

		2020 Inflows/ (Outflows) \$	2019 Inflows/ (Outflows) \$
Cash flows from operating activities	Note		
Rates		9,467,770	9,308,810
User charges and other fines		976,318	717,103
Grants		3,116,243	3,063,360
Reimbursements		71,953	59,120
Interest received		221,874	386,284
Investment revenue from water corporation	13	194,000	361,493
Other receipts		354,809	157,070
Net GST refund/payment		397,532	403,486
Payments to suppliers		(5,349,174)	(5,155,446)
Payments to employees (including redundancies)		(4,787,039)	(4,186,607)
Finance costs		(321,640)	(338,256)
Net cash provided by (used in) operating activities	34	<u>4,342,647</u>	<u>4,776,417</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(8,021,282)	(7,146,767)
Proceeds from sale of property, infrastructure, plant and equipment		18,363	153,400
Capital grants		5,577,646	1,719,523
Payments for other assets		-	(149,000)
Net cash provided by (used in) investing activities		<u>(2,425,273)</u>	<u>(5,422,844)</u>
Cash flows from financing activities			
Repayment of lease liabilities (principal repayments)		(11,800)	-
Proceeds from interest-bearing loans and borrowings		-	-
Repayment of interest-bearing loans and borrowings		(340,941)	(326,296)
Net cash provided by (used in) financing activities	35	<u>(352,741)</u>	<u>(326,296)</u>
Net increase (decrease) in cash and cash equivalents		1,564,633	(972,723)
Cash and cash equivalents at the beginning of the financial year		8,692,180	9,664,903
Cash and cash equivalents at the end of the financial year	36	<u>10,256,813</u>	<u>8,692,180</u>
Financing arrangements	37		
Restrictions on cash assets	21		

The above statement should be read in conjunction 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, Statement of 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 26.

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 30.

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 38.

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 26.

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 30.

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
Governance and administration						
2019 - 2020	-	197	197	596,958	(596,761)	88,236
2018 - 2019	12,500	1,912	14,412	675,467	(661,055)	35,897
Roads, streets and bridges						
2019 - 2020	2,974,639	2,773,190	5,747,829	4,466,470	1,281,359	102,598,677
2018 - 2019	2,384,198	2,698,864	5,083,062	4,124,567	958,495	94,732,155
Drainage						
2019 - 2020	-	-	-	486,849	(486,849)	19,391,144
2018 - 2019	-	-	-	455,282	(455,282)	18,154,222
Waste management						
2019 - 2020	-	2,048,019	2,048,019	2,086,264	(38,245)	1,153,455
2018 - 2019	-	1,969,531	1,969,531	1,902,935	66,596	335,425
Environmental health/environmental management						
2019 - 2020	55,000	77,221	132,221	293,513	(161,292)	211,561
2018 - 2019	-	97,695	97,695	296,968	(199,273)	214,403
Planning services						
2019 - 2020	-	323,240	323,240	729,058	(405,818)	25,632
2018 - 2019	-	317,031	317,031	558,119	(241,088)	1,815
Building control						
2019 - 2020	-	206,447	206,447	277,171	(70,724)	28,446
2018 - 2019	-	219,613	219,613	242,380	(22,767)	58,085
Community amenities						
2019 - 2020	325,000	208,681	533,681	503,866	29,815	3,379,558
2018 - 2019	-	63,064	63,064	494,845	(431,781)	3,093,995
Community services						
2019 - 2020	2,856,461	17,546	2,874,007	557,580	2,316,427	625,874
2018 - 2019	1,059,566	20,561	1,080,127	559,084	521,043	624,275
Recreation facilities						
2019 - 2020	260,000	76,091	336,091	865,007	(528,916)	10,667,595
2018 - 2019	-	62,295	62,295	720,615	(658,320)	9,623,171
Economic development						
2019 - 2020	-	30,237	30,237	318,715	(288,478)	555,272
2018 - 2019	607	42,579	43,186	315,020	(271,834)	632,643
Other - not attributable						
2019 - 2020	2,055,127	5,501,819	7,556,946	3,082,042	4,474,904	57,430,135
2018 - 2019	1,326,012	5,588,105	6,914,117	2,769,056	4,145,061	65,962,499
Total						
2019 - 2020	8,526,227	11,262,688	19,788,915	14,263,493	5,525,422	196,155,585
2018 - 2019	4,782,883	11,081,250	15,864,133	13,114,338	2,749,795	193,468,585

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

	2020	2019
	\$	\$
Current assets	11,474,542	9,793,141
Non-current assets	184,681,043	183,675,444
	196,155,585	193,468,585

(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.

	2020 \$	2019 \$
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 2019-2020 was \$72.669 million (2018-2019 \$74.797 million). The 2019-2020 rate in the AAV dollar was 8.1000 cents (2018-2019, 8.26554).		
General Rate	7,415,093	7,145,711
Fire Levy	367,797	347,189
Garbage charge	1,191,606	1,155,562
Wheelie Bin charges	680,001	645,551
Revenue in advance	-	21,192
Total rates and charges	9,654,497	9,315,205

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 under AASB 15 and AASB 1058 - applicable

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

Refer to note 45 for accounting policy related to AASB 15 and AASB 1058.

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

Rates and charges income

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

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

Note 6 Statutory fees and fines

Infringements and costs	12,775	11,567
Land information certificates	118,693	117,274
Total statutory fees and fines	131,468	128,841

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

Fees and fines (including parking fees and fines) are recognised when or as the performance obligation is completed, or when the taxable event has been applied and Council has an unconditional right to receive payment.

Refer to note 45 for accounting policy related to AASB 15 and AASB 1058.

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

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	157,064	168,128
Health food licences/fees	(480)	20,194
Dog registrations and associated revenue	43,026	43,308
Building and development services	355,036	345,523
Commission received	15,855	15,218
Facility leases and hall hire	111,007	138,564
Private works	203,828	44,717
Other fees and charges	83,041	78,889
Total user fees	968,377	854,541

Accounting policy

User fee income

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

Rental income

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

Operating leases as lessor

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

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

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

	2020 \$	2019 \$
Note 8 Grants		
Grants were received in respect of the following :		
Summary of grants		
Federally funded grants	7,684,307	4,297,710
State funded grants	841,920	485,173
Others	-	-
Total	8,526,227	4,782,883
Grants - Recurrent		
Financial assistance grant	2,892,521	2,948,310
Learner Driver	19,924	19,311
Event Funding - Triple J One Night Stand	-	35,000
26TEN Communities	45,455	45,455
Regional Workforce Development Plan	15,710	12,500
Flood Claim 2016	105,041	-
Drought and weed management program	55,000	-
Other	-	2,784
Total recurrent grants	3,133,651	3,063,360

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

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

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

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

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

Refer to note 45 for accounting policy related to AASB 15 and AASB 1058.

Accounting policy under AASB 1004 - applicable for 2019 comparative

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

Grant income - recurrent and capital

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

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

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

The Australian Commonwealth Government provides 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 \$1,486,557 in 2019-20 and \$1,496,018 in 2018-19 for the following years. 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 2019-20

Capital grants received specifically for new or upgraded assets

Commonwealth Government - roads to recovery	971,109	761,900
Learner Driver Mentor Program Vehicle	-	20,000
Mountain Bike Trails - State	600,000	350,000
Mountain Bike Trails - Federal	1,832,953	587,500
Drought Communities	987,724	-
St Marys Flood Mitigation	360,000	-
Georges Bay Foreshore Multi-User Track	315,000	-
Old Tasmanian Hotel Fingal Restoration	325,000	-
Other Grants	790	123
Total capital grants	5,392,576	1,719,523

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:

	2020 \$	2019 \$
Unexpended at the close of the previous reporting period		671,349
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)
Roads to recovery		(568,242)
Learner Driver Mentor Program		(22,387)
		-
		(626,129)
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
Regional Workforce Development Plan		12,500
		57,955
Unexpended at the close of the reporting period		103,175
Net increase (decrease) in non-reciprocal grant revenues for the year:		(568,174)

Note 9 Contributions

Cash		
Heavy Vehicle Contribution Fees	48,809	72,642
Parks, open space, streetscapes and other	50,000	5,116
Total	98,809	77,758
(b) Non-monetary assets		
Recreation and sports facilities	-	-
Total	-	-
Total contributions	98,809	77,758

Accounting policy under AASB 15 - applicable from 1 July 2019

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

Refer to note 45 for accounting policy related to AASB 15 and AASB 1058.

Accounting policy under AASB 1004 - applicable for 2019 comparative

Contribution income

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

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

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

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

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

Note 10 Interest

Interest on financial assets	144,933	245,611
Interest and penalties on rates	67,376	105,695
Total	212,309	351,306

Accounting policy

Interest income

Interest is recognised progressively as it is earned.

	2020 \$	2019 \$
Note 11 Other income		
Sale of goods	143,669	54,284
Employment subsidies	17,774	8,675
S137 unclaimed funds	99,379	12,179
Reimbursements	54,179	50,445
Other	6,496	35,203
Total other income	321,497	160,786

Accounting policy

Other Income

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

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

Proceeds of sale	18,363	153,400
Written down value of assets disposed	(336,632)	(322,080)
Total	(318,269)	(168,680)

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	162,565	203,480
Tax equivalent received	31,435	132,110
Guarantee fee received	-	25,903
Total investment revenue from water corporation	194,000	361,493

Accounting policy

Investment revenue

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

Note 14 Employee benefits

Wages and salaries	3,962,273	3,484,638
Workers compensation	81,434	90,674
Annual leave and long service leave	376,855	463,669
Superannuation	516,161	470,549
Fringe benefits tax	35,460	33,085
Staff training, recruitment and conferences	37,717	61,458
Uniforms and protective clothing	24,968	24,626
Payroll tax, licences and membership fees	228,953	198,317
	5,263,821	4,827,016
Less amounts capitalised	(520,753)	(520,753)
Total employee benefits	4,743,068	4,306,263

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

Materials and services	1,129,385	1,116,760
Contract payments	1,254,888	1,170,682
Waste collection contracts	1,051,542	1,029,716
Plant and equipment maintenance and hire	205,209	131,368
Professional and consultants fees	447,073	354,247
Fuel and lubricants	127,338	131,929
Total materials and services	4,215,435	3,934,702

2020
\$

2019
\$

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	3,010	5,316
Other debtors	4,317	234
Recoveries of previous bad debts	(3,260)	(18,161)
Total impairment of receivables	4,067	(12,611)

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

<i>Property</i>		
Land improvements	214,045	177,553
<i>Buildings</i>		
Buildings	246,581	230,424
<i>Plant and Equipment</i>		
Plant, machinery and equipment	373,183	291,868
Fixtures, fittings and furniture	151,538	206,987
<i>Infrastructure</i>		
Roads	1,886,788	1,713,954
Bridges	451,846	443,397
Drainage	375,303	356,194
<i>Other assets</i>		
Municipal revaluation	21,600	21,600
Right-of-use assets	11,800	-
Total depreciation and amortisation	3,732,684	3,441,977

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
<i>Plant and Equipment</i>	
plant, machinery and equipment	3-20 years
fixtures, fittings and furniture	3-20 years
computers and telecommunications	5-10 years
<i>Roads</i>	
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
<i>Bridges</i>	
bridges deck	20-80 years
bridges substructure	20-80 years
<i>Other Infrastructure</i>	
footpaths and cycleways	60 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
Right-of-use assets	5 years

	2020 \$	2019 \$
Note 18 Finance costs		
Interest - Borrowings	321,640	338,256
Total finance costs	321,640	338,256

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	40,912	37,670
Internal auditors' remuneration and expenses	6,593	5,862
Councillors' allowances and reimbursements	187,892	197,171
Fire levy	364,926	344,578
Light and power	141,610	142,989
Rates discounts and remissions	329,563	207,287
Community support and donations	109,027	118,911
Land tax	46,412	37,549
Variable lease payments not included in the measurement of leases	10,368	-
Tip site rehabilitation provision	-	10,845
Other	9,296	2,889
Total other expenses	1,246,599	1,105,751

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

Opening Balance	38,672,525	33,717,915
Fair Value adjustments on equity investment assets	(9,089,569)	4,954,610
Total investment in water corporation	29,582,956	38,672,525

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

Accounting policy

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 33) and not reclassified through the profit or loss when derecognised. Dividends associated with the equity investments are recognised in profit and loss when the right of payment has been established and it can be reliably measured.

Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2020, Council holds a 2.05% (2019: 2.08%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution.

Note 21 Cash and cash equivalents

Cash on hand	3,010	3,010
Cash at bank	48,806	212,664
Cash on deposit	10,146,033	8,403,559
Committee accounts	58,964	72,947
Total cash and cash equivalents	10,256,813	8,692,180

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

- Trust funds and deposits (note 28)	230,548	224,092
- Conditions on grants (note 8)	-	103,175
- Grants received in advance (32)	56,720	-
- Provisions (note 30)	1,379,015	1,422,986
Restricted funds	1,666,283	1,750,253

Total unrestricted cash and cash equivalents	8,590,530	6,941,927
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	2020	2019
	\$	\$
Accounting policy		
Cash and cash equivalents		
For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.		
Restricted funds		
i) Includes refundable building, contract and other refundable amounts held in trust by Council for completion of specific purposes.		
ii) Represents grant funding received in advance until specific performance obligations required under funding arrangements are completed.		

Note 22 Trade and other receivables

Current

Rates debtors	458,789	469,723
Other debtors	685,027	472,744
Provision for expected credit loss	(50,425)	(52,395)
Total	1,093,391	890,072

Non-current

Loans and advances to community organisations	14,392	14,392
Total	14,392	14,392

Total trade and other receivables	1,107,783	904,464
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Reconciliation of movement in expected credit loss

Carrying amount at 1 July	52,395
Amounts written off during the year	(6,037)
Amounts recovered during the year	(3,260)
Increase/(decrease) in provision recognised in profit or loss	7,327
Carrying amount at 30 June	50,425

Reconciliation of movement in expected credit loss

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

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

Note 23 Inventories

Inventories held for consumption	63,905	146,073
Total inventories	63,905	146,073

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.	

	2020	2019
	\$	\$
Note 24 Right-of-use assets		
	Property	Other
	\$	\$
Gross carrying amount		
Balance at 1 July 2019	-	-
Adoption of AASB 16	53,134	53,134
Additions	-	-
Disposals / derecognition	-	-
Balance at 30 June 2020	53,134	53,134
Accumulated amortisation and impairment		
Balance at 1 July 2019	-	-
Adoption of AASB 16	-	-
Disposals	-	-
Amortisation expense	(11,800)	(11,800)
Balance at 30 June 2020	(11,800)	(11,800)
Net book value at 30 June 2020	41,334	41,334

Accounting policy under AASB 16 - Applicable from 1 July 2019

Leases - Council as Lessee

In contracts where Council is a lessee, Council recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied. Refer to note 31 for details on accounting policy of lease liability.

A right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

All right-of-use assets are measured as described in the accounting policy for property, infrastructure, plant and equipment in Note 26. Also, Council applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the aforesaid note.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Refer to 45 for further details on adoption of AASB 16.

	2020	2019
	\$	\$
Note 25 Other assets		
Current		
Prepayments	32,635	24,253
Interest accrued	6,198	15,763
Municipal revaluation	21,600	24,800
Total	60,433	64,816
Non-current		
Shares in Bendigo Bank	30,000	30,000
Municipal revaluation	90,600	109,000
Total	120,600	139,000

* Accrued income only includes items that are reciprocal in nature.

Reconciliation of movement in municipal revaluation

Carrying amount at 30 June 2019	133,800
Amounts amortised during the year	(21,600)
Carrying amount at 30 June 2020	112,200

Reconciliation of movement in municipal revaluation

Carrying amount at 1 July 2018	6,400
Revaluation expense	149,000
Amounts amortised during the year	(21,600)
Carrying amount at 30 June 2019	133,800

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 26 Property, infrastructure, plant and equipment

	2020	2019
	\$	\$
Summary		
at cost	20,933,048	19,169,942
Less accumulated depreciation	<u>(6,645,108)</u>	<u>(5,957,419)</u>
	14,287,940	13,212,523
at fair value as at 30 June	199,938,369	191,537,998
Less accumulated depreciation	<u>(59,304,548)</u>	<u>(59,900,994)</u>
	140,633,821	131,637,004
Total	154,921,761	144,849,527
Property		
Land		
at fair value at 30 June	<u>5,752,000</u>	<u>5,752,000</u>
	5,752,000	5,752,000
Land under roads		
at Council valuation at 30 June	<u>2,581,382</u>	<u>2,628,405</u>
	2,581,382	2,628,405
Land improvements		
at cost	6,349,760	5,206,553
Less accumulated depreciation	<u>(2,585,400)</u>	<u>(2,375,726)</u>
	3,764,360	2,830,827
Total Land	12,097,742	11,211,232
Buildings		
at fair value at 30 June	11,052,119	10,865,142
Less accumulated depreciation	<u>(756,196)</u>	<u>(509,615)</u>
	10,295,923	10,355,527
Heritage buildings		
at fair value at 30 June	16,663	16,663
Less accumulated depreciation	<u>(1,968)</u>	<u>(1,968)</u>
	14,695	14,695
Total Buildings	10,310,618	10,370,222
Total Property	22,408,360	21,581,454

Note 26	Property, infrastructure, plant and equipment (cont.)	2020 \$'000	2019 \$'000
	Plant and Equipment		
	Plant, machinery and equipment		
	at cost	4,929,832	4,169,802
	Less accumulated depreciation	(2,582,207)	(2,242,916)
		2,347,625	1,926,886
	Fixtures, fittings and furniture		
	at cost	2,132,534	2,024,625
	Less accumulated depreciation	(1,477,501)	(1,338,777)
		655,033	685,848
	Total Plant and Equipment	3,002,658	2,612,734
	Infrastructure		
	Roads		
	at fair value at 30 June	118,523,327	113,481,022
	Less accumulated depreciation	(38,771,649)	(40,552,968)
		79,751,678	72,928,054
	Bridges		
	at fair value at 30 June	31,347,604	29,741,717
	Less accumulated depreciation	(8,500,605)	(7,937,616)
		22,846,999	21,804,101
	Drainage		
	at fair value at 30 June	30,665,274	29,053,049
	Less accumulated depreciation	(11,274,130)	(10,898,827)
		19,391,144	18,154,222
	Total Infrastructure	121,989,821	112,886,377
	Works in progress		
	Buildings at cost	755,557	117,128
	Roads at cost	1,196,834	3,238,595
	Land improvements at cost	5,171,838	2,888,097
	Drainage	137,254	1,474,900
	Bridges	259,439	39,092
	Fixtures, fittings and furniture	-	11,150
	Total Works in progress	7,520,922	7,768,962
	Total property, infrastructure, plant and equipment	154,921,761	144,849,527

Note 26 Property, infrastructure, plant and equipment (cont.)

Reconciliation of property, infrastructure, plant and equipment

2020	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 33)	Depreciation and amortisation (note 17)	Written down value of disposals	Transfers	Balance at end of financial year
	\$	\$	\$	\$	\$	\$	\$
Property							
land	5,752,000	-	-	-	-	-	5,752,000
land under roads	2,628,405	-	(47,023)	-	-	-	2,581,382
land improvements	2,830,827	-	-	214,045	9,129	1,156,707	3,764,360
Total land	11,211,232	-	(47,023)	214,045	9,129	1,156,707	12,097,742
buildings	10,355,527	-	-	246,581	-	186,977	10,295,923
heritage buildings	14,695	-	-	-	-	-	14,695
Total buildings	10,370,222	-	-	246,581	-	186,977	10,310,618
Total property	21,581,454	-	(47,023)	460,626	9,129	1,343,684	22,408,360
Plant and Equipment							
plant, machinery and equipment	1,926,886	806,688	-	373,183	12,766	-	2,347,625
fixtures, fittings and furniture	685,848	109,574	-	151,538	-	11,150	655,033
Total plant and equipment	2,612,734	916,262	-	524,721	12,766	11,150	3,002,658
Infrastructure							
roads	72,928,054	-	4,950,710	1,886,788	314,737	4,074,440	79,751,678
bridges	21,804,101	-	1,183,183	451,846	-	311,561	22,846,999
drainage	18,154,222	-	-	375,303	-	1,612,225	19,391,144
Total infrastructure	112,886,377	-	6,133,893	2,713,937	314,737	5,998,226	121,989,821
Works in progress							
buildings	117,128	825,406	-	-	-	(186,977)	755,557
fixtures, fittings and furniture	11,150	-	-	-	-	(11,150)	-
roads	3,238,595	2,032,679	-	-	-	(4,074,440)	1,196,834
land Improvements	2,888,097	3,440,448	-	-	-	(1,156,707)	5,171,838
drainage	1,474,900	274,579	-	-	-	(1,612,225)	137,254
bridges	39,092	531,908	-	-	-	(311,561)	259,439
Total works in progress	7,768,962	7,105,020	-	-	-	(7,353,060)	7,520,922
Total property, plant and equipment, infrastructure	144,849,527	8,021,282	6,086,870	3,699,284	336,632	-	154,921,761

Note 26 *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 33)	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	-	-	0	-	-	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 26 Property, infrastructure, plant and equipment (cont.)

Accounting policy	
Recognition and measurement of assets	
Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs 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 under roads	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 26 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 *Property, Plant & Equipment* and AASB 13 *Fair Value Measurement*. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset.

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

Impairment of assets

Impairment losses are recognised in the Statement of Comprehensive Income under other expenses.

Reversals of impairment losses are recognised in the Statement of Comprehensive Income under other revenue.

Land under roads

Council recognised the value of land under roads it controls at fair value.

	2020	2019
	\$	\$
Note 27 Trade and other payables		
Trade payables	1,239,638	874,188
Accrued expenses	281,749	159,781
Total trade and other payables	1,521,387	1,033,969

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 28 Trust funds and deposits

Refundable building deposits	9,000	14,400
Section 137 seizures	155,636	142,170
Refundable civic facilities deposits	4,465	4,780
Retention amounts	46,498	47,132
Other refundable deposits	14,949	15,610
Total trust funds and deposits	230,548	224,092

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 29 Interest-bearing loans and borrowings

Current

Borrowings - secured	356,256	340,941
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Non-current

Borrowings - secured	8,128,118	8,484,374
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Total

	8,484,374	8,825,315
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Borrowings are secured over Council's rates revenue.

The maturity profile for Council's borrowings is:

Not later than one year	356,255	340,941
Later than one year and not later than five years	3,092,709	3,024,096
Later than five years	5,035,410	5,460,278
Total	8,484,374	8,825,315

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 30 Provisions

	Annual leave & RDO's	Long service leave	Landfill restoration	Other	Total
2020	\$	\$	\$	\$	\$
Balance at beginning of the financial year	438,251	641,004	261,556	82,175	1,422,986
Additional provisions	361,332	106,907	5,014	32,361	505,614
Amounts used	(348,175)	(165,347)	-	(36,063)	(549,585)
Balance at the end of the financial year	451,408	582,564	266,570	78,473	1,379,015
Current	451,408	320,184		57,666	829,258
Non-current	-	262,380	266,570	20,807	549,757
Total	451,408	582,564	266,570	78,473	1,379,015

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
Current	438,251	355,765	-	59,556	853,572
Non-current		285,239	261,556	22,619	569,414
Total	438,251	641,004	261,556	82,175	1,422,986

(a)Employee benefits

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

	2020	2019
Weighted average increase in employee costs	9.05%	5.32%
Weighted average discount rates	0.39%	1.05%
Weighted average settlement period	10	10

Employee Numbers (FTE)	55	52
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Note 30 Provisions (cont.)

Accounting policy

Employee benefits

i) Short term obligations

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

ii) Other long term employee benefit obligations

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

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

iii) Sick leave

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

iv) Defined benefit plans

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

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund, which is a sub fund of the 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.

v) Defined contribution plans

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

(b) Land fill restoration

Council is obligated to restore its 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.

Note 31 Lease liabilities

Lease liabilities	41,334
	<u>41,334</u>
Current	11,800
Non-current	<u>29,534</u>

Lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

As at 30 June 2020	Minimum lease payments due						Total
	Within 1 Year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	After 5 Years	
	\$	\$	\$	\$	\$	\$	\$
Lease payments	11,800	11,800	10,524	4,210	3,000	-	41,334
Finance charges	-	-	-	-	-	-	-
Net present value	<u>11,800</u>	<u>11,800</u>	<u>10,524</u>	<u>4,210</u>	<u>3,000</u>	<u>-</u>	<u>41,334</u>

Accounting policy under AASB 16 - Applicable from 1 July 2019

Leases - Council as Lessee

The lease liability is measured at the present value of outstanding payments that are not paid at balance date, discounted by using the rate implicit in the lease. Where this cannot be readily determined then Council's incremental borrowing rate for a similar term with similar security is used.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Short-term leases and leases of low-value assets

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e., when the value of the leased asset when new is \$10,000 or less. Council recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

Note 32 Contract liabilities

Current	
Rates and charges in advance	256,127
Grants received in advance	<u>56,720</u>
	<u>312,847</u>

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

Council recognised the following contract liabilities with customers:

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

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

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

Refer to note 45 for accounting policy related to AASB 15 and AASB 1058.

Note 33 Reserves

	Balance at beginning of reporting year	Increment	(decrement)	Balance at end of reporting year
(a) Asset revaluation reserve	\$	\$	\$	\$
2020				
Property				
Land	869,852	-	(47,023)	822,829
Land improvements	16,273	-	-	16,273
Buildings	928,626	-	-	928,626
	1,814,751	-	(47,023)	1,767,728
Infrastructure				
Roads	127,789,391	4,950,710	-	132,740,101
Bridges	2,214,840	1,183,183	-	3,398,023
Footpaths and cycleways	-	-	-	-
Drainage	13,565,782	-	-	13,565,782
	143,570,013	6,133,893	-	149,703,906
Total asset revaluation reserve	145,384,764	6,133,893	(47,023)	151,471,634
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
Footpaths and cycleways	-	-	-	-
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

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

	Balance at beginning of reporting year	Increment	(decrement)	Balance at end of reporting year
(b) Fair value reserve	\$	\$	\$	\$
2020				
Equity Investment assets				
Investment in water corporation	2,589,089	-	(9,089,569)	(6,500,480)
Total fair value reserve	2,589,089	-	(9,089,569)	(6,500,480)
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

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.

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

	Balance at beginning of reporting year	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting year
	\$	\$	\$	\$
(c) Other reserves				
2020				
Facilities and properties	79,750	-	-	79,750
Other reserves	391,256	111,558	(103,175)	399,639
Total other reserves	471,006	111,558	(103,175)	479,389
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

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.

	2020	2019
	\$	\$
(a) Asset revaluation reserve	151,471,634	145,384,764
(b) Fair value reserve	(6,500,480)	2,589,089
(c) Other reserves	479,389	471,006
Total reserves	145,450,543	148,444,859

Note 34 Reconciliation of cash flows from operating activities to net result for the year.

Result from continuing operations	5,525,422	2,749,795
Depreciation/amortisation	3,720,884	3,441,977
Depreciation of right-of-use asset	11,800	-
(Profit)/loss on disposal of property, plant and equipment, infrastructure	318,269	168,680
Contributions non-monetary	-	-
Recognition of assets	-	-
Capital grants received specifically for new or upgraded assets	(5,577,646)	(1,719,523)
<i>Change in assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	(203,319)	(337,865)
Decrease/(increase) in other assets	1,183	29,283
Decrease/(increase) in inventories	82,168	(53,533)
Increase/(decrease) in trade and other payables	487,418	400,301
Increase/(decrease) in provisions	(43,971)	119,656
Increase/(decrease) in other liabilities	20,439	(22,354)
Net cash provided by/(used in) operating activities	4,342,647	4,776,417

Note 35 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.

	Interest-bearing loans and borrowings	Lease liabilities
	\$	\$
Balance as at 1 July 2019	8,825,315	-
Adjustment due to AASB16 adoption	-	53,134
Restated balance as at 1 July 2019	8,825,315	53,134
Acquisitions / New leases	-	-
Changes from financing cash flows:		
Cash Received	-	-
Cash Repayments	(340,941)	(11,800)
Balance as at 30 June 2020	8,484,374	41,334
 Balance as at 1 July 2018	 9,151,611	
Changes from financing cash flows:		
Cash Received		
Cash Repayments	(326,296)	
Balance as at 30 June 2019	8,825,315	-

Note 36 Reconciliation of cash and cash equivalents

	2020	2019
	\$	\$
Cash and cash equivalents (see note 21)	10,256,813	8,692,180
Total reconciliation of cash and cash equivalents	10,256,813	8,692,180

Note 37 Financing arrangements

Credit Card	30,000	30,000
Used facilities	6,658	4,566
Unused facilities	23,342	25,434
 Security Deposit Guarantee	 150,000	 100,000
Used Facility	109,000	91,000
Unused facilities	41,000	9,000

Note 38 Superannuation

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

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

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

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

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

The actuarial review concluded that:

- The value of assets of the Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2017
- The value of assets of the Fund was adequate to meet the value of the liabilities of the Fund in respect of accrued benefits as at 30 June 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.

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

The Actuary will continue to undertake a brief review of the financial position the Fund at the end of each financial year to confirm that the contribution rates remain appropriate. The next full triennial actuarial review of the Fund will have an effective date of 30 June 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 2019, showed that the Fund had assets of \$56.64 million and members' Vested Benefits were \$47.32 million. These amounts represented 0.6% and 0.5% respectively of the corresponding total amounts for Tasplan.
- As at 30 June 2019 the fund had 107 members and the total employer contributions and member contributions for the year ending 30 June 2019 were \$1,000,322 and \$221,484 respectively.

	2020	2019
Fund	\$	\$
Defined benefits fund		
Employer contributions to Tasplan	-	-
	-	-
Accumulation funds		
Employer contributions to super funds	516,161	470,548
	516,161	470,548

Note 39 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	3,792,411	2,872,956
Cleaning contracts for council buildings	134,085	132,777
Total contractual commitments	3,926,496	3,005,733
Not later than one year	1,135,722	1,168,233
Later than one year and not later than five years	2,703,274	1,400,000
Later than five years	87,500	437,500
	3,926,496	3,005,733

Capital expenditure commitments

Roads and drainage	236,069	31,952
Other Infrastructure	2,253,163	1,794,966
Total capital expenditure commitments	2,489,232	1,826,918
Not later than one year	2,489,232	1,826,918
Later than one year and not later than five years	-	-
Later than five years	-	-
	2,489,232	1,826,918

Note 40 Operating leases

(a) Operating lease commitments under AASB 117 - applicable for 2019 comparatives

At the reporting date, Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):

Not later than one year	11,800
Later than one year and not later than five years	45,924
Later than five years	7,210
	64,934

For a reconciliation of operating lease commitments under AASB 117 and lease liabilities under AASB 16, refer to note 45.

(b) Operating lease maturity receivables

Future minimum rentals receivable under non-cancellable operating leases are as follows:

Not later than one year	51,713	67,391
Later than one year and not later than five years	47,138	88,568
Later than five years	10,489	20,772
	109,340	176,731

Note 41 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: For lease liabilities refer to note 31.

2020

	Weighted average interest rate	Floating interest rate \$	Fixed interest maturing in:			Non-interest bearing \$	Total \$
			1 year or less \$	Over 1 to 5 years \$	More than 5 years \$		
Financial assets							
Cash and cash equivalents	0.67%	1,218,238	9,035,565	-	-	3,010	10,256,813
Trade and other receivables	-	-	-	-	-	1,107,783	1,107,783
Investment in water corporation	-	-	-	-	-	29,582,956	29,582,956
Total financial assets		1,218,238	9,035,565	-	-	30,693,749	40,947,552
Financial liabilities							
Trade and other payables	-	-	-	-	-	1,521,387	1,521,387
Trust funds and deposits	-	-	-	-	-	230,548	230,548
Interest-bearing loans and borrowings	3.65%	-	356,255	3,092,709	5,035,410	-	8,484,374
Total financial liabilities		-	356,255	3,092,709	5,035,410	1,751,935	10,236,309
Net financial assets (liabilities)		1,218,238	8,679,310	(3,092,709)	(5,035,410)	28,941,814	30,711,243

2019

	Weighted average interest rate	Floating interest rate \$	Fixed interest maturing in:			Non-interest bearing \$	Total \$
			1 year or less \$	Over 1 to 5 years \$	More than 5 years \$		
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

Note 41 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	
	2020 \$	2019 \$	2020 \$	2019 \$
Financial assets				
Cash and cash equivalents	10,256,813	8,692,180	10,256,813	8,692,180
Trade and other receivables	1,107,783	904,464	1,107,783	904,464
Investment in water corporation	29,582,956	38,672,525	29,582,956	38,672,525
Total financial assets	40,947,552	48,269,169	40,947,552	48,269,169
Financial liabilities				
Trade and other payables	1,521,387	1,033,969	1,521,387	1,033,969
Trust funds and deposits	230,548	224,092	230,548	224,092
Lease liabilities	41,334	-	41,334	-
Interest-bearing loans and borrowings	8,484,374	8,825,315	9,344,286	9,627,909
Total financial liabilities	10,277,643	10,083,376	11,137,555	10,885,970

(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 41 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

	2020 \$	2019 \$
Balance at the beginning of the year	52,395	67,186
New/used Provisions recognised during the year	7,327	5,316
Amounts already provided for and written off as uncollectible	(6,037)	(1,946)
Amounts provided for but recovered during the year	(3,260)	(18,161)
Balance at end of year	50,425	52,395

Ageing of Trade and Other Receivables

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

	2020 \$	2019 \$
Current (not yet due)	61,408	31,739
Past due by up to 30 days	23,753	21,699
Past due between 31 and 180 days	17,914	15,206
Past due between 181 and 365 days	3,522	4,274
Past due by more than 1 year	13,413	54,005
Total Trade & Other Receivables	120,010	126,923

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 41 Financial Instruments (cont.)

The table below lists the contractual maturities for non-lease Financial Liabilities. For lease liabilities refer to 31.

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

2020	6 mths or less \$	6-12 months \$	1-2 years \$	2-5 years \$	>5 years \$	Contracted Cash Flow \$	Carrying Amount \$
Trade and other payables	1,521,387	-	-	-	-	1,521,387	1,521,387
Trust funds and deposits	230,548	-	-	-	-	230,548	230,548
Interest-bearing loans and borrowings	176,170	180,085	1,872,273	1,220,436	5,035,410	8,484,374	8,484,374
Total financial liabilities	1,928,105	180,085	1,872,273	1,220,436	5,035,410	10,236,309	10,236,309

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

Note 41 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
2020		\$	\$	\$	\$
Financial assets:					
Cash and cash equivalents	10,256,813	(205,136)	(205,136)	102,568	102,568
Trade and other receivables	1,107,783	(22,156)	(22,156)	11,078	11,078
Financial liabilities:					
Interest-bearing loans and borrowings	8,484,374	169,687	169,687	(84,844)	(84,844)

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

Note 42 Events occurring after balance date

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

Note 43 Special committees and other activities

	2020 \$	2019 \$
Pyengana Ground and Hall Committee		
Opening balance cash on hand	72,947	57,291
Receipts	10,671	21,420
Less payments	(24,654)	(5,764)
Closing balance - cash on hand	58,964	72,947

Note 44 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 McGivern (Deputy Mayor)
	Councillor Margaret Osborne
	Councillor Glen McGuinness
	Councillor Janet Drummond
	Councillor Barry LeFevre
	Councillor Kylie Wright
	Councillor Lesa Whittaker
	Councillor Kristi Chapple

General Manager

John Brown

Senior Managers

Bob Hoogland
Christina Hughes
David Jolly
Jake Ihnen
Wayne Polden
Paula Kloosterman (until 10/1/2020)

(ii) Councillor Remuneration

2020

Short term benefits

	Allowances \$	Vehicles \$	Total Compensation AASB 124 \$	Expenses ¹ \$	Total allowances and expenses section 72 \$
Mayor	44,988	-	44,988	8,999	53,987
Deputy Mayor	25,157	-	25,157	2,229	27,386
Councillors	89,975	-	89,975	14,840	104,815
Total	160,120	-	160,120	26,068	186,188

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

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

(iii) Key Management Personnel Remuneration

2020	Remuneration band	Number of employees	Short term employee benefits		Post employment benefits	
			Salary ¹	Vehicles ²	Superannuation ³	Non-monetary Benefits ⁴
			\$	\$	\$	\$
	\$50 001 - \$70 000	1	85,606	-	7,057	(30,506)
	\$120 001 - \$140 000	5	304,353	26,016	37,195	11,629
	\$140 001 - \$160 000	1	237,782	18,309	29,561	13,056
	\$220 001 - \$240 000	1	192,033	4,356	23,751	7,110
Total			819,774	48,681	97,564	1,289
						967,308

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

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	\$9,542	Council owes \$987	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 45 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

(f) Budget

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

Note 45 Other significant accounting policies and pending accounting standards (cont)

(g) Adoption of new and amended accounting standards

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

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

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

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

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

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

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

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

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

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

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

Statement of Comprehensive Income (Extract)	Reference	Note	Amounts under AASB 118 & 1004	Adjustment	Amounts under AASB 15 & 1058
Recurrent income			\$	\$	\$
Rates and charges		5	(9,315,205)	195,691	(9,119,514)
Capital grants		8	(3,063,360)	103,175	(2,960,185)
Current assets					
Other assets					
Current liabilities					
Other liabilities		32	-	298,866	298,866
Equity					
Accumulated surplus			33,517,364	(298,866)	33,218,498
1					
Prepaid rates received prior to the beginning of a rating period, are now held as a financial liability until the commencement of statutory rating period at which point Council recognises rate income.					
2					
For grant funding where specific performance obligations are yet to be completed to acquire, construct or upgrade a recognisable non-financial asset, Council recognises a liability until obligations are fulfilled.					

Note 45 Other significant accounting policies and pending accounting standards (cont)

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

(ii) AASB 16 Leases

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

Council has applied this standard from 1 July 2019 using a retrospective approach (partial) 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.

AASB 16 has resulted in most of Council's operating leases being brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low-value assets which are disclosed in note .

The calculation of the lease liability has taken into account appropriate discount rates, assumptions about the lease term, and increases in lease payments. A corresponding right to use assets has been recognised, which has been amortised over the term of the lease. Rent expense is no longer shown. The profit and loss impact of the leases has been through amortisation and interest charges. Council's current operating lease expenditure is shown at Note 19. In the Statement of Cash Flows lease payments has been shown as cash flows from financing activities instead of operating activities.

a) Impact of the new definition of a lease

Council has made use of the practical expedient available on transition to AASB 16 not to reassess whether a contract is or contains a lease. Instead contracts containing a lease under AASB 17 or Interpretation 4 at transition will continue to be applied to those contracts entered or modified before 1 January 2019.

The change in definition of a lease mainly relates to the concept of control. AASB 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on 'risks and rewards' in AASB 117 and Interpretation 4.

b) Impact of lessee accounting

i) Former operating leases

AASB 16 changes how Council accounts for leases previously classified as operating leases under AASB 17, which were off balance sheet.

Applying AASB 16, for all leases, Council:

- a) Recognises right-of-use of assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments;
- b) Recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss;
- c) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the Statement of cash flows.

Lease incentives (e.g rent-free period) are recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under AASB 117 they resulted into the recognition of a lease incentive, amortised as a reduction of rental expenses generally on a straight-line basis.

Under AASB 16, right-of-use assets are tested for impairment in accordance with AASB 136.

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

ii) Former finance leases

AASB 16 requires that Council recognises as part of its lease liability only the amount expected to be payable under a residual value guarantee, rather than the maximum amount guaranteed as required by AASB 117. This change did not have a material effect on the Council's financial statements

iii) Lessor accounting

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. However, AASB 16 has changed and expanded the disclosures required, in particular with regard to how a lessor manages the risks arising from its residual interest in leased assets.

Note 45 Other significant accounting policies and pending accounting standards (cont)

- (g) **Adoption of new and amended accounting standards (continued)**
(ii) AASB 16 *Leases* (continued)

Transition

On transition to AASB16, Council recognised additional right-of-use assets and additional lease liabilities, recognising the difference in Accumulated surpluses. The impact on transition is summarised below.

1-Jul-19	Note	\$
Right-of-use assets	24	53,134
Lease liabilities	31	(53,134)
Accumulated surpluses		-

(h) **Pending Accounting Standards**

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

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

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

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

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

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

Note 46	Management indicators	Benchmark	2020 \$	2019 \$	2018 \$	2017 \$
(a)	Underlying surplus or deficit					
	Net result for the year		5,525,422	2,749,795	3,343,748	2,896,781
	Less non-operating income					
	Capital grants		5,392,576	1,719,523	2,300,487	1,283,291
	FAGs in advance		(9,461)	33,505	85,425	1,377,088
	Disposal of assets		-	-	-	151,660
	Flood grant		105,041	-	-	-
	Contributions - non monetary assets		-	-	408,600	82,097
	Add non-operational expenses					
	Rate remissions - COVID-19		106,488			
	Flood damage rectification		-	-	16,951	417,519
	Net loss on disposal of assets for abnormal reasons		-	-	125,944	191,651
	Underlying surplus/deficit	500,000	143,754	996,767	692,131	611,815
	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		143,754	996,767	692,131	611,815
	Recurrent income		14,714,608	14,111,105	13,744,139	13,756,903
	Underlying surplus ratio %	0%	1.0%	7.1%	5.0%	4.4%
	This ratio serves as an overall measure of financial operating effectiveness.					
(c)	Net financial liabilities					
	Liquid assets less		11,350,204	9,582,252	10,217,110	8,298,456
	Total liabilities		11,969,505	11,506,362	11,335,055	10,735,274
	Net financial liabilities	0	(619,301)	(1,924,110)	(1,117,945)	(2,436,818)
	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		(619,301)	(1,924,110)	(1,117,945)	(2,436,818)
	Recurrent income		14,714,608	14,111,105	13,744,139	13,756,903
	Net financial liabilities ratio %	0% - (50%)	-4.2%	-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		102,598,677	94,732,155	95,507,764	92,690,906
	Current replacement cost		149,870,931	143,222,739	142,664,027	138,752,307
	Asset consumption ratio %		68%	66%	67%	67%
	<i>Buildings</i>					
	Depreciated replacement cost		10,295,923	10,355,527	10,619,329	10,275,274
	Current replacement cost		11,052,119	10,865,142	11,593,166	11,007,181
	Asset consumption ratio %		93%	95%	92%	93%
	<i>Drainage</i>					
	Depreciated replacement cost		19,391,144	18,154,222	17,236,912	17,566,264
	Current replacement cost		30,665,274	29,053,049	27,240,944	27,240,946
	Asset consumption ratio %		63%	62%	63%	64%
	This ratio indicates the level of service potential available in Council's existing asset base.					

Note 46	Management indicators (cont.)	2020 \$	2019 \$	2018 \$	2017 \$
(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.				
	<i>Transport Infrastructure</i>				
	Projected capital funding outlays**	3,404,000	1,239,000	1,849,000	1,522,000
	Projected capital expenditure funding***	1,340,000	1,380,000	1,547,000	1,513,000
	Asset renewal funding ratio %	90-100%	254%	90%	120%
	<i>Buildings</i>				
	Projected capital funding outlays**	753,000	320,000	148,000	192,000
	Projected capital expenditure funding***	150,000	245,000	200,000	190,000
	Asset renewal funding ratio %	90-100%	502%	131%	74%
	<i>Drainage</i>				
	Projected capital funding outlays**	76,000	50,000	50,000	85,000
	Projected capital expenditure funding***	50,000	50,000	50,000	85,000
	Asset renewal funding ratio %	90-100%	152%	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	2020 \$	2019 \$	2018 \$	2017 \$
	<u>Capex on replacement/renewal of existing assets</u>	4,061,966	3,918,377	3,917,923	5,198,709
	Annual depreciation expense	3,732,684	3,441,977	3,546,098	3,359,005
	Asset sustainability ratio %	100%	109%	114%	110%

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	203,971	3,236,477	3,440,448
Buildings	758,279	67,127	825,406
Plant, machinery and equipment	467,215	339,473	806,688
Fixtures, fittings and furniture	54,309	55,265	109,574
Roads	1,854,731	177,948	2,032,679
Bridges	531,908	-	531,908
Drainage	191,553	83,026	274,579
Total	4,061,966	3,959,316	8,021,282

Note 47 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 2020

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
Investment in water corporation	20	-	-	29,582,956	29,582,956
Land	26	-	5,752,000	-	5,752,000
Land under roads	26	-	2,581,382	-	2,581,382
Buildings	26	-	10,310,618	-	10,310,618
Roads, including footpaths & cycleways	26	-	-	79,751,678	79,751,678
Bridges	26	-	-	22,846,999	22,846,999
Drainage	26	-	-	19,391,144	19,391,144
		-	18,644,000	151,572,777	170,216,777

As at 30 June 2019

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
Investment in water corporation	20	-	-	38,672,525	38,672,525
Land	26	-	5,752,000	-	5,752,000
Land under roads	26	-	2,628,405	-	2,628,405
Buildings	26	-	10,370,222	-	10,370,222
Roads, including footpaths & cycleways	26	-	-	72,928,054	72,928,054
Bridges	26	-	-	21,804,101	21,804,101
Drainage	26	-	-	18,154,222	18,154,222
		-	18,750,627	151,558,902	170,309,529

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

Refer to Note 20 for details of valuation techniques used to derive fair values.

Land

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

Note 47 Fair Value Measurements (cont.)

Land under roads

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

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 and Gavin Boyd, effective 30 June 2020 on depreciated replacement cost.

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 2020. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area.

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 47 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	\$ 79,751,678	Unit replacement cost per sqm	from \$9/sqm (unsealed) up to \$40/sqm (sealed)	The higher the unit cost, the higher the fair value
		Useful life	Refer Note 25	The longer the useful life, the higher the fair value
Bridges	\$ 22,846,999	Useful life	Refer Note 25	The longer the useful life, the higher the fair value
Drainage	\$ 19,391,144	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 26 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 41 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 48 Contingent liabilities and contingent assets	2020	2019
	\$	\$
Contingent liabilities		
Outstanding legal matters	-	-
Security deposit guarantees	109,000	109,000
Total contingent liabilities	109,000	109,000
Contingent assets		
Security deposit guarantees	177,045	168,798
Total contingent assets	177,045	168,798

Note 49 Material budget variations

Council's original budget was adopted by the Council on 24 June 2019. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity, the weather, and by decisions made by the Council. Material variations of more than 10% are explained below:

Revenues

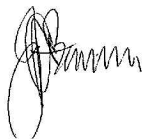
- (i) **User fees**
The amount over budget of \$278,386 (40%) was due mainly to private works done for MAST for construction of jetties.
- (ii) **Interest**
Revenue income was down \$37,691 on budget (15%) due to lower than expected bank interest rates available.
- (iii) **Other income**
The increase of \$228,397 on budget (245%) was due mainly to funds held from Section 137 property sales being moved to revenue.
- (iv) **Investment revenue from water corporation**
Dividend revenue was down \$194,000 on budget (50%) due to Covid19 remissions.
- (iv) **Grants**
The variation for capital was up \$2,341,806 on budget (84%) due to several grants for mountain bike trails being received during the year that were budgeted in 2018/19.

Expenses

- (i) **Employee benefits**
The decrease of \$524,376 on budget (10%) 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 \$731,106, (21%) was due to a combination of events. The increase in activity from user fees, private works, mountain bike trail usage 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 2020 and the results of its operations and cash flows for the year then ended, in accordance with the Local Government Act 1993 (as amended), Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.

A handwritten signature in black ink, appearing to read 'John Brown', with a large circular flourish on the left and a series of horizontal wavy lines extending to the right.

John Brown
General Manager

Date : 14 August 2020