



WELLINGTON

SHIRE COUNCIL

The Heart of Gippsland

Council Meeting Agenda

Meeting to be held at

Council Chambers - Wellington Centre

Foster Street, Sale

Tuesday 17 September 2019, commencing at 6pm

or join Wellington on the Web:

www.wellington.vic.gov.au

ORDINARY MEETING OF COUNCIL – 17 SEPTEMBER 2019

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Council Meeting Information

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Members of the public who are not in attendance at the Council meeting but who wish to communicate with the Council via the webcasting chat room should lodge their questions or comments early in the meeting to ensure that their submissions can be dealt with at the end of the meeting.

Please could gallery visitors and Councillors ensure that mobile phones and other electronic devices are turned off or in silent mode for the duration of the meeting.



A - PROCEDURAL



STATEMENT OF ACKNOWLEDGEMENT

***“We acknowledge the traditional custodians
of this land the Gunaikurnai people,
and pay respects to their elders past and present”***



PRAYER

***“Almighty God, we ask your blessing upon the Wellington
Shire Council, its Councillors, officers, staff and their families.***

***We pray for your guidance in our decisions so that the
true good of the Wellington Shire Council may result to
the benefit of all residents and community groups.”***

Amen



A - PROCEDURAL

A4 CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING/S

ITEM A4

ADOPTION OF MINUTES OF PREVIOUS MEETING/S

ACTION OFFICER:

GENERAL MANAGER CORPORATE SERVICES

DATE:

17 SEPTEMBER 2019

OBJECTIVE

To adopt the minutes of the Ordinary Council Meeting of 3 September 2019.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY

RECOMMENDATION

That Council adopt the minutes and resolutions of the Ordinary Council Meeting of 3 September 2019.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.



A - PROCEDURAL

A5 BUSINESS ARISING FROM PREVIOUS MEETING/S



A - PROCEDURAL

A6 ACCEPTANCE OF LATE ITEMS



A - PROCEDURAL

A7 NOTICE/S OF MOTION



A - PROCEDURAL

A8 RECEIVING OF PETITIONS OR JOINT LETTERS

ITEM A8(1)

OUTSTANDING PETITIONS

ACTION OFFICER:

GOVERNANCE

DATE:

17 SEPTEMBER 2019

ITEM	FROM MEETING	COMMENTS	ACTION BY
Nil			



A - PROCEDURAL

A9 INVITED ADDRESSES, PRESENTATIONS OR ACKNOWLEDGEMENTS



A - PROCEDURAL

A10 QUESTIONS ON NOTICE



A - PROCEDURAL

A11 MAYOR AND COUNCILLOR ACTIVITY REPORT

ITEM A11(1)**MAYOR AND COUNCILLOR ACTIVITY REPORT**

ACTION OFFICER: COUNCILLOR ALAN HALL

DATE: 17 SEPTEMBER 2019

RECOMMENDATION***That the Mayor and Councillor Activity report be noted.***

10 August – 6 September

11 August	First Service and Re-Opening of Cobb & Co Stables, Sale	Cr Ripper attended
12 August	Sale Elderly Citizens Annual General Meeting, Sale	Cr Ripper attended
13 August	Newry Hall Annual General Meeting, Newry	Cr Hole attended
14 August	Youth Council Meeting, Sale	Mayor Hall and Cr Crossley attended
	Gippside Kerbside Project Meeting, Sale	Mayor Hall and Chief Executive Officer, David Morcom attended
15 August	Watering of the Heyfield Wetlands, Heyfield	Cr Hole and Cr Crossley attended
	Gippstar Annual Awards Night, Traralgon	Cr Hole attended
16 August	Excellence in Agribusiness Awards Gala Presentation, Sale	Cr Crossley and Cr McCubbin attended
17 August	Sale RSL Vietnam Remembrance Service, Sale	Mayor Hall attended
	Maffra Fire Brigade Annual Presentation Dinner, Maffra	Mayor Hall attended
	National Science Week Event, Sale	Cr Ripper attended
	Book Launch, Stratford	Cr Ripper attended
19 August	Councillor Community Conversation: Valencia Soldiers Memorial, Tripod Farms and Southern Rural Water	Mayor Hall, Cr Hole, Cr Crossley, Cr Ripper and Chief Executive Officer, David Morcom attended
	Gippsland Litter and Illegal Dumping Workshop, Bairnsdale	Cr Maher attended

22 August	Energy Australia: Yallourn Power Station Meeting, Sale	Mayor Hall and Chief Executive Officer, David Morcom attended
23 August	Alan Finkel and the Hydrogen Energy Supply Chain Project Meeting, Melbourne	Cr McCubbin attended
	Gippsland International Winter Dog Festival, Maffra	Cr Ripper attended
26 August	Binary Shift 2019 Event, Sale	Mayor Hall attended
	Victorian Marine and Coastal Council Meeting, Sale	Mayor Hall, Cr Crossley, Cr Maher and Chief Executive Officer, David Morcom attended
	Gippsland Climate Adaptation Plan, Traralgon	Cr McCubbin attended
27 August	Continuing the Conversation with Latrobe Valley Authority, Sale	Mayor Hall, Cr Hole, Cr McCubbin, Cr Maher, Cr Ripper and Chief Executive Officer, David Morcom attended
	Renewable Future of Wellington Shire Meeting, Sale	Cr McCubbin and Chief Executive Officer, David Morcom attended
29 August	Yarram Pool Blanket Unveiling, Yarram	Mayor Hall attended
30 August	Gippsland Local Government Network All Councillor Forum, Warragul	Mayor Hall, Cr Hole and Chief Executive Officer, David Morcom attended
	Timber Towns Victoria Annual General Meeting, Warragul	Cr Hole attended
	Gippsland Business Awards Gala Dinner, Traralgon	Mayor Hall attended
2 September	Gippsland Local Climate Change Network meeting, Bairnsdale	Cr Crossley attended
	Gordon Street Recreation Reserve Committee Meeting, Heyfield	Cr Hole attended
4 September	Southern Rural Water Board Luncheon, Maffra	Mayor Hall, Cr Hole, Cr Crossley, Cr McCubbin and Chief Executive Officer, David Morcom attended
6 September	Minister Lili D'Ambrosio Meeting, Melbourne	Cr Hole attended

**COUNCILLOR ALAN HALL
MAYOR**



A - PROCEDURAL

A12 YOUTH COUNCIL REPORT

ITEM A12(1)**YOUTH COUNCIL REPORT**

ACTION OFFICER:

YOUTH MAYOR

DATE:

17 SEPTEMBER 2019

RECOMMENDATION

That Council receive the Youth Mayor's Quarterly Report and note the advocacy work undertaken in the areas of mental health and climate change.

Good evening Councillors,

I would like to formally introduce myself, my name is Gabriel Ivan Louis Reyes or Ivan for short and I'm the 2019-2020 Youth Mayor. It's been all go since our induction at the Youth Awards night in June – which was a great celebration of young people across Wellington.

The Youth Summit in July this year had a focus on advocacy, and with the work fellow Youth Councillor Charlee is heading up so passionately around pushing for a Headspace facility in Sale, to improve access to mental health services, it was timely skill building event. Support for this has been sought and received from both Bairnsdale and Morwell Headspace, and we are seeking further information and advice from the Primary Health Network as we put together a presentation to deliver to The Hon Darren Chester. We would like to ask that Council join us in our presentation to Darren Chester in the next couple of months.

We have been working on our Youth Action Plan for the year, and it is nearly complete. A big focus is reaching out to other young people. We are inviting young people to join us on working groups to plan our major events, and we hope to make ourselves more visible and active in the community. We have opened our formal meetings to the public between 5.00pm – 6.30pm and are encouraging young people to come along. So far, we have had young people in the gallery and joining us for dinner each meeting, and we were especially pleased to have a young person from the organising group of the School Strike For Climate Change event being held in Sale on 20 September, come and ask us for our support for the event. We are all passionate about our environment and agree to fully support the strike. How? Turning up; spreading the word at our schools, communities, socials; and setting up our stage and sound equipment.

During the past few weeks we have been planning our annual event to promote Youth's mental health called the 'Upswing'. Youth Councillors on this working group have made a lot of progress and are excited about the event. It will be a twilight affair on 19 October.

In the last couple of weeks we have had our Annual Youth Council Planning Camp, and this year we held our camp at Munjara Outdoor Centre at Lake Glenmaggie. The Yarram Youth United team joined us for one day and we discussed what impacts young people in getting fully involved in events and opportunities available to us.

I'll finish off with a thank you to Councillors who have come along to our meetings so far. We have all really appreciated getting to know you a little, being able to share things we care about and gain a greater understanding of the issues that you need to take into consideration when making decisions at Council.

Ivan Reyes
Youth Mayor



B –REPORT

DELEGATES

DELEGATE REPORT B1 ATTENDANCE AT VARIOUS MEETINGS

ACTION OFFICER: COUNCILLOR DARREN McCUBBIN

DATE: 17 SEPTEMBER 2019

RECOMMENDATION

That:

- 1. The delegates report be noted.***
- 2. Councillor Darren McCubbin's nomination for the CarbonNet Community Consultative Committee be endorsed.***

CarbonNet Community Consultative Committee Friday July 26, 2019 Carang Carang Room, Wellington Centre

The CarbonNet Project through the Department of Jobs, Precincts and Regions has established a Community Reference Group ('CRG'). The purpose of the CRG is to ensure constructive dialogue and information exchange between CarbonNet and the Gippsland community on all aspects of the current stage of the project.

The CRG is not a decision-making body and performs an advisory role only.

The CRG is in place to:

- Provide an opportunity for the broader community to express its views, attitudes and concerns in relation to the project.
- Help identify key social and community values in Gippsland for CarbonNet to consider as the project progresses.
- Provide advice concerning potential issues that affect local communities in relation to the project and contribute ideas for potential solutions.
- Be informed by CarbonNet of the outcomes of the project's technical investigations.
- Provide advice to CarbonNet on future engagement activities that could be undertaken in Gippsland, including with key stakeholders and the general public.
- Assist in communicating information to the broader community.

Whilst the Wellington Shire will not be the body responsible for permissions to develop the project nor does it contain the scientific expertise to assess the technical and environmental considerations, the CRG is a good opportunity for the Shire to pass on community concerns and to advocate for affected communities to be made aware of any potential CarbonNet operations. As such it is appropriate for a representative of the Wellington Shire to be on the CRG.

The first meeting was an introduction only giving the background behind the CarbonNet project and welcoming the members.

**Sustainability Victoria All Staff Meeting
Monday July 29, 2019
Level 28, 50 Lonsdale street Melbourne**

I was asked to make a presentation to an all staff meeting at Sustainability Victoria (SV). Attending was Heather Campbell, Chair SV Board, Carl Muller, SV Interim CEO, Stephanie Ziersch, Director Climate Change and Communities and around 100 staff from SV.

The presentation was about how SV and local Government can work together on sustainability with the examples being the Community Power Hub Project, Scorecard assessments and education in schools (RCE) amongst others. It was a great opportunity to showcase what Gippsland and the Wellington Shire is doing in regard to Sustainability and how SV can assist.

**Roadmap to Renewables
Thursday August 1, 2019
Leongatha Service Centre**

Under the Victorian Government's New Energy Jobs Fund; Gippsland Climate Change Network has been funded by the Department of Environment, Land, Water and Planning (DELWP) to deliver a Regional Renewable Energy Roadmap for South Gippsland and Bass Coast Shires as well as identifying gaps and synergies with the East Gippsland Shire "New Energy Technology Roadmap" and the Latrobe Valley "New Energy Jobs and Investment Prospectus (covering Wellington, Latrobe and Baw Baw Shire regions).

The final Roadmap document will have (as a minimum):

- a documented renewable energy vision for South Gippsland and Bass Coast
- articulated pathway to achieve the vision (but the Roadmap will not be an action plan);
- identified the opportunities and constraints to achieving the vision, including:
 - how to support and guide investment in renewable energy across South Gippsland and Bass Coast
 - the potential economic benefit associated with achieving this vision, including supply chain opportunities, jobs, community participation and financial;
 - community issues such as social licence, planning and land use, how to include "hot spots"
 - the implications of current or future energy policy
- Recommendations for next steps for the whole Gippsland region taking into account the work underway by the East Gippsland Shire "Bright Futures Renewable Energy Plan" and the Latrobe Valley Authority "New Enterprise Jobs and Investment Prospectus".

I chair the Roadmap to Renewable Project Control Group which is directing the R2R project. The Energy Innovation Cooperative (EIG) has been contracted to deliver the project by December of this year. The Roadmap and its development will lead to and/or enhance:

- community engagement and ownership of the process and the Roadmap outcome;
- strong working collaboration between business, government, community groups and leaders, and educators;
- where relevant and appropriate support for the achievement of existing regional objectives (including those of community groups);
- increased regional capacity to manage electricity and its associated costs; and
- broader community engagement in energy costs, security and reliability.

The result of this study will be a Gippsland Roadmap with Roadmaps in other DELWP designations throughout Victoria will lead to opportunities for renewable investment around the State.

Several significant renewable projects within Wellington such as the Maffra Solar Farm and the Gippsland Energy Park have been raised. The Roadmap also indicates areas of community

concern such as local wind farms which needs to be addressed by the proponent before they can be given the social licence to operate.

Community Power Hub Networking Meeting
Thursday August 8, 2019
Sustainability Victoria, Level 28, 50 Lonsdale street, Melbourne

The networking meeting was between the Latrobe Valley, Bendigo and Ballarat Power hubs to assess the current program which finished on June 30.

Independent research into the operation of the three hubs over the two year program found:

- 16 community energy projects delivered with a total of 1.5MW leading to emission reduction of 3,025 tonnes CO₂-e and savings of \$500,000 per year
- \$900,000 cash (+\$135,000 in kind) investment has been used to leverage and additional \$2.2m in additional funding for renewable projects
- Pipeline projects set to deliver a further 9.7MW and \$14.7m of investment into regional economies
- High levels of community support – 83% surveyed felt model successful.

With the successful conclusion to the funding round, Sustainability Victoria has announced further limited funding for another year of the program. This funding will allow the CPH to assist with the Ramahyuck Solar Farm, Licola Lions Village and Solar Power on Loch Sport Community House as well as a range of other Wellington initiatives.

The Combined Hubs and Gippsland Climate Change Network also made a submission to the Parliamentary Inquiry into Tackling Climate Change in Victorian Communities

Victorian zero-carbon communities transition - Community of Practice
Friday August 9, 2019
RACV Club, 501 Bourke street, Melbourne

A high level visioning day to imagine a low carbon future with reference to living, working, moving, playing and learning. See Attachment 1 for slides summarising some of the outcomes from these Communities of Practice sessions.

Committee for the Economic Development of Australia (CEDA)
The Hydrogen Energy Supply Chain project with Dr Alan Finkel
Friday August 23, 2019
Park Hyatt, Melbourne

I was invited to this talk as a guest of GHD.

Dr Finkel explained that with wind and solar coming on line there is still a sizable gap in the market – especially with large scale shipping and the replacement of existing industrial usage of Natural gas - and he believes hydrogen is the best fuel to burn to fill that gap. He predicted that Hydrogen could be at least 10% of the future energy market in a low carbon economy.

It's the scale of the gap that worries Dr Finkel: he believes the world would need to build 70 times more wind and solar than already existed at the end of 2018 (along with the associated storage – pumped hydro, and batteries) for those technologies to displace the energy we get from coal, gas, and oil.

In that light, he told the summit, hydrogen is attractive.

His key numbers were that Australia could, in 20 to 30 years, export 30 megatonnes of hydrogen annually to match the energy exported in the 70 Mt of LNG the country shipped in 2018, since hydrogen has 2.4 times the energy density of LNG. He cited examples of Japan where the technology was already present and mature with a growing market. He also pointed to pilot projects in South Australia where hydrogen was being blended into the existing gas supply as a replacement to LNG. And Hydrogen has no carbon monoxide residue and zero emissions. (it was previously a key ingredient of “Town Gas”).

With solar power driving the electrolysis, and assuming a 25 percent capacity factor, a site that can carry 50 MW of capacity per square kilometre and 50 percent energy losses in hydrogen production and handling, Dr Finkel calculated “three quarters of Australia’s biggest cattle station” (18,000 square kilometres) could deliver that much hydrogen.

However, in discussing scale, he turned to the need to look at other sources of hydrogen – specifically, hydrogen from methane and coal.

Dr Finkel’s call for these sources stood on two legs: scale, and diversity. Scaling up hydrogen to 2018-equivalent LNG exports requires a solar energy facility with eight times more annual generation than Australia’s *total* electricity generation today. He also argued that in a world possibly constrained by climate change, the sun may not shine, and the wind may not blow therefore we have to consider the diversity of its supply.

However production of Hydrogen from fossil fuels will require sequestration which although used successfully in other parts of the world has never been used in Energy generation and certainly never used commercially in Australia – there is a trial site currently in the Otway basin and of course consideration of the process offshore near Golden Beach.

Dr Finkel also explained that successful sequestration could also be used to remove carbon dioxide from the air directly using “scrubbing” techniques which are currently being trialled. He argues that obtaining Hydrogen from Coal and sequestering the emissions allows Australia to be a ready player in the global Hydrogen supply chain. The hydrogen has a ready market today and will transition to solar generated hydrogen plants in the future as the technology becomes more mature.

Considering the large amounts of available coal in our region and the debate about CCS, in my opinion it is important that Wellington Shire remains engaged in this discussion.

Gippsland Climate Adaptation Plan Monday August 26, 2019 Premiere Function Centre, Traralgon

With four Wellington Shire Council officers and about 40 other attendees from various Council, state government authorities, community and business groups, I attended this congress called by DELWP to help shape the direction of climate adaptation in Gippsland.

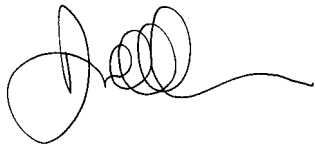
The Regional Adaptation Plan for Gippsland forms part of Victoria’s Climate Change Adaption Plan 2017-2020, and will be used to help guide regional investment and actions in our region.

In this first session we had a presented by CSIRO on the future impacts of climate change for Gippsland and then split into groups to:

- discuss Gippsland specific issues and needs
- share your insight and ideas
- start shaping our priorities for the Regional Adaptation Plan.

We then developed an initial broad vision and scope of the Regional Adaptation Plan. and the formation of a Working Reference Group to support its development. There was a clear message from the participants that the State Government needs to show leadership on this issue.

The Regional Adaptation plan is expected to further explored by the Working Reference group and presented back at a future date for our consideration.



.....

CR DARREN McCUBBIN

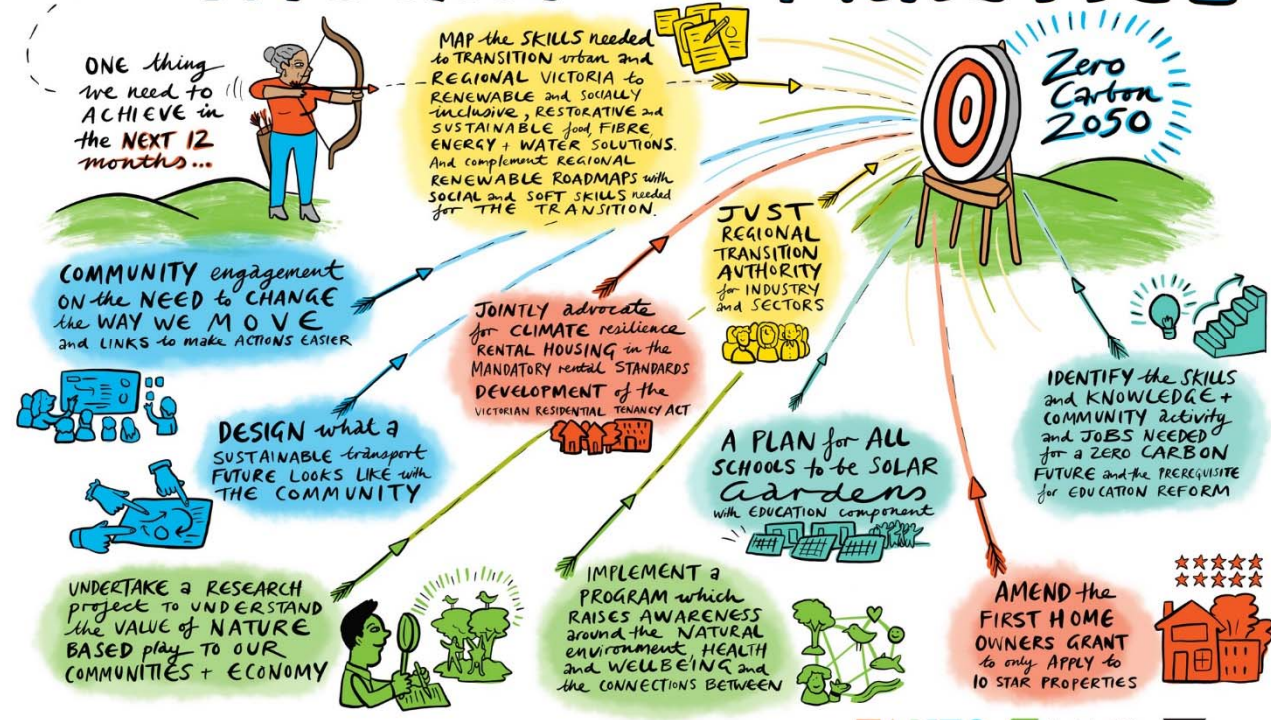
FUTURE STATEMENTS



GRAPHIC RECORDING by SARAH FIRTH @sarahthefirth sarahthefirth.com

TAKE2 Sustainability Victoria VICTORIA State Government

COMMUNITY OF PRACTICE



GRAPHIC RECORDING by SARAH FIRTH @sarahthefirth sarahthefirth.com

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C1 - REPORT

CHIEF EXECUTIVE OFFICER

ITEM C1.1**CHIEF EXECUTIVE OFFICER'S REPORT**

ACTION OFFICER: CHIEF EXECUTIVE OFFICER

DATE: 17 SEPTEMBER 2019

RECOMMENDATION*That the Chief Executive Officer's Report be received.*

- 22 August Met with Energy Australia regarding Yallourn Power Station alongside Mayor Hall.
- 26 August Met with John Leslie Foundation trustees, Helen Booth and Brian Castles, Sale to discuss existing and potential community projects.
- Met with Victorian Marine and Coastal Council representatives, Sale. In attendance was Mayor Hall, Cr Crossley and Cr Maher. The Board were seeking Council's feedback on a range of coastal matters, notably planning and future development issues and trends.
- 27 August Met with Brett Singh, Marathon Electrical and Michael Bugelly and King Arthur from Solis Re to discuss renewable future of Wellington Shire. In attendance was Cr McCubbin. While Council's immediate involvement is around planning matters and approvals, we were provided with an outline of a significant solar energy project to be located in Wellington Shire. The three proponents will provide Council with an informal briefing on Tuesday 17th September 2019.
- Attended a Community Forum: Continuing the Conversation with Latrobe Valley Authority, Sale. In attendance was Mayor Hall, Cr Hole, Cr McCubbin, Cr Maher and Cr Ripper.
- 30 August Attended the Gippsland Local Government Network All Councillor Forum, Warragul. In attendance was Mayor Hall and Cr Stephens.
- Met with Ms Jane Oakley, Committee for Gippsland alongside Mayor Hall.
- 2 September Attended the Rating Review Taskforce conference, via teleconference.
- Met with Mr Tim McAuliffe, Regional Development Victoria.
- 4 September Attended a Southern Rural Water Board Meeting and Luncheon, Maffra. In attendance was Mayor Hall, Cr McCubbin, Cr Hole and Cr Crossley.
- 6 September Met with Mr Anthony Basford, Chief Executive Officer East Gippsland Shire Council to discuss shared services, Stratford.
- Met with Ms Sharyn Bolitho, RAAF Base East Sale Liaison Officer to discuss the centenary of Air Force 2021.
- 9 September Met with Regional Roads, Sale to discuss a range of road projects across the shire.

10 September Attended a Councillor Community Conversation with the Footprints Foundation, Sale.

ITEM C1.2**AUGUST 2019 PERFORMANCE REPORT**

DIVISION: CHIEF EXECUTIVE OFFICE
 ACTION OFFICER: CHIEF EXECUTIVE OFFICER
 DATE: 17 SEPTEMBER 2019

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Consultation	Risk Management
✓	✓	✓	✓	✓					

OBJECTIVE

For Council to receive and note the August 2019 Council Performance Report.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY**RECOMMENDATION**

That Council receive and note the August 2019 Council Performance Report as attached.

BACKGROUND

The August 2019 Council Performance Report comprises key highlights towards achievement of the 2017 -21 Council Plan together with an overview of Council finances including an Income Statement with commentary regarding any major variances, information on cash balances, the level of rates outstanding and a progress update on Council’s Capital Works program.

OPTIONS

Following consideration of the attached August 2019 Performance Report, Council can resolve to either:

1. Receive and note the August 2019 Council Performance Report; or
2. Not receive and note the August 2019 Council Performance Report and seek further information for consideration at a later Council meeting.

PROPOSAL

That Council receive and note the attached August 2019 Council Performance Report.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

FINANCIAL IMPACT

Provision of a monthly financial report to the community facilitates accountability and transparency and ensures that Council and management are able to make informed decisions in a timely manner.

COMMUNICATION IMPACT

The Council Plan communicates Council's strategic direction to the community. The Council Plan can also be used by Council to communicate its vision and direction to other tiers of government, organisations, government agencies and funding bodies.

LEGISLATIVE IMPACT

There is no legislative requirement for provision of a monthly Council Performance report however, Council has determined that in the interests of accountability and transparency, this report will be provided to the community.

COUNCIL POLICY IMPACT

The August 2019 Council Performance Report has been prepared in the context of existing Council policies.

COUNCIL PLAN IMPACT

Strategic Objective 6.3 states that Council will:

"Maintain a well governed, transparent, high performing, ethical and accountable organisation"

Strategy 6.3.3 states that Council will:

"Ensure sound governance processes that result in responsive, ethical, transparent and accountable decision making"

AUGUST 2019 PERFORMANCE REPORT

AUGUST 2019 COUNCIL PLAN HIGHLIGHTS

Ombudsman Report – Ninety Mile Beach subdivisions

The Victorian Ombudsman's office released its report covering Council's handling of the Ninety Mile Beach subdivisions on 8 August 2019. The report contains four recommendations and confirmed that the proposed sale of surplus council land was "not profiteering and council's proposed sale of land generally followed appropriate processes and was not unreasonable."

Excellence in Agribusiness Awards

The Excellence in Agribusiness Awards were held in Sale on 16 August 2019. There were approximately 180 people in attendance. Over 70 nominations were received for the nine award categories and the event generated a great deal of media interest.

TAFE Gippsland Stakeholder Forum

On 15 August 2019, local businesses and industry, including Council, shared their views on the future for skills training at Port of Sale. The stakeholder forum held at the Sale Turf Club detailed the progress of a new \$25 million TAFE campus for Port of Sale and drew on the first-hand perspective of local businesses and industries to determine how TAFE Gippsland will train students.

Gippsland Business Festival

Gippsland Business Festival was held during August and events were well attended including: Marketing Your Business, Finance Fundamentals, free small business help with the small business bus, and the signature event being a presentation by Chris Helder. Events were held in Sale, Maffra and Yarram.

Maffra Structure Plan

Consultant quotations are currently being sought to prepare a structure plan for Maffra to guide future growth in the township.

Jane Austen stage performances

Jane Austen stage performances of 'A most patient persuasion', and 'Dressing with Jane' by Lise Rodgers, were held in partnership with The Wedge performing arts centre on 14 August 2019. Many favourable comments were received on the performances and in bringing the event to Sale.

Wellington Libraries engaged the same performer as part of the Tarra Festival in April, and these August performances at The Wedge were the final in a series.

Be Persuaded' costume exhibit

The Wedge's Jane Austen performances aligned with the 'Be Persuaded' costume exhibit showcasing original costumes from the Regency Period and held at the Port of Sale in conjunction with the Gippsland Art Gallery from 2-19 August 2019. An estimated 850 people of all ages attended The Wedge performances and the Port of Sale's costume exhibition.

Fred Williams exhibition and donations

The Gippsland Art Gallery's opening of the exclusive Fred Williams exhibition on 9 August 2019 attracted national media attention and many recent visitors have travelled to Gippsland specifically to see it. In further good news a major work by Fred Williams (valued at nearly \$1 million) has been generously donated to the Gippsland Art Gallery from the estate of the artist, in addition to 21 other significant donations by five other artists.

Artist Talk

An evening artist talk was presented by Daniel Gangur on 16 August 2019 as part of the Gippsland Art Gallery's ongoing 'Space' exhibition. Daniel is a passionate photographer based in Gippsland.

American Superstars in Yarram

On 2 August 2019, The Wedge presented American Superstars at the Regent Theatre in Yarram and the show was very well received by our Yarram patrons.

Popular shows at the Wedge

Other shows held during August at The Wedge included My Brilliant Divorce, Taste of Tamworth, A Room of One's Own, L'Amour: The Four Divas and Sun Rising: The Songs That Made Memphis.

Maribyrnong leaders visiting Port of Sale

Leadership from the City of Maribyrnong visited the Port of Sale precinct and Wellington Centre on 5 August 2019 with an eye to their own future cultural hub development plans. The Port received praise from the group as "the best facility they had seen" so far and learnings of Wellington project management and operational teams were shared with our Maribyrnong colleagues.

The Binary Shift Conference

The Binary Shift Conference was held on 26 August 2019 at The Wedge and on 27 August 2019 at the Port of Sale Wellington Room. Approximately 80 business leaders and small business start-ups from across Gippsland took part in the two-day conference which aimed to teach businesses across Gippsland how to make the best use of modern technology and transition to digital age business models. This event was supported by a Wellington Shire Council Community Assistance Grant due to its broad community benefit.

To coincide with the Binary Shift Conference the Sale Library had on display books on robotics, small business, e-business and Wellington Shire Libraries promotional pamphlets and banners on Level 1 and 2 of the Wellington Centre.

Also, while attending the Binary Shift Conference, visiting library staff from West Gippsland Regional Library Corporation enthusiastically toured the Sale Library and Port of Sale.

Library visit from Yarram Primary

Yarram Primary School visited the Sale Library as part of a trip to The Wedge performing arts centre and Gippsland Art Gallery on 16 August 2019. Over 50 children attended three sessions as they rotated around the precinct.

Hearing tests at Yarram Library

In response to demand, Hearing Australia used Yarram Library on 15 August 2019 for four hours to hold hearing tests and provide advice to the public.

Author talk from Ben Hobson

Local author, Ben Hobson, gave a very successful author talk and book signing at Yarram Library, with 78 people attending his presentation on his latest novel, Snake Island.

Children's Book Week

Children's Book Week this year saw just over 1,500 students and teachers attend 21 shows across Wellington Libraries' six branches. Due to some temperamental weather, we even took the show on the road, with two sessions being held at local schools. Many schools borrowed books on behalf of their students after the performance. School attendances are growing each year for these major annual events.

National Science Week

As part of National Science Week, the Sale Library ran a 3-D virtual reality, SciVR Immersive Science Event, livestreamed from Melbourne on Saturday 17 August 2019. Radio and other promotion saw 22 adults and ten children learning about astronomy, physics and the universe we live in. Library collections were displayed and a discussion at the end extended what the audience had seen and was enjoyed by all attending.

Utilisation growing at Port of Sale

Year to date attendances are continuing to grow at the Port of Sale with visitor numbers to the Gippsland Art Gallery already more than 25% higher than last calendar year (6,830 compared to 5,258).

Pools getting summer ready

Annual preparations for summer season at our pools commenced in August with pool lifeguard staff and swim schoolteacher recruitment campaigns underway.

Facilities' preparation of the seasonal outdoor pools ahead of summer is also underway with tile repairs, plant servicing and water clarification undertaken in August.

12-week challenge at AE

Promotion of Aqua Energy's health and fitness 12-week challenge continued with 39 participants now enrolled (and climbing). A new Group Fitness Timetable was also released to positive acclaim.

Hockey pitch utilisation

The synthetic hockey pitch at Gippsland Regional Sports Complex is undergoing regular and extended usage with 1,500 users (including schools, hockey clubs and associations) recorded during August.

Technical review complete

Technical investigations into Aqua Energy and Gippsland Regional Sporting Complex redevelopment and building enhancement options were completed during August. Recommendations will now be reviewed and considered for implementation along with community and stakeholder consultation.

Training for WAIAG members

Wellington Access & Inclusion Advisory Group members have attended governance training which will improve their confidence to transition to a more autonomous committee.

Road safety into school curriculum

Community Wellbeing is working with kindergartens, primary and secondary schools to make it easier for them to access and integrate road safety into the curriculum by creating a website with links for different activities and resources so that schools can make road safety a part of their everyday schooling rather than one-off projects.

Information masterclass for community planning groups

A project planning, events planning and grants (PEG) information masterclass was held at the Port of Sale on 30 August 2019 for community planning groups, the first session under a new community planning model designed to support communities to develop and deliver projects. 17 people attended with participant surveys indicating high level of satisfaction with the course and the presentations. The information session augmented targeted engagement with community planning groups as they transition to the new, project-based model.

Youth Council Planning Retreat

A successful Youth Council Planning Retreat was held 23 to 25 August 2019 at the Munjara Outdoor Centre at Lake Glenmaggie. Yarram Youth Unite joined Youth Council for one day and discussed ways to engage young people in activities and opportunities available to them.

Community-managed Facilities Strategy

A draft Community-managed Facilities Strategy was completed in August after significant research and will be the basis for Council and community focus group consultation to be held over the remainder of the year. The strategy aims to provide fairer and more community-centred support for volunteer community committees of management of some 150 community-managed facilities across the shire.

Committee of management survey

As part of the development of the new Community-managed Facilities Strategy, a comprehensive committee of management survey was released this month to committees and four, well-received drop in support sessions, to assist committees with survey completion, were also held during August.

Community Assistance Grants

44 Community Assistance Grants applications were received in the August round totalling \$203,595 and applications are currently being assessed. 17 Quick Response Grants applications were also received and approved in August totalling \$21,640 in funding.

Capital Projects Progress

- ✓ Cameron Sporting Complex Stadium Redevelopment - construction tender was awarded to Brooker Builders from Bairnsdale on 6 August 2019 with the builder attending the Cameron Sporting Complex committee of management August meeting as well as the first meeting with Wellington project management staff to formally establish the project. Works are expected to commence in September.
- ✓ Sale Tennis Club Court Upgrades - lighting upgraded on show courts and concreting of front entrance to facility completed. Stage 1 court bases (five courts) have been built to the drainage level and are ready for the *en tout cas* surface to be laid. Council is currently working through the logistics of a potential engagement of an experienced *en tout cas* court construction contractor to establish the method of construction for stage two civil works (seven courts). Fencing and lighting for Stage 2 works are currently in progress.
- ✓ Sale Memorial Hall Upgrades - redevelopment of stage side bathrooms are in progress. Painting of the main hall has been completed. Acoustic treatment has been ordered.
- ✓ Briagolong Recreation Reserve Pavilion Redevelopment – construction works is nearing completion and the official opening is being scheduled for November.
- ✓ Stratford Recreation Reserve Changeroom Redevelopment - detailed design of the facilities is nearing completion with quantity surveyor estimates currently being reviewed.
- ✓ Stephenson Park Pavilion Redevelopment - schematic design of the facilities is completed with quantity surveyor estimates currently being reviewed.
- ✓ Pine Lodge Tennis Court Resurfacing - tender for court resurfacing works is currently being advertised, closing on 11 September 2019.

Emergency management forum

On 22 August 2019, Wellington Shire participated in an emergency management forum to discuss drought relief and management and whether this should sit under emergency management legislation. While change is unlikely, a better understanding of the complexity of drought and emergencies came from the meeting with mitigation options discussed. There was recognition of the potential long-term changes to agriculture rather than seeing the current situation as a short-term impact.

Natural Disaster Financial Assistance funding applications

Natural Disaster Financial Assistance funding applications were finalised and submitted for all relief and recovery work completed for the Summer 2019 bushfires, after months of significant evidence-gathering and other processing tasks were undertaken to the satisfaction of the Victorian Government's Department of Treasury and Finance.

Community recovery survey

Wellington Shire emergency management team partnered with Windermere, an independent community service organisation, to deliver a community recovery survey with people affected by

the summer 2019 bushfires. This collaboration streamlined referrals of affected people to further support services.

Flood response at Willow Park, Rosedale

Flood observations during the minor flooding event and closure of the park were used to update the State Emergency Services' Rosedale Local Flood Guide with more accurate park closure triggers now identified.

RRV emergency management exercise

Wellington Shire participated in a Regional Roads Victoria emergency management exercise on 7 August 2019 to test multi-agency response to a complex emergency situation involving traffic and rail disruption.

Human Resources updates

August presented another busy period for the HR team. Learning and Development rolled out a Customer Service Course and will be rolling out the Drug and Alcohol Course at the start of next month. The HR Team organised Child Safe training, Cultural Awareness training and Chainsaw training for key personnel in the organisation. Recruitment activity has also increased due to seasonal Aqua Energy staffing requirements. HR also updated information and procedures on the Council's HR Homepage to ensure the most up to date and accurate resources are being provided to staff. Enterprise Bargaining is progressing well, with meetings scheduled to occur more frequently over the coming months.



AUGUST 2019 FINANCIAL REPORT

INCORPORATED IN PERFORMANCE REPORT

OPERATING RESULT
For the period ending 31 August 2019

	YEAR TO DATE			FULL YEAR 2019-20		
	Actual	Adopted Budget	Variance	Forecast *	Adopted Budget	Variance
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Income						
Rates and charges	62,878	62,591	287	63,780	63,780	-
Statutory fees & fines	157	126	31	882	882	-
User fees	1,028	820	208	7,387	7,387	-
Grants - operating	2,028	3,909	(1,881)	16,042	16,042	-
Contributions - monetary	41	-	41	191	191	-
Other income	441	676	(235)	2,772	2,772	-
Total Income	66,573	68,122	(1,549)	91,054	91,054	-
Expenditure						
Employee costs	4,275	4,668	393	27,766	27,766	-
Contractors, materials and services	4,499	4,430	(69)	35,926	35,926	-
Bad and doubtful debts	-	-	-	92	92	-
Depreciation and amortisation	-	-	-	24,776	24,776	-
Borrowing costs	-	-	-	243	243	-
Other expenses	83	84	1	734	734	-
Total Expenditure	8,857	9,182	325	89,537	89,537	-
OPERATING RESULT	57,716	58,940	(1,224)	1,517	1,517	-
Grants - capital recurrent	-	-	-	2,150	2,150	-
Grants - capital non recurrent	250	-	250	5,994	5,994	-
Contributions - monetary - capital	-	4	(4)	425	425	-
Net gain/loss on disposal of property, infrastructure, plant & equipment	12	84	(72)	(906)	(906)	-
Other Income - capital	-	-	-	179	179	-
Surplus/(Deficit)	57,978	59,028	(1,050)	9,359	9,359	-

* The forecast figures reflect any known changes that have arisen since the adoption of the original budget. Including these changes in an forecast budget sense enables Council to more accurately monitor financial performance during the year and predict the end of year position. No changes processed as yet.

A summary of major operating variances that have occurred to date include:

Operating Income

- **\$0.28 million** Additional supplementary rates struck since 2019/20 budget adoption.
- **\$0.21 million** User fees raised from services such as Council leisure facilities, animal registration and waste services were slightly higher than budgeted.
- **(\$1.88 million)** Operating grant variance primarily relates to the receipt of 50% of the budgeted first instalment of Victoria Grant Commission allocation for 19/20 in August 2019. In June 2019, \$7.4 million was received in advance for the 2019/20 allocation.
- **(\$0.23 million)** Interest income generated from investments was lower due to lower interest rates (\$192k).

Operating Expenditure

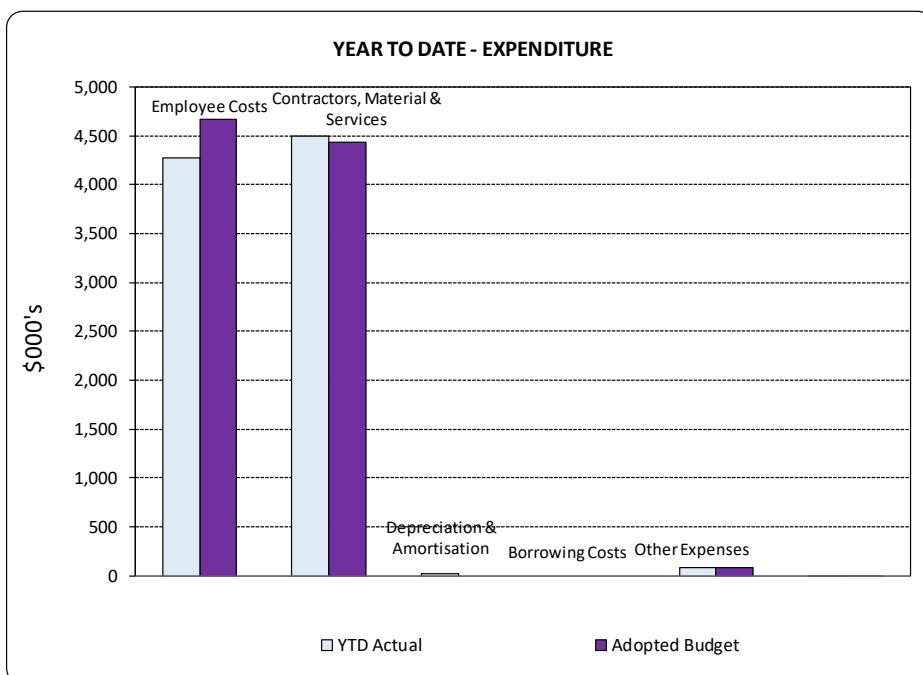
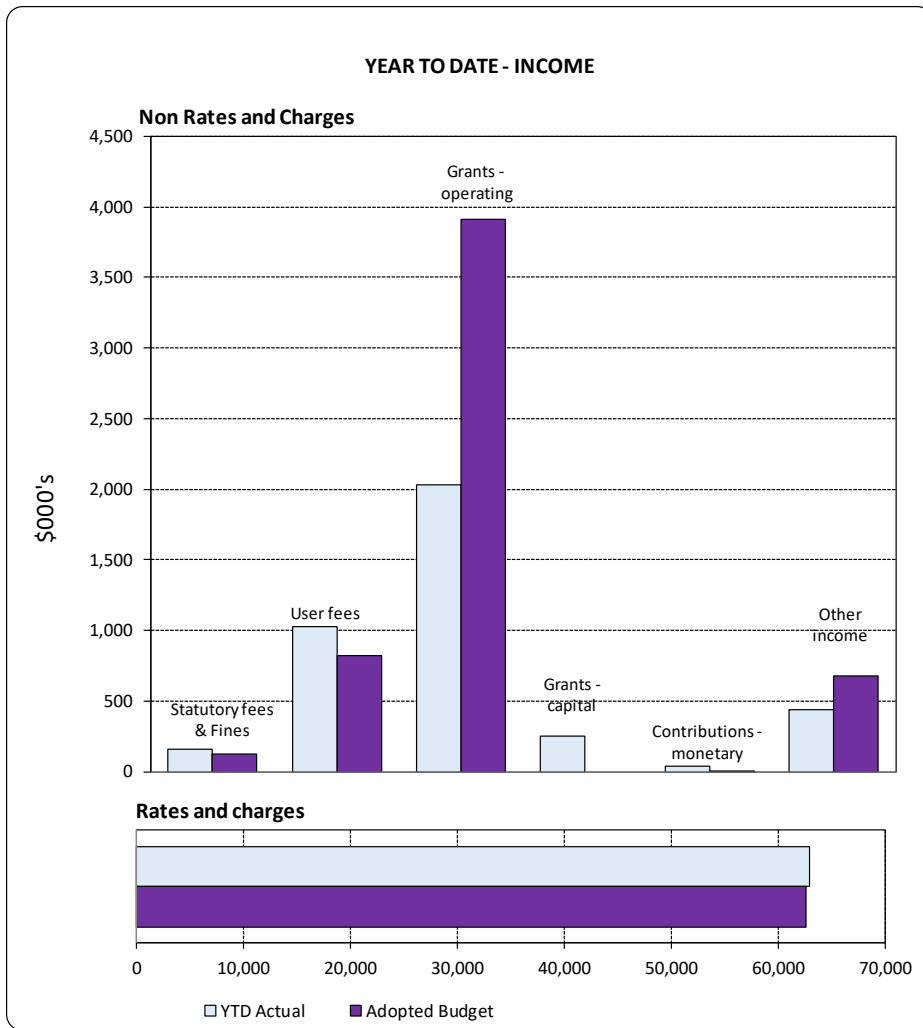
- **\$0.39 million** Employee benefits are lower than budgeted mainly due to \$304k savings in 19/20 workcover premium expenses.

A summary of major capital variances that have occurred to date include:

Capital Income

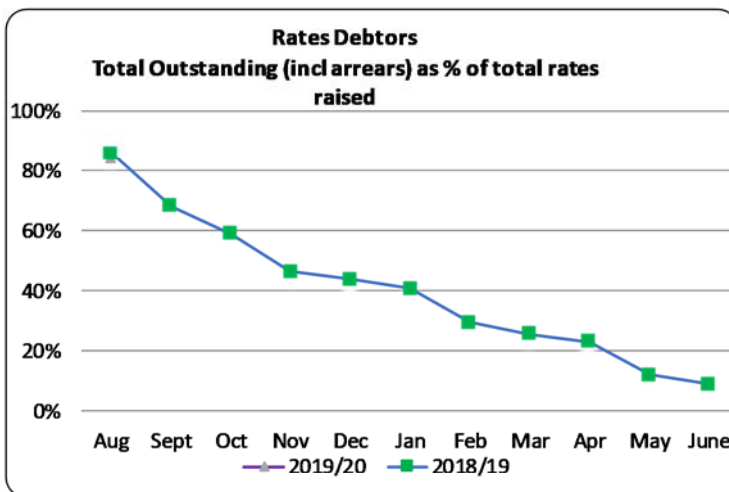
- **\$0.25 million** Capital grant funding received towards E-waste infrastructure support program to upgrade collection and storage throughout the Shire were unbudgeted.

AUGUST 2019 COMPONENTS AT A GLANCE



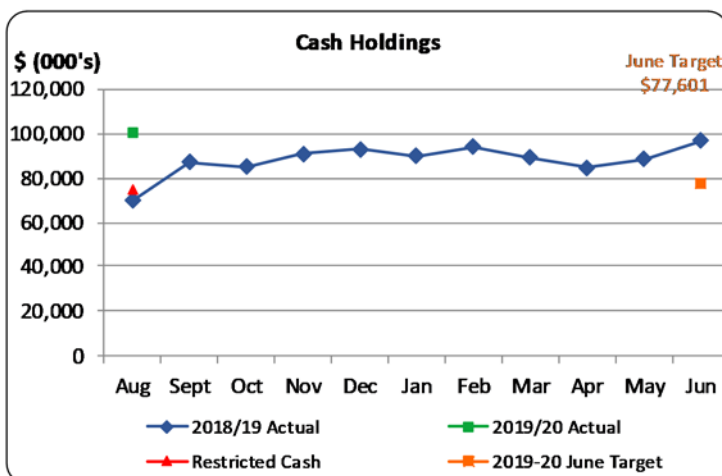
BALANCE SHEET AS AT 31 AUGUST 2019

Actual		Actual	Forecast	Adopted Budget
August 18		August 19	June 20	June 20
\$000's		\$000's	\$000's	\$000's
Assets				
133,420	Total Current Assets	159,915	84,857	83,951
897,035	Total Non Current Assets	896,552	922,343	923,241
1,030,455	Total Assets	1,056,467	1,007,200	1,007,192
Liabilities				
9,809	Total Current Liabilities	24,889	24,292	19,076
24,539	Total Non Current Liabilities	13,177	16,162	21,370
34,348	Total Liabilities	38,066	40,454	40,446
996,107	Net Assets	1,018,401	966,746	966,746



The rate debtors outstanding at the end of August 2019 were \$52.6 million (84.0%) compared to August 2018 of \$58.2 million (85.8%).

The 2019/20 rates notices have been issued and further debt collection action is being pursued for outstanding 2018/19 balances.



Council cash holdings at the end of August 2019 are \$100.3 million and higher than August 2018 of \$70.0 million due to advance funds and lower than expected expenditure.

The current cash holdings includes restricted funds of \$9.9 million to reserves, \$23.8 million to cover provisions and trusts, and approximately \$18.0 million associated with the operating and capital carried forwards.

The balance is generally working capital for ongoing operations.

Restricted cash is money that is reserved for specific purposes and therefore not available for general business use.

CAPITAL EXPENDITURE PROGRAM

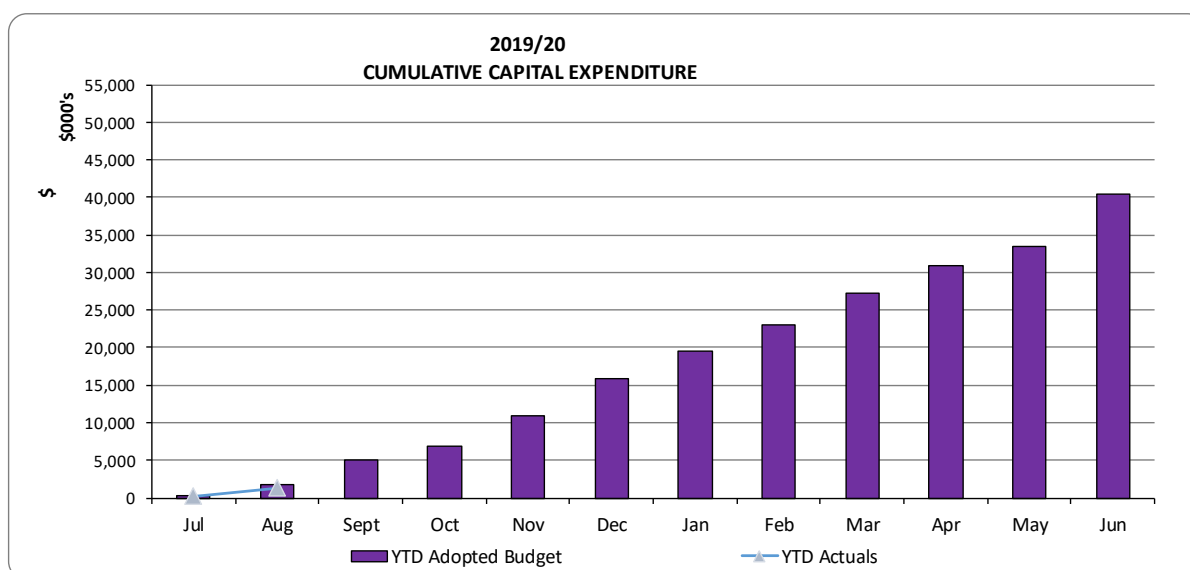
For the period ending 31 August 2019

	YEAR TO DATE 2019-20			FULL YEAR 2018-19		Variance to Adopted \$000's
	Actual \$000's	Forecast \$000's	Variance \$000's	Forecast \$000's	Adopted Budget \$000's	
Property	434	225	(209)	11,224	11,224	-
Infrastructure	1,071	1,069	(2)	25,840	25,840	-
Plant and Equipment	127	402	275	2,742	2,742	-
Intangibles	-	-	-	682	682	-
Grand Total	1,632	1,696	64	40,488	40,488	-

	YEAR TO DATE 2019-20			FULL YEAR 2018-19		Variance to Adopted \$000's
	Actual \$000's	Forecast \$000's	Variance \$000's	Forecast \$000's	Adopted Budget \$000's	
Renewal	748	689	(59)	25,171	25,171	-
Upgrade	535	947	412	10,375	10,375	-
Expansion	132	60	(72)	4,051	4,051	-
New Assets	217	-	(217)	892	892	-
Grand Total	1,632	1,696	64	40,488	40,488	-

Capital Works Summary - for the period ending 31 August 2019

- Overall 10 projects are at practical completion, 24 more projects are underway and 13 project have had contracts awarded but not yet commenced. 82 projects are in PRE-PLANNING (development of the concept design, the detail design, community consultation and seeking quotes or tenders).
- Contract was awarded in August for the multi year Cameron Sporting Complex project with works to commence onsite in September 2019.
- Briagolong Recreation Reserve Pavilion multi year project works are progressing on schedule and is expected to be completed in October 2019.
- Stacey Bridge works are progressing and are expected to be completed in September 2019.
- The following contracts were awarded in August: Network Connections, Shared Path Renewals, Rathjens Bridge and Orrs No 3 Bridge.





C2 - REPORT

GENERAL MANAGER CORPORATE SERVICES

ITEM C2.1**ASSEMBLY OF COUNCILLORS**

DIVISION:

CORPORATE SERVICES

OFFICER:

GENERAL MANAGER CORPORATE SERVICES

DATE:

17 SEPTEMBER 2019

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Engagement	Risk Management
		✓		✓					

OBJECTIVE

To report on all assembly of Councillor records received for the period 28 August 2019 to 11 September 2019.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY**RECOMMENDATION**

That Council note and receive the attached Assembly of Councillor records for the period 28 August 2019 to 11 September 2019.

BACKGROUND

Section 80A of the *Local Government Act 1989* requires a written record be kept of all assemblies of Councillors, stating the names of all Councillors and Council staff attending, the matters considered and any conflict of interest disclosures made by a Councillor. These records must be reported, as soon as practicable, at an ordinary meeting of the Council and recorded in the minutes.

Below is a summary of all assembly of Councillor records received for the period 28 August 2019 to 11 September 2019.

Assembly of Councillors summary of reports received for the period 28 August 2019 to 11 September 2019.

Date	Matters considered	Councillors and officers in attendance
3 September 2019	IT/Diary Meeting	<p>Councillor Bye, Councillor Crossley, Councillor Hall, Councillor Hole, Councillor McCubbin, Councillor Maher, Councillor Ripper, Councillor Rossetti, Councillor Stephens.</p> <p>David Morcom, Chief Executive Officer</p> <p>Leah Carubia, Executive Assistant, CEO Unit</p> <p>Damian Norkus, ICT Operations Officer</p>
3 September 2019	<p>Verbal Updates</p> <p>Youth Council Terms of Reference</p> <p>Rezoning Assessment Criteria Discussion</p> <p>Introduction to Community Managed Facilities Strategy</p> <p>Community Managed Facilities Strategy Draft</p> <p>Domestic Wastewater Management Plan (DWMP) Progress update</p>	<p>Councillor Bye, Councillor Crossley, Councillor Hall, Councillor Hole, Councillor McCubbin, Councillor Maher, Councillor Ripper, Councillor Rossetti, Councillor Stephens.</p> <p>David Morcom, Chief Executive Officer</p> <p>Chris Hastie, General Manager Built & Natural Environment</p> <p>Arthur Skipitaris, General Manager Corporate Services</p> <p>Sharon Houlihan, General Manager Community & Culture (Item 1)</p> <p>John Websdale, General Manager Development (Item 1 and 6)</p> <p>Sam Matthews, Senior Community Facilities Projects Officer (Item 1)</p> <p>Karen McLennan, Manager Community Wellbeing (Item 2, 4 and 5)</p> <p>Meg Capurso, Youth Liaison Coordinator (Item 2)</p> <p>Bruce Smith, Coordinator Social Planning and Policy (Item 2)</p> <p>Josh Clydesdale, Manager Land Use Planning (Item 3)</p> <p>Barry Hearsey, Coordinator Strategic Planning (Item 3)</p> <p>Ben Proctor, Strategic Planner (Item 3)</p> <p>Caragh Button, Strategic Planner (Item 3)</p> <p>Bodye Darvill, Coordinator Community Committees (Item 4 and 5)</p> <p>Vanessa Ebsworth, Manager Municipal Services (Item 6)</p> <p>Samantha King, Environmental Health Officer (Item 6)</p> <p>Nathan Coates, Wastewater Project Officer (Item 6)</p>

OPTIONS

Council has the following options:

1. Note and receive the attached assembly of Councillors records; or
2. Not receive the attached assembly of Councillors records.

PROPOSAL

That Council note and receive the attached assembly of Councillors records during the period 28 August 2019 to 11 September 2019.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

LEGISLATIVE IMPACT

The reporting of written records of assemblies of Councillors to the Council in the prescribed format complies with Section 80A of the *Local Government Act 1989*.

COUNCIL PLAN IMPACT

The Council Plan 2017-21 Theme 6 Organisational states the following strategic objective and related strategy:

Strategic Objective 6.3

"Maintain a well governed, transparent, high performing, ethical and accountable organisation."

Strategy 6.3.3

"Ensure sound governance processes that result in responsive, ethical, transparent and accountable decision making."

This report supports the above Council Plan strategic objective and strategy.

ASSEMBLY OF COUNCILLORS

1. **DATE OF MEETING:** 3 September 2019

2. **ATTENDEES**

Councillors:

Name	In attendance (tick)		Name	In attendance (tick)	
	Yes	No		Yes	No
Cr Bye	✓		Cr Maher	✓	
Cr Crossley	✓		Cr Ripper	✓	
Cr Hall	✓		Cr Rossetti	✓	
Cr Hole	✓		Cr Stephens	✓	
Cr McCubbin	✓				

Name	In attendance (tick)		Name	In attendance (tick)	
	Yes	No		Yes	No
D Morcom, CEO	✓		S Houlihan, GMCC		✓
C Hastie, GMB&NE		✓	J Websdale, GMD		✓
A Skipitaris, GMCS		✓			

Others in attendance: (list names and item in attendance for)	Item No.
Leah Carubia, Damian Norkus	1

3. **Matters/Items considered at the meeting (list):**

1. IT / Diary Meeting

4. **Conflict of Interest disclosures made by Councillors:**

Nil

ASSEMBLY OF COUNCILLORS

1. **DATE OF MEETING:** 3 September 2019

2. **ATTENDEES**

Councillors:

Name	In attendance (tick)		Name	In attendance (tick)	
	Yes	No		Yes	No
Cr Bye	✓		Cr Maher	✓	
Cr Crossley	✓		Cr Ripper	✓	
Cr Hall	✓		Cr Rossetti	✓	
Cr Hole	✓		Cr Stephens	✓	
Cr McCubbin	✓				

Name	In attendance (tick)		Name	In attendance (tick)	
	Yes	No		Yes	No
D Morcom, CEO	✓		S Houlihan, GMCC	✓	
C Hastie, GMB&NE	✓		J Websdale, GMD	✓	
A Skipitaris, GMCS	✓				

Others in attendance: (list names and item in attendance for)	Item No.
CMT, Sam Matthews	1
Karen McLennan, Meg Capurso, Bruce Smith	2
Josh Clydesdale, Barry Hearsey, Ben Proctor, Caragh Button	3
Bodye Darvill, Karen McLaren	4
Bodye Darvill, Karen McLaren	5
John Websdale, Vanessa Ebsworth, Sam King, Nathan Coates	6

3. **Matters/Items considered at the meeting (list):**

1. Verbal Updates
2. Youth Council Terms of Reference
3. Rezoning Assessment Criteria Discussion
4. Introduction to Community Managed Facilities Strategy
5. Community Managed Facilities Strategy Draft
6. Domestic Wastewater Management Plan (DWMP) Progress update

4. **Conflict of Interest disclosures made by Councillors:**

Nil

ITEM C2.2**APPROVAL IN PRINCIPLE OF DRAFT 2018/2019 FINANCIAL AND PERFORMANCE STATEMENTS**

DIVISION: CORPORATE SERVICES
 OFFICER: MANAGER CORPORATE FINANCE
 DATE: 17 SEPTEMBER 2019

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Engagement	Risk Management
		✓		✓					

OBJECTIVE

For Council to approve in principle the draft 2018/2019 Financial and Performance Statements as attached and authorise two Councillors to certify these statements upon completion of the Auditor-General’s review.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY

RECOMMENDATION

That Council approve, in principle, the Draft 2018/2019 Financial and Performance Statements as attached and authorise Councillors Hall and Stephens to certify the statements in their final form.

BACKGROUND

Section 131 of the *Local Government Act 1989* requires Council to prepare an annual report for submission to the Minister for Local Government by 30 September of each year.

The annual report must contain the following:

- A report of operations of the Council
- An audited Performance Statement
- Audited Financial Statements

Council must pass a resolution giving its approval in principle to the Financial Statements and the Performance Statement so that Officers can submit these to the Auditor-General.

The Chief Executive Officer, Principal Accounting Officer and two Councillors appointed by Council must certify the statements, once amendments or changes requested by the Auditor-General have been made.

Council’s Audit & Risk Committee has reviewed the draft Financial and Performance Statements having had discussions with the external auditors and formally recommends that Council approve the statements in principle.

The in principle approval of the statements will enable the draft statements to be reviewed and certified by the Auditor-General prior to 30 September 2019. This will enable Council to meet its legislative requirement of submitting the 2018/2019 Annual Report to the Minister for Local Government by 30 September 2019.

OPTIONS

That Council:

1. Approve in principle the Draft 2018/2019 Financial and Performance Statements as attached, and authorise two Councillors to certify the statements in their final form; or
2. Not approve in principle the Draft 2018/2019 Financial and Performance Statements, as attached, at this time.

PROPOSAL

That Council approve, in principle, the Draft 2018/2019 Financial and Performance Statements as attached, and authorise Councillors Hall and Stephens to certify the statements in their final form.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

LEGISLATIVE IMPACT

Section 132(2) of the *Local Government Act 1989* requires Council to pass a resolution giving approval in principle to the Financial and Performance Statements prior to submitting the statements to the Auditor-General.

COUNCIL PLAN IMPACT

The Council Plan 2017-21 Theme 6 Organisational states the following strategic objective and related strategy:

Strategic Objective 6.3

“Maintain a well governed, transparent, high performing, ethical and accountable organisation.”

Strategy 6.3.1

“Maintain processes and systems to ensure sound financial management.”



WELLINGTON
SHIRE COUNCIL

Wellington Shire Council

ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2019

**Wellington Shire Council
Financial Report
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Certification of the Financial Statements

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.

Ian Carroll (CPA)
Principal Accounting Officer

Dated :
Sale

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

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

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

Alan Hall
Councillor

Dated :
Sale

Garry Stephens
Councillor

Dated :
Sale

David Morcom
Chief Executive Officer

Dated :
Sale

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Comprehensive Income Statement For the Year Ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
Income			
Rates and charges	3.1	61,916	60,823
Statutory fees and fines	3.2	775	888
User fees	3.3	7,369	6,911
Grants - operating	3.4	22,594	15,966
Grants - capital	3.4	16,739	8,514
Contributions - monetary	3.5	1,615	939
Contributions - non monetary	3.5	611	790
Other income	3.6	3,920	4,231
Total income		115,539	99,062
Expenses			
Employee costs	4.1	25,690	24,551
Materials and services	4.2	30,802	28,994
Depreciation and amortisation	4.3	21,600	22,256
Bad and doubtful debts	4.4	110	88
Borrowing costs	4.5	355	341
Net loss on disposal of property, infrastructure, plant and equipment	4.7	1,120	3,163
Other expenses	4.6	2,187	11,712
Total expenses		81,864	91,105
Surplus for the year		33,675	7,957
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	9.1	(21,728)	32,459
Total comprehensive result		11,947	40,416

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

Balance Sheet As at 30 June 2019

	Note	2019 \$'000	2018 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	60,612	51,546
Trade and other receivables	5.1	8,119	6,506
Other financial assets	5.1	36,219	20,783
Inventories	5.2	20	9
Other assets	5.2	877	1,617
Total current assets		105,847	80,461
Non-current assets			
Trade and other receivables	5.1	1,064	2,221
Property, infrastructure, plant and equipment	6.1	881,050	891,818
Intangible assets	5.2	2,138	2,289
Total non-current assets		884,252	896,328
Total assets		990,099	976,789
Liabilities			
Current liabilities			
Trade and other payables	5.3	5,802	6,362
Trust funds and deposits	5.3	2,148	996
Provisions	5.5	6,108	5,883
Interest-bearing liabilities	5.4	6,289	289
Total current liabilities		20,347	13,530
Non-current liabilities			
Provisions	5.5	17,770	16,936
Interest-bearing liabilities	5.4	1,315	7,603
Total non-current liabilities		19,085	24,539
Total liabilities		39,432	38,069
Net assets		950,667	938,720
Equity			
Accumulated surplus		389,170	356,603
Reserves	9.1	561,497	582,117
Total Equity		950,667	938,720

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

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

	Note	Accumulated		Revaluation	Other
		Total	Surplus	Reserve	Reserves
2019		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		938,720	356,603	574,111	8,006
Surplus/(deficit) for the year		33,675	33,675	-	-
Net asset revaluation increment/(decrement)	9.1	(21,728)	-	(21,728)	-
Transfer from asset revaluation reserve to accumulated surplus	6.1	-	775	(775)	-
Transfers to other reserves	9.1	-	(2,814)	-	2,814
Transfers from other reserves	9.1	-	931	-	(931)
Balance at end of the financial year		950,667	389,170	551,608	9,889

	Note	Accumulated		Revaluation	Other
		Total	Surplus	Reserve	Reserves
2018		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		898,074	350,051	541,517	6,506
Effects of correction of errors		230	456	(226)	-
Surplus/(deficit) for the year		7,957	7,957	-	-
Net asset revaluation increment/(decrement)	9.1	32,459	-	32,459	-
Transfer from asset revaluation reserve to accumulated surplus	6.1	-	(361)	361	-
Transfers to other reserves	9.1	-	(3,446)	-	3,446
Transfers from other reserves	9.1	-	1,946	-	(1,946)
Balance at end of the financial year		938,720	356,603	574,111	8,006

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

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

	Note	2019 Inflows/ (Outflows) \$'000	2018 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		62,075	60,778
Statutory fees and fines		787	888
User fees		7,787	6,970
Grants - operating		22,775	15,856
Grants - capital		16,167	9,545
Contributions - monetary		1,615	939
Interest received		2,027	1,542
Trust funds and deposits taken		2,658	1,182
Other receipts		1,285	1,902
Goods and Services Tax Collected		944	923
Goods and Services Tax Refunds from the Australian Taxation Office		5,119	5,058
Employee costs		(25,450)	(24,449)
Materials and services		(31,439)	(32,170)
Trust funds and deposits repaid		(1,506)	(1,177)
Other payments		(728)	(768)
Goods and Services Tax Paid to Suppliers		(6,063)	(5,980)
Net cash provided by operating activities		58,053	41,039
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment (including intangibles)		(33,604)	(30,866)
Proceeds from sale of property, infrastructure, plant and equipment		634	1,445
Payments for investments		(154,346)	(107,379)
Proceeds from sale of investments		138,972	103,027
Net cash used in investing activities		(48,344)	(33,773)
Cash flows from financing activities			
Finance costs		(355)	(342)
Repayment of borrowings		(288)	(764)
Net cash used in financing activities		(643)	(1,106)
Net increase in cash and cash equivalents		9,066	6,160
Cash and cash equivalents at the beginning of the financial year		51,546	45,386
Cash and cash equivalents at the end of the financial year		60,612	51,546
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

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

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

	2019 \$'000	2018 \$'000
Property		
Land improvements	126	1,119
Total land	<u>126</u>	<u>1,119</u>
Buildings	4,241	7,986
Total buildings	<u>4,241</u>	<u>7,986</u>
Total property	<u>4,367</u>	<u>9,105</u>
Plant and equipment		
Plant, machinery and equipment	1,576	1,932
Fixtures, fittings and furniture	377	498
Computers and telecommunications	258	155
Library books	246	248
Total plant and equipment	<u>2,457</u>	<u>2,833</u>
Infrastructure		
Roads	10,863	8,886
Bridges	633	898
Footpaths and cycleways	2,433	1,012
Drainage	68	158
Recreational, leisure and community facilities	1,945	1,971
Waste management	344	160
Parks, open space and streetscapes	3,616	3,485
Aerodromes	6,297	492
Off street car parks	385	-
Other infrastructure	136	1,838
Total infrastructure	<u>26,720</u>	<u>18,900</u>
Total Capital Works expenditure	<u>33,544</u>	<u>30,838</u>
Represented by:		
New asset expenditure	2,446	1,755
Asset renewal expenditure	20,303	19,553
Asset expansion expenditure	2,691	3,149
Asset upgrade expenditure	8,104	6,381
Total capital works expenditure	<u>33,544</u>	<u>30,838</u>

The above Statement of Capital Works should be read in conjunction with the accompanying notes.
The Statement of Capital Works includes work in progress and excludes intangibles.

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

OVERVIEW

Introduction

Wellington Shire Council was established by an Order of the Governor in Council on 2 December 1994. The Council's main office is located at 18-20 Desailly Street, Sale, Victoria 3850.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, *the Local Government Act 1989*, and the Local Government (Planning and Reporting) Regulations 2014.

Significant accounting policies

(a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)

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.

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

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. *The Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$600,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

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

1.1 Income and expenditure

	Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000	Variance %	Ref
Income					
Rates and charges	61,411	61,916	505	1	
Statutory fees and fines	811	775	(36)	(4)	
User fees	7,525	7,369	(156)	(2)	
Grants - operating	8,580	22,594	14,014	163	1
Grants - capital	13,836	16,739	2,903	21	2
Contributions - monetary	1,546	1,615	69	4	
Contributions - non monetary	-	611	611	100	3
Other income	2,288	3,920	1,632	71	4
Total income	95,997	115,539	19,542	20	
Expenses					
Employee costs	26,927	25,690	1,237	5	5
Materials and services	32,297	30,802	1,495	5	6
Depreciation and amortisation	24,130	21,600	2,530	10	7
Bad and doubtful debts	86	110	(24)	(28)	8
Borrowing costs	391	355	36	9	
Net loss (gain) on disposal of property, infrastructure, plant and equi	(151)	1,120	(1,271)	842	9
Other expenses	2,453	2,187	266	11	10
Total expenses	86,133	81,864	4,269	5	
Surplus for the year	9,864	33,675	23,811	241	

(i) Explanation of material variations - Income and Expenditure

Variance Ref	Item	Explanation
1	Grants - operating	Operating grants variance mainly relates to 50% of Council's 2019/20 Victoria Grants Commission (VGC) allocation of \$7.4 million and \$4.5 million associated with the Gippsland Shared Services initiative being received in June 2019, which will be carried forward to 2019/20. New grant funding of \$0.7 million has been received for drought community resilience and support programs and \$0.2 million for Stratford Recreation Reserve. Additional funding of \$0.8 million has also been received against the 2018/19 Victoria Grants Commission allocation in our budget.
2	Grants - capital	Capital grant variance mainly represents the final invoices raised for the Port of Sale Redevelopment project of \$2.2 million for the work completed in 2017/18. The conclusion of the current five year Roads to Recovery program has resulted in additional \$1.9 million being received. This is offset by unsuccessful funding applications of \$1.3 million for road and bridge upgrades.
3	Contributions - non monetary	Donations and asset contributions (non monetary) associated with new subdivisions have been recognised through the year.
4	Other Income	Other income primarily represents higher than projected interest on investments of \$0.8 million due to advance funds being received and expenditure trend being lower than budgeted. New assets of \$0.6 million (non cash) have been recognised during the year.
5	Employee costs	Savings in employee costs resulted from staff vacancies (some long term) but slightly offset by use of casuals and agency staff. Lower than expected annual workcover premium will generate overall savings of approximately \$0.3 million for the year.
6	Materials and Services	The Sale Memorial Hall Upgrade project has been deferred and is expected to commence in July 2019, resulting in a \$0.6 million underspend in 18/19. The commencement of the Gippsland Shared Service's initiative was delayed until 2019/20 awaiting finalisation of a government funding application resulting in a \$0.6 million underspend in 2018/19. Savings in utilities charges of \$0.1 million is mainly due to energy efficiency initiatives implemented throughout Council facilities.
7	Depreciation and amortisation	Written down value of assets replaced, budgeted in depreciation was reclassified to Net gain(loss) on disposal of property, infrastructure, plant and equipment after adoption of the budget. Excluding this reclassification, there was a savings of \$1.5 million mainly in buildings depreciation.
8	Bad and doubtful debts	The provision for inappropriate subdivision outstanding rates was higher than budgeted.
9	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Since the 2018/19 budget was adopted, assets written down and replaced was reclassified from depreciation to Net gain (loss) on disposal of property, infrastructure, plant and equipment.
10	Other expenses	During the year, Council wrote off assets of \$0.3 million found to be the property of an external party. In addition, \$0.4 million of assets were derecognised as they were no longer maintained by Council. This additional expenditure was offset by \$1.2 million for landfill rehabilitation provision not required this financial year as it was previously recognised in 2017/18 financial statements.

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

Note 1 Performance against budget (continued)

1.2 Capital works

	Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000	Variance %	Ref
Property					
Landfill Improvements	30	126	96	320	1
Total Land	<u>30</u>	<u>126</u>	<u>96</u>	<u>320</u>	
Buildings	6,877	4,241	(2,636)	(38)	2
Total Buildings	<u>6,877</u>	<u>4,241</u>	<u>(2,636)</u>	<u>(38)</u>	
Total Property	<u>6,907</u>	<u>4,367</u>	<u>(2,540)</u>	<u>(37)</u>	
Plant and Equipment					
Plant, machinery and equipment	2,201	1,576	(625)	(28)	3
Fixtures, fittings and furniture	196	377	181	92	4
Computers and telecommunications*	165	258	93	56	5
Library books	259	246	(13)	(5)	
Total Plant and Equipment	<u>2,821</u>	<u>2,457</u>	<u>(364)</u>	<u>(13)</u>	
Infrastructure					
Roads	12,083	10,863	(1,220)	(10)	6
Bridges	412	633	221	54	7
Footpaths and cycleways	6,718	2,433	(4,285)	(64)	8
Drainage	150	68	(82)	(55)	9
Recreational, leisure and community facilities	3,442	1,945	(1,497)	(43)	10
Waste management	250	344	94	38	11
Parks, open space and streetscapes	3,161	3,616	455	14	12
Aerodromes	6,238	6,297	59	1	
Off street car parks	85	385	300	353	13
Other infrastructure	745	136	(609)	(82)	14
Total Infrastructure	<u>33,284</u>	<u>26,720</u>	<u>(6,564)</u>	<u>(20)</u>	
Total Capital Works Expenditure	<u>43,012</u>	<u>33,544</u>	<u>(9,468)</u>	<u>(22)</u>	
Represented by:					
New asset expenditure	335	2,446	2,111	630	
Asset renewal expenditure	26,518	20,303	(6,215)	(23)	
Asset expansion expenditure	3,961	2,691	(1,270)	(32)	
Asset upgrade expenditure	12,198	8,104	(4,094)	(34)	
Total Capital Works Expenditure	<u>43,012</u>	<u>33,544</u>	<u>(9,468)</u>	<u>(22)</u>	

* This budget comparison excludes intangibles of \$664k.

(i) Explanation of material variations - Capital Works

Variance Ref	Item	Explanation
1	Land improvements	Planned cell construction for Rosedale landfill (\$30k) was cancelled due to the closure of Rosedale landfill in early 2018/19. Unbudgeted works have been completed on Kilmarny for \$0.1 million.
2	Buildings	Due to delays in funding confirmation and community consultation construction on the Cameron Sporting Complex Redevelopment will not commence until early 2019/20 financial year resulting in a variance of \$4.0 million. Commencement of the construction of the Briagolong Recreation Reserve pavilion redevelopment and Stephenson Park Sale changeroom redevelopment were also delayed awaiting confirmation of funding announcements, resulting in a underspend in 2018/19 of \$0.3 million. Expenditure of \$0.2 million at Aqua Energy was also delayed while options were evaluated. All these projects are anticipated to be completed in 2019/20. Rescoping of GRSC Stage 2A delayed commencement of the project with \$1.9 million spent in 2018/19 and completion occurred in October 2018.
3	Plant, machinery and equipment	The replacement of some fleet vehicles has been deferred because of lower than expected kilometres and some vehicles are being kept longer as an economy measure.
4	Fixtures, fittings and furniture	A number of miscellaneous unbudgeted furniture and fittings were purchased during the year including additional artworks for the Gippsland Art Gallery. New funding was received to improve public safety in the Sale CBD by installing CCTV with the majority of works completed in 2018/19. As the project was delivered under budget, additional works are planned for 2019/20 to expend the remaining funds.
5	Computers and telecommunications	Business systems upgrades have been delayed due to the outcome of the shared services submission to Local Government Victoria.
6	Roads	The annual reseal and asphalt program delivered \$1.5 million savings after completion of programmed works. Some projects were cancelled due to unsuccessful funding.
7	Bridges	Final works of \$0.14 million on Boodyarn, Napier and Toms Cap bridges were completed in early 2018/19. Works on Staceys Bridge has commenced following delays in sourcing government funding with works to be completed in August 2019.
8	Footpaths and cycleways	Works on the Sale CBD renewal program (Foster St Sale) were completed but expenditure for the majority of the remaining \$2.2 million will be delayed until 2020/21 awaiting the installation of underground power by SP Ausnet on York St Sale. Expenditure of \$2.1 million on the Maffra CBD Streetscape multi-year project was delayed due to an unscheduled watermain replacement and then contractor delays in mobilising to site. Commencement of works on the Tarra Trail Stage 2 of \$0.3 million has been delayed awaiting issuing of permits. The final works of \$0.3 million on the 2017/18 Glebe Woondella shared path project (boardwalk/bridge and lighting) was completed in 2018/19.
9	Drainage	Savings were achieved in the construction of minor drainage works.
10	Recreational, leisure and community facilities	The Sale Tennis Club pavilion upgrade is complete with court works progressing with the remaining budget of \$1.0 million to spent by late 2019. The outdoor pool plant room replacement project of \$0.7 million was rescoped and re-tendered during 2018/19 with a decision to be made in 2019/20.
11	Waste management	New funding has been received in 2018/19 to construct E-Waste Storages at landfill facilities within the Shire.
12	Parks, open space and streetscapes	The multi-year Rosedale Civic Renewal project continued in 2018/19 with the redevelopment of Willow Park, including new toilet and BBQ facilities completed. Maffra Cameron Sporting Complex Water Bore & Irrigation project required retendering hence delaying the completion of the project from 2017/18 to 2018/19.
13	Off street car parks	Works on the Port Albert off street carpark were delayed to avoid works disruption to the boat ramp project.
14	Other infrastructure	Boating facilities upgrades have not proceeded due to deferral of boating facilities grants funding.

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

Note 2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2 (a) Built & Natural Environment

Built & Natural Environment division promotes, plans and implements a range of strategies that make a significant contribution to the responsible care and sustainable management of our municipality's diverse natural environment and built environment. Services delivered by this division include Capital works, Asset Management, Infrastructure Development, Road Planning and Maintenance, Built Environment Facilities, Parks Services, Open Space Planning and Waste & Sustainability.

Chief Executive Officer

CEO Office ensures leadership and engagement with our community to ensure our residents feel engaged and informed by Council through services including Media and Communication.

Community and Culture

Community & Culture division promotes, supports and advocates for the social and cultural wellbeing of our community by providing essential and innovative amenities, services and facilities through the creation of beneficial partnerships with key stakeholders. The division is comprised of service areas including Social Planning & Policy, Community Engagement, Youth Services, Rural Access, Emergency Management, Community Facilities Planning and Community Committees. This division also manages our Art Gallery, Library Services, 'The Wedge' Entertainment Centre and Leisure Services which includes our pools and Gippsland Regional Sporting Complex in Sale.

Corporate Services

Corporate Services division provides support services across council to enable the delivery of council's vision and strategic objectives. The provision of these services includes Human Resources, Occupational Health & Safety, Risk Management, Corporate Planning, Accounting & Payroll, Rates & Valuations, Procurement, Records Management, Information Technology and Business Systems. This division also ensures the legislative compliance by conducting our affairs openly and with integrity, reflecting the highest level of good management and governance.

Development

Development division supports sustainable growth and development in appropriate locations supported by levels of infrastructure in keeping with the needs of the community while retaining the amenity valued by the community. This include services such as Strategic Planning, Statutory Planning, Economic Development, Tourism and Visitor Economy. The division is responsible for managing a number of customer focussed, responsive services such as Local Laws, Environmental Health, Municipal Building Services and Customer Service. It also manages a range of commercial property portfolios including the Gippsland Regional Livestock Exchange.

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

Note 2.1 Analysis of Council results by program

2.1 (b) Summary of revenues, expenses, assets and capital expenses by program

2019	Income \$'000	Expenses \$'000	Surplus/(Deficit) \$'000	Grants included in income \$'000	Total assets \$'000
Built & Natural Environment	30,449	53,046	(22,597)	19,173	873,939
Chief Executive Officer	-	1,328	(1,328)	-	-
Community and Culture	5,618	11,964	(6,346)	4,855	5,100
Corporate Services	67,073	8,028	59,045	14,066	111,060
Development	12,399	7,498	4,901	1,239	-
	115,539	81,864	33,675	39,333	990,099

2018	Income \$'000	Expenses \$'000	Surplus/(Deficit) \$'000	Grants included in income \$'000	Total assets \$'000
Built & Natural Environment	23,093	61,966	(38,873)	11,981	884,866
Chief Executive Officer	-	1,415	(1,415)	-	-
Community and Culture	6,186	12,919	(6,733)	3,510	5,021
Corporate Services	65,733	8,196	57,537	8,666	86,901
Development	4,050	6,609	(2,559)	323	-
	99,062	91,105	7,957	24,480	976,788

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

Note 3 Funding for the delivery of our services	2019	2018
3.1 Rates and charges	\$'000	\$'000

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its total land and improvements value.

The valuation base used to calculate general rates for 2018/19 was \$10,789 million (2017/18 \$9,647 million).

General rates	54,551	50,141
Waste management charge	4,167	3,533
Service rates and charges	2,005	1,826
Supplementary rates and rate adjustments	448	4,730
Special rates and charges	388	244
Interest on rates and charges	357	349
Total rates and charges	61,916	60,823

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

Annual rates and charges are recognised as revenue when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

3.2 Statutory fees and fines

Planning fees	395	559
Infringements and costs	99	95
Land and building information certificates	147	134
Permits	134	100
Total statutory fees and fines	775	888

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

3.3 User fees

Waste management services	2,550	2,563
Leisure centres	2,152	2,150
Registration and other permits	795	722
Other fees and charges	732	792
Saleyards	569	175
Entertainment centre	401	344
Emergency management works	91	97
Animal services	79	68
Total user fees	7,369	6,911

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

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

Note 3 Funding for the delivery of our services

	2019	2018
	\$'000	\$'000
3.4 Funding from other levels of government		
Grants were received in respect of the following :		
Summary of grants		
Commonwealth funded grants	21,138	19,130
State funded grants	18,195	5,350
Total grants received	39,333	24,480
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants	14,490	13,002
Roads to Recovery	93	-
Recurrent - State Government		
Libraries	323	315
Rural Access and Transport connection	251	271
Cultural Services	229	214
Municipal emergency	174	155
School crossing supervisors	133	109
Parks and Environmental services	106	115
Environmental health	94	54
Fire Service Property Levy	59	58
Senior citizens	57	57
Community support programs	44	34
Other	14	10
Total recurrent operating grants	16,067	14,394
	2019	2018
	\$'000	\$'000
Non-recurrent - Commonwealth Government		
Drought Community Program	428	-
Non-recurrent - State Government		
Shared Services	4,500	-
Community and Recreation facilities upgrade	404	1,337
Roads	261	-
Drought Communities Program	250	-
Other	216	50
Economic Development and Tourism	173	5
Planning	110	-
Community support programs	79	26
Property Valuation	61	154
Municipal emergency	45	-
Total non-recurrent operating grants	6,527	1,572
Total operating grants	22,594	15,966

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

Note 3 Funding for the delivery of our services

	2019	2018
	\$'000	\$'000
3.4 Funding from other levels of government (continued)		
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	3,490	4,013
Total recurrent capital grants	3,490	4,013
<i>Non-recurrent - Commonwealth Government</i>		
Parks, open space and streetscapes	1,000	-
Buildings	675	2,025
Drought Community Program	472	-
Recreation and leisure community facilities	490	90
<i>Non-recurrent - State Government</i>		
Aerodrome	5,000	-
Recreation and leisure community facilities	2,800	1,097
Buildings	1,500	-
Roads	877	394
Footpaths and Cycleways	242	-
Waste Management	150	-
Parks, open space and streetscapes	34	563
Library Books	9	9
Other Infrastructure	-	307
Plant, machinery and equipment	-	16
Total non-recurrent capital grants	13,249	4,501
Total capital grants	16,739	8,514
(c) Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	4,537	4,509
Received during the financial year and remained unspent at balance date	8,303	1,743
Received in prior years and spent during the financial year	(2,022)	(1,715)
Balance at year end	10,818	4,537

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

3.5 Contributions

Monetary	1,615	939
Non-monetary	611	790
Total contributions	2,226	1,729
<i>Contributions of non monetary assets were received in relation to the following asset classes.</i>		
Infrastructure	560	625
Land	48	160
Land under roads	3	5
Total non-monetary contributions	611	790

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

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

Note 3 Funding for the delivery of our services

	2019	2018
	\$'000	\$'000
3.5 Contributions (continued)		
Unspent monetary contributions received on condition that they be spent in a specific manner		
Balance at start of year	529	74
Received during the financial year and remained unspent at balance sheet date	599	492
Received in prior years and spent during the financial year	(501)	(37)
Balance at year end	<u>627</u>	<u>529</u>
3.6 Other income		
Interest on investments	2,027	1,542
Other rent	862	933
Recognition of assets	608	787
Donations	310	774
Miscellaneous income	80	102
Insurance	21	76
Interest on debtors	12	17
Total other income	<u>3,920</u>	<u>4,231</u>

Interest is recognised as it is earned.

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

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

Note 4 The cost of delivering services

	2019	2018
	\$'000	\$'000
4.1 Employee costs		
Wages and salaries	20,625	19,618
Superannuation	2,148	2,012
Casual staff	2,118	1,821
Other	402	496
WorkCover	202	392
Fringe benefits tax	195	212
Total employee costs	25,690	24,551

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	184	154
Employer contributions - other funds	-	-
	184	154
Employer contributions payable at reporting date.	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,147	1,059
Employer contributions - other funds	814	759
	1,961	1,818
Employer contributions payable at reporting date.	-	-

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

4.2 Materials and services

Infrastructure & parks maintenance	7,387	7,213
Contractors	6,104	5,666
Waste management services	4,570	4,364
Materials	3,705	3,976
Contributions	2,836	2,668
Utility payments	2,518	2,141
Insurances	1,035	975
Building maintenance	1,204	637
Authority fees	941	939
Consultants	502	415
Total materials and services	30,802	28,994

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

Note 4 The cost of delivering services

	2019	2018
	\$'000	\$'000
4.3 Depreciation and amortisation		
Infrastructure	15,110	14,473
Property	4,030	4,037
Plant and equipment	1,904	2,456
Total depreciation	<u>21,044</u>	<u>20,966</u>
Intangible assets	556	1,290
Total depreciation and amortisation	<u>21,600</u>	<u>22,256</u>

Refer to note 5.2 (c) and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Bad and doubtful debts

Rates debtors	110	86
Infringements	-	2
Total bad and doubtful debts	<u>110</u>	<u>88</u>

Movement in provisions for doubtful debts

Balance at the beginning of the year	1,486	1,460
New Provisions recognised during the year	21	26
Balance at end of year	<u>1,507</u>	<u>1,486</u>

Provision for doubtful debt is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.

4.5 Borrowing costs

Interest - Borrowings	391	424
Changes to net present value due to interest rate movements	(36)	(83)
Total borrowing costs	<u>355</u>	<u>341</u>

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

4.6 Other expenses

Landfill Rehabilitation Expenses (refer to note 5.5)	597	10,477
Derecognition of assets	560	246
Work in progress assets written off	412	309
Councillors' allowances	310	303
Operating lease rentals	223	270
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	60	67
Auditors' remuneration - Internal	25	40
Total other expenses	<u>2,187</u>	<u>11,712</u>

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

Proceeds of sale	634	1,445
Written down value of assets disposed/replaced	(1,754)	(4,608)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	<u>(1,120)</u>	<u>(3,163)</u>

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

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

Note 5 Our financial position	2019	2018
	\$'000	\$'000
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	5	6
Cash at bank	896	320
Term deposits	59,711	51,220
Total cash and cash equivalents	<u>60,612</u>	<u>51,546</u>
(b) Other financial assets		
Term deposits - current	36,219	20,783
Term deposits - non-current	-	-
Total other financial assets	<u>36,219</u>	<u>20,783</u>
Total financial assets	<u>96,831</u>	<u>72,329</u>

Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

Trust funds and deposits (Note 5.3)	2,148	996
Other non discretionary reserves (Note 9.1)	1,927	1,596
Total restricted funds	<u>4,075</u>	<u>2,592</u>
Total unrestricted cash and cash equivalents	<u>56,537</u>	<u>48,954</u>

Intended allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

- Cash held to fund carried forward capital works/operating projects	4,122	6,080
- Cash held in relation to the Victoria Grants Commission advance to fund general operations and roads works	7,409	6,560
- Unexpended grants and contributions (Note 3.4 & 3.5)	11,445	5,066
- Discretionary reserve	7,962	6,410
Total funds subject to intended allocations	<u>30,938</u>	<u>24,116</u>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

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

Note 5 Our financial position

5.1 Financial assets (continued)

	2019	2018
	\$'000	\$'000
(c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	4,294	3,350
Special charge schemes	83	156
Infringement and fire hazards	51	37
Net GST receivable	680	697
<i>Non statutory receivables</i>		
Government grants	2,099	956
Other debtors	473	837
Waste management	439	473
Total current trade and other receivables	<u>8,119</u>	<u>6,506</u>
Non-current		
<i>Statutory receivables</i>		
Rates debtors	2,125	3,397
Provision for doubtful debts	(1,502)	(1,470)
Special charge schemes	369	214
Provision for doubtful debts - special charge scheme	(2)	(2)
Infringements and fire hazards	77	96
Provision for doubtful debts - infringements	(3)	(14)
Total non-current trade and other receivables	<u>1,064</u>	<u>2,221</u>
Total trade and other receivables	<u>9,183</u>	<u>8,727</u>

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

Included in the provision for doubtful debts is an amount relating to land in inappropriate subdivisions mainly in the 90 Mile Beach area. Council has a significant number of rateable properties in these areas for which provision has been made for a total amount outstanding of \$1,501,737 (2018: \$1,470,261). A provision has been established as these properties are unable to be sold in order for Council to recover the debt.

(d) Ageing of Receivables

The ageing of the Council's trade & other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	2,863	2,161
Past due by up to 30 days	37	27
Past due between 31 and 180 days	111	77
Past due between 181 and 365 days	-	1
Total trade & other receivables	<u>3,011</u>	<u>2,266</u>

(e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of nil (2018: nil) were impaired.

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

Note 5 Our financial position

5.2 Non-financial assets	2019	2018
(a) Inventories	\$'000	\$'000
Inventories held for sale	20	9
Total inventories	20	9

Inventories held for sale are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets

Prepayments	414	400
Accrued income	463	1,217
Total other assets	877	1,617

(c) Intangible assets

Water rights	18	-
Software	137	93
Landfill air space	1,983	2,196
Total intangible assets	2,138	2,289

	Water Right	Software	Landfill	Total
	\$'000	\$'000	\$'000	\$'000
Gross carrying amount				
Balance at 1 July 2018	17	1,461	4,543	6,021
Additions	-	75	-	75
Transfers/Recognitions	18	-	312	330
Derecognition of Asset	-	(1,306)	-	(1,306)
Balance at 30 June 2019	35	230	4,855	5,120
Accumulated amortisation and impairment				
Balance at 1 July 2018	17	1,368	2,347	3,732
Amortisation expense	-	31	525	556
Write off of assets	-	(1,306)	-	(1,306)
Balance at 30 June 2019	17	93	2,872	2,982
Net book value at 30 June 2018	-	93	2,196	2,289
Net book value at 30 June 2019	18	137	1,983	2,138

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

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

Note 5 Our financial position

	2019	2018
	\$'000	\$'000
5.3 Payables		
(a) Trade and other payables		
Trade payables	4,781	5,393
Accrued expenses	1,021	969
Total trade and other payables	5,802	6,362
(b) Trust funds and deposits		
Overpaid rates (special charge schemes)	771	-
Refundable deposits	333	270
Fire services levy	574	157
Retention amounts	315	370
Other refundable deposits	155	199
Total trust funds and deposits	2,148	996

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in Council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Purpose and nature of items

Overpaid Rates - Overpaid rates received from ratepayers which are offset when financial year's rates are raised.

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

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

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

Other Trust funds and deposits - Council holds in trust ticket sales for shows performed by third parties at The Wedge which are on forwarded to performer on completion of the show.

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

Note 5 Our financial position

5.4 Interest-bearing liabilities	2019	2018
	\$'000	\$'000
Current		
Borrowings - secured	6,289	289
	<u>6,289</u>	<u>289</u>
Non-current		
Borrowings - secured	1,315	7,603
	<u>1,315</u>	<u>7,603</u>
Total	<u>7,604</u>	<u>7,892</u>

Borrowings are secured by Council rate income.

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

Not later than one year	6,289	289
Later than one year and not later than five years	1,155	7,154
Later than five years	160	449
	<u>7,604</u>	<u>7,892</u>

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method. The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

5.5 Provisions

	Employee	Landfill restoration	Total
	\$ '000	\$ '000	\$ '000
2019			
Balance at beginning of the financial year	6,301	16,518	22,819
Additional provisions	2,177	-	2,177
Amounts used	(1,995)	(142)	(2,137)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	5	1,014	1,019
Balance at the end of the financial year	<u>6,488</u>	<u>17,390</u>	<u>23,878</u>
2018			
Balance at beginning of the financial year	6,175	4,069	10,244
Additional provisions	2,371	13,385	15,756
Amounts used	(2,244)	(853)	(3,097)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(1)	(83)	(84)
Balance at the end of the financial year	<u>6,301</u>	<u>16,518</u>	<u>22,819</u>

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

Note 5 Our financial position

5.5 Provisions (continued)

	2019	2018
	\$'000	\$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	1,418	1,358
Long service leave	483	576
	<u>1,901</u>	<u>1,934</u>
Current provisions expected to be wholly settled after 12 months		
Annual leave	462	501
Long service leave	3,745	3,448
	<u>4,207</u>	<u>3,949</u>
Total current employee provisions	<u>6,108</u>	<u>5,883</u>
Non-current		
Long service leave	379	417
Sick Leave Gratuity	1	1
Total non-current employee provisions	<u>380</u>	<u>418</u>
Aggregate carrying amount of employee provisions:		
Current	6,108	5,883
Non-current	380	418
Total aggregate carrying amount of employee provisions	<u>6,488</u>	<u>6,301</u>

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

Wages and salaries and annual leave

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

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

Long service leave

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

Sick Leave Gratuity

A former entity of Wellington Shire Council had established a sick leave gratuity scheme which ceased at the end of September 1991. Under the scheme, sick leave is payable to all ex-Shire employees and is not to exceed existing benefits as at the end of September 1991, using remuneration rates current at the time of leaving. The employees are entitled to the sick leave gratuity upon their leaving the organisation. The amount provided for appears as a non-current liability.

Key assumptions:	2019	2018
- discount rate %	1.138%	2.647%
- index rate %	2.700%	3.875%

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

Note 5 Our financial position

5.5 Provisions (continued)

	2019	2018
(b) Landfill Restoration	\$'000	\$'000
Current	-	-
Non-current	17,390	16,518
	<u>17,390</u>	<u>16,518</u>

Council is obligated to restore the Kilmory, Longford, Maffra, Rosedale, Stratford and Yarram sites to a particular standard. The forecast life of each site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken, derived from current contractual works undertaken in 2017/18. It has also 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 of ongoing monitoring.

Key assumptions:

- discount rate %	1.31%	2.58%
- index rate %	2.50%	2.30%
- inflation rate %	2.50%	3.00%
- settlement rate	10 years	27 years
- estimates cost to rehabilitate	\$15.9 million	\$15.8 million

Summary of Provisions

	2019	2018
	\$'000	\$'000
Current		
Employee	6,108	5,883
Landfill Restoration	-	-
Total Current Provisions	<u>6,108</u>	<u>5,883</u>
Non Current		
Employee	380	418
Landfill Restoration	17,390	16,518
Total Non Current Provisions	<u>17,770</u>	<u>16,936</u>
Total Provisions	<u>23,878</u>	<u>22,819</u>

5.6 Financing arrangements

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

Bank overdraft	200	200
Credit card facilities	130	130
Total facilities	<u>330</u>	<u>330</u>
Used facilities	34	33
Unused facilities	<u>296</u>	<u>297</u>

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

Note 5 Our financial position

5.7 Commitments

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

2019	Not later than 1	Later than 1 year	Later than 2	Later than 5	Total
	year	and not later	years and not	years	
	\$'000	\$'000	later than 5	\$'000	\$'000
			years		
Operating					
Waste management	4,708	-	-	-	4,708
Health Services	988	-	-	-	988
Animal pound and shelter service	253	-	-	-	253
Valuation contract	110	110	-	-	220
Software maintenance	360	-	-	-	360
Litter bins	228	238	-	-	466
L to P project	132	132	264	-	528
Total	6,779	480	264	-	7,523
Capital					
Parks, open space and streetscapes	667	-	-	-	667
Roads	241	-	-	-	241
Footpaths and cycleways	1,304	-	-	-	1,304
Buildings	92	-	-	-	92
Computers and telecommunications	64	-	-	-	64
Bridges	623	-	-	-	623
Waste management	152	-	-	-	152
Plant, machinery and equipment	108	-	-	-	108
Total	3,251	-	-	-	3,251

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

Note 5 Our financial position

5.7 Commitments (continued)

2018	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years		Total
			Later than 5 years	Later than 5 years	
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste management	4,506	4,506	-	-	9,012
Health services	988	1,005	-	-	1,993
Animal pound and shelter service	253	275	-	-	528
Valuation contract	110	121	-	-	231
Software maintenance	312	-	-	-	312
Litter bins	206	-	-	-	206
L to P project	125	-	-	-	125
Total	6,500	5,907	-	-	12,407
Capital					
Parks, open space and streetscapes	2,050	-	-	-	2,050
Roads	1,571	-	-	-	1,571
Footpaths and cycleways	1,029	-	-	-	1,029
Buildings	777	-	-	-	777
Recreational leisure and community facilities	470	-	-	-	470
Bridges	137	-	-	-	137
Aerodromes	103	-	-	-	103
Waste management	24	-	-	-	24
Total	6,161	-	-	-	6,161

	2019 \$'000	2018 \$'000
Operating lease commitments		

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

Not later than one year	232	262
Later than one year and not later than five years	147	450
Later than five years	-	16
	379	728

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

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

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment
Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2018	Additions	Contributions	Revaluation	Depreciation	Disposal	Write -off	Transfers	At Fair Value 30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	204,992	3,092	572	1,144	(4,030)	(420)	-	860	206,200
Plant and equipment	13,285	2,362	-	-	(1,904)	(423)	-	11	13,331
Infrastructure	666,568	23,064	647	(22,872)	(15,110)	(1,471)	(412)	5,268	665,682
Work in progress	6,973	5,011	-	-	-	-	-	(6,147)	5,837
	891,818	33,529	1,219	(21,728)	(21,044)	(2,314)	(412)	(18)	881,050

Summary of Work in Progress

	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	353	518	-	(269)	602
Plant and equipment	11	131	-	(11)	131
Infrastructure	6,609	4,362	-	(5,868)	5,104
Total	6,973	5,011	-	(6,147)	5,837

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

(a) Property

	Land - specialised \$'000	Land improvements \$'000	Land Under Roads \$'000	Total Land & Land Improvements \$'000	Buildings - specialised \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2018	85,399	1,917	39,379	126,695	146,680	146,680	353	273,728
Accumulated depreciation at 1 July 2018	-	(88)	-	(88)	(67,980)	(67,980)	-	(68,068)
Found/Derecognised Assets - Prior Year	-	25	-	25	(514)	(514)	-	(489)
Accum Depn Found/Derecognised Asset - Prior Year	-	-	-	-	174	174	-	174
At fair value 1 July 2018	85,399	1,854	39,379	126,632	78,360	78,360	353	205,345
Movements in fair value								
Additions	230	126	-	356	2,736	2,736	518	3,610
Contributions	241	-	17	258	314	314	-	572
Revaluation	-	-	-	-	8,296	8,296	-	8,296
Disposal	-	(139)	(14)	(153)	(777)	(777)	-	(930)
Transfers	(1)	-	1	-	853	853	(269)	584
	470	(13)	4	461	11,422	11,422	249	12,132
Movements in accumulated depreciation								
Depreciation and amortisation	-	(479)	-	(479)	(3,551)	(3,551)	-	(4,030)
Accumulated depreciation of disposals	-	41	-	41	469	469	-	510
Accumulated depreciation at revaluation	-	-	-	-	(7,152)	(7,152)	-	(7,152)
Transfers	-	-	-	-	(3)	(3)	-	(3)
	-	(438)	-	(438)	(10,237)	(10,237)	-	(10,675)
At fair value 30 June 2019	85,869	1,929	39,383	127,181	157,588	157,588	602	285,371
Accumulated depreciation at 30 June 2019	-	(526)	-	(526)	(78,043)	(78,043)	-	(78,569)
	85,869	1,403	39,383	126,655	79,545	79,545	602	206,802

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Library books	Art Works	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2018	11,573	4,047	4,552	3,232	3,540	11	26,955
Accumulated depreciation at 1 July 2018	(5,628)	(2,030)	(4,290)	(1,760)	-	-	(13,708)
Found/Derecognised Assets - Prior Year	19	-	46	-	-	-	65
Accum Depn Found/Derecognised Asset - Prior Year	(3)	-	(13)	-	-	-	(16)
	5,961	2,017	295	1,472	3,540	11	13,296
Movements in fair value							
Additions	1,566	197	284	246	69	131	2,493
Disposal	(1,768)	(1,303)	(4,028)	(619)	-	-	(7,718)
Transfers	-	-	11	-	-	(11)	-
	(202)	(1,106)	(3,733)	(373)	69	120	(5,225)
Movements in accumulated depreciation							
Depreciation and amortisation	(1,263)	(292)	(102)	(247)	-	-	(1,904)
Accumulated depreciation of disposals	1,363	1,291	4,022	619	-	-	7,295
Transfers	-	(171)	171	-	-	-	-
	100	828	4,091	372	-	-	5,391
At fair value 30 June 2019	11,390	2,941	865	2,859	3,609	131	21,795
Accumulated depreciation at 30 June 2019	(5,531)	(1,202)	(212)	(1,398)	-	-	(8,333)
	5,859	1,739	653	1,471	3,609	131	13,462

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Waste management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Other infrastructure	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2018	647,195	108,805	30,988	112,959	25,226	5,192	27,716	15,930	3,799	20,500	6,609	1,004,919
Accumulated depreciation at 1 July 2018	(204,640)	(40,014)	(10,160)	(36,267)	(12,692)	(1,509)	(9,048)	(6,136)	(1,263)	(8,489)	-	(332,238)
Found/Derecognised Assets - Prior Year	(1)	257	8	611	(20)	-	-	-	-	-	-	855
Accum Depn Found/Derecognised Asset - Prior Year	2	(118)	(3)	(247)	7	-	-	-	-	-	-	(359)
	442,556	68,930	20,833	75,056	12,521	3,683	18,668	9,794	2,516	12,011	6,609	673,177
Movements in fair value												
Additions	9,481	506	1,630	1,181	973	78	3,302	5,550	280	83	4,362	27,426
Contributions	110	-	50	86	-	-	-	-	-	-	-	246
Recognised	392	-	-	9	-	-	-	-	-	-	-	401
Revaluation	-	-	-	(17,134)	2,368	(414)	990	(5,526)	(255)	(1,229)	-	(21,180)
Disposal	(3,867)	(410)	(478)	(143)	(149)	(22)	(818)	(123)	(16)	(26)	-	(6,052)
Write-off	188	-	168	-	-	-	50	-	-	6	(412)	0
Transfers	1,117	243	1,026	259	540	41	1,042	196	2	(25)	(5,455)	(1,014)
	7,421	339	2,396	(15,742)	3,752	(317)	4,566	97	11	(1,191)	(1,505)	(173)
Movements in accumulated depreciation												
Depreciation and amortisation	(9,678)	(1,108)	(717)	(1,138)	(631)	(131)	(924)	(262)	(72)	(449)	-	(15,110)
Accumulated depreciation of disposals	3,136	382	252	51	92	15	578	45	7	23	-	4,581
Accumulated depreciation at revaluation	-	-	-	5,216	(2,963)	(289)	(2,184)	(1,908)	(221)	657	-	(1,692)
Transfers	-	-	-	-	2	-	-	-	-	1	-	3
	(6,542)	(726)	(465)	4,129	(3,500)	(405)	(2,530)	(2,125)	(266)	232	-	(12,218)
At fair value 30 June 2019	654,615	109,401	33,392	97,828	28,958	4,875	32,282	16,027	3,810	19,309	5,104	1,005,601
Accumulated depreciation at 30 June 2019	(211,180)	(40,858)	(10,628)	(34,365)	(16,185)	(1,914)	(11,578)	(8,261)	(1,569)	(8,257)	-	(344,815)
	443,435	68,543	22,764	63,443	12,773	2,961	20,704	7,766	2,241	11,052	5,104	660,786

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

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

Asset recognition thresholds and depreciation periods

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

ASSET TYPE	Depreciation Period	Threshold Limit \$
Property		
Land	-	All
Land Improvements	4 years	All
Buildings	20 - 100 years	>\$10,000
Plant and Equipment		
Motor Vehicles	3 - 10 years	All
*Plant	3 - 10 years	>\$5,000
*Furniture, Equipment & Information Technology	3 - 10 years	>\$5,000
Art Gallery Works	-	All
Library Books	3 - 10 years	All
Infrastructure		
Roads		
Pavement - Concrete	100 Years	All
Pavement - Sealed	100 Years	All
Pavement Gravel (Local Access A & Above)	15 Years	All
Pavement Gravel (Local Access B & C)	20 Years	All
Subgrade	Indefinite	All
Kerb & Channel	70 Years	All
Road Drainage - Minor Culverts	100 Years	All
Bridges		
Bridges - Concrete	100 Years	All
Bridges - Timber	60 Years	All
Floodways & Major Culverts	100 Years	All
Footpaths and cycleways		
Asphalt/Bitumen	15 Years	All
Concrete/Paved	60 Years	All
Gravel/Sand	10 Years	All
Drainage		
Pits	100 Years	All
Pipes	100 Years	All
Pump Wells	20 Years	All
Other Drainage	20 - 100 Years	All
Open Drain - Earth/Retention Basin	Indefinite	All
Structures		
Off Street Car Parks	30 - 100 years	>\$5,000
Recreational, leisure and community facilities	10 - 100 years	>\$5,000
Waste management	20 - 100 years	>\$5,000
Parks, open space and streetscapes	10 - 120 years	>\$5,000
Aerodromes	20 - 120 years	>\$5,000
Other infrastructure	10 - 120 years	>\$5,000
Intangible Assets		
Landfill Airspace	4 - 38 Years	All
*Software	3 - 10 years	>\$5,000

Change in Thresholds

A review of capitalisation thresholds for Plant, Furniture, Equipment & Information Technology and Intangible Software was undertaken and the following changes made effective 1 July 2018:

*Plant (minor and major assets classes now combined) -Threshold increased from > \$3,000 to > \$5,000

*Furniture, Equipment & Information Technology - Threshold increased from >\$1,000 to >\$5,000

*Software - Threshold increased from > \$1,000 to > \$5,000

The estimated impact on annual depreciation is a reduction of \$40,000.

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

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

Acquisition

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

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

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

Prior Year Newly Recognised/Derecognised Adjustments

During the year, as part of a continuous improvement focus, Council is able to use technology that allows better identification of assets 'as built'. In addition, information flow from officers in the field conveys more accurate data to Asset Managers as variances are discovered. These variances resulted in assets being recognised and derecognised in the Council's asset register and are deemed to be prior year errors which have been retrospectively adjusted to equity against prior year opening balances.

A third balance sheet has not been presented to disclose these prior year errors as they were considered not material to the comparative amounts included within the Balance Sheet.

	Actual	Prior year adjustments		Restated Actual
	2018	Newly recognised	Derecognised	2019
	\$'000	\$'000	\$'000	\$'000
Property				
Land- Specialised	85,399	-	-	85,399
Landfill improvements	1,829	25	-	1,854
Land under roads	39,379	-	-	39,379
Buildings- specialised	78,700	-	(340)	78,360
Work in Progress	353	-	-	353
Total Property	205,660	25	(340)	205,345
Plant & Equipment				
Plant, machinery and equipment	5,945	16	-	5,961
Fixtures, fittings and furniture	2,017	-	-	2,017
Computers and telecommunications	262	33	-	295
Library books	1,472	-	-	1,472
Art gallery	3,540	-	-	3,540
Work in progress	11	-	-	11
Subtotal Plant & Equipment	13,247	49	-	13,296
Infrastructure				
Roads	442,555	5	(4)	442,556
Bridges	68,791	139	-	68,930
Footpaths and cycleways	20,828	7	(2)	20,833
Drainage	74,692	368	(24)	75,056
Recreational, leisure and community	12,534	-	(13)	12,521
Waste management	3,683	-	-	3,683
Parks, open space and streetscapes	18,668	-	-	18,668
Aerodromes	9,794	-	-	9,794
Off street car parks	2,516	-	-	2,516
Other infrastructure	12,011	-	-	12,011
Work in progress	6,609	-	-	6,609
Subtotal Infrastructure	672,681	539	(43)	673,177
Property, Infrastructure, Plant and Equipment	891,588	613	(383)	891,818

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

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Valuation of land and buildings

Valuation of buildings were undertaken by a qualified independent valuer APV Valuers & Asset Management - Lachlan Black Registered Valuer No 2913, Dan Atherton Registered Valuer No 2962 and Ryan Collier Registered Valuer No 4090. and applied at 30 June 2019.

The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

The replacement cost apportionment applied to building components was modified. This change reflects the higher cost of essential services (fire, security, lighting, heating/cooling) in Council facilities that have specialised service components of high value.

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Land - Specialised	-	-	85,869	30/06/2018
Land improvements	-	-	1,403	30/06/2016
Land under roads	-	-	39,383	30/06/2018
Buildings - Specialised	-	1,766	77,779	30/06/2019
Total	-	1,766	204,434	

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

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

Valuation of infrastructure

Valuation of infrastructure assets (roads, bridges, footpaths and drainage) has been determined in accordance with a valuation undertaken by Council Officer Mr Chris Hastie B.Eng (Civil), Coert Mgt.

Valuation of infrastructure assets (recreational, leisure and community facilities, waste management, parks, open space and streetscapes, aerodromes and other infrastructure) has been determined in accordance with an independent valuation undertaken by APV Valuers & Asset Management - Lachlan Black Registered Valuer No 2913, Dan Atherton Registered Valuer No 2962 and Ryan Collier Registered Valuer No 4090.

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

Drainage

Drainage assets were revalued with valuation data collated April 2019 and the valuation applied at 30 June 2019, resulting in a debit to the Asset Revaluation Reserve of \$11,918 million and a corresponding decrease of \$11,918 million to the Drainage assets. As a result of this decrease future depreciation will decrease by approximately \$166k per annum.

Buildings

Building and Infrastructure assets were revalued, assets were inspected from 22 October 2018 - 2 November 2018 and the valuation applied at 30 June 2019, resulting in a debit to the Asset Revaluation Reserve of \$9,810 million and a corresponding decrease of \$9,810 million to the Building and Infrastructure assets. As a result of this decrease future depreciation will decrease by approximately \$379k per annum.

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Roads	-	-	443,435	1/07/2017
Bridges	-	-	68,543	31/12/2017
Footpaths and cycleways	-	-	22,764	1/07/2017
Drainage	-	-	63,443	30/06/2019
Recreational, leisure and community	-	722	12,051	30/06/2019
Waste management	-	32	2,929	30/06/2019
Parks, open space and streetscapes	-	3,636	17,068	30/06/2019
Aerodromes	-	42	7,724	30/06/2019
Off street car parking	-	196	2,045	30/06/2019
Other infrastructure	-	48	11,004	30/06/2019
Total	-	4,676	651,006	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.05 and \$18,147.88 per square metre and land under roads values range between \$0.16 and \$3.12 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are comprised of a square metre basis ranging from \$370 to \$8,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 4 years to 87 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 10 years to an indefinite life. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

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

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

	2019	2018
	\$'000	\$'000
Reconciliation of specialised land		
Parks, open space and streetscapes	46,842	46,612
Recreation, leisure and community facilities	27,650	27,603
Off-street car parks	5,752	5,559
Aerodromes	1,635	1,635
Waste management	1,873	1,873
Other infrastructure - Piers/Jetties/Caravan parks/Markets/Saleyard	1,356	1,356
Drainage	761	761
Total specialised land	85,869	85,399

ADJUSTMENTS DIRECTLY TO EQUITY

Reversal of revalued components of assets disposed or written off (transfer from asset revaluation reserve to accumulated surplus).		
Roads, Streets, Drainage, Bridges & Culverts	(350)	(990)
Buildings & Structures	(425)	1,812
Land	-	(44)
	(775)	778

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

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Key Management Personnel (KMP)

Wellington Shire Council structure has a CEO and 4 General Managers. Along with 9 Councillors this makes a total of 14 KMP positions.

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

Councillors

Councillor Carolyn Crossley - Mayor (1/07/18 - 6/11/18)
Councillor Carolyn Crossley - (6/11/18 - 30/06/19)
Councillor Darren McCubbin (1/07/18 - 30/06/19)
Councillor Scott Rossetti (1/7/18 - 30/06/19)
Councillor Malcolm Hole (1/7/18 - 30/06/19)
Councillor Ian Bye (1/7/18 - 30/06/19)
Councillor Alan Hall (1/7/18 - 6/11/18)
Councillor Alan Hall - Mayor (7/11/18 - 30/06/19)
Councillor Gayle Maher (1/7/18 - 30/06/19)
Councillor Garry Stephens (1/7/18 - 30/06/19)
Councillor Carmel Ripper (01/07/18 - 30/06/19)

Chief Executive Officer - David Morcom (1/7/18 - 30/6/19)
General Manager Built and Natural Environment - Chris Hastie (1/7/18 - 30/6/19)
General Manager Community & Culture - Glenys Butler (1/7/18-13/7/18)
General Manager Community & Culture - Sharon Houlihan (16/7/18 - 30/6/19)
General Manager Corporate Services - Arthur Skipitaris (1/7/18 - 30/6/19)
General Manager Development - John Websdale (1/7/18 - 30/6/19)

	2019 No.	2018 No.
Total Number of Councillors	9	10
Chief Executive Officer and other Key Management Personnel	6	5
Total Key Management Personnel	15	15

(b) Remuneration of Key Management Personnel

	2019 \$'000	2018 \$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,500	1,451
Long-term benefits	366	290
Termination benefits	-	-
Total	1,866	1,741

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

Note 7 People and relationships

7.1 Council and key management remuneration (continued)

	2019	2018
	No.	No.
The number of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
\$1 - \$9,999	-	1
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	7	7
\$40,000 - \$49,999	2	-
\$60,000 - \$69,999	1	-
\$80,000 - \$89,999	-	1
\$190,000 - \$199,999	1	-
\$200,000 - \$209,999	-	3
\$210,000 - \$219,999	2	1
\$220,000 - \$229,999	1	-
\$300,000 - \$309,999	1	1
	<u>15</u>	<u>15</u>

(c) Senior Officer Remuneration

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

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$148,000

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

	2019	2018
	No.	No.
Income Range:		
\$150,000 - \$159,999	1	1
\$160,000 - \$169,999	-	-
\$170,000 - \$179,999	1	1
	<u>2</u>	<u>2</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to	336	333

7.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into a number of transactions with related parties of KMP's or their close family members. These transactions occurred within normal commercial terms and conditions and included \$86,000 to the Municipal Association of Victoria for membership and other services. Payments of \$63,000 for production of shows at The Wedge and \$9,000 for various other minor transactions with a number of suppliers. Council also contributed a total of \$55,000 for community grants, operating subsidies to various community groups where KMP's or close family members held positions on the board or committee.

(b) Outstanding balances with related parties

The balance outstanding at the end of the reporting period in relation to transactions with related parties was Nil (2017/18 Nil).

(c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party was Nil (2017/18 Nil).

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council was Nil (2017/18 Nil).

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

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

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

	2019 \$'000	2018 \$'000
(a) Contingent assets		
Non cash contributions expected to be received in respect of subdivision and gifted assets are as follows:		
Developer contributions	476	425
Total Contingent Assets	476	425

(b) Contingent liabilities

Superannuation

Wellington Shire Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Future superannuation contributions

In addition to the disclosed contributions, Wellington Shire Council has paid unfunded liability payments to Vision Super totalling \$Nil during 2018/19 (2017/18 \$Nil). There were \$Nil contributions outstanding and \$Nil loans issued from or to the above schemes as at 30 June 2019. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2020 are \$189,031.

90 Mile Beach inappropriate subdivisions

Following the Ombudsman's investigation into undevelopable blocks contained within inappropriate subdivisions along the 90 Mile Beach, Wellington Shire as a gesture of goodwill to some identified ratepayers will undertake a number of actions to implement the Ombudsman's recommendations once legal advice has been obtained. The dollar impact is not anticipated to exceed \$300,000.

Liability Mutual Insurance

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

(c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

Council has guaranteed a loan taken out by a community group, to undertake significant capital works to the Club's facilities that are located on Council land.

Council's estimated liability with respect to contingent items is as follows:

	2019 \$'000	2018 \$'000
Bank Guarantees	934	934
Loan Guarantees	10	20
Total Bank Guarantees	944	954

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

Note 8 Managing uncertainties (continued)

8.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2019 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

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

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

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

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

Leases (AASB 16) (applies 2019/20)

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

Council has elected to adopt the modified retrospective approach to the transition to the new lease standard. This will mean that only existing operating leases for non low value assets, with remaining terms greater than 12 months, will be recognised on transition (1 July 2019). Based on our current lease commitments and an assumption of a continuation of the current leasing arrangements Council expects that the transition to the new standard will see the initial recognition of \$651,252 in lease related assets and an equivalent liability.

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

This standard is expected to apply to certain transactions currently accounted for under *AASB 1004 Contributions* and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable a not-for-profit entity to further its objectives.

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

Note 8 Managing uncertainties (continued)

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the Notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

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

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

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

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

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

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

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

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

Note 8 Managing uncertainties (continued)

8.3 Financial instruments (continued)

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1, and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of -0.5% and 0.5% in market interest rates (AUD) from year-end rates of 2.1%.

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

8.4 Fair value measurement

Fair value hierarchy

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

Note 8 Managing uncertainties (continued)

8.4 Fair value measurement (continued)

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from two to five years. The valuation is performed either by experienced council officers or independent experts.

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

Impairment of assets

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

8.5 Events occurring after balance date

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

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

Note 9 Other matters

	Balance at beginning of reporting period \$'000	Prior Year Adjustment \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
9.1 Reserves				
(a) Asset revaluation reserves				
2019				
Property				
Land & land improvements	75,242	-	-	75,242
Land under roads	22,124	-	-	22,124
Buildings	71,408	-	(10,235)	61,173
	168,774	-	(10,235)	158,539
Infrastructure				
Roads	326,912	-	(167)	326,745
Bridges	25,871	-	(243)	25,628
Footpaths	14,321	-	116	14,437
Drainage	35,732	-	(11,974)	23,758
	402,836	-	(12,268)	390,568
Other				
Art Gallery Stock	2,501	-	-	2,501
Total asset revaluation reserves	574,111	-	(22,503)	551,608
2018				
Property				
Land & land improvements	73,499	-	1,743	75,242
Land under roads	-	-	22,124	22,124
Buildings	70,807	(225)	826	71,408
	144,306	(225)	24,693	168,774
Infrastructure				
Roads	326,870	3	39	326,912
Bridges	17,781	-	8,090	25,871
Footpaths	14,272	-	49	14,321
Drainage	35,787	(4)	(51)	35,732
	394,710	(1)	8,127	402,836
Other				
Art Gallery Stock	2,501	-	-	2,501
Total asset revaluation reserves	541,517	(226)	32,820	574,111

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

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

Note 9 Other matters

9.1 Reserves (continued)	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
(b) Other reserves			
2019			
Discretionary reserves			
Asset improvement	1,050	(207)	843
Plant replacement	654	345	999
Waste management	4,706	1,414	6,120
Total discretionary reserves	6,410	1,552	7,962
Non discretionary reserves			
Recreational land	529	99	628
Infrastructure contributions	56	4	60
Art gallery acquisition	1	11	12
Art gallery contribution	32	(31)	1
Leased property improvements	978	248	1,226
Total Non Discretionary reserves	1,596	331	1,927
Total Other reserves	8,006	1,883	9,889
2018			
Discretionary Reserves			
Asset Improvement	357	693	1,050
Plant Replacement	605	49	654
Waste Management	4,299	407	4,706
Total Discretionary Reserves	5,261	1,149	6,410
Non discretionary reserves			
Recreational land	486	43	529
Infrastructure contributions	13	43	56
Art gallery acquisition	4	(3)	1
Art gallery contribution	-	32	32
Leased property improvements	742	236	978
Total Non Discretionary reserves	1,245	351	1,596
Total Other reserves	6,506	1,500	8,006

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

Note 9 Other matters

9.1 Reserves (continued)

Purpose of Reserves

Discretionary Reserves

Asset Improvement

Reserve to fund capital improvements.

Plant Replacement

Reserve is to fund future purchases of major plant and equipment.

Waste Management

Reserve is to fund the establishment of recycling and transfer stations and an increase in landfill capacity in the future.

Non Discretionary Reserves

Recreational Land

Reserve to fund future open space facilities as per Section 18 of *Subdivision Act*.

Infrastructure Contributions

Reserve is an accumulation of developer contributions which are to be expended at a future date on infrastructure.

Art Gallery Acquisition

Reserve is to fund future approved art gallery acquisitions.

Art Gallery Contributions

Reserve is to fund future specific major art gallery exhibitions.

Leased Property Improvements

Reserve to fund future works on leased properties in accordance with *Crown Land Act*.

	2019	2018
	\$'000	\$'000
9.2 Reconciliation of cash flows from operating activities to surplus		
Surplus for the year	33,675	7,957
Depreciation/amortisation	21,600	22,256
(Profit)/loss on disposal of property, infrastructure, plant and equipment	1,120	3,163
Contributions - Non-monetary assets	(611)	(790)
Borrowing costs	355	342
Other	(11)	(2,289)
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(456)	213
Decrease in other assets	740	763
(Decrease) in trade and other payables	(560)	(3,147)
Increase in other liabilities	1,152	5
(Increase) in inventories	(11)	(10)
Increase in provisions	1,059	12,576
Net cash provided by operating activities	58,053	41,039

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

Note 9 Other matters

9.3 Superannuation

The Wellington Shire Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (Vision Super). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2019, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

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

Wellington Shire Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. For the year ended 30 June 2019, this rate was 9.5% of members salaries (9.5% in 2017/18).

As at 30 June 2018, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 106.0%. The financial assumptions used to calculate the VBIs were:

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

Vision Super has advised that the actual VBI at end of June 2019 was 107.1%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2018 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

The 2018 interim actuarial investigation surplus amounts

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

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

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



WELLINGTON SHIRE COUNCIL

Performance Statement

For the year ended 30 June 2019

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Performance Statement

For the year ended 30 June 2019

Description of municipality

Wellington Shire is the third largest municipality in Victoria, covering an area of 10,924 square kilometres in Central Gippsland, and includes the internationally significant Gippsland Lakes and Wetlands and the Ninety Mile Beach.

With an estimated population of 44,019* Wellington Shire Council comprises a wide variety of industry and business contributing to the local economy including mining, offshore oil and gas extraction, primary production and agriculture, tourism and service industries, manufacturing and construction, retail, healthcare, education, arts and recreation and community services. In addition, RAAF Base East Sale is a major air and ground training base and home to the famous Roulettes, Central Flying School, the Officers' Training School and the schools of Air Warfare and Air Traffic Control.

Between January to April 2019, council experienced three major bushfires and several small fires across the municipality. Extensive emergency management works were required to bring fires under control and council was heavily involved in recovery and support activities.

*Australian Bureau of Statistics- Catalogue 3218.0 Population Estimates by Local Government Area
– Released 27 March 2019

Sustainable Capacity Indicators

For the year ended 30 June 2019

<i>Indicator measure</i>	Results				Material Variations
	2016	2017	2018	2019	
Population					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,717.79	\$1,814.75	\$2,082.52	\$1,859.74	A one-off adjustment for landfill rehabilitation spiked the 2017/18 result, with 2018/19 result returning to the longer-term trend.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$19,099.08	\$17,929.49	\$17,486.48	\$17,137.94	Wellington Shire Council's infrastructure was valued at \$754 million during the 2018/19 financial year. That equates to a total value of \$17,137.94 infrastructure per head of the municipality's population.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	13.52	13.83	14.05	14.13	There are 3,115km of sealed and unsealed local roads for an estimated municipal population of 44,019 within Wellington Shire.
Own-source revenue					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,475.59	\$1,563.36	\$1,665.30	\$1,680.64	Additional own source revenue received in 2018/19 included revenue from supplementary rates and a full year operations of the Gippsland Regional Livestock Exchange.
Recurrent grants					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$293.24	\$605.65	\$424.28	\$444.29	Additional Financial Assistance Grants for 2018/19 was received, resulting in a minor increase in the indicator.

Indicator measure	Results				Material Variations
	2016	2017	2018	2019	
Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	4	4	5	4	The Australian Bureau of Statistics (ABS) index of relative socio-economic disadvantage indicates that one is the most disadvantaged and ten is the least disadvantaged. Wellington Shire's result is four within Victoria. Reported index in 2017/18 was five within Australia and four within Victoria which is identical to 2018/19 result.

Definitions

"adjusted underlying revenue" means total income other than:

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

"infrastructure" means non-current property, plant and equipment excluding land

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"population" means the resident population estimated by council

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

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

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

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

Service Performance Indicators

For the year ended 30 June 2019

Service/indicator Measure	Results				Material Variations
	2016	2017	2018	2019	
Aquatic facilities					
Utilisation					
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	4.75	5.01	5.57	5.72	The combined number of visits recorded at Council's indoor and outdoor aquatic facilities during 2018/19 was 251,892. This equates to an average of over 5.7 aquatic facility visits, per Wellington Shire resident, for the year. Improvements in promotion and advertising including a dedicated Aqua Energy website, improved Facebook profile have contributed to the steady increase in utilisation during last four years.
Animal management					
Health and safety					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	4	17	10	5	Wellington Shire Council undertook 5 direct animal management prosecutions during 2018/19. Of note was one illegal dog breeding prosecution involving 155 charges against the Prevention of Cruelty to Animals Act and Domestic Animals Act. The other matters related to serious dog attacks, mainly dog vs dog or dog vs livestock.
Food safety					
Health and safety					
<i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	100%	100%	57.1%	94.1%	During 2018 calendar year, Council recorded a total of thirty four critical and major non-compliance notifications for food premises and followed up thirty two of these which is a significant improvement from last year.

Service/indicator Measure	Results				Material Variations
	2016	2017	2018	2019	
Governance					
Satisfaction					
<i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	56	59	58	58	Council's participation in the 2019 Community Satisfaction Survey showed no change in community satisfaction rating with the way Council has performed in making decisions in the interests of the community. Council has performed six points higher than large rural average and three points higher compared to state-wide average.
Home and community care					
Participation					
<i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	N/A	N/A	N/A	N/A	The Wellington Shire council is not directly responsible for the delivery of Home and community care service, so there is no performance data available for these indicators.
Participation					
<i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	N/A	N/A	N/A	N/A	The Wellington Shire council is not directly responsible for the delivery of Home and community care service, so there is no performance data available for these indicators.
Libraries					
Participation					
<i>Active library members</i> [Number of active library members / Municipal population] x100	13.42%	13.62%	13.82%	14.11%	Libraries are also one of our top performing service areas according to the 2019 Community Satisfaction Survey. Wellington Shire Libraries offer a broad range of popular programs including author talks, baby rhyme times, toddler Storytime and school holiday programs. These are well attended and open to all residents within the Shire. Council continues to actively promote Library services to all sectors of the community, resulting in an increase in active library membership.

Service/indicator Measure	Results				Material Variations
	2016	2017	2018	2019	
Maternal and child health					
Participation					
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	N/A	N/A	N/A	N/A	The Wellington Shire council is not directly responsible for the delivery of Home and community care service, so there is no performance data available for these indicators.
Participation					
<i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	N/A	N/A	N/A	N/A	The Wellington Shire council is not directly responsible for the delivery of Home and community care service, so there is no performance data available for these indicators.
Roads					
Satisfaction					
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	53	56	56	56	Results from the 2019 Community Satisfaction Survey show no change in residents' satisfaction rating for Wellington Shire's sealed local roads. This is 9 points higher than the average for similar large rural councils. Council is responsible for a road network of 3,115km, where 1,523km are sealed and 1,592km unsealed.

Service/indicator Measure	Results				Material Variations
	2016	2017	2018	2019	
Statutory Planning					
Decision making					
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	100%	100%	50%	100%	Only one planning decision was appealed at VCAT during 2018/19, with Council's decision being upheld by VCAT.
Waste Collection					
Waste diversion					
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	32.10%	32.93%	33.55%	35.71%	More than 3,800 tonnes of recyclable material diverted from landfill in 2018/19 which is a 10% increase compared to 2017/18. That's an average of 200kg of recyclables per collection household in Wellington Shire. Wellington Shire Council does not currently have a kerbside green waste collection service in place limiting the diversion rate percentage under this category.

Definitions

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006

"active library member" means a member of a library who has borrowed a book from the library

"annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act

"CALD" means Culturally and Linguistically Diverse and refers to persons born outside Australia in a country whose national language is not English

"class 1 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act

"class 2 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act

"Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

"critical non-compliance outcome notification" means a notification received by council under section 19N (3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

"food premises" has the same meaning as in the *Food Act 1984*

"HACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the Home and Community Care Act 1985 of the Commonwealth

"HACC service" means home help, personal care or community respite provided under the HACC program

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

"MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

"population" means the resident population estimated by council

"target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth

"WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

Financial Performance Indicators

For the year ended 30 June 2019

Dimension/indicator Measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
Revenue level									
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,177.97	\$1,278.23	\$1,330.57	\$1,371.08	\$ 1,436.67	\$ 1,457.99	\$ 1,479.60	\$ 1,497.14	There has been a small increase in residential assessment in 2018/19 compared to 2017/18 resulting in additional rates and charges. Future years are impacted by the increase in charges for 2020/21 and rate capping.
Expenditure level									
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$2,103.93	\$2,344.22	\$2,746.91	\$2,468.31	\$ 2,784.68	\$ 2,763.94	\$ 2,758.45	\$ 2,729.49	2017/18 included several large one-off accounting entries associated with partial asset write offs and additional landfill rehabilitation expense resulting in a higher measure. Future years expenditure is impacted by provision of landfill expense to meet EPA requirements and increased depreciation.
Workforce turnover									
<i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	13.14%	9.92%	13.86%	11.88%	10.96%	11.00%	11.00%	11.00%	There was a spike in resignations and terminations in 2017/18 due to higher number of planned retirements and long serving staff moving on to seek other opportunities. But 2018/19 figure is more comparable with long term average for this measure

Dimension/indicator Measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
									which is approximately 11%. No significant change in staff numbers are anticipated based on current organisational structure.
Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	382.82%	416.15%	594.69%	520.21%	440.09%	375.15%	369.86%	371.83%	Councils liquidity in 2018/19 and 2019/20 is impacted by Victoria Grants Commission advance payments being received. The measure from 2020/21 will remain relatively stable with Council maintaining a healthy cash balance.
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	-71.49%	169.41%	230.96%	164.94%	250.59%	197.18%	176.36%	179.87%	The reduction in the measure in 2018/19 is mainly due to a higher level of grant funding (restricted funds) received in late 2018/19 which will be expended in 2019/20. Council level of unrestricted cash will peak in 2019/20 and gradually reduce over the next three years as Council continues to fund an extensive capital works program with minimal borrowings.
Asset renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	80.21%	94.65%	93.26%	96.48%	97.95%	105.02%	99.48%	96.61%	The slight increase in this measure for 2018/19 is mainly due to significant projects completed in 2018/19 such as the West

Dimension/indicator Measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
									Sale Airport Runway Extension. Planned renewal works in future years will remain steady except for 2020/21 where some major renewal projects will be completed.
Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	19.61%	15.62%	13.10%	12.43%	12.45%	14.06%	14.72%	14.36%	The minor reduction in this measure results from the deferral of 2018/19 proposed borrowings. The measure after 2019/20 will increase slightly due to the expected increase in rate revenue, while future years borrowings are expected to remain relatively stable.
Loans and borrowings <i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	7.05%	3.60%	1.84%	1.05%	10.44%	1.89%	2.21%	2.43%	The measure in 2019/20 will spike as Council repays an interest only loan. During the remaining years, the measure will increase marginally as future loan borrowings are repaid.
Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	17.40%	18.79%	33.68%	25.80%	28.49%	25.79%	27.11%	24.92%	The reduction in the measure results from the reclassification of non-current borrowings to current borrowings associated with the planned repayment of a \$6 million loan in 2019/20. In future

Dimension/indicator Measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
									this measure will vary as Council continues to complete landfill rehabilitation works which will impact on non- current landfill provision balance
Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	3.63%	16.82%	2.61%	18.64%	3.15%	3.02%	5.79%	8.27%	The increase in this measure is basically due to the impact of early receipt of 2019/20 funds in 2018/19 including 2019/20 Victoria Grants Commission advance and funding for the Gippsland Shared Services project and lower expenditure compared to 2017/18. The early receipt of 2018/19 funds will also impact on the 2019/20 results.
Stability Rates concentration Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	69.10%	59.25%	64.39%	60.79%	66.99%	68.40%	67.39%	67.12%	Compared to 2017/18, additional grant income has been received, resulting in a decrease in this measure. In future the measure is expected to increase slightly due to projected increase in rate revenue.
Rates effort Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.56%	0.54%	0.52%	0.56%	0.55%	0.55%	0.56%	0.57%	This measure is forecasted to remain steady over the next four years, consistent with past trends.

Definitions

"adjusted underlying revenue" means total income other than:

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

"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

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

"current assets" has the same meaning as in the Australian Account Standards (AAS)

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

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

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants

"population" means the resident population estimated by council

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

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

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

Other Information

For the year ended 30 June 2019

1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989* and Local Government (Planning and Reporting) Regulations 2014.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 4 June 2019 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

Ian Carroll *CPA*

Principal Accounting Officer

Dated: __/09/2019

In our opinion, the accompanying performance statement of the Wellington Shire Council for the year ended 30 June 2019 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this performance statement in its final form.

Alan Hall

Mayor

Dated: __/09/2019

Garry Stephens

Councillor

Dated: __/09/2019

David Morcom

Chief Executive Officer

Dated: __/09/2019



C3 - REPORT

GENERAL MANAGER DEVELOPMENT

ITEM C3.1**PLANNING DECISIONS**

DIVISION:

DEVELOPMENT

OFFICER:

MANAGER LAND USE PLANNING

DATE:

17 SEPTEMBER 2019

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Engagement	Risk Management
	✓	✓	✓	✓			✓		

OBJECTIVE

To provide a report to Council on recent planning permit trends and planning decisions made under delegation by Statutory Planners during the month of July 2019.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY**RECOMMENDATION**

That Council note the report on recent Planning Permit trends and Planning Application determinations between 1 July and 31 July 2019.

BACKGROUND

Statutory Planners have delegated authority under the *Planning and Environment Act 1987* to make planning decisions in accordance with the *Planning and Environment Act 1987* and the Wellington Planning Scheme, including the issue of planning permits, amended permits, extensions of time, refusal of planning permits and notices of decision to grant a planning permit.

A copy of planning permit decisions made between 1 July and 31 July 2019 is included in Attachment 1.

Attachment 2 provides an overview of recent planning permit trends including decisions made, efficiency of decision making and the estimated value of approved development (derived from monthly planning permit activity reporting data).

OPTIONS

Council may choose to note this report, alternatively, Council may choose to seek further information and refer this report to another meeting.

PROPOSAL

That Council note the report of recent planning permit trends and planning application determinations between 1 July and 31 July 2019.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a conflict of interest.

COMMUNICATION IMPACT

The monthly report communicates information about planning trends and determinations including the issue of planning permits, amended permits, refusal of planning permits, and notices of decision to grant a planning permit.

LEGISLATIVE IMPACT

All planning decisions have been processed and issued in accordance with the *Planning and Environment Act 1987* and the Wellington Planning Scheme.

COUNCIL POLICY IMPACT

All planning decisions have been issued after due consideration of relevant Council policy, including Council's Heritage Policy, and the requirements of the Planning Policy Framework in the Wellington Planning Scheme.

COUNCIL PLAN

The Council Plan 2017–2021 Theme 2: Services and Infrastructure states the following strategic objective and related strategy:

Strategic Objective 2.3

'Wellington Shire is well planned, considering long term growth and sustainability.'

Strategy 2.3.3

'Recognise and advocate for best practice land development which considers energy efficiency and sustainability for housing.'

This Report supports the above Council Plan strategic objective and strategy.

ENVIRONMENTAL IMPACT

Planning decisions are made in accordance with the relevant environmental standards to ensure that environmental impacts are minimised.

**PLANNING APPLICATION DETERMINATIONS
BETWEEN 1/07/2019 AND 31/07/2019**

Application No/Year	Date Received	Property Title & Address	Proposal	Status
359-2/2008	14/05/2019	Assessment No. 382986 LOT: 1 PS: 422483X 429 RILEYS RD STRAITFORD	Use and development of the land for dog breeding/animal boarding.	Permit Issued by Delegate of Resp/Auth 5/07/2019
456-2/2011	21/06/2019	Assessment No. 276824 LOT: 1 TP: 809923C 32 BAY ST PORT ALBERT	Demolition of existing dwelling and construction of a new dwelling.	Permit Issued by Delegate of Resp/Auth 1/07/2019
125-1/2018	9/05/2018	Assessment No. 261644 CA: 29 3,215 LONGFORD-LOCH SEACOMBE	Use/development of the land/residential hotel & removal of vegetation.	NOD issued by Delegate of Respon/Auth 18/07/2019
136-1/2018	30/04/2018	Assessment No. 383703 LOT: 1 PS: 433845C 21 MARINA DVE LOCH SPORT	Use and development of the land for a dwelling.	Permit Issued by Delegate of Resp/Auth 30/07/2019
181-1/2018	29/05/2018	Assessment No. 439414 LOT: 3 PS: 533423X 13-15 SOBIESKI ST ALBERTON	Use and development of the land for a boat storage facility.	Permit Issued by Delegate of Resp/Auth 10/07/2019
425-1/2018	4/12/2018	Assessment No. 38158 LOT: 1 TP: 846600 123-125 FOSTER ST SALE	Buildings and works/reconstruction of an office/road zone.	Permit Issued by Delegate of Resp/Auth 1/07/2019
433-1/2018	11/12/2018	Assessment No. 365742 LOT: 1 PS: 213675 TAMBORITHA RD LICOLA	Buildings and works associated with construction of a dwelling.	Withdrawn 17/07/2019
10-1/2019	29/01/2019	Assessment No. 336651 LOT: 1 TP: 763443T 39 CARPENTER ST MAFFRA	Liquor licence used in conjunction with food and drink premise(cafe).	Permit Issued by Delegate of Resp/Auth 19/07/2019
69-1/2019	12/03/2019	Assessment No. 222851 LOT: RES LP: 52648 1-19 SURF EDGE DVE GOLDEN BEACH	Buildings and works/installation of a container for storage.	NOD issued by Delegate of Respon/Auth 19/07/2019
78-1/2019	18/03/2019	Assessment No. 85472 LOT: 1 TP: 885959Y 1,355 PRINCES HWY STRAITFORD	Buildings and works associated with the construction of a dam.	Permit Issued by Delegate of Resp/Auth 29/07/2019
82-1/2019	19/03/2019	Assessment No. 443812 LOT: 2 PS: 717814H 109 WEIR RD HEYFIELD	Use of the land for a store.	Permit Issued by Delegate of Resp/Auth 12/07/2019

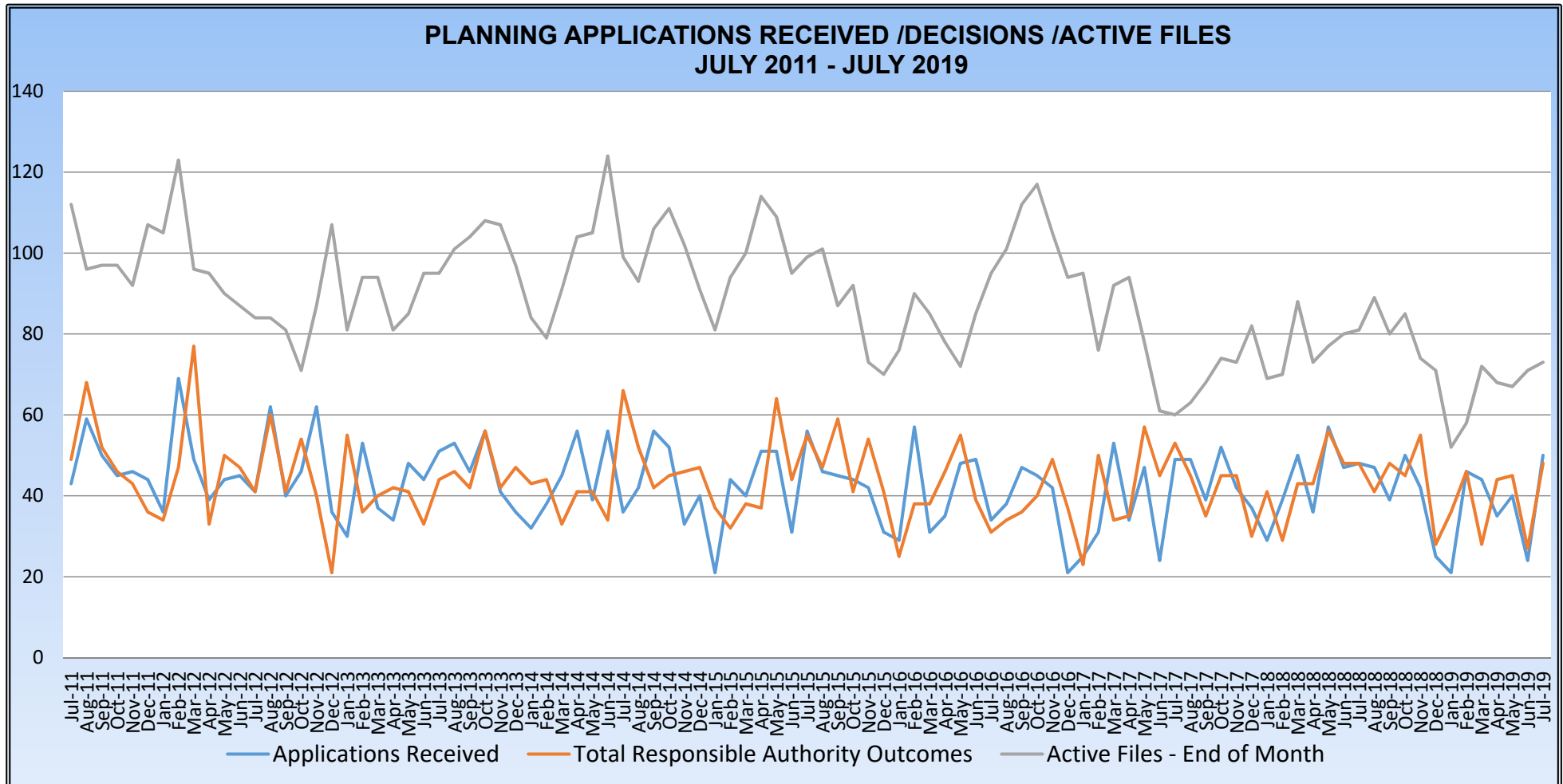
Application No/Year	Date Received	Property Title & Address	Proposal	Status
98-1/2019	29/03/2019	Assessment No. 210013 PC: 354976 26 PARADISE BEACH RD PARADISE BEACH	Buildings and works associated with construction of an outbuilding.	Permit Issued by Delegate of Resp/Auth 5/07/2019
103-1/2019	3/04/2019	Assessment No. 350330 LOT: 13 LP: 54201 27 BEN CRUACHAN PDE COONGULLA	Buildings and works associated with construction of a dwelling.	Permit Issued by Delegate of Resp/Auth 11/07/2019
105-1/2019	3/04/2019	Assessment No. 215343 LOT: 449 LP: 52647 57 FAIRWAY AVE GOLDEN BEACH	Building and works associated with construction of a dwelling.	Permit Issued by Delegate of Resp/Auth 11/07/2019
118-1/2019	12/04/2019	Assessment No. 105031 LOT: 3 PS: 717866M 4,330 PRINCES HWY FULHAM	Two lot subdivision to excise an existing dwelling.	Permit Issued by Delegate of Resp/Auth 16/07/2019
120-1/2019	15/04/2019	Assessment No. 314138 LOT: 5 PS: 316768X 11 INALA RD GLENMAGGIE	Buildings and works associated with construction of a single dwelling.	Permit Issued by Delegate of Resp/Auth 5/07/2019
122-1/2019	16/04/2019	Assessment No. 394007 LOT: 1 PS: 529641L 8 ALBERT ST PORT ALBERT	Buildings and works associated with construction of a single dwelling.	Permit Issued by Delegate of Resp/Auth 15/07/2019
124-1/2019	16/04/2019	Assessment No. 393314 LOT: A PS: 516193K 116 THREE CHAIN RD MAFFRA	Subdivision of the land into two lots.	Permit Issued by Delegate of Resp/Auth 25/07/2019
126-1/2019	18/04/2019	Assessment No. 261859 CA: 19B 417 TRACK TEN LOCH SPORT	Buildings and works associated with the construction of a dwelling.	Withdrawn 31/07/2019
127-1/2019	29/04/2019	Assessment No. 228569 LOT: 1 LP: 60811 31 COVE ST LOCH SPORT	Buildings and works associated with the construction of a dwelling.	Permit Issued by Delegate of Resp/Auth 18/07/2019
129-1/2019	30/04/2019	Assessment No. 243162 LOT: 1309 LP: 58872 22 THRIPTOMENE ST LOCH SPORT	Buildings and works associated with the construction of a dwelling.	Permit Issued by Delegate of Resp/Auth 1/07/2019
130-1/2019	1/05/2019	Assessment No. 342501 LOT: B PS: 210315 166-172 POWERS COURT ST MAFFRA	Subdivision of the land into two lots.	Permit Issued by Delegate of Resp/Auth 4/07/2019
133-1/2019	3/05/2019	Assessment No. 99580 LOT: 1 LP: 131858 52 HOWLETT RD BRIAGOLONG	Buildings and works associated with the construction of a dwelling.	Permit Issued by Delegate of Resp/Auth 19/07/2019

Application No/Year	Date Received	Property Title & Address	Proposal	Status
146-1/2019	14/05/2019	Assessment No. 204982 LOT: 6 PS: 704991G 2,019 PRINCES HWY ROSEDALE	Buildings and works associated with construction of sheds.	Permit Issued by Delegate of Resp/Auth 3/07/2019
149-1/2019	15/05/2019	Assessment No. 361279 CA: 76A 286 MCKINNON RD TINAMBA	Subdivision of the land to excise an existing dwelling.	Permit Issued by Delegate of Resp/Auth 26/07/2019
152-1/2019	17/05/2019	Assessment No. 348029 CA: 1 SEC: A 47 MORGANS RD BOISDALE	Two lot subdivision to excise an existing dwelling.	Permit Issued by Delegate of Resp/Auth 19/07/2019
164-1/2019	29/05/2019	Assessment No. 244384 LOT: 2054 LP: 69874 57 TOORAK AVE LOCH SPORT	Buildings and works associated with construction of a dwelling.	Permit Issued by Delegate of Resp/Auth 19/07/2019
165-1/2019	29/05/2019	Assessment No. 275313 LOT: 11 LP: 31902 71 YARRAM-PORT ALBERT LÄNGSBOROUGH	Buildings and works associated with construction of a dwelling.	Permit Issued by Delegate of Resp/Auth 23/07/2019
168-1/2019	4/06/2019	Assessment No. 206433 LOT: 1 PS: 713662B 446B SEASPRAY RD LONGFORD	Use of the land for animal keeping (dog breeding for up to 12 dogs).	Permit Issued by Delegate of Resp/Auth 17/07/2019
177-1/2019	20/06/2019	Assessment No. 191486 LOT: 36 LP: 217699 3 MCLEOD CRT ROSEDALE	Buildings and works associated with construction of an outbuilding.	Permit Issued by Delegate of Resp/Auth 12/07/2019
184-1/2019	27/06/2019	Assessment No. 222778 LOT: 1270 LP: 52648 JOY CRT GOLDEN BEACH	Removal of native vegetation to allow construction of a fence.	Permit Issued by Delegate of Resp/Auth 9/07/2019
186-1/2019	28/06/2019	Assessment No. 60681 CA: 202 SEC: 1 1,344 MAFFRA-SALE RD SALE	Buildings and works associated with construction of a shed.	Permit Issued by Delegate of Resp/Auth 3/07/2019
189-1/2019	2/07/2019	Assessment No. 366369 LOT: 1 TP: 15132M 85 FROSTS RD MAFFRA	Buildings and works associated with extension to existing dwelling.	Permit Issued by Delegate of Resp/Auth 3/07/2019
190-1/2019	2/07/2019	Assessment No. 273946 CA: 20 788 SOUTH GIPPSLAND HWY YARRAM	Buildings & works associated with extension to existing dwelling.	Permit Issued by Delegate of Resp/Auth 9/07/2019
192-1/2019	2/07/2019	Assessment No. 117697 PC: 375199S 67-69 TI-TREE DVE GOLDEN BEACH	Buildings and works for construction of a shed and removal of tree.	Permit Issued by Delegate of Resp/Auth 10/07/2019

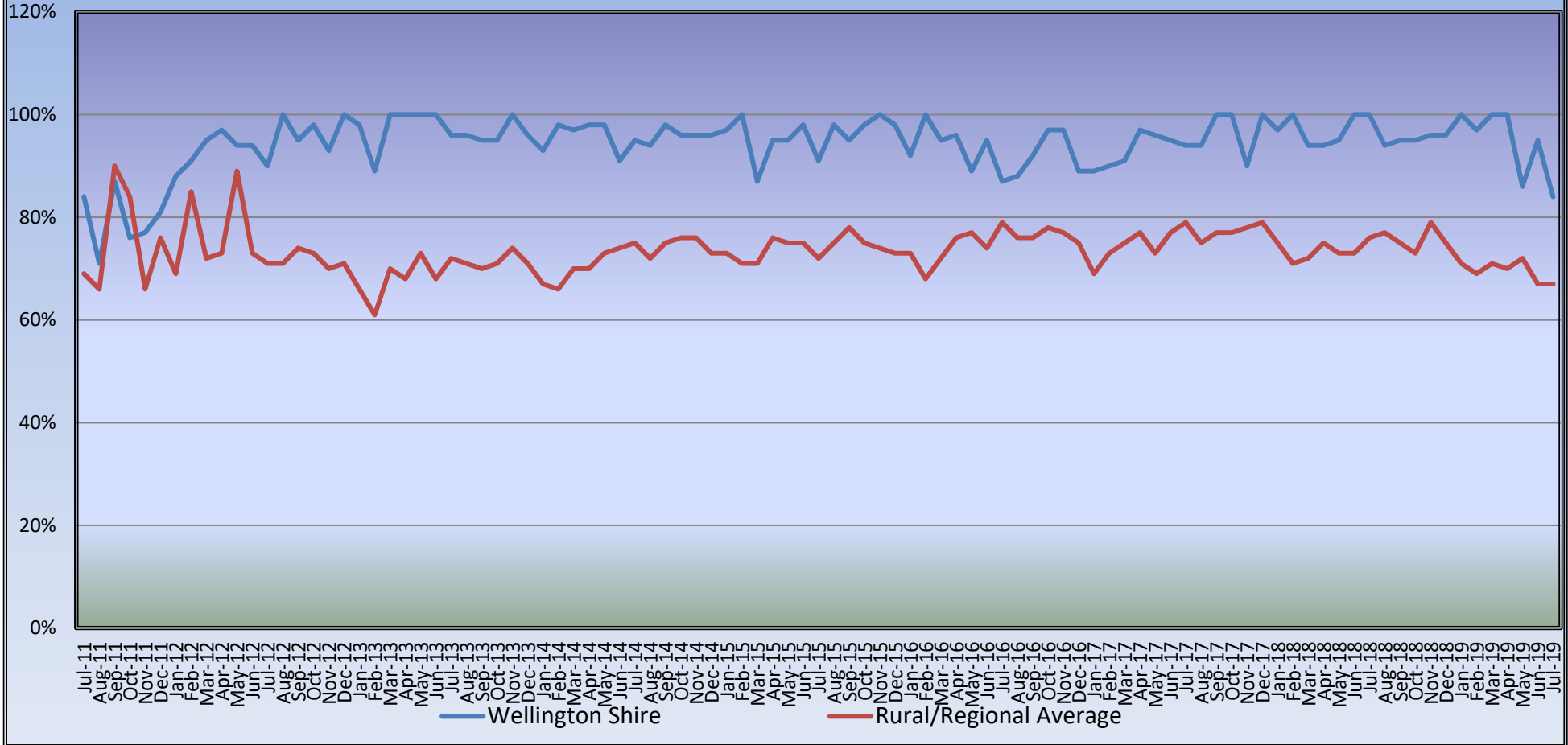
Application No/Year	Date Received	Property Title & Address	Proposal	Status
194-1/2019	3/07/2019	Assessment No. 221358 LOT: 1110 LP: 52648 106 MERIDAN RD GOLDEN BEACH	Buildings and works associated with construction of a verandah.	Permit Issued by Delegate of Resp/Auth 5/07/2019
195-1/2019	4/07/2019	Assessment No. 110262 LOT: 1 PS: 532291T 1,493 CAIRNBROOK RD GLENGARRY	Buildings and works associated with construction of a farm shed.	Permit Issued by Delegate of Resp/Auth 8/07/2019
197-1/2019	5/07/2019	Assessment No. 443853 LOT: 4 PS: 727606J 13 SWAN LAKE DVE SALE	Buildings and works associated with the installation of a sign.	Permit Issued by Delegate of Resp/Auth 12/07/2019
199-1/2019	5/07/2019	Assessment No. 367102 LOT: 1 PS: 703145E 5,128 TRARALGON-MAFFRA TINAMBA	Buildings and works associated with construction of a farm shed.	Permit Issued by Delegate of Resp/Auth 11/07/2019
202-1/2019	8/07/2019	Assessment No. 324657 LOT: 1 PS: 704986Y 234 ANGLE CHANNEL RD HEYFIELD	Buildings and works associated with extensions to existing farm shed.	Permit Issued by Delegate of Resp/Auth 11/07/2019
205-1/2019	9/07/2019	Assessment No. 81018 LOT: 1 PS: 729764D 376A AIRLY ESTATE RD AIRLY	Buildings and works associated with construction of a farm shed.	Permit Issued by Delegate of Resp/Auth 17/07/2019
206-1/2019	9/07/2019	Assessment No. 110262 LOT: 1 PS: 532291T 1,493 CAIRNBROOK RD GLENGARRY	Buildings and works associated with extension to existing dwelling.	Permit Issued by Delegate of Resp/Auth 11/07/2019
207-1/2019	12/07/2019	Assessment No. 246959 LOT: 1469 LP: 58872 164 WALLABY ST LOCH SPORT	Buildings and works associated with construction of a shed.	Permit Issued by Delegate of Resp/Auth 16/07/2019
213-1/2019	18/07/2019	Assessment No. 187104 PC: 377405G 8-10 SELLARS ST THE HONEYSUCKLES	Buildings and works associated with construction of an outbuilding.	Permit Issued by Delegate of Resp/Auth 23/07/2019
217-1/2019	23/07/2019	Assessment No. 409128 LOT: 65 PS: 616486L 4 LISTON CRT SALE	Buildings and works associated with construction of a shed.	Permit Issued by Delegate of Resp/Auth 25/07/2019
218-1/2019	24/07/2019	Assessment No. 224915 LOT: 99 LP: 44537 27 CALDWELL ST LOCH SPORT	Buildings and works associated with extension to existing dwelling.	No Permit Required 26/07/2019
224-1/2019	29/07/2019	Assessment No. 400366 LOT: 2 PS: 525718X TOONGABBIE-COWWARR TOONGABBIE	Buildings and works associated with construction of a farm shed.	Permit Issued by Delegate of Resp/Auth 31/07/2019

Application No/Year	Date Received	Property Title & Address	Proposal	Status
226-1/2019	29/07/2019	Assessment No. 218511 LOT: 792 LP: 52648 19 BEACHCOMBER RD GOLDEN BEACH	Buildings and works/extension to existing dwelling (upper story deck).	Permit Issued by Delegate of Resp/Auth 31/07/2019

Total No of Decisions Made: 48



DECISIONS ISSUED WITHIN 60 DAYS JULY 2011 - JULY 2019



ITEM C3.2**PROPOSED SALE OF 19 WEIR ROAD, HEYFIELD**

DIVISION: DEVELOPMENT

OFFICER: MANAGER BUSINESS DEVELOPMENT

DATE: 17 SEPTEMBER 2019

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Consultation	Risk Management
✓		✓	✓	✓	✓	✓	✓	✓	✓

OBJECTIVE

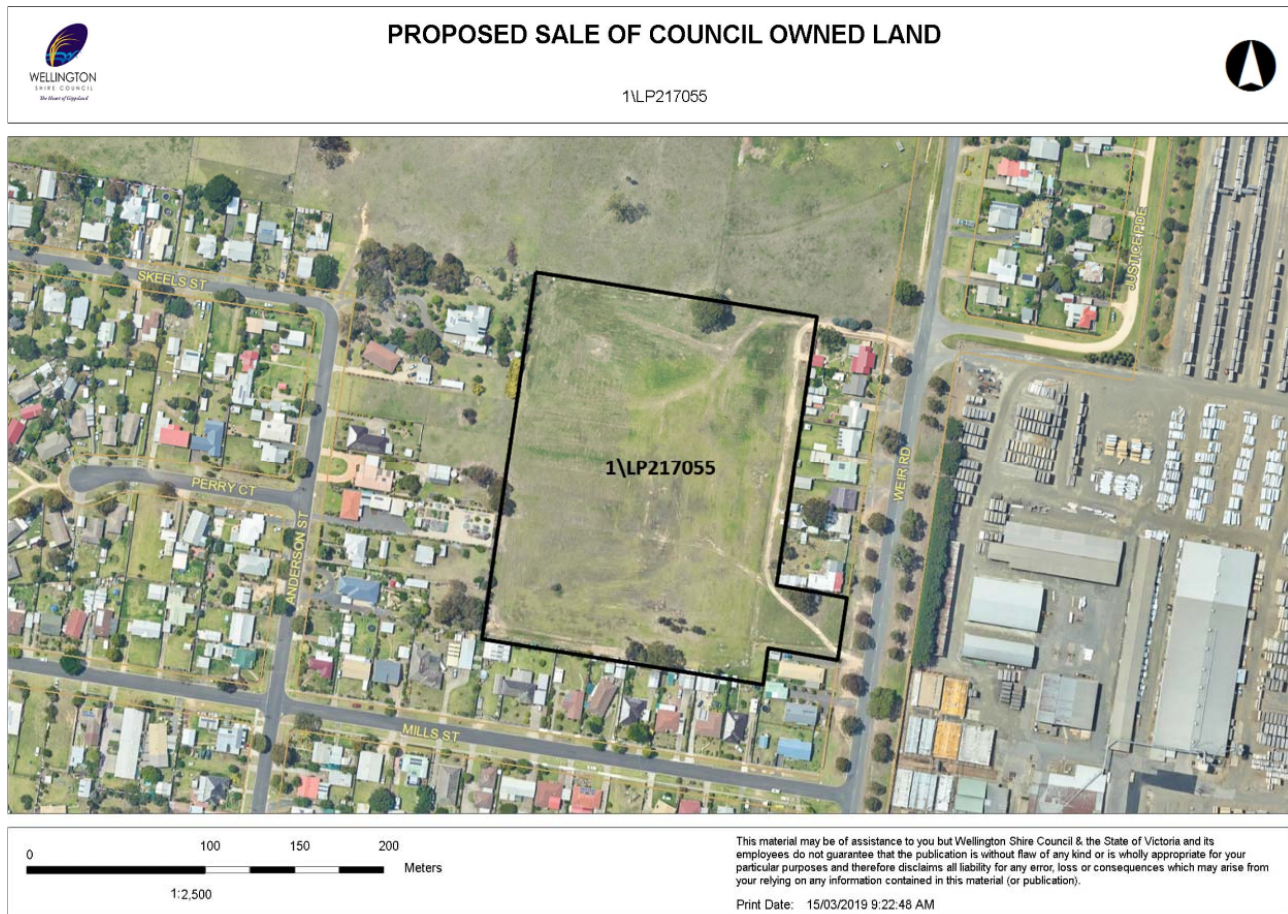
For Council to authorise the sale of surplus Council land located at 19 Weir Road, Heyfield.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY**RECOMMENDATION****That:**

1. ***Council resolve that land described as 19 Weir Road, Heyfield as shown on the plan within and more specifically referred as Lot 1 LP217055 Volume 9908 Folio 297 is not required for Council purposes;***
2. ***Council advertise its intention to sell the land at or above the current market value by Public Tender, subject to the provisions of the Local Government Act 1989 section 189 and 223, including calling for submissions in relation to the proposed sale;***
3. ***Subject to considering any submissions, Council authorise the Chief Executive Officer to complete the sale (in compliance with Council's Policy for the Sale, Exchange and Acquisition of Land) at or above the current market value including executing necessary documents; and***
4. ***The information contained in the attached document and designated under Section 77 Clause (2)(c) of the Local Government Act 1989 as confidential by the General Manager Development on 27 August 2019 because it relates to the following grounds under Section 89(2) of the Local Government Act 1989: h) any other matter which the Council or special committee considers would prejudice the Council or any person; be designated confidential information under Section 77 Clause (2)(b) of the Local Government Act 1989.***

BACKGROUND

19 Weir Road, Heyfield is a 3.379 hectare site owned by Council. The plan below outlines the land area.



This report recommends that Council progress the sale of land by tender at or above market value. The proposed sale of the land would be based on an “as is” condition noting that the site is subject to a number of planning overlays.

Any development or subdivision of the site would be required to progress through the usual planning application and permit process. Development and the timing for development would be at the discretion of the new landowner and be based on approved planning permits.

The Confidential Attachment provides further detail regarding land valuation and the tender process.

Site History

The subject property was purchased by BHB Timber Pty Ltd in the early 1950s with the establishment of a mill shortly thereafter. By late 1950s a number of residences were constructed along Weir Road to house the mill workers. Further residential development followed on the surrounding land and with several formal reductions in timber quotas throughout the 1960-70s the mill ceased operating by the 1980s. VIA Property (formally BHB Timber) sold the property to the Shire of Maffra in 1989. The site has not been used by Council and has remained vacant since the purchase.

OPTIONS

The following options are available to Council:

1. Progress the sale; or
2. Retain the land in public ownership.

PROPOSAL

That:

1. Council resolve that land described as 19 Weir Road, Heyfield as shown on the plan within and more specifically referred as Lot 1 LP217055 Volume 9908 Folio 297 is not required for Council purposes.
2. Council advertise its intention to sell the land at or above the current market value by Public Tender, subject to the provisions of the *Local Government Act 1989* section 189 and 223, including calling for submissions in relation to the proposed sale.
3. Subject to considering any submissions, Council authorise the Chief Executive Officer to complete the sale at or above the current market value including executing necessary documents.
4. The information contained in the attached document and designated under Section 77 Clause (2)(c) of the *Local Government Act 1989* as confidential by the General Manager Development on 27 August 2019 because it relates to the following grounds under Section 89(2) of the *Local Government Act 1989*: h) any other matter which the Council or special committee considers would prejudice the Council or any person; be designated confidential information under Section 77 Clause (2)(b) of the *Local Government Act 1989*.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

FINANCIAL IMPACT

This report recommends a sale of land at or above market value. If the sale progresses this will result in a positive financial impact for Council.

LEGISLATIVE IMPACT

Section 189 of the *Local Government Act 1989* (Vic) obligates Council to provide public notice of the intention to sell land, and to give consideration to any submissions received.

A further Council report would be required in the event any submissions are received.

COUNCIL POLICY IMPACT

Wellington Shire Council's Policy for the Sale, Exchange and Acquisition of Land accords with best practice guidelines. It states that transactions should be in the best interests of the community and provide the best result (financial and non-financial) for Council and the community.

COUNCIL PLAN IMPACT

The Council Plan 2017–21 Theme Services and Infrastructure states the following strategic objective and related strategy:

Strategic Objective 2.2

Council assets are responsibly, socially, economically and sustainably managed.

Strategy 2.2.2

Ensure that community facilities within the municipality continue to meet the expectations and service needs of all current and future residents.

Strategy 2.2.3

Continue to maintain and enhance Council's built environment for public amenity and long-term sustainability.

Strategic Objective 5.2

Use a targeted approach to attract new business investment to Wellington Shire, to support population growth.

Strategy 5.2.1

Create a supportive investment environment that encourages new development and job growth.

Strategy 5.2.3

Actively promote new investment opportunities in key market sectors where Wellington Shire has a competitive strength while celebrating success.

This report supports the above Council Plan strategic objectives and strategies.

PLANNING POLICY IMPACT

The site is zoned General Residential Zone (GRZ) and is subject to the following Planning Overlays:

DDO8	Design Development Overlay 8 – allows residential development which avoids or mitigates adverse noise impacts and protects industrial operations on Weir Road.
DPO1	Development Plan Overlay 1 – a development plan is required to show land use and subdivision, infrastructure services etc.

The overlays will ensure an orderly and well-designed development to the satisfaction of the responsible authority.

RESOURCES AND STAFF IMPACT

This matter is being addressed within the existing resources of the Business Development Business Unit.

COMMUNITY IMPACT

Progressing this sale will likely result in a higher and better use of the site.

ENVIRONMENTAL IMPACT

The site has been subject to a number of environmental assessments and copies of the reports will be made available for review by prospective tenderers. It is noted that the Environmental Audit Overlay (EAO) does not currently affect the site.

CONSULTATION IMPACT

Council has been provided with updates regarding surplus land and land suitable for disposal during Council workshops.

In April 2019 a letter informing all adjoining land holders including ASH Timber was sent advising Council would be considering selling the property. Several calls seeking further information were received with interest being in how the sale would be progressed and what the likely outcome of the site would be. Accordingly, information on the Local Government Act land sales process and existing planning controls were referenced.

Consultation will take place in the form of seeking submissions in accordance with s223 of the *Local Government Act 1989*.

RISK MANAGEMENT IMPACT

The recommendation within this report is considered to have addressed risk management impact.



C4 - REPORT

GENERAL MANAGER BUILT AND NATURAL ENVIRONMENT



C5 - REPORT

GENERAL MANAGER COMMUNITY AND CULTURE

ITEM C5.1**CAMERON SPORTING COMPLEX COMMITTEE OF MANAGEMENT MINUTES**

DIVISION: COMMUNITY AND CULTURE
 OFFICER: MANAGER COMMUNITY WELLBEING
 DATE: 17 SEPTEMBER 2019

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Consultation	Risk Management
		✓	✓	✓				✓	

OBJECTIVE

For Council to receive the minutes from the Cameron Sporting Complex Committee of Management's Annual General Meeting held on 15 August 2019, including audited financial report.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY**RECOMMENDATION**

That Council receive the minutes from the Cameron Sporting Complex Committee of Management's Annual General Meeting held on 15 August 2019, including audited financial report.

BACKGROUND

The Cameron Sporting Complex Committee of Management is a Special Committee of Council under section 86 of the *Local Government Act 1989* and operates within the provisions of a Council approved Instrument of Delegation.

The objectives of the Special Committee are:

- To manage, operate and maintain the Cameron Sporting Complex for the community in an efficient, effective and practical manner.
- To undertake activities designed to protect, promote, utilise and develop the Cameron Sporting Complex for the use and enjoyment of the local community in line with Council policy and relevant Council strategic documents.
- To keep the Council informed on the operations, improvements and advancements of the Cameron Sporting Complex by forwarding copies of all minutes of all ordinary and extraordinary meetings and the Annual Report.
- To set, maintain and collect appropriate user charges.
- To ensure that the Cameron Sporting Complex's capital assets are adequately maintained.
- To provide advice to Council on matters relating to the Cameron Sporting Complex.

As provided under the Committee's Instrument of Delegation the minutes of all meetings are to be presented to Council and highlight the day to day activities being undertaken by the Committee.

OPTIONS

Council has the following options:

1. Receive the minutes from the Cameron Sporting Complex Committee of Management's Annual General Meeting held on 15 August 2019, including audited financial report; or
2. Seek further information to be considered at a future Council Meeting.

PROPOSAL

That Council receive the minutes from the Cameron Sporting Complex Committee of Management's Annual General Meeting held on 15 August 2019, including audited financial report.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

LEGISLATIVE IMPACT

This report is in accordance with section 91(4) of the *Local Government Act 1989*.

COUNCIL POLICY IMPACT

This report is in accordance with Council Policy 5.1.4 which establishes a framework for the guidance of Council in relation to the roles and responsibilities of Committees.

COUNCIL PLAN IMPACT

The Council Plan 2017-21 Theme 2 Services and Infrastructure states the following strategic objective and related strategy:

Strategic Objective 2.2

Council assets are responsibly, socially, economically and sustainably managed.

Strategy 2.2.2

Ensure that community facilities within the municipality continue to meet the expectations and service needs of all current and future residents.

CONSULTATION IMPACT

Meetings held by the Cameron Sporting Complex Committee of Management are open to the public.

CAMERON SPORTING COMPLEX - COMMITTEE OF MANAGEMENT MINUTES
ANNUAL GENERAL MEETING HELD 15th AUGUST 2019

Meeting Opened 6.00pm:

PRESENT: Brad Spinner, Anna Gaw, Yvonne Higgins, Pat Weatherley, Robyn Dowse, Sam Matthews, Peter Anderson, Tracy Cameron Craig Sellings, Jodi Underwood, Luke Heyne, Glen Findlay, Ross Brooker, Martin Angliss

APOLOGIES: Malcolm Hole,

MINUTES MOVED: Y.Higgins moved that the minutes of the Annual General Meeting held 23rd August 2018 as circulated be received. Seconded: A.Gaw Carried.

BUSINESS ARISING: Nil

CHAIRMAN'S REPORT: Moved B.Spinner

The chairman's report is accepted. Seconded T.Cameron Attached Carried

CORRESPONDENCE INWARDS:

Tim Kemp tendered his resignation as committee member

Motion moved that Tim Kemp's resignation be formally accepted by the committee, letter of thanks to be sent for Tim's service:

Moved: B.Spinner Seconded: C.Sellings CARRIED

CORRESPONDENCE OUTWARDS: NIL.

TREASURER'S REPORT: Moved A. Gaw that the treasurer's report, as tabled be received and adopted seconded. T.Cameron Carried

Chair Peter Anderson handed over control of the meeting to Sam Matthews who declared all office bearer positions vacant.

ELECTION OF OFFICE BEARERS;

Chairperson: P.Anderson

Nominated by: T.Cameron

Duly elected

Vice Chairperson: B.Spinner

Nominated: T.Cameron

Duly elected

Secretary P. Weatherley

Nominated: B.Spunner

Duly elected

Treasurer Anna Gaw

Nominated: P.Anderson

Duly elected.

Meeting closed 6:07pm

CHAIRMAN

CAMERON SPORTING COMPLEX
REPORT OF THE CHAIRMAN 2018-2019

I am pleased to be presenting the report on behalf of the Committee for the year ending 15th August 2019.

As you may recall last year's report followed the then inability to secure funding for the redevelopment of the Complex. Much has, however, transpired in the past 12 months and the news is now one of unqualified excitement.

Not only has there been, through the great work of Council staff and Councillors, funds granted from the Shire itself, from Latrobe Valley Authority and the State Government, together with a substantial contribution from Gymnastics and Basketball, but the contract has been awarded.

On site work will commence within the month and the Committee will work with the contractors to ensure the least level of disruption but, inevitably with a project of this magnitude the gymnastic and basketball management will also have to be flexible and innovative.

Whilst understandably the focus has been on the stadium redevelopment project it cannot be overlooked that the new playground area and, particularly the landscaping and walking paths have brought about a near complete transformation. The complex has been made far more attractive and assessable to the general public and patronage has markedly increased as a result.

One problem that has, unfortunately been created as a result relates to dogs, or rather the dog owners, with dogs not on leads which is potentially dangerous, and the failure of the dog owners to retrieve and remove faeces. Not only is this failure an unpleasant eyesore the existence of the faeces on the playing area is a health hazard. The Committee does not, I believe, have power to exert enforcement other than by appeal to character and in the event of opposition we have no remedy. Council is requested to assist in this regard perhaps, a local law, and then appropriate signage.

It would be unforgiveable if, after 35 years of begging I did not acknowledge that we now have a secured water supply. It is a great relief.

I especially thank Sam and Brodie as Council officers for their enormous contribution to bringing the redevelopment project to fruition and, as always, to Cr. Hole for his continuing efforts on our behalf.

To the Committee I extend my gratitude for a unified effort and contribution by all members. We appreciate Higgs has continued to work on behalf of basketball and the committee despite personal difficulties and I thank Tim for his contribution over the past years.

On behalf of the Committee I extend to Pat and Anna our appreciation for their roles as our extremely proficient secretary and treasurer respectively.

Peter G. Anderson
Chairman



Special Purpose Independent Audit Report

To the Committee of Management for the Cameron Sporting Complex

Report on the Financial Statement

We have audited the accompanying financial statement for the Cameron Sporting Complex being a special purpose financial statement which comprises the statement of Receipts and Payments for two bank accounts and statements of reconciliation for both accounts as operated by the Committee of Management for the year ended, 30 June 2019.

Committee's Responsibility for the Financial Statement

The Committee of Management are responsible for the preparation and fair presentation of the financial statement and have determined the accounting policies are appropriate to meet the needs of the Committee. The Committee's responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. No opinion is expressed as to whether the accounting policies used, are appropriate to meet the needs of the Committee. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial statement.

The financial statement has been prepared for the benefit and use of the Committee and for the purpose of fulfilling the Committee's financial reporting requirements. We disclaim any assumption of responsibility for any reliance on this report or on the financial statement to which it relates to any person other than the Committee, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's Opinion

In our opinion:

- a) the financial statement of The Committee of Management for the Cameron Sporting Complex provides:
- i) A true and fair view of the Committee's financial position as at 30th June 2019 and of its performance for the year ended; and
 - ii) present a view which is consistent with our understanding of the entity's financial position and the results of its operations.

Date: 31st July, 2019

Auditor:.... Richard G. McDowell FCA.....

CAMERON SPORTING COMPLEX - COMMITTEE OF MANAGEMENT

FINANCIAL STATEMENT - MONTH ENDED 30th JUNE 2019

CHEQUE ACCOUNT RECEIPTS

	Previous Year	Current Year
Wellington Shire:		
Maintenance Grant	\$ 46,531.00	\$ 47,462.01
Audit Works	\$ 3,105.00	\$ 1,782.09
Reimburse Water	\$ 16,457.27	\$ 16,364.98
Reimbursements:		
Basketball Association	\$ 17,336.85	\$ 24,085.95
Gymnastics	\$ 10,164.27	\$ 12,233.77
Rentals:		
Maffra Junior Football Club	\$ 6,615.00	\$ 6,615.00
Maffra Hockey Club	\$ 2,661.75	
Maffra Cricket Club	\$ 6,615.00	\$ 6,615.00
Schools		
Miscellaneous Rentals	\$ 200.00	
Other Income:		
Miscellaneous		
GST Reimbursement	\$ 3,896.16	\$ 4,411.08
GST Collected on Receipts	\$ 4,290.76	\$ 4,954.94
Bank Interest		
Transfers:		
From Investment Acc	\$ 15,000.00	\$17,000.00
From Term Deposit	\$ 10,000.00	

PAYMENTS

	Previous Year	Current Year
Electricity - Reserve:	\$ 15,226.70	\$ 19,890.87
Gippsland Water	\$ 21,116.31	\$ 19,226.35
Origin	\$ 459.44	\$ 541.64
Stadium:		
Origin	\$ 1,773.99	\$ 1,666.88
Mowing Contract:	\$ 21,938.62	\$ 22,487.06
Contract Cleaning:	\$ 20,756.80	\$ 21,229.11
Maintenance:		
Stadium	\$ 5,425.59	\$ 4,821.92
Reserve/Pavilion	\$ 10,756.97	\$ 14,727.44
Miscellaneous:		
Rubbish Collection	\$ 4,360.50	\$ 4,200.14
Toilet Supplies	\$ 1,170.16	\$ 1,504.72
Audit Costs	\$ 300.00	\$ 300.00
Sundries:		
PO Box Rental	\$ 115.45	\$ 118.18
Postage	\$ 72.73	\$ 81.81
Materials		
Equipment	\$ 153.38	
Bank Charges	\$ 4.20	\$ 1.40
Other Expenses:		
GST on Expenses	\$ 8,218.94	\$ 9,152.28
GST to Shire	\$ 573.60	\$ 584.46
Transfer:		
To Investment Account	\$ 10,000.00	\$ 20,000.00
Term Deposit	\$ 30,000.00	
Electricity - Pump		\$ 202.51

Total Receipts	\$ 142,873.06	\$ 141,524.82	Total Payments	\$ 152,423.38	\$ 140,736.77
Balance 1st July 2018	\$ 10,775.83	\$ 1,225.51	Balance 30th June 2019	\$ 1,225.51	\$ 2,013.56
Total	\$ 153,648.89	\$ 142,750.33	Total	\$ 153,648.89	\$ 142,750.33

Bank Reconciliation

Balance as per Bank Statement (copy attached)	\$ 5,036.88
Less unpresented cheques	
Cheque No. 1815	\$ 77.00
1889	\$ 2,069.73
1891	\$ 876.59

Balance as at 30th June 2019

\$ 3,023.32
\$ 2,013.56

SAVINGS ACCOUNT**RECEIPTS**

	Previous Year	Current Year
Interest	\$ 6.27	\$ 6.09
Transfers In	\$ 10,000.00	\$ 20,000.00
Total Receipts	\$ 10,006.27	\$ 20,006.09
Balance 1st July 2018	\$ 12,073.96	\$ 7,080.23
Total	\$ 22,080.23	\$ 27,086.32

PAYMENTS

	Previous Year	Current Year
Bank Charges		
Transfers Out	\$ 15,000.00	\$ 17,000.00
Total Payments	\$ 15,000.00	\$ 17,000.00
Balance 30th June 2019	\$ 7,080.23	\$ 10,086.32
Total	\$ 22,080.23	\$ 27,086.32

Bank Reconciliation

Passbook Balance as at 30th June 2019

\$ 10,086.32**TERM DEPOSIT****RECEIPTS**

	Previous Year	Current Year
Interest	\$ 1,240.16	\$ 924.15
Transfers In	\$ 30,000.00	
Total Receipts	\$ 31,240.16	\$ 924.15
Balance 1st July 2018	\$ 40,611.07	\$ 61,851.23
Total	\$ 71,851.23	\$ 62,775.38

PAYMENTS

	Previous Year	Current Year
Bank Charges		
Transfers Out	\$ 10,000.00	
Total Payments	\$ 10,000.00	\$ -
Balance 30th June 2019	\$ 61,851.23	\$ 62,775.38
Total	\$ 71,851.23	\$ 62,775.38

Bank Reconciliation

Term Deposit Balance as at 30th June 2019

\$ -

\$ 62,775.38**ACCOUNT SUMMARY**

	2019	2018
Cheque Account	\$ 2,013.56	\$ 1,225.51
Savings Passbook	\$ 10,086.32	\$ 7,080.23
Term Deposit	\$ 62,775.38	\$ 61,851.23
TOTAL 30th JUNE	\$ 74,875.26	\$ 70,156.97

ITEM C5.2**CAMERON SPORTING COMPLEX COMMITTEE OF MANAGEMENT MEMBERSHIP**

DIVISION: COMMUNITY AND CULTURE
 OFFICER: MANAGER COMMUNITY WELLBEING
 DATE: 17 SEPTEMBER 2019

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Engagement	Risk Management
		✓	✓	✓					

OBJECTIVE

For Council to note the resignation of the current community representative, declare the position vacant, and appoint the nominated community representative as detailed in the attached confidential report, to the Cameron Sporting Complex Committee of Management for the remainder of the three-year period.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY**RECOMMENDATION**

That:

- Council note the resignation of the current community representative, declare the position vacant, and appoint the nominated community representative as detailed in the attached confidential report, to the Cameron Sporting Complex Committee of Management for the remainder of the three year period;***
- The information contained in the attached document Item F1.1 Cameron Sporting Complex Committee of Management Membership of this Council Meeting Agenda, and designated under Section 77 Clause (2)(c) of the Local Government Act 1989 as confidential by the General Manager Community and Culture on 28 August 2019 because it relates to the following grounds under Section 89(2) of the Local Government Act 1989: (h) any other matter which the Council or special committee considers would prejudice the Council or any person; be designated confidential information under Section 77 Clause (2) (b) of the Local Government Act 1989, except that once this recommendation has been adopted the name of the successful member can be made public.***

BACKGROUND

The Cameron Sporting Complex Committee of Management is a Special Committee of Council under Section 86 of the *Local Government Act 1989* and operates within the provisions of a Council approved Instrument of Delegation.

The objectives of the Special Committee are:

- To manage, operate and maintain the Cameron Sporting Complex for the community in an efficient, effective and practical manner.

- To undertake activities designed to protect, promote, utilise and develop the Cameron Sporting Complex for the use and enjoyment of the local community in line with Council policy and relevant Council strategic documents.
- To keep the Council informed on the operations, improvements and advancements of the Cameron Sporting Complex by forwarding copies of all minutes of all ordinary and extraordinary meetings and the Annual Report.
- To set, maintain and collect appropriate user charges.
- To ensure that the Cameron Sporting Complex's capital assets are adequately maintained.
- To provide advice to Council on matters relating to the Cameron Sporting Complex.

OPTIONS

Council has the following options:

1. Note the resignation of the current community representative, declare the position vacant, and appoint the nominated community representative as detailed in the attached confidential report, to the Cameron Sporting Complex Committee of Management for the remainder of the three year period; or
2. Seek further information to be considered at a future Council Meeting.

PROPOSAL

That Council note the resignation of the current community representative, declare the position vacant, and appoint the nominated community representative as detailed in the attached confidential report, to the Cameron Sporting Complex Committee of Management for the remainder of the three year period.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

LEGISLATIVE IMPACT

This report is in accordance with Section 91(4) of the *Local Government Act 1989*.

COUNCIL POLICY IMPACT

This report is in accordance with Council Policy 5.1.4 which establishes a framework for the guidance of Council in relation to the roles and responsibilities of Committees.

COUNCIL PLAN IMPACT

The Council Plan 2017-2021 Theme 2 Services and Infrastructure states the following strategic objective and related strategy:

Strategic Objective 2.2

Council assets are responsibly, socially, economically and sustainably managed.

Strategy 2.2.2

Ensure that community facilities within the municipality continue to meet the expectations and service needs of all current and future residents.

ITEM C5.3**GORDON STREET RECREATION RESERVE COMMITTEE OF MANAGEMENT MINUTES**

DIVISION: COMMUNITY AND CULTURE
 OFFICER: MANAGER COMMUNITY WELLBEING
 DATE: 17 SEPTEMBER 2019

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Engagement	Risk Management
		✓	✓	✓					

OBJECTIVE

For Council to receive the minutes from the Gordon Street Recreation Reserve Committee of Management's Annual General Meeting held on 22 July 2019.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY**RECOMMENDATION**

That Council receive the minutes from the Gordon Street Recreation Reserve Committee of Management's Annual General Meeting held on 22 July 2019.

BACKGROUND

The Gordon Street Recreation Reserve Committee of Management is a Special Committee of Council under Section 86 of the *Local Government Act 1989* and operates within the provisions of a Council approved Instrument of Delegation.

The objectives of the Special Committee are:

- To manage, operate and maintain the Gordon Street Recreation Reserve for the community in an efficient, effective and practical manner.
- To undertake activities designed to protect, promote, utilise and develop the Gordon Street Recreation Reserve for the use and enjoyment of the local community in line with Council policy and relevant Council strategic documents.
- To keep the Council informed on the operations, improvements and advancements of the Gordon Street Recreation Reserve by forwarding copies of all minutes of all ordinary and extraordinary meetings and the Annual Report.
- To set, maintain and collect appropriate user charges.
- To ensure that the Gordon Street Recreation Reserve's capital assets are adequately maintained.
- To provide advice to Council on matters relating to the Gordon Street Recreation Reserve.

As provided under the Committee's Instrument of Delegation the minutes of all meetings are to be presented to Council and highlight the day to day activities being undertaken by the Committee.

Conflict of Interest: It was noted that conflicts of interest were called for at the commencement of the Ordinary Meeting, with no conflicts being declared. Meetings held by the Gordon Street Recreation Reserve Committee of Management are open to the public.

OPTIONS

Council has the following options:

1. Receive the minutes from the Gordon Street Recreation Reserve Committee of Management's Annual General Meeting held on 22 July 2019; or
2. Seek further information to be considered at a future Council Meeting.

PROPOSAL

That Council receive the minutes from the Gordon Street Recreation Reserve Committee of Management's Annual General Meeting held on 22 July 2019.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

LEGISLATIVE IMPACT

This report is in accordance with Section 91(4) of the *Local Government Act 1989*.

COUNCIL POLICY IMPACT

This report is in accordance with Council Policy 5.1.4 which establishes a framework for the guidance of Council in relation to the roles and responsibilities of Committees.

COUNCIL PLAN IMPACT

The Council Plan 2017-21 Theme 2 Services and Infrastructure states the following strategic objective and related strategy:

Strategic Objective 2.2

Council assets are responsibly, socially, economically and sustainably managed.

Strategy 2.2.2

Ensure that community facilities within the municipality continue to meet the expectations and service needs of all current and future residents.

This report supports the above Council Plan strategic objective and strategy.

GORDON STREET RESERVE Special Committee of Council

ANNUAL GENERAL MEETING MINUTES

MEETING DATE, MEETING TIME, MEETING VENUE

Meeting Opened Time: 7.03pm

22/07/2019

HFNC social rooms

1. Present / Apologies

Name	Title	Representing	Present / Apology
Malcolm Hole	Councillor		Present
Barbara Cook		Heyfield Vintage Machinery Group	Present
David Reid		Heyfield Junior Football Club	Apology
Joel Keane		Heyfield Cricket Club	Present
Lee Clarke		Heyfield Traders & Tourism Assn	Apology
Scott Anderson		Heyfield Basketball Club	Present
Tania Burton		Heyfield Tennis Club	Present
Peter Padula		Pigeon Club	Apology
Patsy Morris		Heyfield Junior Netball Club	Present
Geoffrey Healy		Heyfield Football Netball Club	Apology
Brian Brown	President	Community	Present
Patrick Rodaughan	Secretary	Community	Present
Charles Wojcinski	Treasurer	Community	Present
Craig Bennett		Community	Present
Kelvin Sundermann	Vice President	Community	Present

Quorum Achieved Yes

2. Declaration of Conflicts of Interest: Read Chairperson Brian

3. Confirmation of Minutes of Previous Annual General Meeting

Moved: Brian
CARRIED

Seconded: Pat

4. Business Arising from Previous AGM: Nil

5. Reports

5.1 Chairperson's Report: Attached

5.2 Treasurer's Report: Attached

5.3 User Group Reports: Nil

6. Election of Office Bearers

All positions declared vacant. Councilor Hole conducted election of office bearers.

6.1 Chairperson Name: Brian Brown

Moved: Pat Rodaughan CARRIED

Vice Chairperson Name: Kelvin Sundermann

Moved: Pat Rodaughan CARRIED

6.2 Secretary Name: Pat Rodaughan

Moved: Charlie Wojcinski CARRIED

6.3 Treasurer Name: Charlie Wojcinski

Moved: Brian Brown CARRIED

6.4 Special Committee Fact Sheet read

7. Schedule of Fees: A review of user group fees to be discussed at the next general meeting

8. Committee's Rules for the Reserve Tabled

9. Forward Planning Strategies: As per the Gordon Street Reserve Masterplan

10. Next Calendar Year Meeting Dates: 26/08/19; 28/10/19; 24/02/20; 27/04/20; 22/06/20

11. Next Annual General Meeting: 27/07/2020

12. Meeting Closed Time: 7.37pm

22/07/19

PRESIDENTS REPORT 2018-19

I would like to thank our office bearers for their full support & help over the past year.

I would particularly like to thank Herb, David Reid & Craig Bennet for all their help with the general every day running of the reserve whether mowing, general maintenance or just cleaning up around the reserve.

This year has seen the installation of the new cricket practice nets, new netball courts and new lighting around the ground with the help of the Wellington Shire & Latrobe Valley Grants

The Shire had the new filter fitted on the dam and all new valves & 50 new pop up sprinklers were installed.

More cement works and railing was done outside the main building bringing it up to a better safety standard.

The shire went 60/40% with us on the removal and trimming of the trees at the south end of the basketball stadium as most were in poor condition losing lots of branches.

We asphalted under the netball veranda also.

We had a bad problem with bird damage to the lights above the netball courts and around the basketball stadium which we had to have wires & lights replaced which we are trying to claim for the damage under our insurance.

At the tennis club we rescrewed the roof, trimmed trees & supplied load of dirt & load of blue metal for repairs around the surrounds

Richard Fawaz has helped with the replacement of many posts around the grounds.

We have still been mowing Newry & Heyfield Reserves which keeps us very busy.

We held our annual Christmas dinner where all members and helpers were invited where we enjoyed a lovely meal supplied by Maffra Spit Roast.

Thank you to Malcom Hole for attending our meetings and keeping us up to date with the going on for the Wellington Shire.

And finally a big thank you to all the committee members for their support during the past 12 months & I hope we can continue towards bigger & better things for the Gordon Street Reserve.

Thanks Brian Brown





Certified Practising Accountants

www.tyrrellpartners.com.au

email: business@tyrrellpartners.com.au

Suite 2, First Floor, Cnr. George & Moore Sts., PO Box 188, Moe 3825. Phone: (03) 5127 2255 Fax: (03) 5127 1209

Shop 5, 126 Albert Road, PO Box 1097, Warragul 3820. Phone: (03) 5622 3201

57 Temple Street, PO Box 267, Heyfield 3858. Phone: (03) 5148 2977

"Glentra House" 15 Collins Street, Traralgon 3844. Phone: (03) 5175 0870 Fax: (03) 5176 0025

GORDON STREET RECREATION RESERVE ACCOUNTANTS REPORT

We have prepared the accompanying Statement of Receipts and Payments, period ending June 30, 2019 from information supplied by our client for and at the request of and exclusively for the use of our client.

We express no opinion on whether the Statement of Receipts and Payments presents a true and fair view of the financial results, nor do we give any warranty of accuracy or reliability thereof. Neither the firm or any members or employees of the firm undertakes responsibility arising in any other way whatsoever to any person other than our client, for errors or omissions however caused.

**TYRRELL PARTNERS
ACCOUNTANTS AND ADVISERS**

Tyrrell Partners Pty Ltd A.B.N. 86 086 407 776

Liability limited by a scheme approved under Professional Standards Legislation

GORDON STREET RECREATION RESERVE

ACCOUNT BALANCES AS AT 30 JUNE, 2019

<u>2018</u>	<u>Bendigo Bank</u>	<u>2019</u>
	<u>Statement Accounts</u>	
\$ 2,806.93	Mowing Account 147129084	\$ 3,183.12
	Committee Account 121587855 \$1272.67	
\$ 4,806.15	Less un-presented cheques \$351.51	\$ 921.16
<u>\$ 7,613.08</u>	TOTAL funds as at 30th June, 2019	<u>\$ 4,104.28</u>

5:16 PM
26/07/19
Cash Basis

**Gordon Street Reserve
Profit & Loss
July 2018 through June 2019**

	Jul 18 - Jun 19
Ordinary Income/Expense	
Income	
Heyfield Basketball Club.	3,458.77
Heyfield Cricket Club	5,010.25
Heyfield Football Club	3,808.05
Heyfield Traders	400.00
Interest	16.19
Wellington Shire	
Annual Operating Subsidy	32,703.93
Asisst Grants	6,900.00
Dam Pump & Filt	7,538.00
GST Refund	6,578.30
Maintenance program	10,491.29
Railing & Concrete	10,100.10
Tree Removal	8,400.00
Wellington Shire - Other	3,365.12
Total Wellington Shire	86,076.74
Total Income	98,770.00
Expense	
Audit	330.00
Bank Service Charges	4.20
Catering	464.00
Cleaning	200.00
Dues and Subscriptions	275.00
Equipment	
Fridge	165.00
Total Equipment	165.00
Fuel	1,267.12
Petty Cash	100.00
Postage and Delivery	95.00
Repairs	
Building Repairs	
Main Clubroom	9,578.25
Building Repairs - Other	2,975.52
Total Building Repairs	12,553.77
Equipment Repairs	7,128.09
Grounds	
Asphalt	4,430.00
Grounds - Other	34,079.27
Total Grounds	38,509.27
Repairs - Other	14,400.00
Total Repairs	72,591.13
Signage	203.50
Sundry	990.00
Toilets	1,602.40
Utilities	
Gas and Electric	17,463.70
Water	6,527.75
Total Utilities	23,991.45
Total Expense	102,278.80
Net Ordinary Income	-3,508.80
Net Income	-3,508.80



D. URGENT BUSINESS



E. FURTHER GALLERY AND CHAT ROOM COMMENTS

Gallery comments are an opportunity for members of the public to raise any particular matter they wish. This allows those in the gallery to speak directly to councillors but is not a forum designed for open discussion or debate. We will listen respectfully to what you have to say and make the commitment that the Mayor will respond to you in writing within one week if required, and a copy of that response will be circulated to all councillors.

This is not a forum for members of the public to lodge complaints against individuals, including councillors and staff, particularly as that individual gets no public right of reply to any matter raised. We take complaints seriously, and in line with the guidance from the Victorian Ombudsman and the local Government Inspectorate, we request that any specific complaint against an individual be put in writing. This way, your concern can be properly dealt with while ensuring fairness to all parties concerned.

If you wish to speak, we remind you that this part of the meeting is being recorded and broadcast on our website. Council's official Minutes will record that you have spoken to Council and the subject you spoke to Council about but will not record specific comments. We ask you to state your name in full, where you are from, and you have three minutes

CHAT ROOM COMMENTS –

GALLERY COMMENTS –

Meeting declared closed at: pm

The live streaming of this Council meeting will now come to a close.



F. CONFIDENTIAL ATTACHMENT/S

**F. CONFIDENTIAL
ATTACHMENT/S**

ITEM F1.1 PROPOSED SALE OF 19 WEIR ROAD, HEYFIELD (Refer to Agenda Item C3.2)



**ORDINARY COUNCIL MEETING
17 SEPTEMBER 2019**

On this 28th day of August 2019, in accordance with Section 77 Clause (2)(c) of the *Local Government Act 1989*; I, John Websdale declare that the information contained in the attached document **ITEM F1.1 PROPOSED SALE OF 19 WEIR ROAD, HEYFIELD** is confidential because it relates to the following grounds under Section 89(2) of the *Local Government Act 1989*:

- d) ***contractual matters***
- e) ***proposed developments***



.....
GENERAL MANAGER DEVELOPMENT

ITEM F1.2 CAMERON SPORTING COMPLEX COMMITTEE OF MANAGEMENT MEMBERSHIP
(Refer to Agenda Item C5.2)



ORDINARY COUNCIL MEETING
17 SEPTEMBER 2019

On this 28th day of August 2019, in accordance with Section 77 Clause (2)(c) of the *Local Government Act 1989*; I, Sharon Houlihan declare that the information contained in the attached document **ITEM F1.2 CAMERON SPORTING COMPLEX COMMITTEE OF MANAGEMENT MEMBERSHIP** is confidential because it relates to the following grounds under Section 89(2) of the *Local Government Act 1989*:

- h) any other matter which the Council or special committee considers would prejudice the Council or any person;***



.....
General Manager Community and Culture

CONFIDENTIAL ATTACHMENT

The information contained in this document has been designated under Section 77 Clause (2)(c) of the Local Government Act 1989 as confidential by the General Manager Community & Culture on 28 August 2019 because it relates to the following grounds under Section 89(2) of the Local Government Act 1989: h) any other matter which the Council or special committee considers would prejudice the Council or any person

G. IN CLOSED SESSION

G. IN CLOSED SESSION

COUNCILLOR

That the meeting be closed to the public pursuant to Section 89(2) of the Local Government Act 1989 to consider:

- a) personnel matters*
- b) the personal hardship of any resident or ratepayer*
- c) industrial matters*
- d) contractual matters*
- e) proposed developments*
- f) legal advice*
- g) matters affecting the security of Council property*
- h) any other matter which the Council or special committee considers would prejudice the Council or any person*

IN CLOSED SESSION

COUNCILLOR

That Council move into open session and ratify the decision made in closed session.