



ALPINE
SHIRE COUNCIL



Alpine Shire Council

Annual Report

2014-15

About this annual report

Welcome to the Alpine Shire Council Annual Report 2014/15. This report provides an account of Council's performance against the Alpine Shire Council Plan 2013-2017, and the Annual Action Plan and Budget for 2014/15.

Through this report we aim to provide our community with a greater understanding of some of the achievements, highlights, and opportunities created for our residents and ratepayers throughout the year. In balance with this, we also discuss some of the disappointments and challenges that we've faced along the way.

Performance is measured against the five themes in the Council Plan:

Inspired Community Leadership: *Council values effective community advocacy and partnerships*

Enhancing the Environment and Liveability: *An environment managed for now and the future*

Strengthening the Community: *A community supported to be healthy, active and involved*

Prosperous Economy, Employment and Investment: *A dynamic local economy that is sustainable and supported to respond to opportunities and attract appropriate new investment*

Performance Focused Organisation: *A customer focused, equitable and sustainable service to the community*

Council continues to produce this report in electronic form only, which can be downloaded from Council's website www.alpineshire.vic.gov.au, or alternatively on CD available at any of Council's customer service centres in the year following its release. Hard copies are available upon request, for those in the community without access to a computer. This practice of electronic production began with the 2006/07 report, and continues to be both a financial and environmental saving in the production of this important report.

For the first time this year, Council has utilised guidance from the Victorian Department of Treasury and Finance: *Standard requirements for the design and print of annual reports (FRD 30B)*. While this standard applies to Victorian government rather than local government, it specifies that government entities are expected to obtain value for money in procuring services to design and print publications and that excessive or unnecessarily expensive design and print is not appropriate for annual reports. Cost saving measures that form part of Council's direction during 2014/15 align closely with this standard.

Council Vision

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

Council Values

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

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

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

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

Year in Review

Alpine Shire Council (Council) has achieved some great results over the past 12 months. These have included:

Theme 1: Inspired Community Leadership

- Adoption of Council's Long Term Financial Plan
- Saving \$3.3 million in recurrent expenditure, including \$1.1million in employee costs.

Theme 2: Enhancing the Environment and Liveability

- Adoption of Council's Rural Land Strategy
- An amendment to the Alpine Planning Scheme to allow for more residential zoned land in Bright.
- Securing a grant to improve the Porepunkah transfer station.

Theme 3: Strengthening the Community

- Providing \$60,000 in community grants to 19 community organisations – resulting in \$200,000 worth of projects being delivered by the community.
- Completion of Stage 2 of the Bright Sports Centre, providing improved facilities
- Being selected to take part in the "Tomorrow Towns" project for young people in Myrtleford

Theme 4: Prosperous Economy, Employment and Investment

- Development of Council's 10 year Strategic Projects Pipeline
- Continuing the festival and event funding across the Shire and in Dinner Plain – providing funds and logistical support to 31 organisations / organising committees to ensure that their festivals have the necessary support.
- Completion of the Dinner Plain Gravity Park

- Completion of the Bright Splash Park

Theme 5: Performance Focused Organisation

- Reducing Bright indoor employees from 80 full time equivalent to 59.
- Reducing Council's fleet of private use vehicles from 22 to 8.
- Introduction of lifetime tags for animal registration – a benefit for the community and for Council.
- Introduction of electronic Point of Sale systems.

Challenges in 2014/15

Council has also faced challenges over the past 12 months. These have included:

- Restructuring and maintaining service levels despite the loss of 20 full time equivalent staff positions from Council's Bright office.
- Preparing for the Australian Government's Home and Community Care reforms
- Delivery of 81% of the capital works program, despite key vacancies in the Asset Development team
- Ongoing and significant reductions in Victorian and Australian Government funding.
- Simplifying and automating internal administrative systems and processes.

Snapshot of Alpine Shire

RURAL DISTRICTS:	Abbeyards, Barwidgee, Buckland, Buffalo Creek, Buffalo River, Cobungra, Coral Bank, Dandongadale, Dargo, Eurobin, Freeburg, Gapsted, Germantown, Glen Creek, Gundowring, Havilah, Kancoona, Kancoona South, Merriang, Mongan's Bridge, Mount Buffalo, Mudgegonga, Nug Nug, Ovens, Redbank, Rosewhite, Running Creek, Selwyn, Smoko, Upper Gundowring, Wongungarra, Wonangatta					
POPULATION:	12,028					
LIBRARIES:	Alpine Shire is serviced by the High Country Library Corporation, with branches in Bright, Mount Beauty and Myrtleford.					
COMMUNITY CENTRES *	Bright	Mount Beauty	Myrtleford	Dinner Plain	Kiewa Valley	DELWP owned / operated
	3	4	4	1	2	12
SWIMMING FACILITIES	Outdoor swimming pools – Mount Beauty and Myrtleford Indoor swimming pools – Bright (located in Bright Sports Centre) River Pools – Bright and Porepunkah					
RECREATION RESERVES *	Bright#	Mount Beauty	Myrtleford	DELWP owned / operated		
	1	1	3	7		
	# owned by DELWP, but managed by Council					
PUBLIC PLAYGROUNDS *	Bright & Porepunkah	Mount Beauty	Myrtleford	Harrietteville & Dinner Plain	Kiewa Valley	DELWP owned / operated
	3	3	4	2	2	4
PARKS AND GARDENS	Council maintains 33 Council-owned parks, gardens and reserves, and maintains a further 30 reserves and parks designated as Crown land. Grassed areas mown / maintained by Council Bright 61.37 ha Myrtleford 24.63 ha Mount Beauty 29.77 ha Rail Trail 11.13 ha					
TRACKS AND TRAILS	Council manages 16 tracks and trails located on Crown land, including part of the Murray to Mountains Rail Trail located within the Alpine Shire. Two additional walks managed by Council are located on land owned by other authorities.					
LENGTH OF:	Sealed road	Unsealed road	Footpaths	Rail trail	Shared paths	
	342km	234km	64km	42km	15km	
BRIDGES	160 bridges in total consisting of: road bridges (57); pedestrian bridge (63); pedestrian culverts (3); and road culverts (37)					
MAJOR INDUSTRIES OF EMPLOYMENT:	Accommodation; school education; hospitals; cafes, restaurants and food services.					
MAJOR ECONOMIC ACTIVITIES:	Agriculture, horticulture, viticulture, timber, tourism, service industries, hydro electricity					

<p>AGE GROUPS:</p>	<table border="1"> <caption>Age Group Population Comparison</caption> <thead> <tr> <th>Age Group</th> <th>Alpine (%)</th> <th>Victoria (%)</th> </tr> </thead> <tbody> <tr> <td>0-19</td> <td>~23</td> <td>~25</td> </tr> <tr> <td>20-39</td> <td>~16</td> <td>~28</td> </tr> <tr> <td>40-59</td> <td>~30</td> <td>~26</td> </tr> <tr> <td>60-79</td> <td>~24</td> <td>~15</td> </tr> <tr> <td>80-85+</td> <td>~5</td> <td>~3</td> </tr> </tbody> </table>	Age Group	Alpine (%)	Victoria (%)	0-19	~23	~25	20-39	~16	~28	40-59	~30	~26	60-79	~24	~15	80-85+	~5	~3	<p>Alpine has an ageing population, with a much higher population of persons aged over 60 than the rest of the State (source ABS Census 2011). Predictions in Council's Positive Ageing Strategy 2013-2017 are for the population of persons aged over 60 to reach almost 41% in 2025.</p>
Age Group	Alpine (%)	Victoria (%)																		
0-19	~23	~25																		
20-39	~16	~28																		
40-59	~30	~26																		
60-79	~24	~15																		
80-85+	~5	~3																		

* Facilities are either owned by Council, managed by Council, or managed by a Council committee of management. Other facilities and reserves located within the Alpine Shire are Crown Land, and managed by Department of Environment, Land Water and Planning (DELWP) or a DELWP committee of management.

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Mayor Message

It is my pleasure to introduce the Alpine Shire Council Annual Report for 2014/15.

This year has been another busy year for Council, made more so by our resolution in June 2014 to save \$1-1.5 million from the recurrent operating budget.

The organisation has been working tirelessly at implementing changes across the board to make the savings happen. I wish to thank CEO Dave Barry, and all of the Council staff for their commitment to making the Alpine Shire Council a sustainable and progressive organisation. This hard work culminated in Council announcing its lowest rate rise in 15 years in June 2015. A massive achievement, and one that we will need to continue into the future.

Advocacy with government

As a group of Councillors, we have been busy on many fronts, including making sure we have a presence with both the Victorian and Australian governments, advocating with regionally important authorities and making sure our community are heard, listened to and acted on behalf of.

We have had the opportunity to host and meet with key members of the Victorian government through the year, and each meeting gives us the opportunity to advocate for issues that affect us directly here in the Alpine Shire, but also to advocate on behalf of our neighbours and others in the region. Issues such as our reliance on / the availability of government funding, regional telecommunications, and sustainability challenges are all ideas for us to pitch directly to those in upper levels of government.

I was extremely honoured to be selected to be a part of the 12 member panel on the Victorian government's new Local Government Mayoral Advisory panel in April 2015. It is a terrific opportunity for our voice to be heard in Melbourne, and continues the advocacy for ourselves, our neighbours and councils across the state, particularly as we are all facing changes and restrictions in funding, and the introduction of rate capping by the Victorian government.

Partnerships and working together

We have also been proactive in meeting with other organisations in the region to ensure that we can pursue the best outcomes for our communities. An example of this was the signing of a Memorandum of Understanding between the North East Catchment Management Authority and Council. The signing of the MoU aims to ensure that there is a collaborative effort on projects where objectives overlap. The MoU aims to build on the working relationship between Council and NECMA, particularly around the delivery of essential priorities from Council's Environment Strategy and NECMA's Regional Catchment Strategy, which link closely together for the benefit of the community.

Planning for the future

I was pleased to see the adoption of Council's Rural Land Strategy in April 2015. It sends a strong message about how our communities value agriculture and tourism and provides a framework for the future land use and development in rural areas of the shire for the next 15-20 years. The strategy also recognises the importance of environmental and landscape values in our rural areas and pressures for rural subdivision and dwellings.

Funding opportunities

We have been extremely fortunate to have been successful competing for funding / grants during 2014/15. My congratulations go to the staff preparing the applications, along with the community members lobbying for improved infrastructure in their towns. From smaller projects worth tens of thousands of dollars, to the \$1.87 million committed by the Australian government through the National Stronger Regions Fund to the \$3.8 million Alpine Events Centre project (to be located in Bright), I am extremely pleased that a small rural council can pursue and achieve funding to deliver projects to support and improve our communities.

Along with Council receiving funding, we also contribute grants and funding directly to the Alpine Shire Community. Our community grants program awarded \$60,000 of council funds to 19 community clubs and organisations to be turned into \$200,000 worth of community-led and delivered projects. In addition, we provide both funding and logistics support to festivals and events across the shire, ensuring that these events can run smoothly and provide the atmosphere and experiences that locals and visitors enjoy each year.

I would like to thank my fellow councillors for their support since my appointment as Mayor in November 2014, and acknowledge Cr Peter Roper's three-year term as Mayor. Thank you also to the CEO and staff of the Alpine Shire Council, without whom we could not deliver the projects and services that our community has come to expect. I look forward to continuing to deliver our priorities into 2015/16.



A handwritten signature in black ink, which appears to read 'Jan Vonarx'. The signature is stylized and fluid.

Cr Jan Vonarx
Mayor

CEO Message

A time of change

On 3 June 2014, Council resolved to: "... save up to \$1 million to \$1.5 million within the recurring operating budget ... and that the savings be used to ensure Council's future financial sustainability, help minimise future rate rises, and to build, maintain and enhance community infrastructure."

This resolution required our organisation to challenge the way we did things, and brought about change that was necessary to ensure our sustainability into the future. This resolution, coupled with the announcement by the Australian Government of the Financial Assistance Grants indexation freeze, and the pending introduction of rate capping by the Victorian Government, were the catalysts for change.

The adoption of Council's Long Term Financial Plan (LTFP) in July 2014 allowed Council to plan for the reduction in funding and prepare the 2015/16 budget with a record low rate rise. The LTFP, Human Resources review and Strategic Alignment Project were all components of the Business Transformation project that successfully reduced employee costs by \$1.1 million.

The human resources review allowed us to undertake an organisational restructure, resulting in a \$1.1 million saving in employee costs by year's end. This was a challenging process for management and staff, however with regular staff meetings, consultation, and voluntary redundancy packages offered, the process went smoothly. I would like to thank all of Council's past and present staff for their support and acceptance of a difficult but necessary process. The necessity to ensure our organisation's sustainability was a consistent and accepted message.

We also reviewed other operational expenditure across the organisation, making total projected savings in excess of \$3.3 million in recurring expenditure by reviewing: motor vehicle provision (22 vehicles down to 8); memberships and subscriptions (savings of \$110,000); and other expenses; in addition to the human resources review.

Financial performance

As a result of the changes instigated throughout the organisation, Council's end of year financial result was better than forecast. Income was more (due to receiving 2015/16 Financial Assistance Grants in advance, and successful competitive grant applications), and expenses were less.

The effort that we have put in to making our organisation financially sustainable meant that in June 2015, we were able to announce the lowest rate rise in 15 years for the 2015/16 budget, at 2.9%.

Capital works

Council delivered \$6.4 million (70%) of its budgeted \$9.1 million capital works program. If the freeze on plant and motor vehicle replacement (\$1.35 million) and the decision to postpone construction of the Myrtleford landfill cell (\$550,000)

are taken into account, then our program delivery is actually 81%.

Significant capital projects delivered include stage 1 of the Bright to Harrietville shared trail; Bright Splash Park; Bright Sports Centre redevelopment (stage 2); Albert Lowerson commemorative statue (Myrtleford); Churchill Avenue road reconstruction (Bright); Kancoona South Road reconstruction; Rail trail widening and resurfacing in Bright; and the snow making and adventure park in Dinner Plain.

The delivery of our capital works has been a great achievement – and I would like to thank all those involved in delivering such a great range of projects for the community.

Competitive grants

A focus of the restructure has meant that our Asset Delivery team is now responsible for not only delivering projects, but planning, prioritising, scoping and seeking funding for them as well. This will result in a much smoother and more realistic delivery of capital projects into the future. Planning for upcoming works is undertaken in line with our Significant Projects Pipeline.

Successful grants announced during 2014/15 include: Alpine Better Places (across Bright, Porepunkah and Myrtleford); several projects in Myrtleford, including shade sails for playgrounds, McNamara Reserve multi-purpose court surface upgrade, indoor stadium feasibility study, and skate park upgrade; and the Porepunkah Transfer station upgrade. We look forward to delivering these projects to the community.

Using our initiative

Another key focus of the organisation is to use technology to our advantage to improve systems and processes. An example of this is the roll out of electronic Point of Sale (POS) systems across our business units, and the development of our performance management system (Ignite) to utilise all the information captured in the Strategic Alignment Project, and use it to inform our planning and performance into the future.

In closing, I would like to thank Cr Peter Roper for his three-year term as mayor, and welcome Cr Jan Vonarx in her return to the role of mayor in late 2014. I look forward to working with you and all councillors in the year to come.



Thank you also to the staff, both past and present, for their support, passion, enthusiasm and acceptance of what has been a challenging year. I look forward to stability and achievement in the year ahead.

A handwritten signature in black ink that reads "Dave Barry". The signature is written in a cursive, flowing style.

Dave Barry
Chief Executive Officer

Financial Summary

Financial Overview 2014/15

Revenue

Council ended the 2014/15 year with a budget surplus of \$7.2 million (representing a positive variance of \$5.4 million); income was greater than last year and expenses were less.

The favourable income result is mainly attributable to the receipt of Council's 2015/16 Financial Assistance Grants in advance - \$1.8 million, and competitive grants success - \$700,000.

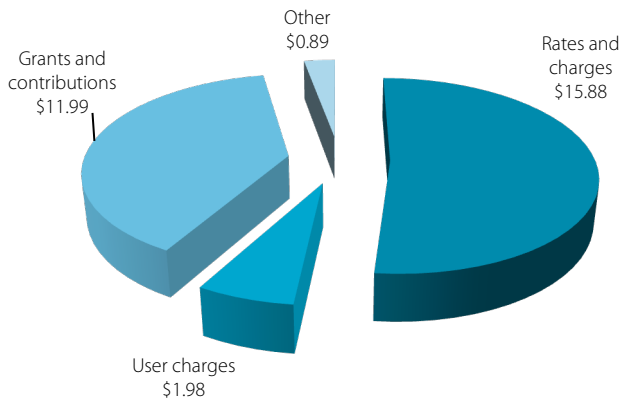


Figure 1: Alpine Shire Council revenue 2014/15 (\$millions) (refer to Financial Statements on page 63 for more details)

Figure 1 demonstrates Council's major income sources. Rates and charges continue to be Council's most significant source of revenue (52%). Grants are also significant, demonstrating how factors such as an indexation on key grants such as the Financial Assistance Grants can have such a major effect.

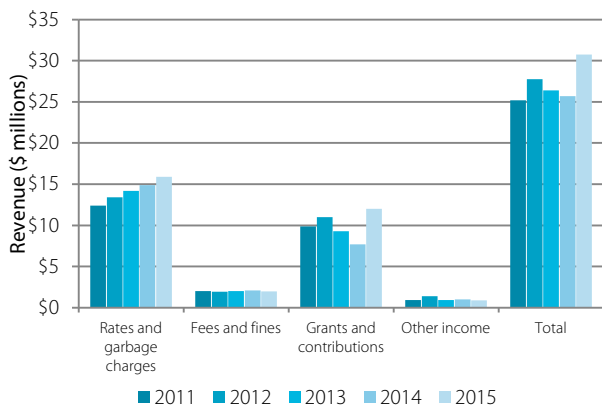


Figure 2: Alpine Shire Council revenue 2010/11 to 2014/15 (\$ millions) (refer to Financial Statements on page 63 for more details)

Figure 2 demonstrates the effect of receiving the 2015/16 Financial Assistance Grants in advance, and Council's success in securing competitive grants – and their overall effect on Council's total revenue for the year.

Expenditure

The favourable expenses result in 2014/15 is mainly due to a reduction in employee related expenses (an outcome of the recent HR review) - \$1.1 million, and a favourable revaluation of assets (due to an increase in the life of road assets) - \$500,000.

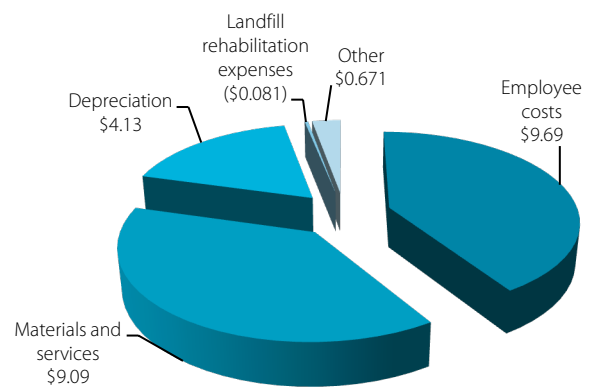


Figure 3: Alpine Shire Council Expenditure 2014/15 (\$millions) (refer to Financial Statements on page 63 for more details)

Figure 3 demonstrates that employee costs and materials and services remain Council's largest expenditure areas and will continue to be areas of reform into the future.

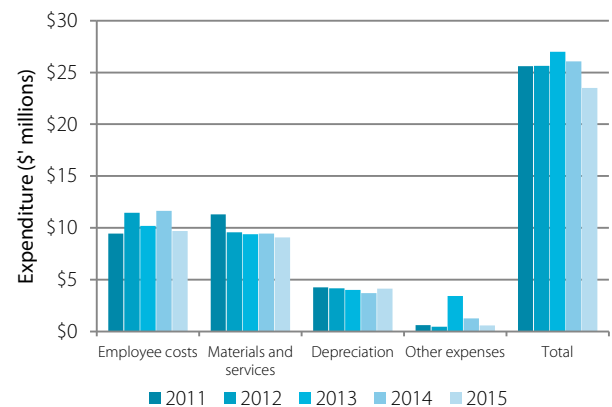


Figure 4: Alpine Shire Council expenditure 2010/11 to 2014/15 (\$ millions) (refer to Financial Statements on page 63 for more details)

Figure 4 demonstrates the beneficial effect of the Business Transformation Project, reducing expenditure across employee costs, materials and services and other expenses.

Capital works

Council delivered \$6.4 million (70%) of its budgeted \$9.1 million capital works program. If the freeze on plant and motor vehicle replacement (\$1.35 million), and the decision to postpone construction of the Myrtleford landfill cell (\$550,000) are taken into account, program delivery was actually 81%.

Significant capital projects delivered include:

- Bright to Harrietteville rail trail – Stage 1
- Bright Splash Park
- Bright Sports Centre redevelopment
- Albert Lowerson commemorative statue (Myrtleford)
- Churchill Avenue road reconstruction (Bright)
- Kancoona South road reconstruction
- Rail trail widening and resurfacing in Bright
- Dinner Plain snow making

Cash Balance

Council maintains a strong cash position this year. Council's cash at hand is higher than expected at the end of the year as the Financial Assistance Grant for 2015/16 was received in advance.

Looking forward

Council's Long Term Financial Plan (LTFP) (adopted in July 2014) is a key tool in decision making for Council moving into the future.

The LTFP delivers long term sustainability utilising conservative assumptions for rate rises, zero staff increases, and reduced levels of government funding into the future.

Funding

Council acknowledges the support of both the Victorian Government and the Australian Government for the provision of funding, without which, many of the projects and services that Council delivers would not be possible.

In particular, the Australian Government's Financial Assistance Grants are untied and are essential for the continued delivery of Council's services and infrastructure.

Capital Works Summary - 2014/15

Highlights 2014/15

Council's 2014/15 capital works budget was \$9.1 million at the start of the financial year, which included plant, waste and Dinner Plain capital projects.

Taking account of a number of changes through the financial year including; additional projects; and decisions to defer a significant plant purchase and the construction of a new landfill cell at Myrtleford; Council achieved a total capital works expenditure of 81% in 2014/15.

Council was pleased with this outcome given the available resources and the extensive scoping and planning required for the collective of projects.

The key capital works delivered in 2014/15 were:

Bright Splash Park

The redevelopment of the water play area in Bright was the stand out project for 2014/15. The aim of the project was to upgrade the children's pool originally constructed in the 1950's which had become unserviceable. The location of the pool at the popular Howitt Park fronting the Ovens River demanded an innovative and compelling design. The new Splash Park was purposefully designed to respond to the surrounding environment through the use of natural materials including stone and wood; and to reflect the rich mining heritage of the Ovens Valley through the design of the water features.

The Bright Splash Park has proven a huge success through the high level of use and the feedback received from the local community and visitors. The project was made possible through the financial support of:

Victorian Government:

Putting Locals First Program	\$300,000
Local Government Infrastructure Program	\$182,142
Bright Community Bank	\$54,545
Bright Rotary Club	\$20,000
Alpine Shire Council	\$45,000
Total	\$601,687

Harrietville to Bright shared trail, stage 1

The successful construction of the first stage of the Harrietville to Bright shared trail was a major achievement. Establishing a shared trail through the upper Ovens valley connecting the communities between Harrietville and Bright has been a long term goal of the community.

Stage 1 included the construction of two sections of the trail

- 1) Pioneer Park Harrietville to Stony Creek, 5 kms, and
- 2) Howitt Park Bright to Germantown, 5.5 kms. The project included the construction of shared trail as well as a number of new pedestrian bridges over the Ovens River.

The project was made possible through the financial support of:

Victorian Government:

Putting Locals First Program	\$1,000,000
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Bright Sports Centre, Stage 2

The Stage 2 redevelopment of the Bright Sports Centre involved upgrading the internal fittings and finishes of the foyer, gym area, spin room, multi-purpose room and change rooms.

The scope of the redevelopment included upgrading of the internal surface finishes such as new floor coverings, new plaster wall and ceiling linings and the installation of all new toilet and shower partitions. The project also aimed to improve the energy and water efficiency of the building to reduce ongoing running costs of the facility. To help achieve this, water efficient toilet, shower and tap fittings have been installed throughout the building, in conjunction with ceiling insulation, double glazed windows, gas heating and energy efficient LED lighting. A re-modelling of the main change rooms has also provided an additional disabled compliant / family change room and all new toilets / change rooms have been added to service the multi-purpose room.

The result provides a vastly improved user experience in a fresh, contemporary and inviting space that sits well alongside the renovated pool hall.

The project was made possible through the financial support of:

Victorian Government:

Local Government Infrastructure Program	\$320,348
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Albert Lowerson Commemorative sculpture

The installation of a bronze sculpture in Memorial Park, Myrtleford to commemorate the valour of Victoria Cross recipient Albert Lowerson also stands out as a highlight for 2014/15. Driven by the Myrtleford RSL the project was intended to coincide with the celebration of the Anzac centenary.

Victorian Government

Putting Locals First Program, RDV \$30,000

Victorian Veterans Council – Veterans Fund 2013/14
\$20,000

Anzac Centenary Grant \$10,000

Alpine Shire Council \$10,000

Myrtleford RSL & Community \$40,000

Total \$110,000

Our Council

Alpine Shire Council profile



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

The alpine resorts of Falls Creek and Mount Hotham are geographically located within the Alpine Shire, but are not part of the Alpine Shire municipal district.

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

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

In the ABS 2011 Census the main industries identified were accommodation; school education; cafes, restaurants and take-away food services; and supermarket and grocery stores. Tourism, timber, forestry, agriculture, manufacturing and construction are all represented in the shire.

The population of the Alpine Shire is estimated to be 12,028² a number which significantly increases with the seasonal influx of tourists. Population demographics show a lower population of 20-39 year olds, but a much higher population of persons aged 55 and over than the Victorian averages.

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

² Estimated Residential Population, Local Government Areas, Victoria (released 31 March 2015) – Australian Bureau of Statistics (catalogue 3218.0)

Council offices

Council's head office is located in Bright, with depot operations centres located in Bright, Mount Beauty and Myrtleford.

In addition to the head office in Bright, Customer Service Centres are located in Mount Beauty and Myrtleford, allowing the community to make payments and access key Council information without having to travel to Bright.

Bright Council Office

Great Alpine Road

(PO Box 139)

Bright VIC 3741

Phone: 03 5755 0555

Fax: 03 5755 1811

Email: info@alpineshire.vic.gov.au

Internet: www.alpineshire.vic.gov.au

Facebook: www.facebook.com/alpineshirecouncil

Mount Beauty Customer Service Centre

Lakeside Avenue

Mount Beauty VIC 3699

Phone: 03 5754 4542

Myrtleford Customer Service Centre

Cnr Standish Street and O'Donnell Avenue

Myrtleford VIC 3737

Phone: 03 5752 2038

Alpine Shire Councillors

Elected October 2012



Cr Jan Vonarx
MAYOR

First Elected: November 2005

Re-elected: November 2008
October 2012

Mayor: December 2005 – December 2006
November 2014 – current

Deputy Mayor: December 2006 – December 2007
December 2008 – December 2009
December 2011 – November 2014



Cr Ron Janas
DEPUTY MAYOR

First elected: October 2012

Deputy Mayor: November 2014 - current



Cr Kate Farrell

First elected: October 2012



Cr John Forsyth

First elected: October 2012



First Elected: November 2008

Re-elected: October 2012

Cr Tony Keeble



First Elected: November 2005

Re-elected: November 2008
October 2012

Mayor: December 2006 – December 2007

Deputy Mayor: December 2007 – December 2008
December 2009 – December 2011

Cr Daryl Pearce



First elected: November 2008

Re-elected: October 2012

Mayor: December 2011 – November 2014

Cr Peter Roper

More information regarding Councillors can be found on page 44.

The Organisation

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

The organisation is made up of three directorates: Corporate Performance; Assets; and Sustainable Development. Each Director reports to the CEO and is responsible for the delivery of services and projects within program areas.

The organisation underwent a restructure during 2014/15, reducing eight management areas to seven, and realigning services to new management areas.

Within each directorate, department Managers are responsible for: Alpine@Home (Council's alliance with Alpine Health); Asset Delivery; Asset Maintenance; Corporate Services; Economic and Community Development; Facilities; and Planning and Amenity.

A small Executive Services team reports directly to the CEO.

Organisational structure

Dave Barry

CHIEF EXECUTIVE OFFICER

Functions reporting directly to CEO: Executive Assistance, Human Resources, Communications and Governance

Senior Officers reporting directly to the Chief Executive Officer

Trevor Britten

DIRECTOR CORPORATE PERFORMANCE

- Corporate services
 - Finance
 - Information technology
 - Rates and property
 - Risk management and OH&S
 - Customer service
- Facilities management
 - Visitor Information Centres and Holiday Parks
 - Recreation and leisure
 - Waste management
 - Libraries
- Alpine@Home alliance
 - Home and community care services (aged care services)
 - Maternal and child health (child and family services)

Heather Green

DIRECTOR SUSTAINABLE DEVELOPMENT

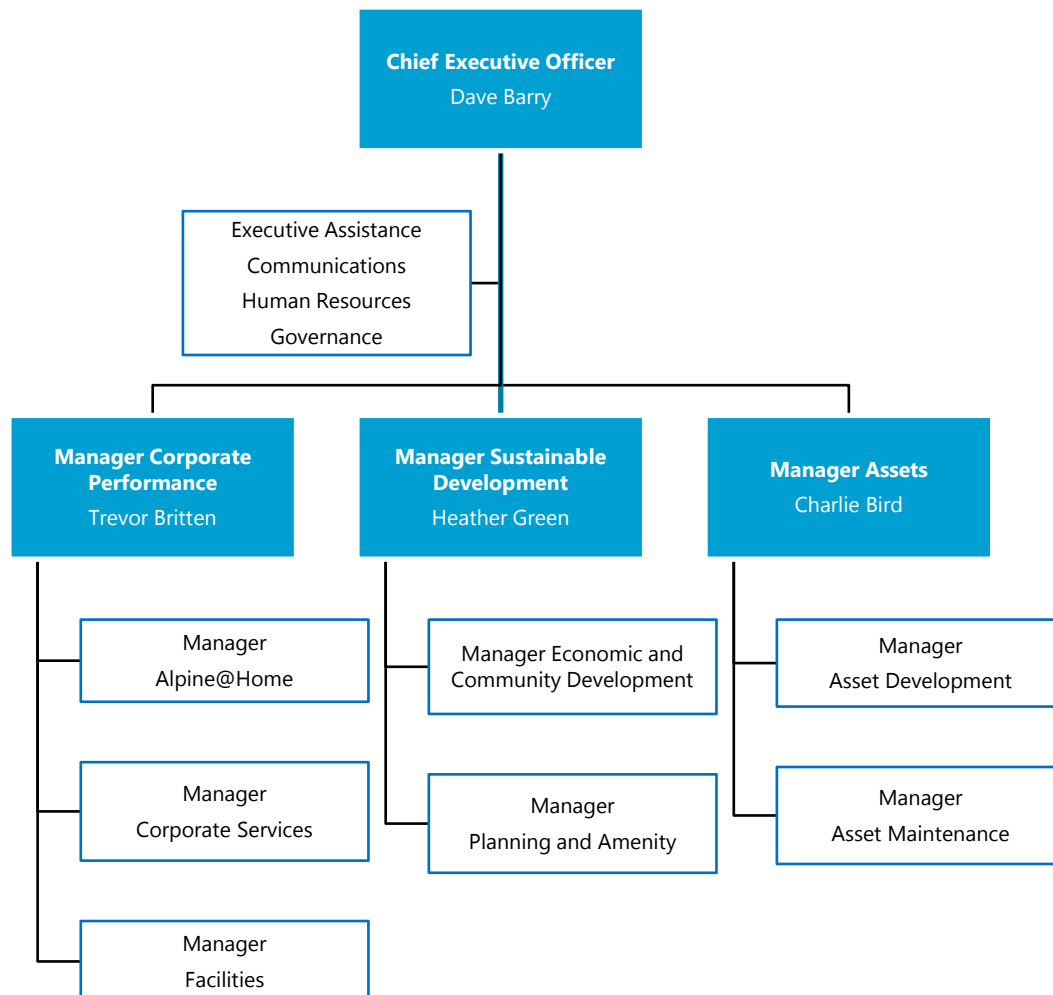
- Planning and Amenity
 - Statutory planning
 - Strategic planning
 - Building services
 - Environmental health
 - Local laws
- Economic and Community Development
 - Dinner Plain
 - Tourism and event development
 - Community services including
 - Wellbeing
 - Positive ageing
 - Youth
 - Resilience
 - Environment

Charlie Bird

DIRECTOR ASSETS

- Asset Development
 - Project prioritisation
 - Securing funding
 - Project design
 - Capital works delivery
- Asset Maintenance
 - Engineering and asset management
 - Civil works
 - Open spaces
 - Emergency management

The organisational structure at 30 June 2014 was:



Council staff

The workforce

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

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

Employee numbers are best measured by the number of Full Time Equivalent (FTE). At 30 June 2015 there were 108 FTE positions across the whole organisation. There were a

total of 140 individual employees (excluding casuals) working in permanent full time and part time positions.

In addition to permanent staff, temporary, contract and casual positions are also of key importance to Council in providing services throughout the year. As the number of these positions varies greatly with ‘seasons’ – for example seasonal lifeguards at Council’s pools – the total number of casual and temporary positions are not demonstrated here.

Recruitment and selection

Council’s resolution to save \$1-1.5 million in recurrent operating expenditure had a significant impact on recruitment.

The restructure involved the reduction of 80 FTE to 59 FTE of permanent staff in Council’s Bright Office. The majority of these positions were reduced through a voluntary

redundancy program offered to all staff. Management positions were reduced from eight to seven, with a change in responsibilities across the management team. The Alpine@Home management position remains a shared position with Alpine Health.

Recruitment for outdoor staff, home and community care staff, as well as the seasonal casuals employed in Council's pools was unaffected by the restructure.

Training and development

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

During the year, 39 separate learning opportunities were attended by a total of 130 staff. Many of these were individual training programs hosted externally, while others were group learning activities hosted at Council. Council has also been making the most of information gathered by staff attending external learning opportunities, by providing 'learn from within' lunchtime sessions, where colleagues provide a half hour information session on recent learning, workshops, conferences, or simply updating colleagues on relevant current council projects or news. Sessions have been well attended, and feedback on the knowledge sharing has been very positive.

New employee inductions have been held as group sessions for the first time this year, rather than having one-on-one sessions. This provides the opportunity for streamlining of the inductions for not only the inductees, but for the existing staff providing the training. It is another example of council using the knowledge it has in-house to extend to other staff. Feedback on the sessions held so far has been excellent.

Equal Employment Opportunity

Equal Employment Opportunity (EEO) is designed to eliminate discrimination against and promote equal opportunity for women and persons in designated groups in relation to employment matters.

EEO is a high priority at Council, and is incorporated into all Council activities. Equal Opportunity principles play an integral role in Council's recruitment and selection processes, general employment issues, induction and training, OHS, grievance processes, and dispute resolution.

Council's Equal Employment Opportunity policy ensures that EEO remains a high consideration. Council's Employee Code of Conduct further endorses Equal Opportunity, and expects all employees to refrain from engaging in any conduct which could be perceived as discrimination, harassment or bullying.

Council hosted mandatory Equal Opportunity training for every employee in 2013/14. Council will again provide this mandatory training in 2015/2016. All new employees are provided with training via online induction and also at the group inductions.

Two staff received "contact officer" training in September 2014. Contact Officers are members of staff that receive special training so that they can provide other staff with confidential information and support to resolve discrimination, harassment or bullying in the workplace.

Employee Code of Conduct

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

Work experience students

As part of supporting our youth in the community, Council provides opportunities for students to undertake their work experience with Council. During 2014/15, Council hosted five local students in a variety of roles across the organisation. Feedback from both the staff and students involved in the work experience programs has been very positive.

Staff Consultative Committee

Council's Staff Consultative Committee met every two months to discuss a range of matters, in line with the committee's charter, that included:

- Facilitating the implementation and monitoring of the Alpine Shire Council Enterprise Agreement 2013-2016;
- Consulting and contributing to the implementation of the enterprise agreement;
- Acting as a forum for consultation and negotiation on other workplace issues from time to time; and
- Consulting on policy changes affecting conditions of employment.

Agenda items are requested from all employees one month prior to the meeting to allow all staff to raise any queries.

All minutes are sent out via an all staff email and are placed on Council's intranet for employees to access.

Occupational Health and Safety

Health and Safety Committee and Representation

Council reviewed its designated work groups (DWGs) during the second half of the year. After extensive consultation with employees and consideration of submissions, the Chief Executive Officer endorsed four new DWGs on 1 May 2015:

As part of the review process, the number of health and safety representatives (HSRs) was increased from seven to ten to improve representation of employees and participation in health and safety decision making.

Council's Health and Safety Committee, established in accordance with the *Occupational Health and Safety Act 2004*, comprises representatives of designated work groups and management. Council's Health Safety and Risk Officer facilitates the meetings. The committee met throughout the year and discussed a wide range of issues.

Health and Safety Policy

A major project completed during the year was the review and rewrite of Council's Health and Safety Policy, last updated in 2009. The new policy adopted in April 2015 establishes Council's vision and goal for safety:

Vision: Safety for All

Goal: NO Injuries : NO Incidents

Health and Safety Training

Council continued its commitment to health and safety training with staff completing training in the following areas throughout the year:

- Health and Safety Representative initial training
- First aid and CPR
- Electrical safety and spotters
- Traffic management planning
- Chemcert
- Animal Handling
- Various plant and equipment
- Return to Work Coordinator

Health and Safety Initiatives

Other occupational health and safety related initiatives undertaken by Council during 2014/15 included:

- Ergonomic assessment of major plant
- Electrical test and tag program
- Audiometric testing
- Asbestos risk assessments

Table 1: Total staff FTE by department

Directorate		Corporate Performance			Sustainable Development		Assets		
Department	Executive incl Directors	Alpine@ Home	Corporate Services	Facilities	Planning & Amenity	Economic & Comm Dvpt	Asset Delivery	Asset Mtc	Total
Permanent – FT – F	3.00	4.00	6.00	1.26	2.00	1.00	0.00	2.00	19.26
Permanent – FT – M	3.00	0.00	3.00	2.00	4.00	1.00	1.00	29.84	43.84
Permanent – PT – F	1.23	13.99	1.84	4.17	1.79	3.55	0.90	0.22	27.69
Permanent – PT – M	0.00	0.00	0.00	1.08	2.37	0.00	0.95	0.00	4.40
Casual – F	0.00	2.59	1.21	5.33	0.00	0.00	0.00	0.00	9.13
Casual- M	0.00	0.26	0.00	2.12	0.00	0.00	0.00	2.00	4.38
Totals by Department	7.23	20.84	12.05	15.96	10.16	5.55	2.85	34.07	108.71
Totals by Directorate	7.23		48.85			15.72		36.91	108.71

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

** does not include temporary positions, which includes backfill positions such as maternity leave.

Table 2: Summary of FTE categorised by employment classification and gender

	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Other	Totals
Female	1.87	15.39	5.42	8.89	6.49	9.72	2.90	0.84	4.55	56.09
Male	0.59	0.61	19.26	10.84	5.84	5.90	2.95	1.63	5.00	52.62
Total	2.46	16.00	24.68	19.74	12.34	15.62	5.85	2.47	9.55	108.71

Volunteers

Volunteers play a crucial role in the delivery of many services provided by Council. In fact, Council engages more than 300 volunteers across many fields including home and community care, visitor information services, youth, facility management and advisory committees.

Council appreciates the role undertaken by its many volunteers, and acknowledges that without their assistance, there would be many services which it could not provide. Much of the work done by Council's dedicated volunteers provides vital support and expertise to assist the Alpine Shire community with general health and wellbeing, learning new skills and maintaining independence.

Volunteers can provide their services in many ways – for example, being a member of one of Council's advisory committees provides Council with invaluable knowledge, guidance and perspective related to the committee – such as the management of Council's reserves, halls and other assets.

Volunteer morning teas were held across the Shire in May 2015 to acknowledge the hard work and community benefit that our volunteers contribute to.

Volunteer sharing program

Many volunteers for the Alpine Shire Council take on more than one role, often at more than one organisation. A volunteer sharing program was developed between Council, Alpine Health and Gateway Health to assist in streamlining the application process for volunteers and encourage cross-organisation volunteering. A Memorandum of Understanding was signed by each organisation, implementing an improved, coordinated and collaborative approach to the engagement and retention of volunteers across the Alpine Shire. This includes a single, seamless volunteer application process acceptable to all partner organisations, including Police Checks and reference checks.

Alpine Ambassadors

The Alpine Ambassador volunteer program within Council's Visitor Information Centres (VICs) enables Council to deliver a much greater level of service to assist visitors, and ensure that they maximise their stay whilst in the beautiful region. All 60 Alpine Ambassadors are all passionate about where they live and want to share this knowledge with others.

Council organised several familiarisation tours throughout 2014/15, visiting local businesses and tourism operators, neighbouring smaller towns, Mount Buffalo and two full day touring loops – the Bogong High Plains Road and Milawa and the King Valley.

Mount Beauty hosted the 2014 North East Victoria Volunteer Summit in September 2014. This saw approximately 100 volunteers from neighbouring councils converge in Mount Beauty and experience the Shire's tourism offering for an overnight stay. The summit is also a great opportunity to reward Council's volunteers and provide the opportunity to network with likeminded people.

Meals on Wheels

Meals on Wheels continues to be a well-known means of volunteering, and in 2014/15, Council's Meals on Wheels volunteers delivered more than 7,000 meals to clients in the Alpine Shire.

L2P program

The L2P Learner Driver Mentor program is another means of volunteering - in this case volunteer mentors help young people in our community to learn the skills required to drive.

Council took over coordination of the program in March 2014. Fourteen active mentors have assisted many young people to gain the skills and 120 hours that they require to undertake their driver's licence test, hence moving from L plates to P plates (L2P). In 2014/15 the L2P program assisted 12 young people to successfully gain their driver's licence, with a further 24 young people enrolled in the L2P program.

Awards and Recognition

Awards presented to the community

The awards presented to the community each year are a fantastic way of recognising those that are doing a great job. While Council coordinates the awards, it is the inspirational members of the community that are nominated by their peers, and by those that they have helped along the way. There are several opportunities each year to recognise community members:

Australia Day

Australia Day is a well-known way to celebrate community members that are making a difference. The Citizen of the Year is selected from among the winners of the Young Achievers and Achievers of the Year in each of the three districts. Winners in January 2015 were:

Alpine Shire Citizen of the Year: Barbara Pyle

Local Achiever of the Year:

Myrtleford and District – Elisha Hazeldine

Bright and District – Ron Cherry

Kiewa Valley – Barbara Pyle

Local Young Achiever of the Year:

Myrtleford and District – Breanna Johnson

Kiewa Valley – Sam Northey

Lifetime Achievement: Stuart Hargreaves

Community Event of the Year: Mount Beauty Half Marathon

Community Organisation of the Year: Alpine Shire L2P program

Business and Tourism Awards

The Alpine Shire Business and Tourism Awards are held on a biennial basis, and were last held in September 2013. The awards aim to reward excellence of outstanding Alpine Shire businesses, inspire businesses to learn from the achievements of others, provide a valuable networking opportunity, and encourage leadership amongst the Alpine Shire business community and acknowledge the contribution of these businesses to the community.

Youth Awards

MORE than 140 people celebrated the achievements of local young people at the 2014 Alpine Shire Youth Awards in October.

The annual awards are run by the Alpine Shire Youth Council and attract nominations from across the shire in a range of categories.

Youth award winners October 2014

Academic	Sarah Hodge
Art	Tyra Hunt
Community	Kenton Ford
Inspirational	Brianne Buckingham
Rural	Wade Ivone
Sport	Teagan Atherstone
Workplace	Joshua Roche

Alpine Shire Award:

12 – 17 years Indianna Drew

18 – 25 years . Anna Trnka

Sensational Seniors

The "Sensational Seniors" program recognises and celebrates two older people each month who are ageing positively in the Alpine Shire. Winners were:

July 2014	Barbara Pyle Pauline Saunier
August 2014	Jim Piazza Graeme Morris
September 2014	Alex Thompson Cheryl Sanderson
October 2014	George McPherson Jean Roberts
November 2014	Lois Matthews Margaret Goodman
December 2014	Ron Fensham Wally Mitchell
January 2015	Terri Hopper Grace Reeves
February 2015	Mary Pike Elvira England
March 2015	Ron Ford Joy Handley
April 2015	Bryan Meehan Warwick Randall
May 2015	Irena Butcher Rosa Volpe
June 2015	Laraine Zejbrlik Ken Darling

Performance Report

Corporate Planning and Reporting Framework

Every Council in Victoria is required by the *Local Government Act 1989* to produce a Council Plan following each Council election. The Alpine Shire Council Plan 2013-2017 was developed following the October 2012 council elections and has been reviewed each year since, with the latest review adopted on 23 June 2015.

The Council Plan is a strategic document, detailing the desired outcomes for the four years following the elections. It contains a Strategic Resource Plan, documenting resources required to deliver the council plan over the next four years, and is supported by the Annual Action Plan and Budget.

In addition to the Strategic Resource Plan, Council adopted a Long Term Financial Plan in July 2014, projecting Council's required resources (both financial and non-financial) over the next ten years.

Council Plan

The Council Plan is divided into five theme areas:

Inspired Community Leadership: *Council values effective community advocacy and partnerships*

Enhancing the Environment and Liveability: *An environment managed for now and the future*

Strengthening the Community: *A community supported to be healthy, active and involved*

Prosperous Economy, Employment and Investment: *A dynamic local economy that is sustainable and supported to respond to opportunities and attract appropriate new investment*

Performance Focused Organisation: *A customer focused, equitable and sustainable service to the community*

The Alpine Shire Council Plan 2013-17 includes strategic objectives, strategies for achieving these for the four year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan.

Performance

Council's performance for the 2014/15 year has been reported against each strategic objective to demonstrate how council is performing in achieving the Council Plan. Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the council plan
- Progress in relation to the major initiatives identified in the budget
- Services funded in the budget and the persons or sections of the community who are provided those services
- Results against the prescribed service performance indicators and measures.
 - Several of Council's strategic indicators in the council plan are service performance indicators and measures. These have been identified to reduce duplicate reporting.

Local Government Planning and Reporting

2014/15 is the first year that all councils across Victoria will be reporting against the prescribed Service Performance, Financial Performance, Sustainable Capacity indicators, and Governance and Management checklist contained within the *Local Government (Planning and Reporting) Regulations 2014*.

Results for these measures are found throughout the Theme reporting in the following section under the headings "Service Performance Indicators". Further reporting is found in the "Governance and Management checklist" on page 49 and in the Performance Report on page 116.

Theme 1: Inspired Community Leadership

Council values effective community advocacy and partnerships

Performance against the Council Plan

Proposed 2014/15 Activities	Major Initiative?	Progress at 30 June 2015	Status at 30 June 2015
Strategic Objective 1.1: To effectively communicate and engage with stakeholders			
<i>Strategy 1.1.1: Regularly inform and involve our community</i>			
Grow the use of internet-based communications	No	Council has continued to utilise its Facebook page to communicate with the community. Likes increased to nearly 2,000 by the end of June 2015, a 47% increase from the start of the year. Council's website statistics show a 71% increase in unique visitors (a person who visits a site at least once within the reporting period).	Ongoing
Strategic Objective 1.2: To advocate on behalf of and represent stakeholders on key issues			
<i>Strategy 1.2.1: To advocate on behalf of and represent stakeholders on key issues</i>			
Facilitate / support community forums	No	Council was actively involved in coordinating community forums / meetings during the year. Examples of these are the successful Community Resilience Committee, Alpine Shire Heritage Network, A-Team, and Dinner Plain Advisory Committee. Council also participated in community forums organised by the community, such as the Harrietville Community Forum.	Ongoing
Strategic Objective 1.3: To provide exceptional emergency response and recovery services			
<i>Strategy 1.3.1: To provide exceptional emergency response and recovery services</i>			
Complete design for future stages of Myrtleford Flood Mitigation	No	Project design successfully completed. Public meetings held in addition to discussions with affected landholders.	Complete / Achieved

Services provided to the community

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

Councillors, Executive and Human Resources

This area includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support. It also includes Human Resources support provided to the Executive.

Highlights and deliverables from this area in 2014/15 are:

Long Term Financial Plan

Council adopted its Long Term Financial Plan (LTFP) on 22 July 2014. The plan provides a ten year outlook rather than the four year Strategic Resource Plan. The LTFP is critically linked to the Human Resources Review, Strategic Alignment Project and Strategic Projects Pipeline – all of which are crucial for Council's planning to remain sustainable into the future.

Community Satisfaction Survey

Council surveyed the community's attitudes to Council performance in the annual Local Government Victoria Community Satisfaction Survey (CSS) in 2015. Results for the year were generally positive, with some good results in areas such as "Making community decisions", "Overall council direction" and "Condition of sealed local roads". The main area identified as requiring improvement was "Customer service" – this is an area that has received an increased focus as part of the restructure, and it is hoped that this will be reflected in 2016 CSS results.

Business Collaboration

In the era of reduced funding, and increased pressure on sustainability of small rural councils, CEOs from Indigo, Towong and Alpine Shire Councils met regularly to discuss how services could be shared across the organisations. Previously, shared services had seen Alpine lead the development of a harmonised procurement policy across both Alpine and Towong Shire Councils.

Another example of business collaboration is the sharing of skilled IT staff between Alpine and Indigo Shire Councils. IT staff are now able to provide backfill services to the other organisation in the case of staff going on leave.

Martley Street, Porepunkah

Council commenced a six month trial of a time-based road closure of Martley Street Porepunkah in April 2014 and determined to extend that trial for a further six months from October 2014 to April 2015. The trial was to allow safe access from the Porepunkah Primary School to the

Porepunkah Oval between 10am – 2pm on school days, and spanned school terms, and the different seasons. Closures did not occur during school holidays

Council again sought community submissions regarding the time-based closure of Martley Street in March 2015, and in April 2015 resolved to continue the time-based closure for an indefinite period during 10am-2pm on school days.

Service Performance Indicators

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

Service/indicator/measure	Result 2014/15	Comments ⁺
Governance		
Transparency		
<i>Council resolutions made at meetings closed to the public</i> ** [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100	8.6%	Of those resolutions made <i>in camera</i> , 71% were released to the public in the minutes of the same meeting.
Consultation and engagement		
<i>Satisfaction with community consultation and engagement</i> * Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	56	
Attendance		
<i>Councillor attendance at council meetings</i> * [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100	83.7%	
Service cost		
<i>Cost of governance</i> [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$34,393	
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]	58	

* Also identified as Council Plan Strategic Indicators

** Also identified as a Council Plan Strategic Indicator for Theme 5: Performance Focused Organisation

+ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Given that 2014/15 is the first year of reporting, there are no material variations to report, however council has included comments where necessary to aid the reader's understanding.

Strategic Indicators (outside of service performance indicators)

Indicator	Result
Number of resilience committee meetings held	6 meetings held (bi-monthly)

Theme 2: Enhancing the Environment and Liveability

An environment managed for now and the future

Performance against the Council Plan

Proposed 2014/15 Activities	Major Initiative?	Progress at 30 June 2015	Status at 30 June 2015
Strategic Objective 2.1: To provide and maintain quality parks, gardens and natural environment			
<i>Strategy 2.1.1: Use sustainable practices to manage open spaces</i>			
Develop asset management plan for open spaces	No	The development of the asset management plan for open spaces has not progressed during 2014/15 - it will be prioritised as part of Council's Strategic Alignment Project.	Not Complete / Not Achieved
Strategic Objective 2.2: To improve the quality of the built environment and amenity			
<i>Strategy 2.2.1: Minimise the impact of Council services on environmental amenity of the community</i>			
Investigate Bright Splash Park bore water supply for use and / or reuse in Centenary and Howitt Park irrigation systems	Yes	Further investment is required to achieve the intended goal of using bore water for irrigation in Howitt Park. The volume of water drawn from the bore is not sufficient to supply both the Splash Park and irrigation for the open spaces. Consequently holding tanks are required for this goal to be achieved.	Ongoing
<i>Strategy 2.2.2: Control development to protect the environment</i>			
Adoption and gazettal of the new Municipal Strategic Statement to the Alpine Planning Scheme	No	Following the adoption of the Rural Land Strategy in April 2015, Council has now progressed the new Local Planning Policy Framework (LPPF), including the Municipal Strategic Statement. Exhibition of the new LPPF will occur in October 2015 and it is anticipated that it will be approved in 2015/16.	Ongoing
Strategic Objective 2.3: To improve the condition and management of Council's assets			
<i>Strategy 2.3.1: Manage Council assets to ensure sustainability</i>			
Complete 2014/15 priority renewal road works.	No	The priority roads projects for 2014/15 were generally completed with weather delaying the final stage of the Churchill Avenue project in Bright. The minor outstanding works will be completed in the first quarter of 2015/16	Complete / Achieved
Strategic Objective 2.4: To reduce Council's ecological footprint			
<i>Strategy 2.4.1: Reduce impact of Council's operations on the environment</i>			
Implement energy and water efficiency improvements at identified Council and key community facilities	No	25 hi bay lights at the Mount Beauty Stadium were retrofitted with LED equivalents as part of Council's energy efficiency programs. The new LED lights use 70% less power than the old lights and also require less maintenance, therefore creating significant financial savings for the facility. For the electricity bill when only the stadium is operational (and not the adjoining swimming pool), the electricity bill was reduced from \$679.56 in 2013/14 to \$342.04 in 2014/15. A significant cost saving to Council.	Complete / Achieved

Services provided to the community

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

Statutory planning

The statutory planning team processes planning applications, provides planning assessment advice to developers, and represents Council at the Victorian Civil and Administrative Tribunal

Planning Permit Processing

The timelines for the processing of planning permit applications have continued to fall with the average time taken to process an application for 2014/15 being only 34 days. During the last five years the average time taken to process an application has been between 42 and 35 days. Figure 5 shows the average time taken to process an application for each year over a five year period.

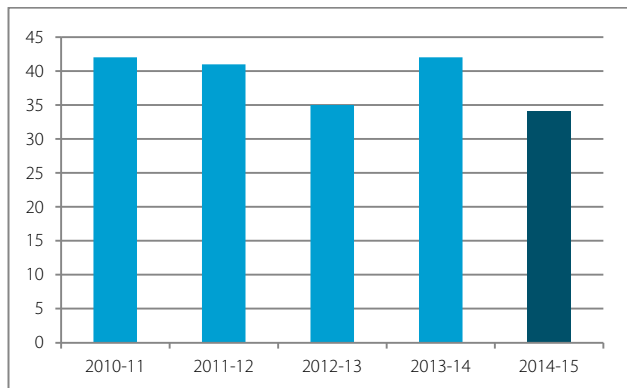


Figure 5: Median days to process an application within the Alpine Shire Council

Table 3: Planning Permits

	2013/14	2012/13	2011/12	2010/11	2009/10
Number of planning permits received / issued	225/237	207/254	273/309	253/264	257/247
Average processing time (days)*	42	32	32	29.3	103
Value of works subject to planning permit	\$27M	\$18M	\$32.6M	\$64M	\$96.5M
Value of fees	\$82,748	\$63,834	\$74,000	\$73,000	\$65,142

* Note this measure relates to 'average' processing time, whereas the service performance measure on page XX relates to 'median' processing time.

Table 4: Victorian Civil and Administrative Tribunal

	2013/14	2012/13	2011/12	2010/11	2009/10
VCAT Proceedings	0	1	3	7	0
Successful Enforcement Order applications	0	0	1	4	0
Refusals upheld by the Tribunal	0	0	1	1	0
Permits directed to be issued by the Tribunal following Council's decision to refuse an application against the recommendation of the Council officer	0	0	0	2	0

Council ranked within the top 10 of Councils in Victoria for 2014/15 placing 8th in terms of processing times for planning permit applications (Planning Permit Activity Reporting System statistics 2014/15).

An important factor contributing to the days taken to process a planning permit application is the requirement to refer certain types of applications to, for example, the Country Fire Authority (CFA) and Goulburn-Murray Water. In 2014/15 71% of all planning permit applications were located within the Bushfire Management Overlay meaning that all of these applications required referral to the CFA. The CFA, and all other external referral authorities, have 28 days in which to provide a response – this is often the most time consuming element of processing an application.

Council is very keen to keep reducing the time taken to process planning permit applications and as such will be implementing some systems in 2015/16 to streamline decisions even further.

Strategic planning

Amendment C34 to the Alpine Planning Scheme

Amendment C34 to the Alpine Planning Scheme rezoned 40 hectares of land on the western edge of the Bright township from Farming Zone to the General Residential Zone. Prior to the rezoning the existing supply of zoned residential land within the Bright township was at critical levels with only two years of supply remaining. The economy of Bright relies heavily on development with 28% of people being employed within the construction industry (Bright Community Atlas, 2013). Therefore, it was absolutely critical that Council make available additional land for residential development.

The rezoning of this land to the west of the Bright township will provide between 8-10 years of residential land supply.

Rural Land Strategy

The Rural Land Strategy was adopted by Council in April 2015 following a comprehensive review of planning policy, existing and future trends, community and industry comments and analysis of all rural land within the Alpine Shire.

Table 5: Building Permits completed by Alpine Shire Council

	2014/15	2013/14	2012/13	2011/12	2010/11
Number of building permits issued	172	195	192	147	159
Value of building works approved	\$14.6m	\$14.9m	\$10.3m	\$8.7m	\$12.6m
Value of fees	\$201,668	\$174,590	\$155,323	\$121,650	\$112,757

Waste management

Council coordinates waste management and recycling services across the Shire. This includes kerbside garbage and recycling collection services as well as the operation of the Myrtleford landfill and transfer stations at Mount Beauty and Porepunkah.

Council secured a \$75,000 grant from the Victorian Government's Rural and Regional Transfer Station Upgrade Fund to improve waste and recycling infrastructure for Porepunkah. Council will contribute a further \$100,000 to the project which will see an upgrade to the site to increase the recycling that would otherwise be sent to landfill.

The Rural Land Strategy provides strategic directions to:

- Protect agricultural land;
- Protect rural amenity and landscape values;
- Facilitate rural based tourism including agri-tourism;
- Provide limited opportunities for rural lifestyle with limited development potential in remote and other rural areas; and,
- Protect environmental assets located in rural areas.

The Alpine Planning Scheme will be amended in 2015/16 to include the key recommendations of the Rural Land Strategy; this will occur as part of the Local Planning Policy Framework review being amendment C39 to the Alpine Planning Scheme.

Municipal building services

Council has continued to grow its building services business in 2014/15 by securing 63% of the building permit business within the Alpine Shire. Table 5 details the number of building permits issued by the Alpine Shire Council over the last five years with value of building works approved and fees shown.

Emergency Management

Council's Emergency Management Planning role ensures that Council's Emergency Management Plan and Committee are operational, and coordinates fire prevention inspections of properties across the Shire in the lead up to the summer fire season.

Open Spaces

Playgrounds, parks, street trees and public reserves are maintained by Council staff in each major town.

Presentation of open spaces in the Alpine Shire is of utmost importance – to residents and visitors alike. Council undertook a mowing review – including documenting all areas maintained by Council, and assessed against the types of machinery best suited to those areas. This has resulted in improved presentation, and better scheduling and productivity.

Civil works

Council's civil works team carries out road maintenance on selected roads within the shire, according to the Road Management Plan.

Annual maintenance (grading) and re-sheeting programs occur on gravel (unsealed) roads on a priority basis. Works are coordinated to ensure that grading and re-sheeting are coordinated, and any drainage work required is also

conducted. Council's crews laid 4,500m³ of crushed gravel over 9.3km of road during 2014/15.

As part Council's annual resealing program, over 70,000m² of roads and paths were resealed in 2014/15. Large road resealing works are undertaken by contractors (by tender), while smaller works including some trails, are undertaken by Council crews.

Service Performance Indicators

Service/indicator/measure	Result 2014/15	Comments ⁺
Statutory Planning		
Timeliness		
<i>Time taken to decide planning applications*</i> [The median number of days between receipt of a planning application and a decision on the application]	35	71% of all planning applications within the Alpine Shire require referral to government bodies due to the extensive coverage of the Bushfire Management overlay and the special water supply catchments.
Service standard		
<i>Planning applications decided within 60 days*</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	76.0%	
Service cost		
<i>Cost of statutory planning service*</i> [Direct cost of the statutory planning service / Number of planning applications received]	\$1,173	
Decision making		
<i>Council planning decisions upheld at VCAT*</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	0	No planning decisions were made at VCAT in 2014/15
Roads		
Satisfaction of use		
<i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	15	Does not include kerb and channel requests (drainage)
Condition		
<i>Sealed local roads below the intervention level*</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	99.4%	
Service cost		
<i>Cost of sealed local road reconstruction*</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$45	
<i>Cost of sealed local road resealing*</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$8	
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]	59	
Waste Collection		
Satisfaction		
<i>Kerbside bin collection requests*</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	40	
Service standard		
<i>Kerbside collection bins missed*</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	0.94	

Service/indicator/measure	Result 2014/15	Comments ⁺
Service cost		
<i>Cost of kerbside garbage collection service*</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$154	
<i>Cost of kerbside recyclables collection service*</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$44	
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	48.9%	

* Also identified as Council Plan Strategic Indicators

+ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Given that 2014/15 is the first year of reporting, there are no material variations to report, however council has included comments where necessary to aid the reader's understanding.

Strategic Indicators (outside of service performance indicators)

Indicator	Result
Annual energy and water audit report	Will not be completed in 2014/15
Adoption of Asset Management Plan for Open Spaces	The development of the asset management plan for open spaces has not progressed during 2014/15 - it will be prioritised as part of Council's Strategic Alignment Project.

Theme 3: Strengthening the Community

A community supported to be healthy, active and involved

Performance against the Council Plan

Proposed 2014/15 Activities	Major Initiative?	Progress at 30 June 2015	Status at 30 June 2015
Strategic Objective 3.1: To support the health and wellbeing of communities			
<i>Strategy 3.1.1: Facilitate increased community participation</i>			
Complete Stage 2 of Bright Sports Centre Redevelopment (including change rooms, insulation and cooling systems)	Yes	The Bright Sports Centre (Stage 2) renovations were completed in November 2014 with the facility fully re-opening in December 2014.	Complete / Achieved
Strategic Objective 3.2: To improve the resilience of communities			
<i>Strategy 3.2.1: Strengthen the capacity and resilience of communities</i>			
Adopt the Alpine Shire Volunteers Strategy and implement 2014/15 priorities	No	A Memorandum of Understanding (MOU) was signed between Council, Alpine Health and Gateway Health in July 2014. The MOU allows volunteers to register as a volunteer once instead of registering separately with each organisation. The MOU was redeveloped during the year to refine processes - all parties have re-signed the MOU. A new common volunteer application form and brochure has been developed.	Ongoing
Strategic Objective 3.3: To ensure appropriate services and programs for early years, youth and families			
<i>Strategy 3.3.1: Best possible start for children and families within the Alpine Shire</i>			
Deliver 2014/15 FreeZa program including two skate events and one Alpine Battle of the Bands heat	No	Alpine Battle of the Bands was held on Saturday 25 April in Mount Beauty with a great line-up of local young artists plus a professional Melbourne Band. The Mount Beauty Skate Park event was held on 25 April (delayed from the Battle of the Bands heat due to inclement weather). The Bright Skate Park event was held on 4 October as part of the Bright and Loud Music and Skate Festival.	Ongoing
Strategic Objective 3.4: To support positive living and ageing			
<i>Strategy 3.4.1: Support independence and accessibility</i>			
Implement 2014/15 actions identified from the Rural Access (Disability) Action Plan (2013-2015)	No	Rural Access (Disability) Directions Report continued to be implemented. Key deliverables included the Mobility Guide; all events held during the 2014 Seniors Festival held at accessible venues; continued liaison regarding use of the All-Terrain Wheelchair; and participation in the Rural Access Workers' network.	Ongoing
Implement 2014/15 actions identified from the Positive Ageing Action Plan (2013-2015)	No	Actions identified in the Positive Ageing Action Plan (2013-2015) continued to be implemented. Highlights included: Production, publication and launch of the "Positive Ageing... way to go!" directory of activities within the Alpine Shire; Sensational Seniors Program; A-Team meeting on a regular basis; continuation of the Dederang & District exercise program (group); delivery of a very successful 2014 Seniors Festival, with planning commenced for the 2015 Seniors Festival.	Ongoing

Services provided to the community

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

Home and Community Care services

Council provides a range of services for the aged and disabled including domestic assistance, personal care, home maintenance, meals on wheels, planned activities and respite.

Alpine@Home

Council provides home care, respite care and personal assistance to frail members of the community.

The Alpine@Home home care service conducted a review of the Alpine@Home activity group. The outcome of the review was the development of a new activity program, including the introduction of dedicated outings, lunch clubs and exercise programs. The new program was introduced in February 2015 and was well received by clients and was progressively expanded.

Alpine@Home has increased assessment and care coordination in response to increasing client need. In particular clients, as they age, are requiring increased levels of care coordination to assist them in managing their services. This coordination ensures that clients received their services in a timely and effective manner and enabled any difficulties in services provision to be addressed early thus preventing future complications.

The Australian Government introduced a range of aged care reforms which will directly impact on the Home Care Service. The first reform is the introduction of the My Aged Care Service Gateway and associated assessment and referral processes. Council is actively working with the Victorian Department of Health and the Australian Department of Social Services to engage with the new system and work through service issues. The second reform is the potential transfer of Home and Community Care funding from the Victorian Government to the Australian Government. The potential impact on the Home Care service is currently being evaluated, in particular changes to service target hours funded by the Victorian Department of Health and Human Services.

Maternal and Child Health

This service assists to provide children with the 'best start' in life and supports the health and well-being of families and their children.

Council's Maternal and Child Health (MCH) service was kept busy during the year, with 102 birth notifications received. Of these, almost half were first time mothers.

In partnership with Alpine Health, the MCH Service successfully raised funds to purchase an electric breast pump to assist with the promotion of breastfeeding, reducing barriers, and increasing the breastfeeding rates within the Alpine Shire.

The Alpine MCH Service along with Alpine Children Services was part of the Seedlings pilot program which won the Premier's Sustainability Award – Community Category in August 2014. The Seedlings pilot program focused on children and sustainability. As part of the project Council's MCH service developed Tip Sheets for families to encourage sustainability education in the home. These Tip Sheets were adapted by other municipalities in the pilot. They were designed to be given out at key ages along with an introduction to sustainability in First Time Parents Groups. Each Centre has a 'Thought Provocation Wall' to encourage families to think about sustainability in new ways.

Recreation

Council supports the development and maintenance of recreation reserves across the Shire and also supports recreation clubs and committees.

The Bright Sports Centre -Stage 2 renovations were completed in November 2014 with the facility fully re-open in December.

Extensive works to rehabilitate the Bright Pioneer Park oval after a very muddy football season were undertaken in Spring in readiness for the cricket season. The works involved Verti-draining, top dressing with sand, over-sowing with new turf seed, and spraying for summer grasses.

Council was successful in obtaining a grant of \$80,000 from the Victorian government to improve the drainage of the oval which will help to reduce the amount of annual works required at the end of each football season.

Aged and Disability Services

Council supports senior members of the community.

Positive Ageing

Council continued to deliver actions from the Positive Ageing Action Plan (2013-2015) during the year. One of the key deliverables included the production, publication and launch of the "Positive Ageing...way to go!" directory of activities within the Alpine Shire. This provided a comprehensive list of services and activities for those aged over 60.

Council's Sensational Seniors program continued to recognise two seniors each month who are great role models for positive ageing (see page 22). This was an initiative of Council's "A-Team" – a group comprised of 'senior' community members that meet on a regular basis and continue to be an enthusiastic and engaged ambassadorial group.

Other successes during the year included the publication of the "Positive Ageing...way to go!" calendar for 2015, continuing to deliver the Dederang & District exercise program (group), and hosting a very successful Seniors Festival in 2014.

Council's Disability Action Plan was also delivered during 2014/15. More information can be found on page 55.

Youth Services

The Youth Council represents the municipality's young people and advocates for and delivers youth programs and services.

Youth projects

Council was successful in obtaining several grants to commence delivering youth projects throughout the year. The "Raise your Voice" program will provide youth living in the Alpine Shire an opportunity to provide Council with feedback regarding their communities. It is a 12 month project, due for completion in December 2015.

"Tomorrow Towns" is a pilot project specifically for Myrtleford youth to identify methods to engage and communicate with youth more effectively. The project commenced in May 2015, with anticipated completion in September 2015.

"Engage!" will assist youth to get involved in all aspects of community life, from volunteering and mentoring programs, to projects that will increase real-life skills (including social enterprise and youth entrepreneurship) and connect young people to further education, training or careers. It is a three year program, commencing April 2015.

Youth Council

Youth Council has attracted new members this year, in part due to the "Raise Your Voice" and "Tomorrow Towns" projects. The Youth Council now has a much wider cross section of youth from schools across the Shire. The "Engage!" project will interact with Youth Council, providing various training opportunities to membership as well as other youth, aiming to provide substance and meaning to Youth Council to ensure its sustainability.

L2P program

Council took over operational control of the L2P program within the Alpine Shire in 2013/14, and it continues to be a successful program. Thirty-six young people were registered for the L2P program in 2014/15, a 25% increase from 2013/14. The system is reliant on volunteer mentors, who accompany the young people for driving to help them gain the 120 hours of driving necessary to go for their full licence and receive their P plates. Fourteen mentors volunteered their time in 2014/15, which is a great commitment to the Shire's youth.

Community Development

Community Resilience Committee

There has been great ongoing emergency services agencies participation on Council's Community Resilience Committee, resulting in ongoing relationships and a successful month of resilience activities in October 2014 (Resilience Month). Resilience month was launched by Craig Lapsley, Emergency Services Commissioner for Victoria.

Council was invited to present to the MAV in June 2015 to showcase the work undertaken by Council to build community resilience. Three projects are on their way to completion:

- "Business Continuity Planning";
- "Resilience Champions";
- Resilience Case Study.

Community forum support

Council officers continued to attend bi-monthly Harrietville Community Forum meetings as well as the quarterly meetings with the Harrietville Community Forum and government agencies who have responsibility for the environment around Harrietville; DELWP, Parks Victoria, and NECMA.

The Harrietville Community Emergency Management Plan was launched on 1 October 2014, with over 60 people in attendance. The Harrietville Community Forum was involved with this plan.

The Alpine Shire Heritage Network met every 6 weeks throughout the year. This group is self-sustaining and are developing their new strategic plan for 2015-2019. A council officer attends to assist with facilitation.

Visitor information centres

This service comprises visitor information services located at Bright (Alpine), Mount Beauty and Myrtleford. Council employs coordinators to manage each of the centres, and relies heavily on the support and enthusiasm of the Alpine Ambassadors (see page 21) to provide information services to the region's visitors.

Local laws

Cats and dogs must be registered in accordance with the *Domestic Animals Act 1994*. Council made changes to its animal registration system in 2014/15, implementing lifetime tags, meaning that dog and cat owners could pay fees via BPAY rather than having to attend a customer service centre to receive an annual tag. This reduces the burden on the owners of the 3,178 dogs and cats in the Shire, and also on Council's customer service staff at animal registration time.

Registration is very important, as without it, the 120 animals collected by Local Laws Officers each year would not be returned home. In 2014/15, 83% of all animals collected are able to be returned home, as they are registered and identifiable.

Environmental health

Council's Environmental Health Officers regulate, enforce and monitor laws and regulations governing public health and environmental management in order to promote community wellbeing. This includes monitoring registered premises across the Shire, including food premises, accommodation, health, caravan park, swimming pools / spas, and other related premises.

Service Performance Indicators

Service/indicator/measure	Result 2014/15	Comments ⁺
Libraries		
Utilisation		
<i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	4.4	
Resource standard		
<i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	62.0%	
Service cost		
<i>Cost of library service</i> [Direct cost to Council of the library service / Number of visits]	\$3	
Participation		
<i>Active library members</i> [Number of active library members / Municipal population] x100	28.6%	
Aquatic Facilities		
Service standard		
<i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	0.7	
<i>Reportable safety incidents at aquatic facilities*</i> [Number of WorkSafe reportable aquatic facility safety incidents]	0	No reportable safety incidents at Council's aquatic facilities in 2014/15
Service cost		
<i>Cost of indoor aquatic facilities*</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$6	
<i>Cost of outdoor aquatic facilities*</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$9	
Utilisation		
<i>Utilisation of aquatic facilities*</i> [Number of visits to aquatic facilities / Municipal population]	3.4	
Animal Management		
Timeliness		
<i>Time taken to action animal requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.3	
Service standard		
<i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100	83.0%	
Service cost		
<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$24	
Health and safety		
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0	No animal management prosecutions were determined in 2014/15
Food Safety		
Service standard		

Service/indicator/measure	Result 2014/15	Comments ⁺
Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x100	67.6%	
Service cost Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>]	\$381	Alpine Shire Council has only 1.1 FTE Environmental Health Officers, and 285 registered food premises. Therefore, the cost of the food safety service per food premise is low.
Health and safety Critical and major non-compliance notifications [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 a food premises] x100	0	No critical or major non-compliance notifications were received by Council in 2014/15
Home and Community Care (HACC)		
Service standard Compliance with community care common standards [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100	100.0%	Alpine Shire Council's Community Common Care Common Standards audit was conducted in June 2012.
Participation Participation in HACC service* [Number of people that received a HACC service / Municipal target population for HACC services] x100	29.7%	Based on core HACC clients only
Participation Participation in HACC service by CALD people [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	36.4%	Based on core HACC clients only
Maternal and Child Health (MCH)		
Satisfaction Participation in first MCH home visit [Number of first MCH home visits / Number of birth notifications received] x100	102%	
Service standard Infant enrolments in the MCH service* [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	100.0%	
Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	84.7%	
Participation Participation in the MCH service by Aboriginal children [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	87.5%	

* Also identified as Council Plan Strategic Indicators

+ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Given that 2014/15 is the first year of reporting, there are no material variations to report, however council has included comments where necessary to aid the reader's understanding.

The following Council Plan Strategic Indicators are derived from the LGPRF service performance indicators, which are transitional and not compulsory to report until 2015/16.

- Cost to Council of the MCH service per hour of service delivered
- Cost to Council of the domestic care service per hour of service delivered

Strategic Indicators (outside of service performance indicators)

Indicator	Result
Number of community groups assisted by community grants / Total number of community grant applications	Result = 59% 19 groups received grants totalling \$60,000. 32 applications were received.

Theme 4: Prosperous Economy, Employment and Investment

A dynamic local economy that is sustainable and supported to respond to opportunities and attract appropriate new investment

Performance against the Council Plan

Proposed 2014/15 Activities	Major Initiative?	Progress at 30 June 2015	Status at 30 June 2015
Strategic Objective 4.1: To effectively plan and deliver strategic and major projects			
<i>Strategy 4.1.1: Develop and deliver a major projects plan</i>			
Completion of Year 1 activities for the Alpine Community Plantation project, including trail audit and masterplan for the precinct	No	Alpine Community Plantation Inc. (ACP) is the responsible organisation for this project. Council holds two ACP board positions and is actively involved in the decision making process on all ACP projects. Council continues to support ACP and provides an annual financial contribution to its operation.	Complete / Achieved
Bright Splash Park project completed and commissioned and operational for summer 2014/15	Yes	The successful completion of the Bright Splash Park was the stand out project for 2014/15. The park was completed and operational for the official opening on 31 October 2014. Feedback from locals and visitors provides testimony to the success of this project.	Complete / Achieved
Strategic Objective 4.2: To support investment and existing enterprise			
<i>Strategy 4.2.1: Implement targeted tourism and business support</i>			
Website content and functionality reviewed and updated	No	Tourism websites for individual townships within "Bright & surrounds" were delivered. Council will continue to work with Tourism North East to enhance the functionality and content of the websites.	Ongoing
<i>Strategy 4.2.2: Support a diverse and sustainable economy</i>			
Adopt a Rural Land Strategy that provides a vision for the future of rural land in the Shire and guidance for amendments to the Alpine Planning Scheme	Yes	Adopted by Council in April 2015. The key recommendations of the Rural Land Strategy will now be implemented into the Alpine Planning Scheme by amendment C39 to be undertaken in 2015/16.	Complete / Achieved

Services provided to the community

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

Tourism

The tourism team is focused on marketing, product and industry development. The development and distribution of tourism collateral including the Shire's Official Visitors Guide, trail brochures, maps and retail and dining guide are also deliverables of this service.

Four new destination websites were delivered for the townships of: Bright, Myrtleford, Mount Beauty and Harrierville. These sites link back to the state tourism website (Visit Victoria) and regional website (Victoria's High Country).

Festivals and events

Events are a major contributor to the economy. Council has a role in seeking and developing new events.

Festival and events in the Shire continue to be a great drawcard and success for local and visitors. In February 2015, the second annual Mountain Bike Nationals were held in Bright with entrants to the event increasing by 10% on the previous year.

Participants in the Buffalo Stampede event increased by 45% (to 357) and the 3 Peaks Ride participant numbers increasing by 10% (to 2100) on the previous year's events.

The Great Victorian Bike Ride came through the Shire in December 2014 with total participation being 3,700 cyclists into our region.

Anecdotally, there were increased participation numbers with events such as La Fiera, Brighter Days and various other events held in the valleys and Dinner Plain. This is all a great outcome for the Shire.

Dinner Plain

Dinner Plain is an alpine village which requires special services due to its unique nature. Rates, special rates and other income generated from the village are quarantined for use on the village.

Council is guided by the Dinner Plain Advisory Committee on matters related to the management and future direction of the village (see page 47).

Works were completed on the Dinner Plain Gravity Park project jointly funded by the Australian government's Tourism Industry Regional Development Fund, Regional Development Victoria, Mount Hotham Skiing Company and Council. The project has delivered snowmaking, tubing and ski field lighting facilities to the ski slope of Dinner Plain.

The Gravity Park provides a reliable snow product for the Dinner Plain ski slope throughout the winter season, offering two tube slides along with night skiing and tubing as a result of the lighting on the ski slope. It is anticipated that this will increase visitation to Dinner Plain, and roll on economic benefit to businesses throughout Dinner Plain.

Guaranteed operation of the new facilities occurred through a partnership arrangement with Mount Hotham Skiing Company as the Lessee of the ski slope and Council as the owner of the facilities. Completion of the project and launch of the facilities occurred on the opening of the 2015 ski season and was attended by Danielle Green, Parliamentary Secretary for Tourism, Major Events and Regional Victoria.

Strategic Indicators

Indicator	Result
Number of major projects delivered within project timeline / Total number of major projects	Result = 67% 12 major projects were scheduled for 2014/15. Of these, 8 were completed on time.
Number of new events attracted to the Alpine Shire	Result = 7 New Events held 2014/2015: Morris Minors, Alfred 6 Hour, Bright Fly Fishing, Great Victorian Bike Ride, Rainbow Bright. MTBA Nationals and Buffalo Stampede saw double participation from 2013/14. January 2015: Development of online forms & review of event costs resulting in effective budget management. Up to 12 new event enquiries which will result in a number of new events for 2015/16.

Theme 5: Performance Focused Organisation

A customer focused, equitable and sustainable service to the community

Performance against the Council Plan

Proposed 2014/15 Activities	Major Initiative?	Progress at 30 June 2015	Progress at 30 June 2015
Strategic Objective 5.1: To provide excellent customer service			
<i>Strategy 5.1.1: Deliver outstanding customer service</i>			
Implement lifetime animal registration tags and online animal registration payments	No	Lifetime animal registration tags were rolled out on 10 April 2015. The introduction of lifetime tags has enabled customers to pay animal registrations by BPAY, whereas previously this was by manual payment only. Online payments have not been further progressed at this stage.	Complete / Achieved
Strategic Objective 5.2: To manage resources well to ensure sustainability			
<i>Strategy 5.2.1: Deliver responsible and prudent financial management</i>			
Adopt a Long Term Financial Plan (10 year)	Yes	The Long Term Financial Plan was adopted at the Special Council meeting held on 22 July 2014.	Complete / Achieved
<i>Strategy 5.2.2: Deliver best value programs and services</i>			
Undertake Strategic Alignment Project	Yes	Stage 2 of the Strategic Alignment Project was completed, utilising Must, Should, Could, Won't methodology in addition to Stacked Ranking. Significant work was undertaken to generate a council-specific software solution to use for organisational planning – the Ignite program will be rolled out across the organisation during 2015/16.	Ongoing
Strategic Objective 5.3: To support people and business practices			
<i>Strategy 5.3.1: Develop and maintain a dedicated and passionate workforce</i>			
Undertake mandatory and priority training for relevant staff	No	Council has continued its focus on mandatory training and updates, as well as providing staff with opportunities to attend a range of professional development opportunities. In-house knowledge has been utilised, with 'learn from within' lunchtime sessions, and in-house group induction programs.	Ongoing
<i>Strategy 5.3.2: Deliver effective and innovative process and technology solutions</i>			
Implement Business Systems as per Council's priorities	No	Council has been implementing a Point of Sale system at its remote sites to ensure it has strong controls over cash handling procedures and streamlined reporting systems By June 2015, the system had been rolled out at Council's three swimming pools, the Myrtleford Holiday Park, and the Mount Beauty and Porepunkah transfer stations. In early 2015/16 the system will be further rolled out into Council's three Visitor Information Centres and the Myrtleford landfill.	Ongoing
Strategic Objective 5.4: To ensure a high standard of governance			
<i>Strategy 5.4.1: Provide good governance</i>			
Review Local Law No.1 "Council Administration"	No	A review of Local Law No.1 "Council Administration" had not commenced by 30 June 2015. This will be a priority into 2015/16.	Not Complete / Not Achieved

Services provided to the community

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

Corporate services

Corporate services is concerned with supporting Council operations so that Council can perform the functions required. Internal services include the management of council investments, budget control, accounting, financial planning, revenue collection, information technology, customer service, occupational health and safety and other corporate overheads.

Customer Service

A new customer service team was formed following completion of the Human Resources Review and restructure. This has seen the appointment of two new Customer Service Officers (1.2 FTE) and a Process Improvement Officer (0.6 FTE) to target process inefficiencies that relate to the delivery of customer service. Areas of priority include waste processes and customer request management. Process improvements will continue into the 2015/16 year.

Innovation

Innovation, and conducting business in a more efficient manner are key cornerstones of Council's direction for the future. Council has a history of being proactive and innovative, with examples such as the BAL Plan app that was previously developed to assist landholders to assess their Bushfire Attack Level (BAL) before applying for planning permits.

The roll out of the Point Of Sale (POS) systems across Council's business units including swimming pools and transfer stations, is an example of using technology to improve the way Council does business. Working together with neighbouring councils to develop systems / processes as well as Council developing its own performance management system (to be rolled out in 2015/16), are examples of using and developing technology to get the job done faster, better, and with more traceability.

Strategic Indicators

Indicator	Result
Customer Service Strategy adopted	Council's Customer Service Team was centralised and increased to take on greater council wide services as part of the Council's restructure. A review of the Customer Services operational strategy has commenced in line with the new team structure.
<i>Adjusted underlying result*</i> Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	12%
<i>Working Capital*</i> Current assets compared to current liabilities [Current assets / Current liabilities] x100	289%
<i>Indebtedness*</i> Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	26%
<i>Workforce*</i> Resignations and terminations compared to average staff [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	23%

* More detailed results, forecasts and comments can be found in the Performance Statement found on page 113

** Results for the Council Plan Strategic Indicator "Percentage of Council resolutions made at a meeting of Council closed to the public" can be found on page 25 in Theme 1: Inspired Community Leadership.

Governance Report

Council Report

Council's role

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

Councillors

The Alpine Shire Council comprises seven elected members in an un-subdivided Shire. Council elections occurred on 27 October 2012, appointing Councillors for a four-year term.

The *Local Government Act 1989* (the Act) requires each council to elect a mayor, and must determine whether to elect them for a term of one or two years. The mayor takes precedence at all municipal proceedings, and must chair all council meetings at which they are present. If they are absent or unable to act, they must appoint a councillor to be acting mayor.

On 11 November 2014, Council resolved to appoint both the mayor and deputy mayor to a one year term, and to appoint the deputy mayor as acting mayor in accordance with section 73(3) of the Act. Councillor Jan Vonarx was subsequently elected as Mayor, with Cr Ron Janas elected as Deputy Mayor.

Councillor Code of Conduct

Council is committed to working together in an ethical and accountable manner to provide leadership and good governance of the Alpine Shire.

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

The *Local Government Act 1989* requires all councils in Victoria to review and approve its Councillor Code of Conduct within 12 months of a general election.

The Councillor Code of Conduct was adopted on 3 September 2013. It included the following sections:

- Councillor conduct and relationships – conduct principles, values and behaviours, roles and relationships, communication, and appointment as a Council representative.
- Supporting procedures and guidelines – decision making; access and use of information, confidential information, use of Council provided resources, plant

and equipment; expenses; travel; gifts, benefits and hospitality; elections.

- Enforcing the Code – compliance with the Code and the options for resolving disputes.
- Other legislative requirements – recognising that councillors' have obligations under other legislation.
- Administration of the code – monitoring and review provisions.

The Code was further reviewed and adopted on 3 June 2014, to include the Council values ALPINE – Accountable, Leadership, Productive, Integrity, Nurture, Engaged, to ensure that Council's values apply to councillors as well as staff and the organisation.

Council decision making

Decisions by a council are made in one of two ways:

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

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

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

The majority of decisions, particularly those of an operational nature, are made under delegated authority from the council, either directly to officers or through the CEO. See 'delegated authority' on page 46 for more details.

Council meetings

Council meets on the first Tuesday of each month, beginning in February each year. The exception to this is in November, when the meeting is the second Tuesday of the month, due to the Melbourne Cup Day public holiday.

All council meetings are held in the council chambers located in Bright. Special meetings of council are held as required, and are generally held at the Bright Council Chambers, unless they are regarding a particular issue in another part of the Shire.

Council agendas are published on Council's website on the Friday prior to the council meeting. The public is encouraged to contact councillors prior to the council

meeting regarding agenda items, and provision is made for them to make an appointment to discuss any items. A public question time is held at the beginning of each council meeting.

Councillor briefing sessions are held to give councillors the opportunity to meet with management to keep up to date with issues as they arise. No formal decisions of council may be made at these meetings, they are informative only. Each is considered an 'assembly of councillors', with an appropriate report presented at each monthly council meeting.

Table 6: Councillor meeting attendance 2014/15

Councillor	Ordinary Council	Special Council	Audit Committee	Finance Committee
Peter Roper	10	2	2	1.5
Jan Vonarx	11	3	0	1
Kate Farrell	10	2	0	1
John Forsyth	8	2	3	3
Ron Janas	8	3	0	0
Tony Keeble	10	3	2	3
Daryl Pearce	10	0	0	0
Total meetings	11	3	4	3

* Crs Forsyth and Keeble were Council's nominated representatives on the Finance and Audit Committees from July – December. Crs Forsyth and Roper were the nominated representatives from January – July.

Councillor allowances

In accordance with Section 74(1) of the *Local Government Act 1989*, mayoral and councillor allowances were reviewed in June 2013, and set at the maximum amount specified for category 1 councils. Included in the allowance review was the capacity to increase the set allowances by any annual adjustment factor specified by the Minister for Local Government and to pay the equivalent of the superannuation guarantee contribution in addition to the set allowances.

The Minister for Local Government announced an adjustment factor of 2.5% applying to mayoral and councillor allowances, effective on 1 December 2014, bringing allowances for category 1 councils to:

Mayor: \$56,402 per annum

Councillors: \$18,878 per annum

The amount equivalent to the superannuation guarantee payable during 2014/15 was 9.5%.

The Councillor Reimbursement of Expenses policy (no. 76) sets out the electronic equipment that will be provided to councillors, as well as the types of approved expenses that will be reimbursed under the policy. Expenses can only be reimbursed if the expense was incurred while performing

duties as a Councillor or committee member and fulfils the requirements as described in the Alpine Shire Council Policy.

Mayoral and councillor vehicles

Council provides the Mayor and Deputy Mayor with a fully maintained vehicle in accordance with the Mayoral and Councillors Vehicle Policy (no. 75). Councillors are also able to utilise vehicles to attend to council business in accordance with the policy.

Councillor committees and portfolios

A system of portfolios for councillors had been in place since 2009, with the intention of streamlining and focusing the areas of councillors' interest and involvement, and to allocate committee representation in similar fields.

A review in November 2014 found that while well-intentioned, the portfolios were not providing all the expected benefits. A change in structure of the organisation meant that the portfolios were no longer reflective of either the directorates of the organisation, nor were they reflective of the council plan themes. Portfolios were abolished in favour of appointment to committees in line with experience and interest.

Councillors were appointed to individual committees in December 2014. Councillors report their attendance at committee meetings via the "report by delegate" agenda items at each council meeting.

Table 7: Councillor portfolios in 2014/15 – at 2 December 2014

Committee Name	Representative 2015
<i>Advisory Committees to Council</i>	
Audit Committee	Cr Peter Roper Cr John Forsyth
Finance Committee	Cr Peter Roper Cr John Forsyth
Alpine Shire Youth Council	Cr John Forsyth
Municipal Emergency Management Planning Committee	Cr Ron Janas
<i>Project and Working Groups of Council</i>	
Community Resilience Committee	Cr Ron Janas
Myrtleford Flood Committee	Mayor or delegate
<i>Statutory Entities</i>	
High Country Library Corporation	Cr Jan Vonarx
Municipal Association of Victoria	Cr Jan Vonarx (Mayor is Council representative and Deputy Mayor is substitute)

Committee Name	Representative 2015
NE Waste and Resource Recovery Group	Cr Ron Janas
<i>Incorporated Associations</i>	
Alpine Children's Services Inc.	Cr Tony Keeble
National Timber Councils Association	Cr Jan Vonarx
North East Community Road Safety Council Inc.	Mayor or delegate
North East Local Learning and Employment Network Inc.	Cr Tony Keeble <i>(Currently NE local government representative on Board)</i>
North East Multicultural Association Inc.	Cr Kate Farrell
Timber Towns Association Victoria Inc.	Cr Jan Vonarx <i>(Currently President of TTV)</i>
<i>External Advisory and Advocacy Groups</i>	
Alpine@Home Community Care Services	Cr Kate Farrell
Hume Region Local Government Network	Cr Jan Vonarx <i>(Mayor is Council representative and Deputy Mayor is substitute)</i>
MAV Emergency Management Planning Committee	Cr Ron Janas
Mount Buffalo Chalet Community Forum	Cr Kate Farrell
Murray to the Mountains Rail Trail Committee	Cr Daryl Pearce
Rural Councils Victoria	Cr Jan Vonarx <i>(Term on Executive Committee expires end 2016)</i>

Delegated authority

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

An instrument of delegation under section 98(1) of the *Local Government Act 1989* provides the CEO with the necessary authority to perform the duties of the position. Depending on the piece of legislation, Council can also delegate powers, duties and functions directly to staff, and in many cases, the CEO can further sub-delegate his powers, duties and functions to staff. This is to ensure that Council can operate smoothly, without all decisions requiring a council resolution.

Council is required to review the delegations provided to the CEO and council staff within 12 months of the election. In line with this requirement, delegations were reviewed in September and December 2013.

Council delegates powers, duties and functions to staff, and appoints authorised officers under various Acts. All delegations and authorisations are reviewed regularly throughout the year in line with staff changes, and with the twice-yearly release of new templates to reflect legislative changes.

Audit Committee

Council's Audit Committee is an advisory committee of Council formed in accordance with section 139 of the *Local Government Act 1989*. The audit committee oversees and monitors Council's audit processes and internal control activities.

The key objective of the audit committee is to assist Council in the governance of and exercising of due care, diligence and skill in relation to:

- financial and performance management and reporting;
- internal control systems;
- risk management;
- policies and practices; and
- compliance with relevant laws and regulations.

The Audit Committee charter requires that the committee consist of a minimum of five members, the majority of whom must be independent members. In 2014/15, the committee consisted of two councillors and four independent members from the community:

Councillor Representatives

- Cr John Forsyth
- Cr Tony Keeble (July – December)
- Cr Peter Roper (January – June)

Independent Representatives

- Mr John Kantor (Chairman) – appointed March 2013
- Ms Narda Cain – appointed March 2013
- Ms Sue Lebish – appointed May 2015
- Mr Mark Anderson – appointed May 2015

Members retiring during 2014/15

- Mr Steven Taylor
- Mr Ian Richardson

The Committee meets four times during the year. Council staff and executive regularly attend the meetings to present key issues and reports. Recommendations from each Audit Committee meeting are subsequently reported to and considered by Council.

Key areas of focus for the audit committee during the year were:

- Finances and performance
- Project management review
- Purchasing procedures and cash handling
- Quarterly reporting for Council's budgeting process
- Fraud control review
- Strategic risk assessment
- Customer and staff health and safety
- Occupational health and safety
- IT disaster recovery procedures

The audit committee is further complimented by both internal and external auditors. Council's internal auditors undertake an audit program that ensures that internal processes and controls are in place. This is accompanied by a risk framework which assures uncertainty does not deflect business function.

Council's external auditors undertake the annual audit of Council's Financial Statement and Performance Statement, on behalf of the Victorian Auditor General's Office.

Special and Advisory committees of Council

Council has several committees of management under the provisions of section 86 of the *Local Government Act 1989* that assist with the supervision and administration of Council's halls, reserves, pools and airfields.

Work was undertaken in 2012/13 to review the function of Council's Section 86 committees. Several committees were converted to more appropriate 'incorporated bodies', or were brought 'in-house' to be managed by Council staff as a result. The review also identified redundant committees that were dissolved and revoked.

Council's two remaining section 86 committees are:

Bright Senior Citizens' Centre - must remain a section 86 committee of management. Where Council has been appointed as the Committee of Management over Crown Land, it cannot issue a Licence Agreement to an Incorporated Body.

Myrtleford Memorial Hall - delegation has not been revoked, however the committee no longer meet or function.

Council also works with advisory committees. Some of these are committees within the organisation. Others provide advice to Council regarding the operations and management of Council assets.

Organisational committees

Audit Committee - see previous page.

Finance Committee - provides oversight of Council's financial performance and management. The Finance Committee meet four times per year to review the quarterly financial report which compares Council's actual performance against the budget. The Finance Committee also reviews cash management techniques (including investments and borrowings) and reviews Council's accounting policies. Following each meeting the Finance Committee provides a recommendation to Council.

Occupational Health and Safety Committee - see page 20.

Youth Council - representing the views of young people within the Alpine Shire - see following section.

Asset-based committees (community representatives)

Dinner Plain Advisory Committee

Mount Beauty Recreation Reserve

St Albans Hall

Tawonga Hall

RC McNamara Recreational Reserve, Myrtleford

All of Council's committees meet regularly throughout the year and Committee members bring issues to the meetings on behalf of community members.

Youth Council

The Alpine Shire Youth Council highlights Council's commitment to young people by engaging them in decision making and giving them a voice within the community. The Youth Council's role is to:

- Ensure that the views of young people are canvassed and conveyed to Council
- Provide advice to Council on appropriate youth programs and facilities; and
- Develop and implement a Youth Action Plan
- Youth Councillors are young people aged 12 to 24, representing both the general community and local secondary schools. Youth Councillors elected in 2014/15 are:
 - Taylor Farmer (*Youth Mayor*)
 - Sebastian Collyer (*Deputy Youth Mayor*)
 - Tasman Cocks- Wheaton
 - Caitlin Frawley
 - Allison Williams
 - Tessa Williams
 - Callan Mantyvirta
 - Tallon Smith
 - Ebony Tanzen

Citizenship Ceremonies

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

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

Citizenship ceremonies held prior to Council meetings now include involvement from local schools, with school choirs singing the National Anthem and becoming part of the ceremony. This makes the events more special – not only for those becoming citizens, but also a greater understanding and significance for the children participating in the ceremony. Council appreciates the support given by the local schools, and the students and parents for providing their support behind what is a very important part of new Australian citizens' lives.

During 2014/15, citizenship ceremonies were held for eight people in the Alpine Shire.

Risk Management

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

- Completed the implementation of the agreed recommendations of its internal fraud controls review undertaken in November 2012;
- Continued implementation of the agreed recommendations of its internal risk assessment review undertaken in March 2014;
- Completed an internal audit on project management to assess its policies and procedures against best practice and provide process improvements;
- Reviewed its insurance portfolio to ensure comprehensive and cost effective cover; and
- Enrolled its risk officer in Business Continuity Management Principles and Good Practice training.

Key documents adopted by Council in 2014/15

Policies:

Provision of Information and Privacy Policy – November 2014

Health and Safety Policy – April 2015

Procurement Policy – June 2015

Instruments of Delegation and Instruments of Appointment and Authorisation:

Instrument of Delegation (Council to CEO) – March 2015

Instrument of Delegation (Council to Staff) – March 2015

Instrument of Appointment and Authorisation (Planning and Environment Act) – March 2015

Key Plans:

Rural Land Use Strategy – April 2015

Other Key Documents:

Municipal Places Local Law No. 2 Review – commenced in February 2015

Governance and Management Checklist

Governance and Management Items	Assessment	
1 Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	No policy Reason for no policy: Council has both a "Communication and Consultation" policy and a "Release of Information to the Public Domain" policy, however it does not have a specific "engagement" policy. Engagement plans are developed on a project by project basis. All policies will be reviewed in 2015/16, and an engagement policy will be investigated.	<input checked="" type="checkbox"/>
2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	No guidelines Reason for no guidelines: Council utilises a range of tools to assist staff in determining when to engage with the community, but does not have adopted guidelines in place.	<input checked="" type="checkbox"/>
3 Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act Date of adoption: 23/06/2015	<input checked="" type="checkbox"/>
4 Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act Date of adoption: 23/06/2015	<input checked="" type="checkbox"/>
5 Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans Date of operation of current plans: Asset Management Plans: Part A (General Information) adopted 03/11/2010 by CEO All other asset management exist in draft form as follows: Part B - Roads Part C - Bridges and major cCulverts Part D - Buildings and other built structures Part E - Pathways Part F - Drainage Part G - Recreation Part H - Open Space	<input checked="" type="checkbox"/>
6 Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of operation of current strategy: 4/10/2012	<input checked="" type="checkbox"/>
7 Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 6/02/2007	<input checked="" type="checkbox"/>
8 Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 6/08/2013	<input checked="" type="checkbox"/>
9 Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of preparation: Endorsed by Council : 06/04/2010 Successful Audit: 07/08/2012 Due for next Audit: 21/10/2015	<input checked="" type="checkbox"/>

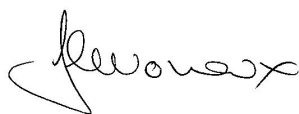
Governance and Management Items	Assessment	
10 Procurement policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section of the <i>Local Government Act 1989</i> Date of approval: 2/06/2015 Policy was adopted on 03/06/2014, and reviewed on 02/06/2015 with no amendments made.	<input checked="" type="checkbox"/>
11 Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Plan Date of operation of current plan: 11/12/2009	<input checked="" type="checkbox"/>
12 Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan Date of operation of current plan: 17/07/2013	<input checked="" type="checkbox"/>
13 Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 6/02/2007	<input checked="" type="checkbox"/>
14 Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act Date of establishment: 26/10/2004 Council's audit committee delegation was adopted in 2004. The audit committee charter was last adopted on 07/04/2015.	<input checked="" type="checkbox"/>
15 Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged Date of engagement of current provider: 2/06/2015	<input checked="" type="checkbox"/>
16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation of current framework: 1/07/2014	<input checked="" type="checkbox"/>
17 Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Report Date of report: 3/02/2015	<input checked="" type="checkbox"/>
18 Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with section 138(1) of the Act Dates statements presented: Q4: 05/08/2014 Q1: 03/11/2014 Q2: 02/02/2015 Q3: 05/05/2015	<input checked="" type="checkbox"/>
19 Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date of reports: Q4: 26/08/2014 Q1: 18/11/2014 Q2: 17/02/2015 Q3: 18/05/2015 Reports presented to Council's Audit Committee	<input checked="" type="checkbox"/>
20 Performance reporting (six-monthly reports of indicators measuring results against financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Reports Date of reports: Q4: 07/10/2014 Q2: 03/02/2015	<input checked="" type="checkbox"/>

Governance and Management Items	Assessment
21 Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Considered at meeting of the Council in accordance with section 134 of the Act Date of consideration: 7/10/2014
22 Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 76C of the Act Date reviewed: Review after election: 03/09/2013 Subsequent review: 03/06/2014
23 Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act Date of review: Review after election: 15/2/2013 and 01/10/2013 Reviews during 2014/15: 03/03/2015 (Council) and 04/03/2015 (CEO)
24 Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act Date local law made: 4/10/2005

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



Dave Barry
Chief Executive Officer
Date: 30 September 2015



Cr Jan Vonarx
Mayor
Date: 30 September 2015

Statutory Information Report

Best Value Program

Council must give effect to the best value principles, as defined in the *Local Government Act 1989*. During 2014/15 Council has undertaken a number of projects and reviews seeking to apply the best value principles to its services, including:

Strategic alignment project, human resources review, and organisational restructure

Council focused on ensuring that all projects and services delivered were relevant, cost effective and able to be delivered within Council's sustainable future.

The Strategic Alignment Project (SAP) introduced a consistent, organisation-wide approach to agree on clear priorities for services and projects, the human resources required to deliver those priorities, and how these will be monitored and reported on. Future stages of the SAP will identify relevant project milestones and performance indicators for services, and inform appropriate indicators from the Council Plan, right down to individual employee work plans.

Stage 1 of the SAP was completed in 2013/14, which involved the collation of all current projects and services as well as those planned to 2017 where possible, to coincide with the lifespan of the Council Plan.

Stage 2 of the project was undertaken in 2014/15, and involved an evaluation of all of the services and projects, using the MoSCoW method – Must, Should, Could, Won't – to create a ranking and hierarchy for each of the services and projects planned.

The SAP was integrated with the results of the human resources review, and used to determine Council's commitments and staffing levels into the future – in line with the Council resolution on 3 June 2014 to save \$1-1.5 million from the recurrent operating budget by the end of 2014/15, with a minimum savings of \$1 million to be made in the areas of wages, materials and services.

The restructure resulted in a drop from 80 FTE to 59 FTE in Council's Bright office, with the SAP used to inform those services that would be continued or ceased.

The SAP is a significant piece of work, and Stage 2b will be commenced in 2015/16, which will utilise the performance management software developed by Council, to further develop project milestones and performance indicators - guiding Council's provision of best value services into the future.

Strategic Projects Pipeline

The Strategic Projects Pipeline (SPP) was developed as a database of all projects identified in Council's strategic documents as well as additional projects identified within the community that may add value or improve the liveability within the Alpine Shire. The projects within the SPP are prioritised by Council with consideration of benefit to the community, cost, Council's capacity to deliver and synergy with other projects. The SPP will be continually monitored with new projects added as identified; and projects prioritised by Council annually. As a living database the SPP, allows Council to maintain a strategic approach and ensure priority projects are delivered.

Long Term Financial Plan

The adoption of Council's Long Term Financial Plan ensured that Council has planned for the future – to ensure that it remains financially sustainable, while being able to deliver best value services and projects to its community. The plan will be updated annually, and will continue to drive the Strategic Resource Plan, and our annual Budget process.

North East Business Collaboration Project

The North East Business Collaboration Project is a collaboration between Alpine, Indigo and Towong Shire Councils. The project's purpose is to assess opportunities for a collaborative approach to projects and services across the three councils.

Service improvements through technology

Council continued to roll out Point of Sale (POS) systems across its business units during the year. The system used iPads as a point of sale system and automatically integrated with Council's finance system, reducing paperwork and time.

Documents Available for Public Inspection

In accordance with the *Local Government Act 1989* and regulation 11 of the *Local Government (General) Regulations 2004*, the following documents and information are available for public inspection on request at the Alpine Shire Council Office, Great Alpine Road, Bright:

- a) details of current allowances fixed for the Mayor, and Councillors
- b) the total annual remuneration for all senior officers
- c) details of overseas or interstate travel (with the exception of interstate travel by land for less than 3 days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months
- d) names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted
- e) names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted
- f) agendas for and minutes of ordinary and special meetings held in the previous 12 months
- g) a list of all special committees established by Council and the purpose for which each committee was established
- h) a list of all special committees established by the Council which were abolished or ceased to function during the financial year
- i) minutes of meetings of special committees established under Section 86 of the Act, held in the previous 12 months
- j) a register of delegations, including the dates on which the last reviews under sections took place
- k) submissions received in accordance with section 223 of the Act during the previous 12 months
- l) agreements to establish regional libraries under section 196 of the Act
- m) details of all property, finance and operating leases entered into by the Council
- n) a register of authorised officers appointed under section 224 of the Act
- o) a list of donations and grants made by the Council during the financial year
- p) a list of the organisations of which the Council was a member during the financial year
- q) a list of contracts valued at \$150 000 (incl. GST) or more which the Council entered into during the financial year without first engaging in a competitive

process; and which are not contracts referred to in section 186(5) or (5A) of the Act.

Freedom of Information

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

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

How do I make a request?

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

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

Forward your request to:

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

In accordance with legislation, Council will respond to your request within 45 days. Search and access charges allowable under the Act may apply to your request.

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

Table 8: FoI applications received

	2014/ 15	2013/ 14	2012/ 13	2011/ 12	2010/ 11
Requests received*	5	4	2		
Requests transferred to another agency	1	0	1		
Full access granted	3	3	0	2	3
Part access granted	1	0	0	0	0
Requests withdrawn	0	1	0	1	0
Application fees collected	\$132.50	\$102.80	\$25.10	\$97.60	\$71.70
Charges collected	\$143.00	\$90.60	\$0	\$146.40	\$47.80
Charges waived	\$0	\$145.70	\$0	\$0	\$0

Information Privacy

The primary legislative obligations applying to Council's treatment of personal and health information are contained in the Victorian Government's *Information Privacy Act 2000* and the *Health Records Act 2001*.

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

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

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

Protected Disclosures Act

The *Protected Disclosure Act 2012* came into operation on 10 February 2013, replacing the *Whistleblowers Protection Act 2001*. The purpose of the Protected Disclosure Act is to encourage and facilitate the making of disclosures in relation to the improper conduct of Council and its employees and to provide protection for persons making disclosures against detrimental action.

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

In accordance with Section 70 of the Protected Disclosure Act, the following information is provided:

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

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

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

There were no disclosures made to Council during the period of 1 July 2014 to 30 June 2015.

Domestic Animals Act 1994

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

The DAMP 2013-2017 sets out how Council manages its responsibilities under the *Domestic Animals Act 1994* and delivers services to enhance and promote responsible pet ownership in the community.

Council's Domestic Animal Management Plan (DAMP) was formally adopted by Council on 3 December 2013. Key actions in the DAMP 2013-2017 were developed with input

from staff and key stakeholders such as the RSPCA, customer request data, and service delivery statistics. They include:

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

The DAMP documents the current processes and practices employed by the Alpine Shire Council in delivering its animal management responsibilities.

All outcomes from the DAMP were met in 2014/15. The document will be reviewed again during 2016/17.

No changes have been made to any of Council's Local Laws regarding domestic animals since the establishment of the plan.

Road Management Act 2004

Council, as a road authority, is required by the *Road Management Act 2004* to publish a copy of any direction received from the Minister in its annual report. No directions were received from the Minister in 2014/15.

Food Act 1984

Council is required by the *Food Act 1984* to publish a copy of any direction received from the Minister in its annual report. No directions were received from the Minister in 2014/15.

Carers Recognition Act 2012

Council has taken all practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012*.

Council has promoted the principles of the Act to people in care relationships who receive council services; to people in care relationships, and to the wider community by:

- Displaying the posters in the Community Health office in Bright
- Providing information to clients and carers through client information packs
- Aligning requirements with Alpine Health policies and procedures

Council has taken all practicable measures to ensure staff, council agents and volunteers working for council are informed about the principles and obligations of the Act by including information on the care relationship in:

- Providing training to care staff on the Carers Recognition Act
- Providing staff with the Carers Recognition Act Fact Sheet

Disability Act 2006

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

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

Council appointed a Rural Access Officer in September 2013, and developed the Alpine Shire Rural Access (Disability) Action Plan for 2013-2015. This plan reflects many of the actions identified in the DAP.

The Rural Access (Disability) Directions Report continued to be implemented in 2014/15.

- Production, publication and distribution of new Mobility Guide for the Alpine Shire.
- Planning underway for introduction of the Recharge Scheme.
- Respond to concerns raised by people with a disability and/or their carers.
- Liaison with disability advocates and groups continues.
- Community mapping ongoing.
- All events held during the 2014 Seniors Festival held at accessible venues.
- Ensure all events for the 2015 Seniors Festival are accessible.
- Continue liaison with Mount Beauty VIC and Parks Victoria regarding the All-Terrain Wheelchair. Arrange annual servicing of A-TW.
- Extend understanding of community service providers.
- Participate in Rural Access Workers' network.
- Provision of information and support to colleagues as requested.

- Annual Directions Report and Outcomes reports prepared and submitted to DHHS as required under funding.

Local Laws

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

1. Council Administration	Deals with use of the Common Seal; Election of Mayor, Council Meeting Procedures.
2. Municipal Places	Deals with behaviour in Municipal Places, Liquor Consumption Control.
3. Dinner Plain	Deals with the regulation and control of activities at Dinner Plain.
4. Livestock	Deals with the regulation and control of livestock on roads in the Municipality.
5. Amenity	Deals with the regulation and control of activities which may be dangerous or unsafe or detrimental to the quality of life and environment.
6. Streets and Roads	Deals with the regulation and control of issues such as management of roads for traffic, control of vehicles and animals on roads, secondary activities on roads, including advertising signs, trading from a road or reserve, outdoor eating facilities and busking.
7. Murray to the Mountains Rail Trail	Deals with the regulation and control of activity on and access to the Murray to the Mountains Rail Trail

On 20 June 2013, Council formally gazetted a provision under section 224A of the *Local Government Act 1989* to allow Victorian Police to act as authorised officers to enforce 'Part 3: Consumption of alcoholic beverages', and 'Part 5: Enforcement' of the Alpine Shire Council Local Law No. 2 – Municipal Places (2012), where they relate to the use, possession or consumption of alcohol.

In February 2015, Council resolved to prepare an amendment to Part 3 of Local Law number 2 - Municipal Places (2012), banning the consumption of alcoholic beverages in the Bright CBD during the Bright Iconic Rod Run event. This was in response to an approach from Victoria Police to extend the curfew on alcohol consumption as a result of poor public behaviour and excessive alcohol consumption during the weekend of the 2014 Bright Iconic Rod Run. Public consultation was conducted, and the amendment is due to be presented at the September 2015 Council meeting.

Grants and Funding

Grants awarded by Council

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

Community grants funding

Council's Community Grants program is a long established funding scheme to assist community groups and organisations to provide programs and projects that benefit the community, including environmental, economic, social, recreational and wellbeing benefits. Community support and the ongoing maintenance and sustainability of the projects are also considered.

Thirty-two applications were received for 2014/15, with 19 being successful. A total budget of \$60,000 was available for distribution through the community grants program.

Table 9: Community Grants awarded by Council in December 2014

Applicant	Project	Sponsorship Funds	Total project cost
Alpine Probus Club of Bright Inc.	Information plaque at Peace Pole site	\$400	\$800
Alpine Radio	Tie-line for outside broadcasts	\$2,000	\$8,818
Alpine Valley Playgroup	Connection and renewal through our shared sustainable play space.	\$5,000	\$34,390
Bright & District Historical Soc. Inc.	Improve signage, access and safety for the State Battery	\$3,410	\$4,550
Bright Croquet Club Inc.	Re-roof club house	\$3,350	\$3,850
Bright Film Society	Bright Film Society move to new premises	\$400	\$2,000
Gundowring Recreational and Hall Committee Inc.	Upgrade BBQ and toilet facilities – Gundowring Recreational Reserve	\$3,800	\$7,000
Harrieville Community Forum Inc.	Community engagement management, communication program and newsletter	\$2,000	\$9,368
Harrieville Cricket Club Inc.	Replacement of dilapidated shedding	\$7,619	\$12,779
Mount Beauty and District Men's Shed Inc.	Solar hot water system for new Men's Shed	\$3,000	\$4,800
Mount Beauty Basketball Assoc. Inc.	Stadium air	\$5,861	\$15,143
Mount Beauty Golf Club Inc.	Automatic irrigation of greens	\$3,000	\$12,243
Mount Beauty United Cricket Club	Mount Beauty cricket ground turf wicket	\$5,000	\$12,500
Mountain View Children's Centre	Children - Nature -Adventure	\$2,413	\$8,473
Myrtleford & District Historical Society Inc.	Old School Museum roll-a-door project	\$960	\$1,425
Myrtleford Alpine Rally	Myrtleford Alpine Rally	\$2,000	\$40,090
Myrtleford Lions Club Inc.	Phoenix Tree beautification	\$3,993	\$8,850
Tawonga Bowling Club Inc.	Dishwasher	\$789	\$1,049
Upper Kiewa Valley Regional Arts Inc.	New piano for Mount Beauty Community Centre	\$5,000	\$15,500
Total		\$59,995	\$203,628

Tourism festival and event funding:

Events are vitally important to the economic wellbeing of the Alpine Shire. It is estimated that festivals and events attract 65,000 visitors directly and provide benefit to a wide range of businesses. Council provides support in two direct forms – logistics and funding. Council also provides assistance to event organisers with their planning and preparation.

Funding and logistics support is available to organisations staging events that have the potential to make demonstrable impact on the level of tourism in “Bright and surrounds” and which complement and achieve the objectives of Council’s tourism development strategies.

Applications were assessed against the following criteria:

- Alignment with the Alpine Shire Council Tourism Development strategies
- Alignment with township brands
- Level to which the event will attract outside visitors (intrastate and interstate)
- Future growth and sustainability of the event
- Value added to the existing calendar of events

- Offer a significant economic benefit to the wider Alpine Shire community
- Marketing / promotional strategies – how they complement Alpine Shire Council
- Organisational capacity of the event and its managing participants
- Potential for the event to develop into a key tourism or visitor attraction in the foreseeable future.

Thirty-five applications were received for 2014/15 Tourism Festival and Event funding, with only three being ineligible due to either not being located within the Alpine Shire, or having insufficient paperwork.

The 2014/15 Festival and Events budget allows \$100,000 financial support (including a commitment of \$50,000 for the Australian Mountain Bike National Championship) and \$90,000 logistic support. Funding was awarded by Council in September 2014 to individual applicant clubs / event organisers. Funds not specifically allocated below were used to provide logistics support to other events held within the Shire.

Table 10: Tourism festival and event grants awarded by Council in September 2014

Applicant	Event	Sponsorship funds	Maximum logistics support
Kangaroo Hoppet	Kangaroo Hoppet	\$5,000	
Rotary Club of Bright	Bright Rotary Markets		\$4,000
Brighter Days Foundation Inc	Brighter Days	\$2,000	\$2,000
Ovens Valley Canine Club Inc	Ovens Valley Canine Club and Championship Show	\$500	
Harvest 'n' Graze	Harvest 'n' Graze	\$5,000	
Bright Rod Run	Bright's Iconic Rod Run	\$4,000	\$23,010
Myrtleford Golden Spurs Rodeo Inc	Myrtleford 61 st Golden Spurs Rodeo	\$1,000	\$1,000
O.S. Ski Tours and Travel	Bright Oktoberfest	\$500	\$500
Myrtleford Lawn Tennis Club	Myrtleford Lawn Tennis Club Annual Easter Tournament	\$500	
Dederang Race Club Inc	Dederang Picnic Race Day	\$1,500	
Wandiligong Nut Festival Inc	Wandiligong Nut Festival	\$500	
Mount Beauty Music Master Inc	Mount Beauty Music Festival	\$1,000	\$1,200
Rotary Club of Bright	Music and Entertainment in the Park		\$500
Marian/ St Mary's Parents Association	Myrtleford Fun Run		\$2,500
Bright Alpine Sporting Events Pty Ltd	Thule B24 Mountain Bike Race	\$2,000	\$2,000
Bright Spring Festival	Grand Fireworks Spectacular & Entertainment	\$500	\$500
Running Wild	Alpine Challenge	\$500	\$500
Myrtleford Chamber of Commerce and Industry	LaFiera	\$3,000	\$1,600
Bright Alpine Sporting Events Pty Ltd	Tour Fondo	\$500	\$1,500
Australian Tourist Park Management Pty Ltd T/A Bright Holiday Park	Bright Fiesta	\$1,000	
Australasian Bluegrass and Old Time Music Association Inc	MountainGrass (Harrietville Bluegrass) Festival	\$3,000	
Southern Fly Fishing Adventures	Bright FFOWE (Fly Fishing Opening Weekend Event)	\$1,000	
Bright P12 College	Bright Fun Run		\$2,500

Applicant	Event	Sponsorship funds	Maximum logistics support
LTP Active Management	Bright Rockabilly Festival	\$1,000	\$2,000
LTP Active Management	Bright Body & Soul Expo	\$500	
LTP Active Management	Rainbow Bright Festival	\$1,000	\$500
Mountain Sports	Buffalo Stampede	\$3,000	\$2,000
Adventure Travel Film Festival Australia	Adventure Travel Film Festival	\$3,000	\$1,000
The League of Bald Headed Men	RAM (Reactivate A Mate) Alpine 2014	\$200	
Audax Alpine Classis	Audax Alpine Classic	\$5,000	\$2,000
Mountain Bike Australia	Australian National Championships	\$50,000	
Total		\$96,700	\$50,810

Dinner Plain festival and event funding

Events are vitally important to Dinner Plain's economic wellbeing as they encourage year round visitation. Council provides support in two direct forms; logistics and funding. Council also provides assistance to event organisers with their planning and preparation. In 2014/15, funding was assessed in the same manner as the Tourism Festival and Event funding, with funding support available to organisations staging events that have the potential to make demonstrable impact on the level of tourism in

Dinner Plain and which complement and achieve the objectives of both of Council's tourism development strategies for "Bright and surrounds" and Dinner Plain, as well as the regional brand.

The 2014/15 tourism festival and events budget allows \$50,000 financial support. Event funding not allocated below will be held over to assist other emerging events .

Table 11: Dinner Plain festival and event grants awarded by Council in November 2014

Applicant	Event	Sponsorship Funds
Focal Promotions	Geebung Cuff vs Collar Polo Match	\$19,000
DP Riders Bike Club	Dinner Plain MTB Funduro and Enduro events	\$2,500
Running Wild	Dinner Plain Mile High Trail Running Event	\$2,500
Altitude 5000 Sled Dog Challenge	Sled Dog Challenge	\$8,500
Dinner Plain Residents and Business Operators Society	Carols in the Alps; Easter Festival.	\$10,000
Total		\$42,500

Victorian Local Government Indicators

Indicator	Calculation	2014/15
1 Average rates and charges per assessment	Total rates and charges receivable at beginning of year/Number of assessments in the adopted budget	\$1,883.61
2 Average residential rates and charges per assessment	Rates and charges declared for residential assessments receivable at beginning of year/Number of residential assessments in the adopted budget	\$1,647.64
3 Average liabilities per assessment	Total liabilities/Number of assessments in the adopted budget	\$1,225.96
4 Operating result per assessment	Net surplus/Number of assessments in the adopted budget	\$864.93
5 Average operating expenditure per assessment	Operating expenditure/Number of assessments in adopted budget	\$2,814.75
6 Community satisfaction rating for overall performance generally of Council	Result from the Annual Local Government Community Satisfaction Survey	59
7 Average capital expenditure per assessment	Capital expenditure/ Number of assessments in the adopted budget	\$754.28
8 Renewal gap	Capital renewal/Average annual asset consumption	71%
9 Renewal and maintenance gap	Capital renewal and maintenance/Average annual asset consumption plus planned maintenance	79%
10 Community satisfaction rating for Council's advocacy and community representation on key local issues	Result from the Annual Local Government Community Satisfaction Survey	55
11 Community satisfaction rating for Council's engagement in decision making on key local issues	Result from the Annual Local Government Community Satisfaction Survey	58

Glossary

Act	means the <i>Local Government Act 1989</i>
Alpine Shire	means the geographic region in which the Alpine Shire Council operates.
Alpine Shire Council	means the organisation represented by elected Councillors and Staff.
Annual report	means a report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement
Budget	means a plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the council plan
Council	is the abbreviation of Alpine Shire Council
Council plan	means a plan setting out the medium-term strategic objectives, strategies, strategic indicators and resources reflecting vision and aspirations of the community for the next four year
Financial performance indicators	means a prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability and efficiency
Financial statements	means the financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and a statement of capital works and included in the annual report
Financial year	means the period of 12 months ending on 30 June each year
Indicator	means what will be measured to assess performance
Initiatives	means actions that are one-off in nature and/or lead to improvements in service
Major initiative	means significant initiatives that will directly contribute to the achievement of the council plan during the current year and have a major focus in the budget
Measure	means how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator
Minister	means the Minister for Local Government
Performance statement	means a statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report
Planning and accountability framework	means the key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act
Regulations	means the Local Government (Planning and Reporting) Regulations 2014
Services	means assistance, support, advice and other actions undertaken by a council for the benefit of the local community
Service outcome indicators	means the prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved
Service performance indicators	means a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes
Strategic objectives	means the outcomes a council is seeking to achieve over the next four years and included in the council plan
Strategic resource plan	means a plan of the financial and non-financial resources for at least the next four years required to achieve the strategic objectives in the council plan. It is also referred to as a long term financial plan
Strategies	means high level actions directed at achieving the strategic objectives in the council plan
Sustainable capacity indicators	means a prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management

Acronyms and Abbreviations

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

Understanding the financial report

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

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



Alpine Shire

ANNUAL FINANCIAL REPORT
For the year ended 30 June 2015

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Comprehensive Income Statement

For the year ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
Income			
Rates and charges	3	15,876	14,899
Statutory fees and fines	4	398	405
User fees	5	1,581	1,697
Grants - Operating	6	7,235	3,948
Grants - Capital	6	4,024	3,246
Contributions - monetary	7	332	189
Contributions - non monetary	7	402	284
Other income	8	1,144	1,053
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	9	(287)	(53)
Share of net profits/(losses) of associates	16	28	19
Total income		30,733	25,687
Expenses			
Employee costs	10	(9,693)	(11,655)
Materials and services	11	(9,090)	(9,403)
Bad and doubtful debts	12	(6)	(2)
Depreciation	13	(4,133)	(4,249)
Landfill rehabilitation expense	25	81	(183)
Borrowing costs	15	(58)	(75)
Other expenses	14	(607)	(507)
Total expenses		(23,506)	(26,074)
Surplus/(deficit) for the year		7,227	(387)
Other comprehensive income			
Net asset revaluation increment/(decrement)	28	7,083	1,788
Share of other comprehensive income of associates	16	-	1
Total comprehensive result		14,310	1,402

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

Balance Sheet

As at 30 June 2015

	Note	2015 \$'000	2014 \$'000
Assets			
Current assets			
Cash and cash equivalents	17	3,858	824
Other financial assets	18	10,006	8,900
Trade and other receivables	19	1,304	1,135
Inventories	20	49	151
Other assets	21	255	278
Total current assets		15,472	11,288
Non-current assets			
Trade and other receivables	19	7	9
Inventories	20	150	964
Investments in associates	16	505	482
Property, infrastructure, plant and equipment	22	197,104	187,441
Total non-current assets		197,766	188,896
Total assets		213,238	200,184
Liabilities			
Current liabilities			
Trade and other payables	23	1,808	1,756
Trust funds and deposits	24	648	509
Provisions	25	2,699	3,610
Lease income received in advance	26	30	43
Interest-bearing loans and borrowings	27	170	196
Total current liabilities		5,355	6,114
Non-current liabilities			
Provisions	25	3,631	3,927
Lease income received in advance	26	477	507
Interest-bearing loans and borrowings	27	775	946
Total non-current liabilities		4,883	5,380
Total liabilities		10,238	11,494
Net assets		203,000	188,690
Equity			
Accumulated surplus		84,226	77,003
Reserves	28	118,774	111,687
Total equity		203,000	188,690

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

Statement of Changes in Equity

For the year ended 30 June 2015

2015	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at the beginning of the financial year	188,690	77,003	109,398	2,289
Surplus/(deficit) for the year	7,227	7,227	-	-
Share of other comprehensive income of associates	-	-	-	-
Net asset revaluation increment/(decrement) 28(a)	7,083	-	7,083	-
Transfers to other reserves 28(b)	-	(469)	-	469
Transfers from other reserves 28(b)	-	465	-	(465)
Balance at the end of the financial year	203,000	84,226	116,481	2,293

2014	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at the beginning of the financial year	187,288	77,978	107,610	1,700
Surplus/(deficit) for the year	(387)	(387)	-	-
Share of other comprehensive income of associates	1	1	-	-
Net asset revaluation increment/(decrement) 28(a)	1,788	-	1,788	-
Transfers to other reserves 28(b)	-	(722)	-	722
Transfers from other reserves 28(b)	-	133	-	(133)
Balance at the end of the financial year	188,690	77,003	109,398	2,289

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 2015

		2015	2014
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Notes	\$'000	\$'000
Cash flows from operating activities			
Rates and charges		15,801	14,909
Statutory fees and fines		398	405
User fees		1,615	1,748
Grants - operating		7,077	4,039
Grants - capital		4,024	3,809
Contributions - monetary		365	208
Interest received		349	394
Rent received		405	410
Trust funds and deposits taken		2,487	2,439
Other receipts		390	252
Net GST refund		1,257	959
Materials and services		(10,174)	(10,093)
Employee costs		(10,785)	(10,623)
Trust funds and deposits repaid		(2,348)	(2,289)
Other payments		(613)	(560)
Net cash provided by/(used in) operating activities	29	10,248	6,007
Cash flows from investing activities			
Payments for investments		(1,106)	(1,882)
Proceeds from sale of investments		-	-
Payments for property, infrastructure, plant and equipment		(5,903)	(5,276)
Proceeds from sale of property, infrastructure, plant and equipment		50	447
Net cash provided by/(used in) investing activities		(6,959)	(6,711)
Cash flows from financing activities			
Finance costs		(58)	(75)
Proceeds from borrowings		-	-
Repayment of borrowings		(197)	(196)
Net cash provided by/(used in) financing activities		(255)	(271)
Net increase/(decrease) in cash and cash equivalents		3,034	(975)
Cash and cash equivalents at the beginning of the financial year		824	1,799
Cash and cash equivalents at the end of the financial year	17	3,858	824
Financing arrangements	30		
Restrictions on cash assets	17		

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 2015

	Note	2015 \$'000	2014 \$'000
Property			
Land		-	-
Land improvements		-	150
Total land		-	150
Buildings		684	677
Total buildings		684	677
Total property		684	827
Plant and equipment			
Plant, machinery and equipment		303	675
Fixtures, fittings and furniture		30	92
Playground equipment		-	292
Total plant and equipment		333	1,059
Infrastructure			
Roads		2,470	1,728
Bridges		770	337
Footpaths and cycleways		77	523
Drainage		134	302
Waste management		174	-
Parks, open space and streetscapes		1,255	460
Total infrastructure		4,880	3,350
Total capital works expenditure		5,897	5,236
Represented by:			
New asset expenditure		1,848	626
Asset renewal expenditure		2,888	3,244
Asset expansion expenditure		-	-
Asset upgrade expenditure		1,161	1,366
Total capital works expenditure		5,897	5,236

Notes to the Financial Statements

For the year ended 30 June 2015

Note 1: Significant Accounting Policies (continued)

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

Statement of compliance

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

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 1 (j))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (k))
- the determination of employee provisions (refer to note 1 (p))

b) Changes in accounting policies

There have been no changes in accounting policies from the previous period.

c) Accounting for investments in associates and joint arrangements

Associates

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

d) Revenue recognition

Income is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Rates and charges

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

Statutory fees and fines

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.

User fees

User fees are recognised as revenue when the service has been provided or the payment is received, whichever first occurs.

Grants

Grant income is recognised when Council obtains control of the contribution. This is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in note 6. The note also discloses the amount of unused grant or contribution from

Notes to the Financial Statements

For the year ended 30 June 2015

Note 1: Significant Accounting Policies (continued)

prior years that was expended on Council's operations during the current year.

Contributions

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

Sale of property, infrastructure, plant and equipment

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

Interest

Interest is recognised as it is earned.

Dividends

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

Other income

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.

e) Fair value measurement

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.

f) Cash and cash equivalents

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.

g) Trade and other receivables

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

h) Other financial assets

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

i) Inventories

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

All other inventories, including land 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.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 1: Significant Accounting Policies (continued)

- j) Recognition and measurement of property, plant and equipment and infrastructure

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 amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

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 detailed in Note 1 k have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

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 on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 22, Property, infrastructure, plant and equipment, and infrastructure.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from two to three 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.

Land under roads

Land under roads acquired after 30 June 2008 is brought to account using the fair value basis. Council does not recognise land under roads that it controlled prior to that period in its reports.

- k) Depreciation of property, plant and equipment and infrastructure

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.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 1: Significant Accounting Policies (continued)

Class of Asset	Threshold Limit
Land	\$1
Land under roads	\$5,000
Land improvements	\$5,000
Buildings	\$5,000
Roads	\$5,000
Bridges	\$5,000
Drainage	\$5,000
Footpaths and cycleways	\$5,000
Recreational, leisure and community facilities	\$5,000
Parks, open space and streetscapes	\$5,000
Waste management	\$5,000
Playground equipment	\$5,000
Plant, machinery and equipment	\$2,000
Fixtures, fittings and furniture	\$2,000

Class of Asset	Period
Land improvements	10 to 100 years
Buildings	10 to 100 years
Roads	20 to 100 years
Drainage	30 to 70 years
Bridges	30 to 100 years
Footpaths and cycleways	20 to 50 years
Recreational, leisure and community facilities	20 to 50 years
Parks, open space and streetscapes	20 to 50 years
Waste management	3 to 70 years
Playground equipment	15 years
Plant, machinery and equipment	5 to 15 years
Fixtures, fittings and furniture	3 to 15 years

l) Repairs and maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

m) 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 to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the 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.

n) Trust funds and deposits

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 (refer to Note 24).

o) Borrowings

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.

Borrowing costs

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. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

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

p) Employee costs and benefits

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

Notes to the Financial Statements

For the year ended 30 June 2015

Note 1: Significant Accounting Policies (continued)

Wages, 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 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.

Current Liability - unconditional LSL is disclosed as a current liability even when the council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at:

- present value - component that is not expected to be wholly settled within 12 months.
- nominal value - component that is expected to be wholly settled within 12 months.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts a voluntary redundancy in exchange for these benefits. Council recognises termination benefits when it demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Classification of employee costs

Non-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. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

q) Landfill rehabilitation provision

Council is obligated to restore its landfill sites to a particular standard. The forecast life of the sites 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. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

r) Leases

Finance leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Leased assets are currently being amortised over a two to five year period.

Operating leases

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.

s) Goods and Services Tax (GST)

Notes to the Financial Statements

For the year ended 30 June 2015

Note 1: Significant Accounting Policies (continued)

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

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

t) **Contingent assets and contingent liabilities and commitments**

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

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value by way of note and presented inclusive of the GST payable.

u) **Pending accounting standards**

Certain new AAS's have been issued that are not mandatory for the 30 June 2015 reporting period. Council has assessed these pending standards and has identified that no material impact will flow from the application of these standards in future reporting periods.

v) **Rounding**

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statement may not equate due to rounding.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 2: Budget comparison

The budget comparison 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 \$100,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 22 July 2014. The Budget was based on

assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue 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.

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	Ref
a) Income and Expenditure				
Income				
Rates and charges	15,730	15,876	146	1
Statutory fees and fines	507	398	(109)	2
User fees	1,759	1,581	(178)	3
Grants - Operating	4,774	7,235	2,461	4
Grants - Capital	3,358	4,024	666	5
Contributions - monetary	6	332	326	6
Contributions - non monetary	-	402	402	7
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	(287)	(287)	8
Share of net profits/(losses) of associates	-	28	28	
Other income	1,002	1,144	142	9
Total income	27,136	30,733	3,597	
Expenses				
Employee costs	(10,813)	(9,693)	1,120	10
Materials and services	(9,083)	(9,090)	(7)	
Bad and doubtful debts	-	(6)	(6)	
Depreciation	(4,641)	(4,133)	508	11
Landfill rehabilitation expense	(171)	81	252	12
Borrowing costs	(62)	(58)	4	
Other expenses	(572)	(607)	(35)	
Total expenses	(25,342)	(23,506)	1,836	
Surplus/(deficit) for the year	1,794	7,227	5,433	

Notes to the Financial Statements

For the year ended 30 June 2015

Note 2: Budget comparison (continued)

Ref	Item	Explanation
1	Rates and Charges	Greater than budget due to supplementary valuations. There was an increase in the capital improved value of rateable properties during the year of 1% or approximately \$130K.
2	Statutory Fees and Fines	Less than budgeted partly due to less local laws fines. This is as a result of the HR Review which has seen a reduction of two rangers down to one. There has also been less income than budgeted in statutory planning due to a downturn in the development industry
3	User Fees	Less than budgeted predominately due to Home and Community Care fees (\$220K). This is due to a decrease in client hours, more specifically veterans and domestic assistance, over the year. The decline in hours is due to a decline in demand being experienced in the Shire, in part via proactive engagement through assessment and care coordination.
4	Grants – operating	Favourable to budget by \$2.5 million due to Council receiving part of the Financial Assistance Grant from the Victorian Grants Commission in advance for 2015/16. Council received \$1.7 million on 30 June 2015. This also included Council receiving its flood relief grant of \$596K.
5	Grants – capital	Favourable to budget by \$686K predominately due to: <ul style="list-style-type: none"> • Dinner Plain capital projects of \$308K for the Gravity Adventure Park, including tubing and snowmaking. • Bright Splash Park grant of \$200K received this financial year however was budgeted for last year. • Mt Beauty netball court project funding received earlier than expected \$46K. • McNamara netball court funding \$44K received earlier than expected. • Mt Beauty library project funding received earlier than expected \$49K. • Alpine Safer Parks project receiving \$45K which was not budgeted.
6	Contributions - monetary	Contributions income is unbudgeted due to grants being unexpected in nature. Contributions this year included projects in Wandiligong (\$13K), Bright Splash Park (\$54K), \$44K from Vic Roads and \$20K from Indigo Shire Council. There was also a contribution from the Municipal Association of Victoria for shade structure projects of \$40K. Most other contributions are small in nature.
7	Contributions – non monetary	The result represents developer contributions as a result of transfer of asset to Council following subdivision and are not budgeted
8	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Council budgeted for a neutral position with regard to plant and motor vehicle replacement. There was a hold put on plant and motor vehicle replacement at the start of the financial year due to the HR Review. Purchases which did occur were for smaller items which had either been fully or almost fully depreciated. The balance of budget will be carried forward to 2015/16 for future Plant, machinery and equipment.

Notes to the Financial Statements

For the year ended 30 June 2015

Ref	Item	Explanation
9	Other income	Favourable to budget predominately due to the following: <ul style="list-style-type: none">• Rent being higher than budgeted by \$70K.• Insurance claims of \$47K which includes the claim for the storm damage to the Mount Beauty Pool solar panels.
10	Employee Costs	Favourable due to the HR Review which commenced in June 2014 and a freeze on recruitment being in place until November 2014. The HR Review resulted in a reduction of indoor employees from 80 full time equivalents (FTE) to 59. Recruitment recommenced in January 2015 to fill key positions. There is currently 3.4 FTE positions still to be filled.
11	Depreciation	Favourable to budget due to Council delivering less capital works than forecast in 2013-14 and the first half of 2014-15; and a revaluation of road assets which resulted in an increase in the life of road assets.
12	Landfill rehabilitation expense	Favourable to budget due to a reduction in the estimated cost for the rehabilitation works for the Porepunkah landfill.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 2: Budget comparison (continued)

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	Ref
b) Capital Works				
Property				
Land	-	-	-	
Land improvements	-	-	-	
Total land	-	-	-	
Buildings	842	684	158	1
Total buildings	842	684	158	
Total property	842	684	158	
Plant and equipment				
Plant, machinery and equipment	1,654	303	1,351	2
Fixtures, fittings and furniture	-	30	(30)	
Playground equipment	65	-	65	
Total plant and equipment	1,719	333	1,386	
Infrastructure				
Roads	2,737	2,470	267	3
Bridges	348	770	(422)	4
Footpaths and cycleways	1,162	77	1,085	5
Drainage	293	134	159	6
Recreational, leisure and community facilities	245	-	245	7
Waste management	836	174	662	8
Parks, open space and streetscapes	943	1,255	(312)	9
Total infrastructure	6,564	4,880	1,684	
Total capital works expenditure	9,125	5,897	3,228	
Represented by:				
New asset expenditure	1,752	1,848	(96)	
Asset renewal expenditure	3,600	2,888	712	
Asset expansion expenditure	-	-	-	
Asset upgrade expenditure	3,773	1,161	2,612	
Total capital works expenditure	9,125	5,897	3,228	

Notes to the Financial Statements

For the year ended 30 June 2015

Note 2: Budget comparison (continued)

Ref	Item	Explanation
1	Buildings	Less expenditure incurred on buildings than budgeted due to delay in delivery of the Mount Beauty Library refurbishment.
2	Plant, machinery and equipment	Less than budgeted as a result of a hold being put on plant and motor vehicle replacement at the start of the financial year due to the HR Review. Purchases which did occur were for smaller items which had either been fully or almost fully depreciated. The balance of budget will be carried forward to 2015/16 for future Plant, machinery and equipment.
3	Roads	Less than budget due to savings realised with the rehabilitation of Churchill Avenue, Bright.
4	Bridges	Expenditure was greater than budgeted by \$422K as the footbridges for the Harrietville shared path were classified as footpath assets in the budget.
5	Footpaths and cycleways	Expenditure less than budgeted by \$1 million as actual expenditure on these projects was classified as bridges and sealed roads.
6	Drainage	Less than budgeted by \$159K due to incorrect classification of rural road drainage in the budget. The costs associated with the works were reflected as capital expenditure in the 2014/15 budget. The works have been completed however reflected in operational expenditure.
7	Recreational, leisure and community facilities	Expenditure is less than budget as this expenditure has been aggregated into Parks, Open space and streetscape classification.
8	Waste Management	Less than budgeted by \$662K due to the Myrtleford landfill cell construction being postponed for strategic reasons.
9	Parks, Open space and streetscape	Expenditure greater than budget due to Recreational, leisure and community facilities project costs being aggregated into this classification.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 3: Rates and charges

	2015 \$'000	2014 \$'000
General rates	12,277	11,600
Garbage charges	2,845	2,645
Dinner Plain special rate	562	494
Supplementary rates and rate adjustments	80	49
Revenue in lieu of rates	112	111
Total rates and charges	15,876	14,899

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 market value of the land plus buildings and other improvements.

The valuation base used to calculate general rates for 2014/2015 was \$2,584 million (\$2,553 million 2013/14). The 2014/2015 rate in the dollar was 0.004828 for residential, 0.003420 for farm and 00.6897 for commercial/industrial (2013/14 0.004568

for residential, 0.003335 for farm and 0.006532 for commercial/industrial).

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014, and the valuation will be first applied in the rating year commencing 1 July 2014.

Note 4: Statutory fees and fines

	2015 \$'000	2014 \$'000
Town planning fees	109	113
Health services	148	138
Permits	100	119
Infringements and costs	28	23
Land information certificates	13	12
Total statutory fees and fines	398	405

Note 5: User fees

	2015 \$'000	2014 \$'000
Aged and health services	431	464
Building services	206	168
Waste management services	243	237
Engineering works	36	46
Leisure centre and recreation	270	309
Community centres	18	34
Legal costs recovered	23	52
Caravan park	321	320
Visitor information centres	8	53
Events	21	11
Other fees and charges	4	3
Total user fees	1,581	1,697

Notes to the Financial Statements

For the year ended 30 June 2015

Note 6: Grants

	2015 \$'000	2014 \$'000
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	5,879	2,335
State funded grants	5,380	4,859
Total	11,259	7,194
Operating recurrent grants		
<i>Commonwealth Government</i>		
Victorian grants commission	5,243	1,705
<i>State Government</i>		
Fuel rebate	-	23
School crossing supervisors	18	17
Maternal and child health	160	153
Rates administration	85	74
Home help/linkages	628	615
Youth services	41	31
Emergency Services	26	26
Senior citizen centres	44	44
Immunisation funding	7	7
Weed management	-	36
Total recurrent operating grants	6,252	2,731
Operating non-recurrent grants		
<i>Commonwealth Government</i>		
Environmental projects	95	32
<i>State Government</i>		
Heritage advisor	-	7
Strategies and reviews	-	10
Recreation	-	11
Municipal emergency resourcing program	120	-
Economic development and tourism	79	18
Bushfire incident and recovery	42	212
Flood incident and recovery	596	803
Community development	46	82
Hazardous tree management	-	37
Tobacco activity	5	5
Total non-recurrent operating grants	983	1,217
Total operating grants	7,235	3,948

Notes to the Financial Statements

For the year ended 30 June 2015

Note 6: Grants (continued)		
	2015	2014
	\$'000	\$'000
Capital grants		
Capital recurrent grants		
<i>Commonwealth Government</i>		
Roads to recovery	541	598
Total recurrent capital grants	541	598
Capital non-recurrent grants		
<i>State Government</i>		
Capital projects	2,083	1,148
Roads and bridges funding	1,000	1,000
Local government infrastructure fund	400	500
Total non-recurrent capital grants	3,483	2,648
Total capital grants	4,024	3,246
Conditions on grants		
Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:		
Harrietville/Bright shared trail	-	180
Mount Beauty library development	-	280
Bright sports centre development	-	291
Buffalo Creek Road	-	21
Anderson street roadside improvements	-	257
Tracks and trails	-	120
Mount Beauty Visitor Centre works	-	30
Small town development fund	-	50
Footpath works	-	185
Mt Beauty Progressing Place - CBD Upgrade	248	-
Bright Football Oval Drainage and Turf	72	-
	320	1,414

Notes to the Financial Statements

For the year ended 30 June 2015

Note 6: Grants (continued)

	2015 \$'000	2014 \$'000
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:		
Harrietville/Bright shared trail	180	-
Mount Beauty library development	42	-
Bright sports centre development	291	-
Buffalo Creek Road	21	-
Anderson street roadside improvements	257	-
Tracks and trails	120	-
Mount Beauty Visitor Centre works	30	-
Small town development fund	50	-
Footpath works	185	-
Road pavement reconstruction	-	10
Swing bridge works	-	114
Loudens Lane road works	-	93
Small town development fund	-	34
Footpath works	-	16
Older persons plan	-	47
Alpine community plantation	-	100
Mount Beauty Kindergarten relocation	-	39
Bright Sports Centre development	-	12
Bright Early Learning Centre	-	12
Myrtleford design flood ways and levees	-	19
	1,176	496
Net increase/(decrease) in restricted assets resulting from grant revenues for the year:	(856)	918

Notes to the Financial Statements

For the year ended 30 June 2015

Note 7: Contributions

	2015 \$'000	2014 \$'000
Contributions - monetary		
Capital projects	215	92
Contributions to recreation reserves	25	75
Learner driver education	49	-
Open spaces works	11	-
Rates administration	-	7
Recreation	20	-
Emergency management	-	5
Other	12	10
Total monetary contributions	332	189
Contributions - non monetary		
Developer contributions	402	284
Total contributions	734	473
Contributions of non monetary assets were received in relation to the following asset classes:		
Land	-	-
Buildings	-	-
Infrastructure	402	284

Note 8: Other income

	2015 \$'000	2014 \$'000
Merchandise sales	125	167
Scrap sales	32	52
Insurance claim reimbursement	47	50
Interest on rates	91	59
Interest on investments	361	322
Rent	437	403
Doubtful debts recovered	16	-
Sale of Inventory	35	-
Total other income	1,144	1,053

Note 9: Net gain/(loss) on disposal of property, infrastructure, plant and equipment

	2015 \$'000	2014 \$'000
Proceeds of sale	50	406
Written down value of assets disposed	(337)	(459)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(287)	(53)

Notes to the Financial Statements

For the year ended 30 June 2015

Note 10: Employee costs

	2015 \$'000	2014 \$'000
a) Employee costs		
Wages and salaries - permanent	7,114	7,794
Workcover	183	229
Wages and salaries - casual	676	875
Annual leave and long service leave	741	1,014
Provision for redundancies	96	797
Superannuation	819	839
Fringe benefits tax	64	107
Total employee costs	9,693	11,655
b) Superannuation		
Council has made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	70	84
Employer contributions - other funds	-	-
Total superannuation contribution	70	84
Accumulated funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	496	472
Employer contributions - other funds	253	283
Total accumulated funds	749	755
Employer contributions payable at reporting date	-	-

Council account for its obligations under the defined benefit fund as if it was a defined contribution plan. The reason for this is that the fund manager, Vision Super, is unable to provide accurate information to

each employer in a timely manner. Additional information about Council's exposure in relation to the defined benefit fund is detailed at note 33.

Note 11: Materials and services

	2015 \$'000	2014 \$'000
Materials and services	3,495	2,635
Contractor payments	3,268	4,038
Utilities	729	816
Information technology	254	177
Insurance	374	896
Consultants	970	841
Total materials and services	9,090	9,403

Notes to the Financial Statements

For the year ended 30 June 2015

Note 12: Bad and doubtful debts

	2015 \$'000	2014 \$'000
Rate debtors	2	-
Other debtors	4	2
Total bad and doubtful debts	6	2

Note 13: Depreciation

	2015 \$'000	2014 \$'000
Property	1,066	1,057
Plant and equipment	860	766
Infrastructure	2,207	2,426
Total Depreciation	4,133	4,249

Note 14: Other expenses

	2015 \$'000	2014 \$'000
Auditors remuneration - VAGO - audit of financial statements, performance statement and grant acquittals	29	34
Auditors remuneration - Internal	20	12
Councillors allowances	206	179
Council grants and contributions	347	278
Refund of rates	5	4
Total other expenses	607	507

Note 15: Borrowing costs

	2015 \$'000	2014 \$'000
Interest - Borrowings	58	75
Total borrowing costs	58	75

Notes to the Financial Statements

For the year ended 30 June 2015

Note 16: Investments in associates

	2015 \$'000	2014 \$'000
Investment in associates accounted for by the equity method are: High Country Library Corporation		
A 23% Interest is held in the High Country Library Corporation.		
Fair value of Council's investment in High Country Library Corporation		
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus/(deficit) at start of year	294	274
Reported surplus/(deficit) for year	28	19
Transfers (to)/from reserves	-	1
Distributions for the year	-	-
Council's share of accumulated surplus/(deficit) at end of year	322	294
Council's share of reserves		
Council's share of reserves at start of year	57	56
Transfers (to)/from reserves	-	1
Council's share of reserves at end of year	57	57
Movement in carrying value of specific investment		
Carrying value of investment at start of year	482	462
Share of surplus/(deficit) for year	28	19
Share of asset revaluation	(5)	1
Distributions received	-	-
Carrying value of investment at end of year	505	482
Council's share of expenditure commitments		
Operating commitments	17	15
Capital commitments	-	-
Council's share of expenditure commitments	17	15

Notes to the Financial Statements

For the year ended 30 June 2015

Note 17: Cash and cash equivalents

	2015 \$'000	2014 \$'000
Cash on hand	3	3
Cash at bank	3,855	269
Term deposits	-	552
Total cash and cash equivalents	3,858	824
Councils cash and cash equivalents are subject to restrictions that limit amounts available for discretionary use. These include:		
Trust funds and deposits (note 24)	648	509
Unexpended capital grants	1,442	2,298
Subdivision recreation reserve (note 28b)	256	390
	2,346	3,197
Other financial assets (note 18)	10,006	8,900
Total unrestricted cash and cash equivalents	11,518	6,527
Intended allocations		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
Cash held to fund carried forward capital works	2,032	3,629
Dinner Plain reserve	1,059	1,021
Landfill rehabilitation reserve	277	582
Other reserves	701	296
Total funds subject to intended allocations	4,069	5,528

Note 18: Other financial assets

	2015 \$'000	2014 \$'000
Term deposits	10,006	8,900
Total other financial assets	10,006	8,900

Note 19: Trade and other receivables

	2015 \$'000	2014 \$'000
Current		
Rates debtors	649	574
Other debtors	469	287
Provision for doubtful debts - other debtors	(13)	(24)
Net GST receivable	199	298
Total current trade and other receivables	1,304	1,135
Non-current		
Other debtors	7	9
Total non-current trade and other receivables	7	9
Total trade and other debtors	1,311	1,144

Notes to the Financial Statements

For the year ended 30 June 2015

Note 19: Trade and other receivables (continued)

	2015 \$'000	2014 \$'000
a) Ageing of receivables		
At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is not recent history default. The ageing of the Council's trade and other receivables (excluding statutory receivables) was:		
Current (not yet due)	345	198
Past due by up to 30 days	86	40
Past due between 31 and 180 days	26	13
Past due between 181 and 365 days	-	-
Past due more than 1 year	12	21
Total trade and other receivables	469	272
b) Movement in provisions for doubtful debts		
Balance at the beginning of the year	24	24
New provisions recognised during the year	5	2
Amounts already provided for and written off as uncollectible		(2)
Amounts provided for but recovered during the year	(16)	-
Balance at end of year	13	24

Note 20: Inventories

	2015 \$'000	2014 \$'000
Current		
Stores and materials	5	95
Merchandise	44	56
	49	151
Non-current		
Land held for future development	-	746
Stores and materials	150	218
	150	964
Total inventories	199	1,115

Valuation of land held for future development was undertaken by a qualified independent valuer as at 30 June 2013, LG Valuation Services Pty Ltd. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 21: Other assets

	2015 \$'000	2014 \$'000
Prepayments	178	209
Accrued income	77	69
Total other assets	255	278

Notes to the Financial Statements

For the year ended 30 June 2015

Note 22: Property, infrastructure, plant and equipment

	Land - specialised \$'000	Land improvements \$'000	Total land \$'000	Buildings - specialised \$'000	Total buildings \$'000	Work in progress \$'000	Total property \$'000
At fair value 1 July 2014	18,780	5,179	23,959	50,765	50,765	38	74,762
Accumulated depreciation	-	(1,996)	(1,996)	(18,246)	(18,246)	-	(20,242)
	18,780	3,183	21,963	32,519	32,519	38	54,520
Movements in fair value							
Acquisition of assets at fair value	-	-	-	562	562	122	684
Transfers	746	-	746	9	9	(9)	746
	746	-	746	571	571	113	1,430
Movements in accumulated depreciation							
Depreciation and amortisation	-	(133)	(133)	(933)	(933)	-	(1,066)
	-	(133)	(133)	(933)	(933)	-	(1,066)
At fair value 30 June 2015	19,526	5,179	24,705	51,336	51,336	151	76,192
Accumulated depreciation at 30 June 2015	-	(2,129)	(2,129)	(19,179)	(19,179)	-	(21,308)
	19,526	3,050	22,576	32,157	32,157	151	54,884

Notes to the Financial Statements

For the year ended 30 June 2015

Note 22: Property, infrastructure, plant and equipment (continued)

	Plant, machinery and equipment	Fixtures, fittings and furniture	Playground equipment	Work in progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2014	5,980	3,092	1,276	9	10,357
Accumulated depreciation	(3,628)	(2,231)	(837)	-	(6,696)
	2,352	861	439	9	3,661
Movements in fair value					
Acquisition of assets at fair value	303	30	-	-	333
Fair value of assets disposed	(116)	-	-	-	(116)
Transfers	9	-	-	(9)	-
	196	30	-	(9)	217
Movements in accumulated depreciation					
Depreciation and amortisation	(535)	(268)	(57)	-	(860)
Accumulated depreciation of disposals	59	-	-	-	59
	(476)	(268)	(57)	-	(801)
At fair value 30 June 2015	6,176	3,122	1,276	-	10,574
Accumulated depreciation at 30 June 2015	(4,104)	(2,499)	(894)	-	(7,497)
	2,072	623	382	-	3,077

Notes to the Financial Statements

For the year ended 30 June 2015

Note 22: Property, infrastructure, plant and equipment (continued)

	Roads	Bridges	Footpaths and cycleways	Drainage	Waste management	Parks, open spaces and streetscapes	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000			\$'000	\$'000
At fair value 1 July 2014	120,405	22,378	4,786	15,659	820	3,151	2,668	169,867
Accumulated depreciation	(23,728)	(8,980)	(1,214)	(5,596)	(365)	(724)	-	(40,607)
	96,677	13,398	3,572	10,063	455	2,427	2,668	129,260
Movements in fair value								
Acquisition of assets at fair value	2,726	705	140	217	129	1,072	293	5,282
Revaluation increments/(decrements)	-	3,828	-	-	-	-	-	3,828
Fair value of assets disposed	(234)	-	-	-	-	-	(191)	(425)
Transfers	1,066	233	48	39	21	1,064	(2,471)	-
	3,558	4,766	188	256	150	2,136	(2,369)	8,685
Movements in accumulated depreciation								
Depreciation and amortisation	(1,562)	(251)	(77)	(160)	(24)	(133)	-	(2,207)
Revaluation increments/(decrements)	-	3,260	-	-	-	-	-	3,260
Accumulated depreciation of disposals	145	-	-	-	-	-	-	145
	(1,417)	3,009	(77)	(160)	(24)	(133)	-	1,198
At fair value 30 June 2015	123,963	27,144	4,974	15,915	970	5,287	299	178,552
Accumulated depreciation at 30 June 2015	(25,145)	(5,971)	(1,291)	(5,756)	(389)	(857)	-	(39,409)
	98,818	21,173	3,683	10,159	581	4,430	299	139,143

Notes to the Financial Statements

For the year ended 30 June 2015

Note 22: Property, infrastructure, plant and equipment (continued)

	Land - specialised	Land improvements	Total land	Buildings - specialised	Total buildings	Work in progress	Total property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2013	18,894	5,029	23,923	50,714	50,714	-	74,637
Accumulated depreciation	-	(1,865)	(1,865)	(17,404)	(17,404)	-	(19,269)
	18,894	3,164	22,058	33,310	33,310	-	55,368
Movements in fair value							
Acquisition of assets at fair value	-	150	150	268	268	38	456
Fair value of assets disposed	(114)	-	(114)	(217)	(217)	-	(331)
	(114)	150	36	51	51	38	125
Movements in accumulated depreciation							
Depreciation and amortisation	-	(131)	(131)	(926)	(926)	-	(1,057)
Accumulated depreciation of disposals	-	-	-	84	84	-	84
	-	(131)	(131)	(842)	(842)	-	(973)
At fair value 30 June 2014	18,780	5,179	23,959	50,765	50,765	38	74,762
Accumulated depreciation at 30 June 2014	-	(1,996)	(1,996)	(18,246)	(18,246)	-	(20,242)
	18,780	3,183	21,963	32,519	32,519	38	54,520

Notes to the Financial Statements

For the year ended 30 June 2015

Note 22: Property, infrastructure, plant and equipment (continued)

	Plant, machinery and equipment	Fixtures, fittings and furniture	Playground equipment	Work in progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2013	5,819	2,988	1,276	6	10,089
Accumulated depreciation	(3,527)	(2,000)	(777)	-	(6,304)
	2,292	988	499	6	3,785
Movements in fair value					
Acquisition of assets at fair value	667	98	-	9	774
Fair value of assets disposed	(506)	-	-	-	(506)
Impairment losses recognised in operating result	-	-	-	-	-
Transfers	-	6	-	(6)	-
	161	104	-	3	268
Movements in accumulated depreciation					
Depreciation and amortisation	(475)	(231)	(60)	-	(766)
Accumulated depreciation of disposals	374	-	-	-	374
	(101)	(231)	(60)	-	(392)
At fair value 30 June 2014	5,980	3,092	1,276	9	10,357
Accumulated depreciation at 30 June 2014	(3,628)	(2,231)	(837)	-	(6,696)
	2,352	861	439	9	3,661

Notes to the Financial Statements

For the year ended 30 June 2015

Note 22: Property, infrastructure, plant and equipment (continued)

	Roads	Bridges	Footpaths and cycleways	Drainage	Waste management	Parks, open spaces and streetscapes	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000			\$'000	\$'000
At fair value 1 July 2013	120,932	22,043	4,531	15,465	820	3,137	247	167,175
Accumulated depreciation	(25,372)	(8,752)	(1,120)	(5,438)	(252)	(616)	-	(41,550)
	95,560	13,291	3,411	10,027	568	2,521	247	125,625
Movements in fair value								
Acquisition of assets at fair value	1,204	376	94	179	-	14	2,486	4,353
Revaluation increments/(decrements)	(1,630)	-	161	-	-	-	-	(1,469)
Fair value of assets disposed	(151)	(41)	-	-	-	-	-	(192)
Transfers	50	-	-	15	-	-	(65)	-
	(527)	335	255	194	-	14	2,421	2,692
Movements in accumulated depreciation								
Depreciation and amortisation	(1,666)	(241)	(140)	(158)	(113)	(108)	-	(2,426)
Revaluation increments/(decrements)	3,211	-	46	-	-	-	-	3,257
Accumulated depreciation of disposals	99	13	-	-	-	-	-	112
	1,644	(228)	(94)	(158)	(113)	(108)	-	943
At fair value 30 June 2014	120,405	22,378	4,786	15,659	820	3,151	2,668	169,867
Accumulated depreciation at 30 June 2014	(23,728)	(8,980)	(1,214)	(5,596)	(365)	(724)	-	(40,607)
	96,677	13,398	3,572	10,063	455	2,427	2,668	129,260

Notes to the Financial Statements

For the year ended 30 June 2015

Note 22: Property, infrastructure, plant and equipment (continued)

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer LG Valuation Services Pty Ltd (API Registration no. 62901). 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 un-

serviced) 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 will have a significant impact on the fair value of these assets.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2015 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land - specialised	-	-	19,526
Land improvements	-	-	3,050
Buildings - specialised	-	-	32,157
Total	-	-	54,733

Valuation of infrastructure assets were performed by John Sacco, Asset Engineer for Council. The effective date of the valuation for road infrastructure assets is 30 June 2014 and 30 June 2013 for drainage and bridge infrastructure assets.

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2015 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Roads	-	-	98,818
Bridges	-	-	21,173
Footpaths and cycleways	-	-	3,683
Drainage	-	-	10,159
Waste management	-	-	581
Parks, open space and streetscapes	-	-	4,430
Total	-	-	138,844

Description of significant unobservable inputs into level 3 valuations

Specialised land 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 40% and 60%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently

land values range between \$1.25 and \$425 per square metre.

Land improvements are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of land improvements. Current replacement cost is calculated on a per item basis and ranges from \$10,000 to \$1,350,000. The remaining useful lives of land improvements are determined on the basis of the current condition of improvements and vary from 9 years to 97 years. Replacement cost is sensitive to changes in market

Notes to the Financial Statements

For the year ended 30 June 2015

Note 22: Property, infrastructure, plant and equipment (continued)

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

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement cost is calculated on a square metre basis and ranges from \$200 to \$3,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 30 years to 69 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of

buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 5 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Note 23: Trade and other payables

	2015 \$'000	2014 \$'000
Trade payables	1,404	1,299
Accrued expenses	399	455
Other creditors	5	2
Total trade and other payables	1,808	1,756

Note 24: Trust funds and deposits

	2015 \$'000	2014 \$'000
Refundable deposits	8	83
Fire services levy	320	63
Retention amounts	195	244
Subdivision works	110	98
Other deposits	15	21
Total trust funds and deposits	648	509

Purpose and nature of items

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 Service 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.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 25: Provisions

	Landfill restoration \$'000	Employee provisions \$'000	Total \$'000
2015			
Balance at beginning of the financial year	3,799	3,738	7,537
Additional provisions	(253)	1,075	822
Amounts used	-	(2,061)	(2,061)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	172	(140)	32
Balance at the end of the financial year	3,718	2,612	6,330
2014			
Balance at beginning of the financial year	3,616	2,726	6,342
Additional provisions	183	1,825	2,008
Amounts used	-	(928)	(928)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	115	115
Balance at the end of the financial year	3,799	3,738	7,537
		2015	2014
		\$'000	\$'000
a) Employee provisions			
Current provisions expected to be wholly settled within 12 months			
Annual leave		700	700
Long service leave		149	202
Redundancies		86	797
Other leave		158	92
		1,093	1,791
Current provisions expected to be wholly settled after 12 months			
Annual leave		177	259
Long service leave		1,014	1,333
Other		-	-
		1,191	1,592
Total current provisions		2,284	3,383
Non-current			
Long service leave		328	355
		328	355
Total aggregate carrying amount of employee provisions		2,612	3,738

Notes to the Financial Statements

For the year ended 30 June 2015

Note 25: Provisions

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

Weighted average increase in employee costs	3.50%	4.44%
Weighted average discount rates	2.98%	3.57%
Weighted average settlement period	10 years	10 years

b) Landfill restoration

Current	415	227
Non-current	3,303	3,572
Total landfill restoration	3,718	3,799

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

Weighted average increase in restoration costs	2.60%	3.30%
Weighted average discount rates	2.98%	3.57%
Weighted average settlement period	22 years	23 years

Note 26: Lease income received in advance

	2015 \$'000	2014 \$'000
This represents income received on 1 July 2011 for the Bright Caravan Park lease to be recognised over the life of the lease (21 years) and lease income from annual tenants at the Myrtleford Holiday Park.		
Current	30	43
Non-current	477	507
Total lease income received in advance	507	550

Notes to the Financial Statements

For the year ended 30 June 2015

Note 27: Interest-bearing loans and borrowings

	2015 \$'000	2014 \$'000
Current		
Finance leases	-	10
Borrowings - secured	170	186
	170	196
Non-current		
Borrowings - secured	775	946
	775	946
a) The maturity profile for Council's borrowings is:		
Not later than one year	170	186
Later than one year and not later than five years	700	739
Later than five years	75	207
	945	1,132
b) The maturity profile for Council's finance lease liabilities is:		
Not later than one year	-	10
Later than one year and not later than five years	-	-
Later than five years	-	-
Minimum future lease payments	-	10
Less future finance charges	-	-
Present value of minimum lease payments	-	10
The finance lease liability was for the lease of photocopier equipment. Monthly rental payments were required. The lease was extinguished in full in the current year and no further finance leases have been entered into.		
c) Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	170	196
Non-current	775	946
Total interest-bearing loans and borrowings	945	1,142

Notes to the Financial Statements

For the year ended 30 June 2015

Note 28: Reserves

	Balance at beginning of reporting period	Increment / (decrement)	Share of increment / (decrement) on revaluation of HCL	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
a) Asset revaluation reserve				
2015				
Property				
Land	15,880	-	-	15,880
Buildings	20,652	-	(5)	20,647
	36,532	-	(5)	36,527
Infrastructure				
Roads	54,368	-	-	54,368
Bridges	10,049	7,088	-	17,137
Footpaths and cycleways	1,153	-	-	1,153
Drainage	7,296	-	-	7,296
Waste management	-	-	-	-
Parks, open spaces and streetscapes	-	-	-	-
	72,866	7,088	-	79,954
Total asset revaluation reserve	109,398	7,088	(5)	116,481
2014				
Property				
Land	15,880	-	-	15,880
Buildings	20,652	-	-	20,652
	36,532	-	-	36,532
Infrastructure				
Roads	52,787	1,581	-	54,368
Bridges	10,049	-	-	10,049
Footpaths and cycleways	946	207	-	1,153
Drainage	7,296	-	-	7,296
Waste management	-	-	-	-
Parks, open spaces and streetscapes	-	-	-	-
	71,078	1,788	-	72,866
Total asset revaluation reserve	107,610	1,788	-	109,398

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

Notes to the Financial Statements

For the year ended 30 June 2015

Note 28: Reserves (continued)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
b) Other reserves				
2015				
Plant replacement	269	405	-	674
Dinner Plain	1,021	38	-	1,059
Gravel pit restoration	27	-	-	27
Landfill rehabilitation	582	-	(305)	277
Subdivision recreation reserve	390	26	(160)	256
Total other reserves	2,289	469	(465)	2,293
2014				
Plant replacement	269	-	-	269
Dinner Plain	976	45	-	1,021
Gravel pit restoration	27	-	-	27
Landfill rehabilitation	-	582	-	582
Emergency response	18	-	(18)	-
Land development	109	-	(109)	-
Community loans	6	-	(6)	-
Subdivision recreation reserve	295	95	-	390
Total other reserves	1,700	722	(133)	2,289

Plant replacement reserve is maintained to fund replacement of plant and machinery over a 10 year cycle.

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

Gravel pit restoration reserve is maintained to fund restoration of the Harrierville quarry.

Landfill rehabilitation reserve is maintained to fund landfill rehabilitation works. Where budgeted

rehabilitation projects are not carried out in the financial year, funds are allocated to the reserve to fund future rehabilitation work.

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

Notes to the Financial Statements

For the year ended 30 June 2015

Note 29: Reconciliation of cash flows from operating activities to surplus/(deficit)

	2015	2014
	\$'000	\$'000
Surplus/(deficit) for the year	7,227	(387)
Depreciation	4,133	4,249
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	287	53
Contributions - non monetary assets	(402)	(284)
Finance costs	58	75
Landfill rehabilitation expense	(81)	183
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(167)	542
(Increase)/decrease in prepayments	31	17
(Increase)/decrease in accrued income	(8)	13
(Increase)/decrease in inventories	170	(6)
(Increase)/decrease in investment in associates	(23)	(20)
Increase/(decrease) in trade and other payables	52	479
Increase/(decrease) in trust funds and other deposits	139	150
Increase/(decrease) in employee provisions	(1,125)	1,012
Increase/(decrease) in income in advance	(43)	(30)
Net cash provided by/ (used in) operating activities	10,248	6,046

Note 30: Financing arrangements

	2015	2014
	\$'000	\$'000
Bank overdraft	250	250
Bank guarantees	65	65
Total used facilities	315	315

Notes to the Financial Statements

For the year ended 30 June 2015

Note 31: Commitments for expenditure

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2015					
Operating					
Waste management	1,506	683	401	-	2,590
Dinner Plain Bus	120	36	-	-	156
Cleaning	151	26	-	-	177
Home Care	30	-	-	-	30
Other	279	-	-	-	279
Total	2,086	745	401	-	3,232
Capital					
Buildings	72	-	-	-	72
Roads	284	-	-	-	284
Bridges	18	-	-	-	18
Waste management	17	-	-	-	17
Parks, open space and streetscapes	354	-	-	-	354
Total	745	-	-	-	745
	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2014					
Operating					
Waste management	1,808	2,218	-	-	4,026
Dinner Plain Bus	101	-	-	-	101
Cleaning	164	171	-	-	335
Home Care	163	32	-	-	195
Roads	141	-	-	-	141
Other	189	34	-	-	223
Total	2,566	2,455	-	-	5,021
Capital					
Buildings	338	-	-	-	338
Roads	93	-	-	-	93
Bridges	8	-	-	-	8
Waste management	71	-	-	-	71
Other	115	-	-	-	115
Parks, open space and streetscapes	160	-	-	-	160
Total	785	-	-	-	785

Notes to the Financial Statements

For the year ended 30 June 2015

Note 32: Operating leases

a) Operating lease commitments

At the reporting date, Council had no obligations under non-cancellable operating leases.

b) Operating lease receivables

The Council has entered into commercial property leases on some properties, consisting of a caravan park and a community centre. These properties held under operating leases have remained non-cancellable lease terms between 1 and 19 years. All leases include a CPI based revision of the rental charge annually.

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

Not later than one year

Later than one year and not later than five years

Later than five years

Total operating lease receivables

	2015 \$'000	2014 \$'000
Not later than one year	344	336
Later than one year and not later than five years	1,319	1,222
Later than five years	3,407	3,355
Total operating lease receivables	5,070	4,913

Note 33: Contingent liabilities and contingent assets

Landfill

At the end of 2012 the EPA issued guidelines for closed landfills, which will apply to the closed Porepunkah Landfill. In July 2013, the EPA issued a pollution abatement notice requiring Council to prepare and submit a rehabilitation plan and aftercare plan for the premises, which must contain time bound milestones for implementation.

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

148 Council staff are members of Visions Super, a multi employer defined benefit fund with a total of around 100,000 members. Funding of the fund is primarily through employer contributions (9.5%) and returns on investment, however Council may be required to provide additional funds should they be required. Any additional funds provided are contributed in proportion to membership of the total fund. The fund is required to target full funding of its vested benefits. The fund utilises a vested benefits index (VBI) to monitor performance. The fund has set its shortfall limit at a VBI of 97%, if the VBI falls to this

level Council is likely to be required to make an additional contribution to the fund. The funds estimated VBI at 30 June 2015 was 105.8%

Other than the above, Alpine Shire Council has no contingent liabilities or assets.

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

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives 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 2015, this was 9.5% required under Superannuation Guarantee legislation (for 2013/14, this was 9.25%)).

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's

Notes to the Financial Statements

For the year ended 30 June 2015

Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Alpine Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary.

The Fund's latest actuarial investigation was held as at 30 June 2014 and it was determined that the vested benefit index (VBI) of the defined benefit category of which Council is a contributing employer was 103.4%. To determine the VBI, the fund Actuary used the following long-term assumptions:

- Net investment returns 7.5% pa
- Salary information 4.25% pa
- Price inflation (CPI) 2.75% pa.

Vision Super has advised that the estimated VBI at 30 June was 105.8%.

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

Employer contributions

Regular contributions

On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 30 June 2014, Alpine Shire Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2015, this rate was 9.5% of members' salaries. This rate will increase in line with any increase to the Superannuation Guarantee (SG) contribution rate.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

If the defined benefit category is in an unsatisfactory financial position at actuarial investigation or the defined benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the defined benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's defined benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

Latest actuarial investigation surplus amounts

The Fund's latest actuarial investigation as at 30 June 2014 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$77.1 million; and
- A total service liability surplus of \$236 million.

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 2014.

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

Council was notified of the results of the actuarial investigation during January 2015.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 34: 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 Note 1 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 our financial instruments will fluctuate because of changes in market prices. The Council's exposures to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

c) 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. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk / Council 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 rate.

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989. We manage 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.

d) Credit risk

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

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

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.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 33.

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

e) Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements or we will not have sufficient funds to settle a transaction when required, we 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:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;

Notes to the Financial Statements

For the year ended 30 June 2015

- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 37, 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 27.

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

f) Fair value

Unless otherwise stated, the carrying amount of financial instruments reflects their fair value.

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.

g) 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 1% and -1% in market interest rates (AUD) from year end rates of 2.7%.

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.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 35: Related party transactions

a) Responsible persons

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

Councillors

Jan Vonarx - Mayor (November 2014 to current)

Peter Roper - Mayor (July 2014 to November 2014)

Daryl Pearce

Tony Keeble

Kate Farrell

Ron Janas

John Forsyth

Chief Executive Officer

Dave Barry

b) Remuneration of responsible persons

The numbers of responsible persons whose total remuneration from Council and any related entities, excluding retirement benefits, fall within the following bands:

\$10,000 - \$19,999

\$20,000 - \$29,999

\$30,000 - \$39,999

\$40,000 - \$49,999

\$60,000 - \$69,999

\$70,000 - \$79,999

\$140,000 - \$149,999

\$210,000 - \$219,999

	2015 No.	2014 No.
	-	6
	5	-
	1	-
	1	-
	-	1
	-	1
	-	1
	1	-
	8	9
	2015 \$'000	2014 \$'000
Total remuneration for the reporting year for responsible persons included above amounted to:	399	400

Notes to the Financial Statements

For the year ended 30 June 2015

Note 35: Related party transactions

Senior officers remuneration

A senior officer other than a responsible person, is an officer of Council who:

a) has management responsibilities and reports directly to the Chief Executive Officer; or

b) whose total annual remuneration exceeds \$136,000.

The number of senior officers other than responsible persons, are shown below in their relevant income bands:

\$50,000 - \$59,999

\$100,000 - \$109,999

\$150,000 - \$159,999

\$160,000 - \$169,999

	2015 No.	2014 No.
	1	-
	1	-
	-	3
	2	-
	4	3
	2015 \$'000	2014 \$'000
Total remuneration for the reporting year for senior officers included above amounted to:	484	471

c) Responsible persons retirement benefits

No retirements benefits were paid to responsible persons in either 2015 or 2014.

d) Loans to responsible persons

No loans were in existence to responsible persons in either 2015 or 2014.

e) Transactions with responsible persons

During the period Council entered into the following transactions with responsible persons or related parties of responsible persons

Note 36: Events occurring after balance date

On 23 June 2015 Council adopted its 2015/16 Budget.

The Budget made provision to pay out all Council's borrowings in full valued at \$946,000. In July 2015

Council's borrowings were paid out in full.

Certification of the Financial Report

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



Warren Bennett CPA
PRINCIPAL ACCOUNTING OFFICER

Date: 25. 9. 2015

In our opinion, the accompanying financial statements present fairly the financial transactions of Alpine Shire Council for the year ended 30 June 2015 and the financial position of the Council as at that date.

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

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

John Forsyth
COUNCILLOR



Date: 25. 9. 2015

Peter Roper
COUNCILLOR



Date: 25. 9. 2015



Dave Barry
CHIEF EXECUTIVE OFFICER

Date: 25. 9. 2015



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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Alpine Shire Council

The Financial Report

The accompanying financial report for the year ended 30 June 2015 of the Alpine Shire Council which comprises the comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows, statement of capital works, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial statements has been audited.

The Councillors' Responsibility for the Financial Report

The Councillors of the Alpine Shire Council are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report 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 the accounting policies used and the reasonableness of accounting estimates made by the Councillors, as well as evaluating the overall presentation of the financial report.

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

Independent Auditor's Report (continued)

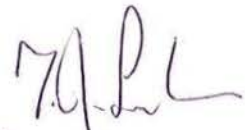
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion the financial report presents fairly, in all material respects, the financial position of the Alpine Shire Council as at 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

MELBOURNE
28 September 2015



Dr Peter Frost
Acting Auditor-General



Alpine Shire

Alpine Shire Council

Performance Statement

For the year ended 30 June 2015

Performance Statement

For the year ended 30 June 2015

Description of municipality

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

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

The region offers a diverse lifestyle with a mix of culture, history and experience. The region is a well-known destination for tourists, with festivals, markets, exhibitions, sporting and recreational activities held throughout the Alpine Shire; together with a range of cafes, restaurants and wineries.

The estimated resident population of the Shire is 12,028, a number which significantly increases with the seasonal influx of tourists. Population demographics show a lower population of 20-39 year olds, but a much higher population of persons aged 55 and over than the Victorian averages.

Sustainable Capacity Indicators

For the year ended 30 June 2015

<i>Indicator / measure</i>	Results 2015	Material Variations
<i>Population</i> <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,954	No material variations
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$16,325	No material variations
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	21	No material variations
<i>Own-source revenue</i> <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,558	No material variations
<i>Recurrent grants</i> <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$565	No material variations
<i>Disadvantage</i> <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	6	No material variations

Definitions

"adjusted underlying revenue" means total income other than—

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

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

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*. It includes right-of-ways and laneways.

"population" means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2015

Service / indicator / measure	Results 2015	Material Variations
<p>Aquatic facilities <i>Utilisation</i> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]</p>	3.4	No material variations
<p>Animal management <i>Health and safety</i> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]</p>	0	No animal management prosecutions were determined in 2014/15
<p>Food safety <i>Health and safety</i> <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</p>	0%	No critical or major non-compliance notifications were received by Council in 2014/15
<p>Governance <i>Satisfaction</i> <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]</p>	58	No material variations
<p>Home and community care <i>Participation</i> <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100</p>	30%	Based on core HACC clients only
<p><i>Participation</i> <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</p>	36%	Based on core HACC clients only

Service Performance Indicators (continued)

For the year ended 30 June 2015

Service/indicator/measure	Results 2015	Material Variations
<p>Libraries <i>Participation</i> <i>Active library members</i> [Number of active library members / Municipal population]</p>	29%	No material variations
<p>Maternal and child health <i>Participation</i> <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</p> <p><i>Participation</i> <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</p>	85%	No material variations
<p>Roads <i>Satisfaction</i> <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]</p>	59	No material variations
<p>Statutory Planning <i>Decision making</i> <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</p>	0%	No planning decisions were made at VCAT in 2014/15
<p>Waste Collection <i>Waste diversion</i> <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</p>	49%	No material variations

Service Performance Indicators (continued)

For the year ended 30 June 2015

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

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

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

"Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth to control the standards of HACC service provision.

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

Financial Performance Indicators

For the year ended 30 June 2015

Dimension / indicator / measure	Results 2015	Forecasts 2016	2017	2018	2019	Material Variations
<p>Efficiency</p> <p><i>Revenue level</i></p> <p><i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]</p>	\$1,623	\$1,672	\$1,741	\$1,813	\$1,888	No material variations
<p><i>Expenditure level</i></p> <p><i>Expenses per property assessment</i> [Total expenses / Number of property assessments]</p>	\$2,812	\$2,919	\$2,932	\$2,986	\$3,051	No material variations
<p><i>Workforce turnover</i></p> <p><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</p>	23%	10%	10%	10%	10%	The result for this measure is forecast to decrease by 13 percentage points due to the completion of a Human Resources review during 2015.
<p>Liquidity</p> <p><i>Working capital</i></p> <p><i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100</p>	289%	186%	199%	197%	208%	The 2015 result is unusually high due to: 2015/16 Financial Assistance Grants being received in advance and unbudgeted competitive grants having a positive effect on 'current assets'. Council will pay out its existing loans in full in 2016.

Financial Performance Indicators (continued)

For the year ended 30 June 2015

Dimension / <i>indicator / measure</i>	Results 2015	Forecasts 2016	2017	2018	2019	Material Variations
Liquidity (continued) <i>Unrestricted cash</i> <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	177%	137%	147%	145%	152%	Council's unrestricted cash is higher in 2015 due to 2015/16 Financial Assistance Grants being received in advance. Council will pay out its existing loans in full in 2016.
Obligations <i>Asset renewal</i> <i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	71%	94%	89%	86%	92%	The 2015 result is unusually low due to carry forward capital works reducing the calculation figure for 'asset renewal expenses'. An increased asset renewal program from 2016 onwards also affects the forecast figures.
<i>Loans and borrowings</i> <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue]	6%	0%	0%	0%	0%	Council will pay out its existing loans in full in 2016.
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	2%	6%	0%	0%	0%	Council will pay out its existing loans in full in 2016.
<i>Indebtedness</i> <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	26%	24%	22%	20%	19%	No material variations

Financial Performance Indicators (continued)

For the year ended 30 June 2015

Dimension / indicator / measure	Results 2015	Forecasts 2016	2017	2018	2019	Material Variations
<p>Operating position</p> <p><i>Adjusted underlying result</i></p> <p><i>Adjusted underlying surplus (or deficit)</i></p> <p>[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100</p>	12%	3%	2%	2%	2%	Council ended the 2015 year with a budget surplus. The 2015 result is unusually high due to Council receiving its 2015/16 Financial Assistance Grants in advance and success in securing competitive grants in 2015. The surplus is forecast to return to budget from 2016 onwards.
<p>Stability</p> <p><i>Rates concentration</i></p> <p><i>Rates compared to adjusted underlying revenue</i></p> <p>[Rate revenue / Adjusted underlying revenue] x100</p>	58%	63%	65%	65%	65%	Council's adjusted underlying revenue is higher than forecast in 2015 due to receiving 2015/16 Financial Assistance Grants in advance, and securing competitive grants. This has the effect of reducing the rates concentration in 2015, but is forecast to return to budget from 2016 onwards.
<p><i>Rates effort</i></p> <p><i>Rates compared to property values</i></p> <p>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</p>	0.6%	0.6%	0.6%	0.6%	0.7%	No material variations

Financial Performance Indicators (continued)

For the year ended 30 June 2015

Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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

Other Information

For the year ended 30 June 2015

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* require explanation of any material variations in the results contained in the performance statement. Council has utilised materiality thresholds as described in the "Local Government Better Practice Guide 2014-15 - Performance Statement" 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 23 June 2015 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*.



Warren Bennett CPA
Principal Accounting Officer

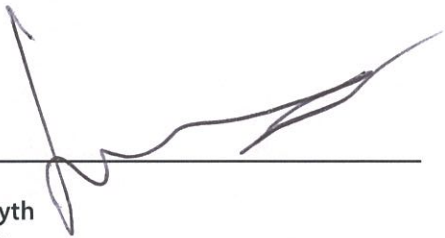
Dated: 25 - 9 - 2015

In our opinion, the accompanying performance statement of the *(council name)* for the year ended 30 June 2015 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

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

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

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



John Forsyth
Councillor

Dated: 25. 9. 2015



Peter Roper
Councillor

Dated: 25. 9. 2015



Dave Barry
Chief Executive Officer

Dated: 25 - 9 - 2015

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Alpine Shire Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2015 of the Alpine Shire Council which comprises the statement, the related notes and the certification of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Alpine Shire Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the performance statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance 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 overall presentation of the performance statement.

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

Independent Auditor's Report (continued)


Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the performance statement of the Alpine Shire Council in respect of the 30 June 2015 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
28 September 2015



Dr Peter Frost
Acting Auditor-General

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