

The background of the cover is a photograph of a natural landscape. The left half is a dark, semi-transparent overlay. The right half shows a clear view of a river or stream with lily pads in the foreground and tall, thin trees (possibly eucalyptus) along the banks under a bright sky.

Strathbogie Shire Council

DRAFT Annual Report

2022 - 2023

www.strathbogie.vic.gov.au

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Strathbogie
SHIRE COUNCIL

Acknowledgement of Country

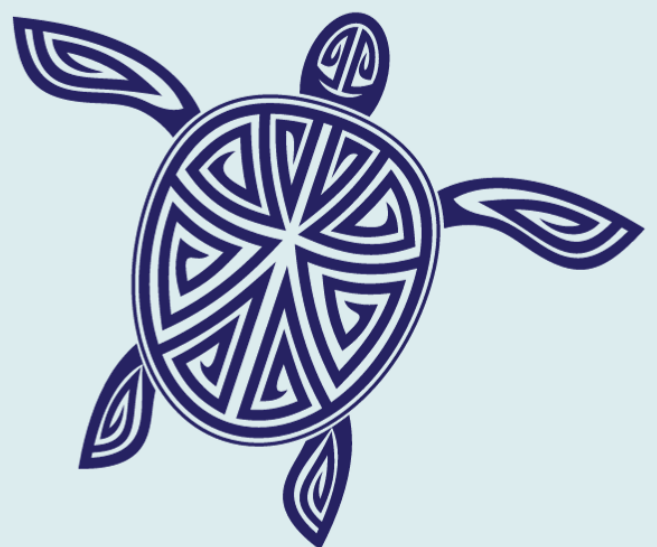
Strathbogie Shire Council acknowledges the traditional custodians of the lands on which we strive, the peoples of the rivers and the hills of the Strathbogie Shire region who walked these lands for generations.

We pay our respects to the elders of the past, and the speakers of the first words, who lived in harmony with this country.

We acknowledge the elders of the present, who seek to regain their culture, and to teach the elders of the future their law, their history, and their language.

We pay our respects to them and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

We honour their spirit – and the memory, culture, art and science of the world's oldest living culture through 60,000 years.



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Introduction

The Strathbogie Shire Council Annual Report 2022-23 provides a comprehensive account of our performance from 1 July 2022 to 30 June 2023.

With a population of almost 11,000 people, our Shire covers about 3,300 square kilometres and is located about 125km to the north of Melbourne CBD.

Key natural features of the region include the granite rock formations in the Strathbogie Ranges, the Goulburn River system, Nagambie Lakes, Gooram Falls and the cascading Polly McQuinns.

Our vision for our community

The Strathbogie Shire is a region of natural beauty with vibrant communities who are respectful, optimistic and inclusive.

We have a strong sense of belonging and of our collective history.

We care deeply for Country and First Nations people.

We are bold. We embrace opportunities. We welcome you.

Our Strategic Focus

At Strathbogie Shire Council we're working hard to transform our organisation. We're committed to being better, delivering for our community and responding to its needs.

The development of our 2021-25 Council Plan is proof of our commitment to change.

Its development saw us engage with our community like never before. For the first time we also used deliberative engagement techniques that empowered our community to write its own vision and drive the inputs into our Council Plan.

Our engagement program allowed us to develop a clear understanding of our community's values and priorities. These are reflected in the focus areas in our Council Plan, these being:

1. Engage. Create. Unite.
2. Live. Access. Connect
3. Protect. Enhance. Adapt.
4. Inclusive. Productive. Balanced.
5. Strong. Healthy. Safe.
6. Accountable. Transparent. Responsible.



Our year in review

2022/23 was another year filled with achievements for Strathbogie Shire Council. The following are just some of the highlights.

Community grants review

We updated our community grants program to better deliver outcomes for the community. There are now three funding opportunities for community groups and an events funding stream.

The process was simplified, and the amount doubled to \$10,000. A Quick Response grant was also created which can be approved by the CEO to the value of \$1000. On top of this the funding pool for Council's sponsorship program also increased from \$30,000 annually to \$50,000, with event organiser able to apply for up to \$5000.

ARTBOX – a travelling art gallery

We got super excited when our new travelling exhibition space ARTBOX was officially opened. The travelling exhibition space, promoting professional and emerging artists and makers, is an exciting and innovative way to connect community and visitors to our region through Arts and Culture.

ARTBOX is a mobile, professional exhibition space that welcomes proposals from artists, designers, festivals, curators, community and cultural groups in all art forms including but not limited to; visual arts, sculpture, craft, design, digital media, architectural installations, performance, literary arts, installation/ site specific works, fashion and cultural heritage projects that display innovative ideas and approaches.

Euroa's Seven Creeks Park to be home to a large Magpie

We announced an Australian Magpie sculpture will adorn the banks of the Seven Creeks Park in Euroa. The sculpture was one of five artworks that were announced as finalists, after a public expression of interest process.

The community was then asked to help choose the artwork and we heard overwhelming support for the Magpie sculpture. It will be the biggest magpie in Australia and we hope it'll draw visitors from near and far.

Splash Park opened

The Nagambie Splash Park officially opened on the 4 February 2023. The \$1 million splash park – situated in Buckley Park – includes a variety of fun play equipment which was selected after an engagement process with the community.

The splash park provides a fantastic water play space for children, with something for children of all ages to enjoy.

Euroa a Tidy Town winner

Euroa won four of the eight categories at the Keep Australia Beautiful National Tidy Towns Sustainability Awards, held on King Island, Tasmania.

At the national ceremony, Euroa was awarded winner of the Resource Recovery and Waste Management, Environmental Sustainability – Energy and Environmental Sustainability – Natural Environment Management categories, and joint winner with Gascoyne Junction, WA in the Environmental Communication and Engagement category.

Councillors vote to no longer formally support celebrations on January 26

Council will no longer formally support celebrations on January 26, in recognition of First Nations People. However, local Australia Day committees can acknowledge their volunteers with their own township celebrations including awards.

Council has received a formal Statement from Taungurung Land and Waters Council (TLaWC) regarding January 26 and agreed not to participate in any activities associated with this date.

Whroovale Estate open space ready for use

Whroovale Estate in Nagambie now boasts an updated open space. The play area features green open space with seating and children's play equipment – which the community told us was their priority.

Mayor's call for Fuel Efficiency Standard (FES) a success

The Federal Government announced funding toward implementing a Fuel Efficiency Standard (FES) after calls from our Mayor Cr Laura Binks and other Mayors and Councillors through the City Powers Project. The Federal Budget contained \$7.4 million over four years to implement a FES that can help unlock affordable electric vehicles (EV) for Australians.

Historic tank erected in Longwood

A Council grant enabled the Longwood community to restore a unique piece of its history. The 8m tank structure was located at a farm in Locksley for a long time when it was kindly donated by the owners to the Longwood Action Group. The tank is estimated to have been situated in Longwood during from 1880 to the mid-1960s where steam-trains would stop and refill with water.

LEAP project progressing

Significant progress was made on the Local Emergency Action Plan (LEAP) project! LEAPing into Resilience is a three-year project funded by the Federal Government in collaboration with Mansfield and Murrindindi Shire Councils. Five communities are taking part in the project – Avenel, Violet Town, Euroa, Nagambie and Strathbogie to highlight their preparedness in the face of an emergency.

We kicked off the Goulburn Region Tourism Partnership Project

The Victorian Government supported Greater Shepparton City, Mitchell Shire and Strathbogie Shire Councils to come together to deliver the Goulburn Region Tourism Partnership project.

The collaborative project is aimed at strengthening and growing the visitor economy offering of the region. The project is an exciting step to unlocking the Goulburn region's potential as a resilient destination with the flourishing visitor economy.

We hosted a Nature Steward Program

Budding young scientists, conservation volunteers and advocates participated in the Nature Steward Program. The program discussed all things relating to nature and conservation.

Zero-tolerance approach to off-leash and wandering dogs

Council launched an education campaign, reminding dog owners there is a zero-tolerance policy for dogs being off-leash and unrestrained. We also spent many months reminding our community through local media, social media and our regular printed and online newsletters that Council was increasing its proactive patrols regarding responsible pet ownership.

Mayor appointed to advisory panel

Our Mayor Cr Laura Binks was one of 13 mayors appointed to the Local Government Mayoral Advisory Panel (LGMAP). Cr Binks joined a mix of urban, regional and rural mayors and Minister for Local Government Melissa Horne throughout four meetings this year. The panel's role is to offer the Minister advice on legislative, regulatory, strategic and policy issues that affect councils across the state.

New accessible toilet completed at Friendlies Oval

An accessible, inclusive toilet at the Friendlies Oval in Euroa was completed. The project was welcomed by the oval users, which is being utilised more and more by our community.

Council facilities upgraded for use in times of disaster

Six of Council's facilities were upgraded with cabling to allow portable trailer-mounted generators to be connected to buildings during significant emergencies. Key sites at Avenel, Euroa, Longwood, Nagambie and Violet Town were fitted out with the cabling as a result of funding received from the Risk and Resilience Grant Program. The upgrades will ensure the facilities can be used as Emergency Relief Centres (ERCs) in a disaster situation with access to power, enabling essential relief services to operate.

Council's Cloth Nappy Reimbursement Program

We again offered residents a one-off reimbursement to cover half the costs of cloth nappies and associated accessories. The Cloth Nappy Reimbursement Program was created to encourage local families to reduce waste produced by disposable nappies.

New Australian citizens welcomed

Council conducted a Citizenship Ceremony, authorising over the pledge of commitment made by nine new Australian citizens. The nine conferees from Britain, Ireland, Vietnam, Netherlands, India, New Zealand, Venezuela and Philippines formally pledged their commitment to Australia in front of family and friends.

Women gathered to celebrate International Women's Day

A beautiful garden setting provided the backdrop for Council's International Women's Day event this year. The incredible property 'The Falls' at Longwood East was generously opened for the free community event which featured three amazing guest speakers. Guest speaker Dr Lauren Woodman – who founded the world's largest women's wellness festival Seven Sisters at just 24 year's old took guests on a spiritual journey with their fellow peers where they were encouraged to discuss what empowerment meant for them.

New play structure at Jubilee Park, Avenel

A new play space in Avenel's Jubilee Park features six elements selected by the community following an extensive engagement process. The play structure also includes swings, including an all-abilities swing, net swing, flying fox and two new play.

Summer activities for youth

There was something for everyone's interests in Council's summer youth program with pool gatherings to cool off, mural painting sessions, free movies and more.

Funding for Nagambie Recreation Reserve's Lighting Project.

We received a \$250,000 grant from Sport and Recreation Victoria to light up the netball courts and around the oval at the Nagambie Recreation Reserve. The lights were needed to meet the strong demand for additional playing and practice time as well as the increasing future demand in netball, football and cricket.

Euroa pool fountain facelift revealed as Shire pools open for summer

A fountain built by the Euroa Leo Club and donated to the Euroa Swimming Pool 50 years ago was unveiled with a new lease on life. The fountain and surrounds were upgraded over the winter period, during the pool's closure marking a historical moment for the pool. The new area features the refurbished original fountain and we improved the amenities around it to include two new electric barbecues and tables and chairs, making the pool an inviting entertainment area.

Shire grant assists Community Learning Centre

A new Community Learning Centre opened in Euroa with the help of a \$3,953 Council Grant. The centre - in the Euroa Citizen's Band Hall in Kirkland Avenue, the centre offers programs and advice for those seeking support with upskilling. The aim is to give people the confidence to succeed in upskilling or reskilling.

Updates to Nagambie and Avenel Transfer Stations

New bin bays were installed at the Nagambie and Avenel Transfer Stations after we received \$290,000 from the Victorian Government's Transfer Station Upgrade Fund.

Kool Skools CD launched

A CD recorded at Empire Music in Melbourne by Strathbogie youth was launched at a live music event. Local youth bands Inversion and Bad Ibis performed two songs each at the Kool Skools and Empire Records Awards Ceremony in Melbourne. The CD was made possible thanks to Council's FReeZA Program – an innovative youth development program providing young people between the ages of 12 and 25 with the opportunity to attend affordable and accessible music and cultural events.

Growing agricultural careers in Strathbogie Shire

We partnered with Euroa Secondary College to deliver the Youth Employment Training and Apprenticeships in agriculture and related businesses. The session aimed to increase the opportunities for students to discover their career direction and plan their futures.

Council joined the journey to halve state-wide emissions

Council pledged its support to help the Victorian Government to halve state-wide emissions by 2030 as part of its target to achieve net zero emissions by 2050. Victorian councils play an important role in the collective efforts to achieve net zero emissions by 2050 and to respond and adapt to climate impacts.

Balmattum Hill Mountain Bike Trail a step closer

Strathbogie Shire Council received state government funding to complete a feasibility study for a Mountain Bike Trail on Balmattum Hill at Euroa. The project was one of 38 to recently receive funding from the Victorian Government's Regional Jobs and Infrastructure Fund (RJIF).

Council grant ensures Little Athletics can go ahead in Nagambie

A Council grant helped enable a long-desired community program come closer to fruition – Little Athletics Nagambie. The group, who are working to establish the club in Nagambie, received a \$5000 Council grant as part of Round 1 of the Community Grants Program. The club will be open to children 12 years and under for its first year, with the hoped to expand as required.

Funding for Euroa Railway Station Masterplan

Council received \$100,000 from the Victorian Government's Flexible Local Transport Solutions Program – to complete Euroa Precinct Master Plan. The project will investigate future opportunities at the Euroa train station site, including opportunities for developing any surplus land.

Grant for the Euroa Miniature Railway

Even the locomotives were smiling when the Euroa Miniature Railway committee were awarded funding from Council's 2022/23 Community Grants Program. The \$3655 grant will go toward building a new locomotive engine, replacing the original – estimated somewhere between 30 to 40 years old. The new engine will significantly increase the number of carriages the train can pull – jumping from just one carriage to a whopping seven.

Local craftspeople develop seating for Euroa streetscape upgrades

A group of talented community members came together to design outdoor seating in Binney St, Euroa. As part of the Streetscape Renewal Program, local craftspeople Steve Tobin, Hugh Salmon and Rowan Craven as well as local artist Tank, created the seating to compliment the garden bed upgrades. The upgrades to our township's streets has been a direct result of the work of local businesses and we are pleased to see them taking shape.

'Talk to a Planner' sessions a huge success

Council's first sessions of the new initiative 'Talk to a Planner' were a huge success. Community members took up the opportunity to have one-on-one appointments to discuss planning matters with Council's planning department staff. The sessions were held in each

township throughout Strathbogie Shire with several being completely booked out. The initiative is just another innovative way Council is engaging with its community.

Rehabilitation works to begin at former Violet Town Landfill site

We announced rehabilitation works to the old Violet Town Landfill site would be completed at a \$2 million saving to ratepayers after Council successfully applied for approval to have the site classified as low risk. It is an incredible result given the Environment Protection Authority (EPA) rarely approves this classification for rural landfill sites. The works included in the 2022/23 Budget will now cost \$3 million, instead of the \$5 million original estimate.

Council push for greater sustainability requirements for new development

Council joined forces with 23 other Victorian councils to push for more sustainable design within planning requirements. Council lodged a planning scheme amendment with the State Government, seeking to introduce planning policy that elevates sustainability requirements for new buildings and encourages a move towards net zero carbon development. The 24 councils represent about half the Victorian population and planning activity.

Strathbogie Shire Council Advocacy Update

Advocacy is an essential way of securing funding for important projects and works that matter to our community and that Council alone cannot fund.

The Local Government Act 2020 (the Act) identifies that Councils have a legitimate role to play in advocating for the needs of the community and municipality.

Our advocacy efforts are essential to achieving these requirements of the Act. Perhaps, more importantly, advocacy is essential to achieving great outcomes for our community.



Scan to read
our Top Five
Advocacy Ask



\$241.6K to investigate, scope, plan and cost an all-abilities Mountain Bike Facility on Balmattum Hill



\$100K for Euroa Railway Precinct Plan



Speed limit reduced at Hume Freeway Avenel interchange



New mobile towers Graytown, Creighton's Creek, Boho, Euroa, Kirwans Bridge, Locksley, Mangalore, Nagambie, Tabilk and Violet Town.

\$5.4M

- Nagambie Recreation Reserve Lighting
- ARTBOX
- Nagambie Employment Precinct Structure Plan
- Cooler Canopies Urban tree plantings across Shire
- Nagambie Resale Shop
- Emergency Management
- New transfer station bins in Nagambie and Avenel
- Flood recovery

Delivering capital works for our community

Council completed \$13.5 million worth of projects for 2022-23, representing an increase of 85 per cent over the previous year. This was due to unplanned flood recovery works and majority completion of other major capital projects like Violet Town Landfill restoration and Nagambie Foreshore Path.

Major increase in spend and delivery of infrastructure items like roads, bridges and culverts, parks and open space and building are due to restoration of damages caused by the October 2022 floods.

The construction industry has experienced a significant increase in cost and skill shortage due to ongoing impacts of the COVID-19 pandemic related macroeconomic factors.

In addition, the October 2022 flood has also had an impact on market availability. Strathbogie Shire Council, pivoted our focus to flood recovery early, awarding a number of tenders at the February 2023 Council Meeting to complete flood repairs.

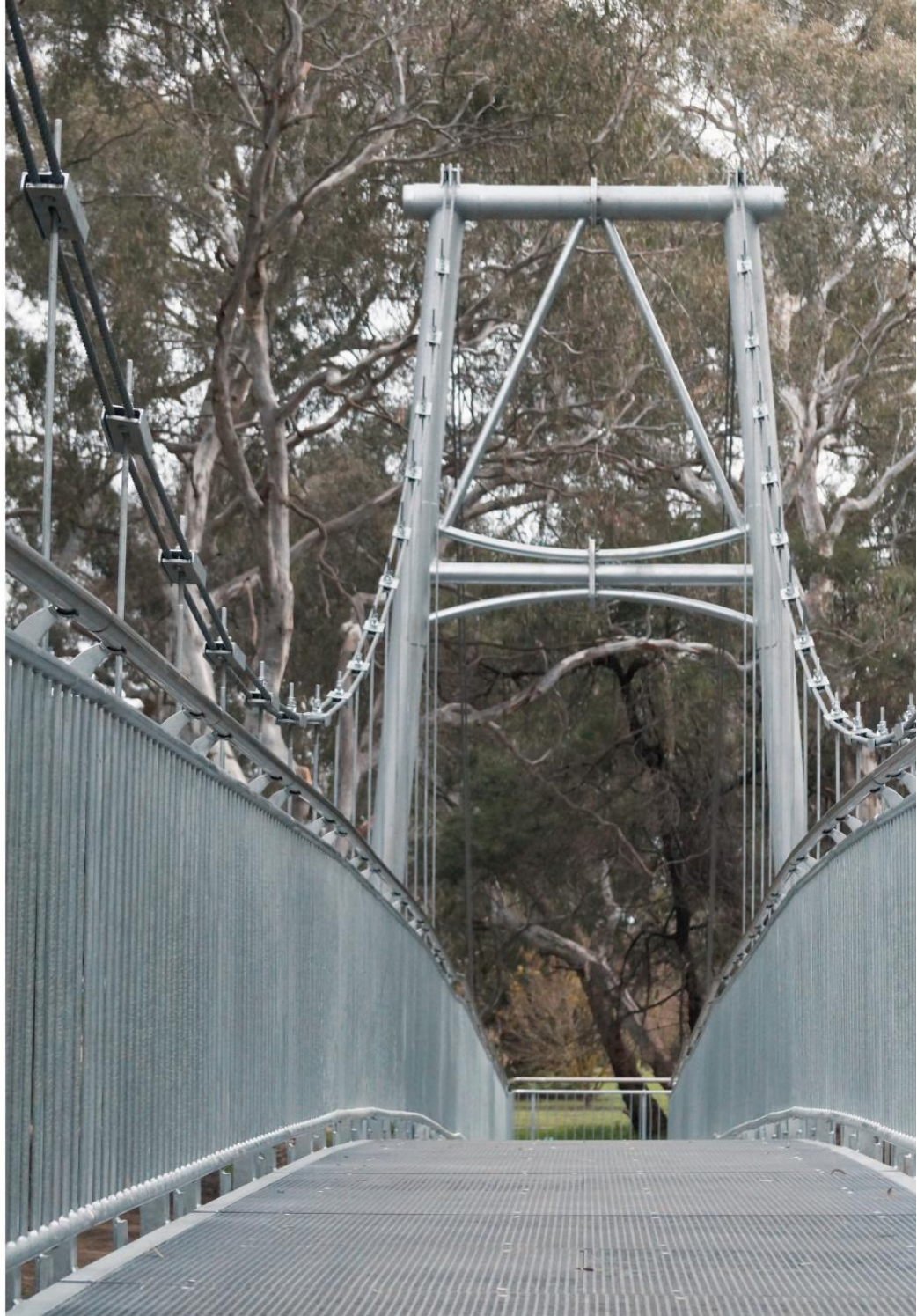
As a result, capital project delivery and assets valuation were impacted during the year.

Below is a highlight of some of the capital projects completed during 2022/23:

- A travelling exhibition space ARTBOX
- Whroovale Estate in Nagambie, updated open space
- A new play space in Avenel's Jubilee Park features swings, including an all-abilities swing, net swing, flying fox and two new play
- Nagambie Splash Park.

These capital works projects are demonstrating improved liveability and amenities for residents in our Shire.

Council is now looking forward to delivering more exciting capital works projects in 2023/2024.



Communication and Engagement

During the 2022/23-year Council continued its focus on best practice engagement with the establishment of a 120-member strong Share Strathbogie Community Panel.

The panel provides input into Council's important plans, projects, and strategies.

It's a big step for Council but shows our commitment to do more and do better.

Our goal is to strengthen community representation in our decision making. We know that we make better decisions when we're working with our community.

We want to increase opportunities for genuine, meaningful, and informed participation.

While the panel does not replace broad community engagement, it provides Council with the opportunity to engage in a more in-depth way.

It provides the opportunity for Council to create deliberative engagement opportunities more easily, which puts people – through informed discussions, involving diverse perspectives, and understanding lived experiences – at the heart of our decision making.

Panellists are asked to share their views on a wide range of topics from rates to recycling, pets to parks and environment to economic development.

Membership was not capped – so we welcomed all who put up their hand.

To read the Panel Guidelines go to www.strathbogie.vic.gov.au

SHARE STRATH BOGIE

4,125
community
contributions

77
projects



26,371
engagement hub
website views

Most engaged- with projects:

- Have your say on Public Art
- Pitch My Project & 2023/24 Budget
- Jubilee Park Play Space
- Euroa Community Cinema



245,611
council website
pageviews

62,643
council website users

**WWW.
strathbogie
story.com**

6,272
website
page views



2,454
website
visitors



Media



134
media
releases &
responses

38
radio & TV
interviews



Advocating for our region
Our Mayor, Cr Laura Blinks, has been advocating strongly for our region at the recently held Australian Local Government Association National General Assembly in Canberra. For Council, advocacy is an essential way of securing funding for the important projects and works that matter to our community, that Council alone cannot fund. Cr Blinks used her time to advocate for funding for Council's top five Advocacy Asks. She met with a host of Ministers, Shadow Ministers and Federal MPs. In particular during her meeting with Minister for Regional Development, Local Government and Territories, Kristy McBain, she discussed the need for increased and improved funding to repair our extensive road network and Kirwan's Bridge.

Scan the QR code to learn more about Council's Advocacy efforts.

ARTBOX launches featuring Aimee McCartney.
We are excited to have officially launched ARTBOX with the first exhibition featuring artist Aimee McCartney of Luruk-In. ARTBOX was made possible thanks to a Creative Victoria grant and is now in the Sevens Creek park in Euroa. The travelling art space will visit townships throughout the Shire featuring different artists. To learn more, or express your interest in exhibiting head to www.strathbogie.vic.gov.au



to inspire us Council is no Playground Strategy and know what's playground you seen a love? Share us what you The strategy direction on upgrade of spaces across the new be more opp when the dra To share your go to www.strathbogie.vic.gov.au, or drop a picture in a survey station.

Work with us
We're looking for talented people to join our team:

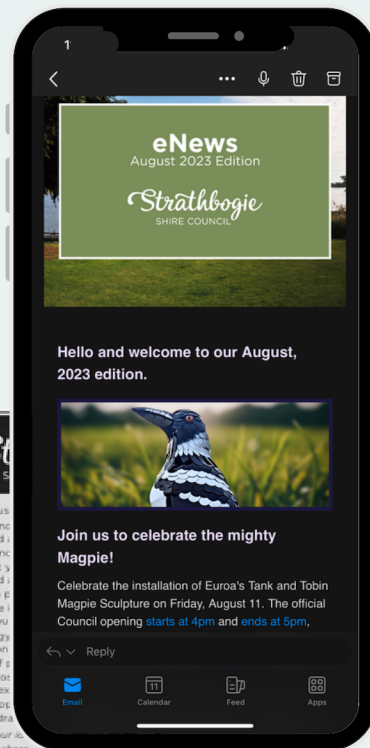
- **Works Supervisor - Euroa.** Full Time, ongoing. Band 5 + Industry allowance - \$68,270 annually + 11% super. Applications close 9am, 3 July 2023.
- **Principal Property Officer.** Full Time contract until February 2025. Band 8 - \$100,505 annually + 11% super. Applications close 9am, 3 July 2023.

Visit www.strathbogie.vic.gov.au for further details and instructions on how to apply.

Strathbogie Shire Council is an equal opportunity employer and a Child Safe organisation. We value diversity in our workplace and will consider flexible working arrangements.

Tenders
The following tenders are now open at Strathbogie Shire Council:

- **Community Engagement Consultancy** (contract number 22/23-03 - panel of suppliers). We're



12
eNews
editions

78
newspaper
columns



62,438
facebook
reach

2,196
instagram
reach



Challenges and Future Outlook

In October 2022 Strathbogie Shire was impacted by flooding which, in some areas, peaked above major flood levels.

More than 40 homes were inundated, about 100 houses were impacted by flood water and 27 community facilities were affected.

The agricultural sector lost crops, feed, and stock. It is estimated 10,842ha of farmland was devastated and about 80 primary producers accessed flood recovery funding.

Businesses across the region were shut down, some for the unforeseeable future. Council has worked with 20 businesses across our shire who have been adversely impacted.

More than 200 roads across our shire need repairs, with many of our roads unable to navigate safely without significant reductions in speed. The impact was so damaging, Council was forced to enact the Force Majeure clause under the Road Management and Tree Management plans because we cannot keep the roads to the standards required.

Council received 262 calls to report water over road and trees down during the flood event, with Officers working around the clock responding to calls for help.

On top of this 136.42 tonnes, or 593 cubic metres, of flood waste was collected at our transfer stations and we expect this number to grow as waste will continue to be accepted until 2 May 2023.

During the October flood event Council officers provided updates almost hourly, through our website, social media channels, via text message and even letterbox drops. This led to an increase in our social media reach of more than 175 per cent during October 2022.

The communities within Strathbogie Shire galvanised through this event with more than 150 people attending initial recovery meetings immediately after the events.

The community showed a strong desire and willingness to support one another, often finding innovative solutions to solve problems, address gaps and provide assistance.

This was particularly evident in communities that were well planned and had clear flood plans and responsibilities in place.

Continuing impact of the pandemic

The October 2022 floods came at a time when our community was still recovering from the impacts of the Coronavirus (COVID-19) Pandemic. Restrictions shattered the local economy in Strathbogie Shire and the community on many levels.

More than this, restrictions created isolation impacts on all residents – from the elderly to younger people.

The tourism and hospitality sectors reported a disproportionate decline in business and further exacerbating the pandemic impacts, businesses reported telecommunication and internet issues as well as ongoing supply chain issues making it difficult to source products necessary to the running of their business.

Social impacts stemming from the pandemic and October 2022 floods include social connection, mental health, hardship, employment, and the financial stability of the community.

Minister appoints a second Municipal Monitor

In May 2023, Municipal Monitor Peter Stephenson was appointed at Strathbogie Shire Council.

Mr Stephenson's appointment was the second monitor to work with Council during this term.

The first, Janet Dore, finished her appointment in July 2022 and her report was provided to Council in January 2023, and noted by Council at its February meeting.

Ms Dore provided Council with invaluable learnings and support. She provided an extra layer of education for Council in our pursuit of good governance.

Ms Dore's report can be found on Council's [website](#).

In appointing Mr Stephenson, the Minister for Local Government was responding to serious concerns about governance and conduct raised with her by Councillors, Council staff and independent members of Council's Audit and Risk Committee.

The Terms of Reference (ToR) to Mr Stephenson's appointment made it clear he has been appointed to assess the Council's ability to function properly.

Mr Stephenson's ToR can be found on Council's website (LINK).

The continuing impact of cost shifting

In November 2022 Strathbogie Shire Council Mayor, Cr Laura Binks, wrote to The Premier to express her concern about the extent of cost shifting from the State Government to Local Government.

In Strathbogie Shire we are experiencing significant cost pressures due to the following factors:

- declining levels of government grants and service funding agreements as proportionate to increasing costs and demand for service delivery and infrastructure
- announcements of new Victorian Government services such as free three-year-old kindergarten and the doubling of hours of four-year old kindergarten with minimal consultation which will require additional rooms, which has the potential to financially impact kindergarten infrastructure owned by Council,
- managing and renewing community assets, and
- State Government Rate Capping.

There is no doubt, this is negatively impacting the vital services and infrastructure Council delivers on behalf of our community.

Arrangements for many co-funded services such as emergency management, maternal and child health and school crossing supervisor program have also shifted in favour of the state over time.

New responsibilities are also put on councils, or transferred from existing state agencies, without sustainable resourcing.

Continued less than ideal investment in service provision, roads, maintenance, and renewal primarily due to State Government imposed cost shifting, rate capping and reduced grant funding will have long-term impacts on service delivery and infrastructure across our Shire.

At Strathbogie Shire we have called strongly for appropriate funding for services delivered on behalf of State Government.

Our community consistently tells us to focus on our responsibilities and the School Crossing Supervision Program for which Council may choose to exit is just one example of this.

Strathbogie Shire Council

Fast Facts

We deliver a wide range of infrastructure, services and programs to the Strathbogie Shire community.



- Managed 9884 customer requests
- Customer service took 17,469 phone calls
- More than 9500 people visited the Nagambie and Euroa Customer Service Centres
- Collected 1,124.6 tonne of kerbside waste
- Collected 1009.5 tonne of kerbside recycling
- Collected 1729 tonne of kerbside organics
- Achieved an average diversion rate of 70.15 per cent
- Achieved an average organics contamination rate of 1.24 per cent

We maintained

- 2213km of roads
(1465km unsealed, 748km sealed)
- 521 bridges and culverts
- 405 buildings and structures
- 13 community halls
- 400SQM garden beds
- 8 public toilets
- 26 playgrounds
- 11 sports grounds
- 42 hard courts and bowling greens
- 4 aquatic centres
- 4 kindergartens
- 4 Maternal Child Health Centre
- 7 transfer stations
- 15,207 street trees

A Message from the Mayor and CEO

There is no doubt the past year has truly tested the resilience of our community. We are proud, that in the face of significant challenges - combating floods, navigating the ongoing impacts of a global pandemic, and managing tight budgets - we have continued with deliver.

2022/23 brought our municipality an array of trials. Our community was not only affected by the ongoing impacts of the COVID-19 pandemic but also faced major flooding. Overcoming these challenges was only possible thanks to the cooperation of our residents, businesses, and the organisations that call our shire home.

The October 2022 floods tested our preparedness. We immediately acted, mobilising resources to help affected residents and drive recovery efforts.

Our budget constraints, exacerbated by the pandemic's economic impacts, required careful planning and allocation of resources. We faced tough decisions, but we remained committed to maintaining essential services and investing in infrastructure projects that matter to our community.

Amid these challenges, our greatest success was the remarkable engagement of our community. The strength of our shire lies in its people, and your resilience, empathy, and dedication shone through. Neighbours helping neighbours, businesses supporting local initiatives, and volunteers stepping up in times of crisis.

We are incredibly proud that 120 members of our community put their hands up to be part of our first ever Share Strathbogie Community Panel – which modernises our engagement approach and delivers on our commitment to best practice engagement.

Another example of our community's spirit is the establishment of our Local Emergency Action Plans (LEAP) in Violet Town, Avenel and Euroa. Through this process community committees came together, with emergency services and Council to identify ways to be better prepared for emergencies and able to respond and recover from these events.

Our dedication to project delivery also remained strong. We successfully completed key infrastructure projects and advanced our sustainability agenda. Some examples of this are a new play space at Avenel's Jubilee Park, the opening of the Nagambie Splash Park, an accessible inclusive toilet at Friendlies Oval and a new travelling exhibition space ARTBOX and the adoption of our Climate Change Action Plan, which will ensure we continue to be leaders in this space.

As we look forward, the road ahead remains challenging. The impacts of COVID-19 and the floods are not over. We will continue to navigate these challenges with determination and out-of-the-box thinking, along with a commitment to the well-being of our community.

The realities of limited budgets demand continued vigilance and innovation. However, we are prepared to meet these challenges head-on. Our advocacy efforts are strong, and we are working hard to ensure the funders understand the impacts of limited funding in Local Government.

We would like to whole-heartedly thank our community and our staff for their support. Together, we will shape a more resilient, prosperous, and sustainable future for our city.

Cr Laura Binks
Mayor

Julie Salomon
Chief Executive Officer

Community Satisfaction Survey Results

The Local Government Community Satisfaction Survey (CSS) is coordinated by the State Government but is primarily funded by participant Councils and conducted by independent researcher JWS Research.

The purpose of the survey is to measure how Victorian residents rate the performance of their Council. The results are useful to Councils as they highlight areas in need of improvement and enable them to track performance over time.

The 2023 survey moved to quarterly interviewing with phone calls occurring in June/July, September, November/December in 2022 and January 2023. As with previous years the survey was conducted via a random telephone survey of 400 Strathbogie Shire residents aged 18-plus years old.

2023 Results

Perceptions of overall performance in Strathbogie Shire Council have declined over the last 12 months, though not to a statistically significant degree.

Council's overall performance achieved an index score of 53, down from 56 in 2022, which is in line with the small rural group average.

- Residents aged 65 years and over rate overall performance the highest (index score of 57, although this is not significantly lower than the Council average).
- Residents aged 35 to 49 years rate over performance the lowest (index score of 44) – significantly lower than the Council average.
- Perceptions of overall performance among women declined significantly in the last 12 months (index score of 51, down seven points from 2022).

Just over one in five residents (21%) rate the value for money they receive from Council in infrastructure and services provided to their community as 'very good' or 'good'. Twice as many rate Council as 'very poor' or 'poor' (42%) on the same metric. A further 34 per cent rate Council as 'average' in terms of providing value for money.

In almost all other service areas, Council performs in line with last year's results, having not significantly changed.

The exceptions are arts centres and libraries, where Council's performance rating increased significantly over the last 12 months, and decisions made in the interest of the community, where in contrast, perceptions significantly declined.

Council performs in line with both the small rural group and the state-wide average for councils in half of the individual service areas evaluated.

On the appearance of public areas and waste management, Council performs significantly higher than the small rural group and the state-wide average. In contrast, Council's performance is rated significantly lower than both group averages on informing the community, the condition of local streets and footpaths and community decisions.

The table below provides a summary of Strathbogie Shire Council's performance.

Service	Strathbogie results				Small Rural 2023
	2023	2022	2021	2020	
Overall performance	53	56	57	50	55
Value for money	41	42	41	-	49
Council direction	45	50	55	51	47
Customer service	69	73	69	72	65
Public areas	74	73	74	-	71
Recreational facilities	67	68	65	-	67
Arts centres and libraries	71	67	67		73
Waste management	69	67	67	62	66
Tourism development	61	62	61	62	61
Business / tourism	60	60	59	-	61
Environmental sustainability	57	59	57	56	59
Enforcement of local laws	59	57	61	59	61
Informing the community	53	55	56	55	58
Lobbying	52	54	51	50	52
Consultation and engagement	50	52	52	50	53
Community decisions	47	51	52	49	52
Local streets and footpaths	47	47	52	46	52
Planning and building permits	47	44	51	-	45
Sealed local roads	45	47	51	51	44
Unsealed roads	36	40	42	41	38

	Significantly higher		Significantly lower
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Participants were also asked what was the one best thing about Strathbogie Shire Council and what does Strathbogie Shire Council most need to do to improve its performance?

The table below provides the top mentions in each of the above questions.

2023 best things about Council (%)	2023 areas for improvement (%)
Customer service (13)	Sealed road maintenance (26)
Parks and gardens (10)	Community consultation (9)
Road/street maintenance/streetscape (6)	Unsealed road maintenance (9)
Community engagement/involvement/approachable (6)	Financial management (9)
Tourism (5)	Footpaths/walking tracks (8)
Public areas (5)	Rates – too expensive (8)
Recreational/sporting facilities (5)	Council management (6)
Location (4)	Roads/bridges – better (6)
Waste management (4)	Nothing (4)
Councillors/good representation of community/local/know them (3)	

Our response

In response to this year's survey results, officers developed an action plan to ensure we continue driving improvements for our community. We ask for the community's support as we work towards our vision of vibrant communities who are respectful, optimistic and inclusive.

Continue to streamline planning processes

1. Promote the importance of officer pre-application meetings.
2. Update Council's website to provide clear and easy to understand planning information.
3. Implement new planning software to allow for online lodgement and payment of planning permit applications and to streamline internal process to improve decision making times.

Community Decisions

1. Promote the 'follow' option on Share Strathbogie, which notifies participants of updates.
2. Work on 'closing-the-loop' with participants by providing engagement reports where possible through Share Strathbogie, but also promoting their availability on our website.
3. Councillors will proactively provide information back to the community about how their input was used in their decision making.
4. Work with the Share Strathbogie Community Panel to share information on decision making and arm them with the information to share this throughout their communities.

Increasing Council presence in the community

1. Project Unite – the Share Strathbogie Bus. Establish a mobile engagement hub, office and information centre that will visit townships throughout the Shire. It can act as a:

Mobile engagement hub (to gather feedback on Council plans and projects)
Mobile office (community can meet with officers on any topic at any time)
Flood resilience hub (to drive community building projects)
Councillor listening post (to increase opportunities to speak to elected officials)
Community ideas factory (share ideas, unite and work together)
Community learning centre (help share information our role and services).

Most importantly it aims to create unity between Council and the community to work together and drive projects and decisions that make our shire a better place to live.

Pulse surveys to gather further detail and advice

1. Establish a pulse survey that gives Council the ability to measure feedback. Pulse surveys are shorter, more frequent check-ins, that are not bound to measuring specific topics. We will target people who have had contact with Council to gather information on the specific service they are using. From here we can gather and drive improvements, using tailored feedback and advice.

Continue our Road Blitz

1. Continue our advocacy campaign for funding to maintain and improve our road network and enhance the resilience of our roads.
2. Enact the Special Charge Scheme. This co-contribution arrangement will stretch funding further – meaning more road works throughout the Shire.
3. Improve our maintenance schedule. Reviewing our maintenance regime and service levels will establish better and more effective long-term outcomes.
4. Share road management information better. Develop an interactive website content that ensures our community knows what, when, where and how when it comes to road maintenance.

Financial Performance Summary

Long-term financial sustainability is a key objective of Council's Financial Plan. Strathbogie Shire continues to be in a strong financial position. A summary of our performance is outlined below. Detailed information relating to Council's financial performance is included with the Financial Statements and Performance Statement sections of this report.

Operating position

The balance sheet indicates our assets are more than adequate to meet liabilities, which is an important measure of liquidity. Debt levels continue to be closely managed with debt at \$3.6 million at 30 June 2023. Debt levels remain low when comparing to Strathbogie Shire's asset base of \$359.9 million, providing borrowing capacity for the future. The operating surplus was \$6.77million and the underlying position remains sound.

Revenue was \$46.3million with rates and charges raising \$21 million, based on 8,031 assessments. The reliance on rate revenue in 2022-2023 was 46 per cent compared with 56 per cent in 2021/2022. This reflects additional grants income for flood recovery and sound financial management and Shire's commitment to infrastructure renewal and financial sustainability. It also strengthens our financial capacity to deliver on the objectives and strategies of the Council Plan and Financial Plan.

Net operating result

Strathbogie Shire achieved an operating surplus of \$6,771,007, this was due to the receipt of the 2023/24 full allocation of the Grants Commission Financial Assistance funds in 2022/23 and unbudgeted flood recovery grants of \$3,973,119.

Capital expenditure

Council completed \$13.5 million worth of projects for 2022/23, representing an increase of 85% over the previous year as unplanned flood recovery works and majority completion of other major capital projects like Violet Town Landfill restoration and Nagambie Boardwalk. Major increases in infrastructure items like roads, bridges and culverts, parks and open space and building are due to restoration of damages caused by the October 2022 Flood event.

Borrowings

New borrowings for Violet Town landfill rehabilitation work and Euroa Saleyard truck wash were completed in June 2023. The outstanding loan amount as at 30 June 2023 is \$3.6 million.

Cash and other financial assets

Council's cash position as at 30 June 2023 was represented by cash on hand and investments of \$25.1 million. This represents an increase in cash holdings of \$1.9 million during the 2022/23 financial year due primarily to receipt of increase in grants and insurance recoveries due to the October Flood. A number of capital works will also be carried over into the 2023/24 financial year.

The value of Council's property, infrastructure, plant and equipment non-current assets as at 30 June 2023 is \$359.9 million, an increase of \$35.7 million, due primarily to an external revaluation of infrastructure assets and completion of new projects.

Council's end-of-year working capital ratio is 2.31:1, which is greater than the target ratio of 1.1:1. This ratio is used to assess Council's ability to meet current commitments and is derived by dividing current assets by current liabilities.

Our Council



Mount Wombat Ward

Cr Laura Binks (Mayor)

0437 906 687

laura.binks@strathbogie.vic.gov.au



Lake Nagambie Ward

Cr David Andrews

0498 463 094

david.andrews@strathbogie.vic.gov.au

Resigned June 2023



Hughes Creek Ward

**Cr Paul Murray
(Deputy Mayor)**

0450 091 501

paul.murray@strathbogie.vic.gov.au



Lake Nagambie Ward

Cr Reg Dickinson

0437 932 147

reg.dickinson@strathbogie.vic.gov.au



Honeysuckle Creek Ward

Cr Chris Raeburn

0439 903 993

chris.raeburn@strathbogie.vic.gov.au



Seven Creeks Ward

Cr Kristy Hourigan

0427 105 836

kristy.hourigan@strathbogie.vic.gov.au



Seven Creeks Ward

Cr Sally Hayes-Burke

0427 397 801

sally.hayes@strathbogie.vic.gov.au

Our People



Chief Executive Officer

Julie Salomon

Julie.salomon@strathbogie.vic.gov.au



**Director Sustainable
Infrastructure**

Vlad Adamek

Vlad.adamek@strathbogie.vic.gov.au



**Executive Manager
Communications and
Engagement**

Kristin Favaloro

Kristin.favaloro@strathbogie.vic.gov.au



**Director Community
and Planning**

Amanda Tingay

Amanda.tingay@strathbogie.vic.gov.au

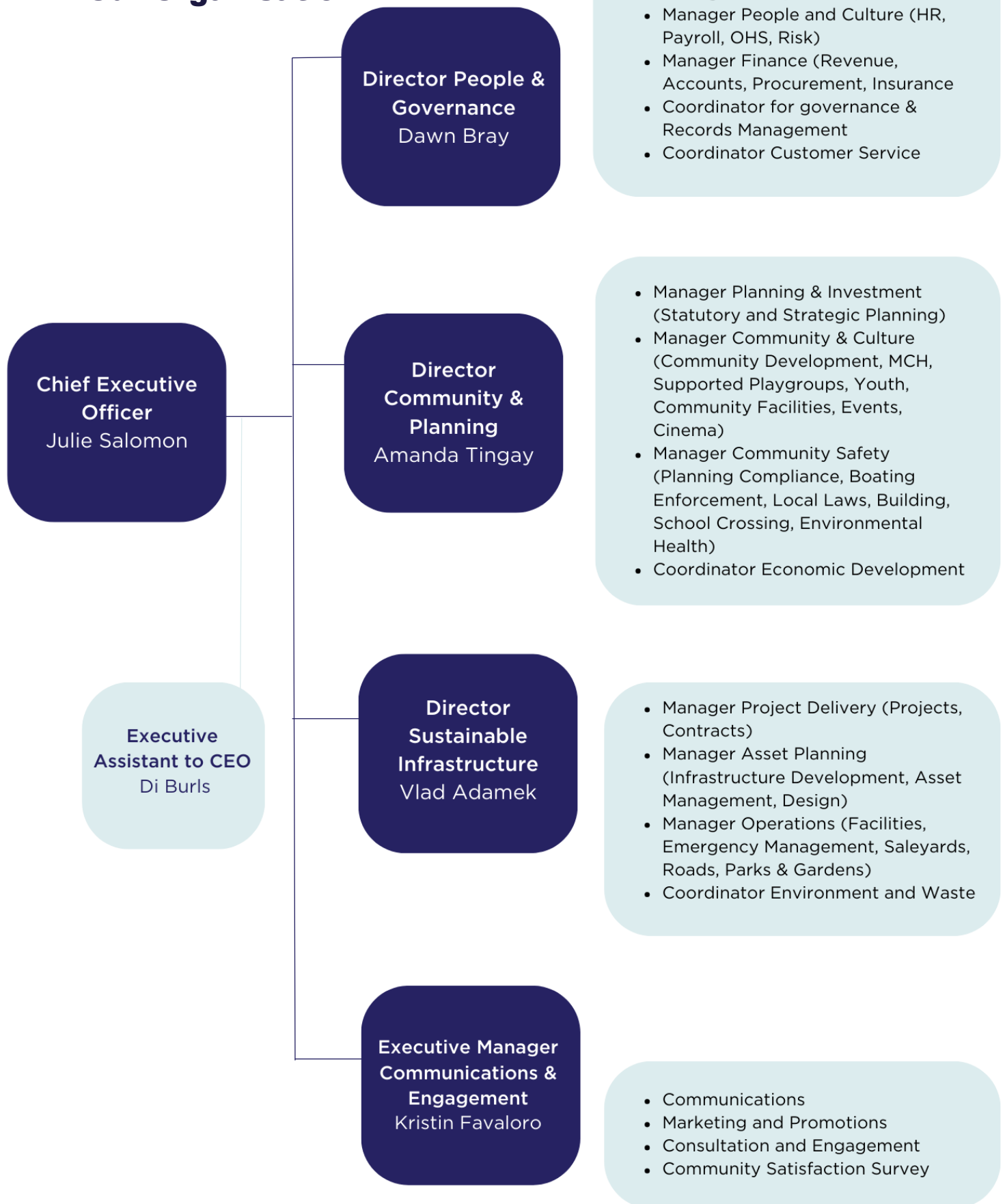


**Director People and
Governance**

Dawn Bray

Dawn.bray@strathbogie.vic.gov.au

Our Organisation



Our Staff

Strathbogie Shire Council is one of the largest employers in the municipality. We employ approximately 140 permanent and temporary employees on a full time, part time, and casual basis. Two-thirds of our staff also live within the municipality meaning our people bring a local passion, perspective, and knowledge to the services they provide.

Roughly half of our staff are female, and a significant portion of the female workforce is made up of part time staff at different levels within the organisation. We try to limit the number of casual staff and temporary contracts in the workforce to provide job security.

The table below shows the number of full-time equivalent staff in each department.

	Executive /C&E	Community & Planning	Sustainable Infrastructure	People & Governance	Total FTE
Permanent Full Time (W)	5	7	7	8	27
Permanent Full Time (M)	0	8	52	3	63
Permanent Full Time (X)	0	0	0	0	0
Permanent Part Time (W)	2.3	20.8	1.4	10.8	25.3
Permanent Part Time (M)	0	0	4.2	0	4.2
Permanent Part Time (X)	0	0	0	0	0
Casual (F)	0	0	1	0.6	1.6
Casual (M)	0	0	0.1	0	0.1
Casual (X)	0	0	0	0	0
Total	7.3	25.8	65.6	22.4	121.1

W- Woman | M- Men | X – Self Described Gender

The table below shows the number of full-time equivalent staff in each banding (B).

	B 1 FTE	B 2 FTE	B 3 FTE	B 4 FTE	B 5 FTE	B 6 FTE	B 7 FTE	B 8 FTE	Other FTE	Total FTE
Permanent Full Time (F)	0	0	0	3	2	10	3	1	8	27
Permanent Full Time (M)	0	0	32	9	1	5	5	2	9	63
Permanent Full Time (X)	0	0	0	0	0	0	0	0	0	0
Permanent Part Time (F)	0	0.3	0	10.1	2.8	7.6	1.6	0.4	2.5	25.3
Permanent Part Time (M)	0	2.3	0.5	0	0.7	0	0	0	0.7	4.2
Permanent Part Time (X)	0	0	0	0	0	0	0	0	0	0
Casual (F)	0	1	0	0.6	0	0	0	0	0	1.6
Casual (M)	0	0.1	0	0	0	0	0	0	0	0.1
Casual (X)	0	0	0	0	0	0	0	0	0	0
Total	0	3.6	32.5	22.7	6.6	22.6	9.6	3.4	20.2	121.1

Flexible Working Arrangements

Council provides a range of flexible working arrangements including:

- Work from home
- Flexible start and finish times
- Working more hours across fewer days (e.g. nine-day fortnight)
- Part Time
- Study Leave
- Purchase of additional leave.

We have seen an increase in uptake of flexible working arrangements in recent years, and Council supports these arrangements to promote Equal Employment Opportunity across the organisation.

Employment Conditions

Our employees are covered by the Strathbogie Shire Council Enterprise Agreement and negotiations for the tenth agreement began in April 2023. To date, negotiations have been pleasant and productive, with the renewal expected by the end of 2023.

The Agreement covers the terms and conditions of employment and provides for many benefits, including those related to family friendly work environments, leave allowances and creating a workplace that values 'balance' and benefits that contribute to employee wellbeing and productivity.

Professional Development

To ensure a highly skilled and productive workforce, Council provides many avenues for professional development and personal growth including on and off the job training, online learning short courses, workshops, conferences, and formal study options taking into consideration departmental, interpersonal, and organisational needs.

Throughout 2023 a dedicated officer has been working through a skills gap analysis for future planning across the organisation to assist with the attraction, retention, and development of our staff. This project is expected to conclude in June 2025.

Occupational Health and Safety

In 2022/23 Strathbogie Shire Council actively implemented a range of health and safety initiatives and training courses to ensure the safety of our staff, volunteers, contractors, and members of the public remains a priority. Additional training and professional development programs were held for staff to gain required skills and knowledge to assist them in their day-to-day operations, some of these included:

- Emergency Warden Training
- Introduction to Local Government
- First Aid and CPR
- Mental Health First Aid
- OHS Managers Refresher Training
- OHS Construction Industry Training (White Card)

Recruitment

Recruitment has increased in recent years due to a large number of employees vacating positions for various reasons – moving from the area, higher paid opportunities, retirement, or career changes. This is indicative of the ‘Great Resignation’ that started in 2022 as predicted following the COVID-19 pandemic.

Across 2022/23, we filled 53 vacancies across the organisation. At times Council has struggled to fill these vacancies with suitably experienced and qualified people. Like many local organisations and businesses, Council is experiencing severe staff shortages.

Recognition Of Years Of Service

Strathbogie Shire values the important role its staff play in the success of the organisation. Staff are recognised for their length of service and receive a certificate signed by the CEO and the Mayor and a gift voucher. The staff service awards presented in 2022/23 went to:

- One employee for 20 years
- Six employees for 15 years
- Four employees for 10 years
- Six employees for 5 years

Employee Wellbeing

Council continues to focus on health and wellbeing of its employees.

An Employee Assistance Program (EAP) is in place for all employees and their families. The EAP aims to ensure that all staff who experience hardship are able to discuss in confidence matters either work related or personal that may be affecting their lives. Appointments are either in person, via phone, or via video conference to ensure employees can access the service in a way that suits them. The service is provided at no cost to the staff member or their family.

Council undertook a Staff Engagement Survey in December 2022 and participated in the People Matter survey in relation to Gender Equality in the public sector in June 2023 to help inform on the areas Council could improve on like performance, retention, and innovation.

Feedback from the survey challenged our Executive Leadership Team to think about how to progress to a more united organisation, get employees involved, and recognised them for their great work. There have since been more regular all staff meetings with a plan to have them face-to-face at least quarterly. We are also currently reviewing the processes for short-term acting positions to make opportunities performing higher duties more accessible to all.

Our Reward and Recognition CEO Directive has also been reviewed and as a result a new category of award has been introduced. The ‘Shout Out Star Award’ is a recognition for great work and nominations are open to all employees.

Pre-Employment Screening is utilised as part of the recruitment process to ensure that all preferred candidates have the ability to carry out the inherent requirements of the role and that no potential employee is put at risk in a position that does not suit them physically. It also enables Council to make reasonable adjustments to the role or workplace to ensure the best person for the role is not disadvantaged in any way.

Equal Employment Opportunity

Council is committed to providing a workplace that is free from bullying, sexual harassment, harassment, discrimination, and victimisation and where staff, Councillors, contractors, prospective employees, and volunteers treat each other with respect, courtesy, and dignity.

We continue to work through our Workforce Plan and Gender Equality Action Plan, both were developed in 2020, and look forward to our progress report for the Gender Equality Action Plan due in February 2024 to see the progress we have made.

Delivering on our Council Plan

2021/22 Actions

- 75 per cent of actions are 100 per cent complete
- six per cent of actions are more than 80 per cent complete
- four per cent of actions are between 50 to 75 per cent complete
- four per cent of actions are less than 50 per cent complete
- two per cent of actions are not started, and
- nine per cent of actions are ongoing

2022/23 Actions

- 35 per cent of actions are 100 per cent complete
- seven per cent of actions are more than 80 per cent complete
- 30 per cent of actions are between 50 to 75 per cent complete
- 19 per cent of actions are less than 50 per cent complete
- two per cent of actions are not started, and
- seven per cent of actions are ongoing

Strategic Focus Area 1: Engage. Create. Unite

Key initiatives for 2021/25

Initiative	Percentage complete	Comment
1.1 Work with the Taungurung Land and Waters Council/other First Nations people residing in our shire and the community on the integration of cultural awareness into existing programs	5	Regular engagement with Taungurung Land and Waters Council regarding a number of initiatives.
1.2 Establish a joint consultative team with the Taungurung Land and Waters Council to review, monitor and provide feedback on the implementation of infrastructure projects	20	Officers are liaising with Taungurung Land and Waters Council regarding requirements under the Land Use Activity Agreement.
1.3 Embed a Partnership Plan, outlining the approach, principles and assessment criteria, across the organisation.	0	Not started
1.4 Prepare and adopt a Social Inclusion Strategy which adopts an intersectionality approach to identify the guiding principles to promote equal rights and opportunities for everyone, redressing social and economic inequalities.	0	Not started
1.5 Review and implement the Arts & Culture Strategy to support the community in driving diversity in activities and events.	0	Not started

Actions for 2021/22

Action	Percentage complete	Comment
1.1.1 Adopt the draft Memorandum of Understanding with the Taungurung Land and Waters Council.	100	A MoU between the Taungurung people and Strathbogie Shire Council was signed and adopted in October 2021.
1.1.2 Complete and implement a review of the Advisory Committee structure to adopt a best practice approach.	95	Work on this has progressed significantly with a review of the current advisory group structure complete. Councillors and Officers completed Engagement Essentials training by the International Association of Public Participation.
1.1.3 Launch a new Strathbogie Shire website with enhanced usability and customer focussed functionality, with a focus on maximising paperless transactions and self-service.	100	Council launched its new website in May 2022 to make it easier for our community members to find information, make payments and access our services.
1.1.4 Adopt and implement an Advocacy Strategy to outline the approach, principles and focus of Council's advocacy activities.	100	Council released its Advocacy Ask - Invest. Live. Visit. Play - in late 2021.

1.1.5 Prepare and adopt a Strathbogie Shire Brand Strategy	100	Council adopted the renewed brand strategy in May 2022. A new corporate brand is an update, refresh or renewal of our current brand. Council will stop using the boxes and instead using a stronger style font that better represents the rivers and ranges of Strathbogie Shire.
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Actions for 2022/23

Action	Percentage complete	Comment
1.1.1 Work in partnership with the Taungurung Land and Waters Council to implement the Memorandum of Understanding.	50	Work is continuing with Taungurung Land and Waters Council to implement the Memorandum of Understanding.
1.1.2 Complete and implement a review of the Advisory Committee structure to adopt a best practice approach.	100	Following the actions completed in 2021/22, Council adopted a new best-practice engagement model in September 2022. The approach has seen the formation of a Community Panel, often known as a Standing Panel, which is a group of people brought together to collaborate with Council on many issues over a long period of time. The new approach aims to generate trust, build contribution, and create better outcomes for Council and our community.

Strategic Focus Area one performance

Indicator	Data source	Goal	Result for 2021/22	Result for 2022/23	Comment
Satisfaction rating - art centres and libraries	Annual Community Satisfaction Survey	Increase on 2021 result of 67	67	71	This result continues to increase. Achievements include the launch of Council's mobile gallery space ARTBOX.
Satisfaction rating - lobbying	Annual Community Satisfaction Survey	Increase on 2021 result of 51	54	52	This result reflects the strong focus on advocacy at State and Federal levels on issues raised by the community, particularly through the development of our Advocacy Ask.
Satisfaction rating - consultation & engagement	Annual Community Satisfaction Survey	Increase on 2021 result of 52	52	50	Council continues to be committed to meaningful community engagement. Since Council's online engagement platform www.share.strathbogie.vic.gov.au launched in 2021 we have engaged on 69 projects, achieved 52,851 views and collected 8642 individual pieces of feedback.

Satisfaction rating - informing the community	Annual Community Satisfaction Survey	Increase on 2021 result of 56	55	53	Council's communication activities are continuing to develop. Initiatives in 2022/23 include a new website, eNews, survey stations in all townships.
Satisfaction rating - community decisions	Annual Community Satisfaction Survey	Increase on 2021 result of 52	51	47	We believe this result reflects some significant and challenging decisions made by Council in 2022/23. Timing of the survey was consistent with these decisions.
Meetings conducted with the eight Action Groups	Council data	One meeting per group	1	4	Council ran four workshops with Action Groups over the past financial year. This included a Q&A session with Council staff including Ops, Projects, Events and Community and three externally facilitated workshops on the following topics "Valuing our volunteers" "Fundraising 101" "Insurance and Risk"

Strategic Focus Area 2: Live. Access. Connect

Key initiatives 2021/25

Initiative	Percentage complete	Comment
2.1 Ensure that upgrades of Council facilities, as identified in the capital works program, are compliant with the <i>Disability and Discrimination Act 1992</i> to improve access for people of all abilities.	100	All projects designed and scoped during the year were compliant with the Act to maximise accessibility.
2.2 Develop and promote information to increase awareness of the services available across the Shire and the referral pathways to access them.	100	A brochure increasing awareness around local services and how to access them has been created. Attention now turns to promoting this information via Council's website and through partner agencies and services.
2.3 Review and implement the Tracks and Trails Strategy to improve connectivity and physical activity across the municipality.	0	Not started
2.4 Advocate to the State government to deliver expanded public transport options to connect the community to local services and facilities.	40	March 2023 fare reductions welcomed. Advocacy efforts targeted as opportunities present.
2.5 Scope and secure funding for the development of a Cycling Strategy	30	Key action under the Climate Change Action Plan. Tender released and awarded. Consultants currently undertaking background research, with public consultation to commence in October 2023. Final report, due in February 2024.
2.6 Prepare and implement a playground strategy following the adoption of the Open Space Strategy	40	Tender awarded and work underway. Audit of existing complete. Development of draft Playground and Open Space Strategy underway.

Actions 2021/22

Action	Percentage complete	Comment
2.1.1 Complete an Asset Plan to guide future investment in buildings, plant and infrastructure through the 10 Year Capital Budget.	100	Council adopted the Asset Plan at its 21 June 2022 meeting.
2.1.2 Review resources and service standards to align with the Asset Plan and Road Management Plan.	0	The Assets Plan was adopted in June 2022 and therefore the resource review will follow in 2022-23.

2.1.3 Work with Nagambie Health Care to progress the delivery of enhanced services and facilities at the Nagambie Ageing Hub.	100	Council resolved to finalise and sign a Memorandum of Understanding with Nagambie Health for this project at its February 2022 meeting.
2.1.4 Lobby State and Federal governments to fund improved digital and telecommunications infrastructure.	100	Council led NBNCO community engagement sessions in every town across the Shire. New mobile towers erected at Boho, Euroa, Kirwans Bridge, Locksley, Mangalore, Nagambie, Tabilk and Violet Town.
2.1.5 Develop and implement promotional material for existing community bus services	100	Promotional material has been completed and released through the Shire's new website.
2.1.6 Support the work being undertaken by the Euroa Mountain Bike Club for the development of a mountain bike track at Balmattum Hill through advocacy with Parks Victoria and relevant departments.	100	\$241.6K Victorian Government funding received to investigate, scope, plan and cost an all-abilities Mountain Bike Facility on Balmattum Hill.

Actions 2022/23

Action	Percentage complete	Comment
2.1.1 Implement the Asset Plan to guide future investment in buildings, plant and infrastructure through the 10 Year Capital Budget.	50	Strategic Asset Plan adopted. Yearly programs and budgets, based on the Asset Plan.
2.1.2 Review resources and service standards to align with the Asset Plan and Road Management Plan.	100	Long Term Financial Plan to be updated through the 2023/24 Draft Budget to ensure adequate funding for asset management in line with Asset Plan.
2.1.3 Lobby State and Federal governments to fund improved digital and telecommunications infrastructure.	100	Council led NBNCO community engagement sessions in every town across the Shire. New mobile towers erected at Boho, Euroa, Kirwans Bridge, Locksley, Mangalore, Nagambie, Tabilk and Violet Town.
2.1.4 Work with community groups to expand existing community bus services.	60	Audit of transport services completed for each townships and gaps identified. Community Development officer to work with community to assess appetite to expand.
2.1.5 Support the work being undertaken by the Euroa Mountain Bike Club for the development of a mountain bike track at Balmattum Hill through advocacy with Parks Victoria and relevant government departments.	20	\$241.6K Victorian Government funding received to investigate, scope, plan and cost an all-abilities Mountain Bike Facility on Balmattum Hill. Following a competitive tender process Stantec has been appointed to undertake the feasibility and design.
2.1.6 Prepare a Playground Strategy.	40	Tender awarded and work underway. Audit of existing spaces complete. Development of draft strategy underway.

Strategic Focus Area two performance

Indicator	Data source	Goal	Result 2021/22	Result 2022/23	Comment
Satisfaction rating - local streets and footpaths	Annual Community Satisfaction Survey	Increase on 2021 result of 52	47	47	This result is a decline on the performance in 2021, which we believe is due to the impacts of ongoing wet weather and the October 2022 flood which we have estimated caused up to \$50 million in damage.
Satisfaction rating - lobbying	Annual Community Satisfaction Survey	Increase on 2021 result of 51	54	52	This result is an increase on our 2021 performance and reflects our focus on advocacy efforts with State and Federal governments. In 2022/23 we have received more than \$5 million in grants and funding.
Percentage completion - projects delivered in capital expenditure budget	Council data	Increase on 2021 result of 85%	77%	75%	Several capital projects were deferred in the adopted mid-year budget to undertake necessary works that were required following the October 2022 flood event.
Infrastructure spend per head of municipal population	Local Government Performance Reporting Framework (Know Your Council)	Increased spend from figure of \$25,715.25	\$26,428	TBA	Figures will be available when the external audit is completed in early October.
Asset renewal and asset upgrade as a percentage of depreciation	Local Government Performance Reporting Framework (Know Your Council)	Increased spend from figure of 128.09%	75.62%	TBA	Figures will be available when the external audit is completed in early October.

Strategic Focus Area 3: Protect. Enhance. Adapt.

Key initiatives 2021/25

Initiative	Percentage complete	Comment
3.1 Implement the Climate Change Action Plan for Council operations, which explores initiatives such as an urban forest strategy, micro-grids for our towns and auditing council facilities to identify opportunities to minimise their net environmental impact.	20	The Climate Change Action Plan was adopted by Council in August 2022. This is a four year action plan and progress on the plan is listed on council's website.
3.2 Prepare a planning scheme amendment to include an environmentally sustainable development policy that responds to climate change and minimises adverse environmental impacts created by new development.	100	Council is participating in a partnership with a number of other Victorian councils to develop a planning policy and other planning tools to improve design outcomes for new development. This work will continue in 2023/24.
3.3 Strengthen project scoping and design outcomes to maximise environmental benefit, including the management of stormwater to improve water quality	20	Our application for the Strathbogrie Shire Floods, Flash Flooding and Storm Surges Strategy development proposal has been successful in securing \$150,000 from both the Commonwealth and State Government totalling \$300,000. Once funding agreements are executed, a tender process will commence to appoint a consultant to undertake this important work.
3.4 Creation of a Significant Tree Register.	20	Work has commenced on reviewing other models used by Victorian Councils. Work will continue on this initiative in 2023/24.
3.5 Investigate, in partnership with Goulburn Valley Water, opportunities to green open spaces in towns with recycled water from the town's wastewater treatment plant.	100	Advocacy campaign launched at www.strathbogrie.vic.gov.au
3.6 Complete community engagement around the State Government's new four-waste bin system to determine the structure of the service for tender purposes.	100	An extensive community engagement process was completed in the early part of 2022 around support for options for the new 4 bin system. More than 800 residents responded to our online survey to identify a preferred option out of three service models with different costs, collection frequencies for the various bins and different outcomes for waste diversion objectives. The voting for the three options was closely contested, however the option with most votes (294) was Scenario 1 - waste and recycling bins collected fortnightly, food/green waste weekly and glass monthly.

Actions 2021/22

Action	Percentage complete	Comment
3.1.1 Develop and implement the Climate Change Action Plan.	80	Public consultation on the development of the action plan was delayed due to COVID-19 pandemic restrictions, however significant progress was made on the drafting of the Plan. It is expected the draft plan will be put to Council for consideration in the first quarter of the 2022-23 financial year.
3.1.2 Be the lead Council for the Naturally Cooler Towns initiative in partnership with the Goulburn Murray Climate Alliance.	100	The report has been finalised in partnership with the Alliance and our attention now turns to action implementation.
3.1.3 Finalise the detailed design for the Greening Euroa project in partnership with Goulburn Valley Water	100	The design is complete and efforts now turn to advocacy for funding the project.
3.1.4 Implement actions from the Southern Goulburn Waste and Resource Recovery Strategy.	100	All actions for the 2021/22 year have been completed.
3.1.5 Complete the Violet Town landfill rehabilitation project.	50	The tender process has almost been completed to appoint a suitably qualified contractor to undertake the works. The Environment Protection Agency have approved the design of the rehabilitation works and an independent environmental assessor appointed to confirm that environmental standards are being met through the life of the project.
3.1.6 Involve the community in tree planting projects across the Shire.	20	Community tree planting initiatives are starting to occur following covid-19 restrictions. A tree planting morning was held at the Rockie Bridge and there is a community tree planting session planned for July 2022 at Strathbogie Spring Creek Reserve.
3.1.7 Implement actions from the Domestic Wastewater Management Plan to support growth within existing townships and mitigate health risks from wastewater.	0	Our Domestic Wastewater Management Plan is due for renewal. Partial funding approved to develop a new Wastewater Management Plan. Plan proposed to be developed and implemented in 2023/2024.
3.1.8 Advocate to Federal and State governments for investment in reliable power supply infrastructure with a focus on renewable energy.	100	\$10.3 Million submission made for funding to implement community batteries in Violet Town, Avenel, Euroa and Strathbogie. Further submission made in conjunction with Goulburn Murray Climate Alliance for battery business case in Euroa.
3.1.9 Complete a feasibility study for reuse shops at our resource recovery centres.	100	The feasibility study has been completed and the next phase of this project is seeking funding for the construction of a reuse shop at the Nagambie Resource Recovery Centre.

Actions for 2022/23

Action	Percentage complete	Comment
3.1.1 Develop and implement the Climate Change Action Plan.	20	The Climate Change Action Plan was adopted by Council in August 2022. This is a four year action plan. Progress on actions are listed on Council's website.
3.1.2 Integrate the Naturally Cooler Town initiative into day-to-day operations in partnership with the Goulburn Murray Climate Alliance.	100	Council has adopted the recommended tree planting lists from the Naturally Cooler Towns Project. GMCA is in the process of convening a Regional Arborist Network.
3.1.3 Complete the Violet Town landfill rehabilitation project.	80	Environmental Protection Agency approved design, construction tenderer appointed. Rehabilitation works paused in May 2023 due to significant wet weather and will recommence in September 2023.
3.1.4 Involve the community in tree planting projects across the Shire.	40	This is a four-year program, engaging with the community on locations. In April 2023, in partnership with the Euroa Primary School planting was undertaken in Scobie Street, Euroa.
3.1.5 Implement actions from the Domestic Wastewater Management Plan to support growth within existing townships and mitigate health risks from wastewater.	0	Partial funding approved to develop a new Waste Water Management Plan. Plan proposed to be developed and implemented in 2023/2024.
3.1.6 Advocate to Federal and State governments for investment in reliable power supply infrastructure with a focus on renewable energy.	100	Council has advocated strongly to State and Federal governments including this in our Top Five Advocacy document and Advocacy Strategy, which was adopted by Council in August 2022. Advocacy will be ongoing.
3.1.7 Seek funding to implement the feasibility study findings on reuse shops at the Nagambie Resource Recovery Centre.	100	Council received funding to build resale shop at Nagambie. The tender has been let for the shop with commencement to occur in September 2023.

Strategic Focus Area three performance

Indicator	Data source	Goal	Result 2021/22	Result 2022/23	Comment
Satisfaction rating - waste management services	Annual Community Satisfaction Survey	Increase on 2021 result of 67	67	69	This is a strong result for Strathbogie Shire and three points higher than the state-wide and small rural shire average.
% contamination of recycling stream	Monthly data supplied by Cleanaway	Decrease on 2021 result of 1%	14%	14%	Audits are undertaken every three years, with the next audit due in 2024.
Number of education sessions delivered to schools or community groups	Council data	Target to be set based on 2021-22 result	<ul style="list-style-type: none"> • 3 schools • 3 community groups • 12 tri-council 	<ul style="list-style-type: none"> • 3 schools • 3 community groups 	Achieved.
Average waste diversion rate	Monthly data supplied by Cleanaway	Increase on 2021 result of 71%	70%	71%	This result is a consolidation on the previous year's result.
Contamination rate in our waste stream	Monthly data supplied by Cleanaway	Decrease on 2021 result of 1.7%	1.51%	0.97%	This result pleasingly shows a modest decrease in the contamination rate, which should be noted is very low compared to other councils in the region.
Satisfaction rating – environmental sustainability	Annual Community Satisfaction Survey	Increase on 2021 result of 59	59	57	This result is a consolidation on the previous year's result.
Delivery of progress report – Climate Change Action Plan Implementation (once adopted by Council)	Council data	N/A	N/A	70%	Year 1 actions are underway with the actions and progress listed on Council's website.

Strategic Focus Area 4: Inclusive. Productive. Balanced.

Key initiatives for 2021/25

Initiative	Percentage complete	Comment
4.1 Continue to explore free camping possibilities and RV friendly town accreditation.	100	Work has continued throughout the year with the Violet Town community to identify an appropriate free camping site and the supporting infrastructure required to create a short-term camping site.
4.2 Develop and adopt a Tourism and Events Strategy to broaden and diversify the calendar of events, with a focus on eco-tourism.	0	Following receiving State Government aligned to the Goulburn Region Tourism Partnership, the development of a Destination Management Plan is underway in partnership with Mitchell Shire and Greater Shepparton Councils.
4.3 Upgrade online and automated processes for approvals and permits wherever possible to support the construction sector.	100	An online automated 'Dial Before You Dig' process was rolled out in early 2022 which has resulted in reduced processing times to support our construction sector. Council's new website also ensures that the business sector can more readily find information around permits and approvals, along with accessing online forms.
4.4 Implement the Economic Development Strategy.	10	Implementation underway following the adoption of the Strategy in June 2023.
4.5 Review the Euroa Saleyards Masterplan to enhance its viability and minimise environmental impacts	50	The Masterplan is regular discussion at Euroa Saleyards Operational Committee Meetings, which is held monthly. This includes identifying priority projects for completion throughout the financial year.
4.6 Review the Avenel 2030 Strategy and Violet Town District Strategic Development Plan to guide future development and growth while maintaining local character.	20	Review of the Avenel 2030 Strategy has commenced. Consultant appointed and issues and opportunities report prepared. Engagement to occurred in first half of 2023.

Actions 2021/22

Action	Percentage complete	Comment
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4.1.1 Adopt an Economic Development Strategy.	30	The community engagement process has commenced to inform the development of the Economic Development Strategy. Two business engagement sessions were held throughout the month of June.
4.1.2 Complete a review of the Strathbogie Planning Scheme to ensure it reflects changing economic, environmental and social trends and identifies the further strategic work required to deliver a fit for purpose framework to guide sustainable growth and development while protecting our built and natural heritage.	30	A public tender process was completed for this project and a consultant appointed in 2021. Work has commenced on identifying the strengths and weaknesses of our Planning Scheme. Community engagement commenced in mid-June to identify key issues across the community to be addressed through the Planning Scheme Review. Council Planning Staff have also been visiting townships through the 'Talk to a Planner' initiative to raise the profile of this important project.
4.1.3 Implement the Business Concierge Program to support businesses in responding to the impacts of the COVID-19 pandemic.	100	The Business Concierge program ran for most of 2021-22 and provided meaningful support to local businesses on their road to recovery post lockdowns. This program supported businesses in identifying and applying for various grants offered by State and Federal governments.
4.1.4 Continue to seek funding to support local businesses in adapting and responding to the COVID-19 pandemic.	100	Council was successful in reporting on the impacts of the COVID-19 pandemic to State and Federal governments, as well as succeeding in several grants to support local businesses, which saw initiatives around COVID safe outdoor dining opportunities, pop up parks in our local shopping strips and the Winter Wonderland ice skating experience in Nagambie and Euroa. All of these initiatives were well received by local businesses and the community, helping to boost local expenditure.
4.1.5 Continue to advocate for the development of the Mangalore Airport as a freight intermodal and transport/ industrial hub.	100	The benefits of the development of an intermodal transport hub were presented to State and Federal government departments, elected representatives and candidates in the 2022 Federal election through our Advocacy Strategy. Efforts will continue on raising the importance of this issue at all levels of government.
4.1.6 Continue to seek funding options for the upgrade of the Euroa Railway Precinct as part of the Euroa Structure Plan's implementation.	100	\$100K in Victorian Government funding received.
4.1.7 Continue to advocate to the Australian Rail Track Corporation (ARTC) for a community led outcome for the redesign of railway infrastructure in Euroa.	100	Successfully lobbied ARTC to explore two options. ARTC now progressing community led option.

Actions for 2022/23

Action	Percentage complete	Comment
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4.1.1 Adopt an Economic Development Strategy.	100	The Strathbogie Shire Council Economic Development Strategy was adopted by Council in June 2023.
4.1.2 Complete a review of the Strathbogie Planning Scheme to ensure it reflects changing economic, environmental and social trends and identifies the further strategic work required to deliver a fit for purpose framework to guide sustainable growth and development while protecting our built and natural heritage.	100	Planning Scheme Review approved at February 2023 Council Meeting.
4.1.3 Continue to advocate for the development of the Mangalore Airport as a freight intermodal and transport/ industrial hub.	50	Included in the draft Economic Development Strategy, and in Council's Advocacy Strategy.
4.1.4 Continue to seek funding options for the upgrade of the Euroa Railway Precinct as part of the Euroa Structure Plan's implementation.	100	\$100K in Victorian Government funding received.
4.1.5 Continue to advocate to the Australian Rail Track Corporation (ARTC) for a community led outcome for the redesign of railway infrastructure in Euroa.	50	Successfully lobbied ARTC to explore two options. ARTC now progressing community led option.
4.1.6 Commence the review of the Avenel 2030 Strategy to guide future development and growth while maintaining local character.	40	Strategy review commenced. Consultant appointed and issues and opportunities report prepared. Engagement occurred in first half of 2023.

Strategic Focus Area four performance

Indicator	Data source	Goal	Result for 2021-22	Result for 2022/23	Comment
Planning permit applications decided within 60 statutory days	Planning Permit Activity Report (PPAR)	80%	78.5	79.29	It is noted that the Planning and Investment team's performance on this indicator is well above that achieved by other small rural and larger regional Councils.
Satisfaction rating - building and planning permits	Annual Community Satisfaction Survey	Increase on 2021 result of 51	44	47	While this is not an increase on 2021 results, this result puts Strathbogie Shire two points above the small rural shire average and on par with state-wide results.
Satisfaction rating – business development and tourism	Annual Community Satisfaction Survey	Increase on 2021 result of 59	60	60	Following the October 2022 flood event our municipality has seen a reduction in the number of visitors to our region.

Satisfaction rating – tourism development	Annual Community Satisfaction Survey	Increase on 2021 result of 61	62	61	Following the October 2022 flood event our municipality has seen a reduction in the number of visitors to our region.
Average monthly visitation to the Nagambie Lakes Visitor Information and Euroa Visitor Information Centres	Data provided to the Victorian Tourism Industry Council	Increase on 2021 result of 300 visitations per month	357 visitations per month	746 visitations per month	
Median number of days to decide on a planning permit application	Local Government Performance Reporting Framework data (Know Your Council)	Decrease on 2021 result of 44 days	71 days	91 days	A number of long standing applications have been decided upon, which will have impacted on the median number of days.
Asset renewal and asset upgrade as a percentage of depreciation	Local Government Performance Reporting Framework data (Know Your Council)	Increase on 2021 result of 128.19	75.62%	TBA	Figures will be available when external audit is completed in early October.

Strategic Focus Area 5: Strong. Healthy. Safe.

Key initiatives 2021/25

Initiative	Percentage complete	Comment
5.1 Create 'cool places' across the municipality that welcome people during heatwave events.	100	Funding was secured to purchase and install generators for each of our relief centres to ensure there is a cool refuge for our community in the event of a power failure during Summer months.
5.2 Review and implement programs to drive increased participation at our aquatic facilities informed by the Strathbogie Community Pools Strategy 2019-29.	30	Belgravia Leisure, Council's contractor for pools management, ran a social media campaign throughout the season targeting increased participation at all pools. Friends of the pool committee re-established to identify events and work through pools strategy.
5.3 Deliver community led actions through the implementation of the Domestic Animal Management Plan, which may include further off leash dog parks	25	Progress on the Year one actions will be presented to Council at the August Council meeting.
5.4 Develop and implement a communication and engagement plan to promote the health and wellbeing benefits of volunteering.	100	Activities and communications delivered throughout National Volunteer Week in May.
5.5 Continue to advocate to Department of Transport around improving road safety and aligning speed limits with community expectations.	40	Hume Freeway Avenel interchange speed limit reduced to 80km/hr.
5.6 Explore options for the development of a local law around smoking in Council owned public places.	0	Yet to commence
5.7 Monitor the compliance of Council's emergency management framework with changing legislative requirements.	Ongoing	

Actions for 2021/22

Action	Percentage complete	Comment
5.1.1 Seek external funding for the preparation and implementation of an Open Space Strategy which looks at active and passive spaces and is informed by analysing population trends, climate change impacts and a gender impact statement, to cater for a growing population while maximising participation across all sexes, ages and abilities.	100	Despite significant efforts to identify and apply for funding from other levels of government, there have been no appropriate funding streams to support the preparation of an open space strategy. \$100,000 has been allocated in the 2022/23 budget to develop this strategy.
5.1.2 Deliver a series of events and initiatives to support healthy eating practices, reduced obesity and increased physical activity, such as Active Healthy Kids.	100	Council joined the VicHealth Local Government Partnership, which is in the process of designing a series of events and initiatives. Council has supported the Euroa Secondary College Canteen green, yellow, red food and drink program in partnership with Goulburn Valley Health.
5.1.3 Implement the outcomes of the Lake Nagambie and Goulburn River waterway zoning review to maximise opportunities for safe water-based activities.	100	The review of waterway zoning was completed in May 2022, guided by the Waterways Committee. The recommendations of the review have been sent to Marine Safety Victoria for review and subsequent approval.
5.1.4 Complete the annual audit of tobacco sales inspections, prosecuting those businesses who sell tobacco to people under the age of 18 years.	0	This program was suspended due to the COVID-19 pandemic.
5.1.5 Partner with the vocational training and education sector to enhance training for young people to maximise engagement in ongoing education and training.	100	Council's Youth Development Officer is working with local and regional service providers following challenges in education and training during the COVID-19 pandemic. A breakfast education and training expo was delivered during the Easter holidays and was well attended.
5.1.6 Review and implement the Public Open Space Contributions Policy.	0	This initiative has not been undertaken due to the focus on other strategic planning initiatives and COVID-19 pandemic impacts. Work on this project will commence 2022/23.
5.1.7 Promote participation in Maternal Child Health (MCH) programs for 0-4 year-olds.	100	A significant effort has been made to ensure continued engagement with our MCH program, which has continued throughout the COVID-19 pandemic. A number of communication methods have been utilised to promote the service including postcard reminders of the next key stage visit, promotion across a range of facilities, offering multiple modes of visit opportunities.
5.1.8 Review Heatwave, Emergency Animal Welfare and Mass Gathering Sub-Plan components of the Emergency Management Plan.	100	Both the Heatwave Plan and the Emergency Animal Welfare Plan have been reviewed and adopted by the Municipal Emergency Planning Committee (MEMPC). Upon a review of the Council's extensive events management process and the need for a separate mass gathering plan was considered unnecessary by the MEMPC.

5.1.9 Develop and implement an annual action plan for health and wellbeing priorities identifying partnerships that will support the delivery of the plan.	80	The development of the plan is underway and will be completed in August 2022.
5.1.10 Participate in 16 Days of Activism Against Gender Based Violence – deliver local initiatives throughout the municipality.	100	Strathbogie Shire participated in a number of events and initiatives during 16 Days of Activism including displaying orange cut-outs of children throughout the Shire featuring QR codes which could be scanned to view an informative video created by Our Watch for its 'Change the Story' campaign.
5.1.11 Educate and raise awareness on ageism and elder abuse through an educational campaign that challenges ideologies.	100	Awareness campaign undertaken to promote World Elder Abuse Day.
5.1.12 Link with established partnerships and networks to ensure residents have awareness of and access to critical supports available.	Ongoing	Continue to link residents with the most appropriate service providers based on need.
5.1.13 Support the positive mental health of our community through education, awareness campaigns, distribution of resources and use of referral pathways through Council's Rural Outreach Worker and Access and Support Worker.	100	Visitation to a number of community groups, community settings and individual residents throughout the reporting period.
5.1.14 Participation in the Integrated Health Promotion Project (partnership with Primary Care Partnership 2021- 2025) annual plans developed to address 3 key themes of Health Eating, Active Living and Reducing Tobacco Use.	100	Council Officers continue to be a part of the Regional Integrated Health Promotion Network.

Actions for 2022/23

Action	Percentage complete	Comment
5.1.1 Prepare an Open Space Strategy which looks at active and passive spaces and is informed by analysing population trends, climate change impacts and a gender impact statement, to cater for a growing population while maximising participation across all sexes, ages and abilities.	40	Tender awarded and work underway. Audit of existing complete. Development of draft Playground and Open Space Strategy underway.
5.1.2 Deliver a series of events and initiatives to support healthy eating practices, reduced obesity and increased physical activity.	50	Council received funding from VicHealth to help deliver a series of initiatives focused on healthy eating and physical activity. These have included the young spartans program which has delivered workshops

		through each school holidays with over 60 kids enrolled each term. Council has partnered with Euroa High School to redesign the canteen menu and implement a colour code system for food choices. The next step would be to support sporting clubs in the community to deliver similar menu and help to demonstrate how to prepare and make healthy food options.
5.1.3 Implement the outcomes of the Lake Nagambie and Goulburn River waterway zoning review to maximise opportunities for safe water-based activities.	0	Review complete. Report sent to Marine Safety Victoria for review and approval.
5.1.4 Complete the annual audit of tobacco sales inspections, prosecuting those businesses who sell tobacco to people under the age of 18 years.	50	One audit undertaken in 2022/23.
5.1.5 Partner with the vocational training and education sector to enhance training for young people to maximise engagement in ongoing education and training.	50	Strathbogie Youth Services Network reestablished. Delivery of the Agriculture in Leadership Breakfast and youth leadership activities in partnership with Euroa Secondary College.
5.1.6 Review and implement the Public Open Space Contributions Policy	25	Pre-planning commenced. Competing priorities have caused delays, however formal policy review will commence during 2023/2024.
5.1.7 Promote participation in MCH programs for 0-4 year olds.	100	Appointment reminder cards have been printed and are being sent to families who have missed key age and stages appointments. MCH Administration assistant has also actively called families who have missed appointments in the critical early key age and stages visits.
5.1.8 Review Heatwave, Emergency Animal Welfare and Mass Gathering Sub-Plan components of the Emergency Management Plan.	40	Emergency Animal Management Plan has been reviewed and endorsed.
5.1.9 Develop and implement an annual action plan for health and wellbeing priorities identifying partnerships that will support the delivery of the plan.	100	Health and Wellbeing action plan developed and in implementation. Participation in 16 Days of Activism, IDoPwD, Seniors Festival, Youth Festival and delivery of Community Grants. Work continues across Youth health and wellbeing areas, including sexual reproductive health and mental health.
5.1.10 Participate in 16 Days of Activism Against Gender Based Violence – deliver local initiatives throughout the municipality.	100	Funding received. Series of events delivered. Funding acquittal complete. Planning underway for 2023.
5.1.11 Educate and raise awareness on ageism and elder abuse through an educational campaign that challenges ideologies.	100	Funding received. Series of events delivered. Funding acquittal complete. Planning underway for 2023
5.1.12 Link with established partnerships and networks to ensure residents have awareness of and access to critical supports available.	50	Community resource developed to support service knowledge, access and referral, available on Council's website.

5.1.13 Support the positive mental health of our community through education, awareness campaigns, distribution of resources and use of referral pathways through Council's Rural Outreach Worker and Access and Support Worker.	50	This action is now complete. Commonwealth funding for the Access and Support Worker has ceased as has the Rural Outreach Worker.
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Strategic Focus Area five performance

Indicator	Data source	Goal	Result 2021/22	Result 2022/23	Comment
Satisfaction rating – appearance of public areas	Annual Community Satisfaction Survey	Increase on 2021 result of 74	73	74	This area continues to be one of Council's strongest performing areas. Strathbogie is now three points above the small rural shire average and eight points higher than the state-wide result.
Satisfaction rating – recreational facilities	Annual Community Satisfaction Survey	Increase on 2021 result of 65	68	67	This result continues to represent a significant increase in community satisfaction with our recreation facilities. Developments include the Nagambie Splash Park and Rockies Footbridge.
Annual total attendance figures for all aquatic facilities	Council data	Increase on 2021 result of 11,851	18,361	8,592	Attendance figures were markedly down from the 2021 result. There were a number of cooler days in December where the pools were not open.
Number of completed tobacco sale audits to under 18's	Council data	No benchmark from 2021	0	1	One sales audit was undertaken due to the competing priorities resulting from the 2022 flood event.
% of children enrolled who participate in Maternal and Child Health services	Local Government Performance Reporting Framework data (Know Your Council)	Increase on 2021 result of 74%	98%	100%	An increased result from the 2021/22 reporting period.
Percentage of Aboriginal children enrolled who participate in Maternal and Child Health Services	Local Government Performance Reporting Framework data (Know Your Council)	Increase on 2021 result of 87%	68.75%	74%	An increased result from the 2021/22 reporting period.
Percentage of infants enrolled in Material Child Health services who participate in 4-week key stage visit.	Local Government Performance Reporting Framework data (Know Your Council)	Increase on 2021 result of 90%	93%	95%	An increased result from the 2021/22 reporting period.

Strategic Focus Area 6: Accountable. Transparent. Responsible.

Key initiatives 2021/25

Initiative	Percentage complete	Comment
6.1 Analyse options for, and implement, an integrated performance reporting software system to efficiently collate mandatory reporting requirements and monitor performance around the delivery of this Plan	80	Tracking document developed to report on progress of the Council Plan.
6.2 Develop and implement an Information Technology Strategy to ensure the organisation has a suite of fully integrated systems to maximise operational efficiency	0	Development of the strategy is a focus area for 2023/2024.
6.3 Develop and implement strategic and operational risk registers, working in partnership with the Audit and Risk Committee and Internal/External Auditors.	50	The Strategic Risk Register was developed and finalised in partnership with the Audit and Risk Committee in June 2022.
6.4 Implement an ongoing good governance training program for Councillors and staff, including self-assessment elements, which is monitored by the Audit and Risk Committee.	0	Focus area for 2023/2024.
6.5 Development and implementation of a comprehensive gender equity framework through policies, training and proactively acting on feedback from staff, Councillors and the community.	100	A Gender Equity Audit was completed in 2021 and our Gender Equity Action Plan created in partnership with our staff in December 2021. Both documents have been submitted to the Gender Equity Commission, with certification that the requirements of the Gender Equity Act 2020 have been met by Council.
6.6 Review our Customer Service Charter in partnership with a Community Panel to refine our service standards and response times.	0	Focus is for 2023/2024.
6.7 Adopt a revised hardship policy and explore new rate payment options to minimise financial impacts on households.	0	Yet to commence.
6.8 Undertake a biannual staff satisfaction survey, supported by an action plan developed by the Executive Leadership Team to address the issues raised.	100	First biannual staff satisfaction survey undertaken in 2022. An action plan has been developed to respond to topics raised.
6.9 Explore leadership training program options.	20	Continue to explore leadership training options for staff.

Actions 2021/22

Action	Percentage complete	Comment
6.1.1 Review the allocation of human and financial resources across the organisation to deliver the Community Vision and Council Plan, informed by service reviews and benchmarking against like organisations	100	A realignment of the organisational structure, along with the allocation of resources in the 2021/22 budget to support the implementation of the Council Plan, was completed in late 2021.
6.1.2 Develop and implement a performance reporting system to track the delivery of this Council Plan and its performance indicators	100	This project has been delayed due to the submission of a digital transformation funding application to the State Government to work with three other councils in the Lower Hume Region to revolutionise how we track our performance. Performance reporting is identified for Year three of this project at present. Monthly performance reports are, however, provided to Council and the community through the Council Agenda on a range of performance indicators.
6.1.3 Adopt a revised Procurement Policy and complete whole of organisation training to maximise compliance.	100	A revised Procurement Policy was adopted by Council at its 14 December 2021 meeting and provided for a greater focus on support for local businesses and supporting tender participation by the indigenous community, which is an objective of the Taungurung Memorandum of Understanding.
6.1.4 Finalise the Strategic Risk Register through Council's Audit and Risk Committee after being reviewed in light of the priorities of this Council Plan.	100	An intensive workshop was held with the Audit and Risk Committee in March 2022 to develop the Strategic Risk Register, which was finalised in June 2022.
6.1.5 Develop a gender impact assessment tool to allow Council to assess the gendered impacts of policies, programs and services.	100	A gender impact assessment tool has been development and now needs to be embedded across the organisation. A policy impact assessment tool has also been development for Officers to complete as a way of considering gender equity impacts of new Council and operational policies.
6.1.6 Support the Audit and Risk Committee in completing its work plan for 2021-22	100	A significant amount of work has progressed through the Audit and Risk Committee across its extensive work plan for 2021/22. Several internal audits have been completed by our appointed Auditors, AFS and Associates, with many actions completed in response to findings for process and policy improvement.
6.1.7 Complete an audit of Council's property portfolio to identify options to maximise community benefit.	0	COVID-19 impacts and other priorities have meant that this work has not commenced. This action will be carried over to 2022/23.
6.1.8 Develop and implement the response to the People Matters Survey completed in 2021.	100	A number of initiatives were completed by the organisation to respond to the issues raised through the survey in 2021, with a focus in particular on cultural change and improved training.
6.1.9 Develop a business case for an integrated enterprise resource management system	100	An application for Round 2 of the Victorian government's Regional Digital Transformation Project funding was developed with our partners Mansfield Shire,

		Murrindindi Shire and the Rural City of Benalla. Pleasingly our funding application was successful and we have received \$1 million of State funding to revolutionise our software system and business processes over the next three years.
6.1.10 Develop a four-year Workforce Plan	100	Our 2021-25 Workforce Plan was completed in December 2021 and focuses on initiatives around staff training, gender equity, succession planning and ensuring the health and wellbeing of our workforce.
6.1.11 Develop a CEO Remuneration Policy	100	Council adopted a Chief Executive Officer Employment and Remuneration Policy at its 19 October 2021 meeting to guide the process of recruiting a CEO and the annual review process. The Policy established a CEO Employment and Remuneration Committee, consisting of the Mayor, two Councillors and an independent expert in the form of the Municipal Monitor.
6.1.12 Develop a Complaints Policy.	100	Council adopted a comprehensive Complaints Policy at its 14 December 2021 meeting. The policy outlines the process for dealing with complaints in a comprehensive and timely way.

Actions for 2022/23

Action	Percentage complete	Comment
6.1.1 Implement the Year 1 Actions of the Workforce Plan 2021/25.	40	EAP work commenced. OH&S risk inspections and staff satisfaction survey complete. Training opportunities shared.
6.1.2 Implement the Actions for Year 1 of the Gender Equity Action Plan 2021-25, along with celebrating the International Day Against Homophobia, Biphobia and Transphobia through our social media pages and website.	50	Gender equity impact assessments introduced through Policy Impact Assessment Tool, applied to all new policies. Gender equity related sessions complete. Benchmarking of salaries occurring to support wage equity goals. Unconscious bias training delivered. Staff satisfaction survey complete. Higher duties placements to build leadership capacity.
6.1.3 Develop and implement a performance reporting system to track the delivery of this Council Plan and its performance indicators.	100	Tracking Document (this document) has been developed.
6.1.4 Develop and implement an Information Technology Strategy to ensure the organisation has a suite of fully integrated systems to maximise operational efficiency.	0	Key focus area for 2023/2024.
6.1.5 Incorporate the gender impact assessment tool into decision making processes to assess the gendered impacts of policies, programs and services.	80	Policy Assessment Impact Tool developed, covering gender equality, human rights, climate change and <i>Local Government Act 2020</i> key themes and requirements.

6.1.6 Support the Audit and Risk Committee in completing its work plan for 2022–23.	50	Work complete improving agendas, minutes and action tracking. Online portal created to access agendas, Council Policies, CEO Directives, key strategic documents and historical minutes and agendas. First Annual Report by Committee considered at December 2022 meeting. Work plan has been set for 2023/2024
6.1.7 Complete an audit of Council's property portfolio to identify options to maximise community benefit.	20	External valuation of land complete. Data cleansing work to be completed. This is a significant piece of work delayed due to capacity, with focus on flood recovery.
6.1.8 Implement the response to the People Matters Survey completed in 2021.	80	People Matters Survey results informed the Workforce Plan and Gender Equity Action Plan. The implementation of 2022- 23 actions in these plans are on track.
6.1.9 Undertake a staff satisfaction survey, supported by an action plan developed by Executive Leadership Team to address issues raised.	100	First biannual staff satisfaction survey undertaken in 2022. An action plan has been developed to respond to topics raised.

Strategic Focus Area six performance

Indicator	Data source	Goal	Result for 2021/22	Result for 2022/23	Comment
Satisfaction rating Customer Service	Annual Community Satisfaction Survey	Increase on 2021 result of 69	73	69	Improving our responsiveness to customer requests and enquiries across the organisation continues to be a key focus. This result is four points above the small rural shire average and two in front of the statewide result.
% of staff with procurement responsibilities that have completed procurement and probity training	Council Data		93%	N/A	Twenty-seven staff attended a Procurement Probity Training course in July 2021. There was no training undertaken in the 2022/23 reporting period.
Satisfaction rating – Overall performance	Annual Community Satisfaction Survey	Increase on 2021 result of 57	56	53	While this result is a decrease on the 2021 and 2022 result, this is a trend seen across the state. This result is now only slightly below the small rural shire average of 55.
Satisfaction rating – Overall direction	Annual Community Satisfaction Survey	Increase on 2021 result of 55	50	45	We believe this result reflects some significant and challenging decisions made by Council in 2022/23. Timing of the survey was consistent with these decisions.

Satisfaction rating – Value for Money	Annual Community Satisfaction Survey	Increase on 2021 result of 41	42	41	It is considered this is a consolidation of our performance on the 2021/22 result.
Satisfaction rating - Council decisions	Annual Community Satisfaction Survey	Increase on 2021 result of 52	51	47	Along with the decrease in overall direction, we believe this result reflects some significant and challenging decisions made by Council in 2022/23. Timing of the survey was consistent with these decisions.
Expenses per head of municipal population	Local Government Performance Reporting Framework (Know Your Council)	Maintenance of 2021 result \$2,816.59	\$2,628.01	TBA	Figures will be available when external audit is completed in early October.
Recurrent grants per head of municipal population	Local Government Performance Reporting Framework (Know Your Council)	Increase on 2021 result of \$780.29	\$826.99	TBA	Figures will be available when external audit is completed in early October.

Governance

In Victoria, Councils are constituted under the *Local Government Act 2020* to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making
- Providing leadership by establishing strategic objectives and monitoring achievements
- Ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Fostering community cohesion and encouraging active participation in civic life.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities.

The community has many opportunities to provide input into Council's decision-making processes including deliberative engagement, less formal community consultation processes, and participation in public forums such as the ability to make submissions to Council and ask questions at Council meetings.

Council's formal decision-making processes are conducted through council meetings, which are run in accordance with our Governance Rules. Due to the sheer volume of decisions that need to be made on a daily basis under legislation, Council delegates the majority of its decision-making to Council staff. These delegations are exercised in accordance with adopted Council policies and instruments of delegations are reviewed twice yearly to ensure they are up to date.

Our focus on good governance

The introduction of the *Local Government Act in 2020* saw the development of a suite of strategic documents and policies. In accordance with timelines and requirements prescribed by the Act, Council and the Audit and Risk Committee have continued to review and update strategic documents including:

- Procurement Policy
- Purchasing Card Policy
- Public Interest Disclosure Policy
- Council Expenses Policy
- Risk Management Policy
- Audit and Risk Charter
- Tree Management Plan
- Climate Change Action Plan 2022-2027
- Strathbogie Planning Scheme Review 2022

Councillor Code of Conduct

In accordance with section 139 of the *Local Government Act 2020* a Councillor Code of Conduct was adopted by Council on 16 February 2021.

The Code forms the foundation for Council's firm commitment to good governance as it discharges the duty of a Council prescribed by section 8 of the Act, which is to govern for the benefit and wellbeing of the whole Strathbogie Shire community: that is those who live here, our ratepayers, visitors, traditional owners of the land and those who conduct businesses or activities across our diverse Shire.

The Code sets out the values and behaviours to be adhered to at all times as a means of abiding by the following prescribed codes of conduct under the Act:

- Prescribed Standard of Conduct 1 - Treatment of others
- Prescribed Standard of Conduct 2 - Performing the role of Councillor
- Prescribed Standard of Conduct 3 - Compliance with good governance measures
- Prescribed Standard of Conduct 4 - Councillor must not discredit or mislead Council or public
- Prescribed Standard of Conduct 5 - Standards do not limit robust political debate.

The Code has an emphasis on addressing any issues or tensions that may arise from time to time quickly, in a respectful manner and with the objective of developing a mutual understanding of the impact the alleged behaviour has had on others.

A more formal internal arbitration process is also outlined if a party seeks a finding of misconduct through the appointment of an internal arbiter by the Principal Councillor Conduct Officer, which is one of the mandatory requirements prescribed by the Act.

Conflict of Interest

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires Councillors to act in the public interest. When a Council delegates its powers to a Council officer or a committee, the committee or officer also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it. Sections 127 and 128 of the *Local Government Act 2020* provide clarity around what constitutes a general and material conflict of interest.

Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest by both Councillors and delegated officers. Declaration of a conflict of interest is a standard agenda item for all council meetings.

Smart forms are provided to all Councillors and delegated officers to use to make the declaration process as easy and transparent as possible. These forms are reviewed by the Director People and Governance and the Chief Executive Officer. These forms are then recorded on conflict of interest register.

While the procedures vary depending on the particular circumstances, once a conflict has been declared the Councillor excludes themselves from any discussion or debate on the matter and leaves the meeting (whether it be a formal Council meeting or an informal

briefing). Instances where Councillors have left a meeting due to a conflict of interest are recorded in the minutes for that meeting.

During 2022-23 twenty (20) conflicts of interest were declared at council meetings by Councillors and six (6) declarations were made by Council Officers.

Council Meetings

The table below provides Councillor attendances at Council meetings 1 July 2022 to 30 June 2023.

Councillor	Council Meetings	Extraordinary Meetings	Total
Cr Laura Binks	10	7	17
Cr Reg Dickinson	11	6	17
Cr Sally Hayes-Burke	9	6	15
Cr Kristy Hourigan	9	6	15
Cr Paul Murray	10	6	16
Cr Chris Raeburn	11	7	18
Cr David Andrews (Resigned 12 June 2023)	9	5	14
Number Of Meetings	11	7	18

Councillor Allowances

In accordance with Section 39 of the Act and the Council Expenses Policy 2021, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor and Deputy Mayor are also entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to Councillors and Mayors. Councils are divided into three categories based on the income and population of each Council. In this instance Strathbogie Shire Council is recognised as a category one Council – Small Rural Shire. The allowance is comprised of two parts: an allowance and a 10.5% superannuation equivalent payment.

In December 2021, the Minister for Local Government invoked the provisions of the new *Local Government Act 2020* by requesting the Victorian Independent Remuneration Tribunal to review allowances, which had not been increased since 2019.

The Tribunal recommended an uplift in allowances, along with the creation of a higher allowance for the position of Deputy Mayor in recognition of the specific roles and responsibilities the new legislation identifies for the incumbent of this position.

The Minister instructed all Victorian councils to review their allowances following the Tribunal's findings, including back payment of increased allowances to 18 December 2021.

Council responded to advice from the Minister detailing the findings of the Tribunal and to align the allowances set by the Tribunal to those paid to our Mayor, Deputy Mayor and Councillors. At its meeting on 21 February 2023, set the base allowances for the period between 18 December 2022 and 17 December 2023 as follows: (a) Mayor - \$77,933 (b) Deputy Mayor - \$38,967 (c) Councillors - \$25,147 and noted that:

- base allowances will be indexed annually by the Victorian Independent Remuneration Tribunal.
- a Council member that normally resides more than 50 kilometres from the location of Council meetings and other meetings they are required to attend by Council resolution is entitled to be paid a Remote Area Travel Allowance of \$45 for each day on which such meetings are held, up to a maximum allowance of \$5,625 per annum.
- Councillors can elect to receive:
 - (a) all of the allowance to which they are entitled
 - (b) a nominated portion of the allowance
 - (c) receive no allowance.

The table below provides Councillor allowances paid for 1 July 2022 to 30 June 2023.

Councillor	Allowance (including 10.5% payment equivalent to superannuation)
Mayor Laura Binks (elected as Mayor November 2021. Note that this allowance total has had the Mayor's vehicle contribution payment of \$2,600 deducted).	\$81,869.77
Cr/Deputy Mayor Cr Paul Murray (Elected as Deputy Mayor November 2021).	\$42,235.21
Cr Reg Dickinson	\$27,243.23
Cr Sally Hayes Burke	\$27,243.23
Cr Kristy Hourigan	\$27,243.23
Cr Chris Raeburn	\$27,243.23
Cr Dave Andrews	\$25,841.21

Councillor Support, Resources, Reimbursements and Reporting of Expenses Policy

In accordance with Section 40 of the *Local Government Act 2020*, Council is required to reimburse a Councillor for expenses incurred whilst performing their duties as a Councillor.

Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. Council's Gifts, Benefits and Hospitality Policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor paid by the Council.

The details of the expenses including reimbursement of expenses for each Councillor and member of a Council committee paid by the Council for the 2022-23 year are set out in the following table.

Year 2022-23	Child-Family Care	Travel	Car Mileage*	IT And Comms**	Conferences & Training***	Total Expenses
Cr/Mayor Laura Binks	\$0.00	\$0.00	\$0.00	\$441.01	\$7787.77	\$8228.78
Cr/Deputy Mayor Paul Murray	\$0.00	\$0.00	\$0.00	\$159.50	\$1120.09	\$1279.59
Cr Reg Dickinson	\$0.00	\$0.00	\$0.00	\$369.97	\$109.00	\$478.97
Cr Sally Hayes Burke	\$2539.77	\$0.00	\$0.00	\$303.45	\$769.55	\$2922.77
Cr Kristy Hourigan	\$1175.90	\$60.48	\$0.00	\$312.37	\$1491.85	\$2980.12
Cr Chris Raeburn	\$0.00	\$150.00	\$273.00	\$159.66	\$1918.15	\$2500.81
Cr Dave Andrews (Resigned 12 June 2023)	\$0.00	\$0.00	\$1957.68	\$311.27	\$0.00	\$2268.95

Car Mileage*	excludes depreciation for Mayoral vehicle excludes \$235 (adopted November 2022, \$200 prior) monthly payment from Mayor as vehicle contribution includes vehicle registration costs excludes capital purchases/trade ins
IT and Comms**	includes hardware costs
Conferences and Training***	Excludes Councillor group training provided as part of our annual good governance program

Governance and Management Overview

Council continues to strengthen its statutory and better practice framework in response to extensive policy and reporting requirements introduced in the past year by the *Local Government Act 2020*.

The *Local Government Act 2020* requires council to undertake an assessment against the prescribed governance and management checklist and include this in its report of operations. Council's Governance and Management Checklist results are set out in the section below.

Governance and Management Checklist

Metric code	Governance & Management Item	In place? Yes or No	Date if Yes (single item/date)	Date if Yes (multiple items/dates)	Reason(s) if no
GC1	Community Engagement Policy	Yes	20/06/2023	The policy requires the preparation of an engagement plan for projects, policies and other matters where Council is seeking community input. Constructive deliberative engagement will be used to inform key strategic initiatives. The policy was updated and adopted by Council on 20 June 2023.	
GC2	Community Engagement Guidelines	Yes	16/02/2021	Guidelines are outlined in the Community Engagement Policy - engagement plans are developed for projects and strategies to identify optimal engagement approach.	
GC3	Financial Plan	Yes	18/10/2022	The first Long Term Financial Plan, prepared under the new requirements of the <i>Local Government Act 2020</i> , was adopted in October 2021. The 2021-22 to 2030-31 Financial Plan was reviewed in October 2022.	
GC4	Asset Plan	Yes	21/06/2022	The 2021-2031 Asset Management Plan, prepared in accordance with the <i>Local Government Act 2020</i> , provides strategic direction for the management and renewal of our asset base.	
GC5	Revenue And Rating Plan	Yes	1/7/23	The 2021-2022 Revenue and Rating Plan is reviewed and updated as part of the annual budget preparation process. The Revenue and Rating Plan was adopted by Council 1 July 2021.	
GC6	Annual Budget	Yes	21/06/2022	The annual budget, fees and charges and declaration of rates and charges was adopted by Council 27/6/23 following extensive community engagement processes.	
GC7	Risk Policy	Yes	18/10/2022	The Risk Management Policy was reviewed by the Audit and Risk Committee in October 2022 and adopted by Council 18 October 2022.	
GC8	Fraud Policy	Yes	20/02/2018	The Fraud and Corruption Control Policy was adopted 20 February 2018.	
GC9	Municipal Emergency Management Plan	Yes	31/05/2023	The 2023-2026 Municipal Emergency Management Plan was adopted in May 2023.	
GC10	Procurement Policy	Yes	13/12/2022	The Procurement Policy was reviewed by the Audit and Risk Committee in October 2022 and adopted by Council 13 December 2022.	

GC11	Business Continuity Plan	Yes	20/04/2021	The Business Continuity Plan was adopted 20 April 2021 and is being reviewed in 2023 as part of the broader risk management strategy.	
GC12	Disaster Recovery Plan	Yes	20/11/201	The Disaster Recovery Plan Version V1.8R was adopted 20 November 2018. The Disaster Recovery Plan was updated in July 2022 and is being reviewed in 2023 as part of the broader risk management strategy.	
GC13	Risk Management Framework	Yes	18/06/2019	The Enterprise Risk Management Framework was adopted 18 June 2019.	
GC14	Audit And Risk Committee	Yes	25/08/2020	The Audit and Risk Committee was established in 1997. Following the 2020 general council elections the Audit and Risk Committee was reconstituted as an Audit and Risk Committee on 25 August 2020. The Audit and Risk Charter is reviewed annually and was adopted by Council 21 March 2023.	
GC15	Internal Audit	Yes	30/06/2023	Council appointed internal auditors AFS & Associates and their contract continued until 30 June 2023.	
GC16	Performance Reporting Framework	Yes	30/06/2023	Indicators are established through the adoption of the 2021-2025 Council Plan. The Annual 2022-2023 Financial Statements and 2022-2023 Performance Statement and Governance Management Checklist has been completed and audited by VAGO.	
GC17	Council Plan Report	Yes	21/06/2022	The 2021-25 Council Plan was adopted 21 June 2022. The 2021-2025 Council Plan Update was reviewed in August 2022.	
GC18	Quarterly Budget Reports	Yes	30/06/2023	Quarterly budget reports are made to Council on a regular basis and were reported in September 2022, December 2022, March 2023 and end of year financial reports quarter ending 30 June 2023.	
GC19	Risk Reporting	Yes	30/06/2023	The Strategic Risk Register is reported quarterly to the Audit and Risk Committee (16 September 2022, 12 December 2022, 3 March 2023, 2 June 2023). It is also a standing agenda item on monthly Executive Management Team/Management Group meeting.	
GC20	Performance Reporting	Yes	30/06/2023	A mid-year financial report was prepared for Council for the period ending December 2022 and Annual Financial Statements for the period ending 30 June 2023. The annual review of the 2021-2025 Council Plan was adopted by Council in August 2022.	
GC21	Annual Report	Yes	18/10/2022	The 2021-2022 Annual Report was adopted by Council 18 October 2022.	
GC22	Councillor Code Of Conduct	Yes	16/02/2021	The Councillor Code of Conduct was adopted and signed by Council 16 February 2021.	
GC23	Delegations	Yes	28/02/2023	Delegations and Authorisations are reviewed biannually in January and July each year. Delegations were reviewed and updated in February 2023.	
GC24	Meeting Procedures	YES	25/08/2020	The Governance Rules were adopted by Council 25 August 2020.	

Audit and Risk Committee

The Audit and Risk Committee's role has been appointed by Council in accordance with section 53 of the *Local Government Act 2020*.

Its role is to provide independent oversight to monitor the effectiveness of Council in carrying out the responsibilities for accountable financial management, abiding by the governance principles outlined in the Act, maintenance of an effective system of internal control, maintenance of an effective risk management framework and fostering a transparent environment within which Council operates.

The Committee meets six times annually and is established under a Charter, adopted by Council in March 2023. It is comprised of four external independent community members and two Councillors. Independent members are appointed for a three year term and the Chair is elected from the independent members. The Executive and other experts from across the organisation attend meetings and support the work of the Committee throughout the year.

The table below provides Audit and Risk Committee Members 1 July 2022 – 30 June 2023

Member Name	Position Held
Paul Ayton (Chair)	Chair and Independent Community Member
Mark Freudenstein	Independent Community Member
Alister Purbrick	Independent Community Member
Alistair Thomson	Independent Community Member
Cr Paul Murray <ul style="list-style-type: none">July to December 2022appointed as reserve member in February 2023	Councillor Representative
Cr David Andrews <ul style="list-style-type: none">July to December 2022	Councillor Representative
Cr Laura Binks <ul style="list-style-type: none">appointed as reserve member in October 2022January to June 2023	Councillor Representative
Cr Chris Raeburn <ul style="list-style-type: none">January to June 2023	Councillor Representative
Danielle McKenzie (Crowe Audit)	External Auditor representative (Victorian Auditor General Office)
Bradley Eade	Internal Auditor (AFS and Associates)

The table below provides the Audit and Risk Committee Attendance Summary 1 July 2022 – 30 June 2023

Audit and Risk Committee Member	Meetings Attended	Meetings Missed
Paul Ayton Chair	7	0
Mark Freudenstein	5	2
Mr Alister Purbrick	5	2
Mr Alistair Thomson	5	2
Cr Paul Murray	5	2
Cr David Andrews	2	2
Cr Laura Binks	3	1
Cr Chris Raeburn	2	1
Danielle McKenzie VAGO Agent representative	4	3
Bradley Eade	7	0

The Committee has prepared and adopted a Workplan in accordance with the requirements of section 54 of the *Local Government Act 2020*. This detailed plan assists the Committee with ensuring it discharges all its responsibilities under the Act and that a broad range of Council operations and policy frameworks are scrutinised over the three year life of the workplan. The key pillars of the work plan are actions to:

- Monitor the compliance of Council policies and procedures with the overarching governance principles and the *Local Government Act 2020* and the regulations and any ministerial directions
- Monitor Council financial and performance reporting
- Monitor and provide advice on risk management and fraud prevention systems and controls
- Oversee internal audit function
- Oversee external audit function
- Monitor internal controls
- Monitor compliance with relevant laws and regulations.

The Audit and Risk Committee met six times during 2022-23. Key achievements include:

- Overview of the 2021/22 Financial Statement, Performance Statement and Annual Report preparations
- Input into the preparation and review of the 2023/24 draft budget, draft capital works program and draft fees and charges
- Input into the preparation and review of the 2021/22 and 2022/23 Council Budgets and a new ten (10) year Long Term Financial Plan
- Oversight of the Protective Data Security Plan
- Implementation of the Audit and Risk Committee Webpage and Portal
- Oversight of tender process to appoint internal auditors for the next three years
- Overview and monitoring of the 2022/2023 external audit program
- Review of nine (9) internal audit reports on various Council functions and services

Internal Audit

Council's internal audit function provides independent and objective assurance that ensure appropriate processes and controls are in place. The function is resourced by an external provider – AFS and Associates.

A risk based three year Internal Audit Plan is reviewed, revised and approved annually by the Audit and Risk Committee to ensure that the audit resources remain focussed on the appropriate areas.

The review process considers Council's risk framework, the Council Plan, the impact of any change on operations, systems or the business environment, prior audit coverage and outcomes and management input.

Council conducted the following internal audit in 2022/23:

- Procurement and Accounts Payable
- Business Continuity and Disaster Recovery Planning
- Planning Department
- Rates and Revenue
- Waste Management
- Environmental Sustainability
- Capital Projects Framework
- Environmental Health (Food and Accommodation)
- Past Issues

External Auditors

Strathbogie Shire Council is externally audited by the Victorian Auditor General.

For the 2022/23 year, the annual external audit of Council's Financial Statements and Performance Statement was conducted by Crowe (Australasia) as agents for the Victorian Auditor General's Office.

The external auditors attend Audit Committee meetings during the year to present the annual Audit Plan and Independent Audit Report. The external audit management letter and responses are provided to the Audit Committee.

Documents available for public inspection

Council is committed to achieving the public interest principles set out in section 58 of the *Local Government Act 2020*, which are:

- a) Council decision making processes must be transparent except when the Council is dealing with information that is confidential by virtue of this Act or any other Act
- b) Council information must be publicly available unless
 - a. the information is confidential by virtue of this Act or any other Act; or
 - b. public availability of the information would be contrary to the public interest
- c) Council information must be understandable and accessible to members of the municipal community
- d) public awareness of the availability of Council information must be facilitated. Council's Public Transparency Policy outlines our aim to provide ease of access to as much Council held information as possible, while not breaching privacy legislation.

Council is committed to transparent decision making and involving our community in making those decisions. We understand that our community needs access to a wide range of information to enable people to participate in the wide range of decision making and community engagement processes we undertake.

We also know that promoting awareness across the community as to the availability of Council information is an important part of this engagement process. The objectives of this policy are to promote:

- accountability around how Council is allocating and spending public money
- increased confidence and trust in the community through greater understanding and awareness
- enhanced involvement in Council's decision-making process by the community in line with our Community Engagement Strategy and Policy
- greater clarity in Council's decision-making processes
- improved Council's performance and service delivery to our community
- access to information that is current, reliable, easily accessible and disseminated in a timely manner
- the protection of information that is identified as being sensitive or confidential under the Act and other legislation.

A range of information is available for public inspection upon request at the Euroa Customer Service Centre at 109A Binney Street Euroa in accordance with Council's Public Transparency Policy including:

- copies of our local laws under section 75 of the *Local Government Act 2020*
- a register of conflicts of interest declared by Councillors and Executive Officers at Council meetings
- summary of personal interests for Councillor and Officers under section 135 of the *Local Government Act 2020*
- a register of Election campaign donations
- details of current allowances fixed for the Mayor and Councillors
- a document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by Councillor or any member of Council staff in the previous 12 months
- details of total annual remuneration for all senior officers in respect of the current and previous financial year, including ranges set out as specified and the number of senior officers within those ranges
- minutes of ordinary and special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- a register of delegations kept under sections 87(1) and 98(4) of the Act
- details of all property, finance and operating leases involving land, buildings, plant or vehicles entered into by the Council as lessor or lessee, including the name of the other party to the lease, the terms and the value of the lease
- a register of Authorised Officers maintained under section 224(1A) of the Act
- a list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant
- a list of contracts for services and goods valued at \$150,000 or more and contracts for works valued at \$200,000 or more, which Council has entered into without first engaging in a formal competitive process and which are not contracts which are referred to in section 186(5) of the Act.

Members of the public can request to view these registers at our Binney Street head office during business hours (where the information is not available on Council's website) by contacting the Governance Officer on 1800 065 993 (toll free) or by emailing info@strathbogie.vic.gov.au.

Maximising Value for Money

Council must adopt a procurement policy that outlines the principles, processes and procedures around the purchase of goods, services and commissioning of works by Council. Council adopted its current Procurement Policy on 13 December 2022.

Our policy is consistent with the requirements of section 108 of the *Local Government Act 2020* and is based on the following objectives, which are to:

- Seek to promote open and fair competition and provide Value for Money
- Provide clear guidelines to the Council to allow consistency and control over procurement activities
- Demonstrate accountability to ratepayers and residents
- Provide guidance on ethical behaviour in public sector procurement
- Demonstrate the application of best practice in procurement activities
- Demonstrate the consideration of sustainability in procurement with respect to social, economic and environmental factors
- Increase the probability of obtaining the best outcome for the municipal community when procuring goods and services
- Seek to undertake collaborative procurement with other councils.

Our updated policy is based on the principles of:

Integration with Council Strategy – supporting the aims and objectives of Council's current Council Plan and demonstrating responsible financial management must be applied to all procurement activities.

Value for Money – is centred on obtaining the best quality and value for the price and ensuring that the quality of the goods and services meets Council's criteria with regards to policy, performance, risk, and cost constraints. Therefore value for money does not necessarily mean the cheapest price.

Benefit to the Community – Council will consider opportunities to sustain local employment, so when different products are of comparable price and quality, products having more local content will be given precedence.

Environmental Sustainability – Council will give preference to goods, services and works that will advance the use of resources having higher recycled or reused content and which are responsibly sourced. A whole life cycle cost consideration will also be given to these products in terms of the impact on the environment throughout the entire life cycle.

Fair And Honest Dealing – All prospective contractors, consultants and suppliers will be afforded an equal opportunity to submit a tender or quote. Impartiality must be maintained throughout the procurement process.

Probity, Accountability and Transparency – means being able to justify and provide evidence of the process followed so an independent third party must be able to see clearly that a process has been followed and that the process was fair and reasonable.

The following value for money initiatives were undertaken during 2022-23:

- development of guidelines and processes for fees and charges to inform the budget development process
- improved reporting on cumulative spend and orders raised without purchase orders
- reporting to Council each month on the contracts and tenders approved by Officers under delegation each month
- commencement of the preparation of a new project management framework to overhaul how capital works projects are delivered by planning/designing/scoping in Year 1 and delivery in Year 2 (avoiding project scope creep and the need for variations given specification requirements)
- development and implementation of integrated approach to business planning
- inclusion of customer service focussed key performance indicators identified by the Customer Service Charter in all staff annual performance plans to improve timelines and accountability for resolving customer enquiries
- monthly reporting to the Executive Leadership Team and Council relating to response timelines to customer requests and correspondence.

Contracts

Council takes its obligations under the *Local Government Act 2020* in relation to maximising value for money through competitive processes seriously.

No contracts for \$200,000 or more for works of a kind specified in section 186(5)(a) and (c) of the *Local Government Act 2020* were entered into without initial attempts to engage suitable suppliers via a public a competitive process.

Strathbogie Shire Council entered into a contract valued at not more than \$50,000 (including GST) by engaging Mach II for Consultancy for expression of interest for Grant for Community Battery without conducting a competitive formal quotation process. This was a considered and reviewed decision, which was approved as an exemption by the CEO to short deadline for lodging grant application, value \$40,000 including GST.

Strathbogie Shire Council engaged emergency management consultant, Mark Leitinger Consultancy Pty Ltd, since August 2019, for a total value of \$233,000 (including GST) as at 30 June 2023, without conducting a competitive formal tender process. Strathbogie Shire Council is currently undertaking a review of the services required, with a view to ensure all roles undertaken and compliance requirements are met within Councils policies.

The Executive Leadership Team (ELT) was notified that the accumulative spend on a specialist arborist was approximately \$165,000 over the last 18 months, in excess of our procurement policy thresholds. This is breach of Council's Procurement Policy and it was determined that Council immediately cease using the specialist. Council commenced a public tender process for the specialist arborist service in mid-January 2023 and invited the previous arborist to participate.

Disability Action

In accordance with section 38 of the *Disability Act 2006*, Council has to prepare a Disability Action Plan. Council must report on the implementation of this plan in its Annual Report. Council has incorporated the Disability Action Plan into the Municipal Public Health and Wellbeing 'Liveability Plan' 2017-2021.

Work is underway on the development of a Social Inclusion Strategy which adopts an intersectionality approach to identify the guiding principles to promote equal rights and opportunities for everyone, redressing social and economic inequalities.

Domestic Animal Management Plan

The Domestic Animals Act 1994 (the Act) requires Council to prepare a Domestic Animal Management Plan (DAMP) every four years. The plan must set out a method for evaluating whether the animal management services provided by council are adequate to give effect to requirements of the Act and the Domestic Animal Regulations 2015.

The current Plan was due to be reviewed in December 2022 but this date was extended due to the impacts of the October 2022 flood event. Rangers continue to undertake proactive community engagement and education and other actions within the plan continue to be progressed.

Food Act Ministerial Directions

Food Act Ministerial Directions In accordance with section 7E of *the Food Act 1984*, Council is required to publish a summary of any Ministerial Directions received during the financial year in its Annual Report. No such Ministerial Directions were received by Council during the 2022/2023 financial year.

Road Management Act Ministerial Direction

In accordance with section 22 of the *Road Management Act 2004*, Council must publish a copy or summary of any Ministerial direction in its Annual Report. No such Ministerial Directions were received by Council during the 2022/23 financial year.

Freedom of Information

In accordance with section 7(4AA) (a) and 7(4AA)(b) of *the Freedom of Information Act 1982*, Council is required to publish certain statements in its annual report and on its website, about information made available to the public.

In accordance with our Public Transparency Policy, we will try and release as much information as possible without the need to lodge a Freedom of Information request. However, where information is requested contains personal information or information from third parties, a freedom of information request will need to be lodged. This is because the *Freedom of Information Act 1982* requires us to consult with people about the release of their information.

Access to documents may be obtained through written request to the Freedom of Information Officer by making an application in writing and by email. To make it easy for our community to lodge a request, an online form can be accessed on our website at Freedom of Information Request - Strathbogie Shire.

All applications must be addressed to the Freedom of Information Officer and be accompanied by the application fee (which may be waived by Council in certain circumstances) and needs to be clear about what information is being requested. Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges). Further information

regarding FOI can be found at Strathbogie Shire Council website through the following link [Freedom Of Information | Strathbogie Shire](#).

During 2022/23, fifteen (15) Freedom of Information requests were received:

- access to information was granted in full for five (5) applications
- access to information was granted in part for five (5) applications
- two (2) applications were not finalised within the period
- no documents existed for two (2) applications
- access was denied in full in one (1) instance as the information was exempt from release under the Act.

Public Interest Disclosures

In accordance with section 69 of the *Protected Disclosure Act 2012* a council must include in their annual report information about how to access the procedures established by the Council under Part 9 of that Act. It is also required to provide certain information about the number and types of protected disclosures complaints investigated during the financial year. Council is a Nominated Agency under the *Public Interest Disclosures Act 2012* with the power to receive disclosures relating to its employees, contractors, Council registered volunteers, Council appointed committee members or Councillors.

The Act requires Council to appoint a Public Interest Disclosure Coordinator and to set out clear policies and procedures for the receipt and referral of public interest disclosures to the relevant authority for further investigation. Council adopted its Public Interest Disclosures Policy on 13 December 2022.

Council takes its obligations as a Nominated Agency very seriously. While we are unable to determine the outcome of a public interest disclosure, we play a vital role in the receipt of complaints and provision of information for consideration by other bodies such as the Independent Broad-based Anti-Corruption Commission, the Victorian Inspectorate and the Integrity and Oversight Committee.

Council also wishes to assure anyone lodging, or thinking of lodging, a public interest disclosure that they will be dealt with in a confidential and supportive manner in accordance with the requirements of the Act.

We will also protect the confidentiality and welfare of others involved in any investigation as the welfare of all those involved in the matter is of paramount importance to us. We will deal with any disclosure expeditiously and as a matter of operational priority.

Our policy and procedures apply to all Strathbogie Shire Council employees, Councillors and members of Council appointed committees are designed to ensure:

- Council meets its legislated obligations under the *Public Interest Disclosures Act 2012* in relation to the receipt, initial assessment and any subsequent referral of a public interest disclosure to IBAC or another investigative entity.
- that Council employees and the community are provided with clear and consistent advice as to how a disclosure can be made, how it will be assessed and referred to an investigative entity if need be
- that a culture is created across the organisation that encourages and values the reporting of suspected improper conduct, detrimental action or corruption
- that operational priority is given to the receipt, assessment and referral of any public interest disclosure

- that a consistent and effective system is in place for the receipt and initial assessment of all disclosures made to Council
- that robust and consistent procedures are in place to protect the confidentiality and safety of the person making the public interest disclosure
- that the person making the public interest disclosure is kept informed of the progress of their complaint, is supported throughout the process and that no reprisals will result from them making the disclosure
- that processes are in place to protect the confidentiality and wellbeing of the person(s) whom are the subject of the disclosure and those cooperating with any investigation into the matter.

There was one public interest disclosures received by officers appointed to receive disclosures, or by the Independent Broad-based Anti-Corruption Commission (IBAC) during 2022/23.

Further information about how to make a public interest disclosure can be obtained confidentially by contacting Council's Public Interest Disclosure Coordinator Director People and Governance.

Alternatively, disclosures can be made directly to IBAC through the following links <https://www.ibac.vic.gov.au/reporting-corruption/public-interest-disclosures> or through the Office of the Victorian Ombudsman through this link [Make a complaint | Victorian Ombudsman](#).

Infrastructure and Development Contributions

Council does not have a Developer Contributions Plan in place. An amount of \$66,500 was received as Open Space Contribution as were Contributed Assets of \$1,675,691.

The background of the cover is a photograph of a mimosa tree branch with its characteristic feathery green leaves and clusters of small yellow flower buds. A dark blue diagonal band runs from the top left towards the bottom right, partially obscuring the foliage. The text is overlaid on this band.

Strathbogie Shire Council

Performance Statement
For the year ended 30 June 2023

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Performance Statement

For the year ended 30 June 2023

Description of municipality

Strathbogie Shire is a rural municipality located approximately two hours from the Melbourne CBD and covers 330,326 hectares. We have diverse and picturesque communities served by townships such as Euroa, Nagambie, Violet Town, Avenel, Longwood, Ruffy, and Strathbogie with a population of over 10,000 and growing. The Shire has an ageing population with 38% of residents aged 60 years and over. Approximately eight out of ten residents were born in Australia and about 5% of people came from countries where English was not their first language. The Strathbogie Shire has a rural economic base of wool, grain, sheep and cattle production, extensive vineyards, world class wineries and a wide range of intensive cool climate horticultural enterprises. The region is also known as the Horse Capital of Victoria due to its ever-expanding horse industry. Thoroughbred breeding studs are the cornerstone of this important industry, with many prestigious Melbourne Cup winners bred and trained in the shire. Nagambie is also the birthplace of Black Caviar, the world champion horse, and now has a life-size bronze statue sitting pride of place at Jacobson's Outlook.

The 2022-23 financial year saw challenges with the response to, and aftermath of, the significant October 2022 Flood Event. Pleasingly, Council services were able to continue to be provided throughout the year despite the redirection of our focus in supporting the rebuilding and repair of critical infrastructure, community assets and economic and social recovery. This recovery focus is ongoing. There continues to be significant implications following the covid-19 pandemic and the October 2022 Flood Event on accessing work sites and in the labour market and the construction industry with resultant price increases. This has led to delays in project delivery for major capital works and continues to be an ongoing challenge in terms of scoping and budgeting for major works.

Sustainable Capacity Indicators

For the year ended 30 June 2023

<i>Indicator / measure</i> [formula]	Results				Comment
	2020	2021	2022	2023	
Population					
<i>Expenses per head of municipal population</i>	\$2,647.81	\$2,816.59	\$2,628.01	\$3,436.34	Total expenditure has increased by \$8.9 million due to flood damages and general increase in expenditure due to high inflation.
[Total expenses / Municipal population]					
<i>Infrastructure per head of municipal population</i>	\$23,056.21	\$25,715.25	\$26,428.49	\$28,448.16	
[Value of infrastructure / Municipal population]					
<i>Population density per length of road</i>	4.89	4.98	5.29	5.20	
[Municipal population / Kilometres of local roads]					
Own-source revenue					
<i>Own-source revenue per head of municipal population</i>	\$1,991.84	\$2,015.06	\$2,039.13	\$2,159.59	
[Own-source revenue / Municipal population]					
Recurrent grants					
<i>Recurrent grants per head of municipal population</i>	\$766.72	\$780.29	\$826.99	\$910.94	Finance Assistance Grant has increased in 2022/23 by more than 10% due to increase and the timing of the payment.
[Recurrent grants / Municipal population]					

Disadvantage					
<i>Relative Socio-Economic Disadvantage</i>	4.00	4.00	4.00	4.00	
[Index of Relative Socio-Economic Disadvantage by decile]					
Workforce turnover					
<i>Percentage of staff turnover</i>	20.6%	10.9%	29.0%	26.2%	Recruitment has increased in recent years due to a large number of employees vacating positions for various reasons – moving from the area, progression opportunities, retirement, or career changes. This is indicative of the 'Great Resignation' predicted for 2022 following the COVID-19 pandemic. Across 2022/23, 53 vacancies were filled across the organisation. At times Council has struggled to fill these vacancies with suitability experienced and qualified people and like many local organisations and businesses is experiencing severe staff shortages.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100					

Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

"population" means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2023

Service / <i>indicator</i> / measure	Results				Comments
	2020	2021	2022	2023	
Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	1.82	1.08	1.64	0.75	Council operates seasonal pools, open from 1 December 2022 through to 13 March 2023. Experienced 14 weather day closures, and a relatively mild summer.
Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	0.00%	0.00%	0.00%	0.00%	Council has not attended to any complaints that have resulted in the need for a matter to be prosecuted in a court during this reporting period. This is attributed to improved proactive community engagement and responsible pet ownership awareness.
Food Safety Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non- compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	86.67%	100.00%	100.00%	0.00%	Please note there has been zero critical and major non-compliance outcomes for audited premises. This only relates to five class one food auditable premises.

Governance Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	49.00	52.00	51.00	47.00	It is considered this result is a consolidation of the 2022 result and reflects some challenging decisions being made on key strategic issues that are impacting on our community.
Libraries Participation <i>Active library borrowers in municipality</i> [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	24.17%	24.99%	18.87%	22.81%	Promotion and a wider variety of library services and programs have been offered. New Library opened in Avenel. Borrowers can now actively participate in programs in person now that Covid-19 restrictions have lifted.
Maternal and Child Health (MCH) Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	73.94%	77.63%	69.47%	69.46%	MCH team actively following up missed Key Age and Stage (KAS) visits and encouraging parents to book appointments. Gap is predominately in the 2 and 3yr KAS visits.
	87.18%	73.68%	66.67%	73.33%	

Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	51.00	51.00	47.00	45.00	Increased requests due to the October 2022 Flood Event and damage to our local road network.
Statutory Planning Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	50.00%	0.00%	66.67%	100.00%	These are merits-based decisions so can vary from year to year depending on the types of applications.
Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	70.27%	71.01%	70.72%	70.80%	

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 borrower" 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 section 98 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

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

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

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

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

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

"population" means the resident population estimated by council

Financial Performance Indicators

For the year ended 30 June 2023

Dimension/ <i>indicator</i> /measure	Results				Forecasts				Material Variations and Comments
	2020	2021	2022	2023	2024	2025	2026	2027	
Efficiency									
<i>Expenditure level</i>									Expenditure increase due to flood recovery related expenditure and general level of increase due to higher inflation.
<i>Expenses per property assessment</i>	\$3,568.25	\$3,991.75	\$3,597.77	\$4,919.81	\$4,303.00	\$4,400.25	\$4,429.02	\$4,581.83	
[Total expenses / Number of property assessments]									
<i>Revenue level</i>									
<i>Average rate per property assessment</i>	\$2,141.75	\$2,226.26	\$2,156.43	\$2,249.41	\$2,367.38	\$2,408.27	\$2,438.29	\$2,488.17	
[General rates and Municipal charges / Number of property assessments]									
Liquidity									
<i>Working capital</i>									
<i>Current assets compared to current liabilities</i>	264.74%	216.46%	232.08%	230.80%	177.72%	175.69%	150.61%	127.93%	
[Current assets / Current liabilities] x100									

Unrestricted cash									
<i>Unrestricted cash compared to current liabilities</i>	-14.86%	14.68%	-85.07%	-7.93%	27.03%	20.31%	26.40%	16.79%	Variation is affected by the classification of investments at 30 June whether as Cash and Cash equivalents or other financial assets, based on maturity. Cash and cash equivalents used in this ratio.
[Unrestricted cash / Current liabilities] x100									
Obligations									
<i>Loans and borrowings</i>									
<i>Loans and borrowings compared to rates</i>	1.86%	1.41%	0.92%	16.82%	15.17%	14.07%	30.11%	36.34%	Council borrowed \$3 million to fund the rehabilitation cost of Violet Town landfill and \$0.5 million for the Euroa truck wash expansion. Further borrowings are budgeted in 2025/26 and 2026/27.
[Interest and principle repayments on Interest bearing loans and borrowings / Rate revenue] x100									
<i>Loans and borrowings repayments compared to rates</i>	0.82%	0.53%	0.51%	0.50%	1.51%	1.48%	1.44%	3.04%	Increase ratio in outer years due to planned borrowing in 2025/26 and 2026/27.
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100									

Indebtedness									
Non-current liabilities compared to own source revenue	26.79%	25.06%	10.15%	21.88%	18.36%	17.19%	30.75%	35.89%	This variation is due to an increase in non-current provisions (\$3.2 million) due to new borrowings.
[Non-current liabilities / Own source revenue] x100									
Asset renewal and upgrade									
Asset renewal and upgrade compared to depreciation	107.16%	128.19%	75.62%	135.43%	140.64%	87.89%	97.45%	84.49%	This result is the increase in renewals and upgrade from the previous year carry over projects completion and significant increase in the work due to flood damages, construction contractors and materials cost increases.
[Asset renewal and asset upgrade expense / Asset depreciation] x100									
Operating position									
Adjusted underlying result									
Adjusted underlying surplus (or deficit)	9.07%	3.32%	11.07%	0.77%	-1.72%	-3.66%	-2.47%	-3.68%	This indicator is affected by increased in recurrent grants due to early payment of 100% of Finance Assistance Grant. And other grants income received for flood recovery works in comparison to previous years.
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100									

Stability									
Rates concentration									
<i>Rates compared to adjusted underlying revenue</i>	63.15%	62.72%	62.81%	53.68%	65.76%	66.25%	65.84%	65.72%	Ratio is affected by early payment of Finance Assistance Grant, fund recovery assistance and insurance recovery for flood damages.
[Rate revenue / Adjusted underlying revenue] x100									
Rates effort									
<i>Rates compared to property values</i>	0.56%	0.49%	0.39%	0.40%	0.34%	0.34%	0.34%	0.35%	
[Rate revenue / Capital improved value of rateable properties in the municipality] x100									

Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

"current assets" has the same meaning as in the 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 2023

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 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

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 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its financial plan on 30 June 2023 and which forms part of the council plan. The financial 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 financial 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 2020* and the Local Government (Planning and Reporting) Regulations 2020.



Upul Sathurusinghe - CPA

Principal Accounting Officer

Dated: (3 October 2023)

In our opinion, the accompanying performance statement of the *Strathbogie Shire Council* for the year ended 30 June 2023 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.

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 2020 to certify this performance statement in its final form.



Cr. Laura Binks

Mayor

Dated: (3 October 2023)



Cr. Paul Murray

Councillor

Dated: (3 October 2023)



Julie Salomon

Chief Executive Officer

Dated: (3 October 2023)

Independent Auditor's Report

To the Councillors of Strathbogie Shire Council

Opinion	<p>I have audited the accompanying performance statement of Strathbogie Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none">• description of municipality for the year ended 30 June 2023• sustainable capacity indicators for the year ended 30 June 2023• service performance indicators for the year ended 30 June 2023• financial performance indicators for the year ended 30 June 2023• other information and• certification of the performance statement. <p>In my opinion, the performance statement of Strathbogie Shire Council in respect of the year ended 30 June 2023 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and <i>Local Government (Planning and Reporting) Regulations 2020</i>.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>

**Auditor's
responsibilities
for the audit of
the performance
statement**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
11 October 2023



Travis Derricott
as delegate for the Auditor-General of Victoria



Strathbogie Shire
Council

Annual Financial Report
For the year ended
30 June 2023

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Strathbogie Shire Council

Financial Report

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Strathbogie Shire Council

Financial Report

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Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.



Upul Sathurusinghe CPA
Principal Accounting Officer

Dated : 3 October 2023

Euroa

In our opinion, the accompanying financial statements present fairly the financial transactions of the Strathbogie Shire Council for the year ended 30 June 2023 and the financial position of the Council as at that date.

At the date of signing, we are not aware of any circumstances that 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 2020* to certify the financial statements in their final form.

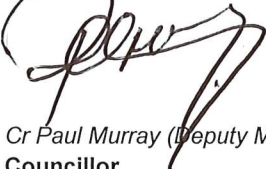


Cr Laura Binks (Mayor)

Councillor

Dated : 3 October 2023

Euroa



Cr Paul Murray (Deputy Mayor)

Councillor

Dated : 3 October 2023

Euroa



Julie Salomon

Chief Executive Officer

Dated : 3 October 2023

Euroa

Independent Auditor's Report

To the Councillors of Strathbogie Shire Council

Opinion	<p>I have audited the financial report of Strathbogie Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2023 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

**Auditor's
responsibilities
for the audit of
the financial
report**


As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
11 October 2023


Travis Derricott
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
Income / Revenue			
Rates and charges	3.1	21,139,734	20,515,058
Statutory fees and fines	3.2	672,191	680,450
User fees	3.3	895,738	840,775
Grants - operating	3.4	13,605,729	9,028,490
Grants - capital	3.4	5,966,478	2,604,333
Contributions - monetary	3.5	203,492	238,761
Contributions - non monetary	3.5	1,675,691	1,721,874
Net gain on disposal of property, infrastructure, plant and equipment	3.6	43,086	28,389
Share of net profits (or loss) of associates and joint ventures	6.3	(2,051)	5,487
Other income	3.7	2,082,049	700,362
Total income / revenue		46,282,137	36,363,979
Expenses			
Employee costs	4.1	13,026,368	12,067,320
Materials and services	4.2	18,921,371	9,979,633
Depreciation	4.3	6,768,642	6,558,729
Amortisation - intangible assets	4.4	70,693	57,243
Amortisation - right of use assets	4.5	254,270	207,533
Bad and doubtful debts - allowance for impairment losses	4.6	5,863	21,801
Borrowing costs	4.7	11,070	14,266
Finance costs - leases	4.8	25,922	22,734
Other expenses	4.9	426,931	417,787
Total expenses		39,511,130	29,347,046
Surplus for the year		6,771,007	7,016,933
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	6.2	27,379,177	39,162,519
Total other comprehensive income		27,379,177	39,162,519
Total comprehensive result		34,150,184	46,179,452

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

Balance Sheet As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	5.1	3,581,705	1,403,913
Trade and other receivables	5.1	4,304,345	3,443,585
Other financial assets	5.1	21,550,000	21,800,000
Prepayments	5.2	293,798	289,261
Non-current assets classified as held for sale	6.1	219,780	417,384
Other assets	5.2	820,235	126,498
Total current assets		30,769,864	27,480,641
Non-current assets			
Trade and other receivables	5.1	17,936	21,903
Other financial assets	5.1	2,032	2,032
Investments in associates, joint arrangements and subsidiaries	6.3	258,723	260,774
Property, infrastructure, plant and equipment	6.2	359,895,400	324,219,741
Right-of-use assets	5.8	586,695	790,874
Intangible assets	5.2	194,276	187,184
Total non-current assets		360,955,062	325,482,508
Total assets		391,724,926	352,963,149
Liabilities			
Current liabilities			
Trade and other payables	5.3	5,102,515	2,039,999
Trust funds and deposits	5.3	924,557	634,913
Unearned income/revenue	5.3	2,603,062	3,156,646
Provisions	5.5	4,179,961	5,669,256
Interest-bearing liabilities	5.4	255,603	96,557
Lease liabilities	5.8	266,302	243,936
Total current liabilities		13,332,000	11,841,307
Non-current liabilities			
Trust funds and deposits	5.3	34,791	52,731
Provisions	5.5	1,713,752	1,595,617
Interest-bearing liabilities	5.4	3,339,659	94,868
Lease liabilities	5.8	343,646	567,733
Total non-current liabilities		5,431,848	2,310,949
Total liabilities		18,763,848	14,152,256
Net assets		372,961,078	338,810,894
Equity			
Accumulated surplus		118,996,864	112,292,357
Reserves	9.1	253,964,214	226,518,537
Total Equity		372,961,078	338,810,894

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

Statement of Changes in Equity For the Year Ended 30 June 2023

	Note	Total \$	Accumulated Surplus \$	Revaluation Reserve \$	Other Reserves \$
2023					
Balance at beginning of the financial year		338,810,894	112,292,357	226,317,259	201,278
Surplus for the year		6,771,007	6,771,007	-	-
Net asset revaluation increment	6.2	27,379,177	-	27,379,177	-
Transfers to other reserves	9.1	-	(66,500)	-	66,500
		372,961,078	118,996,864	253,696,435	267,778
Balance at end of the financial year		372,961,078	118,996,864	253,696,435	267,778

		Total \$	Accumulated Surplus \$	Revaluation Reserve \$	Other Reserves \$
2022					
Balance at beginning of the financial year		292,631,442	105,291,524	187,154,740	185,178
Surplus for the year		7,016,933	7,016,933	-	-
Net asset revaluation increment	6.2	39,162,519	-	39,162,519	-
Transfers to other reserves	9.1	-	(16,100)	-	16,100
		338,810,894	112,292,357	226,317,259	201,278
Balance at end of the financial year		338,810,894	112,292,357	226,317,259	201,278

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 2023

		2023 Inflows/ (Outflows) \$	2022 Inflows/ (Outflows) \$
	Note		
Cash flows from operating activities			
Rates and charges		21,049,552	20,287,686
Statutory fees and fines		652,782	680,450
User fees		901,973	856,004
Grants - operating		14,421,416	8,875,683
Grants - capital		4,194,503	1,826,818
Contributions - monetary		203,492	238,761
Interest received		558,936	54,264
Trust funds and deposits taken		2,490,052	2,312,754
Other receipts		856,632	527,024
Net GST refund		2,215,654	1,446,527
Employee costs		(13,057,675)	(12,083,132)
Materials and services		(19,542,930)	(14,623,574)
Trust funds and deposits repaid		(2,218,348)	(2,180,333)
Other payments		(426,931)	(417,787)
Net cash provided by/(used in) operating activities		<u>12,299,108</u>	<u>7,801,145</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.2	(13,459,950)	(7,054,859)
Payments for intangible assets		(77,785)	(165,260)
Proceeds from sale of property, infrastructure, plant and equipment		51,386	53,523
Proceeds from sale of investments / (Payments for investments)		250,000	(4,450,000)
Net cash provided by/(used in) investing activities		<u>(13,236,350)</u>	<u>(11,616,596)</u>
Cash flows from financing activities			
Finance costs		(11,070)	(14,266)
Proceeds from borrowings		3,500,000	-
Repayment of borrowings		(96,163)	(91,000)
Repayment of lease liabilities		(277,733)	(225,439)
Net cash provided by/(used in) financing activities		<u>3,115,034</u>	<u>(330,705)</u>
Net increase (decrease) in cash and cash equivalents		2,177,792	(4,146,156)
Cash and cash equivalents at the beginning of the financial year		1,403,913	5,550,069
Cash and cash equivalents at the end of the financial year		<u>3,581,705</u>	<u>1,403,913</u>

Financing arrangements 5.6

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 2023

	2023 \$	2022 \$
Property		
Buildings	1,331,024	428,802
Total property	1,331,024	428,802
Plant and equipment		
Plant, machinery and equipment	782,185	309,470
Fixtures, fittings and furniture	205,535	323,048
Intangible assets	77,785	165,260
Total plant and equipment	1,065,505	797,778
Infrastructure		
Roads	5,136,619	2,567,886
Bridges and culverts	170,520	318,917
Footpaths and cycleways	3,747,485	667,080
Drainage	53,061	499,601
Recreational, leisure and community facilities	611,368	1,569,769
Parks, open space and streetscapes	1,422,154	370,287
Total infrastructure	11,141,206	5,993,541
Total capital works expenditure	13,537,735	7,220,120
Represented by:		
New asset expenditure	3,400,369	981,936
Asset renewal expenditure	6,082,695	3,763,811
Asset expansion expenditure	970,334	1,278,645
Asset upgrade expenditure	3,084,337	1,195,728
Total capital works expenditure	13,537,735	7,220,120

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

Note 1 OVERVIEW

Introduction

The Strathbogie Shire 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 the corner of Binney and Bury Streets, Euroa, Victoria 3666.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

Significant accounting policies

1.1 Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, 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.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not AASB 1059 Service Concession Arrangements: Grantors is applicable
- other areas requiring judgements

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

Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST recoverable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

1.2 Impact of Covid-19

Impacts from COVID-19 pandemic on council operation during 2022/23 were minimal. Most council operations are back to normal with the following impacts noted on council's financial operations:

- Council received additional \$1,845,804 capital grant from Federal Government under Local Roads and Community Infrastructure Program (RLCIP) for roads constructions. Council also received rapid antigen test program grants \$90,000 during the financial year.
- \$31,685 was spent on other pandemic related expenses. Impact on other revenue, debt collection and operational costs were immaterial.
- Construction industry has experienced a significant increase in cost and skill shortage due to pandemic related macro-economic factors. As a result, capital project delivery and assets valuation were impacted during the year.
- There were no business disruptions during the year except some areas experiencing post-COVID macro-economic implications such as project management and maintenance work experiencing contractor and staff shortages and difficulties in recruiting given a very competitive labour market.

1.3 Impact of natural disaster - October 2022 Flood

October 2022 flooding event affected many parts of Strathbogie Shire. As a result, some of council properties and infrastructure were damaged during the flood. Roads and buildings required repair work to bring back to its pre-flood condition. Council has noted the following significant impacts on its financial operations:

- A flood recovery support team was established to provide support to those whose homes or businesses have been impacted by flood.
- Council received Natural Disaster Financial Assistance (NDFA) grant (\$2,170,000), flood support funds from the Department of Jobs, Precincts and Regions (\$1,500,000), Emergency Recovery Victoria grant (\$771,000) and other flood related grants (\$319,872) during the year.
- Council spent \$3,037,250 both on cleaning and repair work to roads during the financial year and majority of roads repair work was completed during 2022/23.
- Council has estimated \$943,866 for building repair work. Comprehensive Income Statement for 2022/23 includes provision for both expense and insurance recovery income of \$943,866. Repair work is expected to complete during 2023/24.
- Council records a contingent asset of \$4,976,760 as of 30th June 2023. This includes an unconfirmed insurance recoverable amount on damaged buildings and bridges.
- Flood damage on roads and buildings resulted an impairment of assets value by \$971,068 as of 30th June 2023. These impairments are on those assets that have not been repaired as of 30th June 2023.
- Flood event resulted in re-directing Council resources towards flood recovery work. This impacted council operations and delivery of capital projects.
- Kirwans Bridge, a heritage listed timber bridge was damaged by the October 2022 Flood Event and remains closed as it is unsafe for vehicular traffic. Planning work for the future of the bridge is underway including the submission for external funding to enable the reopening of the bridge. No expense or impairment of value recorded as of 30 June 2023.
- Chinamans Bridge a heritage listed timber disused bridge was affected by the October 2022 Flood Event. The bridge is in a state of imminent collapse. Ownership of the bridge remains contested and unresolved. The bridge is not on Council's asset register. Council is in discussion with the relevant state government departments to determine an outcome as soon as possible.

Note 2 ANALYSIS OF OUR RESULTS

2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* 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.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

2.1.1 Income / Revenue and expenditure

	Budget 2023 \$	Actual 2023 \$	Variance \$	Variance %	Ref
Income / Revenue					
Rates and charges	21,080,000	21,139,734	59,734	0%	
Statutory fees and fines	688,000	672,191	(15,809)	-2%	
User fees	568,000	895,738	327,738	58%	1
Grants - operating	7,075,000	13,605,729	6,530,729	92%	2
Grants - capital	3,729,000	5,966,478	2,237,478	60%	3
Contributions - monetary	413,000	203,492	(209,508)	-51%	4
Contributions - non monetary	-	1,675,691	1,675,691	100%	5
Net gain on disposal of property, infrastructure, plant and equipment	50,000	43,086	(6,914)	-14%	
Share of net profits of associates and joint ventures	-	(2,051)	(2,051)	100%	
Other income	540,000	2,082,049	1,542,049	286%	6
Total income / revenue	34,143,000	46,282,137	12,139,137	36%	
Expenses					
Employee costs	12,022,000	13,026,368	(1,004,368)	-8%	7
Materials and services	13,569,000	18,921,371	(5,352,371)	-39%	8
Depreciation	6,076,000	6,768,642	(692,642)	-11%	9
Amortisation - intangible assets	-	70,693	(70,693)	100%	9
Amortisation - right of use assets	184,000	254,270	(70,270)	-38%	10
Bad & doubtful debts - allowance for impairment losses	5,000	5,863	(863)	-17%	
Borrowing costs	85,000	11,070	73,930	87%	11
Finance costs - leases	11,000	25,922	(14,922)	-136%	
Other expenses	331,000	426,931	(95,931)	-29%	12
Total expenses	32,283,000	39,511,130	(7,228,130)	-22%	
Surplus/(deficit) for the year	1,860,000	6,771,007	4,911,007	264%	

(i) Explanation of material variations

Income

1	User fees	Favourable variance due to increased lease income (\$102,610), increased recreational facilities income (\$29,234) and higher than budgeted tip fees and saleyard fees.
2	Grants - operating	More than budgeted operating grant is mainly due to receipt of unbudgeted flood recovery grants (\$3,973,119) and receipt of 2023/24 full allocation of Grant Commission Financial Assistance funds in 2022/23 which resulted an increased grant income (\$2,309,755) in 2022/23 compared to the budget. Council also received unbudgeted grants; rapid antigen test program grants (\$90,000) and Victorian health promotion grant (\$70,950).
3	Grants - capital	More than budgeted capital grant is mainly due to Nagambie foreshore walk grants carried forward from 2021/22 (\$2,895,524) which partly offset by decreased local road & community infrastructure funding (\$744,180).
4	Contributions - monetary	Less than expected developer contributions received (\$127,997) and less than budgeted contribution from Nagambie Discovery Caravan Park operational delays due to extended flood damage recovery work.
5	Contributions - non monetary	Unbudgeted Gifted Assets received from developers of Nagambie Lifestyle Village (\$525,072), Elloura Estate (\$479,056), Vineyard estate (\$434,678) and other estates (\$236,886).
6	Other income	More than budgeted term deposit interest income (\$624,674) due to increase in interest rates and cash position. Unbudgeted flood recovery insurance claim (\$943,866) for rectification of building damages due to flood damages.

Expense

7	Employee costs	Increase in employee cost is mainly due to four capital project officers' salary which were recorded as operating expense rather than capital expense (\$427,967), higher than budgeted overtime expense (\$218,896), grant funded Regional Tourism temporary employee salary expense (\$125,413) and fringe benefit tax which has been recorded under material and services expense in the adopted budget (\$119,176). This partly offset by vacancies during the financial year.
8	Materials and services	Increased materials and services expense is mainly due to flood recovery related expenditure (\$3,981,116), increased other waste management expenses (\$191,939) and increased legal fees (\$95,717) and contractors/consultants fees (\$82,321). This also includes Violet Town landfill rehabilitation expense (\$1,993,347) which partly offset by reversal of landfill rehabilitation provision (\$1,339,854).
9	Depreciation/ Amortisation - intangible assets	Increased depreciation expenditure in infrastructure assets (\$458,850) and underbudgeted furniture, plant and equipment depreciation (\$265,510).
11	Amortisation - right of use assets	Depreciation on new grader leased (\$65,810) in 2021/22 and new office leased (\$8,349) in 2022/23.
12	Borrowing costs	New borrowings for Violet Town landfill rehabilitation work and saleyard truck wash were delayed until June 2023.
13	Other expenses	Unbudgeted municipal monitor expense (\$30,371), increased councillor allowances and superannuation (\$25,420).

2.1.2 Capital works

	Budget 2023 \$	Actual 2023 \$	Variance \$	Variance %	Ref
Property					
Buildings	1,902,000	1,331,024	(570,977)	-30%	1
Total property	1,902,000	1,331,024	(570,977)	-30%	
Plant and equipment					
Plant, machinery and equipment	2,071,000	782,185	(1,288,815)	-62%	2
Fixtures, fittings and furniture	748,000	283,320	(464,680)	-62%	3
Total plant and equipment	2,819,000	1,065,505	(1,753,495)	-62%	
Infrastructure					
Roads	7,530,000	5,136,619	(2,393,382)	-32%	4
Bridges	1,200,000	170,520	(1,029,480)	-86%	5
Footpaths and cycleways	1,257,000	3,747,485	2,490,485	198%	6
Drainage	1,388,000	53,061	(1,334,939)	-96%	7
Recreational, leisure and community facilities	1,067,000	611,368	(455,632)	-43%	8
Waste management	3,256,000	-	(3,256,000)	-100%	9
Parks, open space and streetscapes	2,145,000	1,422,154	(722,846)	-34%	10
Total infrastructure	17,843,000	11,141,206	(6,701,794)	-38%	
Total capital works expenditure	22,564,000	13,537,735	(9,026,265)	-40%	
Represented by:					
New asset expenditure	1,127,000	3,400,369	2,273,369	202%	
Asset renewal expenditure	14,312,000	6,082,695	(8,229,305)	-57%	
Asset expansion expenditure	1,066,000	970,334	(95,666)	-9%	
Asset upgrade expenditure	6,059,000	3,084,337	(2,974,663)	-49%	
Total capital works expenditure	22,564,000	13,537,735	(9,026,265)	-40%	

(i) Explanation of material variations

	Item	Explanation
1	Buildings	Due to projects that were carried forward; Saleyards Truck Wash (\$632,638). Work not progressing; Euroa Civic Centre roof cladding work (\$455,564), Partly offset by increased expenditure in Euroa Caravan Park work (\$149,036), Strathbogie recreation reserve work (\$379,162) and unbudgeted expenditure; grant funded ArtBox project (\$134,842).
2	Plant, machinery and equipment	Market constraints in sourcing new vehicles and plants. Part of the remaining budget carried forward to 2023/24.
3	Fixtures, fittings and furniture	Mainly due to regional council information technology project carried forward to 2023/24.
4	Roads	Mainly due to projects that were carried forward to 2023/24; Habel Road (\$1,727,888), Seal Weir Road/Lake Road Kirwans Bridge (\$341,164), Zero Class upgrade program (\$292,874) and Hovell St - Sealed road Between Ewings road and Bank street (\$261,434). Partly offset by increased expenditure in other projects and road work completed that were carried forward from 2021/22.
5	Bridges	Mainly due to Nagambie Locksley Road bridge carried forward to future years (\$1,067,301).
6	Footpaths and cycleways	Due to Lake Nagambie Foreshore Walk (\$2,280,894) and Rockies Pedestrian Footbridge (\$168,121) which were carried forward from 2021/22.
7	Drainage	Most of the budgeted drainage works were put on hold until council adopts drainage strategy.
8	Recreational, leisure and community facilities	Mainly due to Nagambie Recreation Reserve Lighting (\$199,901) and swimming pool work (\$61,458) which were carried forward to 2023/24.
9	Waste management	Waste management budget includes Violet Town Landfill restoration work, transfer station resale shop and Nagambie transfer station new waste bay. During the year council spent \$1,993,347 on landfill rehabilitation work. This has been expensed in the Comprehensive Income Statement - Refer financial statement notes 4.2 and 5.5 for additional details. Resale shop and new waste bay have been carried forward to 2023/24.
10	Parks, open space and streetscapes	Carried forward projects to 2023/24; Streetscapes Renewal Program (\$939,963) and partly offset by 2021/22 projects that were completed in 2022/23.

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1 Programs

People & Governance

People & Governance provides primarily internally focussed services including financial management, human resources, risk management, occupational health and safety, information communication technology, records management, frontline customer service and corporate governance and council business.

Community & Planning

Community & Planning provides high quality community focused programs. Service areas include maternal and child health, youth, seniors, community grants, arts and culture, tourism, regulatory services, local laws, emergency management and economic development programs. It also includes strategic and statutory land use planning.

Sustainable Infrastructure

Sustainable Infrastructure provides strategic management of council assets and waste management services. Service areas include assets management, operations and waste management.

Corporate Leadership

Corporate Leadership provides effective strategic oversight, policy development and communications/engagement.

Mayor & Councillors

Elected members to the council and associated services.

2.2.2 Summary of income / revenue, expenses, assets and capital expenses by program

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$	\$	\$	\$	\$
2023					
People & Governance	27,572,035	11,724,359	15,847,677	8,110,530	116,238,729
Community & Planning	6,838,974	9,285,803	(2,446,830)	5,039,494	92,062,177
Sustainable Infrastructure	11,816,918	17,053,945	(5,237,027)	6,372,183	169,077,807
Corporate Leadership	50,000	1,029,577	(979,577)	50,000	10,207,532
Mayor & Councillors	4,211	417,446	(413,235)	-	4,138,680
	46,282,138	39,511,130	6,771,007	19,572,207	391,724,926
	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$	\$	\$	\$	\$
2022					
Corporate Operations	33,243,115	(21,171,755)	12,071,360	9,141,309	254,637,194
Community & Planning	2,912,033	(3,728,808)	(816,775)	2,451,514	44,847,161
People & Governance	155,561	(3,125,545)	(2,969,984)	-	37,591,587
Corporate Leadership	41,000	(966,273)	(925,273)	40,000	11,621,569
Mayor & Councillors	12,269	(354,665)	(342,396)	-	4,265,637
	36,363,978	(29,347,046)	7,016,932	11,632,823	352,963,148

Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES

3.1 Rates and charges

2023	2022
\$	\$

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

The valuation base used to calculate general rates for 2022/23 was \$5,268 million (2021/22 \$4,105 million).

General rates	18,064,459	17,590,122
Waste management charge	3,075,275	2,924,936
Total rates and charges	21,139,734	20,515,058

The date of the latest general revaluation of land for rating purposes within the municipal district was 1st January 2023, and the valuation will be first applied in the rating year commencing 1st July 2023.

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.

3.2 Statutory fees and fines

Building fees	122,948	148,825
Planning fees	333,488	336,518
Health registrations	77,235	83,774
Animal registrations	108,369	83,141
Land information certificates	20,848	25,577
Fire Prevention Notice Infringements	9,303	2,615
Total statutory fees and fines	672,191	680,450

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

3.3 User fees

Tip fees	213,872	223,676
Nagambie Lakes events	31,052	12,540
Saleyard operations revenue	217,827	271,625
Swimming pools revenue	10,114	3,594
Rent/lease Charges	192,610	141,720
Euroa Cinema	46,774	4,894
Septic tank fees	17,341	24,959
Other user charges and contributions	166,148	157,767
Total user fees	895,738	840,775

User fees by timing of revenue recognition

User fees recognised over time	-	-
User fees recognised at a point in time	895,738	840,775
Total user fees	895,738	840,775

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

	2023 \$	2022 \$
3.4 Funding from other levels of government		
Grants were received in respect of the following :		
Summary of grants		
Commonwealth funded grants	11,637,421	9,470,645
State funded grants	7,934,786	2,162,177
Total grants received	19,572,207	11,632,822
(a) Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Financial Assistance Grants	8,466,584	7,440,469
<i>Recurrent - State Government</i>		
Maternal & Child Health	229,395	240,581
Community Safety	16,031	7,848
Youth	121,917	121,404
Pests and Plants Program	65,893	65,893
Municipal Emergency Resource Programme	61,500	13,200
Supported Playgroup	44,629	60,710
Vulnerable Persons Register	18,915	21,490
Boat Ramp Maintenance	9,100	8,900
School Crossing Supervision	36,935	30,850
Other	21,885	23,840
Total recurrent operating grants	9,092,784	8,035,185
<i>Non-recurrent - Commonwealth Government</i>		
Other	35,000	-
<i>Non-recurrent - State Government</i>		
Economic Development	-	60,000
Greening Euroa	1,192	63,180
Environment	51,731	88,046
Tourism & Events	91,000	404,000
Emergency & Disaster Management *	4,095,665	-
Planning and Business Case	90,312	35,000
Water/Waterways Management	30,805	54,000
Health	70,950	93,479
Rural Roads Support Program	35,000	21,500
Kindergarten	-	81,000
Other	11,290	93,100
Total non-recurrent operating grants	4,512,945	993,305
Total operating grants	13,605,729	9,028,490

	2023	2022
	\$	\$
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	1,381,234	1,200,000
Total recurrent capital grants	1,381,234	1,200,000
Non-recurrent - Commonwealth Government		
Drought Funding	-	100,000
Infrastructure Funding Grant	1,456,756	678,023
Nagambie Foreshore Walk	297,847	52,153
Non-recurrent - State Government		
Recreation	232,964	41,250
Footpaths and cycleways	2,597,677	402,323
Tourism & Events	-	130,000
Environment - Capital	-	584
Total non-recurrent capital grants	4,585,244	1,404,333
Total capital grants	5,966,478	2,604,333

*Emergency & Disaster Management grant include October 2022 flood recovery related grant (\$4,005,665)

(c) Recognition of grant income

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15 Revenue from Contracts with Customers*. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies *AASB 1058 Income of Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

Income recognised under AASB 1058 *Income of Not-for-Profit Entities*

General purpose	12,846,502	7,742,900
Specific purpose grants to acquire non-financial assets	-	-
Other specific purpose grants	686,006	1,116,223

Revenue recognised under AASB 15 *Revenue from Contracts with Customers*

Specific purpose grants	6,039,699	2,773,699
	19,572,207	11,632,822

	2023	2022
	\$	\$
(d) Unspent grants received on condition that they be spent in a specific manner		
<i>Operating</i>		
Balance at start of year	854,126	305,172
Received during the financial year and remained unspent at balance date	1,273,418	765,703
Received in prior years and spent during the financial year	(547,945)	(216,749)
Balance at year end	1,579,599	854,126
<i>Capital</i>		
Balance at start of year	2,675,524	3,401,555
Received during the financial year and remained unspent at balance date	1,014,413	80,000
Received in prior years and spent during the financial year	(2,595,524)	(806,031)
Balance at year end	1,094,413	2,675,524

Unspent grants are determined and disclosed on a cash basis.

3.5 Contributions

Monetary	203,492	238,761
Non-monetary	1,675,691	1,721,874
Total contributions	1,879,183	1,960,635

Contributions of non monetary assets were received in relation to the following asset classes.

Roads	757,292	900,062
Kerb & Channel	169,171	-
Footpath	172,653	225,504
Drainage	407,853	349,355
Land under roads	168,722	246,953
Total non-monetary contributions	1,675,691	1,721,874

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

	2023	2022
	\$	\$
3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Proceeds of sale	51,386	53,523
Written down value of assets disposed	(8,300)	(25,134)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	43,086	28,389

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

3.7 Other income

Interest	692,572	100,225
Interest on rates	188,003	210,561
Diesel rebate	59,831	63,040
Insurance recoveries	1,087,099	139,757
Other items	54,544	186,779
Total other income	2,082,049	700,362

Interest is recognised as it is earned.

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

Insurance recoveries include October 2022 flood related insurance income to date of 30 June 2023 - \$943,866.

	2023	2022
	\$	\$

Note 4 THE COST OF DELIVERING SERVICES

4.1 (a) Employee costs

Wages and salaries	11,212,895	10,281,715
WorkCover	239,892	438,254
Superannuation	1,125,432	991,730
Fringe benefits tax	119,176	111,291
Other	328,973	244,330
Total employee costs	13,026,368	12,067,320

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	49,057	64,633
Employer contributions - other funds	-	-
	49,057	64,633

Employer contributions payable at reporting date.

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	578,434	448,209
Employer contributions - other funds	498,519	475,025
	1,076,953	923,234
Employer contributions payable at reporting date.	594	3,863

Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

4.2 Materials and services

Building maintenance	946,767	630,854
General maintenance *	5,793,647	4,394,690
Flood recovery	3,981,116	-
Utilities	316,392	281,166
Office administration	1,985,207	1,629,098
Information technology	810,268	703,125
Insurance	533,849	464,731
Consultants	910,796	1,281,740
Legal fees	279,217	285,882
Emergency Expense	2,846	12,814
Waste Management **	3,361,266	295,533
Total materials and services	18,921,371	9,979,633

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

* General maintenance includes, but is not limited to, maintenance of infrastructure (\$1,904,514), maintenance of road canopy and trees (\$1,097,962), plant expenses (\$1,706,564) and contractor and professional service payments (\$613,924).

** Waste Management expenses include landfill rehabilitation expense (\$1,993,347) and reversal of landfill rehabilitation provision (\$1,339,854). Refer to Note 5.5.

	2023	2022
	\$	\$
4.3 Depreciation		
Property	1,068,375	1,106,015
Plant and equipment	423,432	425,188
Furniture and Equipment	227,985	194,874
Infrastructure	5,048,850	4,832,652
Total depreciation	6,768,642	6,558,729

Refer to note 5.2(c), 5.8 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Amortisation - Intangible assets

Software	70,693	57,243
Total Amortisation - Intangible assets	70,693	57,243

4.5 Amortisation - Right of use assets

Property	17,554	9,206
Plant and equipment	236,716	198,327
Total Amortisation - Right of use assets	254,270	207,533

4.6 Bad and doubtful debts - allowance for impairment losses

Rates debtors	157	18,263
Other debtors	5,706	3,538
Total bad and doubtful debts - allowance for impairment losses	5,863	21,801

Movement in allowance for impairment losses in respect of debtors

Balance at the beginning of the year	6,235	9,573
New provisions recognised during the year	10,292	3,539
Amounts already provided for and written off as uncollectible	(5,863)	(6,877)
Balance at end of year	10,664	6,235

An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

4.7 Borrowing costs

Interest - Borrowings	11,070	14,266
Total borrowing costs	11,070	14,266

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

4.8 Finance Costs - Leases

Interest - Lease Liabilities	25,922	22,734
Total finance costs	25,922	22,734

	2023	2022
	\$	\$
4.9 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	41,000	56,400
Auditors' remuneration - Internal Audit & Audit Committee	45,088	72,927
Councillors' allowances	261,519	229,506
Other Councillor expenses	79,324	55,448
Election Expenses	-	3,506
Total other expenses	426,931	417,787

Other Councillor expenses include Municipal Monitor expense \$30,371.

Note 5 OUR FINANCIAL POSITION

	2023	2022
	\$	\$
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	1,611	1,893
Cash at bank	430,094	902,020
Term deposits	3,150,000	500,000
Total cash and cash equivalents	3,581,705	1,403,913
(b) Other financial assets		
Current		
Term deposits - current	21,550,000	21,800,000
Total current other financial assets	21,550,000	21,800,000
Non-current		
Share in MAV Purchasing Scheme	2,032	2,032
Total non-current other financial assets	2,032	2,032
Total other financial assets	21,552,032	21,802,032
Total financial assets	25,133,737	23,205,945

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

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

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

	2023	2022
	\$	\$
(c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	2,488,113	2,405,729
Special rate assessment	11,765	9,383
Net GST receivable	610,200	224,933
<i>Non statutory receivables</i>		
Other debtors	1,204,931	809,775
Provision for doubtful debts - other debtors	(10,664)	(6,235)
Total current trade and other receivables	4,304,345	3,443,585
Non-current		
<i>Statutory receivables</i>		
Special rate scheme	17,936	21,903
Total non-current trade and other receivables	17,936	21,903
Total trade and other receivables	4,322,281	3,465,488

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

(d) Ageing of Receivables

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

Current (not yet due)	654,142	552,137
Past due by up to 30 days	74,688	31,917
Past due between 31 and 180 days	230,000	85,987
Past due between 181 and 365 days	106,210	95,616
Past due by more than 1 year	139,891	44,118
Total trade and other receivables	1,204,931	809,775

5.2 Non-financial assets

	2023	2022
	\$	\$
(a) Other assets		
Prepayments	293,798	289,261
Accrued income	805,473	110,321
Inventories	14,762	16,177
Total other assets	1,114,033	415,759
(b) Intangible assets		
Software	194,276	187,184
Total intangible assets	194,276	187,184
	Software	Total
	\$	\$
Gross carrying amount		
Balance at 1 July 2022	1,122,440	1,122,440
Other additions	77,785	77,785
Balance at 30 June 2023	1,200,225	1,200,225
Accumulated amortisation and impairment		
Balance at 1 July 2022	935,256	935,256
Amortisation expense	70,693	70,693
Balance at 30 June 2023	1,005,949	1,005,949
Net book value at 30 June 2022	187,184	187,184
Net book value at 30 June 2023	194,276	194,276

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

5.3 Payables, trust funds and deposits and unearned income/revenue

	2023	2022
(a) Trade and other payables	\$	\$
Current		
<i>Non-statutory payables</i>		
Trade payables	3,239,383	1,923,441
Accrued expenses	1,863,131	116,558
Total current trade and other payables	5,102,514	2,039,999
(b) Trust funds and deposits		
Current		
Fire services levy	64,310	44,425
Retention amounts	459,952	190,683
Other refundable deposits *	400,295	399,805
Total current trust funds and deposits	924,557	634,913
Non-current		
Trust funds bequested **	34,791	52,731
Total non-current trust funds and deposits	34,791	52,731
Total trust funds and deposits	959,348	687,644

* Other refundable deposits include security deposits of \$393,389.

** Trust funds bequested include Tascrosbie trust funds \$34,791.

(c) Unearned income/revenue

Current		
Grants received in advance - operating	1,508,649	481,122
Grants received in advance - capital	1,094,413	2,675,524
Total current unearned income/revenue	2,603,062	3,156,646

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of delivery of community infrastructure and community services. Unearned income/revenue are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

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

Purpose and nature of items

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.

	2023 \$	2022 \$
5.4 Interest-bearing liabilities		
Current		
Treasury Corporation of Victoria borrowings - secured	160,341	-
Borrowings - secured	95,262	96,557
Total current interest-bearing liabilities	255,603	96,557
Non-current		
Treasury Corporation of Victoria borrowings - secured	3,339,659	-
Borrowings - secured	-	94,868
Total non-current interest-bearing liabilities	3,339,659	94,868
Total	3,595,262	191,425

Borrowings are secured by a registered charge over the Council rates on the Personal Property Security Register.

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

Not later than one year	255,603	96,557
Later than one year and not later than five years	728,354	94,868
Later than five years	2,611,305	-
	3,595,262	191,425

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

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

5.5 Provisions

	Employee \$	Landfill restoration \$	Total \$
2023			
Balance at beginning of the financial year	3,263,216	4,001,657	7,264,873
Additional provisions	964,998	764,076	1,729,074
Amounts used	(1,129,182)	(1,993,347)	(3,122,529)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	132,878	(110,582)	22,296
Balance at the end of the financial year	3,231,910	2,661,804	5,893,714
<i>Provisions - current</i>	2,770,491	1,409,471	4,179,962
<i>Provisions - non-current</i>	461,419	1,252,333	1,713,752
2022			
Balance at beginning of the financial year	3,279,027	6,135,497	9,414,524
Additional provisions	1,128,048	(1,780,683)	(652,635)
Amounts used	(1,117,401)	-	(1,117,401)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(26,459)	(353,157)	(379,616)
Balance at the end of the financial year	3,263,216	4,001,657	7,264,873
<i>Provisions - current</i>	2,886,605	2,782,651	5,669,256
<i>Provisions - non-current</i>	376,610	1,219,007	1,595,617

	2023	2022
	\$	\$
(a) Employee provisions		
Current provisions expected to be wholly settled within 12		
Annual leave	763,719	767,000
Long service leave	205,844	210,452
Other	11,148	11,254
	980,711	988,706
Current provisions expected to be wholly settled after 12		
Annual leave	286,211	466,717
Long service leave	1,503,569	1,431,183
	1,789,780	1,897,900
Total current employee provisions	2,770,491	2,886,605
Non-current		
Long service leave	461,419	376,610
Total non-current employee provisions	461,419	376,610
Aggregate carrying amount of employee provisions:		
Current	2,770,491	2,886,605
Non-current	461,419	376,610
Total aggregate carrying amount of employee provisions	3,231,910	3,263,215

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

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

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

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. 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 and measured at present value.

	2023	2022
Key assumptions:		
- discount rate	4.06%	3.33%
- index rate	3.50%	1.70%

	2023	2022
(b) Landfill restoration	\$	\$
Current	1,409,471	2,782,651
Non-current	1,252,333	1,219,007
	2,661,804	4,001,658

Council is obligated to restore landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

- discount rate	4.06%	3.33%
- index rate	7.00%	5.10%

5.6 Financing arrangements

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

Bank overdraft	1,145,000	1,145,000
Credit card facilities	100,000	100,000
Treasury Corporation of Victoria facilities	3,500,000	-
Loan facilities	95,262	191,425
Total facilities	4,840,262	1,436,425
Used facilities	(3,613,530)	(199,414)
Unused facilities	1,226,732	1,237,011

5.7 Commitments

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

(a) Commitments for expenditure

2023	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
	\$	\$	\$	\$	\$
Operating					
Governance	97,481	-	-	-	97,481
Finance	209,909	20,807	-	-	230,716
Environment & Waste	276,111	64,333	-	-	340,444
Community	302,274	-	-	-	302,274
Total	885,775	85,140	-	-	970,915
Capital					
Buildings	39,662	-	-	-	39,662
Bridges	58,752	-	-	-	58,752
Roads	1,907,389	-	-	-	1,907,389
Footpaths and cycleways	823,751	-	-	-	823,751
Parks open spaces and streetscapes	472,457	-	-	-	472,457
Waste Management	233,337	-	-	-	233,337
Total	3,535,348	-	-	-	3,535,348
2022					
	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
	\$	\$	\$	\$	\$
Operating					
Open space management	373,348	373,348	71,074	-	817,770
Governance	239,645	199,673	62,664	-	501,982
Human Resources	58,592	16,476	-	-	75,068
Assets Services	59,261	-	-	-	59,261
Finance	49,153	-	-	-	49,153
Environment & Waste	125,478	73,393	26,693	-	225,564
Total	905,477	662,890	160,431	-	1,728,798
Capital					
Open Space	1,838,776	-	-	-	1,838,776
Total	1,838,776	-	-	-	1,838,776

5.8 Leases

At inception of a contract, Council assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- Council has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- Council has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Under *AASB 16 Leases*, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Right-of-Use Assets

	Property	Plant & Equipment	Total
	\$	\$	\$
Balance at 1 July 2022	9,204	781,670	790,874
Additions	50,091	-	50,091
Amortisation charge	(17,554)	(236,716)	(254,270)
Balance at 30 June 2023	41,741	544,954	586,695

Lease Liabilities

	2023	2022
	\$	\$
Maturity analysis - contractual undiscounted cash flows		
Less than one year	285,008	269,066
One to five years	361,364	602,259
More than five years	-	-
Total undiscounted lease liabilities as at 30 June:	646,372	871,325

Lease liabilities included in the Balance Sheet at 30 June:

Current	266,302	243,936
Non-current	343,646	567,733
Total lease liabilities	609,948	811,669

Short-term and low value leases

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2023	2022
	\$	\$
Expenses relating to:		
Short-term leases	18,658	18,606
Leases of low value assets	-	-
Total	18,658	18,606

Other lease payments

Council does not have any variable lease or non-cancellable lease commitments as at 30 June 2023

Note 6 ASSETS WE MANAGE

6.1 Non current assets classified as held for sale

	2023	2022
	\$	\$
Cost of acquisition	219,780	417,384
Total non current assets classified as held for sale	219,780	417,384

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

Notes to the Financial Report
For the Year Ended 30 June 2023

6.2 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2022	Additions	Contributio ns	Revaluation	Depreciation	Disposal	Impairment	Write-off	Transfers/ Reclassification	Carrying amount 30 June 2023
	\$	\$	\$	\$	\$	\$		\$	\$	\$
Property	58,456,202	1,307,916	168,722	7,531,506	(1,068,375)	-	(1,435,480)	-	278,902	65,239,393
Plant and equipment	4,928,588	987,720	-	-	(651,417)	(8,300)	-	-	-	5,256,591
Infrastructure	255,785,179	6,638,007	1,506,969	21,435,389	(5,048,850)	-	(152,238)	-	2,783,358	282,947,814
Work in progress	5,049,772	4,526,307	-	-	-	-	-	(259,821)	(2,864,656)	6,451,602
Total	324,219,741	13,459,950	1,675,691	28,966,895	(6,768,642)	(8,300)	(1,587,718)	(259,821)	197,604	359,895,400

Summary of Work in Progress

	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$	\$	\$	\$	\$
Property	256,289	320,539	(28,524)	(81,298)	467,006
Infrastructure	4,793,483	4,205,768	(231,297)	(2,783,358)	5,984,596
Total	5,049,772	4,526,307	(259,821)	(2,864,656)	6,451,602

Notes to the Financial Report
For the Year Ended 30 June 2023

(a) Property

	Land - specialised	Land - non specialised	Land under roads	Total Land	Buildings - specialised	Buildings - non specialised	Total Buildings	Cultural and heritage assets	Work In Progress	Total Property
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
At fair value 1 July 2022	23,865,948	4,715,000	511,718	29,092,666	62,094,122	3,305,676	65,399,798	2,298,900	256,289	97,047,654
Accumulated depreciation at 1 July 2022	-	-	-	-	(37,242,018)	(1,093,144)	(38,335,162)	-	-	(38,335,162)
	23,865,948	4,715,000	511,718	29,092,666	24,852,104	2,212,532	27,064,636	2,298,900	256,289	58,712,491
Movements in fair value										
Additions	-	-	-	-	1,307,916	-	1,307,916	-	320,539	1,628,455
Contributions	-	-	168,722	168,722	-	-	-	-	-	168,722
Revaluation	2,738,289	540,981	60,179	3,339,449	3,660,369	531,687	4,192,056	-	-	7,531,506
Reclassification	-	197,604	-	197,604	-	-	-	-	-	197,604
Write-off	-	-	-	-	-	-	-	-	(28,524)	(28,524)
Transfers	-	-	-	-	81,298	-	81,298	-	(81,298)	-
Impairment losses recognised	-	-	-	-	(1,435,480)	-	(1,435,480)	-	-	(1,435,480)
	2,738,289	738,585	228,901	3,705,775	3,614,103	531,687	4,145,790	-	210,717	8,062,283
Movements in accumulated depreciation										
Depreciation and amortisation	-	-	-	-	(1,068,375)	-	(1,068,375)	-	-	(1,068,375)
	-	-	-	-	(1,068,375)	-	(1,068,375)	-	-	(1,068,375)
At fair value 30 June 2023	26,604,237	5,453,585	740,619	32,798,441	65,708,225	3,837,363	69,545,589	2,298,900	467,006	105,109,937
Accumulated depreciation at 30 June 2023	-	-	-	-	(38,310,393)	(1,093,144)	(39,403,537)	-	-	(39,403,537)
Carrying amount	26,604,237	5,453,585	740,619	32,798,441	27,397,832	2,744,219	30,142,052	2,298,900	467,006	65,706,399

(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Cultural and heritage assets - Arts & Monuments	Total plant and equipment
	\$	\$	\$	\$
At fair value 1 July 2022	6,070,401	3,483,150	2,146,950	11,700,501
Accumulated depreciation at 1 July 2022	(4,070,047)	(2,701,867)	-	(6,771,914)
	2,000,354	781,283	2,146,950	4,928,588
Movements in fair value				
Additions	782,185	205,535	-	987,720
Disposal	(115,066)	-	-	(115,066)
	667,119	205,535	-	872,654
Movements in accumulated depreciation				
Depreciation and amortisation	(423,432)	(227,985)	-	(651,417)
Accumulated depreciation of disposals	106,766	-	-	106,766
	(316,666)	(227,985)	-	(544,651)
At fair value 30 June 2023	6,737,520	3,688,685	2,146,950	12,573,155
Accumulated depreciation at 30 June 2023	(4,386,713)	(2,929,852)	-	(7,316,565)
Carrying amount	2,350,807	758,833	2,146,950	5,256,591

Notes to the Financial Report
For the Year Ended 30 June 2023

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Kerb and channel	Parks open spaces and streetscapes	Cultural and heritage assets	Work In Progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$
At fair value 1 July 2022	244,895,914	72,783,468	5,990,918	18,781,080	15,141,966	22,258,340	2,288,263	4,793,483	386,933,432
Accumulated depreciation at 1 July 2022	(81,657,410)	(21,520,699)	(1,688,468)	(4,753,992)	(5,958,496)	(10,775,705)	-	-	(126,354,770)
	163,238,504	51,262,769	4,302,450	14,027,088	9,183,470	11,482,635	2,288,263	4,793,483	260,578,662
Movements in fair value									
Additions	4,288,312	90,338	710,445	-	-	1,548,912	-	4,205,768	10,843,775
Contributions	757,292	-	172,653	407,853	169,171	-	-	-	1,506,969
Revaluation	8,020,032	2,518,579	1,270,193	11,883,462	468,973	1,679,920	-	-	25,841,160
Write-off	-	-	-	-	-	-	-	(231,297)	(231,297)
Transfers	1,074,813	210,151	391,468	-	-	1,106,926	-	(2,783,358)	-
Impairment losses recognised	(144,961)	(7,277)	-	-	-	-	-	-	(152,238)
	13,995,488	2,811,791	2,544,759	12,291,315	638,144	4,335,758	-	1,191,113	37,808,369
Movements in accumulated depreciation									
Depreciation and amortisation	(3,102,190)	(710,479)	(159,844)	(327,105)	(203,344)	(545,888)	-	-	(5,048,850)
Revaluation	-	-	164,190	(4,569,961)	-	-	-	-	(4,405,771)
	(3,102,190)	(710,479)	4,346	(4,897,066)	(203,344)	(545,888)	-	-	(9,454,621)
At fair value 30 June 2023	258,891,402	75,595,259	8,535,677	31,072,395	15,780,110	26,594,098	2,288,263	5,984,596	424,741,800
Accumulated depreciation at 30 June 2023	(84,759,600)	(22,231,178)	(1,684,122)	(9,651,058)	(6,161,840)	(11,321,593)	-	-	(135,809,390)
Carrying amount	174,131,802	53,364,082	6,851,555	21,421,337	9,618,270	15,272,505	2,288,263	5,984,596	288,932,410

Acquisition

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

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

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

	Depreciation Period	Threshold Limit
Asset recognition thresholds and depreciation periods		\$
Property		
land	-	10,000
Buildings		
buildings	10 to 100 years	5000
Plant and Equipment		
plant, machinery and equipment	2 to 20 years	1,000
furniture and equipment	2 to 10 years	1000
leased plant and equipment including right of use assets	3 to 5 years	5,000
Infrastructure		
road pavements - sealed	40 to 130 years	5,000
road pavements - unsealed	25 to 40 years	5,000
road seals	18 to 40 years	5,000
formation and earthworks	100 years	5,000
bridges deck	50 to 120 years	5,000
bridges substructure	60 to 250 years	5,000
culverts	60 to 250 years	5,000
footpaths	10 to 60 years	5,000
drainage	100 years	5,000
parks open spaces and streetscapes	15 to 100 years	5,000
kerb and channel	50 to 100 years	5,000
cultural and heritage assets	-	5,000

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, there are no leasehold improvements.

Valuation of land and buildings

Valuation of land were undertaken by a qualified independent valuer APV Valuers & Assets Management (Megan Matteschek - Registered Valuer No. 3745MR) in June 2021 and then adjusted for indexation in June 2023, which was reviewed by Jeeva Ali, Civil Engineer/Manager Asset. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

The date and type of the current valuation is detailed in the following table.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Land	-	5,453,585	-	Jun-23	Indexation
Specialised land	-	-	26,604,237	Jun-23	Indexation
Land under roads	-	-	740,619	Jun-23	Indexation
Heritage Buildings	-	-	2,298,900	Jun-20	Full Valuation
Buildings & site improvements	-	2,212,532	27,929,519	Jun-23	Indexation
Total	-	7,666,117	57,573,276		

Valuation of infrastructure

The valuation is at fair value as at 30 June 2021 plus all 2021/22 additions at cost and is based on replacement cost less accumulated depreciation as at the date of valuation. The base valuation of infrastructure assets conducted at 30 June 2020 was made by Jeeva Ali, Civil Engineer/Manager Asset.

Condition survey of Footpaths and cycleways were conducted internally. Replacement unit rates have been applied to the asset condition to arrive at revaluation figure as at 30th June 2023. Drainage assets were revalued based on its age and replacement unit rates. All valuations were reviewed by Jeeva Ali, Civil Engineer/Manager Asset.

The date and type of the current valuation is detailed in the following table.

The valuation is at fair value based on current 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 2023 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	174,131,802	Jun-23	Indexation
Bridges	-	-	53,364,082	Jun-23	Indexation
Footpaths and cycleways	-	-	6,851,555	Jun-23	Inhouse full valuation
Drainage	-	-	21,421,337	Jun-23	Inhouse full valuation
Kerb and channel	-	-	9,618,270	Jun-23	Indexation
Parks, open space and streetscapes	-	-	15,272,505	Jun-23	Indexation
Total	-	-	280,659,551		

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 85% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.48 and \$565 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$200 to \$700 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 20 years to 120 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 current 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 18 years to 120 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.

	2023	2022
	\$	\$
Reconciliation of specialised land		
Parks and reserves	19,196,815	17,220,948
Waste management	1,687,711	1,514,000
Civic centres	2,721,071	2,441,000
Council depts	1,226,210	1,100,000
Caravan parks	1,058,999	950,000
Pre schools	434,747	390,000
Saleyards	278,684	250,000
Total specialised land	26,604,237	23,865,948

	2023	2022
	\$	\$

6.3 Investments in associates, joint arrangements and subsidiaries

(a) Investments in associates

- Goulburn Valley Regional Library Corporation	258,723	260,774
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Goulburn Valley Regional Library Corporation

Background

The Goulburn Valley Regional Library Corporation is an entity which has been established to serve three northern Victorian councils; Strathbogie Shire Council, the Greater Shepparton City Council and Moira Shire Council. Each Council has two committee representatives on the Board of Directors. Each Member council contributes financial to the operation of the Corporation based on the ratio of their population base. Contribution payments are considered a 'fee for service' on a commercial basis and are relative to the services the Corporation provides. The amount of financial contributions does not bring with it any additional voting rights or influence on the library activities and therefore no greater power or control.

Fair value of Council's investment in Goulburn Valley Regional Library Corporation	258,723	260,774
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus(deficit) at start of year	260,774	255,287
Reported surplus(deficit) for year	(2,051)	5,487
Council's share of accumulated surplus(deficit) at end of year	258,723	260,774
Movement in carrying value of specific investment		
Carrying value of investment at start of year	260,774	255,287
Share of surplus(deficit) for year	(2,051)	5,487
Carrying value of investment at end of year	258,723	260,774

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.

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

For joint operations, Council recognises its direct right to, and its share of jointly held assets, liabilities, revenues and expenses of joint operations.

Interests in joint ventures are accounted for using the equity method. Under this method, the interests are initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise Council's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

(b) Community Asset Committee

All entities controlled by Council that have material income, expenses, assets or liabilities, such as community asset committees, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

Note 7 PEOPLE AND RELATIONSHIPS

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Strathbogie Shire Council is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in Note 6.3.

(b) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Strathbogie Shire Council. The Councillors, Chief Executive Officer, Directors and Executive Managers are deemed KMP.

Details of KMP at any time during the year are:

Councillors

Cr Laura Binks
Cr Paul Murray
Cr Chris Raeburn
Cr Kristy Hourigan *
Cr Reg Dickinson
Cr Sally Hayes-Burke
Cr David Andrews **

Management

Chief Executive Officer
Director - People & Governance
Director - Director Sustainable Infrastructure
Director - Community & Planning
Executive Manager Communications and Engagement

	2023 No.	2022 No.
Total Number of Councillors	7	8
Total of Chief Executive Officer and other Key Management Personnel	7	6
Total Number of Key Management Personnel	14	14

* Cr Kristy Hourigan resigned on 26th July 2023.

** Cr David Andrews resigned on 12th June 2023 and replaced by Cr Robin Weatherald on 18th July 2023.

(c) Remuneration of Key Management Personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.

Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Termination benefits include termination of employment payments, such as severance packages.

Total remuneration of key management personnel was as follows:

	2023	2022
	\$	\$
Short-term employee benefits	1,299,868	1,259,638
Other long-term employee benefits	14,199	9,078
Post-employment benefits	138,235	115,502
Termination benefits	74,359	47,855
Total	1,526,661	1,432,073

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2023	2022
	No.	No.
\$1 - \$9,999	-	1
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	6	3
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	-	1
\$60,000 - \$69,999	1	-
\$80,000 - \$89,999	1	-
\$100,000 - \$109,999	-	1
\$180,000 - \$189,999	-	1
\$200,000 - \$209,999	2	1
\$210,000 - \$219,999	-	1
\$220,000 - \$229,999	1	-
\$230,000 - \$239,999	-	1
\$240,000 - \$249,999	1	-
\$270,000 - \$279,999	-	1
\$300,000 - \$309,999	1	-
	14	14

(d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$160,000 (\$150,000 in 2022) and who report directly to a member of the KMP. *

Remuneration includes salary and other oncost items such as superannuation, accrued leave entitlements, vehicle benefits and employee related insurance expenses.

Total remuneration of other senior staff was as follows: *

	2023	2022
	\$	\$
Short-term employee benefits	899,107	298,006
Other long-term employee benefits	12,973	6,215
Post-employment benefits	81,010	26,819
Termination benefits	-	-
Total	993,090	331,040

The number of other senior staff are shown below in their relevant income bands: *

	2023	2022
	No.	No.
Income Range:		
\$160,000 - \$169,999	6	2
	6	2

Total remuneration for the reporting year for other senior staff included above, 993,090 331,040

*2022 comparative figures on remuneration of senior staff have been changed to reflect new definition.

	2023 \$	2022 \$
7.2 Related party disclosure		
(a) Transactions with related parties		
During the period Council entered into the following transactions with related parties.		
<i>Euroa Caravan Park - Operating and Capital Expenses *</i>	264,914	19,469
<i>Euroa Caravan Park - Lease Income *</i>	148,839	133,618
<i>Contribution expenses - Goulburn Valley Regional Library Corporation</i>	281,028	276,875
<i>Other Related Party Expenses **</i>	45,804	36,180
(b) Outstanding balances with related parties		
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties		
<i>Euroa Caravan Park - Sundry Debtors (Lease) *</i>	43,997	69,603
(c) Loans to/from related parties		
There are no loans in existence at balance date that have been made, guaranteed or secured by the Council to a related party.		
(d) Commitments to/from related parties		
The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:		
<i>Euroa Caravan Park - Commitments to related parties - Amount allocated for specific purposes *</i>	110,465	226,539

* On 26 June 2013 Council entered into a lease agreement with a tenant for 21 years for Euroa Caravan park and subsequently the lease agreement was transferred to the new tenant Lilly Ann Pty Ltd on 27 February 2017. Former Councillor Kristy Hourigan is a director of Lilly Ann Pty Ltd and Kristy Hourigan was a Councillor from 17 November 2020 to 26 July 2023. There has been no change to the terms and conditions of the lease agreement during the year.

* Euroa Caravan Park - Commitments include 1/3 of lease revenue allocated for rehabilitation and renewal work and 2/3 of revenue allocated for capital work at Euroa caravan park.

** Related to transactions with related parties to Amanda Tingay - Director Community & Planning (\$26,481) and Councillor Chris Raeburn

Note 8 MANAGING UNCERTAINTIES

8.1 Contingent assets and liabilities

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

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council. At balance date the Council is not aware of any contingent assets other than the following.

Insurance claims

Some of council's assets were damaged during the flood event in October 2022. Council has lodged insurance claims with the insurance company. However, total claimable amount is yet to be finalised for some assets. Outcome of this will result in insurance recoverable income in future years. Council estimates additional insurance recoverable income of \$476,760 for buildings and \$4,500,000 for bridges.

(b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Superannuation

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

Landfill

Council does not have an operational landfill. However, rehabilitation works at Violet Town old landfill site is currently in progress. Revised estimated total cost of the project is \$3.2 million and projected to complete in 2023/24. Council has an obligation to maintain landfill after the rehabilitation work. Landfill provision (\$2,662k) include both rehabilitation and future maintenance cost.

Bridges

Chinamans Bridge - Nagambie, a heritage listed timber disused bridge was affected by the October 2022 Flood Event. The bridge is in a state of imminent collapse. Ownership of the bridge remains contested and unresolved. The bridge is not on Council's asset register. Council is in discussion with the relevant state government departments to determine an outcome as soon as possible.

Kirwans Bridge - Nagambie, a heritage listed timber bridge was damaged by the October 2022 Flood Event and remains closed as it is unsafe for vehicular traffic. Planning work for the future of the bridge is underway including the submission for external funding to enable the reopening of the bridge. No expense or impairment of value recorded as of 30 June 2023.

Insurance claims

There are no major insurance claims that could have a material impact on future operations.

Legal matters

There are no major legal matters that could have a material impact on future operations.

Building cladding

Council is not exposed to any potential contingents that may exist in relation to rectification works or other matters associated with building cladding that may have the potential to adversely impact on Council.

Liability Mutual Insurance

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

MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

(c) Guarantees for loans to other entities

Council does not have any financial guarantees.

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

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. Council assesses the impact of these new standards. As at 30 June 2023 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2024 that are expected to impact Council.

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

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

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

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

(c) Credit risk

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

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

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

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

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

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.

(d) Liquidity risk

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

To help reduce these risks Council:

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

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

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

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 0.25% and -1.00% in market interest rates (AUD) from year-end rates of 5.41%.

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

8.4 Fair value measurement

Fair value hierarchy

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

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

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.

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. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Asset class	Revaluation frequency
Land	3 to 5 years
Buildings	3 to 5 years
Roads	3 to 5 years
Bridges	3 to 5 years
Footpaths and cycleways	3 to 5 years
Drainage	4 to 5 years
Kerb and channel	3 to 5 years
Parks open spaces and streetscapes	3 to 5 years
Other infrastructure	3 to 5 years

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

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the 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.

8.5 Events occurring after balance date

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

Note 9 OTHER MATTERS

9.1 Reserves

(a) Asset revaluation reserves

	Balance at beginning of reporting period \$	Increment (decrement) \$	Balance at end of reporting period \$
2023			
Property			
Land and land improvements	23,815,626	3,339,449	27,155,076
Buildings	26,958,316	2,756,576	29,714,892
	50,773,942	6,096,026	56,869,968
Plant and Equipment			
Cultural and heritage assets	1,541,200	-	1,541,200
Infrastructure			
Roads	120,392,406	7,875,071	128,267,477
Bridges	38,225,000	2,511,302	40,736,302
Footpaths and cycleways	1,600,498	1,434,383	3,034,881
Drainage	4,026,118	7,313,501	11,339,619
Parks, open space and streetscapes	6,786,361	1,679,920	8,466,281
Kerb and channel	-	468,973	468,973
Aerodromes	2,954,641	-	2,954,641
Other infrastructure	17,093	-	17,093
	174,002,117	21,283,151	195,285,268
Total asset revaluation reserves	226,317,259	27,379,177	253,696,436
2022			
Property			
Land and land improvements	23,815,626	-	23,815,626
Buildings	26,958,316	-	26,958,316
	50,773,942	-	50,773,942
Plant and Equipment			
Cultural and heritage assets	1,541,200	-	1,541,200
Infrastructure			
Roads	89,369,647	31,022,759	120,392,406
Bridges	30,085,240	8,139,760	38,225,000
Footpaths and cycleways	1,600,498	-	1,600,498
Drainage	4,026,118	-	4,026,118
Parks, open space and streetscapes	6,786,361	-	6,786,361
Aerodromes	2,954,641	-	2,954,641
Other infrastructure	17,093	-	17,093
	134,839,598	39,162,519	174,002,117
Total asset revaluation reserves	187,154,740	39,162,519	226,317,259

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

(b) Other reserves

2023

Open space reserve	201,278	66,500	-	267,778
Total Other reserves	201,278	66,500	-	267,778

2022

Open space reserve	185,178	16,100	-	201,278
Total Other reserves	185,178	16,100	-	201,278

9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)

	2023 \$	2022 \$
Surplus/(deficit) for the year	6,771,007	7,016,933
Depreciation/amortisation	7,093,605	6,823,505
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(43,086)	(28,389)
Contributions - Non-monetary assets	(1,675,691)	(1,721,874)
Borrowing costs/Finance Cost	36,992	37,000
Share of net profits of associates	2,051	(5,487)
Other	259,821	46,678
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(856,793)	(834,372)
Trust funds and other deposits received (repaid)	271,704	132,422
(Increase)/decrease in prepayments	(4,537)	118,542
Increase/(decrease) in accrued income	(695,152)	62,576
Increase/(decrease) in trade and other payables	3,062,516	(1,139,809)
(Decrease)/increase in other liabilities	(553,584)	(550,081)
(Increase)/decrease in inventories	1,415	(6,847)
Increase/(decrease) in provisions	(1,371,160)	(2,149,652)
Net cash provided by/(used in) operating activities	12,299,108	7,801,145

9.3 Superannuation

Council makes 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 the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation category, 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 2023, this was 10.5% as required under Superannuation Guarantee (SG) legislation (2022: 10.0%)).

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 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 Strathbogie Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund 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 Actuary.

A triennial actuarial investigation is currently underway for the Defined Benefit category which is expected to be completed by 31 December 2023. Council was notified of the 30 June 2023 VBI during August 2023 (2022: August 2022). The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns	5.7% pa
Salary information	3.5% pa
Price inflation (CPI)	2.8% pa

As at 30 June 2022, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 102.2%. The financial assumptions used to calculate the VBI were:

Net investment returns	5.5% pa
Salary information	2.5% pa to 30 June 2023, and 3.5% pa thereafter
Price inflation (CPI)	3.0% pa

Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

Vision Super has advised that the estimated VBI at June 2023 was 104.1%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2022 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

(a) Regular contributions

On the basis of the results of the 2022 interim actuarial investigation conducted by the Fund Actuary, 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 2023, this rate was 10.5% of members' salaries (10% in 2021/22). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2022 interim valuation.

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.

(b) Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an 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.

The 2022 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2022 and the last full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which Council is a contributing employer:

	2022 (Interim) \$m	2021 (Interim) \$m
- A VBI Surplus	44.6	214.7
- A total service liability surplus	105.8	270.3
- A discounted accrued benefits surplus	111.9	285.2

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 2022.

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 as at 30 June 2022.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2022.

The 2023 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2023. It is anticipated that this actuarial investigation will be completed by 31 December 2023. The financial assumptions for the purposes of this investigation are:

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.5% pa	2.5% pa for the first two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2023 are detailed below:

Scheme	Type of Scheme	Rate	2023 \$	2022 \$
Vision super	Defined benefits	10.5% (2022:10.0%)	49,057	64,633
Vision super	Accumulation	10.5% (2022:10.0%)	578,434	448,209
Other funds	Accumulation	10.5% (2022:10.0%)	498,519	475,025

Council hasn't paid any unfunded liability payments to Vision Super in 2021/22 or 2022/23. Council does not expect to pay to the Defined Benefit category of Vision Super for the year ending 30 June 2024.

Note 10 CHANGE IN ACCOUNTING POLICY

There have been no changes to accounting policies in the 2022-23 year.

There are no pending accounting standards that are likely to have a material impact on Council.