

Strathbogie Shire Council

# 2023-24 Annual Report



*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 the 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 2023–24 provides a comprehensive account of performance from 1 July 2023 to 30 June 2024.

Strathbogie Shire is bordered to the east by the Strathbogie Ranges and to the west by the Nagambie Lakes district. The area is renowned for its natural beauty, agricultural production, horse studs, wineries, restaurants, local produce, rich history and much more.

Our Shire is home to around 11,500 people living in just over 6000 private homes.

We have more than 2192 km of roads – 1443 km unsealed and 749 km sealed – and 521 bridges and major culverts covering around 3300 square kilometres.

Our abundant natural beauty, charming towns and engaged and active local communities make Strathbogie Shire a unique and desirable place to live, work and play.



# Community vision

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.

# Strategic focus

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

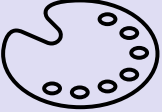

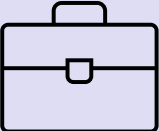
We have continued to be guided by the 2021–25 Council Plan combined with an ongoing focus on community engagement.

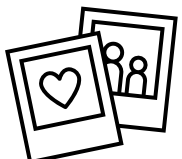


We regularly seek feedback on policies, plans and proposed activities to ensure our operational responses reflect the values and priorities of the community.




These are reflected in the focus areas in our Council Plan:

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 services

<p><b>Arts and Culture</b></p> 	<p><b>Arts and culture</b> Arts; public art and creative industry Libraries Cinema</p>	<p><b>Tourism destinations and events</b> Events Nagambie Lakes Regatta Centre Destination planning and visitor services</p>	<p><b>81,577</b> library loans and <b>51,359</b> library visits</p> <p>More than <b>6700</b> people attended <b>121</b> films at the Euroa Community Cinema</p> <p>More than <b>10,300</b> visitors at Visitor Information Centres</p>
<p><b>Assets and roads</b></p> 	<p><b>Assets</b> Strategic infrastructure and facilities planning Asset design and construction Asset management Fleet and plant management Council owned land</p>	<p><b>Roads</b> Road network (including bridges and culverts) Streetscapes and lighting Roadside management Project (capital) delivery Parking design and compliance</p>	<p><b>265,350m<sup>2</sup></b> of local roads resealed</p> <p>Provided or maintained:</p> <p><b>9</b> public toilets <b>36</b> parks <b>45</b> reserves</p>
<p><b>Business and Employment</b></p> 	<p>Business support, sector growth and investment attraction</p>	<p>Business development Innovation, investment and growth</p>	<p>Approximately <b>1500</b> registered businesses</p> <p>Unemployment rate <b>3.5%</b> - much lower than state average</p> <p><b>4188</b> jobs</p>

<p><b>Community</b></p> 	<p><b>Child, youth and family</b>                  Maternal child health                  Youth services                  Early years supported play group                  Immunisation</p> <p><b>Community safety</b>                  Local laws                  Emergency management                  Community safety                  Environmental health</p>	<p><b>Community strengthening</b>                  Inclusive communities                  Health and wellbeing                  Social policy and planning                  Aboriginal engagement                  Gender equity                  Community development and empowerment                  Community facilities                  Community grants</p>	<p>Provided or maintained:  <b>4</b> kindergartens  <b>4</b> maternal and child health centres  <b>13</b> community halls</p> <p><b>2522</b> youth engagements</p> <p>More than <b>2000</b> attendees at <b>24</b> FReeZA events</p>
<p><b>Corporate</b></p> 	<p><b>Communications, Engagement and Advocacy</b>  <b>Customer Service</b>  <b>People And Culture</b></p>	<p><b>Governance and Risk</b>  <b>Finance and Rates</b>  <b>Information and Technology</b></p>	<p><b>762</b> visits to customer service centres  <b>16,378</b> calls to the main phone line                  More than <b>9400</b> customer requests logged</p>
<p><b>Pets</b></p> 	<p><b>Pets and Animals</b>                  Animal management and registration</p>	<p>Pound                  Livestock</p>	<p><b>47</b> new animals registered</p>

<p><b>Land use planning and property</b></p> 	<p><b>Statutory planning</b>            Planning permits            Subdivisions</p> <p><b>Strategic planning</b>            Planning scheme amendments            Township and other land use strategies</p>	<p><b>Building and Compliance</b>            Building Regulation            Approvals and Regulation            Planning Compliance</p>	<p><b>148</b> planning application decisions made  <b>138</b> planning applications received</p>
<p><b>Sport and recreation</b></p> 	<p><b>Sport and recreation</b>            Sports grounds and facilities            Sports and recreation development            Seasonal pools            Tracks and trails</p>	<p><b>Parks and open spaces</b>            Playgrounds            Parks and open spaces</p>	<p>Provided or maintained:</p> <p><b>4</b> aquatic facilities  <b>1</b> splash park  <b>4</b> skate parks  <b>17</b> public playgrounds  <b>1</b> off leash dog park  <b>5</b> exercise stations  <b>44</b> hard courts and bowling greens  <b>11</b> sports grounds</p>
<p><b>Waste and Environment</b></p> 	<p><b>Waste</b>            Landfill            Litter collection            Waste education            Kerbside bin collection, processing and disposal            Transfer stations and a resale shop</p>	<p><b>Sustainability and environment</b>            Biodiversity and natural resource management            Climate change            Tree management</p>	<p>Collected:</p> <p><b>1123.47</b> tonnes of waste  <b>948.01</b> tonnes of recycling  <b>1767.71</b> tonnes of organics</p> <p>Organics up by <b>2.24%</b>  <b>15,500+</b> street trees</p> <p><b>7</b> transfer stations and <b>1</b> resale shop</p>



Annual Report 2023-24

# Year in Review

# Administrator message

I began my term as Administrator in December 2023 following the suspension of the elected Councillors by the Minister for Local Government.



As Administrator, it is my responsibility to perform the functions, powers and duties of Council as required under the *Local Government Act 2020* and to represent the interests of the Strathbogie community.

My focus has been to make decisions which support the financial sustainability of the municipality and deliver on a commitment to good governance and strategic focus. I have endeavoured to bring a level of stability and certainty which allows the organisation to get on with delivering important projects and services for the community.

Early in my role I invited members of the community to come and talk to me, to share their concerns and to raise any matters they felt needed my immediate attention.

Thank you to everyone who took up this offer. This was a great foundation for my role and really helped me better understand the community and local area.

Following CEO Julie Salomon's resignation in April 2024 – effective 4 July 2024 – I had the important task of recruiting an Interim CEO. After a competitive process Tim Tamlin was appointed Interim CEO in May for up to 12 months.

Tim's strong background in engineering, infrastructure planning, finance and governance together with extensive experience as a CEO for other Councils will ensure the organisation is ready to welcome newly elected Councillors after the October election.

He will ensure continuity of business operations, lead Councillor induction following the election and support the newly elected Councillors in the process to appoint a Chief Executive Officer.

I would also like to thank Julie for her commitment to Strathbogie Shire Council and her focus on strengthening governance, community engagement, infrastructure and financial management in a challenging operating environment.

A critical task during my time was to develop and adopt the 2024-25 Budget following community consultation. It is a modest and fiscally responsible budget with critical challenges ahead for any new Council. It endeavours to balance service delivery and ageing assets across a large geographic area with diverse community needs and interests.

The repair and maintenance of roads across the Shire continued to be a high priority and despite severe storms in December and January we completed over 90% of projects on time, including the additional work generated by these storms.

Council continued to raise funding and service shortfalls with Government, industry and regulators including Kirwans and Chinamans bridges, telecommunications and power reliability, waterway management and school crossings.

The State Government has now taken responsibility on both waterways and crossings matters and each of AusNet, Telstra and NBN have made welcome improvements to networks and technology to reduce future outages and improve connectivity – but there is still more to do.

Strong partnerships with community and Government enabled us to secure almost \$550,000 from the Victorian Government towards new \$686,800 female-friendly change rooms at Longwood Recreation Reserve – and local community effort was central to making this happen.

Funding for the community to deliver on the second year of the Pitch my Project initiatives continued with \$200,000 across six community projects and a further \$300,000 allocated for six projects in next year's budget – selected by community vote.

Over 3000 community contributors provided input to over 20 projects, strategies and plans this year, including our Governance Rules, Sports, Cycling and Walking strategies and an updated Leasing and Licensing policy – as well as naming our big Magpie.

Council also supported arts events such as our travelling ARTBOX, and Kool Skools showed Strathbogie really does have talent, and we launched the Local Legends initiative to celebrate our tireless volunteer community.

Emergency management received a boost with Local Emergency Action Plans completed for Violet Town, Avenel, and Euroa – these communities now have documented emergency plans ready to go at the time of an incident in their area. Work is also underway on similar plans for Nagambie, Kirwans Bridge and Strathbogie.

It has been an incredibly rewarding experience and a great privilege to serve this community. I thank the residents of the Shire and staff at Strathbogie Shire Council for making me so welcome. I have very much appreciated the honesty, integrity and goodwill of all concerned.

I believe Strathbogie Shire has a bright future ahead.



**Peter Stephenson**  
Administrator

## Interim CEO message

There is no question that this has been a challenging year for our community and the organisation. I am looking forward to the October elections to provide both the community and the organisation greater certainty for the coming year.



By necessity I am writing this message after the fact, having joined the organisation in July 2024 following the resignation of CEO Julie Salomon.

Under Julie's guidance, the organisational structure was re-aligned to strengthen Council's focus on core community services, infrastructure, governance and engagement and to provide more robust financial management and efficient operations.

Three Directors were appointed during the financial year - Community and Planning; People and Governance; and Sustainable Infrastructure. Council also welcomed a new Executive Manager for Communications, Engagement and Advocacy.

This has helped the organisation to deliver on key commitments this year – despite the disruptions experienced – as well as providing a solid foundation for a new Council.

Council completed \$11.9 million worth of projects during 2023-24, with nearly \$5 million of that funded through external grants. Council also spent \$1.2 million on the Violet Town Landfill rehabilitation to deliver 79 per cent of the adopted capital budgeted expenditure of \$16.5 million.

Council also delivered the majority of the 52 planned actions in the 2023-24 Council Plan Action Plan and made significant progress on many others. A number of these had targets reset to better align priorities, opportunities and resource. Council remains on track to deliver the bulk of the actions set in the original 2021 plan.

The adopted budget for the next financial year is a \$37.8 million operating budget and \$9.9 million in new planned capital works. This includes the ongoing roll out of a collaborative project with Benalla, Murrindindi and Mansfield councils to deliver a number of new online systems – bringing considerable efficiency savings and a better customer experience.

One of my main tasks coming into this role is to support the October election and to provide a comprehensive induction program for the newly-elected Councillors.

To this end, Administrator Stephenson and I have offered a series of group and one-on-one information sessions to help prospective candidates understand their roles and responsibilities should they decide to stand for Council.

When new Councillors come on board, it is important that the organisation is ready to support them with the tools and information they need to be effective in their new roles, and to bring them up to date on our budget and operating environment.

There has also been considerable work to prepare for the *Local Government Amendment (Governance and Integrity) Act 2024* which will see various changes to the *Local Government Act 2020* to improve governance, accountability and councillor behaviour across the local government sector.

Since the end of the financial year, the Minister for Local Government has announced that Strathbogie will have a municipal monitor for the first 12 months to support the transition back to elected representation. Council will also support the Councillors with training and induction to practice good governance in line with the relevant local government laws, rules and codes of conduct.

I am really excited about the potential for Strathbogie Shire. In my short time here, I have seen there is an involved, informed and active community. Combined with a well-functioning council and competent and committed staff, I am confident we have a solid foundation to support Councillors to make big things happen in partnership with our community.

Finally, over the coming year I will assist the new Council to appoint a permanent Chief Executive Officer who can lead and grow the capability and effectiveness of the organisation and Shire into the future.

I have very much enjoyed my time here so far and thank you for making me so welcome.

The following provides a summary of our operations for the financial year including highlights and challenges. More detail is also available in the Council Plan Action Plan report as well as the Performance Statement and Financial Report at the back of the Annual Report.



**Tim Tamlin**  
Interim Chief Executive Officer

# Financial performance summary

Long-term financial sustainability is a key objective of Council's Financial Plan. Strathbogie Shire Council continues to be in a sound 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.

We continued to operate in a challenging financial environment with the impacts of cost-of-living pressures being experienced directly by our community. Our ability to fund our basic operations through rates and charges given our small and rate-capped base is limited and will continue to put pressure on service delivery and maintenance and replacement of our large and ageing asset base.

The balance sheet indicates our assets are adequate to meet liabilities, which is an important measure of liquidity.

Debt levels continue to be closely managed with \$4.7 million as at 30 June 2024. Debt levels remain low when compared to Strathbogie Shire's asset base of \$406.2 million, which provides borrowing capacity for the future.

Revenue was \$34.9 million, with rates and charges contributing \$22.2 million across 8072 assessments. The reliance on rate revenue in 2023-24 was 64 per cent compared with 46 per cent in 2022-23. Council expended \$38.5 million in providing various services to the community.

During the financial year 2023-24 Council reported an operating loss of \$3.6 million. This is an unfavourable variance of \$7.2 million compared to the adopted budget and is mainly due to the timing of Commonwealth Finance Assistance Grant funding \$6.7 million as well as unbudgeted and carry forward natural disaster recovery expenditure of \$2.1 million.

Council completed \$11.9 million worth of projects for 2023-24, representing a decrease of 12 per cent over the previous year as unplanned storm and flood recovery works prevented us carrying out planned work.

The outstanding loan amount at 30 June 2024 is \$3.3 million. There were no new borrowings during the year.

Council's cash position at 30 June 2024 was represented by cash on hand and investment of \$9.7 million. This is a decrease in cash holdings of \$15.4 million over the 2023-24 financial year due to timing of Commonwealth Finance Assistance Grant funding, payment of prior year accrued expenditure in 2023-24, natural disaster recovery work delivered during 2023-24 and prior year capital projects delivered in 2023-24. Several capital projects were carried over into 2024-25.

The value of Council's property, infrastructure, plant and equipment non-current assets at 30 June 2024 is \$388.2 million, an increase of \$27.9 million. This is due primarily to new capital projects delivered and assets revaluation.

Council's end-of-year working capital ratio is 2.01:1 which is favourable compared with 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.

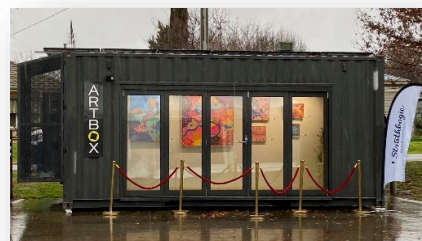
# Highlights

The following is a snapshot of key events, projects and initiatives during the year.

## Arts and events

### ARTBOX travelling art gallery

Since launching the portable exhibition space in June 2023, ARTBOX has been embraced by residents, creatives and visitors of all ages with more than 30 artists exhibiting across the Shire. In 2023-24, ARTBOX hosted 12 exhibitions in Euroa, Avenel, Nagambie and Strathbogie.



### Euroa's big magpie

Created by local team Tank and Tobin, *Swoop the Big Barrwarrang*, a 3.5 metre magpie sculpture was unveiled on the banks of the Seven Creeks in Euroa in August 2023 following a community naming competition.

### Seniors festival

Seniors were entertained by Goulburn Valley Orchestra performance in Euroa with the Beatlez Tribute Show.

### Euroa Community Cinema

Operated by Council with support from volunteers, almost 6800 people attended 121 films over the year with the \$5 school holiday sessions the most popular – over 200 adults and children attended the Little Mermaid in July 2023.

### Volunteer Week

Council has more than 80 volunteers who help operate the Euroa Cinema, Nagambie Visitor Information Centre and Euroa Hub Tourist and Resident Information Centre. Our sports clubs, action groups, and emergency service volunteers also worked tirelessly to serve and support our community throughout the year. Council invited all volunteers to a thank you event during National Volunteer Week in May 2024.



### Local legends

Council launched a new volunteer recognition program during Volunteer Week to honour exceptional volunteers who go above and beyond in their service.

## International Women's Day

Council organised an International Women's Day to celebrate the social, economic, cultural and political achievements of women in the Shire. More than 100 people attended the event which was held in the private garden of the Tahbilk Homestead with guest speakers Hayley Purbrick and Emily Quattrocchi.



## Youth development

Thirty-four musicians aged from eight to 84 participated in the 2023 Kool Skools Project awards with young band YNOT successfully winning 'Best Alternative Pop Track' and The Viceroy's and Ungraded winning special Judges' Awards.

The Strathbogie Shire's heat of the North East Battle of the Bands showcased the region's upcoming artists thanks to Council and the Victorian Government's FReeZA program at the Here and Now youth music festival in October.

Council's Youth Development Program and VicHealth saw 130 children and youth take part in free 10-week My Future Academy programs designed to promote confidence through social connection and physical activity.

More than 500 young people attended Council-hosted free pool parties and musical events in Violet Town, Avenel, Euroa and Nagambie. The events provided activities for young residents with live music and sausage sizzles.

Other youth programs included school holiday and active adventure programs, sustainable farming tours, the Taungurung Art Project at Euroa Secondary College and the raising of their Aboriginal and Torres Strait Islander Flags at the school.

Continued grant funding from the Victorian Government's FReeZA program enabled Strathbogie Shire Council to deliver 24 safe, youth-friendly events for 12 to 25 year olds – based on a youth participation model where young people lead the planning, development and delivery of music, cultural and recreational events in their local community.





## Reconciliation

Taungurung Land and Waters Council hosted student leaders from primary schools across Strathbogie Shire for a wawa Euroa Wayilak experience at the Euroa Arboretum. Led by Taungurung Elders, wawa Euroa Wayilak provided a cultural immersion and education experience for 25 students and teachers, including learning about the cultural uses of plants for food, medicine and tools.

Council was one of 10 local governments in Victoria to receive a Maggolee Award from Reconciliation Victoria for work collaborating with First Peoples to support self-determination, advance reconciliation and enhance shared decision-making. The award recognised the signing of the Memorandum of Understanding between the Taungurung Land and Waters Council and Strathbogie Shire Council.



## Equity and diversity

To celebrate Cultural Diversity Week and Harmony Day, Council invited the community to a free screening of acclaimed documentary 'Journey Beyond Fear' and heard from the filmmaker Robyn Hughan. The documentary tells the story through the eyes of an Afghan teenage girl and her refugee family seeking resettlement in Australia.

Council flew the Rainbow Flag in May to mark International Day Against Homophobia, Biphobia, Interphobia and Transphobia (IDAHOBIT), with 17 May marking the anniversary of the World Health Organisation removing homosexuality from the International Classification of Diseases.

Reporting against key equity and diversity measures is covered in the *Our People* section of this report.

## Gender-based violence

Council also participated in this year's 16 Days of Activism against Gender-Based Violence with an event in Nagambie – Change the Story – with a powerful speech delivered by former Neighbours actress Kym Valentine.



## Pets

Total registrations increased by 47 in 2023-24 with most new registrations being puppies, or pets of people moving to the shire.

Council uses a number of tools to help keep the pet registration database up to date including encouraging pet owners to change their details if they move or if their pet passes away. Council also cross references with microchip databases and the State Government's Pet Exchange Register as well as door knocking, SMS and email reminders.

Re-establishment of the Animal Shelter was completed in 2023-24 and the Euroa Pound officially opened on 22 January 2024.

Rangers investigated 20 reports of dog attacks and dog rushes this year, although no prosecutions were made.

Council has continued to educate pet owners about their responsibilities including a focus on dogs escaping from insecure backyards and properties and the importance of dogs being on leads when being walked in public areas unless they are in a designated off-leash area.

## Your CommUNITY Your Voice campaign

Council began supporting the Victorian Electoral Commission in April in the lead up to the October 2024 Council elections.

Council initiated the Your CommUNITY Your Voice campaign to encourage people to stand for Council and to help inform them about what's involved in being a Councillor.

A range of candidate information sessions were offered online and in person for both groups and individuals seeking more information, backed up by website information and one-on-one sessions with the CEO and Administrator.

Council also partnered with the Victorian Local Governance Association and the Municipal Association of Victoria to deliver tailored online and in person information sessions in Euroa and Nagambie, as well as other sessions for women and people from diverse backgrounds.

## Grants and funding for community-led projects

### Pitch My Project

Six community projects valued at more than \$200,000 were endorsed for funding through Council's Pitch My Project initiative for 2023-24.

For the 2023-24 Budget, Council took community input to the next level, and created a participatory budgeting exercise to put the decision making into the hands of the community.

Locals pitched ideas that aligned to the Strategic Focus Areas in the 2021-25 Council Plan and then voted for their top projects.

Six community projects valued at more than \$200,000 were endorsed for 2023-24, the third year of the initiative.

- Euroa Branding Project – to enhance tourism and investment in Euroa
- Euroa Memorial Oval septic tank decommissioning
- Graytown Community Centre Shade Sail
- Strathbogie Memorial Hall Stage Upgrade
- Longwood Nature Play Space
- Longwood Football and Netball Club shelters and seating

A similar process was followed for 2024-25 projects, with pitching held at the end of 2023 and a community vote prior to the budget adoption in June 2024. Six projects worth \$300,000 in total were selected from 15 projects nominated.

### Council grants

Council has a number of grant programs for community groups and organisations.

Quick response grants with up to \$1000 per application available to support smaller projects addressing community identified needs as they arise. In 2023-24, Council provided 10 grants totalling \$9818.

Community strengthening grants with up to \$10,000 for larger, more strategic projects. In 2023-24, Council provided 14 grants totalling \$107,618.

Applications for 2024-25 Community Strengthening and Reducing Emissions grants were endorsed at the July Council meeting with 19 projects funded across both streams. The Reducing Emissions grant is a new stream providing up to \$20,000 for the installation of energy saving initiatives at community managed/Council owned facilities such as upgrades to energy efficient appliances and moving from gas to electrical appliances.

Council also provided funding and in-kind support for a number of events across the year with up to \$5000 available per event.

## Climate Change Action Plan initiatives

Council completed 40 per cent of the 2022 to 2027 Plan objectives and is on track to meet the goals within the timeframe.

### Street trees

In 2023-24 Council planted 345 trees and added a further 150 from estate developers to bring the tree database to more than 15,500 trees managed by Council across the 60 kilometre per hour zones in the urban areas of our towns.

We also engaged qualified arborists to assess dead trees for suitability as standing habitat and to carve hollows in for bats and birds.

### Textile recovery bins

Textile recovery bins were introduced at Avenel, Euroa, Nagambie and Violet Town transfer stations. Council partnered with UpCycle4Better to give the Strathbogie community a way to dispose of unwanted textiles. Almost 8 tonnes of textiles were diverted from landfill since bins were installed in November 2023.

### Cloth nappy workshop

Our free cloth nappy workshop during Plastic Free July helped parents to select cloth nappies and accessories for their children. Some local parents reported using cloth nappies regularly thanks to Council's Cloth Nappy Rebate Program which provided almost \$400 in assistance to families using cloth nappies.



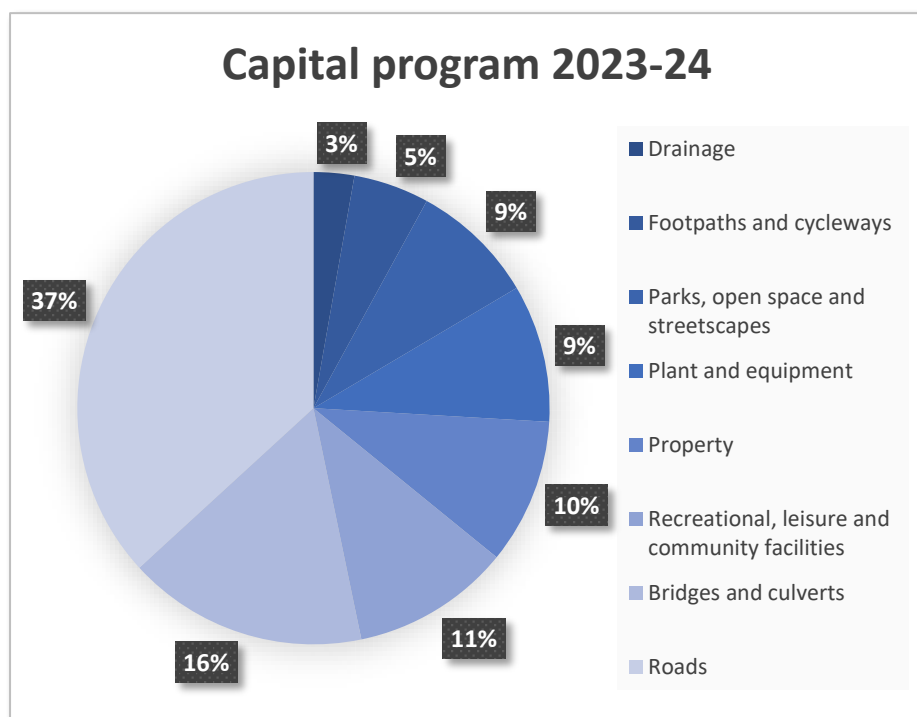
## Capital works

Council's planned capital works program was interrupted this financial year, with significant storm events in December 2023 and January 2024 as well as the ongoing need to prioritise flood repairs from previous years.

In the immediate aftermath of the storm events, we rapidly moved to support the community to deal with the emergency. In the medium term we diverted both human and financial resources into high priority projects to protect community safety and restore amenity where possible.

This resulted in 79 per cent of the budgeted capital works program being delivered during the year, with \$11.907 million in projects delivered in 2023-24. The vast majority of work (86 per cent or \$10.266 million) was on asset renewal or upgrades, investing in existing infrastructure rather than new facilities.

The bulk of the capital program was on roads and bridges at \$6.341 million or 53 per cent of the entire capital spend and nearly \$950,000 on drainage, footpaths and cycleways. The remainder included \$1.295 million for recreation, leisure and community facilities, \$1.185 million for property and buildings, \$1.122 million for plant and equipment and \$1.016 million for parks, open spaces and streetscapes.



## Roads, footpaths, drainage and flood repairs

Flood repair works were completed on:

- Polly McQuinns Road near Strathbogie
- Monea road near Avenel
- Tarcombe, Ponkeen Creek Roads in the Longwood-Ruffy area, and
- Youngs, Wahrung-Euroa and Cahill Roads East of the Goulburn Valley Freeway near Wahrung.

Part of Harrys Creek Road was fully reconstructed near the Hume Freeway at Euroa after a landslide; and urgent maintenance to the Longwood-Ruffy Road re-directed traffic to the Hume Freeway via Gap and Creightons Creek Roads.

We completed nearly \$2 million of works on a new bridge and road realignment for the Nagambie-Locksley Road which has improved safety and visibility at the Charles Creek crossing; and works to Weir Road to improve safety for increased traffic volumes due to Kirwans Bridge being closed.

Other projects include drainage upgrades at Burns Avenue, Euroa, rehabilitation works on Euroa-Strathbogie Road and Creek Junction Road and 1.5 kilometres of new and missing links footpaths.

## Streetscapes

- Euroa Streetscape stage 2 delivered with bin holders, bike racks and lighting installed on Binney Street.
- The finishing touches to the Avenel and Longwood streetscape upgrades were delivered in July 2023, with Avenel township sign designs confirmed following community consultation and ready for delivery in 2024-25.
- Planning for Violet Town and Strathbogie is underway following an expression of interest for people to join a working group. Design works were completed in Strathbogie with construction expected to be complete in early 2024-25. The design for Violet Town has been agreed with the community and discussions are underway with the Victorian Government's Department of Transport and Planning.

## Recreation and play spaces

- Nagambie Foreshore Walk, a 1.6 kilometre pathway linking the Nagambie township to the regatta centre along an iconic boardwalk on the southern edge of the lake.
- Installation of new 200 lux LED lights at Nagambie Recreation Reserve.
- New play equipment and shade sails were installed at Jubilee Park in Avenel.
- Construction on Bicentennial Park play space in Euroa began following input from local primary and kindergarten school students.

## Other construction started

Council also began construction on the Nagambie comfort station refurbishment and the truck wash at Euroa Saleyards for completion in 2024-25.

# Emergencies

## Floods and storms

Severe weather and storms over 2023-24 summer resulted in flash flooding and storm damage including fallen trees, debris and damage over local roads.

Council attended almost 80 call outs immediately after the storms and worked to clean up debris and ensure Council-managed roads could be re-opened as fast as possible. Residents could also access disposal services for storm-related green waste until late January to assist them to clear debris caused by storm damage.

On top of the ongoing October 2022 flood recovery and repairs, these new weather events had a significant impact on Council operations.

This financial year Council spent \$2.06 million on natural disaster recovery. Most of the work to repair facilities damaged in the October 2022 floods was completed, with some final work on the Euroa Miniature Railway scheduled in early 2024-25.

In September 2023 Strathbogie joined with Mitchell and Murrindindi councils to present to the Victorian Parliament Flood Enquiry to emphasise the urgent need for better flood management strategies and investment in vital infrastructure across the region.

Council also raised the need for additional resources for local emergency groups, integration of the latest flood data into planning schemes, increased Government investment in roads and infrastructure and more funding for recovery including betterment funding for damaged facilities and infrastructure.

The Victorian Government has since provided funding to rural and regional councils, including Strathbogie Shire, to implement existing flood studies into planning schemes via planning scheme amendments.

The Australian and Victorian Governments have provided flood recovery funding which has allowed Council to run community events such as the Festival of Small Halls in Avenel which showcased folk musicians from Australia and overseas.

## Local Emergency Action Plans (LEAPs)

Strathbogie Shire Council has worked with local communities to co-design LEAPs for Avenel, Euroa and Violet Town. Plans for Strathbogie Tableland and Nagambie are under development and expressions of interest have opened for Kirwans Bridge community representatives.

These community-developed emergency plans help residents to be ready when extreme weather affects essential services like power, water, telecommunications and transport. The LEAPs identify community risks and actions which can be taken, including households preparing their own emergency plan so residents are better prepared.



# Advocacy

Council continued to advocate on behalf of the community to secure funding for major projects and to raise awareness of issues which are important to our community, business and visitors in line with the priorities in the Advocacy Framework.

## Roads

Roads across the Shire are in urgent need of repair. Major flood and storm events have accelerated the deterioration of roads in Strathbogie Shire and the cost of basic repairs and maintenance have risen disproportionately to any indexed funding increases.

Council identified a net increase of around \$2 million was needed to ensure a minimum level of safety for resident communities, businesses, heavy vehicles, and visitors to our area.

Following the Government's announcement that the Local Roads and Community Infrastructure Program would be phased out and there would be changes to Roads to Recovery, Council expects overall funding available for roads to go from \$3.2 million in 2023-24 to \$3.5 million in 2024-25. It will then drop to \$2.5 million a year over four years after that.

While there is an increase to Roads to Recovery funding, this only partially offsets the lost funding from the Local Roads and Community Infrastructure Program.

Administrator Peter Stephenson wrote to Federal Minister for Infrastructure, Transport, Regional Development and Local Government, Catherine King raising concerns about these changes.

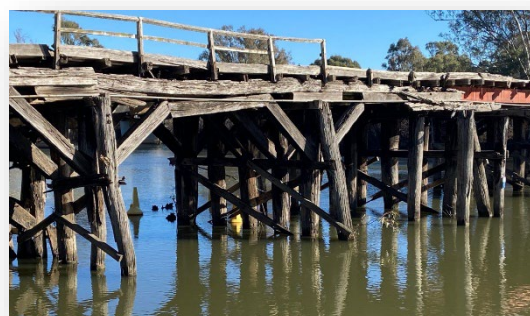
## Bridges

### Kirwans Bridge

Council continued to advocate for funding to complete the extensive structural repairs and strengthening works needed to re-open the historic Kirwans Bridge. For more information please see the Community Engagement section of this report.

### Chinamans Bridge

Council considered the Chinamans Bridge Nagambie Options Assessment Report and resolved to accept the recommendations from Extent Heritage to demolish the Chinamans Bridge structure except for the land-based abutments. The report concluded that unfortunately, the bridge was beyond saving and required demolition for safety reasons.



Council also resolved to submit a permit application to Heritage Victoria to demolish the structure excluding the land-based abutments and to work with Go Nagambie to advocate to the State Government for funds to demolish the bridge so the waterway can re-open to vessels.



## Parliamentary Inquiry into Local Government Funding and Services

Council made a submission to the Victorian Government's Parliamentary Inquiry into Local Government Funding and Services. The Committee is investigating matters including:

- cost shifting from state and federal governments to local council
- ability of local governments to meet core service delivery objectives
- local government's revenue structure
- whether these structures are sustainable and appropriate, and
- whether there are alternative models of funding to consider.

Council's submission highlighted the challenges of having a small rate base with a large geographic area and many assets and communities to support with limited revenue raising opportunities and a heavy reliance on grants. The submission also highlighted the challenges of cost shifting and other service challenges such as increasing construction and service delivery costs well beyond the rate cap.

## Waterways management and school crossings returned to State

Council formally resigned from the waterway manager role for the Goulburn River from Hughes Creek to Goulburn Weir including Lake Nagambie in November 2023. This followed extensive negotiations with the State Government and others. Safe Transport Victoria is now responsible for the waterway.

The Victorian Department of Transport and Planning took responsibility for the School Crossing Supervision program in July 2023 following Council's decision to exit the program unless it was fully funded by the Victorian Government.

## Power

Power supply to towns and districts across the Shire was significantly disrupted over the 2023-24 summer with Euroa residents and businesses alone experiencing 11 electricity supply outages totalling 61 hours in overall average duration – and significantly longer for some people.

Council wrote to both Federal and State Members of Parliament and the Australian Energy Regulator to ask them to advocate on behalf of the community to find and fund a solution to the unreliable power supply to our towns and surrounding districts.

Between January and May 2024 AusNet identified options for faster response times, investigated alternative supply options during sustained outages, and began to upgrade technology on the network to reduce faults and adjusted fault protection settings. While this is welcome news, there is still more to do to achieve power reliability which supports community, business and future investment.

## Telecommunications

Council has continued to liaise with telecommunications and digital infrastructure providers to improve mobile telephone and digital infrastructure across the Shire.

Council meets monthly with Telstra and NBN representatives and monitors funding opportunities provided by state and federal governments. A planning workshop to identify future needs is planned for early in 2024-25.

## Greening Euroa

The Greening Euroa project is a joint initiative between Strathbogie Shire Council, Goulburn Valley Water (GV Water), Goulburn Broken Catchment Management Authority (GBCMA) and local schools and community group to provide treated recycled water for irrigation to nine playing and recreational fields in Euroa.

Detailed designs were completed thanks to funding from the Department of Environment, Land, Water and Planning, coupled with contributions from Council and Goulburn Valley Water. With significant capital investment needed for construction, Council continued its advocacy efforts for funding with an application to the Federal Government's Regional Precincts and Partnerships Program.

The second Greening Euroa Standpipe Cup was also held in June 2024 between Euroa and Mansfield. A partnership between Council, Goulburn Valley Water and the Goulburn Valley League, the Cup helps raise awareness of this initiative.

## Female-friendly change room for Longwood

Council was successful in a bid for funding through Sport and Recreation Victoria's Regional Community Sports Infrastructure Fund. The \$549,460 funding was announced in 2023-24 with delivery planned as part of the 2024-25 capital works program.

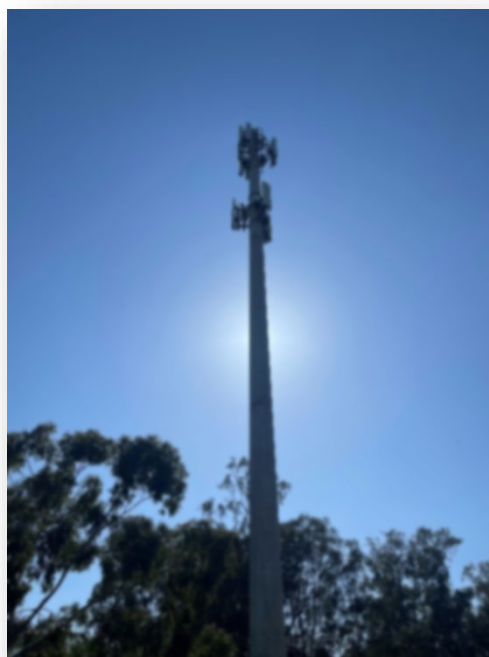
## Tourism partnership

In partnership with Mitchell Shire Council and Greater Shepparton City Council, Strathbogie Shire Council joined the new Visitor Economy Partnership Framework for the region named Goulburn Region Tourism Incorporated.

This is a significant step forward for the region which has not previously been represented in the regional tourism network.

The State Government will contribute \$350,000 to the partnership which will promote tourism in Strathbogie and neighbouring Shires.

The partner councils also endorsed the Goulburn Region – Destination Management Plan, a key strategic document to support the growth and development of tourism in the region for the next five years.



# Community engagement

During 2023–24, Council continued to engage through targeted outreach, broad consultation and the Share Strathbogie Community Panel based on the four engagement principles set out in our Community Engagement Policy:

1. Genuine and transparent
2. Inclusive and accessible
3. Responsive and flexible
4. Listen and learn

## Share Strathbogie – engagement hub

Council opened 20 projects for public comment and consultation during 2023-24 with a range of opportunities for the community to provide input including online, face-to-face and in writing.

The online hub had almost 3300 contributions from 1500 people and more than 14,000 unique visitors to the site. The most contributions were received for Balmattum Hill Mountain Bike Trail Network feasibility study, Avenel Township Signage and naming the Euroa magpie sculpture.

Projects included:

- 2024-25 Budget and Council Plan action plan
- Active and Connected: Cycling and Walking Strategy
- Avenel Township Signage
- Avenel Township Strategy Refresh
- Balmattum Hill Mountain Bike Trail Network feasibility study
- Euroa Bicentennial Park
- Euroa Community Cinema monthly community choice films
- Euroa magpie sculpture naming
- Goulburn Region Tourism Partnership
- Governance Rules
- Kirwans Bridge Advocacy
- Local Emergency Action Plans
- Lease and Licensing Policy
- Local Legends nominations
- Municipal Fire Management Plan
- Nagambie Foreshore Walk
- Pitch My Project 2024-25
- Play and Open Space Strategy
- Sports Strategy
- Victorian Seniors Festival 2023

## Share Strathbogie Community Panel

Following the establishment of a Community Panel in 2022-23, Council continued to strengthen community representation in decision-making processes.

During 2023-24 the panel was invited to provide input on a number of key initiatives including:

- the Play and Open Space Strategy
- the draft Municipal Fire Management Plan
- community awards, and
- developing candidate information sessions for the October 2024 elections.

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

The Panel was invited to briefings and discussions on the Minister for Local Government's decision to suspend the Council in December 2023, the Administrator's appointment and the announcement of a new unsubdivided electoral structure by the Victorian Electoral Commission.

## Kirwans Bridge Community Panel

Initially established in 2021 to focus on ensuring the longevity of this heritage-listed bridge, the panel turned its attention to saving the bridge following the October 2022 flood event.

The bridge was closed to all traffic in October 2022 and remains closed.

In November 2023, following consideration of repair and rebuild options from independent engineers, the panel recommended to Council that it proceed with:

- Option 2.1 – renovate with timber planks and steel girders to provide a single lane bridge with a 25-year lifespan at an estimated cost of \$5.5 million, or
- Option 2.2 – replace the timber decking with a concrete deck slab to provide a single lane bridge with a 50-year lifespan at an estimated cost of \$6.5 million.

The Panel officially wound up after the November meeting. Council and the Kirwans Bridge community have continued their advocacy efforts. Council also allocated \$100,000 in the 2024-25 budget to investigate options to enable pedestrian and cycling access to the bridge following community input to the draft budget.

## Talk to the Administrator

The Talk to the Administrator series saw Council's Administrator, Peter Stephenson meet with community members across the Shire, accompanied by the CEO or a Director to help with operational matters.

More than 40 residents from six towns attended the sessions between February and May. These sessions provided a direct avenue for residents to chat frankly and to raise matters important to them. Topics raised included road conditions, drainage issues and responding to customer enquiries.

# Community Satisfaction Survey

The Local Government Community Satisfaction Survey is coordinated by the State Government, funded by participating Councils and conducted by independent researcher JWS Research.

The survey asks residents to rate the performance of their Council on a number of core measures and services. The results provide Councils with an overview of perceptions in the community, highlights areas in need of improvement and enables Councils to track performance over time and benchmark with similar councils.

The results have dropped across most measures in 2023-24. This is not unusual when a major event like the suspension of a Council has occurred.

Core Measures	Strathbogie 2024	Strathbogie 2023	Small rural 2024	State 2024
Overall performance	36	53	53	54
Value for money	35	41	47	48
Overall Council direction	23	45	44	45
Customer service	68	69	66	67

Service Areas	Strathbogie					Small Rural
	2024	2023	2022	2021	2020	2024
Appearance of public areas	73	74	73	74	-	71
Waste management	70	69	67	67	62	67
Arts centres and libraries	68	71	67	67		73
Recreational facilities	67	67	68	65	-	67
Enforcement of local laws	57	59	57	61	59	60
Environmental sustainability	57	57	59	57	56	59
Tourism development	57	61	62	61	62	61
Business, community development and tourism	57	60	60	59	-	59
Informing the community	49	53	55	56	55	56
Local streets and footpaths	45	47	47	52	46	51
Consultation and engagement	44	50	52	52	50	51
Lobbying	44	52	54	51	50	50
Planning and building permits	42	47	44	51	-	43
Sealed local roads	40	45	47	51	51	41
Community decisions	37	47	51	52	49	50
Unsealed roads	32	36	40	42	41	35

Annual Report 2023-24

# About Council

# About Council

## Councillors

Council elections were held in 2020.

Ward	Councillor	Note
Mount Wombat	Cr Laura Binks Mayor	Suspended 6 December 2023
Hughes Creek	Cr Paul Murray Deputy Mayor	Suspended 6 December 2023
Lake Nagambie	Cr Robin Weatherald	Sworn in 18 July 2023 following a countback after the resignation of Cr David Andrews in June 2023 Suspended 6 December 2023
	Cr Reg Dickinson	Resigned 18 October 2023
Honeysuckle Creek	Cr Chris Raeburn	Suspended 6 December 2023
Seven Creeks	Cr Kristy Hourigan	Resigned 26 July 2023
	Cr Sally Hayes-Burke	Suspended 6 December 2023

## Administrator

On 5 December 2023, the Minister for Local Government suspended Councillors for the remainder of their term (effective 6 December 2023) and appointed Mr Peter Stephenson as Administrator.

In March 2024, Mr Stephenson's appointment was extended until the October election.

Under section 230 of the *Local Government Act 2020*, Mr Stephenson constitutes the Council and performs all its functions, powers and duties including providing support, leadership and strategic oversight of Council's operations.



## Executive Leadership Team

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### Interim Chief Executive Officer

Tim Tamlin  
[tim.tamlin@strathbogie.vic.gov.au](mailto:tim.tamlin@strathbogie.vic.gov.au)

*Tim joined Council on 15 July 2024 following the resignation of Julie Salomon, effective from 4 July 2024. Tim has overseen the development of the 2023-24 Annual Report.*

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### Director People and Governance

Amanda Tingay  
[amanda.tingay@strathbogie.vic.gov.au](mailto:amanda.tingay@strathbogie.vic.gov.au)

*Amanda was appointed Acting Director in June 2023 following the resignation of Dawn Bray, effective June 2023. Amanda was appointed to the Director role in March 2024.*

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### Director Community and Planning

Rachael Frampton  
[rachael.frampton@strathbogie.vic.gov.au](mailto:rachael.frampton@strathbogie.vic.gov.au)

*Rachael was appointed Acting Director in June 2023. Following Amanda's appointment as Director People and Governance, Rachael was appointed Director Community and Planning in April 2024.*

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### Director Sustainable Infrastructure

John Harvey  
[john.harvey@strathbogie.vic.gov.au](mailto:john.harvey@strathbogie.vic.gov.au)

*John was appointed Director in December 2023 following the resignation of Vlad Adamek effective September 2023.*

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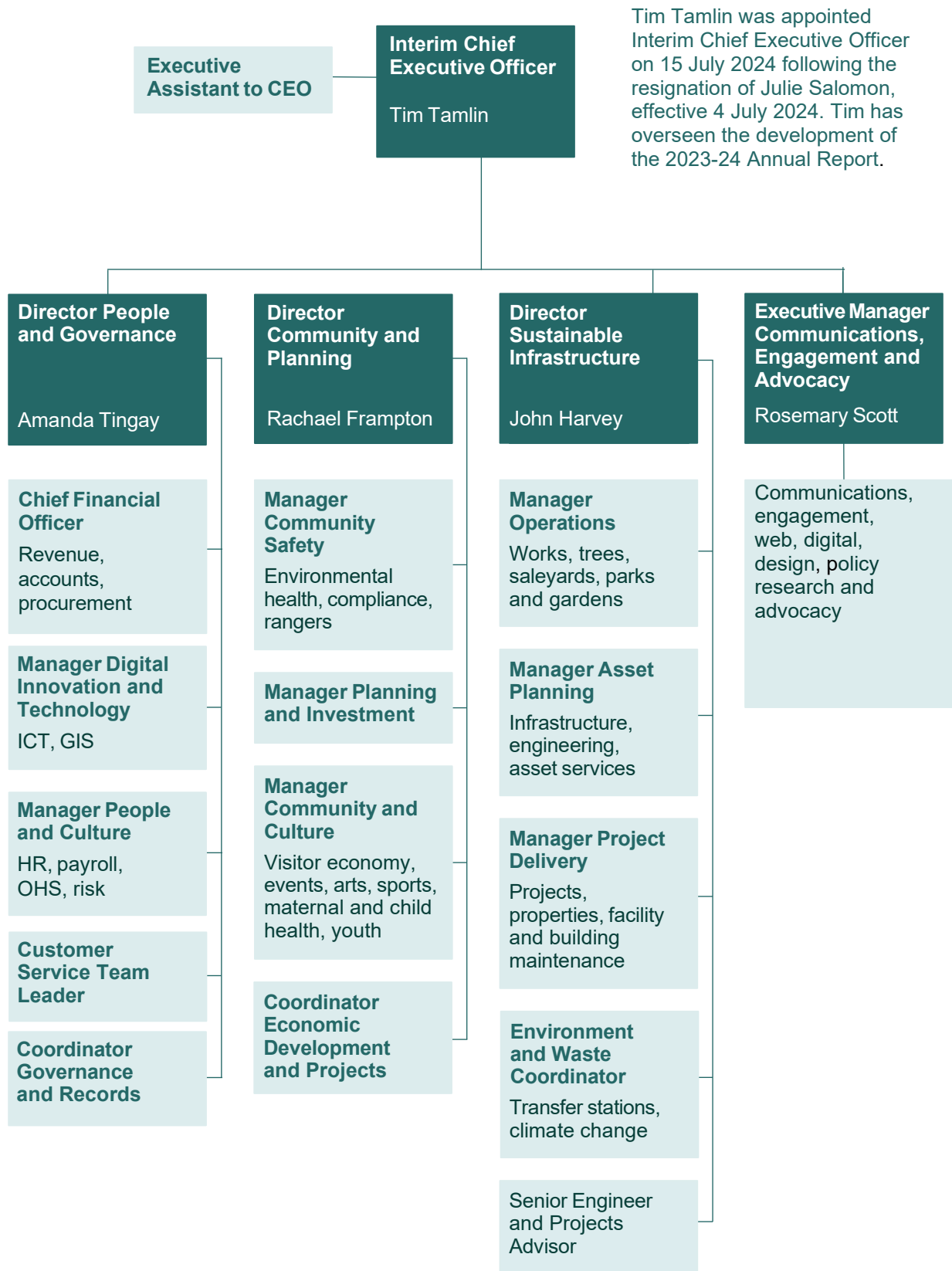
### Executive Manager Communications, Engagement and Advocacy

Rosemary Scott  
[rosemary.scott@strathbogie.vic.gov.au](mailto:rosemary.scott@strathbogie.vic.gov.au)

*Rosemary was appointed to the role in April 2024 following the resignation of Kristin Favaloro effective November 2023.*

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## Organisational structure



## 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 (118.3 FTE). 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.

Approximately half of our staff identify as women, with a significant portion of women in the workforce made up of part time employees 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.

	Band 1 FTE	Band 2 FTE	Band 3 FTE	Band 4 FTE	Band 5 FTE	Band 6 FTE	Band 7 FTE	Band 8 FTE	Other FTE	Total FTE
Permanent Full Time - W				3.0	4.0	8.0	5.0	1.0	6.0	<b>27.0</b>
Permanent Full Time - M			29.0	6.0	6.0	4.0	6.0	3.0	5.0	<b>59.0</b>
Permanent Full Time - X										<b>0.0</b>
Permanent Part Time - W			0.2	6.7	3.0	8.6	2.1	0.9	2.7	<b>24.1</b>
Permanent Part Time - M			4.3	1.1	0.0	0.2			1.1	<b>6.8</b>
Permanent Part Time - X										<b>0.0</b>
Casual - W		1.0		0.2						<b>1.2</b>
Casual - M		0.2								<b>0.2</b>
Casual - X										
<b>Total</b>	<b>0.0</b>	<b>1.2</b>	<b>33.6</b>	<b>17.0</b>	<b>13.0</b>	<b>20.8</b>	<b>13.1</b>	<b>4.9</b>	<b>14.8</b>	<b>118.3</b>
W - Women   M - Men   X - Self-described gender										

	Executive Communications and Engagement	Community and Planning	Sustainable Infrastructure	People and Governance	Total FTE
Permanent Full Time - W	4.00	7.00	6.00	10.00	<b>27.00</b>
Permanent Full Time - M		8.00	47.00	4.00	<b>59.00</b>
Permanent Full Time - X					
Permanent Part Time - W	2.14	9.69	1.51	10.73	<b>24.07</b>
Permanent Part Time - M		1.27	5.29	0.25	<b>6.82</b>
Permanent Part Time - X					
Casual - W			1.17		<b>1.17</b>
Casual - M		0.24			<b>0.24</b>
Casual - X					
<b>Total</b>	<b>6.14</b>	<b>26.21</b>	<b>60.97</b>	<b>24.98</b>	<b>118.30</b>

W - Women | M - Men | X - Self-described gender

## Employment conditions

The Strathbogie Shire Council Enterprise Agreement No 10 – 2023 was approved by the Fair Work Commission in November 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

Council is committed to the personal growth and development of its employees and provides different options for its employees to achieve it. This includes short in person and online training courses, on and off the job training, workshops, conferences, and formal study options. Decisions on training and development take into consideration departmental, interpersonal, and organisational needs when identifying the best path for development.

The work of a dedicated officer on a skills gap analysis for future planning across the organisation has continued in 2023-24. Knowing where the skill gaps are enables Council to better target training and in turn assists with the attraction, retention, and development of our staff.

## Occupational health and safety

September 2023 Strathbogie Shire Council gained a fresh OHS perspective with the recruitment of a new OHS Officer who conducted an overall Safety Management System Audit and has been working on issues of high priority. While the Officer looked across all Departments, particular focus was placed on the Operations department, Emergency Management and safety issues in general. Council will continue to review and improve OHS practices to ensure a safe workplace for all its employees.

## Recruitment

Council is continuing its focus on attracting and retaining an engaged and skilled workforce. While we still experience some challenges seen after the “great resignation” as a result of COVID 19, trends are improving and it is becoming a little easier to capture talent.

Council is working through these challenges by embracing diversity, remuneration, transparency and greater flexibility.

In the 2023-24 year, Council advertised 48 positions, five fewer than the previous year, which is testament to the Council’s commitment to retain staff.

## Recognition for Years of service

Strathbogie Shire Council is proud of the continued commitment shown by its dedicated employees, who are key in the success of the organisation. In recognition of length of service, employees are presented with a voucher and certificate signed by the CEO.

The number of recipients for the 2023-24 year are detailed below:

Years of Service	Number of Staff
3 years	14
5 years	10
10 years	2
15 years	2
20 years	2
30 years	1
40 years	1

### Employee Wellbeing

Council continues to focus on the health and wellbeing of its employees, starting even before employees commence.

Pre-employment screening is used as part of the recruitment process. It ensures 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.

An Employee Assistance Program (EAP) is a support service available free of charge to all employees and their families. It offers counselling and mediation service that enable discussion of either work related or personal matters affecting the lives of employees and their families in confidence. Appointments are offered in person, via phone, or via video conference to ensure employees can access the service in a way that suits them best.

Following a staff survey in December 2022 which highlighted that our employees enjoy working for Council and have pride in the service they provide to the community. The survey also showed areas for improvement such as recognition of staff and improvement of Council's systems. Quarterly all staff meetings were re-introduced, often taking place face-to-face.

With the new Enterprise Agreement in place, the Staff Consultative Committee – where employees can take their concern for discussion and consultation to ultimately raising the matter with the CEO – has taken up their work again. In quarterly meetings, issues that are important to employees and brought to the attention of committee members are discussed and solutions suggested and then presented to the CEO.

### 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, two years into the four-year Gender Equality Action Plan implementation period. A progress report for the Gender Equality Action Plan was successfully submitted the Gender Equity Commission in February 2024, confirming Council has made progress in six out of the seven indicator categories.

Annual Report 2023-24

# **Council Plan Action Plan**

# Delivering our Council Plan

The following reviews the performance of the Shire against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

## 2021–22 Actions (Year 1 Council Plan)

- 75 per cent of actions are 100 per cent complete
- 6 per cent of actions are more than 80 per cent complete
- 4 per cent of actions are between 50 to 75 per cent complete
- 4 per cent of actions are less than 50 per cent complete
- 2 per cent of actions are not started, and
- 9 per cent of actions are ongoing

## 2022–23 Actions (Year 2 Council Plan)

- 35 per cent of actions are 100 per cent complete
- 7 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
- 2 per cent of actions are not started, and
- 7 per cent of actions are ongoing

## 2023-24 Actions (Year 3 Council Plan)

- 40 per cent of actions are 100 per cent complete
- 0 per cent of actions are more than 80 per cent complete
- 19 per cent of actions are between 50 to 75 per cent complete
- 12 per cent of actions are less than 50 per cent complete
- 8 per cent of actions are not started, on hold or deferred, and
- 21 per cent of actions are ongoing

Actions for 2024-25 were adopted at June 2024 Council meeting.



## Strategic Focus Area 1: Engage. Create. Unite.

*Our community's goals - In the future we... foster and support creative responses in the community.*

### Actions for 2023-24

Action	Percentage complete	Comment
1.1.1 Work in partnership with the Taungurung Land and Waters Council to implement the Memorandum of Understanding.	Ongoing	Work is ongoing with TLaWC to implement the Memorandum of Understanding. Realigned to 2024-25 actions and due for delivery in June 2025
1.1.2 Continue to meet with the Taungurung Land and Waters Council to review, monitor and provide feedback on the implementation of infrastructure projects in line with the Land Use Activity Agreement.	Ongoing	Meetings continuing to be held with Taungurung Land and Waters Council regarding the requirements of the Land Use Activity Agreement. Realigned to 2024-25 actions and due for delivery in June 2025.
1.1.3 Embed a Partnership Plan, outlining the approach, principles and assessment criteria, across the organisation.	0	Realigned to 2024-25 actions and due for delivery in March 2025.
1.1.4 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.	20	Project team established and commenced work in Q1 2024. Realigned to 2024-25 actions and due for delivery in March 2025.
1.1.5 Complete the review and implement the Arts and Culture Strategy to support the community in driving diversity in activities and events.	50	A review is underway. Realigned to 2024-25 actions and due for delivery in February 2025.

## Strategic Focus Area 1: Performance

Indicator	Data Source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Satisfaction rating - art centres and libraries	Annual Community Satisfaction Survey	Increase on 2021 result of 67	67	71	68	This result shows a return to levels following the COVID pandemic and aligns with the overall downward trend of the Community Satisfaction Survey results this financial year. 12 exhibitions have been shown in the ARTBOX, across the townships of Euroa, Nagambie, Avenel and Strathbogie. Council has also run four art workshops for community members.
Satisfaction rating - lobbying	Annual Community Satisfaction Survey	Increase on 2021 result of 51	54	52	44	Council continued to advocate on behalf of the community both at Federal and State levels on a range of advocacy priorities including power outages, telecommunications connectivity, school crossing funding, waterway management and bridges.
Satisfaction rating - consultation and engagement	Annual Community Satisfaction Survey	Increase on 2021 result of 52	52	50	44	It is not unusual for Councils to record significant drops when there has been a major event such as the suspension of Councillors around the time of the survey. For a summary of engagement and consultation activities during 2023-24, please see the Community Engagement report in the front section of the Annual Report.
Satisfaction rating - informing the community	Annual Community Satisfaction Survey	Increase on 2021 result of 56	55	53	49	Council continued to use a range of channels to inform the community, including website, Share Strathbogie engagement hub, social media, eNews, email, survey stations, Community Update, face-to-face at markets and events.

Indicator	Data Source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Satisfaction rating - community decisions*	Annual Community Satisfaction Survey	Increase on 2021 result of 52	51	47	37	This result reflects the challenging environment for decision-making in 2023-24 including events which led to the suspension of the Council and the appointment of an Administrator.
Meetings conducted with the eight Action Groups	Council data	One meeting per group	1	4	4	Council ran four workshops with Action Groups over the past financial year. This included two externally facilitated workshops on succession planning and good governance and two Community Grants Workshops.

\*How the community rated decisions made on their behalf by Council

## Strategic Focus Area 2: Live. Access. Connect.

*Our community's goals – In the future... our people are places are connected.*

### Actions for 2023-24

Action	Percentage complete	Comment
2.1.1 Implement and review the Asset Plan to guide future investment in buildings, plant and infrastructure through the Ten-Year Capital Budget.	Ongoing	Asset Management Plan 2021-31 complete and adopted. Yearly programs and budgets are based on the Asset Management Plan. Asset Management Policy adopted by Council in December 2023. The Asset Plan will be reviewed in 2025 as part of the incoming Council's obligations under the <i>Local Government Act 2020</i> to develop and maintain an Asset Plan.
2.1.2 Lobby State and Federal governments to fund improved digital and telecommunications infrastructure.	Ongoing	Council led NBN community engagement sessions held across the Shire. New mobile towers erected in Boho, Euroa, Kirwans Bridge, Locksley, Mangalore, Nagambie, Tabilk and Violet Town. Realigned to 2024-25 actions and due for delivery in June 2025.
2.1.3 Work with community groups to expand existing community bus services.	100	Audit of transport services completed for each township and gaps identified. Community Development Officer continues to work with community to assess appetite to expand and advocate on their behalf. Realigned to 2024-25 actions and due for delivery in June 2025.
2.1.4 Report to Council the findings of the feasibility study for the development of a mountain bike track at Balmattum Hill.	100	Action complete. A report will go to Council in August 2024. Realigned to 2024-25 actions and due for delivery in August 2024.

Action	Percentage complete	Comment
2.1.5 Prepare a Play and Open Space Strategy.	95	Council endorsed the release of the draft Play and Open Space Strategy 2024-2034 for broad community consultation and feedback, commencing on Wednesday 19 June 2024 and closing on Wednesday 17 July 2024. Council is to receive a further report at the August 2024 Council Meeting for the consideration of the final Play and Open Space Strategy 2024-2034. Realigned to 2024-25 actions and due for delivery in August 2024.
2.1.6 Review and implement the Tracks and Trails Strategy to improve connectivity and physical activity across the municipality.	50	A review is underway. Realigned to 2024-25 actions and due for delivery in December 2024.
2.1.7 Scope and secure funding for the development of a Cycling Strategy.	75	Funding secured for an Active and Connected Cycling and Walking Strategy. Community engagement is underway. Realigned to 2024-25 actions and due for delivery in September 2024.
2.1.8 To clarify land arrangements with VicTrack for the car park precinct (Saleyard Road and Bank Street, Avenel) including a funding commitment to upgrade this area.	10	A background document has been developed. Realigned to 2024-25 actions and due for delivery in June 2025.
2.1.9 Work collaboratively with the Department of Transport and Planning to address the community's safety (Saleyard Road and Bank Street, Avenel) concerns in a co-ordinated manner.	10	Council continues to look for opportunities to advocate. Realigned to 2024-25 actions and due for delivery in June 2025.
2.1.10 Advocate to the State and Federal Governments for a funding commitment to deliver a solution for Kirwans Bridge that extends the bridge life by more than 50 years.	Ongoing	Advocacy efforts are ongoing to both State and Federal Governments. Realigned to 2024-25 actions and due for delivery in June 2025.

Action	Percentage complete	Comment
2.1.11 Advocate to the State Government regarding a solution to Chinamans Bridge and urgent funding to implement the solution.	Ongoing	Working with Heritage Victoria and Consultants Extent Heritage appointed to identify costs and recommend a solution to Heritage Victoria. Realigned to 2024-25 actions and due for delivery in June 2025.

## Strategic Focus Area 2: Performance

Indicator	Data Source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Satisfaction rating - local streets and footpaths	Annual Community Satisfaction Survey	Increase on 2021 result of 52	47	47	45	This result is a decline on the performance in 2021, which we believe is due to the impacts of storms and the ongoing impacts of the October 2022 flood. It may also reflect dissatisfaction with the condition of arterial roads and freeways managed by VicRoads.
Satisfaction rating - lobbying	Annual Community Satisfaction Survey	Increase on 2021 result of 51	54	52	44	Council continued to advocate on behalf of the community both at Federal and State levels on issues raised by the community, particularly on power outages and telecommunications connectivity, school crossing supervisor funding and to find solutions for both Kirwans and Chinamans Bridges.
Percentage completion - projects delivered in capital expenditure budget	Council data	Increase on 2021 result of 85%	77%	75%	79%	Council completed \$11.9 million worth of projects for 2023-24. In addition, Council also spent \$1.2 million on Violet Town Landfill rehabilitation work. Overall, this is an achievement of 79 percent of adopted capital budgeted expenditure of \$16.5 million.
Infrastructure spend per head of municipal population	Local Government Performance Reporting Framework (Know Your Council)	Increased spend from 2021 \$25,715.25	\$26,428	\$28,448.16	\$30,273.97	Within range.

Indicator	Data Source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Asset renewal and asset upgrade as a percentage of depreciation	Local Government Performance Reporting Framework (Know Your Council)	Increased spend from figure of 225.40%	75.62%	135.43%	144.53%	Due to increased assets renewal and upgrade work during the year. Target was not achieved due to incomplete capital projects that were carried forward to 2024-25 year.



**Strategic Focus Area 3: Protect. Enhance. Adapt.**

*Our community's goals – In the future we... consider Climate Change in everything we do.*

**Actions for 2023-24**

Action	Percentage complete	Comment
3.1.1 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.	100	The Climate Change Action Plan 2022-27 was adopted in August 2022. All year two actions are complete, with 40 per cent of all actions across the five year plan complete.
3.1.2 Integrate the Naturally Cooler Town initiative into day-to-day operations in partnership with the Goulburn Murray Climate Alliance (GMCA).	100	Council adopted the recommended tree planning lists from the Naturally Cooler Towns Project. GMCA is in the process of convening a Regional Arborist Network. Realigned to 2024-25 actions and due for delivery in June 2025.
3.1.3 Complete the Violet Town landfill rehabilitation project.	100	Onsite works have been completed and Council is awaiting formal sign off from the EPA for the completion. Realigned to 2024-25 actions and due for delivery in June 2025.
3.1.4 Continue to involve the community in tree planting projects across the Shire.	Ongoing	345 trees were planted in June 2024. Additional planting and maintenance will continue in 2025.
3.1.5 Advocate to Federal and State governments for investment in reliable power supply infrastructure with a focus on renewable energy.	Ongoing	Advocacy is ongoing. Realigned to 2024-25 actions and due for delivery in June 2025.

Action	Percentage complete	Comment
3.1.6 Continue to support community recovery from the October 2022 Flood Event.	Ongoing	Community recovery is underway in partnership with Mitchell Shire Council to deliver services. Realigned to 2024-25 actions and year one actions due for delivery in June 2025.
3.1.7 Deliver the Gender Equitable Access and Use Policy (in line with State Government requirement).	100	Fair Access Policy adopted by Council 16 April 2024.

## Strategic Focus Area 3: Performance

Indicator	Data source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Satisfaction rating - waste management services	Annual Community Satisfaction Survey	Increase on 2021 result of 67	67	69	70	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%	14%	Audits are undertaken every three years, with the next audit due in 2024. A new audit has not yet been completed, so we will have to assume it is the same as previous years.
Number of education sessions delivered to schools or community groups	Council data	Target to be set based on 2021-22 result	3 schools 3 community groups 12 tri-council	3 schools 3 community groups	3 schools 3 community groups	Achieved.
Average waste diversion rate	Monthly data supplied by Cleanaway	Increase on 2021 result of 71%	70%	71%	70.5%	This result is a consolidation on the previous year's result. Average waste diversion rate for 2023-24 is 70.5%.

Indicator	Data source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Contamination rate in our waste stream*	Monthly data supplied by Western Composting	Decrease on 2021 result of 1.7%	1.51%	1.24%*	1.37%	This result shows a modest decrease in the contamination rate, which should be noted is very low compared to other councils in the region. The contamination rate in the organic waste stream for 2023-24 was 1.37%. Please note last year's annual report figure was incorrect at 0.97% and should read 1.24% according to waste data captured.
Satisfaction rating – environmental sustainability	Annual Community Satisfaction Survey	Increase on 2021 result of 59	59	57	57	This result is stable in a year where many other service indicators recorded significant decreases.
Delivery of progress report – Climate Change Action Plan Implementation	Council data	N/A	N/A	70%	83%**	Year 1 actions are underway with the actions and progress listed on Council's website. After two years we have successfully completed 40% of the plan's objectives, with three and a half years remaining to fully implement the action plan.
*organic waste stream						
** a lower number of actions were assigned to this year as the role of Climate Change Action Officer was vacant for over 6 months						

### Strategic Focus Area 4: Inclusive. Productive. Balanced.

*Our community's goals: In the future we... involve the community in decisions that affect them; have a thriving economy for everyone; and are planning to protect the special place we call home.*

#### Actions for 2023-24

Action	Percentage complete	Comment
4.1.1 Implement year two actions of the Economic Development Strategy.	Ongoing	Year one actions are 100% complete and were presented to Council in August 2024 for noting. Ongoing actions to be completed within the term of the strategy. Realigned to 2024-25 actions and year two actions due for delivery in June 2025.
4.1.2 Implement the recommendations of the Strathbogie Planning Scheme review.	30	Underway. Preparation of an updated Rural Land Use and Rural Living Strategy and a new Urban Growth Strategy has commenced, an engagement plan for both strategies has been endorsed by Council and consultation will commence in November 2024. Realigned to 2024-25 actions with draft strategies due for completion in June 2025.
4.1.3 Continue to advocate for the development of the Mangalore Airport as a freight intermodal and transport/industrial hub.	On hold	Awaiting advice and direction from the Mangalore site owners. Realigned to 2024-25 actions and due for delivery in June 2025.
4.1.4 Undertake the development of the Euroa Railway Precinct Master Plan.	50	\$100,000 in Victorian Government funding has been received, procurement process is complete and consultant appointed. Realigned to 2024-25 actions and year two actions due for delivery in June 2025.

Action	Percentage complete	Comment
4.1.5 Continue advocating to Australian Rail Track Corporation (ARTC) for a community led outcome for the redesign of Euroa railway infrastructure.	100	Successfully lobbied ARTC to explore two options. ARTC are progressing a community led option. Realigned to 2024-25 actions and year two actions due for delivery in June 2025.
4.1.6 Finalise and adopt the Avenel 2030 Strategy to guide future development and growth while maintaining local character.	95	Avenel 2030 Strategy and public consultation complete. Completion dependent on public consultation relating to Rural Residential and Land Use Strategy and Urban Growth Strategy which is underway. Realigned to 2024-25 actions and due for delivery in June 2025.
4.1.7 Upgrade of systems to support online and automated processes through the Collaborative Digital Transformation Project in partnership with Benalla, Murrindindi and Mansfield Councils.	50	The Collaborative Digital Transformation Project is underway. Realigned to 2024-25 actions and due for delivery in June 2025.
4.1.8. Adopt the updated Rural Land Use and Rural Residential Strategies.	50	The Rural Residential and Land Use Strategy consultation process is underway. Realigned to 2024-25 actions and due for delivery in June 2025.
4.1.9 Adopt the Urban Growth Strategy.	50	The Urban Growth Strategy consultation process is underway. Realigned to 2024-25 actions and due for delivery in June 2025.

## Strategic Focus Area 4: Performance

Indicator	Data Source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Planning permit applications decided within 60 statutory days	Planning Permit Activity Report (PPAR)	80%	78.5	79.29	80.41	Goal has been met with an improvement in overall performance.
Satisfaction rating - building and planning permits	Annual Community Satisfaction Survey	Increase on result of 51	44	47	42	While this is not an increase on 2022-23 results, the result is similar to the small rural shire average and slightly below state-wide results.
Satisfaction rating – business development and tourism	Annual Community Satisfaction Survey	Increase on 2021 result of 59	60	60	57	There has been an overall drop in visitor spending of 3.3% between August 2022 and August 2024. Given this trend is reflected across Victoria the reduction is likely related to cost of living pressures. Nagambie Traders report the re-opening of the caravan park in early 2024 has seen visitor numbers return to normal levels and are expecting a good tourist season, weather permitting.
Satisfaction rating – tourism development	Annual Community Satisfaction Survey	Increase on 2021 result of 61	62	61	57	There has been an overall drop in visitor spending of 3.3% between August 2022 and August 2024. Given this trend is reflected across Victoria the reduction is likely related to cost of living pressures. Nagambie Traders report the re-opening of the caravan park in early 2024 has seen visitor numbers return to normal levels and are expecting a good tourist season, weather permitting.

Indicator	Data Source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Average monthly visitation to the Nagambie Visitor Information and Euroa Hub Tourist and Resident 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	762 visitations per month	This increase in numbers reflects an increase in events in Strathbogie Shire and the re-opening of the Nagambie Discovery Park following the 2022 flood event.
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	90.50 days	A slight improvement on the previous year. Officers will continue to work on reducing this figure.
Asset renewal and asset upgrade as a percentage of depreciation	Local Government Performance Reporting Framework data (Know Your Council)	Increase on 2021 result	75.62%	135.43%	144.53%	Due to increased assets renewal and upgrade work during the year. Target was not achieved due to incomplete capital projects that were carried forward to 2024-25 year.



## Strategic Focus Area 5: Strong. Healthy. Safe.

*Our community's goals – In the future... our communities are filled with happy, healthy people.*

### Actions for 2023-24

Action	Percentage complete	Comment
5.1.1 Prepare a Play and Open Space Strategy.	95	Council endorsed the release of the draft Play and Open Space Strategy 2024-2034 for broad community consultation and feedback, commencing on 19 June 2024. A full report will be received by Council in August 2024. Realigned to 2024-25 actions and due for delivery in August 2024.
5.1.2 Deliver a series of events and initiatives to support healthy eating practices, reduced obesity and increased physical activity.	100	Ongoing and 2024 actions complete. Realigned to 2024-25 actions and due for delivery in June 2025.
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	Review complete. Report sent to Marine Safety Victoria for review, approval and implementation.
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.	100	Annual audit undertaken in May 2024.
5.1.5 Review and implement the Public Open Space Contributions Policy.	25	Pre-planning commenced. Dependent on completion of the Public Open Space Strategy. Realigned to 2024-25 actions and due for delivery in June 2025.
5.1.6 Promote participation in MCH programs for 0–4-year-olds.	100	Continue to promote via social media platforms and follow up with parents who have missed appointments. Realigned to 2024-25 actions and due for delivery in June 2025.

Action	Percentage complete	Comment
5.1.7 Implement an annual action plan for health and wellbeing priorities identifying partnerships that will support the delivery of the plan.	100	Completed and ongoing. An annual review has been completed and a new Health and Wellbeing Plan will be developed in 2025 in line with the election of a new Council and the requirement of the <i>Local Government Act 2020</i> to develop a new Council Plan. Realigned to 2024-25 actions and due for delivery in June 2025.
5.1.8 Participate in 16 Days of Activism Against Gender Based Violence – deliver local initiatives throughout the municipality.	100	Completed and planning underway for 2024 event. Realigned to 2024-25 actions and due for delivery in December 2024.
5.1.9 Educate and raise awareness on ageism and elder abuse through an educational campaign that challenges ideologies.	100	Communication and engagement plan was completed to raise awareness for World Elder Abuse Awareness Day in June 2024.
5.1.10 Review and implement programs to drive participation at our aquatic facilities informed by the Strathbogie Community Pools Strategy 2019-2029.	100	Ongoing. Foster partnership with Friends of the Pool to implement new initiatives. Realigned to 2024-25 actions and due for delivery in June 2025.
5.1.11 Deliver community led actions through the implementation of the Domestic Animal Management Plan which may include further off leash dog parks.	50	Year one and two actions delivered. Realigned to 2024-25 actions and due for delivery in June 2025.
5.1.12 Develop and implement a communication and engagement plan to promote the health and wellbeing benefits of volunteering.	95	Draft Volunteer Policy developed and due to go Council in August 2024. Realigned to 2024-25 actions and due for delivery in December 2024.

## Strategic Focus Area 5: Performance

Indicator	Data Source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Satisfaction rating – appearance of public areas	Annual Community Satisfaction Survey	Increase on 2021 result of 74	73	74	73	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	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	1	There has been an 64% increase in the use of aquatic facilities since last year (1.22 visits per head of municipal population in 2023-24 versus 0.75 in 2022-23). This year has seen a more accurate recording of attendances by Council's contractor, and more reliable internet services leading to the capture of attendance. This remains an area of focus for the 2024-25 season.

Indicator	Data Source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Number of completed tobacco sale audits to under 18s	Council data	No benchmark from 2021	0	1	1	A test purchase day was completed in April 2024 in accordance with the tobacco activity agreement with MAV and the Department of Health. 11 premises test purchased, 1 sale occurred.
% 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%	69.47%	69.46%	71.01%	345 children enrolled, 245 attended MCH service at least once during the year. Appointments after 18 months are not as well attended as the earlier appointments. MCH staff continue to call to make catch up appointments.
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%	67%	73%	81%	There has been a 10% increase in participation in the MCH service by Aboriginal children since last year. MCH nurses have engaged in cultural training and minor improvements have been made to the space to make them more culturally welcome.
Percentage of infants enrolled in Maternal 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%	92%	Consistent level of participation year on year.

## Strategic Focus Area 6: Accountable. Transparent. Responsible.

*Note: no community goals were set for this strategic focus area in the 2021 Council Plan.*

### Actions for 2023-24

Action	Percentage complete	Comment
6.1.1 Implement the Year one actions of the Workforce Plan 2021–25.	50	Ongoing Realigned to 2024-25 actions and due for delivery in June 2025.
6.1.2 Implement the Actions for year one 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	Ongoing Realigned to 2024-25 actions and due for delivery in June 2025.
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 developed and in use.
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.	Deferred	The strategy is dependent on the finalisation of the Digital Transformation Project. The project is well progressed and some business areas are ready to implement new systems. Realigned to 2024-25 actions and due for delivery in June 2025.
6.1.5 Incorporate the gender impact assessment tool into decision making processes to assess the gendered impacts of policies, programs and services.	100	Policy Assessment Impact Tool developed, covering gender equality, human rights, climate change and <i>Local Government Act 2020</i> key themes and requirements.

Action	Percentage complete	Comment
6.1.6 Support the Audit and Risk Committee in completing its work plan for 2022–23.	Ongoing	2023-24 actions complete. 2024-25 plan developed and awaiting endorsement in September 2024. Realigned to 2024-25 actions and due for delivery in June 2025.
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 is underway. Realigned to 2024-25 actions and due for delivery in June 2025.
6.1.7 Implement the action plan in response to the 2023-24 Staff Satisfaction Survey.	100	Implementation of the action plan is underway. Realigned to 2024-25 actions and due for delivery in June 2025.
6.1.8 Implement an ongoing good governance training program for Councillors and staff, including self-assessment elements which is monitored by the Audit and Risk Committee.	50	To be implemented as part of the Councillor Induction Program for Councillors elected in October 2024. An induction program is being developed. <i>The Local Government Amendment (Governance and Integrity) Act 2024</i> has new legislation relating to Councillor and Mayor training and development obligations. Realigned to 2024-25 actions and due for delivery in April 2025.
6.1.9 Review the Customer Service Charter to refine our service standards and responses.	0	Not started. Realigned to 2024-25 actions and due for delivery in January 2025.

## Strategic Focus Area 6: Performance

Indicator	Data source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Satisfaction rating Customer Service	Annual Community Satisfaction Survey	Increase on 2021 result of 69	73	69	68	This result is four points above the small rural shire average and two in front of the statewide result. Improving our responsiveness to customer requests and enquiries across the organisation continues to be a key focus.
% of staff with procurement responsibilities that have completed procurement and probity training	Council Data		93%	N/A	N/A	Training for these staff is planned to be delivered by 31 December 2024.
Satisfaction rating – Overall performance	Annual Community Satisfaction Survey	Increase on 2021 result of 57	56	53	36	It is not unusual for Councils to record significant drops when there has been a major event such as the suspension of Councillors.
Satisfaction rating – Overall direction	Annual Community Satisfaction Survey	Increase on 2021 result of 55	50	45	23	It is not unusual for Councils to record significant drops when there has been a major event such as the suspension of Councillors.
Satisfaction rating – Value for Money	Annual Community Satisfaction Survey	Increase on 2021 result of 41	42	41	35	It is not unusual for Councils to record significant drops when there has been a major event such as the suspension of Councillors.

Indicator	Data source	Goal	Result 2021-22	Result 2022-23	Result 2023-24	Comment
Satisfaction rating -Council decisions	Annual Community Satisfaction Survey	Increase on 2021 result of 52	51	47	37	It is not unusual for Councils to record significant drops when there has been a major event such as the suspension of Councillors.
Expenses per head of municipal population	Local Government Performance Reporting Framework (Know Your Council)	Maintenance of 2021 result \$2,816.59	\$2,628.01	\$3,436.34	\$3,329.59	
Recurrent grants per head of municipal population	Local Government Performance Reporting Framework (Know Your Council)	Increase on 2021 result of \$780.29	\$826.99	\$910.94	\$236.48	Variance is due to timing of receipt of the Financial Assistance Grant Funding.



Annual Report 2023-24

# Governance

# 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 resources are managed in a responsible and accountable manner
- advocating the interests of the local community to other communities and governments, and
- 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. The Committee reviewed the following in October 2023:

- Procurement Policy
- Fraud and Corruption Policy
- Gifts, Benefits and Hospitality Policy
- CEO Employment and Remuneration Policy
- Councillor Expenses Policy
- Asset Management Policy
- Rates Payment and Collection Policy
- Rates Budgeting and Notice Issuing Policy
- Information Security Policy
- Investment and Cash Management Policy
- Audit and Risk Committee Charter.

## 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, and
- 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.

On 25 June 2024 the *Local Government Amendment (Governance and Integrity) Act 2024* received Royal Assent. The purposes of the 2024 Act are to:

- Provide for ongoing mandatory training for Councillor and Mayors
- Improve the Councillor conduct framework
- Provide for the suspension and disqualification of individual Councillors in certain circumstances
- Provide further powers to the Chief Municipal Inspector, and
- Make any miscellaneous amendments to the *Local Government Act 1989* and *Local Government Act 2020*.

Additionally, Council has made a submission to the consultation process for the development of a Model Councillor Code of Conduct which will standardise Councillor conduct across all 79 Victorian Councils.

## 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.

During 2023-24 one conflict of interest was declared at council meetings by Councillors and two declarations were made by Council Officers.

## Council Meetings

The table below shows Councillor and Administrator attendances at Council meetings 1 July 2023 to 30 June 2024.

Administrator	Council Meetings	Extraordinary Meetings
Mr Peter Stephenson	6	4
Number of Meetings	6	4

Total Number of Meetings: 10

Councillor	Council Meetings	Extraordinary Meetings
Cr Laura Binks	5	0
Cr Reg Dickinson (resigned 18 October 2023)	3	0
Cr Sally Hayes-Burke	5	0
Cr Kristy Hourigan (resigned 26 July 2023)	1	0
Cr Paul Murray	5	0
Cr Chris Raeburn	5	0
Cr Robin Weatherald (sworn in 18 July 2023)	5	0
Number of Meetings	5	0

Total Number of Meetings: 5

## Councillor allowances

In accordance with Section 39 of the *Local Government Act 2020* and the Councillor Expenses Policy, Councillors are entitled to receive an allowance whilst performing their duties. The Mayor and Deputy Mayor are also entitled to receive a higher allowance.

The Victorian Independent Remuneration Tribunal has made a determination on the 30 June 2023 providing for an annual adjustment to the values of the allowances payable to Mayors, Deputy Mayors, and Councillors.

The Tribunal determined a two per cent increase to the values of the base allowances payable to Mayors, Deputy Mayors and Councillors, effective from 1 July 2023. A two per cent increase has also been applied to the base allowance values which take effect on:

- 18 December 2023
- 18 December 2024 (Mayors and Deputy Mayors only), and
- 18 December 2025 (Mayors and Deputy Mayors only).

The Tribunal also increased the base allowance payable to each Council member by two percent from 1 July 2023 and adjusted the value of the remote area travel allowance by two per cent.

Strathbogie remains a category one municipality, which means the allowances are at the lowest end of those set for all councils. The base allowances for the period 1 July 2023 and 17 December 2023 are set out below:

- Mayor \$79,492
- Deputy Mayor \$39,746
- Councillor \$25,650

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 \$45.90 for each day on which such meetings are held, up to a maximum allowance of \$5738 per annum.

Councillors can elect to receive:

- all of the allowance to which they are entitled
- a nominated portion of the allowance, or
- no allowance.

The following table provides Councillor allowances paid for 1 July 2023 to 30 June 2024.

Councillor	Total Allowance Paid
Cr Laura Binks (Mayor)	\$38,499
Cr Paul Murray (Deputy Mayor)	\$18,987
Cr Chris Raeburn	\$12,253
Cr Robin Weatherald (sworn in 18 July 2023)	\$11,305
Cr Kristy Hourigan (resigned 26 July 2023)	\$1,982
Cr Reg Dickinson (resigned 18 October 2023)	\$9,617
Cr Sally Hayes-Burke	\$13,505

### 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 paid by the Council for the 2023-24 year are set out in the following table.

Year 2023-24	Child-family Care	Meals and Travel	Car Mileage*	IT And Comms**	Conferences and Training***	Total Expenses
Cr/Mayor Laura Binks 1/7/2023 to 5/12/2023					\$751.98	\$751.98
Cr/Deputy Mayor Paul Murray 1/7/2023 to 5/12/2023						\$0.00
Cr Reg Dickinson 1/7/2023 to 18/10/2023			\$1361.92			\$1361.92
Cr Sally Hayes Burke 1/7/2023 to 5/12/2023	\$1782.98					\$1782.98
Cr Chris Raeburn 1/7/2023 to 5/12/2023						\$0.00
Cr Robin Weatherald 18/7/23 to 5/12/23			\$681.21			\$681.21
Cr Kristy Hourigan (1/7/2023 to 26/7/2023)						

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 Checklist

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 next section.

Metric Code	Governance and Management Item	Status	In place? YES or NO	Date if YES	Supporting Comments	Reason(s) if answer is No
GC1	Community Engagement Policy	Adopted in accordance with section 55 of the Act	Yes	20/06/2023	The Community Engagement 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 last reviewed and adopted by Council on 20/6/2023.	
GC2	Community Engagement Guidelines	Current guidelines in operation	Yes	20/06/2023	Guidelines are outlined in the Community Engagement Policy - engagement plans are developed for projects and strategies to identify optimal engagement approach.	
GC3	Financial Plan	Adopted in accordance with section 91 of the Act	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	Adopted in accordance with section 92 of the Act	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.	

Metric Code	Governance and Management Item	Status	In place? YES or NO	Date if YES	Supporting Comments	Reason(s) if answer is No
GC5	Revenue And Rating Plan	Adopted in accordance with section 93 of the Act	Yes	1/07/2021	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 on 1 July 2021.	
GC6	Annual Budget	Budget adopted in accordance with section 94 of the Act	Yes	25/06/2024	Following extensive community engagement, the 2024-25 annual budget, fees and charges and declaration of rates and charges was adopted by Council on 25 June 2024.	
GC7	Risk Policy	Current policy in operation	Yes	18/6/2024	The Risk Management Policy was adopted by Council 18 June 2024.	
GC8	Fraud Policy	Current policy in operation	Yes	17/10/2023	The Fraud and Corruption Control Policy was adopted by Council 17 October 2023.	
GC9	Municipal Emergency Management Plan	Municipal Emergency Management Planning Committee (MEMPC)	Yes	30/05/2023	The 2023-2026 Municipal Emergency Management Plan was adopted in May 2023. Four Strathbogie Municipal Emergency Management Planning Committee meetings were held in 2023-24 with a minimum of two additional Council staff attending each meeting excluding the Chair. On two occasions three Council staff attended in addition to the Chair.	

Metric Code	Governance and Management Item	Status	In place? YES or NO	Date if YES	Supporting Comments	Reason(s) if answer is No
GC10	Procurement Policy	Adopted in accordance with section 108 of the Act	Yes	21/11/2023	The Procurement Policy and Procedure was adopted by Council 21 November 2023.	
GC11	Business Continuity Plan	Current plan in operation	Yes	20/06/2024	The Business Continuity Plan was adopted 20 April 2021 and is being reviewed in 2024 as part of the broader risk management strategy. Mandatory Business Continuity Training and assessment was conducted by Jardine Lloyd Thompson on 20 June 2024.	
GC12	Disaster Recovery Plan	Current plan in operation	Yes	22/05/2024	The Disaster Recovery Plan was updated in July 2022. Council have engaged a Managed Service Provider for the ICT Disaster Recovery systems. Council maintain an average Recovery Point Objective of 15 seconds. Six monthly testing is undertaken, the most recent test being undertaken on 22 May 2024.	
GC 13	Complaint Policy	Policy developed in accordance with section 107 of the Act	Yes	13/12/2022	The Complaints Policy was adopted by Council on 13 December 2022.	
GC14	Workforce Plan	Policy developed in accordance with section 46 of the Act	Yes	30/12/2021	The Workforce Plan was developed in 2012 and is due for renewal in 2025.	

Metric Code	Governance and Management Item	Status	In place? YES or NO	Date if YES	Supporting Comments	Reason(s) if answer is No
GC15	Payment of Rates and Charges Hardship policy	Current policy in operation	Yes	17/10/2023	The Rates Payment and Collection Policy and Procedures was adopted by Council on 17 October 2023.	
GC16	Risk Management Framework	Current framework in operation	Yes	18/06/2024	The Risk Management Framework was adopted by Council on 18 June 2024.	
GC17	Audit And Risk Committee	Established in accordance with section 53 of the Act	Yes	17/10/2023	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 on 17 October 2023.	
GC18	Internal Audit	Internal auditor engaged	Yes	1/09/2023	Council appointed internal auditors RSD Audit on 1 September 2023 and their contract is valid until 31 August 2026.	
GC19	Performance Reporting Framework	Current framework in operation	Yes	30/06/2024	Indicators are established through the adoption of the 2021-2025 Council Plan. The Annual 2023-2024 Financial Statements and 2023-2024 Performance Statement and Governance Management Checklist has been completed and audited by VAGO.	

Metric Code	Governance and Management Item	Status	In place? YES or NO	Date if YES	Supporting Comments	Reason(s) if answer is No
GC20	Council Plan Report	Current report	Yes	18/06/2024	The 2021-25 Council Plan was adopted on 21 June 2022. The 2021-2025 Council Plan third year review and updates of actions were endorsed by Council on 18 June 2024.	
GC21	Quarterly Budget Reports	Quarterly reports presented to Council in accordance with section 97(1) of the Act	Yes	30/06/2024	Quarterly budget reports are made to Council. Reports were presented in September 2023 (2022-23 Financial Statements and Performance Reports), November 2023 (Sept quarter report), February 2024 (Midyear budget review), April 2024 (Draft 2024-25 Budget), May 2024 (March quarter report) and June 2024 (2024-25 Budget)	
GC22	Risk Reporting	Risk reports prepared and presented	Yes	30/06/2024	The Strategic Risk Register is reported quarterly to the Audit and Risk Committee (8 September 2023, 27 November 2023, 1 March 2024, 31 May 2024), and to Council meetings via endorsement of Audit and Risk Committee meeting minutes.	
GC23	Performance Reporting	Performance reports prepared	Yes	30/06/2024	A mid-year budget was prepared for Council for the period ending December 2023 and Annual Financial Statements for the period ending 30 June 2023. The biannual reviews of the 2021-2025 Council Plan were adopted by Council in February 2024 and June 2024.	

Metric Code	Governance and Management Item	Status	In place? YES or NO	Date if YES	Supporting Comments	Reason(s) if answer is No
GC24	Annual Report	Annual report presented at a meeting of Council in accordance with section 100 of the Act	Yes	17/10/2023	The 2022-23 Annual Report was adopted by Council on 17 October 2023.	
GC25	Councillor Code of Conduct	Code of conduct reviewed and adopted in accordance with section 139 of the Act	Yes	16/02/2021	The Councillor Code of Conduct was adopted by Council 16 February 2021.	
GC26	Delegations	Delegations reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act	Yes	31/01/2024	Delegations and Authorisations are reviewed biannually in January and July each year. Delegations were reviewed and updated in January 2024. A register of the Delegations and Authorisations is available on Council's website.	
GC27	Meeting Procedures	Governance Rules adopted in accordance with section 60 of the Act	Yes	17/10/2023	The Governance Rules were adopted by Council on 17 October 2023.	

## 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 other meetings as required) 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 following table shows Audit and Risk Committee Members from 1 July 2023 to 30 June 2024.

Member Name	Position Held
Paul Ayton (Chair)	Chair and Independent Community Member
Mark Freudenstein (tenure ended December 2023)	Independent Community Member
Alister Purbrick	Independent Community Member
Alistair Thomson (tenure ended May 2024)	Independent Community Member
Cr Laura Binks (tenure ended December 2023)	Councillor Representative
Cr Chris Raeburn (tenure ended December 2023)	Councillor Representative
Sophie Lukeis (Appointed December 2023)	Independent Community Member
Peter Stephenson (appointed December 2023)	Council Administrator
Danielle McKenzie (Crowe Audit)	External Auditor representative, Victorian Auditor-General's Office (VAGO)
Kathie Teasdale (RSD Audit)	Internal Auditor representative



The following table is a summary of the Audit and Risk Committee Attendances from 1 July 2023 to 30 June 2024.

Audit and Risk Committee Member	Meetings Attended	Eligible Meetings Missed
Paul Ayton - Chair	8	0
Mark Freudenstein (tenure ended December 2023)	3	1
Sophie Lukeis (tenure commenced December 2023)	4	0
Alister Purbrick	8	0
Alistair Thomson (tenure ended May 2024)	6	0
Council Administrator Peter Stephenson (appointed December 2023)	4	0
Cr Laura Binks (tenure ended December 2023)	4	0
Cr Chris Raeburn (tenure ended December 2023)	4	0
Danielle McKenzie VAGO Agent representative	3	0
Kathie Teasdale (RSD Audit)	4	0

The Committee has prepared and adopted a Workplan in accordance with the requirements of section 54 of the *Local Government Act 2020*. This plan assists the Committee to discharge its responsibilities under the Act. 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, and
- monitor compliance with relevant laws and regulations.

The Audit and Risk Committee met eight times during 2023-24. Key achievements include:

- Overview of the 2023-24 Financial Statement, Performance Statement and Annual Report preparations.
- Input into the preparation and review of the 2024–25 draft budget, draft capital works program and draft fees and charges.
- Overview and monitoring of the 2023–24 external audit program.
- Reviewed the actions relating to the 2022-27 Climate Change Action Plan.
- Developed and endorsed the 2024-26 Strategic Internal Audit Plan.
- Participated in a strategic planning workshop in June 2024.
- Reviewed and made recommendations relating to the Governance Rules, Audit and Risk Charter and Council Policies.
- Reviewed the results of the 2022-23 Audits: Local Government Report and endorsed the recommendations from the report.
- Reviewed Council's asset management and valuation process.

### 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 – RSD Audit.

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.

In 2023-24 the Audit and Risk Committee planned and consolidated the 2024-26 Strategic Internal Audit Plan and the following internal audits were completed and/or are underway:

- Operational Risk Management
- Infrastructure (Civil) Asset Management, and
- Project Management (including Management of Contracts).

### External Auditors

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

For the 2023–24 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:
  - the information is confidential by virtue of this Act or any other Act; or
  - 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, and
- 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, and
- 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 Euroa Customer Service Centre and Nagambie 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](mailto: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 the Procurement Policy on 21 November 2023.

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, and
- 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 2023-24:

- 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.

## 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.

Work is underway to develop a Social Inclusion Framework which adopts an intersectionality approach to identify the guiding principles to promote equal rights and opportunities for everyone, redressing social and economic inequalities. This includes addressing barriers and enablers for people with a disability.

## 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*.

Council noted the annual progress of the 2021-25 Domestic Animal Management Plan in August 2023.

## 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 2023–24 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 2023-24 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 the Public Transparency Policy, Council will try to release as much information as possible without the need to lodge a Freedom of Information request. However, where requested information contains personal information or information from third parties, a freedom of information request will need to be lodged. The *Freedom of Information Act 1982* requires Council to consult with people about the release of their information.

Access to documents may be obtained through a written request to the Freedom of Information Officer by making an application in writing and by email. An online form can be accessed on Council's 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.

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

During 2023–24, ten (10) valid Freedom of Information requests were received:

- Access to information was granted in full for one (1) application outstanding from the previous reporting period.
- Access to information was granted in part for six (6) applications in this reporting year
- Access to information was granted in part for one (1) application outstanding from the previous reporting period.
- No documents existed for three (3) applications.
- Access was denied in full in one (1) instance as the information was exempt from release under the FOI Act, however the information was provided under a different relevant 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 the Public Interest Disclosures Policy on 19 September 2023

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 were no public interest disclosures received by officers appointed to receive disclosures, or by the Independent Broad-based Anti-Corruption Commission (IBAC) during 2023-24.

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 IBAC website at [www.ibac.vic.gov.au/reporting-corruption/public-interest-disclosures](http://www.ibac.vic.gov.au/reporting-corruption/public-interest-disclosures) or through the Office of the Victorian Ombudsman [Make a complaint | Victorian Ombudsman](#).

## Infrastructure and Development Contributions

Council reported \$85,210 as Developer Contributions in the 2023-24 Financial Year.

Strathbogie Shire Council

Performance Statement  
For the year ended 30 June 2024

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## Certification of the Performance Statement

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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.



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Sarah Williams  
**Principal Accounting Officer**  
**Dated:** 30 September 2024

In our opinion, the accompanying performance statement of the Strathbogie Shire Council for the year ended 30 June 2024 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.



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Peter Stephenson  
**Administrator**  
**Dated:** 30 September 2024



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Tim Tamlin  
**Interim Chief Executive Officer**  
**Dated:** 30 September 2024

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# Independent Auditor's Report

## To the Administrator of Strathbogie Shire Council

<p><b>Opinion</b></p>	<p>I have audited the accompanying performance statement of Strathbogie Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• description of municipality for the year ended 30 June 2024</li> <li>• service performance indicators for the year ended 30 June 2024</li> <li>• financial performance indicators for the year ended 30 June 2024</li> <li>• sustainable capacity indicators for the year ended 30 June 2024</li> <li>• notes to the accounts</li> <li>• certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement of Strathbogie Shire Council in respect of the year ended 30 June 2024 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 Local Government (Planning and Reporting) Regulations 2020.</p>
<p><b>Basis for Opinion</b></p>	<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>
<p><b>Administrator's responsibilities for the performance statement</b></p>	<p>The Administrator is 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 Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Administrator 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>

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**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 Administrator 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  
4 October 2024



Travis Derricott  
*as delegate for the Auditor-General of Victoria*

## **Section 1. Description of municipality**

Strathbogie Shire is a rural municipality located approximately two hours from Melbourne.

The Shire covers an area of 3,303 square kilometres and is currently home to more than 11,500 residents, up by 1.25% since 2018.

Strathbogie Shire is bordered to the east by the Strathbogie Ranges and to the west by the Nagambie Lakes district and the area is renowned for its natural beauty, agricultural production, horse studs, wineries, restaurants, local produce, rich history and much more.

The Strathbogie Shire is served by vibrant communities taking in townships such as Euroa, Nagambie, Violet Town, Avenel, Longwood, Ruffy, and Strathbogie.

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, and thoroughbred breeding studs are the cornerstone of this important industry.



## Section 2 - Service Performance Indicators

For the year ended 30 June 2024

### Results

	2021	2022	2023	2024		Comment
<b>Service / Indicator / Measure</b> [Formula]	Actual	Actual	Actual	Target as per budget	Actual	
<b>Aquatic Facilities</b> <b>Utilisation</b> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	1.08	1.64	0.75	N/A	1.22	There has been a 64% increase in the utilisation of aquatic facilities since last year (1.22 visits per head of municipal population in 2023-24 versus 0.75 in 2022-23). This year has seen a more accurate recording of attendances by Council's contractor, and more reliable internet services leading to the capture of attendance on the providers centre attendance software. This remains an area of focus for the 2024-25 season
<b>Animal Management</b> <b>Health and safety</b> <i>Animal management prosecutions</i>	0%	0%	0%	N/A	0%	

<p>[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100</p>						<p>There has been no Animal Management Prosecutions in the reporting period 1 July 2023 - 30 June 2024</p>
<p><b>Food Safety</b> <i>Health and safety</i> <i>Critical and major non-compliance outcome notifications</i></p> <p>[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</p>	100.00%	100.00%	0.00%	N/A	0.00%	<p>There has been nil critical non-compliance outcome notifications or major non-compliance notifications during the reporting period 1 July 2023 - 30 June 2024</p>
<p><b>Governance</b> <i>Consultation and engagement</i> <i>Satisfaction with community consultation and engagement</i></p> <p>[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement ]</p>	52	52	50	57	44	<p>There has been a 12% decrease in satisfaction with community consultation and engagement since last year. It is not unusual for Councils to record significant drops when there has been a major event such as the suspension of Councillors around the time of the survey.</p>

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<p><b>Libraries</b></p> <p><b>Participation</b></p> <p><i>Library membership</i></p> <p>[Number of registered library members / Population] x100</p>	#N/A	#N/A	#N/A	N/A	36.52%	New indicator for this financial year
<p><b>Maternal and Child Health (MCH)</b></p> <p><b>Participation</b></p> <p><i>Participation in the MCH service</i></p> <p>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</p>	77.63%	69.47%	69.46%	N/A	71.01%	
<p><i>Participation in the MCH service by Aboriginal children</i></p> <p>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</p>	73.68%	66.67%	73.33%	N/A	80.77%	There has been a 10% increase in participation in the MCH service by Aboriginal children since last year.
<p><b>Roads</b></p> <p><b>Condition</b></p> <p><i>Sealed local roads maintained to condition standards</i></p> <p>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Number of kilometres of sealed local roads] x100</p>	99.74%	99.91%	99.87%	100.00%	99.93%	

<p><b>Statutory Planning</b></p> <p><b>Service standard</b></p> <p><i>Planning applications decided within required time frames</i></p> <p>[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100</p>	82.08%	78.25%	75.42%	85.00%	89.19%	<p>There has been a 24% increase in planning applications decided within the required time frames since last year. Staffing levels have increased which has allowed more attention to be applied to the proficient management of planning applications.</p>
<p><b>Waste Management</b></p> <p><b>Waste diversion</b></p> <p><i>Kerbside collection waste diverted from landfill</i></p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	71.01%	70.72%	70.80%	72.00%	70.74%	

### Section 3 - Financial Performance Indicators

For the year ended 30 June 2024

	Results					Forecasts				Material Variations and Comments
	2021	2022	2023	2024		2025	2026	2027	2028	
<b>Dimension / Indicator / Measure</b> [Formula]	Actual	Actual	Actual	Target as per budget	Actual	Forecasts	Forecasts	Forecasts	Forecasts	
<b>Efficiency</b> <b>Expenditure level</b> <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,991.75	\$3,597.77	\$4,919.81	\$4,240.00	\$4,818.75	\$4,722.88	\$4,658.75	\$4,744.88	\$4,813.46	Increase in 2023 and 2024 financial years represent increased expenditure on emergency management and recovery expenses. As a result, actual expense has gone over the target.
<b>Revenue level</b> <i>Average rate per property assessment</i> [Sum of all general rates and municipal charges / Number of property assessments]	\$2,226.26	\$2,156.43	\$2,249.41	N/A	\$2,373.38	\$2,500.50	\$2,581.63	\$2,659.13	\$2,705.06	Rates increment as per rate cap and supplementary valuations

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<p><b>Liquidity</b></p> <p><b>Working capital</b></p> <p><i>Current assets compared to current liabilities</i></p> <p>[Current assets / Current liabilities] x100</p>	216.46%	232.08%	230.80%	180.00%	202.03%	136.49%	118.96%	130.80%	132.71%	<p>Due to decrease in other financial assets resulting from lower level of grant income, payment of accrued creditors in 2023/24 and carry forward expenses incurred in 2023/24.</p>
<p><b>Unrestricted cash</b></p> <p><i>Unrestricted cash compared to current liabilities</i></p> <p>[Unrestricted cash / Current liabilities] x100</p>	14.68%	-85.07%	-7.93%	N/A	50.16%	72.43%	73.82%	81.45%	82.83%	<p>Due to increased cash and cash equivalent balance as a result of Council opting to invest in shorter term maturity investments to meet cash flow requirement of the council. 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.</p>

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<p><b>Obligations</b>  <b>Loans and borrowings</b>  <i>Loans and borrowings compared to rates</i>                       [Interest bearing loans and borrowings / Rate revenue] x100</p>	1.41%	0.92%	16.82%	N/A	15.02%	13.66%	29.20%	35.01%	32.15%	No new borrowings during the year. Decrease reflects loan repayments. Funds for Violet Town Landfill rehabilitation work and truck wash capital projects were borrowed at the end of 2022/23 financial year. Increase in forecast is due to proposed borrowings for new civic centre building.
<p><i>Loans and borrowings repayments compared to rates</i>                      [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</p>	0.53%	0.51%	0.50%	N/A	1.93%	1.44%	1.39%	2.92%	3.60%	Repayment of Violet Town Landfill and Truck wash borrowings. Funds were borrowed at the end of 2022/23 financial year. Increase in forecast is due to proposed borrowings for new civic centre building.

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<p><b>Indebtedness</b>  <i>Non-current liabilities compared to own source revenue</i>                      [Non-current liabilities / Own source revenue] x100</p>	25.06%	10.15%	21.88%	N/A	18.62%	18.79%	31.89%	36.38%	33.91%	<p>Due to decrease in landfill provision and repayment of loans in 2024. Increase in 2023 is due to new borrowings from Treasury Corporation of Victoria for landfill rehabilitation work and capital projects. Increase in forecast is due to proposed borrowings for new civic centre building.</p>
<p><b>Asset renewal and upgrade</b>  <i>Asset renewal and upgrade compared to depreciation</i>                      [Asset renewal and asset upgrade expense / Asset depreciation] x100</p>	128.19%	75.62%	135.43%	225.40%	144.53%	174.90%	212.08%	109.63%	108.73%	<p>Due to increased assets renewal and upgrade work during the year. Target not achieved due to incomplete capital projects that were carried forward to 2024/25 year.</p>
<p><b>Operating position</b>  <b>Adjusted underlying result</b>  <i>Adjusted underlying surplus (or deficit)</i>                      [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100</p>	3.32%	11.07%	0.77%	N/A	-25.94%	-6.79%	1.41%	0.37%	-0.42%	<p>Deficit in 2024 due to the timing of the receipt of the Financial Assistance Grants \$6.7 million. Grant income is expected to remain low in 2025 and onward as a result of discontinuation of non-recurrent grants such as local road and community infrastructure grants.</p>



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<p><b>Stability</b>  <b>Rates concentration</b>  <i>Rates compared to adjusted underlying revenue</i>                      [Rate revenue / Adjusted underlying revenue] x100</p>	62.72%	62.81%	53.68%	66.10%	72.66%	65.54%	63.35%	64.62%	65.19%	<p>This increase compared to previous year is due to the timing of the Financial Assistance Grant \$6.7 million.</p>
<p><b>Rates effort</b>  <i>Rates compared to property values</i>                       [Rate revenue / Capital improved value of rateable properties in the municipality] x100</p>	0.49%	0.39%	0.40%	N/A	0.33%	0.33%	0.32%	0.32%	0.31%	<p>Decrease due to overall increase in property values in the shire from \$6,687 million to \$7,031 million.</p>

## Section 4 - Sustainable Capacity Indicators

For the year ended 30 June 2024

### Results

	2021	2022	2023	2024	Comment
<b>Indicator / Measure</b> [Formula]	Actual	Actual	Actual	Actual	
<b>Population</b> <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$2,816.59	\$2,628.01	\$3,436.34	\$3,329.59	
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$25,715.25	\$26,428.49	\$28,448.16	\$30,273.97	
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	4.98	5.29	5.20	5.28	
<b>Own-source revenue</b> <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$2,015.06	\$2,039.13	\$2,159.59	\$2,199.95	

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<p><b>Recurrent grants</b>  <i>Recurrent grants per head of municipal population</i>                      [Recurrent grants / Municipal population]</p>	\$780.29	\$826.99	\$910.94	\$236.48	<p>Variance is due to timing of receipt of the Financial Assistance Grant Funding.</p>
<p><b>Disadvantage</b>  <i>Relative Socio-Economic Disadvantage</i>                      [Index of Relative Socio-Economic Disadvantage by decile]</p>	4.00	4.00	4.00	4.00	
<p><b>Workforce turnover</b>  <i>Percentage of staff turnover</i>                      [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100</p>	10.9%	29.0%	26.2%	16.0%	<p>Staff turnover is within the expected range, which has not been the case since 2021. Turnover continues to trend downwards, with a significant decrease seen this year. Additionally, of these 22 departures, 1 staff member left due to retirement (with a tenure of over 20 years), and 44% of the departures were staff with greater than 3 years tenure.</p>

## Section 5. Notes to the accounts

### 5.1. 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, service performance, financial performance and sustainable capacity indicators and measures together with a description of the municipal district, an explanation of material variations in the results and notes to the accounts. 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 or the Council's satisfaction survey provider).

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by *the Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2024-25 to 2027-28 by the council's financial 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.

## 5.2. Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: <ul style="list-style-type: none"> <li>• non-recurrent grants used to fund capital expenditure; and</li> <li>• non-monetary asset contributions; and</li> <li>• contributions to fund capital expenditure from sources other than those referred to above</li> </ul>
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
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
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , 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
non-current liabilities	means all liabilities other than current liabilities
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

relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, 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
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

### 5.3. Other Matters

#### Overview of 2024

Strathbogie Shire Council is being governed by an Administrator. Strathbogie Shire Council was suspended for the remainder of its term and an interim administrator (Mr Peter Stephenson) appointed in response to Municipal Monitor Peter Stephenson’s final report. The suspension applied to all members of Strathbogie Shire Council and took effect from Wednesday, 6 December 2023.

On 7 March 2024, the Minister for Local Government, the Hon Melissa Horne MP (the Minister) announced the re-appointment of Mr Peter Stephenson as the Administrator for Strathbogie Shire Council effective from 7 March 2024 until 6.00am on the day of the October 2024 Council elections, to ensure continuity of leadership, functions and duties of the council.

Significant impacts on the delivery of the Capital Program have occurred this financial year as staff have been redirected from its delivery into support roles for dealing with the emergency incidents experienced this and last financial year due to severe weather events.

79% of the budgeted capital works program delivered during the year which included delivery of Violet town landfill work which was subsequently expensed in income statement. In addition, Council delivered disaster recovery projects that were required as a consequence of the flooding experienced in 2022 and the recent disaster events that occurred in December 2023 and January 2024.

**Strathbogie Shire Council**

**Annual Financial Report**

**For the year ended**

**30 June 2024**



*Strathbogie*  
SHIRE COUNCIL

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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.



*Sarah Williams*  
**Principal Accounting Officer**  
**Dated** : 30 September 2024  
*Euroa*

In our opinion, the accompanying financial statements present fairly the financial transactions of the Strathbogie Shire Council for the year ended 30 June 2024 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.



*Peter Stephenson*  
**Council Administrator**  
**Dated** : 30 September 2024  
*Euroa*



*Tim Tamlin*  
**Chief Executive Officer**  
**Dated** : 30 September 2024  
*Euroa*

# Independent Auditor's Report

## To the Administrator of Strathbogie Shire Council

<b>Opinion</b>	<p>I have audited the financial report of Strathbogie Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2024</li> <li>• comprehensive income statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• statement of cash flows for the year then ended</li> <li>• statement of capital works for the year then ended</li> <li>• notes to the financial statements, including material accounting policies</li> <li>• certification of the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2024 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 Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<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>
<b>Administrator's responsibilities for the financial report</b>	<p>The Administrator of the council is 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 Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Administrator determines 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 Administrator is 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>

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**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 Administrator
- conclude on the appropriateness of the Administrator's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, 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 Administrator 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.

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MELBOURNE  
4 October 2024



Travis Derricott  
*as delegate for the Auditor-General of Victoria*

## Comprehensive Income Statement For the Year Ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Income / Revenue</b>			
Rates and charges	3.1	22,242,742	21,139,734
Statutory fees and fines	3.2	597,544	672,191
User fees	3.3	1,009,655	895,738
Grants - operating	3.4	3,153,394	13,605,729
Grants - capital	3.4	6,045,049	5,966,478
Contributions - monetary	3.5	249,754	203,492
Contributions - non monetary	3.5	24,988	1,675,691
Net gain on disposal of property, infrastructure, plant and equipment	3.6	20,475	43,086
Share of net profits (or loss) of associates and joint ventures	6.3	1,764	(2,051)
Other income	3.7	1,599,372	2,082,049
<b>Total income / revenue</b>		<b><u>34,944,737</u></b>	<b><u>46,282,137</u></b>
<b>Expenses</b>			
Employee costs	4.1	13,569,178	13,026,368
Materials and services	4.2	16,859,935	18,921,371
Depreciation	4.3	7,103,026	6,768,642
Amortisation - intangible assets	4.4	80,450	70,693
Depreciation - right of use assets	4.5	261,761	254,270
Allowance for impairment losses	4.6	(3,313)	5,863
Borrowing costs	4.7	173,822	11,070
Finance costs - leases	4.8	18,706	25,922
Other expenses	4.9	487,063	426,931
<b>Total expenses</b>		<b><u>38,550,628</u></b>	<b><u>39,511,130</u></b>
<b>Surplus/(deficit) for the year</b>		<b><u>(3,605,891)</u></b>	<b><u>6,771,007</u></b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation gain/(loss)	6.2	23,193,445	27,379,177
<b>Total other comprehensive income</b>		<b><u>23,193,445</u></b>	<b><u>27,379,177</u></b>
<b>Total comprehensive result</b>		<b><u>19,587,554</u></b>	<b><u>34,150,184</u></b>

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

## Balance Sheet As at 30 June 2024

	Note	2024 \$	Restated 2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	9,655,645	3,581,705
Trade and other receivables	5.1	4,696,976	4,304,345
Other financial assets	5.1	-	21,550,000
Prepayments	5.2	631,291	293,798
Non-current assets classified as held for sale	6.1	-	219,780
Contract assets	5.1	2,228,093	805,473
Other assets	5.2	15,516	14,762
<b>Total current assets</b>		<b><u>17,227,521</u></b>	<b><u>30,769,864</u></b>
<b>Non-current assets</b>			
Trade and other receivables	5.1	12,426	17,936
Other financial assets	5.1	2,032	2,032
Investments in associates, joint arrangements and subsidiaries	6.3	260,487	258,723
Property, infrastructure, plant and equipment *	6.2	388,157,289	360,290,450
Right-of-use assets	5.8	324,934	586,695
Intangible assets	5.2	228,812	194,276
<b>Total non-current assets</b>		<b><u>388,985,980</u></b>	<b><u>361,350,112</u></b>
<b>Total assets</b>		<b><u>406,213,501</u></b>	<b><u>392,119,975</u></b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	3,376,405	5,102,515
Trust funds and deposits	5.3	1,057,889	924,557
Contract and other liabilities	5.3	850,028	2,603,062
Provisions	5.5	2,885,009	4,179,961
Interest-bearing liabilities	5.4	168,603	255,603
Lease liabilities	5.8	189,434	266,302
<b>Total current liabilities</b>		<b><u>8,527,368</u></b>	<b><u>13,332,000</u></b>
<b>Non-current liabilities</b>			
Trust funds and deposits	5.3	34,791	34,791
Provisions	5.5	1,382,392	1,713,752
Interest-bearing liabilities	5.4	3,171,056	3,339,659
Lease liabilities	5.8	154,212	343,646
<b>Total non-current liabilities</b>		<b><u>4,742,451</u></b>	<b><u>5,431,848</u></b>
<b>Total liabilities</b>		<b><u>13,269,819</u></b>	<b><u>18,763,848</u></b>
<b>Net assets</b>		<b><u>392,943,682</u></b>	<b><u>373,356,128</u></b>
<b>Equity</b>			
Accumulated surplus		124,158,467	127,849,568
Reserves *	9.1	268,785,215	245,506,560
<b>Total Equity</b>		<b><u>392,943,682</u></b>	<b><u>373,356,128</u></b>

\* Restatement of opening balances, refer note 8.6

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

## Statement of Changes in Equity For the Year Ended 30 June 2024

2024	Note	Total \$	Accumulated Surplus \$	Revaluation Reserve \$	Other Reserves \$
Balance at beginning of the financial year		373,356,128	127,849,568	245,238,782	267,778
Deficit for the year		(3,605,891)	(3,605,891)	-	-
Net asset revaluation gain	6.2	23,193,445	-	23,193,445	-
Transfers to other reserves	9.1	-	(85,210)	-	85,210
		<u>392,943,682</u>	<u>124,158,467</u>	<u>268,432,227</u>	<u>352,988</u>
<b>Balance at end of the financial year</b>		<b><u>392,943,682</u></b>	<b><u>124,158,467</u></b>	<b><u>268,432,227</u></b>	<b><u>352,988</u></b>

2023 restated		Total \$	Accumulated Surplus \$	Revaluation Reserve \$	Other Reserves \$
Balance at beginning of the financial year		338,810,894	112,292,357	226,317,259	201,278
Adjustment to recognise found assets	8.6	8,852,704	8,852,704	-	-
Adjustment to derecognise assets	8.6	(8,457,654)	-	(8,457,654)	-
<b>Adjusted opening balance</b>		<b><u>339,205,944</u></b>	<b><u>121,145,061</u></b>	<b><u>217,859,605</u></b>	<b><u>201,278</u></b>
Surplus for the year		6,771,007	6,771,007	-	-
Net asset revaluation gain	6.2	27,379,177	-	27,379,177	-
Transfers to other reserves	9.1	-	(66,500)	-	66,500
		<u>373,356,128</u>	<u>127,849,568</u>	<u>245,238,782</u>	<u>267,778</u>
<b>Balance at end of the financial year</b>		<b><u>373,356,128</u></b>	<b><u>127,849,568</u></b>	<b><u>245,238,782</u></b>	<b><u>267,778</u></b>

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 2024

	2024	2023
	Inflows/ (Outflows)	Inflows/ (Outflows)
Note	\$	\$
<b>Cash flows from operating activities</b>		
Rates and charges	21,316,483	21,049,552
Statutory fees and fines	97,918	652,782
User fees	1,012,968	901,973
Grants - operating	1,933,207	14,421,416
Grants - capital	4,979,375	4,194,503
Contributions - monetary	249,754	203,492
Interest received	826,431	558,936
Trust funds and deposits taken	2,351,680	2,490,052
Other receipts	1,089,572	856,632
Net GST refund/payment	2,731,436	2,215,654
Employee costs	(13,490,938)	(13,057,675)
Materials and services	(23,311,057)	(19,542,930)
Trust funds and deposits repaid	(2,218,348)	(2,218,348)
Other payments	(487,063)	(426,931)
<b>Net cash provided by/(used in) operating activities</b>	<b>9.2</b> <b>(2,918,581)</b>	<b>12,299,108</b>
<b>Cash flows from investing activities</b>		
Payments for property, infrastructure, plant and equipment	6.2 (11,792,450)	(13,459,950)
Payments for intangible assets	(114,986)	(77,785)
Proceeds from sale of property, infrastructure, plant and equipment	64,391	51,386
Proceeds from sale of investments	21,550,000	250,000
<b>Net cash provided by/(used in) investing activities</b>	<b>9,706,955</b>	<b>(13,236,350)</b>
<b>Cash flows from financing activities</b>		
Finance costs	(173,822)	(11,070)
Proceeds from borrowings	-	3,500,000
Repayment of borrowings	(255,603)	(96,163)
Repayment of lease liabilities	(285,008)	(277,733)
<b>Net cash provided by/(used in) financing activities</b>	<b>(714,433)</b>	<b>3,115,034</b>
Net increase (decrease) in cash and cash equivalents	6,073,940	2,177,792
Cash and cash equivalents at the beginning of the financial year	3,581,705	1,403,913
<b>Cash and cash equivalents at the end of the financial year</b>	<b>9,655,645</b>	<b>3,581,705</b>

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 2024

	Note	2024 \$	2023 \$
<b>Property</b>			
Buildings		1,184,773	1,331,024
<b>Total property</b>		<b>1,184,773</b>	<b>1,331,024</b>
<b>Plant and equipment</b>			
Plant, machinery and equipment		779,140	782,185
Fixtures, fittings and furniture		228,153	205,535
Intangible assets		114,986	77,785
<b>Total plant and equipment</b>		<b>1,122,279</b>	<b>1,065,505</b>
<b>Infrastructure</b>			
Roads		4,382,755	5,136,619
Bridges and culverts		1,958,650	170,520
Footpaths and cycleways		617,304	3,747,485
Drainage		331,461	53,061
Recreational, leisure and community facilities		1,294,678	611,368
Parks, open space and streetscapes		1,015,536	1,422,154
<b>Total infrastructure</b>		<b>9,600,384</b>	<b>11,141,206</b>
<b>Total capital works expenditure</b>		<b>11,907,436</b>	<b>13,537,735</b>
<b>Represented by:</b>			
New asset expenditure		678,503	3,400,369
Asset renewal expenditure		6,673,174	6,082,695
Asset expansion expenditure		962,630	970,334
Asset upgrade expenditure		3,593,129	3,084,337
<b>Total capital works expenditure</b>		<b>11,907,436</b>	<b>13,537,735</b>

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.

### Accounting policy information

#### 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. Specific 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 receivable 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 2023/24 were minimal. Most council operations are back to normal with the following impacts noted on council's financial operations:

- Council received additional \$1,471,850 capital grant from Federal Government under Local Roads and Community Infrastructure Program (LRCIP) for roads constructions.
- 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 events

Council experienced two natural disaster events during the year – storm/minor flood event in December 2023/January 2024 and storm event in February 2024. Council was also continuing with October 2022 flooding recovery work at the balance sheet date. Council has noted the following significant impacts on its financial operations:

- Council spent \$2,056,258 on natural disaster recovery work during the year.
- Council received \$500,000 from the Department of Jobs, Precincts and Regions under council flood support funding during the year.
- 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. Funds of \$100,000 have been allocated for interim maintenance. No impairment of value recorded as of 30 June 2024 (refer note 8.1).
- 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. Council has commenced negotiations with Heritage Victoria for the permit to demolish the structure excluding the land based abutments. No real estimates for the demolition of the bridge are available at the moment. However, it is considered it could be anywhere between \$1-3 million (refer note 8.1).

## 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 2024 \$	Actual 2024 \$	Variance \$	Variance %	Ref
<b>Income / Revenue</b>					
Rates and charges	22,143,000	22,242,742	99,742	0%	
Statutory fees and fines	679,000	597,544	(81,456)	-12%	1
User fees	686,000	1,009,655	323,655	47%	2
Grants - operating	7,636,000	3,153,394	(4,482,606)	-59%	3
Grants - capital	5,543,000	6,045,049	502,049	9%	4
Contributions - monetary	128,000	249,754	121,754	95%	5
Contributions - non monetary	250,000	24,988	(225,012)	-90%	6
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	50,000	20,475	(29,525)	-59%	7
Share of net profits of associates and joint ventures	-	1,764	1,764	100%	
Other income	885,000	1,599,372	714,372	81%	8
<b>Total income / revenue</b>	<b>38,000,000</b>	<b>34,944,737</b>	<b>(3,055,263)</b>	<b>-8%</b>	
<b>Expenses</b>					
Employee costs	13,363,000	13,569,178	206,178	2%	9
Materials and services	14,118,000	16,859,935	2,741,935	19%	10
Depreciation	6,109,000	7,103,026	994,026	16%	11
Amortisation - intangible assets	60,000	80,450	20,450	34%	11
Depreciation - right of use assets	182,000	261,761	79,761	44%	12
Allowance for impairment losses	1,000	(3,313)	(4,313)	-431%	
Borrowing costs	175,000	173,822	(1,178)	-1%	
Finance costs - leases	13,000	18,706	5,706	44%	
Other expenses	403,000	487,063	84,063	21%	13
<b>Total expenses</b>	<b>34,424,000</b>	<b>38,550,628</b>	<b>4,126,628</b>	<b>12%</b>	
<b>Surplus/(deficit) for the year</b>	<b>3,576,000</b>	<b>(3,605,891)</b>	<b>(7,181,891)</b>	<b>-201%</b>	

## Notes to the Financial Report For the Year Ended 30 June 2024

### (i) Explanation of material variations

#### Income

1	Statutory fees and fines	Unfavourable variance is due to less than expected planning fee income (\$56,696) and building fee income (\$20,395) received due to lower number of activities.
2	User fees	More than budgeted due to increased lease income (\$79,946), tip fee income (\$61,101), saleyard fee income (\$53,806) and increased income from truck wash and water park fees.
3	Grants - operating	Less than budgeted due to 2024/25 Commonwealth financial assistance grant that was forecasted to receive in advance in 2023/24 but not received until July 2024 (\$6,388,887). This partly offset with disaster recovery related grant income (\$1,256,510).
4	Grants - capital	More than budget due to unbudgeted grants income - Nagambie Locksley Road bridge grant (\$600,000), transfer station upgrade grant (\$290,000), drought funding grant (\$100,000) and unspent grant carried forward from prior year (\$346,501). This partly offset with Habel road grant (\$600,000) which council will not receive.
5	Contributions - monetary	More than expected developer contributions received (\$65,210) and more than budgeted contribution from Nagambie Discovery Caravan Park (\$55,562).
6	Contributions - non monetary	Less than budgeted due to less than expected development activities within the shire.
7	Net gain on disposal of property, infrastructure, plant and equipment	Due to less than expected sale of assets and lower sales proceeds.
8	Other income	More than budgeted term deposit interest income (\$430,233) due to increase in interest rates and cash position, recovery of interest on rates debtors (\$104,635) and income protection insurance recovery (\$109,658).

#### Expense

9	Employee costs	Increase in employee cost is mainly due to three capital project officers' salary which were recorded as operating expense rather than capital expense (\$231,468), and increased income protection premium and payments to employees (\$220,578). This partly offset by vacancies during the financial year.
10	Materials and services	Increased materials and services expense is mainly due to unbudgeted natural disaster recovery expenditure (\$2,056,257), increased contractors/consultants fees (\$417,133) and increased utility fees (\$64,383).
11	Depreciation/ Amortisation - intangible assets	Increased depreciation expenditure in infrastructure assets (\$654,632) and underbudgeted furniture, plant and equipment depreciation (\$359,481).
12	Amortisation - right of use assets	Depreciation on grader leased (\$65,810) in 2021/22 and office leased (\$25,046) in 2022/23 which were not in the budget.
13	Other expenses	Due to expense on electoral structure review (\$55,021).

## Notes to the Financial Report For the Year Ended 30 June 2024

### 2.1.2 Capital works

	Budget 2024 \$	Actual 2024 \$	Variance \$	Variance %	Ref
<b>Property</b>					
Buildings	975,000	1,184,773	209,773	22%	1
<b>Total property</b>	<b>975,000</b>	<b>1,184,773</b>	<b>209,773</b>	<b>22%</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,125,000	779,140	(345,860)	-31%	2
Fixtures, fittings and furniture	570,000	228,153	(341,847)	-60%	3
Intangible assets	120,000	114,986	(5,014)	-4%	
<b>Total plant and equipment</b>	<b>1,815,000</b>	<b>1,122,279</b>	<b>(692,721)</b>	<b>-38%</b>	
<b>Infrastructure</b>					
Roads	8,315,000	4,382,755	(3,932,245)	-47%	4
Bridges	1,767,000	1,958,650	191,650	11%	5
Footpaths and cycleways	465,000	617,304	152,304	33%	6
Drainage	855,000	331,461	(523,539)	-61%	7
Recreational, leisure and community facilities	1,429,000	1,294,678	(134,322)	-9%	8
Waste management	413,000	-	(413,000)	-100%	9
Parks, open space and streetscapes	448,000	1,015,536	567,536	127%	10
<b>Total infrastructure</b>	<b>13,692,000</b>	<b>9,600,384</b>	<b>(4,091,616)</b>	<b>-30%</b>	
<b>Total capital works expenditure</b>	<b>16,482,000</b>	<b>11,907,436</b>	<b>(4,574,564)</b>	<b>-28%</b>	
<b>Represented by:</b>					
New asset expenditure	1,712,000	678,503	(1,033,497)	-60%	
Asset renewal expenditure	8,008,000	6,673,174	(1,334,826)	-17%	
Asset expansion expenditure	584,000	962,630	378,630	65%	
Asset upgrade expenditure	6,178,000	3,593,129	(2,584,871)	-42%	
<b>Total capital works expenditure</b>	<b>16,482,000</b>	<b>11,907,436</b>	<b>(4,574,564)</b>	<b>-28%</b>	

## Notes to the Financial Report For the Year Ended 30 June 2024

### (i) Explanation of material variations

	Item	Explanation
1	Buildings	Mainly due to projects that were carried forward from 2022/23 to 2023/24; solar battery project - Euroa depot (\$86,630) and grant funded ArtBox project (\$13,586). Increase also include mid-year budget adjustments – grant funded transfer station upgrade (\$250,000) and refurbish Nagambie council office (\$72,218). This partly offset by unfinished projects carried forward to 2024/25 financial year.
2	Plant, machinery and equipment	Market constraints in sourcing new vehicles and plants. Part of the remaining budget carried forward to 2024/25.
3	Fixtures, fittings and furniture	Mainly due to regional council information technology project (\$361,450) carried forward to 2023/24.
4	Roads	Mainly due to projects that were carried forward to 2024/25; Seal Weir Road/Lake Road Kirwans Bridge (\$492,705), Land use agreement fees (\$296,700), Blayney lane Nagambie parking study (\$100,000), Mitchell Street Violet Town stabilising gravel pavement (\$65,000), Baxters Road Goulburn Weir stabilising gravel pavement (\$74,950). Also include projects that are not proceeding; Habel Road project (\$1,633,500) and Urban gravel roads upgrade program (\$200,000) and savings in pavement rehabilitation program (\$338,467).
5	Bridges	Due to increased expenditure on Nagambie Locksley road bridge (\$774,273). This partly offset by unspent projects carry forward to 2024/25; Chinamen's Bridge Study (\$262,777) and bridges & major culverts renewal program (\$265,891).
6	Footpaths and cycleways	Mainly due to expenditure on Cowslip street foot path project (\$42,450), Kennedy Street Euroa footpath project (\$51,190) and Lewis Street Euroa footpath project (\$40,038) which were added during mid-year budget review.
7	Drainage	Most of the budgeted drainage works were put on hold until council adopts drainage strategy.
8	Recreational, leisure and community facilities	Due to swimming pool works (\$189,023) which were carried forward to 2024/25.
9	Waste management	Waste management budget includes Violet Town Landfill restoration work. During the year council spent (\$1,161,482) on landfill rehabilitation work which includes work carried forward from prior year (\$711,760). This has been expensed in the Comprehensive Income Statement - Refer financial statement notes 4.2 and 5.5 for additional details..
10	Parks, open space and streetscapes	Mainly due to Strathbogie and Nagambie streetscapes project (\$253,073) and additional expense on play space renewal program (\$78,219) which were added during mid-year budget review.



## Notes to the Financial Report For the Year Ended 30 June 2024

### 2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

#### 2.2.1 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
	\$	\$	\$	\$	\$
<b>2024</b>					
People & Governance	20,816,820	(11,981,537)	8,835,283	177,360	126,251,175
Community & Planning	3,787,587	(7,537,775)	(3,750,188)	2,902,790	79,426,615
Sustainable Infrastructure	10,325,930	(17,428,234)	(7,102,304)	6,108,583	183,643,802
Corporate Leadership	9,710	(1,145,004)	(1,135,294)	9,710	12,065,074
Mayor & Councillors	4,690	(458,078)	(453,388)	-	4,826,834
	<b>34,944,737</b>	<b>(38,550,628)</b>	<b>(3,605,891)</b>	<b>9,198,443</b>	<b>406,213,501</b>

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets *
	\$	\$	\$	\$	\$
<b>2023 Restated</b>					
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	169,472,857
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
	<b>46,282,138</b>	<b>(39,511,130)</b>	<b>6,771,007</b>	<b>19,572,207</b>	<b>392,119,975</b>

\* Restatement of opening balances, refer note 8.6

<b>Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES</b>	<b>2024</b>	<b>2023</b>
<b>3.1 Rates and charges</b>	<b>\$</b>	<b>\$</b>

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 2023/24 was \$6,663 million (2022/23 \$5,268 million).

General rates	18,987,736	18,064,459
Service rates and charges	3,255,006	3,075,275
<b>Total rates and charges</b>	<b><u>22,242,742</u></b>	<b><u>21,139,734</u></b>

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

Annual rates and charges are recognised as income 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	116,105	122,948
Planning fees	243,304	333,488
Health registrations	89,563	77,235
Animal registrations	108,722	108,369
Land information certificates	22,196	20,848
Fire Prevention Notice Infringements	17,654	9,303
<b>Total statutory fees and fines</b>	<b><u>597,544</u></b>	<b><u>672,191</u></b>

Statutory fees and fines are recognised as income 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	231,101	213,872
Nagambie Lakes events	29,749	31,052
Saleyard operations revenue	346,168	217,827
Swimming pools revenue	21,638	10,114
Rent/lease Charges	173,546	192,610
Euroa Cinema	42,743	46,774
Septic tank fees	31,700	17,341
Other user charges and contributions	133,010	166,148
<b>Total user fees</b>	<b><u>1,009,655</u></b>	<b><u>895,738</u></b>

#### User fees by timing of revenue recognition

User fees recognised over time	-	-
User fees recognised at a point in time	1,009,655	895,738
<b>Total user fees</b>	<b><u>1,009,655</u></b>	<b><u>895,738</u></b>

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.

	2024	2023
	\$	\$
<b>3.4 Funding from other levels of government</b>		
Grants were received in respect of the following:		
<b>Summary of grants</b>		
Commonwealth funded grants	6,184,204	11,637,421
State funded grants	3,014,239	7,934,786
<b>Total grants received</b>	<b>9,198,443</b>	<b>19,572,207</b>
<b>(a) Operating Grants</b>		
<b><i>Recurrent - Commonwealth Government</i></b>		
Financial Assistance Grants	300,656	8,466,584
<b><i>Recurrent - State Government</i></b>		
Maternal & Child Health	337,477	229,395
Community Safety	7,249	16,031
Youth	127,886	121,917
Pests and Plants Program	67,176	65,893
Municipal Emergency Resource Programme	60,000	61,500
Supported Playgroup	55,336	44,629
Vulnerable Persons Register	1,005	18,915
Boat Ramp Maintenance	9,100	9,100
School Crossing Supervision	-	36,935
Other	34,945	21,885
<b>Total recurrent operating grants</b>	<b>1,000,830</b>	<b>9,092,784</b>
<b><i>Non-recurrent - Commonwealth Government</i></b>		
Emergency & Disaster Management	500,000	-
Other	-	35,000
<b><i>Non-recurrent - State Government</i></b>		
Greening Euroa	-	1,192
Environment	56,990	51,731
Tourism & Events	126,130	91,000
Emergency & Disaster Management	1,268,149	4,095,665
Planning and Business Case	-	90,312
Water/Waterways Management	57,145	30,805
Health	47,525	70,950
Rural Roads Support Program	-	35,000
Other	96,625	11,290
<b>Total non-recurrent operating grants</b>	<b>2,152,564</b>	<b>4,512,945</b>
<b>Total operating grants</b>	<b>3,153,394</b>	<b>13,605,729</b>

## Notes to the Financial Report For the Year Ended 30 June 2024

	2024	2023
	\$	\$
<b>(b) Capital Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	1,737,470	1,381,234
<b>Total recurrent capital grants</b>	<b>1,737,470</b>	<b>1,381,234</b>
<b>Non-recurrent - Commonwealth Government</b>		
Infrastructure Funding Grant	2,946,078	1,456,756
Nagambie Foreshore Walk	-	297,847
Drought Funding	100,000	-
Nagambie Locksley Road Bridge	600,000	-
<b>Non-recurrent - State Government</b>		
Recreation	129,901	232,964
Footpaths and cycleways	241,600	2,597,677
Transfer Station Upgrade	290,000	-
<b>Total non-recurrent capital grants</b>	<b>4,307,579</b>	<b>4,585,244</b>
<b>Total capital grants</b>	<b>6,045,049</b>	<b>5,966,478</b>

### (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 point in 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	4,276,053	14,227,736
Specific purpose grants to acquire non-financial assets	4,307,579	4,576,379
Other specific purpose grants	546,027	686,006

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

Specific purpose grants	68,784	82,086
	<b>9,198,443</b>	<b>19,572,207</b>

(d) Unspent grants received on condition that they be spent in a specific manner

**Operating**

Balance at start of year	1,508,649	854,126
Received during the financial year and remained unspent at balance date	174,050	1,202,468
Received in prior years and spent during the financial year	(1,140,274)	(547,945)
<b>Balance at year end</b>	<b>542,425</b>	<b>1,508,649</b>

**Capital**

Balance at start of year	1,094,413	2,675,524
Received during the financial year and remained unspent at balance date	227,603	1,014,413
Received in prior years and spent during the financial year	(1,014,413)	(2,595,524)
<b>Balance at year end</b>	<b>307,603</b>	<b>1,094,413</b>

Unspent grants are determined and disclosed on a cash basis.

**3.5 Contributions**

Monetary	249,754	203,492
Non-monetary	24,988	1,675,691
<b>Total contributions</b>	<b>274,742</b>	<b>1,879,183</b>

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

Roads	-	757,292
Kerb & Channel	24,988	169,171
Footpath	-	172,653
Drainage	-	407,853
Land under roads	-	168,722
<b>Total non-monetary contributions</b>	<b>24,988</b>	<b>1,675,691</b>

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

## Notes to the Financial Report For the Year Ended 30 June 2024

	2024	2023
	\$	\$
<b>3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>		
Proceeds of sale	64,391	51,386
Written down value of assets disposed	(43,916)	(8,300)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>20,475</b>	<b>43,086</b>

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	841,572	692,572
Interest on rates	236,277	188,003
Diesel rebate	88,677	59,831
Insurance recoveries	322,589	1,087,099
Other items	110,257	54,544
<b>Total other income</b>	<b>1,599,372</b>	<b>2,082,049</b>

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.

	2024	2023
	\$	\$
<b>Note 4 THE COST OF DELIVERING SERVICES</b>		
<b>4.1 (a) Employee costs</b>		
Wages and salaries	11,555,503	11,212,895
WorkCover	277,227	239,892
Superannuation	1,217,076	1,125,432
Fringe benefits tax	122,493	119,176
Other	396,879	328,973
<b>Total employee costs</b>	<b>13,569,178</b>	<b>13,026,368</b>

**(b) Superannuation**

Council made contributions to the following funds:

**Defined benefit fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	37,342	49,057
Employer contributions - other funds	-	-
	<b>37,342</b>	<b>49,057</b>
Employer contributions payable at reporting date.	-	-

**Accumulation funds**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	546,019	578,434
Employer contributions - other funds	630,063	498,519
	<b>1,176,082</b>	<b>1,076,953</b>
Employer contributions payable at reporting date.	-	594

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	674,082	946,767
General maintenance *	6,759,960	5,793,647
Flood recovery	1,347,479	3,981,116
Utilities	365,683	316,392
Office administration	2,081,754	1,985,207
Information technology	735,295	810,268
Insurance	559,686	533,849
Consultants	1,088,829	910,796
Legal fees	206,302	279,217
Emergency Expense	708,779	2,846
Waste Management **	2,332,086	3,361,266
<b>Total materials and services</b>	<b>16,859,935</b>	<b>18,921,371</b>

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 \$2,312,935, maintenance of road canopy and trees \$1,266,218, plant expenses \$1,538,680 and contractor and professional service payments \$934,190.

\*\* Waste Management expenses include waste management cost \$2,875,155, landfill rehabilitation expense \$1,161,483 and reversal of landfill rehabilitation provision \$1,704,552. Refer to Note 5.5.

	2024	2023
	\$	\$
<b>4.3 Depreciation</b>		
Property	1,013,928	1,068,375
Plant and equipment	474,778	423,432
Furniture and Equipment	260,853	227,985
Infrastructure	5,353,467	5,048,850
<b>Total depreciation</b>	<b>7,103,026</b>	<b>6,768,642</b>

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	80,450	70,693
<b>Total Amortisation - Intangible assets</b>	<b>80,450</b>	<b>70,693</b>

#### 4.5 Depreciation - Right of use assets

Property	25,045	17,554
Plant and equipment	236,716	236,716
<b>Total Depreciation - Right of use assets</b>	<b>261,761</b>	<b>254,270</b>

#### 4.6 Allowance for impairment losses

Rates debtors	-	157
Other debtors	(3,313)	5,706
<b>Total allowance for impairment losses</b>	<b>(3,313)</b>	<b>5,863</b>

#### Movement in allowance for impairment losses in respect of debtors

Balance at the beginning of the year	10,664	6,235
New allowances recognised during the year	-	10,292
Amounts already allowed for and written off as uncollectible	-	(5,863)
Expected credit loss adjustment/Amounts allowed for but recovered during the year	(3,313)	-
<b>Balance at end of year</b>	<b>7,351</b>	<b>10,664</b>

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	173,822	11,070
<b>Total borrowing costs</b>	<b>173,822</b>	<b>11,070</b>

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.



## Notes to the Financial Report For the Year Ended 30 June 2024

	2024	2023
<b>4.8 Finance Costs - Leases</b>	<b>\$</b>	<b>\$</b>
Interest - Lease Liabilities	18,706	25,922
<b>Total finance costs</b>	<b><u>18,706</u></b>	<b><u>25,922</u></b>

### 4.9 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	59,200	41,000
Auditors' remuneration - Internal Audit	51,133	45,088
Councillors' allowances	102,994	261,519
Other Councillor expenses	208,191	79,324
Election Expenses	65,545	-
<b>Total other expenses</b>	<b><u>487,063</u></b>	<b><u>426,931</u></b>

Other Councillor expenses include Municipal Monitor and Council Administrator expenses \$168,644.

Election expenses include Electoral structure review expense \$55,051.

**Note 5 INVESTING IN AND FINANCING OUR OPERATIONS**

	2024	2023
	\$	\$
<b>5.1 Financial assets</b>		
<b>(a) Cash and cash equivalents</b>		
Cash on hand	1,281	1,611
Cash at bank	2,654,364	430,094
Term deposits	7,000,000	3,150,000
<b>Total cash and cash equivalents</b>	<b>9,655,645</b>	<b>3,581,705</b>
<b>(b) Other financial assets</b>		
<b>Current</b>		
Term deposits-Current	-	21,550,000
Total current other financial assets	-	<b>21,550,000</b>
<b>Non-current</b>		
Share in MAV Purchasing Scheme	2,032	2,032
Total non-current other financial assets	<b>2,032</b>	<b>2,032</b>
<b>Total other financial assets</b>	<b>2,032</b>	<b>21,552,032</b>
<b>Total cash and cash equivalents and other financial assets</b>	<b>9,657,677</b>	<b>25,133,737</b>

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.

## Notes to the Financial Report For the Year Ended 30 June 2024

	2024	2023
<b>(c) Trade and other receivables</b>	<b>\$</b>	<b>\$</b>
<b>Current</b>		
<i>Statutory receivables</i>		
Rates debtors	3,417,787	2,488,113
Special rate assessment	13,860	11,765
Net GST receivable	468,215	610,200
<i>Non statutory receivables</i>		
Other debtors	804,465	1,204,931
Allowance for expected credit loss - other debtors	(7,351)	(10,664)
<b>Total current trade and other receivables</b>	<b>4,696,976</b>	<b>4,304,345</b>
<b>Non-current</b>		
<i>Statutory receivables</i>		
Special rate scheme	12,426	17,936
<b>Total non-current trade and other receivables</b>	<b>12,426</b>	<b>17,936</b>
<b>Total trade and other receivables</b>	<b>4,709,402</b>	<b>4,322,281</b>

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. 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)	484,319	654,142
Past due by up to 30 days	5,023	74,688
Past due between 31 and 180 days	91,749	230,000
Past due between 181 and 365 days	41,814	106,210
Past due by more than 1 year	181,560	139,891
<b>Total trade and other receivables</b>	<b>804,465</b>	<b>1,204,931</b>

#### (e) Ageing of individually impaired Receivables

There are no individually impaired receivables at the balance sheet date.

#### (f) Contract assets

Contract assets	2,228,093	805,473
<b>Total contract assets</b>	<b>2,228,093</b>	<b>805,473</b>

Contract assets are recognised when Council has transferred goods or services to the customer but where Council is yet to establish an unconditional right to consideration.

## Notes to the Financial Report For the Year Ended 30 June 2024

5.2 Non-financial assets	2024	2023
	\$	\$
<b>(a) Other assets</b>		
Prepayments	631,291	293,798
Inventories	15,516	14,762
<b>Total other assets</b>	<b>646,807</b>	<b>308,560</b>
<b>(b) Intangible assets</b>		
Software	228,812	194,276
<b>Total intangible assets</b>	<b>228,812</b>	<b>194,276</b>
	<b>Software</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Gross carrying amount</b>		
Balance at 1 July 2023	1,200,225	1,200,225
Other additions	114,986	114,986
Balance at 30 June 2024	<b>1,315,211</b>	<b>1,315,211</b>
<b>Accumulated amortisation and impairment</b>		
Balance at 1 July 2023	1,005,949	1,005,949
Amortisation expense	80,450	80,450
Balance at 30 June 2024	<b>1,086,399</b>	<b>1,086,399</b>
Net book value at 30 June 2023	194,276	194,276
<b>Net book value at 30 June 2024</b>	<b>228,812</b>	<b>228,812</b>

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 contract and other liabilities**

	2024	2023
<b>(a) Trade and other payables</b>	<b>\$</b>	<b>\$</b>
<b>Current</b>		
<i>Non-statutory payables</i>		
Trade payables	2,168,291	3,239,383
Accrued expenses	1,208,114	1,863,131
<b>Total current trade and other payables</b>	<b>3,376,405</b>	<b>5,102,514</b>
<b>(b) Trust funds and deposits</b>		
<b>Current</b>		
Fire services levy	74,958	64,310
Retention amounts	428,446	459,952
Other refundable deposits	554,485	400,295
<b>Total current trust funds and deposits</b>	<b>1,057,889</b>	<b>924,557</b>
<b>Non-current</b>		
Trust funds bequested	34,791	34,791
<b>Total non-current trust funds and deposits</b>	<b>34,791</b>	<b>34,791</b>
<b>Total trust funds and deposits</b>	<b>1,092,680</b>	<b>959,348</b>
* Other refundable deposits include security deposits of \$473,195.		
** Trust funds bequested include Tascrosbie trust funds \$34,791.		
<b>(c) Contract and other liabilities</b>		
<b>Contract liabilities</b>		
<b>Current</b>		
Grants received in advance - operating	542,425	1,508,649
Grants received in advance - capital	307,603	1,094,413
<b>Total contract liabilities</b>	<b>850,028</b>	<b>2,603,062</b>
<b>Other liabilities</b>		
<b>Current</b>		
Deferred capital grants	-	-
<b>Total other liabilities</b>	<b>-</b>	<b>-</b>
<b>Total contract and other liabilities</b>	<b>850,028</b>	<b>2,603,062</b>

*Trust funds and deposits*

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

*Contract liabilities*

Contract liabilities reflect grants received in advance from other government agencies. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

*Other liabilities*

Grant consideration was received from State and Federal Governments to support various projects. Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion of each project. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

**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.

**5.4 Interest-bearing liabilities**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Current</b>		
Treasury Corporation of Victoria borrowings - secured	168,603	160,341
Borrowings - secured	-	95,262
<b>Total current interest-bearing liabilities</b>	<b>168,603</b>	<b>255,603</b>
<b>Non-current</b>		
Treasury Corporation of Victoria borrowings - secured	3,171,056	3,339,659
<b>Total non-current interest-bearing liabilities</b>	<b>3,171,056</b>	<b>3,339,659</b>
<b>Total</b>	<b>3,339,659</b>	<b>3,595,262</b>

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	168,603	255,603
Later than one year and not later than five years	982,641	728,354
Later than five years	2,188,415	2,611,305
	<b>3,339,659</b>	<b>3,595,262</b>

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 based on contractual repayment terms at every balance date.

## 5.5 Provisions

	Employee	Landfill restoration	Total
	\$	\$	\$
<b>2024</b>			
Balance at beginning of the financial year	3,231,910	2,661,804	5,893,714
Provisions Addition/(Reversal)	848,052	(515,264)	332,788
Amounts used	(723,468)	(1,161,483)	(1,884,951)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(46,345)	(27,805)	(74,150)
Balance at the end of the financial year	<b>3,310,149</b>	<b>957,252</b>	<b>4,267,401</b>
<i>Provisions - current</i>	2,832,908	52,101	2,885,009
<i>Provisions - non-current</i>	477,241	905,151	1,382,392
<b>2023</b>			
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	<b>3,231,910</b>	<b>2,661,804</b>	<b>5,893,714</b>
<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
	<b>2024</b>	<b>2023</b>	
	\$	\$	
<b>(a) Employee provisions</b>			
<b>Current provisions expected to be wholly settled within 12 months</b>			
Annual leave	810,242	763,719	
Long service leave	211,149	205,844	
Other	21,576	11,148	
	<b>1,042,967</b>	<b>980,711</b>	
<b>Current provisions expected to be wholly settled after 12 months</b>			
Annual leave	292,309	286,211	
Long service leave	1,497,632	1,503,569	
	<b>1,789,941</b>	<b>1,789,780</b>	
<b>Total current employee provisions</b>	<b>2,832,908</b>	<b>2,770,491</b>	
<b>Non-current</b>			
Long service leave	477,241	461,419	
<b>Total non-current employee provisions</b>	<b>477,241</b>	<b>461,419</b>	
Aggregate carrying amount of employee provisions:			
Current	2,832,908	2,770,491	
Non-current	477,241	461,419	
<b>Total aggregate carrying amount of employee provisions</b>	<b>3,310,149</b>	<b>3,231,910</b>	

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.

Key assumptions:	<b>2024</b>	<b>2023</b>
- discount rate	4.35%	4.06%
- index rate	3.00%	3.50%

	<b>2024</b>	<b>2023</b>
<b>(b) Landfill restoration - Violet Town Landfill</b>	<b>\$</b>	<b>\$</b>
Current	52,101	1,409,471
Non-current	905,151	1,252,333
	<b>957,252</b>	<b>2,661,804</b>

Council is obligated to restore Violet Town 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	4.35%	4.06%
- index rate	3.60%	7.00%

## 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	3,500,000
Loan facilities	-	95,262
<b>Total facilities</b>	<b>4,745,000</b>	<b>4,840,262</b>
Used facilities	(3,339,659)	(3,613,530)
<b>Unused facilities</b>	<b>1,405,341</b>	<b>1,226,732</b>



## Notes to the Financial Report For the Year Ended 30 June 2024

### 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

	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
	\$	\$	\$	\$	\$
<b>2024</b>					
<b>Operating</b>					
Finance	151,520	52,996	84,516	-	<b>289,032</b>
Environment & Waste	64,333	-	-	-	<b>64,333</b>
Community Engagement	17,466	17,466	17,466	-	<b>52,398</b>
Community	682,688	110,106	35,706	-	<b>828,500</b>
Compliance	148,400	105,000	105,000	-	<b>358,400</b>
Assets	48,399	-	-	-	<b>48,399</b>
IT	592,319	452,054	1,341,004	-	<b>2,385,377</b>
<b>Total</b>	<b>1,705,125</b>	<b>737,622</b>	<b>1,583,692</b>	<b>-</b>	<b>4,026,439</b>
<b>Capital</b>					
Buildings	417,765	-	-	-	417,765
Bridges	312,431	-	-	-	312,431
Roads	2,415,383	-	-	-	2,415,383
Parks open spaces and streetscapes	239,019	-	-	-	239,019
<b>Total</b>	<b>3,384,598</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,384,598</b>
	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
	\$	\$	\$	\$	\$
<b>2023</b>					
<b>Operating</b>					
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
<b>Total</b>	<b>885,775</b>	<b>85,140</b>	<b>-</b>	<b>-</b>	<b>970,915</b>
<b>Capital</b>					
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
<b>Total</b>	<b>3,535,348</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,535,348</b>

## 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

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.

## Notes to the Financial Report For the Year Ended 30 June 2024

<b>Right-of-Use Assets</b>	<b>Property</b>	<b>Plant &amp; Equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2023	41,741	544,954	<b>586,695</b>
Additions	-	-	-
Depreciation charge	(25,045)	(236,716)	<b>(261,761)</b>
<b>Balance at 30 June 2024</b>	<b>16,696</b>	<b>308,238</b>	<b>324,934</b>

<b>Lease Liabilities</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Maturity analysis - contractual undiscounted cash flows		
Less than one year	199,740	285,008
One to five years	161,624	361,364
More than five years	-	-
<b>Total undiscounted lease liabilities as at 30 June:</b>	<b>361,364</b>	<b>646,372</b>

Lease liabilities included in the Balance Sheet at 30 June:

Current	189,434	266,302
Non-current	154,212	343,646
<b>Total lease liabilities</b>	<b>343,646</b>	<b>609,948</b>

### **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.

<b>Expenses relating to:</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Short-term leases	18,659	18,658
<b>Total</b>	<b>18,659</b>	<b>18,658</b>

### **Other lease payments**

Council does not have any variable lease or non-cancellable lease commitments as at 30 June 2024.

**Note 6 ASSETS WE MANAGE**

**6.1 Non current assets classified as held for sale**

	2024	2023
	\$	\$
Cost of acquisition	-	219,780
<b>Total non current assets classified as held for sale</b>	<b>-</b>	<b>219,780</b>

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.

Opening balance in held for sale was reclassified as Land under Property. Refer note 6.2 (a) for more details.

## Notes to the Financial Report For the Year Ended 30 June 2024

### 6.2 RESTATED PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

#### Summary of property, infrastructure, plant and equipment

	Restated Carrying amount \$	Additions \$	Contrib- -ions \$	Revaluation \$	Depreciation \$	Disposal \$	Impairment \$	Write-off \$	Transfers/ Reclasi- -fication \$	Carrying amount 30 June 2024 \$
Property *	65,748,414	953,693	-	21,285,730	(1,013,928)	-	-	(3,810)	568,395	87,538,494
Plant and equipment	5,256,591	1,007,294	-	-	(735,631)	(43,917)	-	-	-	5,484,337
Infrastructure *	282,833,843	7,151,668	24,988	2,043,122	(5,353,467)	-	(135,407)	-	5,487,555	292,052,302
Work in progress	6,451,602	2,679,796	-	-	-	-	-	(213,072)	(5,836,170)	3,082,156
<b>Total</b>	<b>360,290,450</b>	<b>11,792,450</b>	<b>24,988</b>	<b>23,328,852</b>	<b>(7,103,026)</b>	<b>(43,917)</b>	<b>(135,407)</b>	<b>(216,882)</b>	<b>219,780</b>	<b>388,157,289</b>

#### Summary of Work in Progress

	Opening WIP \$	Additions \$	Write-off \$	Transfers \$	Closing WIP \$
Property	467,006	231,080	-	(348,615)	349,472
Infrastructure	5,984,596	2,448,716	(213,073)	(5,487,555)	2,732,684
<b>Total</b>	<b>6,451,602</b>	<b>2,679,796</b>	<b>(213,073)</b>	<b>(5,836,170)</b>	<b>3,082,156</b>

\* Restatement of opening balances, refer note 8.6

Notes to the Financial Report  
For the Year Ended 30 June 2024

(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 *
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restated</b>										
At fair value 1 July 2023	22,274,971	9,233,533	740,619	<b>32,249,123</b>	67,621,313	4,069,088	<b>71,690,401</b>	1,972,116	467,006	<b>106,378,646</b>
Accumulated depreciation at 1 July 2023	-	-	-	-	(39,045,891)	(1,117,335)	<b>(40,163,226)</b>	-	-	<b>(40,163,226)</b>
	<b>22,274,971</b>	<b>9,233,533</b>	<b>740,619</b>	<b>32,249,123</b>	<b>28,575,422</b>	<b>2,951,753</b>	<b>31,527,175</b>	<b>1,972,116</b>	<b>467,006</b>	<b>66,215,420</b>
<b>Movements in fair value</b>										
Additions	-	-	-	-	867,063	86,630	<b>953,693</b>	-	231,080	<b>1,184,773</b>
Revaluation	2,493,852	325,976	2,356,450	<b>5,176,278</b>	4,617,237	381,252	<b>4,998,489</b>	2,080,586	-	<b>12,255,353</b>
Write-off	-	-	-	-	(6,000)	(83,200)	<b>(89,200)</b>	-	-	<b>(89,200)</b>
Assets reclassification **	-	219,780	-	<b>219,780</b>	(401,000)	(1,870,800)	<b>(2,271,800)</b>	676,248	-	<b>(1,375,772)</b>
Transfers	-	-	-	-	348,615	-	<b>348,615</b>	-	(348,615)	-
	<b>2,493,852</b>	<b>545,756</b>	<b>2,356,450</b>	<b>5,396,058</b>	<b>5,425,915</b>	<b>(1,486,118)</b>	<b>3,939,797</b>	<b>2,756,834</b>	<b>(117,535)</b>	<b>11,975,154</b>
<b>Movements in accumulated depreciation</b>										
Depreciation and amortisation	-	-	-	-	(963,620)	(50,308)	<b>(1,013,928)</b>	-	-	<b>(1,013,928)</b>
Revaluation	-	-	-	-	10,290,770	(1,260,393)	<b>9,030,377</b>	-	-	<b>9,030,377</b>
Accumulated depreciation - write-off assets	-	-	-	-	4,800	80,590	<b>85,390</b>	-	-	<b>85,390</b>
Accumulated depreciation - reclassified assets	-	-	-	-	272,400	1,323,152	<b>1,595,552</b>	-	-	<b>1,595,552</b>
	-	-	-	-	<b>9,604,350</b>	<b>93,041</b>	<b>9,697,391</b>	-	-	<b>9,697,391</b>
At fair value 30 June 2024	24,768,823	9,779,289	3,097,069	<b>37,645,181</b>	73,047,228	2,582,970	<b>75,630,198</b>	4,728,950	349,472	<b>118,353,801</b>
Accumulated depreciation at 30 June 2024	-	-	-	-	(29,441,541)	(1,024,294)	<b>(30,465,835)</b>	-	-	<b>(30,465,835)</b>
Carrying amount	<b>24,768,823</b>	<b>9,779,289</b>	<b>3,097,069</b>	<b>37,645,181</b>	<b>43,605,687</b>	<b>1,558,676</b>	<b>45,164,363</b>	<b>4,728,950</b>	<b>349,472</b>	<b>87,887,966</b>

\* Restatement of opening balances, refer note 8.6

\*\* Assets reclassification include reclassification of held for sale assets to land non-specialised asset (\$219,780) and reclassification of building assets to cultural and heritage assets (\$676,248).

Notes to the Financial Report  
For the Year Ended 30 June 2024

(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 2023	6,737,520	3,688,685	2,146,950	<b>12,573,156</b>
Accumulated depreciation at 1 July 2023	(4,386,713)	(2,929,852)	-	<b>(7,316,565)</b>
	<b>2,350,807</b>	<b>758,833</b>	<b>2,146,950</b>	<b>5,256,591</b>
<b>Movements in fair value</b>				
Additions	779,140	228,153	-	<b>1,007,294</b>
Disposal	(175,817)	-	-	<b>(175,817)</b>
	<b>603,323</b>	<b>228,153</b>	<b>-</b>	<b>831,477</b>
<b>Movements in accumulated depreciation</b>				
Depreciation and amortisation	(474,778)	(260,853)	-	<b>(735,631)</b>
Accumulated depreciation - disposals	131,901	-	-	<b>131,901</b>
	<b>(342,877)</b>	<b>(260,853)</b>	<b>-</b>	<b>(603,730)</b>
At fair value 30 June 2024	7,340,843	3,916,838	2,146,950	13,404,632
Accumulated depreciation at 30 June 2024	(4,729,590)	(3,190,704)	-	<b>(7,920,295)</b>
<b>Carrying amount</b>	<b>2,611,253</b>	<b>726,134</b>	<b>2,146,950</b>	<b>5,484,337</b>

Notes to the Financial Report  
For the Year Ended 30 June 2024

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Kerb and channel	Parks open spaces and streetscapes <sup>*</sup>	Cultural and heritage assets	Work In Progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restated</b>									
At fair value 1 July 2023	258,891,402	75,595,259	8,535,677	31,072,395	15,780,110	25,861,348	2,288,263	5,984,596	424,009,050
Accumulated depreciation at 1 July 2023	(84,759,600)	(22,231,178)	(1,684,122)	(9,651,058)	(6,161,840)	(10,702,814)	-	-	(135,190,611)
	<b>174,131,802</b>	<b>53,364,082</b>	<b>6,851,555</b>	<b>21,421,337</b>	<b>9,618,270</b>	<b>15,158,534</b>	<b>2,288,263</b>	<b>5,984,596</b>	<b>288,818,439</b>
<b>Movements in fair value</b>									
Additions	2,968,881	1,837,318	245,362	331,461		1,768,646	-	2,448,716	9,600,383
Contributions	-	-	-	-	24,988	-	-	-	24,988
Revaluation	-	-	-	-	-	3,053,654	-	-	3,053,654
Write-off	-	-	-	-	-	-	-	(213,073)	(213,073)
Reclassification	-	(1,590,050)	-	-	-	-	795,025	-	(795,025)
Transfers	1,710,734	141,465	-	20,338	-	3,615,018	-	(5,487,555)	-
Impairment losses recognised	-	(314,473)	-	-	-	-	-	-	(314,473)
	<b>4,679,615</b>	<b>74,260</b>	<b>245,362</b>	<b>351,799</b>	<b>24,988</b>	<b>8,437,318</b>	<b>795,025</b>	<b>(3,251,912)</b>	<b>11,356,455</b>
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	(3,108,001)	(733,895)	(152,218)	(323,326)	(207,812)	(828,215)	-	-	(5,353,467)
Revaluation	-	-	-	-	-	(1,010,532)	-	-	(1,010,532)
Accumulated depreciation - reclassified assets	-	795,025	-	-	-	-	-	-	795,025
Impairment losses recognised	-	179,066	-	-	-	-	-	-	179,066
	<b>(3,108,001)</b>	<b>240,196</b>	<b>(152,218)</b>	<b>(323,326)</b>	<b>(207,812)</b>	<b>(1,838,747)</b>	<b>-</b>	<b>-</b>	<b>(5,389,908)</b>
At fair value 30 June 2024	263,571,017	75,669,519	8,781,039	31,424,194	15,805,098	34,298,666	3,083,288	2,732,685	435,365,505
Accumulated depreciation at 30 June 2024	(87,867,601)	(21,990,981)	(1,836,340)	(9,974,384)	(6,369,652)	(12,541,562)	-	-	(140,580,519)
<b>Carrying amount</b>	<b>175,703,416</b>	<b>53,678,538</b>	<b>6,944,699</b>	<b>21,449,810</b>	<b>9,435,446</b>	<b>21,757,104</b>	<b>3,083,288</b>	<b>2,732,685</b>	<b>294,784,986</b>

\* Restatement of opening balances, refer note 8.6



### 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. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

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

## Notes to the Financial Report For the Year Ended 30 June 2024

### 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. There are no leasehold improvement at balance date.

### Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer, LG Valuation Services Pty Ltd (Marcus Hann, Qualified Valuer as per Valuation of Land Act 1960 Section 13DA(1A)). 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 2024 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Land	-	9,779,289	-	Jun-24	Full Valuation
Specialised land	-	-	24,768,823	Jun-24	Full Valuation
Land under roads	-	-	3,097,069	Jun-24	Full Valuation
Heritage Buildings	-	-	4,728,950	Jun-24	Full Valuation
Buildings & site improvements	-	1,558,676	43,605,687	Jun-24	Full Valuation
<b>Total</b>	-	<b>11,337,965</b>	<b>76,200,529</b>		

### Valuation of infrastructure

The date and type of the current valuation is detailed in the following table. A full revaluation of Parks, open space and streetscapes assets were undertaken by a qualified independent valuer, LG Valuation Services Pty Ltd (Marcus Hann, Qualified Valuer as per Valuation of Land Act 1960 Section 13DA(1A)) during the financial year 2023/24.

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 2024 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	175,703,416	Jun-23	Indexation
Bridges	-	-	53,678,538	Jun-23	Indexation
Footpaths and cycleways	-	-	6,944,699	Jun-23	Inhouse full valuation
Drainage	-	-	21,449,810	Jun-23	Inhouse full valuation
Kerb and channel	-	-	9,435,446	Jun-23	Indexation
Parks, open space and streetscapes	-	-	21,757,104	Jun-24	Full Valuation
<b>Total</b>	-	-	<b>288,969,013</b>		

**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 10% and 60%. The market value of land varies significantly depending on the location of the land, land quality, previous use and the current market conditions. Currently land values range between \$1 and \$826 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 \$55 to \$9,500 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 4 years to 80 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 1 year to 99 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.

	2024	Restated 2023
	\$	\$
<b>Reconciliation of specialised land</b>		
Parks and reserves	15,545,855	13,487,596
Waste management	1,727,028	1,391,723
Civic centres	5,060,207	3,807,162
Council depts	1,263,111	1,301,074
Caravan parks	-	1,058,999
Pre schools	782,620	949,733
Saleyards	390,002	278,684
<b>Total specialised land</b>	<b>24,768,823</b>	<b>22,274,971</b>

	2024	2023
<b>6.3 Investments in associates, joint arrangements and subsidiaries</b>	<b>\$</b>	<b>\$</b>

**(a) Investments in associates**

- Goulburn Valley Regional Library Corporation	260,487	258,723
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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**

<b>260,487</b>	<b>258,723</b>
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**Council's share of accumulated surplus/(deficit)**

Council's share of accumulated surplus(deficit) at start of year	258,723	260,774
Reported surplus(deficit) for year	1,764	(2,051)
Council's share of accumulated surplus(deficit) at end of year	<b>260,487</b>	<b>258,723</b>

**Movement in carrying value of specific investment**

Carrying value of investment at start of year	258,723	260,774
Share of surplus(deficit) for year	1,764	(2,051)
Carrying value of investment at end of year	<b>260,487</b>	<b>258,723</b>

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.

**(c) 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, Council Administrator, Chief Executive Officer, Directors and Executive Managers are deemed KMP.

Details of KMP at any time during the year are:

#### Former Councillors (Councillors were suspended from 6th December 2023)

Laura Binks  
Paul Murray  
Chris Raeburn  
Kristy Hourigan (resigned on 26th July 2023)  
Reg Dickinson  
Sally Hayes-Burke  
Robin Weatherald (appointed 18th July 2023)

**Council Administrator** Peter Stephenson (appointed on 6 December 2023)

#### Management

Chief Executive Officer (Julie Salomon)  
Director - People & Governance (Amanda Tingay)  
Acting Director - People & Governance (Heike Manet)  
Director - Director Sustainable Infrastructure (Vlad Adamek - resigned 22/09/2023)  
Director - Director Sustainable Infrastructure (John Harvey - joined 4/12/2023)  
Director - Community & Planning (Rachael Frampton)  
Acting Director - Community & Planning (Braydon Aitken)  
Executive Manager Communications and Engagement (Kristin Favaloro - resigned 24/11/2023)  
Executive Manager Communications and Engagement (Rosemary Scott - joined 29/04/2024)

	2024 No.	2023 No.
<b>Total Number of Councillors</b>	7	7
<b>Total Number of Council Administrators</b>	1	-
<b>Total of Chief Executive Officer and other Key Management Personnel</b>	9	7
<b>Total Number of Key Management Personnel</b>	<u>17</u>	<u>14</u>

\* On 5th December 2023, Minister for Local Government suspended the Councillors for the remainder of its term and appointed a Council Administrator.

#### (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.

## Notes to the Financial Report For the Year Ended 30 June 2024

	2024	2023
	\$	\$
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	1,267,019	1,299,868
Other long-term employee benefits	257,664	14,199
Post-employment benefits	117,286	138,235
Termination benefits	-	74,359
<b>Total</b>	<b>1,641,969</b>	<b>1,526,661</b>

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

	2024	2023
	No.	No.
\$1 - \$9,999	3	-
\$10,000 - \$19,999	4	-
\$20,000 - \$29,999	-	6
\$30,000 - \$39,999	3	-
\$40,000 - \$49,999	-	1
\$60,000 - \$69,999	-	1
\$80,000 - \$89,999	-	1
\$100,000 - \$109,999	1	-
\$120,000 - \$129,999	1	-
\$140,000 - \$149,999	1	-
\$160,000 - \$169,999	1	-
\$200,000 - \$209,999	-	2
\$220,000 - \$229,999	-	1
\$230,000 - \$239,999	1	-
\$240,000 - \$249,999	-	1
\$280,000 - \$289,999	1	-
\$300,000 - \$309,999	-	1
\$400,000 - \$409,999	1	-
	<b>17</b>	<b>14</b>

#### (d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$170,000 and who report directly to a member of the KMP.

	2024	2023
	\$	\$
Total remuneration of other senior staff was as follows:		
Short-term employee benefits	340,654	-
Other long-term employee benefits	4,389	-
Post-employment benefits	27,057	-
Termination benefits	-	-
<b>Total</b>	<b>372,100</b>	<b>-</b>

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

	2024	2023
	No.	No.
Income Range:		
\$170,000 - \$179,999	1	-
\$190,000 - \$199,999	1	-
	<b>2</b>	<b>-</b>

Total remuneration for the reporting year for other senior staff included above, amounted	372,100	-
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	2024	2023
	\$	\$
<b>7.2 Related party disclosure</b>		
<b>(a) Transactions with related parties</b>		
During the period Council entered into the following transactions with related parties.		
<i>Euroa Caravan Park - Operating and Capital Expenses *</i>	71,729	264,914
<i>Euroa Caravan Park - Lease Income *</i>	165,477	148,839
<i>Contribution expenses - Goulburn Valley Regional Library Corporation</i>	290,648	281,028
<i>Other Related Party Expenses **</i>	42,765	45,804
<b>(b) Outstanding balances with related parties</b>		
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>	81,821	43,997
<b>(c) Loans to/from related parties</b>		
There are no loans in existence at balance date that have been made, guaranteed or secured by the Council to a related party.		
<b>(d) Commitments to related parties</b>		
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>	204,212	110,465

\* 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 People and Governance (\$31,196) and Councillor Chris Raeburn (\$11,569).

## 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 and available information to the council as at balance sheet date is not enough to make a reliable estimate.

#### (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 and expected to complete in 2024/25. Council has an obligation to maintain landfill after the rehabilitation work. Landfill provision \$957,252 include 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. Council has commenced negotiations with Heritage Victoria for the permit to demolish the structure excluding the land based abutments. No real estimates for the demolition of the bridge are available at the moment. However, it is considered it could be anywhere between \$1-3 million.

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. Funds of \$100,000 have been allocated for interim maintenance. No impairment of value recorded as of 30 June 2024.

#### 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 2024 reporting period. Council assesses the impact of these new standards.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities to modify AASB 13 Fair Value Measurement. AASB 2022-10 amends AASB 13 Fair Value Measurement for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. The AASB 13 modifications:

- are applicable only to not-for-profit public sector entities;
- are limited to fair value measurements of non-financial assets not held primarily for their ability to generate net cash inflows;
- are to be applied prospectively for annual periods beginning on or after 1 January 2024;
- would not necessarily change practice for some not-for-profit public sector entities; and
- do not indicate that entities changing practice in how they measure relevant assets made an error in applying the existing requirements of AASB 13.

Council will assess any impact of the modifications to AASB 13 ahead of the 2024-25 reporting period.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants. AASB 2022-6 amends AASB 101 Presentation of Financial Statements to improve the information an entity provides in its financial statements about long-term liabilities with covenants where the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The amendments in AASB 2022-6 are effective for annual periods beginning on or after 1 January 2024. Council will assess any impact of the modifications to AASB 101 ahead of the 2024-25 reporting period.

### 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), bank and Treasury Corporation of Victoria borrowings. Details of the material accounting policy information 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 allowance 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 -1.0% in market interest rates (AUD) from year-end rates of 5.26%.

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 increases are credited directly to the asset revaluation reserve except to the extent that an increase reverses a prior year decrease for that class of asset that had been recognised as an expense in which case the increase is recognised as revenue up to the amount of the expense. Revaluation decreases are recognised as an expense except where prior increases are included in the asset revaluation reserve for that class of asset in which case the decrease is taken to the reserve to the extent of the remaining increases. Within the same class of assets, revaluation increases and decreases 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 matters have occurred after balance date that require disclosure in the financial report.

## 8.6 Prior period errors

### 8.6.1 Adjustment to derecognise assets balances:

Following a review of the Assets Register as part of the revaluation process in 2024, Council identified assets not owned by Council to the value of \$8,457,654, that were reflected in Council's asset registers. In the year ended 30 June 2024, these assets adjustments have been brought to account as an adjustment to the Council's opening Asset Revaluation Reserve in the 2022-23 year. 2023 figures at Note 6.2 and 9.1 have been restated.

	2023
	\$
<b>Property, infrastructure plant and equipment</b>	
<b>Property</b>	
Land - specialised	(6,559,916)
Land - non-specialised	(178,000)
Buildings - specialised	(311,250)
Buildings - non specialised	(1,700)
Cultural and heritage assets	(326,784)
<b>Total Property</b>	<b><u>(7,377,650)</u></b>
<b>Infrastructure</b>	
Parks open spaces and streetscapes	(1,080,004)
<b>Total Infrastructure</b>	<b><u>(1,080,004)</u></b>
<b>Total property, infrastructure, plant and equipment</b>	<b><u>(8,457,654)</u></b>
<b>Reserves</b>	
<b>Asset revaluation reserves</b>	
<b>Property</b>	
Land and land improvements	(6,737,916)
Buildings	(639,734)
<b>Total Property</b>	<b><u>(7,377,650)</u></b>
<b>Infrastructure</b>	
Parks, open space and streetscapes	(1,080,004)
<b>Total Infrastructure</b>	<b><u>(1,080,004)</u></b>
<b>Total asset revaluation reserves</b>	<b><u>(8,457,654)</u></b>

The effect of Council removing assets not owned in the 2023/24 year is a decrease to that year's opening balance of \$8,457,654 and a decrease to property, infrastructure, plant and equipment of \$8,457,654.

## Notes to the Financial Report For the Year Ended 30 June 2024

### Reconciliation of changes to the 2022-2023 Balance Sheet, Note 6.2 Property, infrastructure, plant and equipment and Statement of Changes in Equity

	2022-2023 Balances	Impact Increase/ (decrease)	Adjusted 2022-2023 Balances
	\$	\$	\$
<b>Balance sheet</b>			
Property, infrastructure, plant and equipment	359,895,400	(8,457,654)	351,437,746
Total non-current assets	360,955,062	(8,457,654)	352,497,408
Total Assets	391,724,926	(8,457,654)	383,267,272
Net assets	372,961,078	(8,457,654)	364,503,424
Revaluation Reserve	253,696,435	(8,457,654)	245,238,781
Total Equity	372,961,078	(8,457,654)	364,503,424
<b>Statement of Changes in Equity</b>			
Asset Revaluation Reserve	253,696,435	(8,457,654)	245,238,781
Total Equity	372,961,078	(8,457,654)	364,503,424

#### 8.6.2 Adjustments to found assets:

Following a review of the Asset register as part of the revaluation process in 2024, Council identified some assets owned by the council had not been recorded in the financial statements previously. In the year ended 30 June 2024, these assets adjustments have been brought to account as an adjustment to the Council's opening Accumulated Surplus in the 2022-23 year. 2023 figures at Note 6.2 have been restated.

	2023 \$
<b>Property, infrastructure plant and equipment - Property</b>	
<b>Property</b>	
Land - specialised	2,230,650
Land - non-specialised	3,957,948
Buildings - specialised	1,488,839
Buildings - non specialised	209,234
<b>Total Property</b>	<b><u>7,886,671</u></b>
<b>Infrastructure</b>	
Parks open spaces and streetscapes	966,033
<b>Total Infrastructure</b>	<b><u>966,033</u></b>
<b>Total property, infrastructure, plant and equipment</b>	<b><u>8,852,704</u></b>

## Notes to the Financial Report For the Year Ended 30 June 2024

<b>8.6.2 Adjustments to found assets: (Contd..)</b>	<b>2023</b>	
<b>Equity</b>		<b>\$</b>
Accumulated Surplus	8,852,704	
<b>Accumulated Surplus</b>	<b>8,852,704</b>	

The effect of Council correcting found assets in the 2023/24 year is an increase to that year's opening balances of assets \$8,852,704 and an increase to opening Accumulated Surplus of \$8,852,704.

**Reconciliation of changes to the 2022-2023 Balance Sheet, Note 6.2 Property, infrastructure, plant and equipment and Statement of Changes in Equity**

	2022-2023 Adjusted Balances	Impact Increase/ (decrease)	Adjusted 2022-2023 Balances
	\$	\$	\$
<b>Balance sheet</b>			
Property, infrastructure, plant and equipment	351,437,746	8,852,704	360,290,450
Total non-current assets	352,497,408	8,852,704	361,350,112
Total Assets	383,267,272	8,852,704	392,119,976
Net assets	364,503,424	8,852,704	373,356,128

	2022-2023 Balances	Impact Increase/ (decrease)	Adjusted 2022-2023 Balances
	\$	\$	\$
<b>Balance sheet</b>			
Accumulated surplus	118,996,864	8,852,704	127,849,568
Total Equity	364,503,424	8,852,704	373,356,128

<b>Statement of Changes in Equity</b>			
Accumulated surplus	118,996,864	8,852,704	127,849,568
Total Equity	364,503,424	8,852,704	373,356,128



## Notes to the Financial Report For the Year Ended 30 June 2024

### 8.6.3 Summary reconciliation of prior period adjustments

	2022-2023 Original Balances	Adjustment to derecognise assets	Adjusted 2022-2023 Balances	Adjustment to found asset	Restated 2022-2023 Balances
	\$	\$	\$	\$	\$
<b>Balance sheet</b>					
Property, infrastructure, plant and equipment	359,895,400	(8,457,654)	351,437,746	8,852,704	360,290,450
Total non-current assets	360,955,062	(8,457,654)	352,497,408	8,852,704	361,350,112
Total Assets	391,724,926	(8,457,654)	383,267,272	8,852,704	392,119,976
Net assets	372,961,078	(8,457,654)	364,503,424	8,852,704	373,356,128
Accumulated surplus	118,996,864	-	118,996,864	8,852,704	127,849,568
Revaluation Reserves	253,696,435	(8,457,654)	245,238,781	-	245,238,781
Total Equity	372,961,078	(8,457,654)	364,503,424	8,852,704	373,356,128
<b>Statement of Changes in Equity</b>					
Accumulated surplus	118,996,864	-	118,996,864	8,852,704	127,849,568
Asset Revaluation Reserve	253,696,435	(8,457,654)	245,238,781	-	245,238,781
Total Equity	372,961,078	(8,457,654)	364,503,424	8,852,704	373,356,128

## Note 9 OTHER MATTERS

	Balance at beginning of reporting period \$	Increase (decrease) \$	Balance at end of reporting period \$
<b>9.1 Reserves</b>			
<b>(a) Asset revaluation reserves</b>			
<b>2024</b>			
<b>Property</b>			
Land and land improvements	20,417,160	5,176,278	25,593,438
Buildings	29,075,158	16,109,452	45,184,610
	<b>49,492,318</b>	<b>21,285,730</b>	<b>70,778,048</b>
<b>Plant and Equipment</b>			
Cultural and heritage assets	1,541,200	-	1,541,200
<b>Infrastructure</b>			
Roads	128,267,477	-	128,267,477
Bridges	40,736,302	(135,407)	40,600,896
Footpaths and cycleways	3,034,881	-	3,034,881
Drainage	11,339,619	-	11,339,619
Parks, open space and streetscapes	7,386,277	2,043,122	9,429,399
Kerb and channel	3,423,614	-	3,423,614
Other infrastructure	17,093	-	17,093
	<b>194,205,264</b>	<b>1,907,715</b>	<b>196,112,979</b>
<b>Total asset revaluation reserves</b>	<b>245,238,782</b>	<b>23,193,445</b>	<b>268,432,227</b>
<b>2023 Restated</b>			
<b>Property</b>			
Land and land improvements	17,077,710	3,339,449	20,417,160
Buildings	26,318,582	2,756,576	29,075,158
	<b>43,396,292</b>	<b>6,096,026</b>	<b>49,492,318</b>
<b>Plant and Equipment</b>			
Cultural and heritage assets	1,541,200	-	1,541,200
<b>Infrastructure</b>			
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	5,706,357	1,679,920	7,386,277
Kerb and channel	2,954,641	468,973	3,423,614
Other infrastructure	17,093	-	17,093
	<b>172,922,113</b>	<b>21,283,151</b>	<b>194,205,264</b>
<b>Total asset revaluation reserves</b>	<b>217,859,605</b>	<b>27,379,177</b>	<b>245,238,782</b>

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

## Notes to the Financial Report For the Year Ended 30 June 2024

	Balance at beginning of reporting period \$	Transfer from accumulated surplus \$	Balance at end of reporting period \$
<b>(b) Other reserves</b>			
<b>2024</b>			
Open space reserve	267,778	85,210	352,988
<b>Total Other reserves</b>	<b>267,778</b>	<b>85,210</b>	<b>352,988</b>
<b>2023</b>			
Open space reserve	201,278	66,500	267,778
<b>Total Other reserves</b>	<b>201,278</b>	<b>66,500</b>	<b>267,778</b>

## Notes to the Financial Report For the Year Ended 30 June 2024

9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	2024 \$	2023 \$
Surplus/(deficit) for the year	(3,605,891)	6,771,007
<i>Non-cash adjustments:</i>		
Depreciation/amortisation	7,445,237	7,093,605
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(20,475)	(43,086)
Contributions - Non-monetary assets	(24,988)	(1,675,691)
Borrowing costs/Finance Cost	192,528	36,992
Share of net profits of associates	(1,764)	2,051
Other	216,883	259,821
 <i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(387,121)	(856,793)
Trust funds and other deposits received /(repaid)	133,332	271,704
(Increase)/decrease in prepayments	(337,493)	(4,537)
Increase/(decrease) in contract assets	(1,422,620)	(695,152)
Increase/(decrease) in trade and other payables	(1,726,110)	3,062,516
(Decrease)/increase in contract and other liabilities	(1,753,034)	(553,584)
(Increase)/decrease in inventories	(754)	1,415
(Decrease)/increase in provisions	(1,626,312)	(1,371,160)
<b>Net cash provided by/(used in) operating activities</b>	<b>(2,918,581)</b>	<b>12,299,108</b>

### 9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in 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 2024, this was 11.0% as required under Superannuation Guarantee (SG) legislation (2023: 10.5%)).

#### 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 the 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 for the Defined Benefit category as at 30 June 2023 was conducted and completed by 31 December 2023. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2023 was 104.1%. Council was notified of the 30 June 2023 VBI during August 2023.

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

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2023 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 2023 triennial actuarial investigation conducted by the Fund Actuary, Strathbogie Shire Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2024, this rate was 11.0% of members' salaries (10.5% in 2022/23). 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 2023 triennial 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 98% from 26 July 2024 (previously 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 2023 triennial actuarial investigation surplus amounts**

An actuarial investigation is conducted annually for the Defined Benefit category of which Strathbogie Shire 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. A full investigation was conducted as at 30 June 2023.

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

	<b>2023</b> <b>(Triennial)</b> <b>\$m</b>	<b>2022</b> <b>(Interim)</b> <b>\$m</b>
- A VBI Surplus	84.7	44.6
- A total service liability surplus	123.6	105.8
- A discounted accrued benefits surplus	141.9	111.9

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 2023.

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 2023.

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 2023.

## Notes to the Financial Report For the Year Ended 30 June 2024

### The 2024 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2024 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2024.

The VBI of the Defined Benefit category was 105.4% as at 30 June 2024. The financial assumptions used to calculate the 30 June 2024 VBI were:

Net investment returns	5.6% pa
Salary information	3.5% pa
Price inflation (CPI)	2.7% pa

Council was notified of the 30 June 2024 VBI during August 2024.

Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2024 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

### The 2020 triennial investigation

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of that investigation was:

	2020 Triennial investigation	2023 Triennial investigation
Net investment return	5.6% pa	5.7% pa
Salary inflation	2.5% pa for two years and 2.75% pa thereafter	3.50% pa
Price inflation	2.0% pa	2.8% pa

### Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2024 are detailed below:

Scheme	Type of Scheme	Rate	2024 \$	2023 \$
Vision super	Defined benefits	11.0% (2023:10.5%)	37,342	49,057
Vision super	Accumulation	11.0% (2023:10.5%)	546,019	578,434
Other funds	Accumulation	11.0% (2023:10.5%)	630,063	498,519

Council hasn't paid any unfunded liability payments to Vision Super in 2022/23 or 2023/24. Council does not expect to pay to the Defined Benefit category of Vision Super for the year ending 30 June 2025.

**Note 10 CHANGE IN ACCOUNTING POLICY**

There have been no changes to accounting policies in the 2023-24 year.

## **Strathbogie Shire Council**

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