

MURRINDINDI SHIRE COUNCIL 2021-22 ANNUAL REPORT



Murrindindi
Shire Council



CONTENTS

WELCOME	7	STRATEGIC OBJECTIVES	54
MURRINDINDI SHIRE SNAP SHOT	8	RESILIENT COMMUNITIES STRATEGIC OBJECTIVE 1	56
OUR HISTORY	10	BEAUTIFUL TOWNSHIPS AND RURAL SETTINGS STRATEGIC OBJECTIVE	62
COUNCIL SERVICES AND ROLES	11	GROWTH AND OPPORTUNITY STRATEGIC OBJECTIVE 3	68
OUR SHIRE	12	OUR PROTECTED ENVIRONMENT STRATEGIC OBJECTIVE 4	72
INDUSTRIES	12	TRANSPARENCY, INCLUSION AND ACCOUNTABILITY STRATEGIC OBJECTIVE 5	78
TOWNSHIPS AND LOCALITIES	13	LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK	88
FAST FACTS	14	REPORT OF OPERATIONS AND RESILIENT COMMUNITIES	90
COUNCIL VALUES	16	REPORT OF OPERATIONS BEAUTIFUL TOWNSHIPS AND RURAL SETTINGS	92
VISION	19	REPORT OF OPERATIONS GROWTH AND OPPORTUNITY	96
COUNCIL VALUES	20	REPORT OF OPERATIONS OUR PROTECTED ENVIRONMENT	97
HIGHLIGHTS FOR THE YEAR	22	REPORT OF OPERATIONS TRANSPARENCY, INCLUSION AND ACCOUNTABILITY	97
YEAR IN REVIEW 2021-2022	28	OUR COUNCIL	98
STATEMENT FROM THE MAYOR	30	FINANCIAL REPORT	110
STATEMENT FROM THE CEO	32		
COUNCILORS	34		
PORTFOLIOS	35		
FINANCIAL OVERVIEW 2021-2022	36		
MURRINDINDI CITIZENS OF THE YEAR AWARDS	40		
EXECUTIVE MANAGEMENT TEAM	42		
ORGANISATION STRUCTURE 21/22	46		
OUR WORKPLACE	48		
COUNCIL PLAN	52		

Acknowledgement of Country and First Nations Peoples

Murrindindi Shire Council is proud to acknowledge the Taungurung and Wurundjeri Woi Wurrung people as the traditional owners of the land we now call Murrindindi Shire.

We pay our respects to First Nations leaders and elders, past, present and emerging, who are the keepers of history, traditions, knowledge and culture of this land.

We commit to working in collaboration with traditional owners of this land in a spirit of reconciliation and partnership.





WELCOME

ABOUT THIS ANNUAL REPORT

In the Murrindindi Shire Council Annual Report 2021/22, we identify our achievements and challenges from 1 July 2021 to 30 June 2022. We report our progress against goals set out in the Murrindindi Shire Council Plan 2021-2025 and in the Annual Budget 2021/22.

The Report contains audited financial and performance statements, as required by the Local Government Act 2020. The Report is written for a variety of audiences, including government agencies, the community, ratepayers and businesses.



**MURRINDINDI
SHIRE **SNAP** SHOT**

OUR HISTORY

The Taungurung and Wurundjeri Woi Wurrung People are the traditional owners of the land known as Murrindindi Shire.

European settlement followed Hume and Hovell's overland exploration in December 1824. Many local towns were established during the 1850s and 1860s after the discovery of gold.

The Murrindindi Shire Council was declared on 18 November 1994 following the amalgamation of the former municipalities of Alexandra and Yea, and the addition of parts of the former municipalities of Healesville, Broadford, Eltham, Whittlesea and Euroa.

COUNCIL SERVICES AND ROLES

DEVELOPMENT SERVICES

- Building
- Planning
- Community safety
- School crossing
- Environmental health

OPERATIONS AND MAINTENANCE

- Road maintenance
- Parks maintenance
- Arborist services
- Facilities maintenance
- Saleyards management
- Plant and fleet management

SUSTAINABILITY AND ASSETS

- Capital works
- Asset engineering
- Environmental and climate change programs
- Recycling and waste management
- Resource recovery centres

CUSTOMER EXPERIENCE

- Customer service
- Library services including yea, kinglake, alexandra and the mobile library
- Communications and social media

TOURISM AND EVENTS

- Business partnerships
- Events management

TOURISM SUPPORT SERVICES

- Visitor information support services

COMMUNITY WELLBEING

- Children and family services – including family day care
- Community engagement
- Youth and recreational development
- Public health and wellbeing
- Access and inclusion
- Maternal child health services
- Grants management and support

BUSINESS SERVICES

- Financial management
- Information management
- Information technology
- Rates and revenue

GOVERNANCE AND RISK

- People and culture
- Insurance management
- Procurement and contract management support
- Occupational health and safety
- Integrity and governance including foi and privacy
- Council governance support
- Executive office support
- Council property leases and licences

EMERGENCY MANAGEMENT AND BUSINESS CONTINUITY

OUR SHIRE

3,879km²
48% Crown Land

15,197
Population

Seven
Councillors

10,406
Rateable Properties
(30/06/2022)

496km
Sealed Roads (2022)
45,000m² of carparking areas

749km
Unsealed Roads (2022)
658km (Council maintained)

INDUSTRIES

-  **Agriculture, Forestry and Fishing \$260M**
(19.8% of local economy)
-  **Construction \$206M** (15.8% of local economy)
-  **Rental, Hiring and Real Estate Services \$165M**
(12.6% of local economy)
-  **Manufacturing \$119M** (9.1% of local economy)
-  **Accommodation and Food Services \$74M**
(5.6% of local economy)
-  **Public Administration and Safety \$73M**
(5.6% of local economy)
-  **Education and Training \$63M** (4.8% of local economy)

TOWNSHIPS AND LOCALITIES



FAST FACTS



139
Birth notices



431
Maternal and child health consultations



4,434 tonnes
Garbage collected



333
Increase in number of rateable properties



2,897
Current dog registrations



29
Playgrounds maintained



496km
Sealed roads maintained



329
Planning permits lodged



692
Current cat registrations



1,500 tonnes
Waste diverted from landfill



749km
Unsealed roads maintained



87km of Rail Trail
Footpaths maintained



1,500 tonnes
Recycling collected



11 Ovals
(200 Acre of mowing)
Parks and reserves maintained



100km of Walking Paths
Footpaths maintained



568
Immunisations administered



329
Planning applications processed



63,468
Library items borrowed



34
Public amenities managed

COUNCIL VALUES





VISION

Our Community Vision describes our community's long-term hopes, dreams and aspirations for Murrindindi Shire. This Vision belongs to both Council and the Murrindindi Shire community and can only be realised through our partnership and collaboration.

Through our combined efforts, our community is vibrant and resilient.

We:

- are inclusive, embrace diversity and encourage the participation of all
- welcome new residents and visitors to enjoy and contribute to our shire
- respect and celebrate the cultural heritage of our First Nations People and those who have come before us
- actively support the current and future needs and aspirations of people of all ages and abilities
- enjoy, participate in and promote culture and the arts, sport and recreation
- are leaders in waste reduction and combating climate change
- protect our natural environment and biodiversity and preserve our rural landscapes
- grow through managed land development, business entrepreneurship and enhancing learning opportunities

COUNCIL VALUES

Upon being elected in October 2020, the seven Murrindindi Shire Councillors established a new Code of Conduct and committed to carrying out their roles in accordance with the following values:

INTEGRITY

We will always act with honesty and integrity and demonstrate high standards of professionalism. We will:

- be open and honest in all dealings with community, other councillors and with staff
- follow through on commitments
- represent our views truthfully
- support one another and staff if treated unfairly or without respect
- be open to constructive feedback
- accept responsibility for mistakes, treating them as a learning opportunity.

LEADERSHIP

We will strongly represent and advocate on behalf of the community and exercise courage in our leadership and decision-making.

We:

- welcome the opinions of the community and respect their right to be heard
- champion issues on behalf of the community in a constructive and timely manner
- advocate the interests of the local community to other communities and governments
- take pride in representing the community and the municipality
- make decisions based on the perceived best interests of the entire municipality
- present council as a cohesive and effective working unit
- act without fear or favour.

RESPECT

We:

- respect the views, contributions, feelings, wishes and rights of others
- actively seek to understand others experiences, ideas and perspectives
- embrace and appreciate diversity of origin, viewpoint, experience and lifestyle
- recognise the achievements of others.

COLLABORATION

We:

- operate cohesively
- work together with the community through accessible and inclusive engagement
- strive to build effective working relationships.

INCLUSION

We will value the contribution and individuality of others and commit to develop open and positive working relationships.

We:

- foster community cohesion and encourage active participation within the community
- embrace each other's differences, values, culture and perspectives
- commit to early advice and 'no surprises'
- freely share information and knowledge with one another
- cooperate, collaborate with and encourage others
- be objective and flexible and willing to compromise
- ensure council decisions are focussed on the best outcomes for the entire municipality.

ACCOUNTABILITY AND HONESTY

We:

- make our decisions openly and publicly whenever possible
- take responsibility for our actions and decisions
- honour our commitments
- act with integrity and honesty in all our dealings
- openly report our performance and acknowledge our mistakes.

INITIATIVE

- we aim to achieve continuous improvements in performance and the highest standards and outcomes for the murrindindi shire. in doing so, we will
- question the way things have been done in the past
- always look for better ways to work together and to achieve outcomes on behalf of the community
- be result and outcome focused at all times
- encourage a positive culture focused on results and high quality customer service
- strive to exceed community expectations
- adopt straightforward and realistic approaches
- acknowledge good results to staff when noticed.



A photograph of two cyclists riding on a gravel path. The cyclist in the foreground is wearing a light blue long-sleeved shirt, black leggings, and a blue and white helmet. The cyclist in the background is wearing a dark jacket and a dark helmet. The path is surrounded by trees and a steep, rocky hillside. The lighting is warm, suggesting late afternoon or early morning. A dark blue banner with white and orange text is overlaid on the left side of the image.

HIGHLIGHTS FOR THE YEAR

HIGHLIGHTS FOR THE YEAR

2021

JULY

- Supported NAIDOC Week events at the Yea Wetlands Discovery Centre.
- The Murrindindi Shire 10-Year Community Vision was adopted by Council.
- Council's 'Connecting the Pieces' COVID-19 community initiative was completed with around 650 puzzle pieces.



- Participated in the Plastic Free July challenge, encouraging residents to look at ways to reduce single use plastics in their everyday lives.
- Murrindindi Library Service took part in the statewide 'Return Yourself to the Library' campaign aimed at getting the community back to our libraries, following COVID-19 lockdowns.

AUGUST

- Engaged with community on its draft Council Plan 2021-2025.
- Launched a revamped Grants and Contributions Program.

SEPTEMBER

- Adopted the Waste and Resource Recovery Strategy Rethink, Reduce, Reuse, Recycle.
- \$1.2 million funding was announced through the Victorian Government Regional Tourism Investment Fund for Murrindindi, Mitchell and Mansfield Shire Councils to create large-scale art installations along the Great Victorian Rail Trail.

OCTOBER

- Adopted the Council Plan 2021-2025 and Municipal Public Health and Wellbeing Plan 2021-2025.
- Supported Birdlife Australia's annual Aussie Backyard Bird Count with 15,549 birds and 146 different species recorded by Murrindindi Shire residents during the one-week period.
- \$1.77 million funding was announced through the Victorian Government's Regional Tourism Investment Fund for the construction of the 2.6km Blue Gums to Eildon Recreational Trail.

DECEMBER

- \$1.05 million funding was announced from the Victorian Government to add to Council's \$500,000 to redevelop the Alexandra Rotary Park and Visitor Activity Precinct.
- Completed the \$1.92 million redevelopment of the Kinglake Streetscape, with funding support from the Australian Government's Building Better Regions Fund and from Regional Development Victoria.
- Final round of community feedback received on the Eildon Splash and Skate Park design.
- Murrindindi Shire Youth Leadership Program participants went on camp to Anglesea to learn new skills and spend some time together as part of their program.

NOVEMBER

- Cr Sue Carpenter was elected Mayor of Murrindindi Shire Council and Cr Damien Gallagher was elected Deputy Mayor, both for a 12-month term.
- Conducted a Community Communication Preferences Survey to gain a better understanding of how the community wants to receive Council news and information, with 241 surveys completed.
- Supported 16 Days of Activism against Gender-Based Violence campaign.
- Participated in Australia's largest sustainability and community festival, the Garage Sale Trail.



HIGHLIGHTS FOR THE YEAR

2022

JANUARY 22

- Australia Day events were held across the Shire, with Murrindindi Shire Citizen of the Year – Sam Hicks, Senior Citizen of the Year – Margaret Hale and Young Citizen of the Year – Riley Thomas awarded.
- Held initial consultations to inform the development of Council's Climate Action Plan.

FEBRUARY 22

- Launched the Community Planning Project in Eildon with a community BBQ at Walter Moore Reserve.

- The Yea Recreation Reserve Lighting Upgrades were officially opened by Parliamentary Secretary for Sport and Regional Victoria, MP Danielle Green.



- Helped pop-up cinemas in Kinglake and Eildon with funding from the Victorian Government's Outdoor Activation Fund.

MARCH 22

- Supported Clean Up Australia Day events across the Shire.
- Murrindindi Shire officially became a Refugee Welcome Zone.

- Recorded the highest visitor numbers in 14 years at Council's swimming pools, with almost 28,000 visits to the pools for the season.



- Launched a range of COVID-19 business recovery initiatives to support Murrindindi Shire businesses, including the Dindi Business Hub.

- Held the annual Murrindindi Children's Network Early Years Conference in Eildon.



APRIL 22

- Consultations held to inform the development of Council's Murrindindi Library Service Strategy and Action Plan 2022-2026.



- \$400,000 funding was announced from the Victorian Government as part of the Victorian Forestry Transition Plan, to prepare a Local Development Strategy to help our communities transition to new and sustainable industries.



MAY 22

- Ran a 'Thank You Volunteers' campaign to celebrate National Volunteer Week.



- Took part in a joint tender process for waste and recycling services with councils across North-East Victoria, in preparation of Council implementing the Victorian Government's circular economy policy.

JUNE 22

- Appointed artists and selected locations for The Great ARTdoors Project, which will see art installations created along the Great Victorian Rail Trail.
- Adopted the 10-Year Asset Management Plan.
- Launched the new online events calendar for both community and tourism events.



**YEAR IN
REVIEW**
2021-2022

STATEMENT FROM THE MAYOR

I am pleased to present to the community our Annual Report for 2021/2022 – the first Annual Report on the Council Plan 2021-2025.

Many of us felt the last twelve months would see a return to normal life, post-pandemic. While this has been true for some, others in our communities, including those running businesses in our Shire, could be forgiven for thinking we still have a way to go. Despite the challenges we have faced, I am immensely proud of the resilience shown by our community and Council, and what we have been able to achieve together.

In July 2021, we were thrilled to adopt Murrindindi Shire's 10-Year Community Vision. The Vision reflects the community's long-term aspirations for the Shire and provides important guidance and direction for Council's work. It gives Council and the community a shared understanding of the future we hope for and want to work together to achieve.

The Vision also helped to inform the direction of our Council Plan 2021-2025 and our Municipal Public Health and Wellbeing Plan 2021-2025, which were both adopted in October.

The Council Plan outlines shared goals for the future of Murrindindi Shire and has provided us with concrete and achievable actions for Council to deliver, under five strategic themes

- **Resilient Communities**
- **Beautiful Townships and Rural Settings**
- **Growth and Opportunity**
- **Our Protected Environment**
- **Transparency, Inclusion and Accountability.**

We've made a great start on these actions during 2021/2022 and will continue to work hard to deliver on the Plan over the coming years.

Our commitment to protecting our environment has led to some key actions during the period, including the adoption and initial implementation of our Waste and Resource Recovery Strategy, 'Rethink, Reduce, Reuse, Recycle'. Council took a Climate Change Pledge, with work commencing on Climate Change Policy and Climate Action Plan.

We made a start on our Reconciliation Action Plan, with a Council commitment to work in collaboration with the Taungurung and Wurundjeri Woi Wurrung people in a spirit of reconciliation and partnership.

In November, I was honoured to be elected Mayor of Murrindindi Shire Council for a 12-month term. I've been extremely grateful to work alongside outgoing Mayor, Cr Sandice McAulay and Deputy Mayor Cr Damien Gallagher, and my other fellow Councillors during the period.

We also joined 52 other Victorian councils, declaring Murrindindi Shire as a Refugee Welcome Zone. This means as a Shire, we welcome refugees into the community, uphold their rights and demonstrate compassion for refugees, as well as enhancing cultural and religious diversity. I was thrilled to be able to give real meaning to this declaration through Council's support for a visit by a group of young Ukrainian refugees to our Shire for a Youth Winter Camp and Refugee Week lunch.

Importantly, we maintained a strong financial position with healthy cash flow and low liabilities, ending the year with no debt from borrowings, representing the lowest level of debt Council has held in over a decade. Our advocacy efforts continued during the year and we were successful in gaining funding to deliver a range of important projects, including:

- **\$1.77 million through the Victorian Government's Regional Tourism Investment Fund to construct the 2.6 kilometre Blue Gums to Eildon Recreational Trail.**
- **\$1.2 million through the Victorian Government's Regional Tourism Investment Fund to create large scale art installations along the Great Victorian Rail Trail, in partnership with Mitchell and Mansfield Shire Councils.**
- **\$1.05 million from the Victorian Government to redevelop the Alexandra Rotary Park and Visitor Activity Precinct.**
- **\$500,000 through the Victorian Government's Investment Fast Track Fund to enable planning, consultation and detailed designs to construct the remaining 15 kilometres of Skyline Road.**
- **\$400,000 as part of the Victorian Government's Forestry Transition Plan to prepare a Local Development Strategy.**
- **\$270,000 through the Victorian Government's Free From Violence Local Government Program to increase awareness and understanding of the drivers of family violence and violence against women.**
- **\$300,000 through the Victorian Government's COVID Safe Outdoor Activation Fund to create outdoor activations and semi-permanent/permanent outdoor precincts.**
- **\$1 million, in partnership with Mansfield, Strathbogie Shire Councils and Benalla Rural City Council, through the Victorian Government's Rural Councils Transformation Program for new digital technology to enhance the interactions our community has with us.**
- **\$2 million through the third round of the Australian Government's Local Roads and Community Infrastructure Fund to deliver a range of projects across the Shire.**
- **\$452,400, in partnership with Mansfield and Strathbogie Councils, through the Australian Government's Preparing Australian Communities Program to employ a shared emergency management planning officer to develop Local Emergency Action Plans.**

As we reflect on the last twelve months, there is much to be proud of. On behalf of all Councillors, I would like to pass on my thanks to Council officers who have worked so hard to deliver services, projects and initiatives for our community throughout the year, while still experiencing COVID-related staff shortages and the difficulties in attracting new skilled staff that many businesses are currently experiencing. And, as always, my thanks go out to our community for their participation, engagement, support and trust.

I look forward to building on the momentum we have created this year to make Murrindindi Shire an even better place to live, grow, work and play.



Cr Sue Carpenter,
Mayor
Cheviot Ward

STATEMENT FROM CEO

I am pleased to present to the community some of our key achievements for the year, under the five strategic themes and objectives of our Council Plan 2021-2025. Despite ongoing challenges presented by COVID-19, I'm extremely proud of the work that has been accomplished. I would like to thank the community, Councillors and Council officers for their ongoing commitment to making our Shire the best place it can be.

RESILIENT COMMUNITIES

To ensure we are welcoming, inclusive, caring and connected.

We celebrated and supported a range of significant events and campaigns throughout the year, including NAIDOC Week, National Volunteer Week, Plastic Free July and 16 Days of Activism against Gender-Based Violence. We launched a new online events calendar designed to promote both tourism and community events, and our Grants and Contributions Program was revamped to better suits the needs of our community. We commenced work on two important plans - development of a Reconciliation Action Plan and a 5-year Library Strategy and Action Plan. We also adopted our Domestic Management Plan 2021-2025. Our focus on programs and pathways for young people continued, with a variety of youth programs and workshops, including our Youth Leadership Program. We launched Community Planning in Eildon and continued to advocate for improved access to health and wellbeing services in our Shire.

BEAUTIFUL TOWNSHIPS AND RURAL SETTINGS

To create a better place for our community and visitors to live in harmony with our rural character, natural beauty and heritage.

We completed the \$1.92 million Kinglake Streetscape Renewal Project and finalised schematic designs for the Kinglake West – Pheasant Creek Streetscape Project, ready to apply for funding. We finalised the designs for Alexandra Rotary Park and Visitor Activity Precinct and the Blue Gums to Eildon Recreational Trail, and were successful in gaining the required funding to construct both projects in 2022/2023. We also secured funding in partnership with Mansfield Shire Council, to work on the detailed designs to construct the remaining 18 kilometres of Skyline Road to improve access for visitors and locals travelling between Eildon and Bonnie Doon.

GROWTH AND OPPORTUNITY

To prioritise and promote a culture in which the economy, businesses and community can grow and thrive.

We partnered with Mansfield and Mitchell Shire Councils to secure funding and commence delivery of the Great Victorian Rail Trail Art Installation Project. We continued to support businesses through implementation of the COVID-19 Business Recovery Plan, including creation of the Dindi Business Hub, COVID Safe Outdoor Activation initiatives, and business workshops and promotional campaigns through Tourism North East. We secured funding for a Local Development Strategy to help our communities transition away from native forest timber harvesting towards new and sustainable industries. We also continued our advocacy efforts for the delivery of other priority projects identified in the Lake Eildon Masterplan.

OUR PROTECTED ENVIRONMENT

To protect and enhance our natural environment, supporting environmental sustainability, community resilience, innovation and adaptation to climate change to achieve net-zero emissions by 2035.

We adopted our Waste and Resource Recovery Strategy, 'Rethink, Reduce, Reuse, Recycle' and started implementing actions. We also took part in a joint tender process for waste and recycling services with councils across North-East Victoria, in preparation of implementing the Victorian Government's circular economy policy. We confirmed our commitment to taking action on climate change by making a Climate Change Pledge. We also commenced work on development of a Climate Action Policy and Climate Action Plan, with initial input gained from the community and stakeholders.

TRANSPARENCY, INCLUSION AND ACCOUNTABILITY

To ensure our services, people and systems deliver the best possible outcomes for our communities now and into the future.

We developed an advocacy plan to effectively represent the interests of the community to state and federal governments, which was of particular importance with a federal government election in May and a state election to be held later this year. We were successful in receiving funding to deliver a number of key projects. We also consulted with our community to find out their preferences on how they would like us to hear from us on Council news and information.

The feedback received from the 241 survey respondents will help us to make changes to improve the way we communicate with our community. In partnership with Mansfield and Strathbogie Shire Councils and Benalla Rural City Council, we were successful in gaining funding to implement new digital technology for records management, financial management, customer relationship management, and property and rating systems to enhance the interactions our community has with us.



Livia Bonazzi
CEO

COUNCILORS



Cr Sue Carpenter
Mayor
Cheviot Ward



Cr Damien Gallagher
Deputy Mayor
Red Gate Ward



Cr Sandice McAulay
Cathedral Ward



Cr Eric Lording
King Parrot Ward



Cr Ilona Gerencser
Kinglake Ward



Cr John Walsh
Koriella Ward



Cr Karine Haslam
Eildon Ward

PORTFOLIOS

Each Councillor, with the exception of the Mayor, is responsible for a specific 'portfolio' which focuses on a functional area/s of Council.

This allows each Councillor to maintain a close relationship with staff managing issues associated with their portfolio and to report to Council meetings on points of interest that fall within that portfolio.

COUNCILLOR	PORTFOLIO	APPOINTED
Cr Eric Lording	Planning and Compliance	17 November 2021 to current
Cr Sandice McAulay	Community Assets and Emergencies	17 November 2021 to current
Cr Sue Carpenter - Mayor	Mayor	17 November 2021 to current
Cr Damien Gallagher	Community Engagement and Wellbeing	17 November 2021 to current
Cr Ilona Gerencser	Tourism, Events and Business Support	17 November 2021 to current
Cr Karine Haslam	Resource Recovery and Environment	17 November 2021 to current
Cr John Walsh	Corporate and Governance	17 November 2021 to current

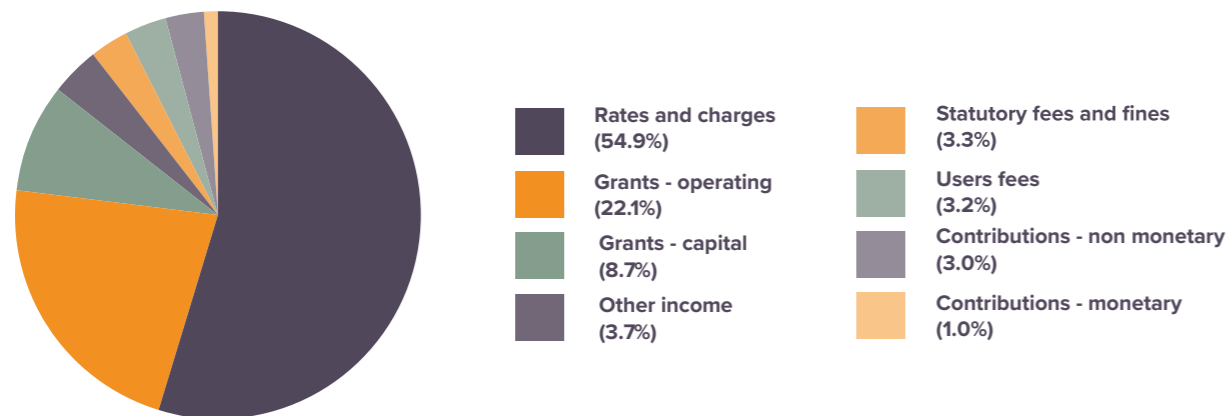


FINANCIAL OVERVIEW 2021-2022

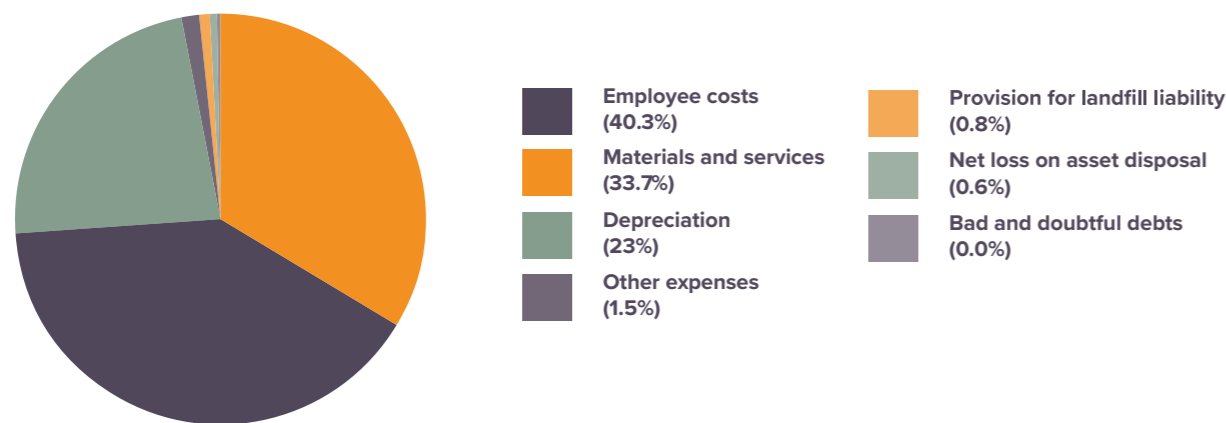
FINANCIAL OVERVIEW

2021-2022

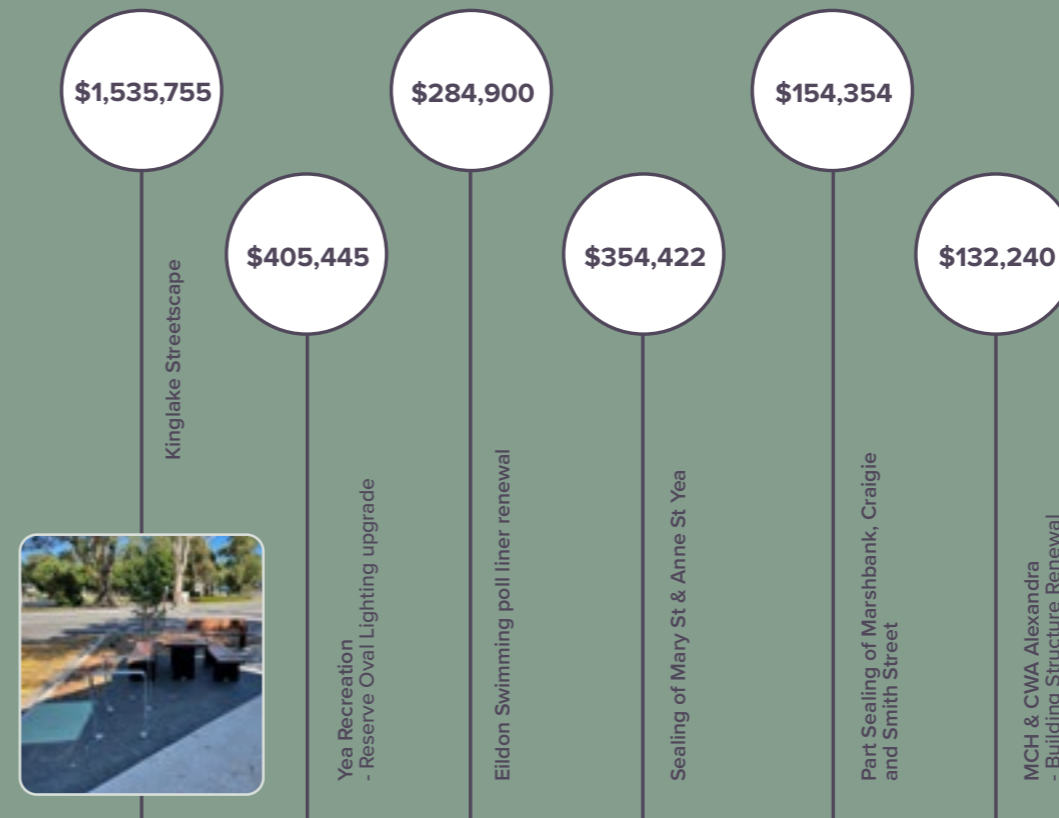
INCOME BREAKDOWN (\$40,240,422)



OPERATING EXPENDITURE BREAKDOWN (\$36,652,735)



MAJOR CAPITAL WORKS



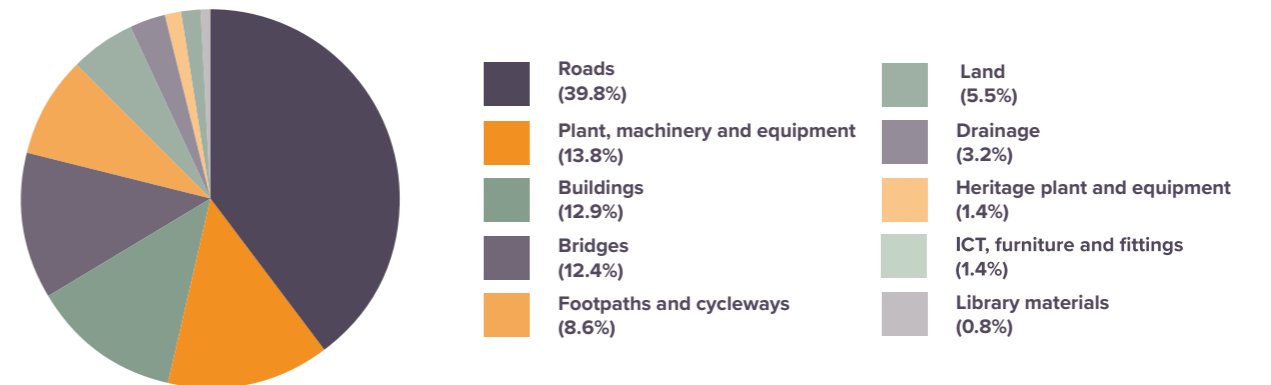
\$12.4M

Worth of Capital projects were undertaken during 2021-22

\$7.8M

Works still in progress, more information on Council's Capital works and expenditure can be found in the Financial Statements within this report

CAPITAL EXPENDITURE BREAKDOWN (\$12,328,620)



MURRINDINDI CITIZENS OF THE YEAR AWARDS

On Australia Day, Murrindindi Shire Council presented the following awards to citizens in our community to acknowledge and reward their community service.

The 2021-2022 awards were presented to:



CITIZEN OF THE YEAR SAM HICKS

Sam has been instrumental in applying for and coordinating a number of grants for renovations and improvements at the Fawcett Hall over the years. Sam was also involved in the Marysville Visitor Information Centre and the Marysville World's Longest Lunch for a number of years and has volunteered her time to work with many local groups. Most recently, Sam has played an integral part in getting the Alexandra Indoor Heated Pool Inc. up and running.



SENIOR CITIZEN OF THE YEAR MARGARET HALE

Marg has been involved in groups such as the Kinglake Neighbourhood House, Kinglake Historical Society, Kinglake Neighbourhood Watch, Kinglake Ranges Op Shop, Cubs and Scouts, as well as a number of sporting clubs. Following the 2009 bushfires, Marg was instrumental in the Kinglake Historical Society recovery activities, including the Kinglake Heritage Trail, Honour Boards and the establishment of the Kinglake Heritage Centre.



YOUNG CITIZEN OF THE YEAR RILEY THOMAS

Riley is passionate about working with and helping young people in our Shire. She volunteers with the Marysville Brownie Guides and Marysville Saddle Tramps. She has also been involved in getting her local gym back up and running again.



EXECUTIVE MANAGEMENT TEAM

EXECUTIVE MANAGEMENT TEAM

LIVIA BONAZZI

CHIEF EXECUTIVE OFFICER

Livia commenced in the role of Chief Executive Officer at Murrindindi Shire Council in June 2021. Before taking on this role, Livia was the General Manager Strategy and Planning for 4 years and Strategy and Innovation for 2 years at Western Water.

Livia has over 20 years' experience in senior executive roles, in both private and public sector positions and spanning a diverse range of disciplines, including strategy, governance, planning, asset management and customer service.

Livia holds a Master in Business Administration and Bachelor Degrees in Arts, Architecture and in Planning and Design. Livia completed the Australian Institute of Company Directors Course.



VITO ALBICINI

DIRECTOR ASSETS AND DEVELOPMENT

Vito Albicini has worked in local government for 25 years, with experience working at both metropolitan and rural councils. Vito has more than 30 years' experience in civil engineering. He has a strong commitment to provide exceptional customer service and deliver great outcomes for the community.

Vito leads the Assets and Development Division which includes Community Assets, Development Services and Environmental Sustainability.



MICHAEL CHESWORTH

DIRECTOR CORPORATE AND SHARED SERVICES

Michael has been with Murrindindi Shire Council since 1997 when he was first appointed as Manager of Organisational Development. Since that time he has held several senior executive roles and was heavily involved in the recovery and reconstruction efforts following the 2009 bushfires that devastated the municipality.

Michael has significant local government experience and has performed an Acting CEO role on several occasions for the Council. His current role oversees the Corporate Services Division, which includes Business Services (corporate finance, information technology and management) and Governance and Risk (corporate governance, risk management and human resources).



SHIVAUN MURPHY (BROWN)

DIRECTOR COMMUNITY ENGAGEMENT

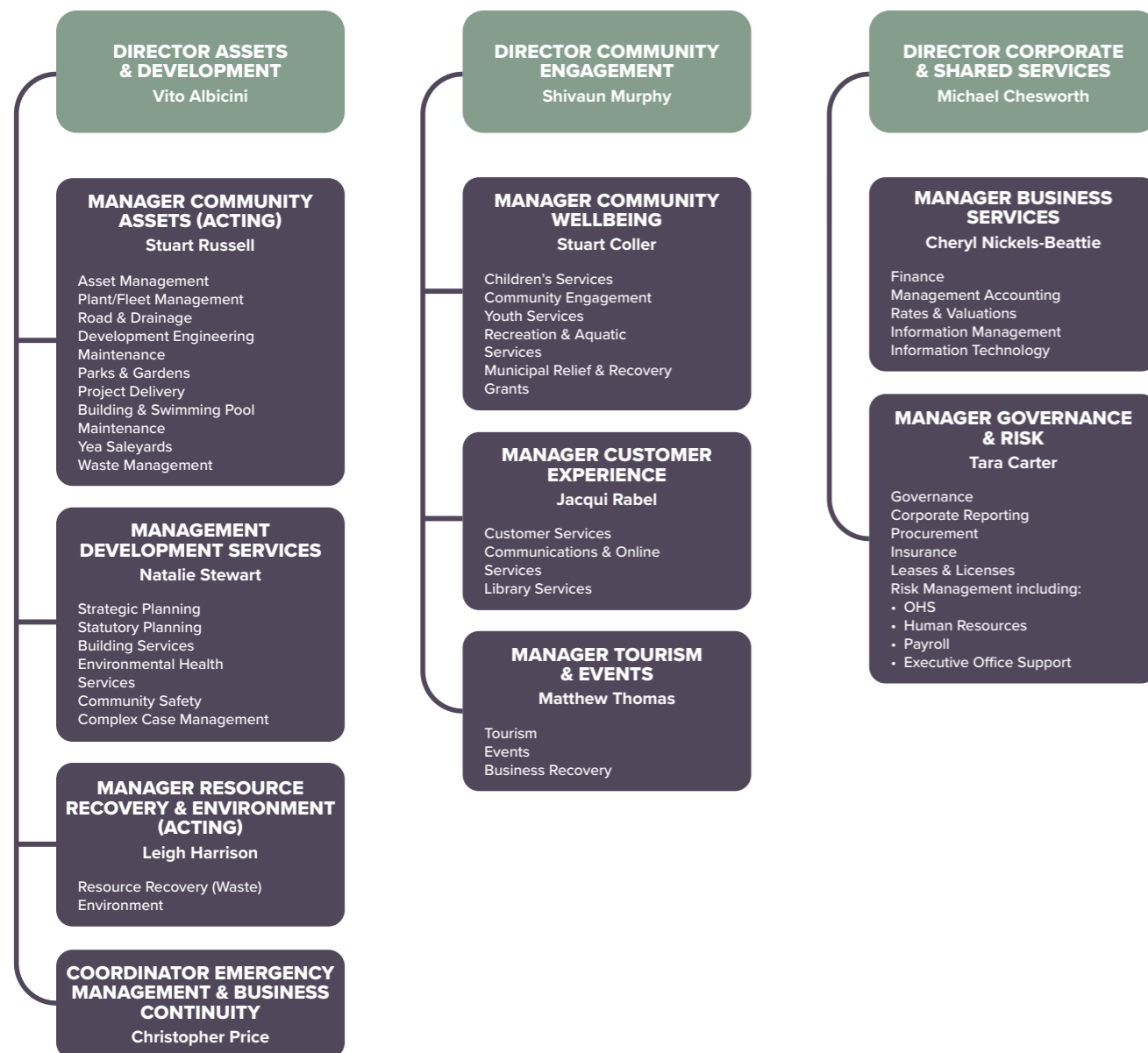
Shivaun commenced with Council in October 2015 as the Manager Development Services. Having owned and operated two businesses of her own, coupled with a strong background in Economic Development and Tourism in the local government sector, she brought a customer-focused approach to regulatory services.

Shivaun stepped into the role of Director Community Engagement in November 2018, overseeing delivery of Community Wellbeing, Customer Experience, Tourism and Events and Business Development.

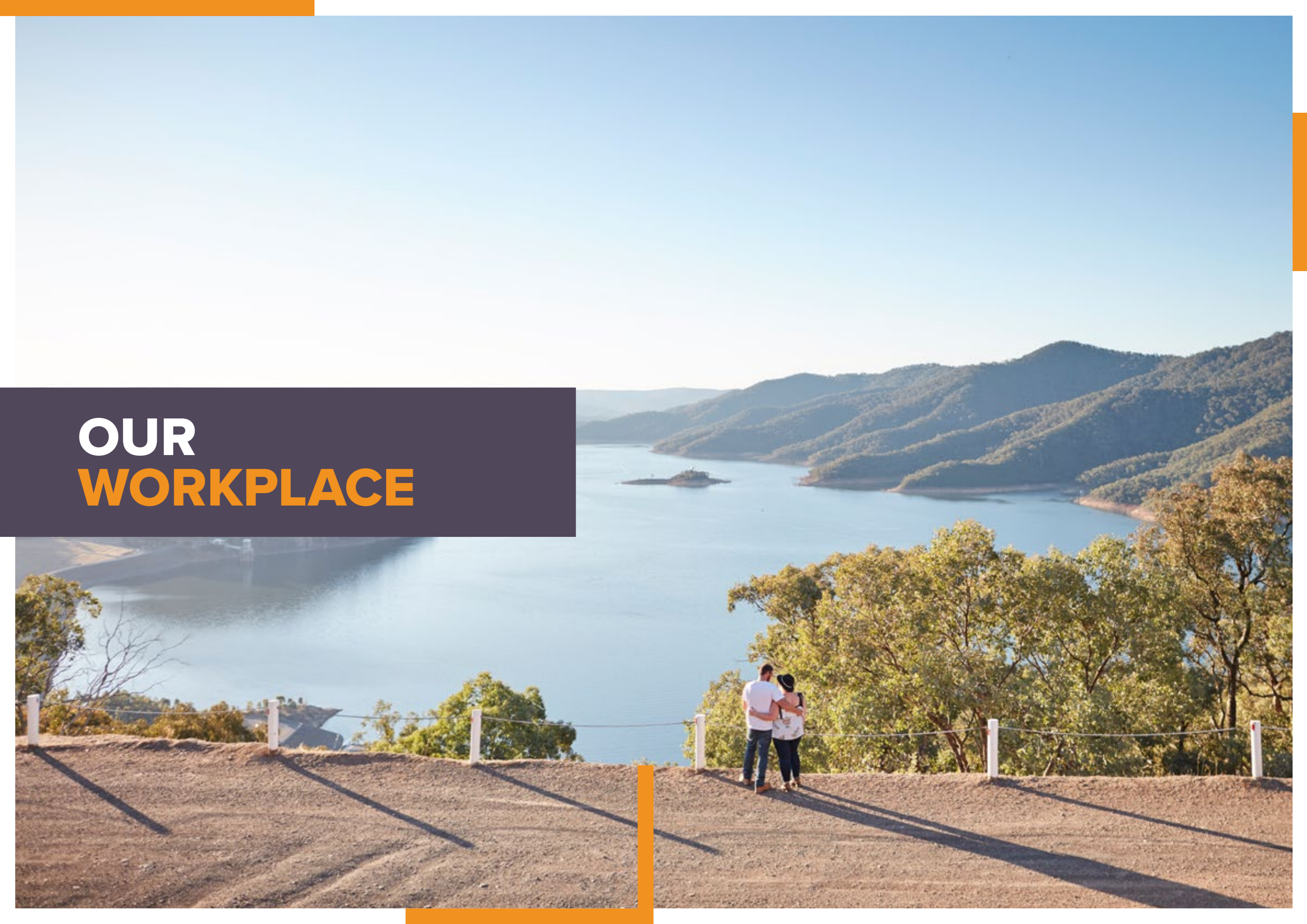


ORGANISATION STRUCTURE 21/22

CHIEF EXECUTIVE OFFICER
Livia Bonazzi

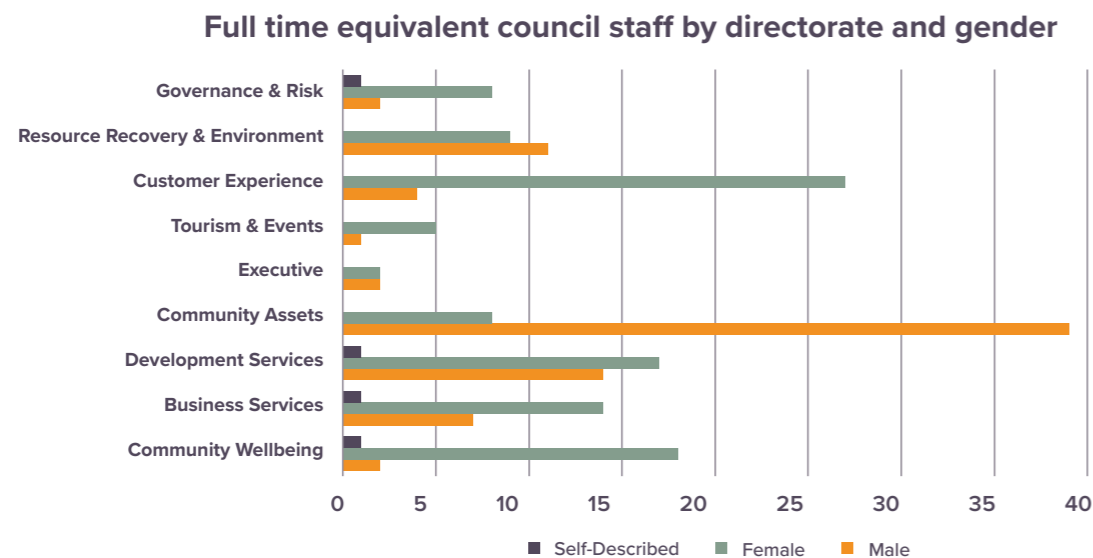
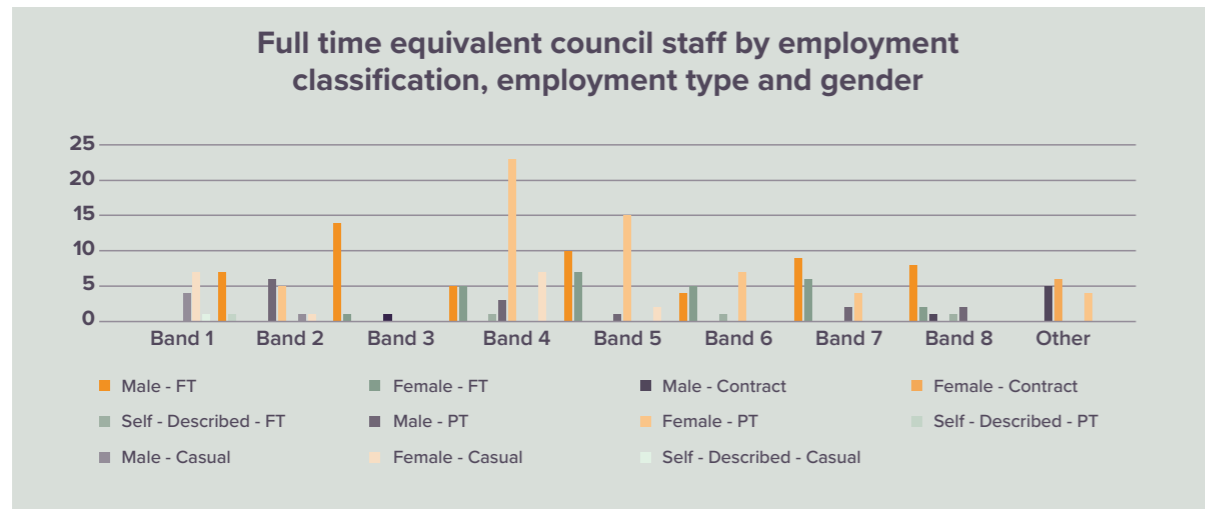


OUR WORKPLACE



OUR WORKPLACE

The following charts display the number of Full Time Equivalent (FTE) employees categorised by employment classification, directorate and gender.



Council has continued its focus on gender equity as a key area to strengthen and diversify our workforce, with the launch of its Gender Equality Action Plan. This plan will see us further focus on building employee awareness of gender related issues and eliminating unhelpful bias, attraction and retention of a gender-diverse workforce and zero tolerance for unacceptable behaviours such as discrimination, sexism and bullying. The plan also extends to matters related to eliminating violence and increasing both physical and psychological safety in the workplace. We recognise the opportunities to make shifts in gender representation in some fields of work such as Community Assets and Customer Service and some types of employment such as Casual and Part Time.

The attraction and retention of an engaged and skilled workforce remains a priority and during the year our work has progressed on our next Enterprise Agreement. 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. This has been further supported by establishing a Wellbeing Committee that periodically meets to explore, design and deliver initiatives that foster employee wellbeing.

EQUAL EMPLOYMENT OPPORTUNITY (EEO)

Murrindindi Shire 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
- an environment where diversity is embraced and employment and promotion decisions are merit-based
- flexible work arrangements to encourage full participation in the workplace
- an organisation that recognises its duty to act responsibly within the community
- a workplace where individuals can raise concerns without fear of victimisation

Council adopted its Equal Opportunity Policy on 27 May 2020. The Policy outlines a series of Council commitments, Leadership Team commitments and sets standards for all staff, contractors and volunteers.

OCCUPATIONAL HEALTH AND SAFETY

In 2021/22 Murrindindi Shire Council actively implemented a range of health and safety initiatives and training courses to ensure the safety of our staff, volunteers, contractors and members of the public remains a priority.

As part of our training initiatives, 26 training modules were allocated to staff using Council's e-learning program. There were 673 certificates of completion issued for these courses in 2021/22.

Thirty additional training and professional development programs were held for staff to gain required skills and knowledge to assist them in their day-to-day operations, some of these included:

- Emergency Warden Training
- Introduction to Local Government
- First Aid including mental health
- Lone Worker Training
- Initial OHS Inductions - for 70 new staff
- Pool Staff Policy Training
- Managing Conflict
- OHS Managers Refresher training
- Public Contractor Management Training
- Virtual Ergonomic Assessments/Training

During the 2021/22 year, some staff continued working from home. To ensure that staff are working safely no matter the environment we conducted 92 virtual ergonomic assessments. We also conducted risk assessments for all business units that have lone or remote workers and are in the process of developing a policy and procedure to provide guidance for supporting these workers.

23

Workplace inspections

11

Hazards actioned

2

Hazards outstanding

COUNCIL PLAN

The Murrindindi Shire Council Plan 2021-2025 includes five strategic directions which drive the priority actions for Council over the duration of the plan. Each of the five directions has strategic objectives sitting below and indicators for monitoring achievement of these objectives.

Our five strategic directions are represented in the diagram below with our Community Vision at the centre of what we do. We acknowledge that all our efforts to deliver a 4-year Council Plan must be with our community and their future in mind.



Each year, an Annual Action Plan is adopted by Council to support the delivery of the strategies. We report quarterly on progress against these actions and finally as part of the Annual Report.



STRATEGIC OBJECTIVES

The following sets out our progress over the 2021/22 year against each of the strategic objectives set out in the 2021-2025 Council Plan.

Each of the strategic objectives sits within one of our five strategic directions, each strategic objective has strategic indicators which assist us to measure our progress.

Strategic Objective 1

RESILIENT COMMUNITIES

Objective: To ensure we are welcoming, inclusive, caring and connected.

WHAT WE AIM TO ACHIEVE: (Strategies)

1. Celebrate the community's vibrant, diverse and creative people	
WHAT WE DID (ACTIONS)	COMMENTS
1. Implement an annual calendar that recognises national days and weeks that Council will acknowledge, endorse and promote	During the year we celebrated 55 advocacy days on our social media platforms, and ran activities for other projects including: International Women's Day, Clean up Australia Day, and International Day of People with a Disability.
2. Continue to celebrate the contribution of Murrindindi Shire volunteers at an annual event	We ran the "Thank You Volunteer" campaign profiling 52 community members who volunteer across 34 community groups, with 1,700 views and visits to the Loop project page. We coordinated with volunteer groups three pop-up kiosks promoting the benefits of volunteering and distributed 1,000 free calico bags to celebrate volunteer contributions.
3. Deliver the Grants and Contributions Program to support Council and community priorities	A slower application rate to the Grants and Contributions Program has been experienced due to COVID-19 restrictions and Chief Health Officer Directions. We saw an increase to the application rate in the 3rd quarter with the lifting of restrictions and the community has taken the opportunity to deliver projects and events celebrating the ability to reconnect.
2. Deliver, support and promote opportunities for all people to connect with each other collaborate and plan for our future	

WHAT WE DID (ACTIONS)	COMMENTS
1. Continue to deliver Council's COVID-19 Community Recovery Plan, including implementing a calendar of events to support community and not-for-profit groups, delivering initiatives to improve mental health outcomes, continuing to communicate COVID-19 information as appropriate	Our DindiLink program supported 87 people to link to health and wellbeing services including aged care, disability, housing, financial, and mental health services. We supported mental health awareness with five screenings of the 'Happy Sad Man' documentary with 148 people attending. The 2021-2025 Municipal Public Health and Wellbeing Plan was designed and delivered in collaboration with community and the Murrindindi Shire Health and Wellbeing Consortium.
2. With input from our community, develop a 5-year Library Strategy and Policy which will assist our people to connect and be included in community life	We have completed a draft Library Strategy 2022-2026 and Action Plan, following a widespread community engagement project, aimed at seeking input from library users (and non-users) into the future direction of our library service.
3. Commence the development of a Reconciliation Action Plan for Council in consultation with Traditional Owners and local Aboriginal community groups	We started developing our first Reconciliation Action Plan (RAP) with 12 staff self-nominating to form a working group. The working group coordinated cultural awareness training for 85 staff, Councillors and community participants during National Reconciliation Week, and supported Yea Wetlands Discovery Centre in planning and promoting 2022 NAIDOC week events. The draft RAP will be submitted to Reconciliation Australia for feedback and endorsement later in 2022.
4. Deliver the Community Planning Program for the Eildon township to facilitate community led change and action	We progressed Eildon Community Planning in partnership with a core team of community members. The team coordinated 23 events attracting 215 people to build an even better future for Eildon. Six action teams were formed by community to progress priority projects voted on at the May community dinner. The Core Team have almost finalised the draft Eildon Community Plan.
5. Deliver the Yea Children Centre phase two redesign to support our community to meet its childcare needs	We appointed a consultant to support service planning and infrastructure requirements for future childcare requirements in Murrindindi Shire, looking at Alexandra and Yea specifically.
6. Promote increased community support and management of community buildings	Our online engagement platform 'The Loop' welcomed 11,350 visits from community across 36 published projects. Combined with 28 face to face engagement exercises delivered across the Shire, we received 1,500 contributions from community to enhance project development and delivery.
3. Advocate for improved access to health and community services	
WHAT WE DID (ACTIONS)	COMMENTS
1. Advocate for improved access to health and wellbeing services, including: - Local GPs - Mental Health - Family Violence Services - Hospitals	We collaborated with health and wellbeing service providers to deliver the Mental Health and Education forum, the 16 Days of Activism Against Gender-based violence campaign, the 'Access for All' project, and the community led Suicide Prevention Walk in Yea. We were successful with State Government funding from the 'Free From Violence' local government program to support family violence primary prevention over three years. Our collaboration with Family Care, Nexus and The Orange Door supported improved access to family services in Murrindindi Shire. We distributed 752 low-cost condoms through our vending machines in four public toilets across the Shire.

4. In collaboration with our community, support our children and young people to be happy, healthy and engaged	
WHAT WE DID (ACTIONS)	COMMENTS
1. Continue providing high quality Children and Maternal Child Health Service programs, including Family Day Care, Immunisation, Universal and Enhanced and Supported Playgroups	<p>Our Family Day Care (FDC) team consisting of 12 educators provided 88,000 hours of childcare for 157 children. A recruitment drive commenced to engage new FDC educators across Murrindindi Shire. Our facilitated playgroups at Kinglake and Eildon conducted 18 sessions, supporting 30 families with early childhood development.</p> <p>Our Maternal and Child Health Service (MCH) supported 513 families during the year. There were 139 new births registered in Murrindindi Shire, with 55 to first time parents. The team completed 1,377 developmental assessments under the universal program. A further 58 vulnerable families were supported with over 450 hours of assessments through the enhanced program, and 23 families utilised our Sleep and Settling Outreach program. We also administered 568 immunisations across Murrindindi Shire to families via the Early Childhood National Immunisation Program.</p>
2. Continue providing a high quality Youth Service including: Leadership, Pathways, and Creative programs to support better opportunities for young people	<p>We successfully secured ongoing State Government funding to collaborate on youth service program delivery.</p> <p>We supported 85 young people with Leadership opportunities via programs and workshops.</p> <p>Funding from the State Government's FreeZa Program enabled Council to support 52 young artists at 11 local events, with exposure to over 10,000 attendees.</p> <p>We employed 17 young people as lifeguards and youth workers, and participated in mock interviews and career days at Secondary Schools. In collaboration with Central Ranges Local Learning and Employment Network we delivered the "How Work Works" project, exploring employment pathways for young people across the Shire.</p>
3. Develop policy for youth training/experience to be included in all medium to high value tenders	<p>We adopted a revised Procurement Policy which became effective on 1 November 2021. This Procurement Policy includes reference to social procurement priorities. All tenders over \$300,000 in value now include social procurement considerations and the evaluation panel considers responses in its assessment. These considerations include youth training and apprenticeships. We will continue working with suppliers to enhance understanding of the social procurement priorities and the emphasis on youth training.</p>
4. Increase youth work experience opportunities available within Council	<p>We worked closely with the local high schools to engage young people in work experience opportunities.</p> <p>A student from Alexandra Secondary College undertook Structured Workplace Learning (1 day a week work experience) as part of a VCAL program during the 2021/22 financial year. The student continues working with our Infrastructure Operations Department, primarily focusing on Parks and Gardens work.</p>
5. Engage with the community and partner organisations to enable older and vulnerable people to live safely, enjoy good health and stay involved.	
WHAT WE DID (ACTIONS)	COMMENTS
1. Advocate for improved access to health and wellbeing services for older people, including appropriate aged and disability services	<p>We supported the Aged and Disability Network via the Workforce Training Initiative with 27 people attending training opportunities in the sector. The Moving Murrindindi program supported by 12 volunteer drivers delivered 273 individual trips for senior citizens, people with a disability or financially disadvantaged with low-cost transport to access medical appointments, social outings or other transport hubs.</p>

2. Develop a rolling plan of township access audits to inform the capital works program, incorporating Access for All principles and the specific needs of older people	<p>Access Audits were completed in the township centres of Alexandra, Eildon, Kinglake, Marysville and Yea that highlighted access gaps and considerations for future planning.</p>
3. Continue to act as an advocate for older and vulnerable people to access government services to support their health and wellbeing	<p>We supported 87 people to access health and wellbeing services through the DindiLink program which included 28 people supported to link to aged care services. There were 16 people contacting council for assistance with food and material aid relief, and 10 requiring homelessness support.</p>
6. Provide and promote safe, passive and active recreational opportunities that will enhance the health and wellbeing of residents and visitors.	
WHAT WE DID (ACTIONS)	COMMENTS
1. Advocate for funding to deliver key infrastructure actions from the Recreation and Open Space Strategy	<p>We officially opened the Yea Recreation Reserve Oval Lighting Upgrade Project with State Government and community representation, and awarded the:</p> <ul style="list-style-type: none"> - Leckie Park cricket nets renewal - Alexandra Rotary Park and Visitor Activity Precinct construction. <p>In partnership with Friends of the Great Victorian Rail Trail and Goulburn Valley Water, we installed a permanent water station at the Railway Reserve in Yea.</p> <p>We submitted a grant application to the State Government Regional Tourism Investment Fund to progress delivery of the Eildon Splash and Skate Park Project.</p>
2. Deliver the recommendations from the Aquatics Facilities Audit that will support community participation outcomes	<p>Our outdoor pool season experienced record breaking numbers with over 27,000 visits, a 25% increase on the previous season, and the highest numbers since 2007-2008. We delivered the following actions to enhance the pool facilities:</p> <ul style="list-style-type: none"> - eildon pool surface upgrade - solar hot water for showers at Eildon and Marysville - tiling, concourse and fibreglass maintenance across all pools - OH&S improvements to plant, chemical rooms, and staff kiosks
3. Develop a program for Tracks and Trails to support greater passive and active recreational opportunities	<ul style="list-style-type: none"> • We were successful in securing grant funding to develop the Eildon to Blue Gums Recreational Trail. • We supported the Eildon Community Planning conversations on tracks and trails development to better understand potential opportunities. • We engaged with Parks Victoria and DELWP to understand opportunities for new trail development.
4. Develop the Thornton Recreation Reserve Master Plan to enhance participation outcomes	<p>This action is now proposed to be deferred to the 2022/23 year.</p>
5. Adopt and commence delivery of a new domestic animal management plan to promote responsible pet ownership and safety, including establishing the feasibility of potential sites for off-leash dog parks across the Shire.	<p>We have completed year one actions of the Domestic Animal Management Plan. These actions include using a variety of media platforms to promote responsible pet ownership. We undertook an extensive animal registration renewal campaign to ensure compliance, this resulted in an increased number of overall animal registrations. In partnership with Coldstream Animal Aid we have continued to offer free microchipping of animals. We investigated options for the development of a feasibility study for off-leash dog parks across the shire</p>

STRATEGIC INDICATORS

The strategic indicators measure our success in achieving our strategic objective under 'Resilient Communities'.

Increased community events supported by Council		
Measure	Result 2021/22	Comment
Number of community events funded under Council's Community Grants Program Index score (maximum = 100) Based on increase from previous FY	Score 100	36 events funded (300%* increase on previous FY) *COVID restrictions significantly impacted events held in 2020/21 and for the first two quarters in 2021/22 This is an increase of 44% compared to 2018/19 (no COVID restrictions)
Community satisfaction with family support services		
Measure	Result 2021/22	Comment
Index score (maximum = 100) based on resident perceptions of performance of family support services	58	Tracking below State and Small rural comparisons Benchmark of 66 set from Small Rural 2021 score
Maintained a strong position in relation to participation in library programs and provided programs for all ages and stages of life (Local Government Performance Reporting – LGPRF)		
Measure	Result 2021/22	Comment
Count of attendees at library events	4560	This is a decrease of 1051 attendees in the previous year, reflecting the impact of the COVID-19 restrictions on library programming. Library staff are working on plans which encourage community to return to events.
Maintained strong position in relation to active library memberships (LGPRF)		
Measure	Result 2021/22	Comment
Number of active library members (have used library card in last 12 months)	1630	This is a decrease of 509 active library memberships from the previous year, reflecting the continued impact of the COVID-19 pandemic on library operations across the year.
Increased participation by young people in Council activities and services		
Measure	Result 2021/22	Comment
Number of young people attending Council-run events and forums	6062	6,062 full-year participation data compared to 2,705 in 2020/21. This includes collaboration with Eildon Twilight Markets – based on young people performing.

Maintain high levels of volunteerism in the municipality (External)		
Measure	Result 2021/22	Comment
Census comparison	2021: 20.6% 2016: 28.7%	The 2021 Census indicates that 20.6% of people in Murrindindi Shire participated in voluntary work with an organisation or group in the preceding 12 months, compared with 28.7% in 2016. The decrease in 2021 is likely to be a result of the COVID-19 pandemic. Compared to the state and national averages we continue to have above average levels of volunteerism.
Increased participation in Council's engagement activities (The Loop)		
Measure	Result 2021/22	Comment
Internal project delivery and data from The Loop.	11,351	36 projects generated 11,351 visits to the loop 2021/22 was the first full year of the loop engagement platform and provides a benchmark for future years.
Improvements in Maternal Child Health indicators (External)		
Measure	Result 2021/22	Comment
Percentage of children enrolled who participate in the MCH service	2021/22 - 89.76% 2020/21 - 87.20%	Participation in MCH service remains above similar councils' average, with cost of service below state average.
Improvements in aquatic facilities indicators (LGPRF)		
Measure	Result 2021/22	Comment
Operation cost divided by number of visits to facilities	Comparing season 2020/21 with 2021/22 22.2% increase in visitation 6.4% decrease in cost per visit	Visitation increased from 22,104 in 2021/21 to 27,011 in 2021/22, with cost per visit decreasing from \$16.49 to \$15.50. Second year of free entry for the public.

Strategic Objective 2

BEAUTIFUL TOWNSHIPS AND RURAL SETTINGS

To create a better place for our community and visitors to live in harmony with our rural character, natural beauty and heritage.

WHAT WE AIM TO ACHIEVE: (Strategies)

1. Connect our communities through improved roads, footpaths and public transport	
WHAT WE DID (ACTIONS)	COMMENTS
<p>1. Improve connectivity and road safety through delivering the Bridge Redevelopment Project, including:</p> <ul style="list-style-type: none"> • Yea Caravan Park • Break O'Day Road Bridge, Glenburn • Yarck Road, Yarck 	<p>We awarded contracts for the Yarck Bridge and Break O'Day Road Bridge projects. Pre construction works and communication plans were approved for both bridges. Construction of the Yarck Bridge began however there have been delays due to weather and external factors.</p> <p>We completed the tender process for Yea Caravan Park Bridge and works are programmed to commence late in the 2022/23 financial year post completion of Break O'Day Road Bridge.</p>
<p>2. Deliver key renewal link pathway projects, including:</p> <ul style="list-style-type: none"> • Falls Road Marysville • Halls Flat Road, Alexandra 	<p>We completed the Halls Flat Road Project in Alexandra however due to contractor availability the Falls Road, Marysville project has been programmed for completion early in the 2022/23 financial year.</p>
<p>3. Complete the Road Trauma Study and implement the associated actions</p>	<p>Both the Road Trauma and Traffic Studies were completed.</p>
<p>4. Advocate to State and Federal Governments for improved traffic safety and public transport access</p>	<p>We are currently working with Regional Roads Victoria on speed reduction for improved safety on</p> <ul style="list-style-type: none"> • Whittlesea-Yea Road, Kinglake West • High Street, Yea • Heidelberg Kinglake Road, Kinglake
<p>5. Advocate for the sealing of Skyline Road, Eildon</p>	<p>We advocated to State and Federal Government representatives for the sealing of Skyline Road, which when completed will become a continuous sealed touring route around Lake Eildon, connecting Eildon to Bonnie Doon in the Mansfield Shire and opening up additional tourism development opportunities.</p> <p>As a consequence, we were successful in securing grant funding through Regional Development Victoria, in partnership with Mansfield Shire, to develop functional designs for the intended road works. This work is underway and will be completed in the next financial year.</p>

2. Deliver efficient, sustainable land use planning outcomes to enhance livability, protect our unique rural character and natural beauty, and to enable growth

WHAT WE DID (ACTIONS)	COMMENTS
<p>1. Review the Municipal Strategic Statement to set the strategic intention of the Shire for the future including understanding demand for different land uses</p>	<p>We completed the first draft of the Murrindindi Shire Housing and Settlement Strategy. This strategy builds on the Background and Issues Report to develop a clear and logical framework that will guide planning and decision-making and assist in meeting future housing needs in Murrindindi Shire to 2041 and beyond.</p> <p>We have commenced the review of the Municipal Strategic Statement and the Murrindindi Planning Scheme.</p>
<p>2. Develop a Public Open Space Contribution Policy to support development of enhanced and new public open spaces that meets the needs of the community.</p>	<p>This action has been delayed and is due to commence in July 2022.</p>
<p>3. Review current planning practices to promote sustainable land use planning outcomes, including participation in the Sustainable Subdivisions Pilot Project to promote sustainable practices in subdivisions</p>	<p>We continue to participate in the Sustainable Subdivisions Framework Pilot Project. In addition, we have partnered with the Goulburn Murray Climate Alliance to support a shared ESD Planning Advisor across member Councils. This position will play a pivotal role primarily in the Sustainable Subdivisions pilot and educate staff on ESD, communicate with stakeholders, and advise on ESD in other planning contexts.</p>
<p>4. Deliver the Year 1 actions in the Domestic Wastewater Management Plan, including:</p> <ul style="list-style-type: none"> • developing Funding Models for On-site Wastewater Oversight/Compliance Program • establishing Minimum Standards for Septic Tank and Planning Permit Applications • developing an education and engagement program 	<p>We conducted an internal wastewater management training program, including supporting documentation to assist staff to assess development applications in unsewered areas.</p>
<p>5. Enhance the strategic planning capacity of the organisation</p>	<p>We are utilising the Regional Planning Hub to enhance our ability to implement key strategic planning projects and boost our planning capacity.</p> <p>We are participating in the Victorian Government's Better Planning Approvals Program, which aims to optimise the operations of council planning departments to deliver greater consistency.</p> <p>We secured a Strategic Planner that will commence in July 2022.</p>
<p>6. Advocate for the State Government to undertake or fund an agricultural land quality assessment</p>	<p>An advocacy document has been prepared and provided to the State Planning Minister to undertake or fund an agricultural land quality assessment.</p>

3. Provide fit-for-purpose infrastructure that meets current and future service demands and needs of our community

WHAT WE DID (ACTIONS)	COMMENTS
1. Deliver the Capital Works Program for 2021/22, including: <ul style="list-style-type: none"> Alexandra Rotary Park and Visitor Activity Precinct Blue Gum Rail Trail extension Eildon Improvement Plan design stage 	The program is currently underway. Some projects have lagged due to weather, delays in the supply of materials and impact from sickness due to COVID. We are also experiencing limited contractor availability.
2. Complete the 2021/22 Renewal Programs, including: <ul style="list-style-type: none"> Footpaths Sealed Roads Gravel Roads Drainage Buildings 	Projects and works identified in the Footpath and Building Renewal Programs were completed. A number of Road projects have been deferred to 2022/23 financial year due to contractor availability.

4. Provide spaces within our towns that are vibrant, attractive, safe and accessible

WHAT WE DID (ACTIONS)	COMMENTS
1. Complete the Kinglake Streetscape Renewal Project	We completed the Kinglake Streetscape Renewal Project. This has enhanced the amenity of the main street in Kinglake as well as provided additional parking.
2. Complete schematic designs for the Kinglake West Streetscape Project	We completed the schematic designs for the Kinglake West Streetscape Project and added the project in the 20-year Capital Works Program.
3. Collaborate with local traders and associations to develop a program for township streetscape improvements for the municipality	A Township Beautification Program has been established as part of the Capital Works Program. Funding has been provided for the beautification of Alexandra and Thornton. Under the Activated Dining Program (COVID Relief funding) we delivered a number of activities and infrastructure to assist businesses in transitioning. Further projects have been identified for delivery during April 2022. Slight delay in two projects due to weather and contractor availability (Eildon Pondage power works and Bakers Lane Street furniture)
4. Deliver the outcomes of the Parking Signage Audit to provide fair and equitable parking opportunities within our townships	We have completed stage 1 of the signage replacement program. The remaining works have been programmed into the works schedule.
5. Increase tree canopy through infill planting in our townships to absorb trapped heat and provide shade	We completed street tree planting along Bailey Street, Alexandra Tree planting completed in Molesworth and other locations. We worked with local Garden groups within Alexandra and have pledged support for an avenue of trees.
6. Investigate the development of a masterplan for Eildon Pondage in partnership with other land managers and key stakeholders	Funds have been allocated for the development of the Lake Eildon Pondage Master Plan in the 2022/23 Annual Budget. This work will be undertaken in partnership with Goulburn Murray Water and the Eildon community in the 2022/23 financial year.

Strategic Objective 2 - Beautiful Townships and Rural Settings

STRATEGIC INDICATORS

The strategic indicators measure our success in achieving our strategic objective and strategies under 'Beautiful townships and rural settings'.

Delivered >80% of the Annual Capital Works Program		
Measure	Result 2021/22	Comment
Percentage of the revised Capital Works Budget at Mid-Year delivered.	83%	Some projects lagged due to weather, contractor availability and material supply delivery. These projects have been programmed for delivery in the 2022/23 financial year
Reduce number of accidents on roads and footpaths within the municipality		
Measure	Result 2021/22	Comment
Search statistics - TAC - Transport Accident Commission Towards 0	5 fatalities (Driver 4 Motorcyclist 1) 14 claims involving hospitalisation (Driver 4 Motorcyclist 9 Passenger 1)	Council completed a Traffic Count Study and a Road Trauma Study, to identify key factors in trauma to aid advocacy to funding bodies to improve infrastructure and implement risk reduction works. Available TAC data recorded 5 road related deaths for the period 1 July 2021 to 30 June 2022: 3 on RRV roads and 2 on Council Roads (Weber Road and Ghin Ghin Road) Period for fatalities data July 2021 - June 2022 Period for hospitalisation data July 2021 - January 2022 This represents an increase of 4 fatalities from the previous year for the reporting period
Increased participation in public transport		
Measure	Result 2021/22	Comment
Number of bus services available within the Municipality	N/A	Department of Transport is currently conducting a bus services study that will confirm services available.
Increased participation in Moving Murrindindi Community Transportation		
Measure	Result 2021/22	Comment
Number of support trips and volunteer drivers recorded by Community Accessibility	273	The program supported by 12 volunteer drivers, delivered 273 individual trips. Volunteers declined due to Covid-19 restrictions.

Increased community satisfaction with the appearance of public places		
Measure	Result 2021/22	Comment
Index score (maximum = 100) based on resident perceptions of performance on appearance of public places	68	Community's perception of the appearance of public places is consistent with previous years
Increased community satisfaction with Council's (land use) planning policy		
Measure	Result 2021/22	Comment
Weighted average ratings of 'professionalism' and 'responsiveness' of planning staff by planning permit applicants	84%	84% of planning permit applicants surveyed ranked the professionalism and responsiveness of planning staff as Excellent.
Improved Customer Satisfaction Survey and LGPRF results for indicators relating to roads		
Measure	Result 2021/22	Comment
Index score (maximum = 100) based on resident perceptions of performance on condition of sealed roads	44	Customer satisfaction result has reduced from previous year's result of 48. This is due to the impact on the road network of a wet winter, increased traffic volumes and increased customer service expectations. Council is conducting a Road Asset Management Plan review that will assess service standards. The declined score is also likely influenced by the degradation of RRV roads in the Shire, with community not always able to distinguish who has maintenance responsibility.
Index score (maximum = 100) based on resident perceptions of performance on condition of unsealed roads	36	Customer satisfaction result has reduced from previous year's result of 39. This is likely due to the impact on the road network due to a wet winter, increased traffic volumes and increased customer service expectations.

Increase in number of planning applications		
Measure	Result 2021/22	Comment
Total number of planning applications received.	304	The number of planning applications received in 2021/22 was consistent with 2020/21, however it is significantly higher than the 229 applications received in 2019/20.
>70% of planning applications completed within 60 days (LGPRF)		
Measure	Result 2021/22	Comment
Percentage of planning applications completed within 60 days.	82%	74.5% of planning applications were completed within 60 days. 96.3% of VicSmart applications were issued within 10 days.
Above average results for LGPRF indicator for Aquatic Facilities when compared to similar sized councils		
Measure	Result 2021/22	Comment
Health inspections, Visits per head of population, Cost per visit	1.81 visits per head of population compared to 1.51 in 2020/21	The cost of aquatic facilities per visit at \$15.50 for 2021/22 is lower than similar councils at \$23.04. Each facility received an environmental health assessment.

Strategic Objective 3

GROWTH AND OPPORTUNITY

To prioritise and promote a culture in which the economy, business and community can grow and thrive.

WHAT WE AIM TO ACHIEVE: (Strategies)

1. Boost local investment and employment opportunities through activities that encourage businesses, social enterprise, and industry sectors to thrive and grow

WHAT WE DID (ACTIONS)	COMMENTS
1. Advocate for the delivery of projects identified in the Lake Eildon Master Plan	<p>We advocated to State and Federal Government representatives for support to implement priority actions in the Lake Eildon Master Plan. This has included senior officer representation on an Implementation Committee facilitated by Regional Development Victoria, to coordinate activities necessary to commence implementation of priority projects.</p> <p>We have also advocated to the Goulburn Regional Partnership and Regional Development Australia concerning the need for funding support to implement the Master Plan.</p>
<p>2. Deliver the activities identified in Council's COVID-19 Business Recovery Plan, including:</p> <ul style="list-style-type: none"> • Deliver a program of workshops and activities to support businesses • Work with Tourism North East to develop visitor experience packages 	<p>We delivered a series of four business workshops to 23 attendees and supported six visits from Business Victoria's Small Business Bus.</p> <p>We sent 22 business e-newsletters containing COVID-19 updates, business grant opportunities, training and upskilling resources to an audience of over 1,770 grant opportunities, and training and upskilling resources.</p> <p>We used the COVID support officer role funded by State Government to provide face-to-face advice and information on maintaining COVIDSafe practices to businesses across the Shire.</p> <p>We participated in Tourism North East's project steering group for the North East Workforce Management and Affordable Housing project and advocated for improved internet connectivity in Murrindindi Shire through the Regional Connectivity Program.</p> <p>We continued to advocate for key infrastructure projects to State and Federal Governments.</p>
3. Undertake a review of Council's investment attraction resources to promote our Shire to potential investors	<p>We migrated Council's Murrindindi Investment website to a Council managed platform to enable updates to the site to be made. Limited progress was achieved with this action due to officer time being allocated to the State Government funded Outdoor Activation Program activities being delivered by Council. A review of the investment attraction resources is expected to be completed by January 2023.</p>

4. Continue to implement the Better Approval Program through the Business Concierge to improve business engagement and support growth	We processed 41 business enquiries through the Business Concierge service and further streamlined the engagement process for businesses by fast-tracking simple enquiries directly to the relevant Council team. We implemented a digital management system for recording and tracking the process of enquiries from first contact to resolution.
5. Advocate to State and Federal Governments to provide training and education opportunities and pathways for youth	?

2. Support and promote our tourism and events sector to boost the economy through increased visitation

WHAT WE DID (ACTIONS)	COMMENTS
<p>1. Deliver the activities identified in the Tourism and Events Strategy for 2021/22, including:</p> <ul style="list-style-type: none"> • Finalise an action plan from the Visitor Services Review • Develop collaborative marketing opportunities for tourism businesses 	<p>We completed redevelopment of the Discover Dindi website to maximise its visibility online through search engines.</p> <p>We supported delivery of the major events Alexandra Pro Rodeo, APRA Finals Rodeo and Alexandra Truck, Ute and Rod Show. We provided advice and support to 35 smaller events throughout Murrindindi Shire.</p> <p>We promoted Murrindindi Shire as a tourism destination through the distribution of 11,000 official visitor guides, 23,000 maps and via our audience of over 43,000 people on social media.</p> <p>We provided three collaborative marketing opportunities which were taken up by nine businesses.</p>
2. Deliver the activities identified in the Great Victorian Rail Trail Strategic Development Plan for 2021/22, including commencement of the \$1.2M Art Installations and Signage Project	<p>We finalised designs for 32 new wayfinding and interpretive signs for the trail, with installation to take place later in 2022.</p> <p>We supported the Friends of the Great Victorian Rail Trail group to install a new water fountain at Yea.</p> <p>We progressed the Great Victorian Rail Trail Art Installations Project, commissioning eight artists to deliver works along the trail by April 2023.</p>
3. Coordinate and encourage artistic works on public assets by local artists when upgrading or enhancing assets	We supported the Dindi Arts Trail Community Group to deliver artworks on public assets across the Kinglake Ranges.

3. Partner with community members, businesses, and other organisations affected by the state-government-led transition out of native forest harvesting

WHAT WE DID (ACTIONS)	COMMENTS
1. Work with the State Government Victorian Forestry Planning team to create a Local Development Strategy in consultation with the community	We received \$400,000 in funding through Department of Jobs, Precincts and Regions to develop the strategy and a recruitment campaign is underway.

STRATEGIC INDICATORS

The strategic indicators measure our success in achieving our strategic objective and strategies under 'Growth and Opportunity'.

Increased interaction with our businesses		
Measure	Result 2021/22	Comment
Number of businesses registered on Council's Electronic Direct Mail list Index score (maximum = 100) based on increase from previous FY	100	We have 1,776 businesses registered (7% increase on 2020/2021) to receive Council's Business Electronic Direct Mail, with 22 communication items delivered.
Increased business investment		
Measure	Result 2021/22	Comment
Value of commercial building works for building permits issued	\$4,547,740	There has been a downturn in building investment from last year's result of \$6,525,008. This may be due to the increased cost of building material, availability of builders, uncertain market conditions and impacts of COVID.
An increased number of new planning approvals		
Measure	Result 2021/22	Comment
Total number of planning applications received compared to previous years.	304	A total of 304 applications were received. The result is consistent with the previous year (4% decrease)

Increased visitation to the Shire		
Measure	Result 2022/22	Comment
Estimated domestic overnight visitors to the Shire	376,740	17.8% increase Data based on year ending Dec 2021 compared to year ending December 2020 (note Financial Year 21/22 statistics are not yet available from Tourism Research Australia) TNE advised Murrindindi Shire's share of overnight stays in High Country was 21% in year ending December 2019. This figure is used to estimate 2020 and 2021 numbers.
Visitor Information Centre – annual visitor numbers	69,719	19% increase from previous Financial Year.
75% completion/implementation rate of relevant strategies and plans		
Measure	Result 2021/22	Comment
Percentage of actions completed from within identified strategies and plans	100%	All Financial Year 2021/22 activities identified in the 2019-2024 Tourism and Events Strategy, the 2020 COVID19 Business Recovery Plan, and the Great Victorian Rail Trail Strategic Development Plan, have been completed.

OUR PROTECTED ENVIRONMENT

To protect and enhance our natural environment, supporting environmental sustainability, community resilience, innovation and adaptation to climate change to achieve net-zero emissions by 2035.

WHAT WE AIM TO ACHIEVE: (Strategies)

1. Minimise waste and increase recycling to reduce our environmental footprint	
WHAT WE DID (ACTIONS)	COMMENTS
<p>1. Implement resourced Year one actions from the Waste and Resource Recovery Strategy, including:</p> <ul style="list-style-type: none"> Investigate the viability of options to assist ratepayers with hard waste disposal Establish a regular kerbside waste and recycling bin audit program for regular analysis of our waste streams, and report on the outcomes Implement a program to accurately record illegal dumping incidences to enable a more targeted approach to address this issue 	<p>We undertook the following key actions from the Waste and Resource Recovery Strategy</p> <ul style="list-style-type: none"> An audit of kerbside bins was completed in September. This provides us with data upon which to plan new and upgraded services. Participated in the regional joint procurement of kerbside services. The tender is currently out to the market and will be appointed in early 2023. Developed a dumped rubbish customer request process to ensure timely response and collection of information. Partnered with Mitchell Shire to undertake an investigation into hard waste management options, which is in its final stages. The Yea Closed Landfill was rehabilitated, and investigations into the Kinglake Closed Landfill was undertaken to inform a design for rehabilitation of that site. A master plan for the future of the Alexandra Landfill was prepared, and the design for cells in the western valley was completed and submitted to EPA for approval. Implemented electronic data capture at all Resource Recovery Centres (RRCs), reopened the Scrap Shacks at Alexandra and Kinglake RRCs, and hired additional RRC staff members to assist customers to sort materials.
<p>2. Advocate for grant funding to support the delivery of the Waste and Resource Recovery Strategy and to plan for the kerbside reform transition</p>	<p>We secured funding under the Kerbside Transition Support Fund (KTSF) and the Transfer Stations Upgrade Fund (TSUF). We advocated to DELWP for a greater proportion of the funds to be allocated across both funds.</p> <p>We continue to participate in state-wide meetings on the kerbside reform program with Recycling Victoria and DELWP staff to ensure ongoing support for Murrindindi Shire as we progress toward kerbside reform.</p>
<p>3. Complete a feasibility study for development of a new Yea Recycling Centre</p>	<p>We made a successful application to Sustainability Victoria under the Recycling Victoria Councils Fund - Implementation Stream. A consultant was engaged and provided draft potential site layouts and a draft report. The final report is being prepared to include a comparison of operational costs.</p>

2. In partnership with the community, provide education and training to improve ecologically sustainable outcomes	
WHAT WE DID (ACTIONS)	COMMENTS
<p>1. Promote, advocate and educate to embed sustainable practices across the municipality to reduce impact on climate</p>	<p>We continued to provide ongoing media responses or releases, and promotion of topics of interest to the community, via Facebook, including promotion of relevant information and funding opportunities to community groups.</p>
<p>2. Implement bushland management actions on key Council sites to manage fire risk, pests and weeds and protect biodiversity</p>	<p>We completed 2021/22 management of bushland parcels and roadsides work across the Shire, mostly woody weed removal or spraying of noxious and environmental weeds. One key project at 51 Peregrine Drive Kinglake West is reducing the extreme CFA fire risk rating at this council property, by removing a copse of old pine trees which threatened to fall on powerlines and posed a general fire risk.</p>
3. In partnership with the community, develop and deliver climate adaptation and mitigation programs and practices to reduce our environmental impact	
WHAT WE DID (ACTIONS)	COMMENTS
<p>1. Establish the current carbon footprint for our Shire</p>	<p>The carbon footprint snapshot for Murrindindi Shire (prepared by Ironbark Sustainability) is completed for 2019/20 and demonstrates the breakdown of Shire-wide emissions that include 43% from agriculture, 30% from transport and 23% from electricity. This is an important milestone to help us understand the key priorities for supporting our community to most effectively reduce their carbon emissions.</p>
<p>2. Finalise the draft Greenhouse Gas Reduction (Climate Change Mitigation) Plan</p>	<p>Our corporate emissions mitigation has been included in the overall draft Climate Change Action Plan. Community consultation during the 21/22 year informed the development of our draft Plan, which will be presented to the community for feedback in the 22/23 year.</p>
<p>3. Identify organisational climate change risks requiring priority action</p>	<p>We developed and undertook an organisational climate change risk assessment. The findings report is complete and was utilised to support the development of the draft Climate Change Action Plan.</p>
<p>4. Develop a Shire-wide Climate Change Adaptation Plan</p>	<p>Our draft Climate Change Action Plan includes a section focusing on mobilisation to support the community impacts and response relating to climate change. This draft will be available for community consultation, when the community can input ideas and prioritise actions.</p>
<p>5. Work with the State Government to build drought resilience in our communities</p>	<p>We continue to participate as a member of the Goulburn Drought Resilience Plan Reference Group. The reference group aims to develop a Drought Resilience Plan for the Goulburn Region. The plan will identify actions to prepare for future droughts, focusing on the agricultural sector and allied industries and be led by communities and developed through partnerships with local governments, regional organisations, community organisations and industry. This plan is being finalised</p>
<p>6. Produce a feasibility study and business case for a farm forestry plantation on Council land</p>	<p>We engaged a consultant to develop a recommended design for farm forestry and mixed farming to suit the capacity and characteristic of this site. A more detailed independent business case analysis has been conducted. A final report for consideration was prepared.</p>
<p>7. Assist feasibility studies of community renewable energy projects and determine future Council involvement</p>	<p>We identified an opportunity to collaborate with the Royal Melbourne Institute of Technology (RMIT) to conduct feasibility assessments of proposed microgrids and assessed if they met the criteria for potential funding from the Australia Renewable Energy Authority. We worked with RMIT and 2030 Yea and Murrindindi Climate Network to investigate possible microgrids for this project.</p>

8. Develop a Climate Change Policy	Following the adoption of the Climate Change Pledge, we developed a draft Climate Change Policy to support the Climate Change Action Plan.
9. Submit a voluntary Climate Pledge in accordance with section 47 of the Climate Change Act 2017 and lead business and community by example to target net-zero carbon emissions by 2035 or sooner	We submitted a pledge to Victorian Minister for Environment. A media release was issued in late January and the pledge is listed on the Murrindindi Shire Council website.
10. Conduct feasibility study into migrating Council vehicle fleet to electric vehicles	We engaged a consultant to complete a feasibility study for the electrification of Council's fleet. This will now inform development of a fleet transition approach.
11. Seek government and private sector funding to develop a network of electric vehicle (EV) charging stations in key locations	We have engaged Evie Networks who are developing a Victoria wide fast charging network, supported by Victorian government funding, to install a DC fast charger in Alexandra. The confirmed location is Bakers Lane Car park, Webster Street, Alexandra and is expected to be installed and operating within 12 months. The EV Charging Station is a pay as you go facility with no cost to Council.

4. Protect our waterways and improve associated human health outcomes

WHAT WE DID (ACTIONS)	COMMENTS
1. Advocate for Integrated Water Management Planning through involvement with the Goulburn Broken Integrated Water Management Committee	We are co-funding the engagement of an Integrated Water Management (IWM) Project Officer to be shared by the Goulburn-Broken and North East Integrated Water Management (IWM) Forums. The position will also assist in building and strengthening relationships between and within the regions and provide an opportunity to increase the capacity of the members to identify and develop IWM plans and potential projects.
2. Seek funding to develop an integrated water management plan for the Shire	An application for grant funding was completed seeking funding for the Thornton Water Sensitive Urban Design drainage project stage 1 construction.
3. Collaborate with Goulburn Valley Water to achieve improved water management and drought preparedness outcomes for our community via the Urban Waste Strategy	We continue to partner with Goulburn Valley Water to improve water management and drought preparedness through participation in the Goulburn Broken Integrated Water Management Forum and the Goulburn Drought Resilience Plan Reference Group. We have committed to partnering with the Goulburn Broken Integrated Water Management Group to engage a Regional Integrated Water Management Officer.

Strategic Objective 4 - Our Protected Environment

STRATEGIC INDICATORS

The strategic indicators measure our success in achieving our strategic objective and strategies under 'Our Protected Environment'.

Increased waste diversion from landfill (LGPRF)		
Measure	Result 2021/22	Comment
Proportion of waste diverted from landfill (%)	34%	Waste diversion at the kerbside has remained steady at 34%. Waste collected increased by 25%, while recycling collected remained level, resulting in a slight decrease in waste diversion from kerbside waste. Of all waste received at the Resource Recovery Centres, 74.1% was recycled.
Maintained high levels of community satisfaction with Waste Services		
Measure	Result 2021/22	Comment
Index score (maximum = 100) based on resident perceptions of waste services.	64	There were three official complaints to Council about waste services relating to: the price of waste disposal, the price of couch disposal, and an error in the recycling calendar. Overall Council collected 444,429 bins from residences and businesses. We had 37,353 customers through our Resource Recovery Centres and 1,568 truck visits to the Alexandra Landfill. The rate of complaints to interactions is 0.0006%.
Strengthened community engagement in safety planning and preparation		
Measure	Result 2021/22	Comment
Number of engagement sessions with the community	3	Three safety planning engagement sessions undertaken, including two meetings of the Municipal Emergency Management Planning Committee Advisory Group and the first meeting held with the Kinglake Community regarding the Emergency Management Victoria Community Exercise to be held in December 2022.
Reduce Council's emissions		
Measure	Result 2021/22	Comment
Greenhouse emissions CO ₂ -e (t) produced by Council's operations (scope 1 and 2, part scope 3), expressed as a percentage change from the base year of 2016/17	10% reduction	The current emissions of 7,026 CO ₂ -e tonnes represents a 10% decrease from the baseline year of 2016/17 (7,847t CO ₂ -e). This includes corporate energy and fuel emissions and emissions from waste in landfill. Complete figures for the year 2021/22 not available at time of publication.

Increased expenditure on recycled products as a percentage of overall expenditure		
Measure	Result 2021/22	Comment
Expenditure on recycled products as a percentage of overall expenditure, expressed as a percentage change from the previous year	N/A	A project is underway to develop a method to capture the data required for this measure.
Reduction of Co2 emissions from Council's fleet		
Measure	Result 2021/22	Comment
Greenhouse emissions CO2-e (t) produced by Council's fleet operations expressed as a percentage change from the base year of 2016/17	12% decrease	746t CO2-e represents a 12% decrease from the baseline year of 2016/17 (851t CO2-e). Council has undertaken an assessment of all its fleet to ascertain what options there are both now and within the next 10 years to reduce the carbon footprint produced from operating a vast range of fleet items.

Strategic Objective 5

TRANSPARENCY, INCLUSION AND ACCOUNTABILITY

To ensure our services, people and systems deliver the best possible outcomes for our communities now and into the future.

WHAT WE AIM TO ACHIEVE: (Strategies)

1. Put the customer first in everything we do	
WHAT WE DID (ACTIONS)	COMMENTS
<p>1. Review and adjust customer service processes to ensure we meet our service commitment to customers including:</p> <ul style="list-style-type: none"> • Review of complaints processes • Review systems and processes to ensure customer is kept informed of progress and completion of requests and feedback • Review of KPIs to identify steps for enhanced performance 	<p>We completed Stage 1 of the SmartForms Project. Over 20 smart forms have been created to replace existing forms. These have either already been published on our website or will be in the new financial year (forms where payments are required), enabling Council to meet customer expectations in line with our Customer Charter.</p> <p>We have introduced a new, enhanced complaints management process to comply with the Victorian Ombudsman new Good Practice Guide 2021.</p> <p>We undertook a customer request resolution blitz to halve the backlog of requests.</p> <p>We have developed a weekly Customer Request Management report to improve focus and prompt resolution of outstanding matters.</p>
<p>2. Ensure our people are confident in use of our systems and processes through training and development</p>	<p>We have commenced several staff training initiatives relating to our systems, including:</p> <ul style="list-style-type: none"> • Camms - corporate reporting, project management, and contract management systems • Authority - Customer Request Management system and processes • Intramaps – geo-spatial information system, process improvement and training sessions with customer service team • Teams Calling - trained 90% of desk-based staff in the new communications platform <p>We have also commenced planning for training in the Microsoft Office 365 software suite, which will improve our communications and customer experience.</p> <p>The Blueprint LMS has been implemented to optimise future training and development and manage staff training needs.</p> <p>Training is an ongoing requirement to support officer's confidence in the use of corporate systems.</p>

<p>3. Complete the Information, Communications and Technology Strategy and Roadmap to prioritise investment in new and enabling technologies</p>	<p>We completed the ICT Strategy and Roadmap in November 2021. Key projects are being prioritised for implementation and will be considered in line with annual budget preparations.</p> <p>We were successful in our joint funding application with Mansfield, Strathbogie and Benalla Rural Councils to the State Government.</p> <p>The first stage of the project is to harmonise the Council's ICT Strategies with the roadmap of the other partner councils.</p>
<p>4. Implement first year actions from the Information, Communications and Technology Strategy and Roadmap</p>	<p>Several elements of the ICT Strategy were completed this year including:</p> <ul style="list-style-type: none"> • Internet connectivity NBN fibre upgrades • Fit-for-purpose IT support and monitoring system • Rollout of Multi-factor Authentication • Migration to Exchange Online <p>Implementation of several other projects was also well underway at year end, including:</p> <ul style="list-style-type: none"> • PABX replacement (Teams Calling) is 98% complete, went live in March 2022 • Server retirement/upgrades - 85% complete • Desktop replacement with 2-in-1 laptop devices - 95% complete • CX Cloud (Customer Service cloud-based phone system) upgrade to new version with integration to Teams Calling - 100% complete <p>The shared service initiative with neighbouring rural councils to progress ICT improvements has necessitated a review of first and second year actions.</p>
2. Ensure Council remains financially sustainable through sound management, forward planning, innovative service delivery and asset consolidation as appropriate	
WHAT WE DID (ACTIONS)	COMMENTS
<p>1. Develop a 10-year Financial Plan that strengthens Council's financial position</p>	<p>Council adopted the Murrindindi Shire Council 10 Year Financial Plan at the 27 October 2021 Scheduled Council Meeting. The Plan will assist Council when considering the longer-term financial impacts of its decisions.</p> <p>The 2022/23 Annual Budget process including a review of Council's 20 year Capital Works Program. Development of Council's Asset Plan was adopted at the 22 June 2022 Scheduled Council meeting. The Annual Budget and Asset Plans recognise the changing priorities and available funding sources.</p>
<p>2. Develop a 10-year Asset Management Plan that best supports the ongoing delivery of Council's services</p>	<p>A 10 year Asset Management Plan was completed.</p>
<p>3. Review Council's Asset Management Strategy to ensure best practice asset management is implemented across the organisation</p>	<p>The Asset Management Strategy was reviewed. An update will be completed in the 22/23 financial year.</p>
<p>4. Commence the review of Council's Road Asset Management Plan and Road Register to enhance and maintain our road network and meet our community's needs</p>	<p>We progressed the review of the Road Asset Management Plan by identifying key assets to implement best management practices. The plan will be updated in the 22/23 financial year.</p>

5. Identify opportunities for shared service arrangements with other councils and alternative revenue streams	<p>We have formed a collaborative arrangement with the Mansfield, Strathbogie and Benalla Rural Councils called Lower North East Rural Council Collaborative (Capitalise Councils because you're referring to specific ones) to investigate opportunities to collaborate and share resources and services where there are mutual benefits to each organisation and their respective communities. Initially, the focus is on improving our collective information technology (IT) capability to ultimately provide better and more accessible digital services for our communities.</p> <p>Work to date has culminated in a joint funding application under the State Government's Rural Councils Transformation Program (RTCP) to assist the four councils to collectively improve and modernise their IT systems and processes in order to improve service efficiencies and responsiveness. This work is consistent with Council's ICT Strategy. The RTCP will commence 1 July 2022 and Governance and Infrastructure Frameworks will be developed.</p> <p>Opportunities have been identified with City of Whittlesea and Services Victoria for the sharing of service arrangements. Discussions with City of Whittlesea Council have commenced to create sharing opportunities, eg. information, expertise, EoI Discussions with Services Victoria regarding opportunities for regulatory licenses and animal registration portals.</p>
---	---

3. Evaluate and pursue new commercial opportunities

WHAT WE DID (ACTIONS)	COMMENTS
1. Develop a framework to implement actions with a focus on commercial opportunities	This action was delayed due to an unexpected vacancy in the Business Services Manager position, which has required a reprioritisation of resources and timeframes.
2. Ensure a rolling 10 year Business Plan for the Yea Saleyards is established to address potential expansion and the management committee structure to match new requirements for entrepreneurial ventures	An updated 10 year Business Plan was completed for the Yea Saleyards.
3. Investigate specific commercial opportunities	We investigated the feasibility and viability of utilising vacant Council land adjacent to the Yea Saleyards as a demonstration site for farm forestry purposes. The project was considered as a means to mitigate the adverse impacts of climate change and offset Council's greenhouse gas emissions through carbon capture. The project was also being assessed commercially as a means to provide an alternate future income source for Council, whether through the sale of timber or carbon credits. A site assessment and business plan was completed during the year. At the time of this report, Council was reviewing the feasibility of the project and options for future consideration.

4. Provide a workplace that is flexible and inclusive to support the health and wellbeing of our employees

WHAT WE DID (ACTIONS)	COMMENTS
1. Adopt a Workforce Plan and begin implementation	Our Workforce Management Strategy was adopted by our Chief Executive Officer on 17 December 2021 and this plan is available on Council's website. Implementation of year one priorities commenced in 2022.

2. Implement the requirements of the Gender Equality Act 2020, including adoption of Council's Gender Equality Action Plan	We completed and submitted the Gender Equality Audit by 1 December 2021 in accordance with the Gender Equality Act 2020. The Gender Equality Action Plan was adopted and submitted to the Gender Equality Commission on 31 March 2022.
3. Support gender equality and new talent acquisition through flexible work arrangements, including the adoption of a policy	We continued to offer flexible work arrangements to staff throughout the 2021/22 year. This included working from home part time or full time, flexible hours and varied leave agreements.
<p>4. Build and implement a training and development plan that focuses on:</p> <ul style="list-style-type: none"> • Customer service delivery • Occupational Health and Safety • Wellbeing and staff accreditations 	<p>We delivered a diverse training program in 2021/22, including (but not limited to):</p> <ul style="list-style-type: none"> • Mental Health First Aid • Lone worker training • Bridge Assessment • Complaints management • Children in emergencies • Pool inspections <p>Due to delays in being able to fill roles in our Human Resources team, a detailed cross-organisational training plan was not finalised.</p> <p>Our E-learning program had 673 certificates of completion issued across 26 subjects.</p>

5. Maintain transparent, inclusive and accountable governance practices

WHAT WE DID (ACTIONS)	COMMENTS
1. Implement the new Local Government Act 2020 requirements	<p>We successfully completed and implemented the all the requirements under Local Government Act 2020 implementation due in 2021/22. These included:</p> <ul style="list-style-type: none"> • 10-Year Community Vision • Council Plan 2021-2025 • 10-Year Asset Plan • 10-Year Financial Plan • CEO Employment and Remuneration Policy and Committee • Procurement Policy Revision • Workforce Plan • Delegations to the CEO and staff and planning authorisations
2. Adopt a revised Procurement Policy and supporting processes that supports local priorities, environmental considerations and meets sector best practice	We adopted the revised Procurement Policy at the September 2021 Scheduled Meeting of Council with an effective date of 1 November 2021. The Policy meets industry and State Government best practice requirements and includes reference to local priorities, environmental and social procurement priorities and outcomes. The associated guidelines and templates have all been updated in accordance with the new Policy and we have implemented a new management system to support adherence with the Policy requirements.

6. Communicate effectively using multiple methods with our customers and communities about our work and services

WHAT WE DID (ACTIONS)	COMMENTS
1. Conduct project to seek community preferences for communication methods for information about our work and services	We completed the Community Communication Preferences Project, designed to elicit community views about how our community wanted to hear Council news and about implementing a range of actions to adjust our communications methods to meet community needs. We have already begun implementing these changes, including through discussions with local media and communicating the proposed changes to our community. Remaining actions arising from the project will be scheduled for the next financial year.

7. Improve emergency readiness through active emergency management planning to enhance community preparedness and resilience	
WHAT WE DID (ACTIONS)	COMMENTS
1. Review risks identified in the Community Emergency Risk Assessment (CERA) to enhance emergency management planning	We completed 100% of year one actions including the review of risks.
2. Complete the review of Council's Business Continuity Plan	We completed the review of Council's Business Continuity Plan in November 2021. The Plan was audited and an action plan has been developed to address the audit recommendations.
3. Complete Phase 1 of the Municipal Fire Management Plan, including the review of listed roads, fire access tracks, priority roads and fuel reduced corridors	Phase 1 of the Municipal Fire Management Plan is currently underway, risk reviews have been undertaken including the risk of mobile phone towers being impacted during fires, and a review of power infrastructure exposure to fire.
4. Continue the management of the Emergency Management Plan, including: <ul style="list-style-type: none"> • Regular meetings with key agencies so that Council can provide response, relief and recovery in emergencies • Undertake an evaluation of Council's Pandemic Plan to incorporate lessons learnt from COVID-19 	The Municipal Emergency Management Plan has had its annual review and comments from committee members received.

8. Establish a team approach in partnership with our communities to represent our collective interest to the State and Federal Governments	
WHAT WE DID (ACTIONS)	COMMENTS
1. Develop a complete advocacy plan to effectively represent the interests of the community to State and Federal governments in the lead up to their respective elections	We prepared an advocacy priority plan based on several key issues relevant to the future of the Murrindindi Shire. Councillors and the CEO had the opportunity to present these advocacy priorities to the Hon. Shaun Leane, Minister for Local Government and the Hon Steve Dimopolous Minister for Tourism, Sports and Major Events, as well as local state and federal members of Parliament. Targeted advocacy is planned in the lead up to the State Elections in Late November 2022.
2. Work with community leaders and groups to ensure we all share the collective advocacy effort to maximise our success	We continued to participate in various groups and networks to increase advocacy efforts on behalf of our communities throughout the 21/22 year. These included: <ul style="list-style-type: none"> • Hume Region Local Government Network • Lower Hume Primary Care Partnership - including the Goulburn Mental Health and Wellbeing Collaboration • Goulburn Regional Partnership • Rural Councils Victoria • Central Ranges Local Learning and Employment Network • Goulburn Murray Climate Alliance • Goulburn Valley Waste and Resource Recovery Local Government Forum Council received a presentation from Foundation Murrindindi in an effort to increase collaboration and encourage community outcomes.

STRATEGIC INDICATORS

To ensure our services, people and systems deliver the best possible outcomes for our communities now and into the future.

Increased community satisfaction with our consultation and engagement		
Measure	Result 2021/22	Comment
Index score (maximum = 100) based on resident perceptions of performance on consultation and engagement	54	The community satisfaction score has reduced this year from 56 to 54, however remains on par with both the small rural and state-wide satisfaction rating (both 54).
Increased community satisfaction with our lobbying on behalf of the community		
Measure	Result 2021/22	Comment
Index score (maximum = 100) based on resident perceptions of lobbying on behalf of the community	52	The community satisfaction score has remained the same as last year at 52, this does sit slightly below the small rural (score of 54) and state-wide (score of 53) scores.
Increased community satisfaction with our customer service		
Measure	Result 2021/22	Comment
Index score (maximum = 100) based on resident perceptions of performance of customer service	64	Community satisfaction score decreased from 67 to 64, reflective of general community sentiment during the second year of the COVID-19 pandemic.
Positive trends in the Victorian Auditor General's ratings of Council's financial sustainability		
Measure	Result 2021/22	Data & Comment
Ratios for working capital, unrestricted cash and indebtedness performance declared in Council's audited performance statement	Working Capital 330.89%	Council has a strong position of financial sustainability.
	Unrestricted Cash 32.61%	Working capital has decreased due to an increase in the recognition of unearned grants as a liability (\$6.5 million). These are grants Council has received, however the matching expenditure will be incurred in future years.
	Indebtedness 29.98%	Unrestricted cash has decreased slightly due to the recognition of unearned grants as a liability (noted above). Indebtedness has decreased slightly due to an adjustment to the landfill provision which increased following the annual review and alignment with EPA assurance requirements.

Maintain high levels of staff satisfaction working at Council		
Measure	Result 2021/22	Data & Comment
Staff satisfaction survey	Not Available	Council did not undertake a staff satisfaction survey in 2021/22. Council focused on undertaking the People Matters Survey which provided valuable data for the Gender Equality Audit.
Completed all annual items in the Gender Equality Action Plan		
Measure	Result 2021/22	Data & Comment
Year one actions complete	Not available	Council submitted the final Gender Equality Action Plan in July 2022. The year one action success rate will be reported in the 22/23 year.
Improved results for our Gender Equality Audit indicators		
Measure	Result 2021/22	Data & Comment
Gender Equality Audit Indicators – median annualised base salary gap for women.	2.5%	Council submitted its first Gender Equality Audit data entry in 2022. The Audit will be conducted every 2 years. The median annualised base salary gap for women (pay gap) was 2.5%
Reduced Lost Time Injury Rates		
Measure	Result 2021/22	Data & Comment
Average monthly % lost time injury rate.	1.14%	This number has increased significantly during the 21/22 year. However, it is still a lower average compared to pre-COVID. Working from home arrangements were implemented, with minimised field work and changed work environments.
100% completion of training programs		
Measure	Result 2021/22	Comment
Completion rate (%) of mandatory training.	100%	100% of mandatory training was completed by staff including: <ul style="list-style-type: none"> • Lone worker (face to face and E-Learning) • Mental Health First Aid • Public Contractor Management • OHS management

Continuous improvements in condition index of Asset Categories		
Measure	Result 2021/22	Comment
<p>Average Condition Index result for the year compared to minimal Average Condition Index to maintain current levels of service:</p> <ul style="list-style-type: none"> • Unsealed Roads 3.13 • Sealed Roads 1.40 • Buildings 2.30 • Drainage 1.72 • Footpath and Shared Paths 1.69 • Kerb and Channels 1.53 • Bridges and Culver 1.91 • Other Structures 2.33 		<p>Average Condition to be less than 3.</p> <p>Note: Capital works for unsealed roads and sealed roads renewal have not been recorded for the 2021/2022 financial year in the asset system.</p> <p>8.9% increase from previous year and exceeds threshold</p> <p>23.6% increase from previous year</p> <p>11.7% increase from previous year</p> <p>2.3% increase from previous year</p> <p>0.6% increase from previous year</p> <p>0.7% decrease from previous year</p> <p>2.6% increase from previous year</p> <p>2.6% increase from previous year</p>
Improvements in relevant LGPRF indicators when compared to similar councils		
Measure	Result 2021/22	Comment
The LGPRF Governance Indicators - including Transparency, Attendance, Service Cost and Satisfaction.	<p>0% of Council decisions made in closed meetings</p> <p>Satisfaction with Council Decision making - 51</p>	<p>There has been a significant reduction in decisions made in closed Council meetings over the last 4 years. In the 21/22 year no meetings were closed to the public (confidential).</p> <p>The Community Satisfaction Survey result of 51 regarding satisfaction with Council decision making is down on previous years. This is despite all meetings now being live streamed to the public, which has increased transparency of Council's decision-making.</p>



LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK

The Local Government Performance Reporting Framework (LGPRF) is a mandatory system of performance reporting for all Victorian councils. This enables councils to measure and report on their performance in a consistent way to promote transparency and accountability in the local government sector.

The framework comprises a range of measures, including for roads, planning, animal management and waste.

It is complemented by a Governance and Management checklist of 24 items, which shows the policies, plans and procedures in place at each council. Together, they build a comprehensive picture of council performance which can be viewed at www.knowyourcouncil.vic.gov.au

REPORT OF OPERATIONS

This section provides the results of the prescribed performance indicators that relate to the strategies under 'Resilient Communities'. These indicators are also published on the Victorian Government's 'Know Your Council' website.

AQUATIC FACILITIES	RESULTS					
INDICATOR Measure	2018	2019	2020	2021	2022	Comments
SERVICE STANDARD: Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	1	0	2	1	1	Council has 4 aquatic facilities across the municipality – all pools were inspected by an Authorized Officer under the Public Health and Wellbeing Act 2008
UTILISATION: Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	1.42	1.53	0.97	1.51	1.81	Second year of free pool entry provided resulting in an increase of patronage despite the impact of Covid-19 restrictions
SERVICE COST: Cost of aquatic facilities Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	New in 2020	New in 2020	\$20.27	\$16.49	\$15.50	Increase of patrons using aquatic facilities has resulted in a decrease of cost per visit to council
LIBRARIES	RESULTS					
INDICATOR Measure	2018	2019	2020	2021	2022	Comments
UTILISATION: Physical library collection usage [Number of physical library collection item loans / Number of physical library collection items]	2.16	2.2	2.06	1.17	1.95	Increase on the previous year due to improved access to the physical collection, compared to the previous year with Covid-19
RESOURCE STANDARD: Recently purchased library collection [Number of physical library collection item loans / Number of physical library collection items]	54.45%	51.77%	55.52%	58.58%	56.16%	Slight decrease on the previous year, but largely consistent with previous years
PARTICIPATION: Active library borrowers in municipality [The sum of the number of active library borrowers in the last 3 financial years*/The sum of the population in the last 3 financial years*] x 100	20.61%	22.08%	20.04%	18.03%	14.31%	Decrease reflects the continued impact of Covid-19 restrictions on library operations across the year
SERVICE COST: Cost of library service per population [Direct cost of the library service / Population]	New in 2020	New in 2020	\$33.13	\$35.45	\$38.89	Slight increase in cost due to recommencement of library programs post Covid-19 restrictions

MATERNAL AND CHILD HEALTH	RESULTS					
INDICATOR Measure	2018	2019	2020	2021	2022	Comments
SERVICE STANDARD: Infant enrolments in the MCH service [Number of infants enrolled in the MCH service / Number of birth notifications received] x100	100.83%	102.04%	100.93%	97.54%	99.28%	Increase in infant enrolments, linked to increase in births
SERVICE COST: Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	\$104.78	\$73.63	\$71.02	\$71.74	\$69.26	No significant change
PARTICIPATION: Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	100.00%	89.19%	89.47%	100.00%	91.11%	Enrolments have decreased consistent with a decrease in Aboriginal births
SATISFACTION: Participation in 4-week Key Age and Stage visit [Number of 4-week key age and stage visits / Number of birth notifications received] x100	New in 2020	New in 2020	95.37%	104.92%	89.21%	The decrease is due to families moving to other municipalities prior to the 4 week age and stage visit.

REPORT OF OPERATIONS

This report provides the results of the prescribed performance indicators that relate to the strategies under 'Beautiful Townships and Rural Settings'. These indicators are also published on the Victorian Government's 'Know Your Council' website.

ANIMAL MANAGEMENT	RESULTS					
INDICATOR (Measure)	2018	2019	2020	2021	2022	Comments
TIMELINESS: Time taken to action animal management requests <i>[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]</i>	1.84	3	3	1	2	All dog attacks, animals in traps or cages, and animals found are always responded to within 24 hours. All other animal management requests are actioned within 2 days
SERVICE STANDARD: Animals reclaimed <i>[Number of animals reclaimed / Number of animals collected] x100</i>	60%	30.48%	50.32%	32.88%	47.83%	From the 47 dogs collected 42 were reclaimed by their owner. From the 68 cats collected only 13 were reclaimed by their owner.
SERVICE STANDARD: Animals rehomed <i>[Number of animals rehomed / Number of animals collected] x100</i>	New in 2020	New in 2020	42.04%	20.72%	15.65%	Rehoming of animals collected by Council (where assessed as suitable) is facilitated by an external organisation. Reduction in rehoming of animals is offset by an increase in animals reclaimed.
SERVICE COST: Cost of animal management service per population <i>[Direct cost of the animal management service / Population]</i>	New in 2020	New in 2020	\$11.35	\$12.87	\$12.11	Vacancies within the department resulted in a lower cost per population than previous years. This change is not significant.
HEALTH & SAFETY: Animal management prosecutions <i>[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100</i>	New in 2020	New in 2020	0%	0%	100%	Council progressed four animal management cases, all prosecutions were successful. There were no prosecutions in previous years.

FOOD SAFETY	RESULTS					
INDICATOR (Measure)	2018	2019	2020	2021	2022	Comments
TIMELINESS: Time taken to action food complaints <i>[Number of days between receipt and first response action for all food complaints / Number of food complaints]</i>	1	2	3	2	2	All food complaints are actioned within two business days
SERVICE STANDARD: Food safety assessments <i>[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100</i>	88.24%	86.84%	100%	88.24%	100%	All Class 1 and Class 2 food premises received an annual food premise assessment
SERVICE COST: Cost of food safety service <i>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]</i>	\$553.05	\$1,124.23	\$963.33	\$1,034.48	\$1,007.99	Cost per service has reduced due to the increase in number of Class 1,2,3 and 4 food premises registered or notified in accordance with the Food Act 1984.
HEALTH & SAFETY: Critical and major non-compliance outcome notifications <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</i>	100%	100%	100%	100%	100%	All critical non-compliance outcome notifications and major non-compliance notifications were routinely followed up

REPORT OF OPERATIONS

This report provides the results of the prescribed performance indicators that relate to the strategies under 'Beautiful Townships and Rural Settings'. These indicators are also published on the Victorian Government's 'Know Your Council' website.

ROADS	RESULTS					
INDICATOR Measure	2018	2019	2020	2021	2022	Comments
SATISFACTION: Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x 100	14.35	8.79	59.55	65.52	44.96	Fewer sealed local road requests can be attributed to the targeted maintenance and renewal works undertaken in recent months on sealed roads.
CONDITION: Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x 100	90.64%	91.62%	95.01%	96.41%	97.88%	Council has significantly increased this percentage over the last 5 years to ensure roads are maintained to condition standards 2021/2022 again reported the highest result since LGPRF records began and it is expected this result will positively impact satisfaction with sealed local roads in future years
SERVICE COST: Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$52.37	\$57.18	\$59.64	\$59.60	\$70.09	Increased cost in materials due to rising inflation
SERVICE COST: Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$7.89	\$4.18	\$5.29	\$5.87	\$6.14	Increased cost in materials due to rising inflation
SATISFACTION: Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	42	48	50	48	44	Low satisfaction rating may be attributed to increasing community expectations and delays in programmed maintenance due to weather and availability of materials. It is also a reflection of the sustained pressure on service delivery due to rate capping, low levels of recurrent grant funding, and higher costs of material and contractors due to inflation.

STATUTORY PLANNING	RESULTS					
INDICATOR Measure	2018	2019	2020	2021	2022	Comments
TIMELINESS: Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	57	60	84	59	54	Reduction reflects process improvement implemented in 2020/21
SERVICE STANDARD: Planning applications decided within required time frames [Number of planning application decisions made within 60 days for regular permits and 10 days for VicSmart permits/ Number of planning application decisions made] x100	68%	69.52%	59.45%	75.47%	75.68%	75.68% of applications were determined within required time frames
SERVICE COST: Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]	\$1,551.67	\$1,630.19	\$1,750.57	\$1,457.08	\$1,790.61	Lower costs in 2020/21 and part year of 2021/22 due to vacancies which were filled during 2021/22
DECISION MAKING: Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	66.67%	100%	0%	50%	50%	Of the four decisions referred to VCAT, two were upheld and two were set aside.

REPORT OF OPERATIONS

There are no prescribed performance indicators or measures that specifically relate to the strategies under 'Growth and Opportunity'.

NIL to report

Our Protected Environment

REPORT OF OPERATIONS

This report of operations provides the results of the prescribed performance indicators that relate to the strategies under 'Our Protected Environment'. These indicators are also published on the Victorian Government's 'Know Your Council' website.

WASTE COLLECTION	RESULTS					
INDICATOR Measure	2018	2019	2020	2021	2022	Comments
SATISFACTION - Kerbside bin collection requests <i>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000</i>	18.91	85.18	64.55	53.33	105.38	The increased number of requests reflects the growth in services currently provided.
SERVICE STANDARD - Kerbside collection bins missed <i>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000</i>	1.12	0.98	1.35	0.89	0.75	An exceptionally low rate of missed bins reported.
SERVICE COST - Cost of kerbside garbage bin collection service <i>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]</i>	\$68.36	\$70.42	\$72.60	\$74.64	\$110.44	Rate reflects increased cost of landfill levy.
SERVICE COST - Cost of kerbside recyclables bin collection service <i>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]</i>	\$59.40	\$62.76	\$72.72	\$71.99	\$75.91	As at June 2022
WASTE DIVERSION - Kerbside collection waste diverted from landfill <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	34.92%	34.09%	33.59%	34.43%	33.82%	Based on weighbridge data at landfill and at recyclables processing facility

REPORT OF OPERATIONS

This report of operations provides the results of the prescribed performance indicators that relate to the strategies under 'Transparency, Inclusion and Accountability'. These indicators are also published on the Victorian Government's 'Know Your Council' website.

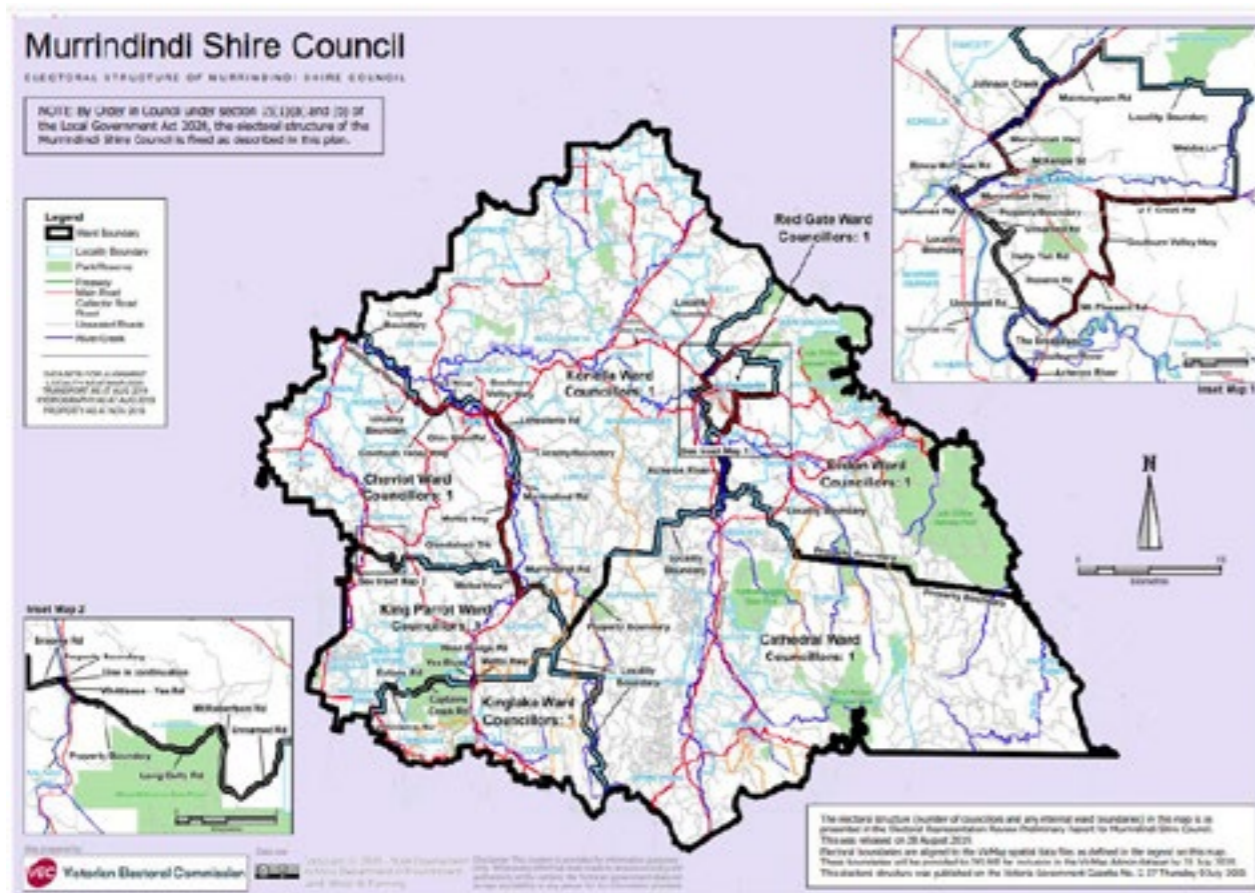
GOVERNANCE	RESULTS					
INDICATOR Measure	2018	2019	2020	2021	2022	Comments
TRANSPARENCY: Council decisions made at meetings closed to the public <i>[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100</i>	6.18%	15.34%	14.88%	4.11%	0.00%	There were no Council meetings closed to the public in 2021/22
CONSULTATION AND ENGAGEMENT: Satisfaction with community consultation and engagement <i>[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]</i>	46	55	55	56	54	The slight drop in 2021/22 may be attributed to the challenges Council faced on engagement activities during lockdowns and facilities closed.
ATTENDANCE: Councillor attendance at Council meetings <i>[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]</i>	94.29%	92.86%	92.44%	98.41%	90.11%	Councillor attendance to Council meetings remains constant at above 90% over the last four years.
SERVICE COST: Cost of elected representation <i>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]</i>	\$39,205.29	\$40,094.43	\$355,687.92	\$36,447.14	\$41,141.29	Under the Local Government Act 2020 Mayoral and Councillor allowances are set by the Victorian Independent Remuneration
SATISFACTION: Satisfaction with Council decisions <i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i>	45	55	53	54	51	The slight drop in satisfaction may be attributed to Council's inability to conduct in-person engagement for key policy



**OUR
COUNCIL**

OUR COUNCIL

COUNCIL ELECTORAL STRUCTURE



COUNCILLOR SUPPORT AND REMUNERATION

An important reform of the Local Government Act 2020 is the transfer of responsibilities for determining mayoral, deputy mayoral and councillor allowances to the Victorian Independent Remuneration Tribunal (the Remuneration Tribunal).

On 7 March 2022, in accordance with section 23A of the Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic) (VIRTIPS Act), the Tribunal made the Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022.

The determination took effect from 18 December 2021. The major change under the new structure was the introduction of a Deputy Mayor allowance.

Therefore, in the 21/22 year Murrindindi Shire Council operated under two Councillor allowance structures.

1 JULY TO 17 DECEMBER 2021

The Councillor remuneration and allowances were as per the limits that are determined by the Minister for Local Government each year. The 2021/22 allowance paid to the Mayor of Murrindindi Shire Council was \$62,884 with the provision of a corporate standard vehicle, and an amount equivalent to 9.5% superannuation. The 72 allowance paid to Murrindindi Shire Councillors was \$21,049 plus an amount equivalent to 9.5% superannuation for the 2021/22 financial year.

18 DECEMBER 2021 TO 30 JUNE 2022

The Tribunal Determination for each category sets the allowance rate, this is inclusive of a payment in lieu of superannuation. Council was determined to be a category 1 Council with the following allowance values:

- Mayor - \$74,706 per annum
- Deputy Mayor - \$37,353 per annum
- Councillors - \$24,080

COUNCILLOR EXPENSES

Council adopted the Councillor Expenses and Support Policy on 22 July 2020. This Policy establishes the resources and support necessary to enable councillors and members of delegated committees to perform their role, as defined under the Local Government Act 2020 (the Act).

The expenses are set out in the following categories:

Travel expenses – includes any taxi fares, public transport costs, remote travel allowance and reimbursement for kilometres travelled in their private vehicles associated with Council-related travel.

Childcare expenses – includes any childcare costs associated with enabling councillors to undertake their councillor role.

Information and Communication expenses – includes capital costs, monthly fees and usage costs associated with councillor mobile phones and information technology equipment or software. This exclude any personal use costs.

Conference and Training expenses – includes any registration fees, travel, accommodation and incidental costs associated with attendance or participation in conferences or professional development programs related to councillors performing their councillor role.

Other expenses – includes any subscriptions, uniform, name badge, business cards and other incidental expenditure related to councillors performing their role

	Allowances	Travel Expenses	Childcare Expenses	Information and Communications Expenses	Conference and Training Expenses	Other Expenses
Cr Carpenter	\$57,037.27	\$6,573.63	\$ -	\$524.28	\$3,561.48	\$530.24
Cr Gallagher	\$31,498.54	\$7,889.76	\$ -	\$561.54	\$1,725.07	\$521.29
Cr Gerencser	\$24,419.56	\$3,703.68	\$ -	\$638.96	\$2,595.38	\$513.12
Cr Haslam	\$24,419.56	\$3,681.92	\$ -	\$590.71	\$2,327.68	\$513.12
Cr Lording	\$24,419.56	\$4,028.64	\$ -	\$710.24	\$1,615.98	\$513.12
Cr McAulay	\$41,932.14	\$6,698.87	\$ -	\$773.94	\$3,301.81	\$522.86
Cr Walsh	\$24,419.56	\$2,176.82	\$ -	\$640.27	\$1,689.68	\$513.12

OUR COUNCIL

COMMUNITY ASSET COMMITTEES AND DELEGATED COMMITTEES

In accordance with section 65 of the Local Government Act 2020, Council may establish Community Asset Committees, which are delegated certain powers by the Chief Executive Officer. These committees were previously known as Council Committees of Management under Section 86 of the Local Government Act 1989.

Council has the following Community Asset Committees in place:

- The Gallipoli Park Precinct Community Asset Committee
- The Glenburn Community Centre Community Asset Committee
- The Yea Recreation Reserve and Showgrounds Community Asset Committee
- The Yea Saleyards Community Asset Committee
- The Yea Wetlands Community Asset Committee

These Committees' main responsibilities include:

- managing and maintaining the facilities in an efficient and effective manner, in the best interests of the Council, community and users
- acting as a coordinating body between the Council and the community, clubs, schools, users and potential users of the facilities
- promoting the use of the facilities within the community and to work with Council to actively promote use
- managing agreements on behalf of the Council, with casual hires of the facility in accordance with any conditions of hire

Under section 63 of the Local Government Act 2020, Council may establish Delegated Committees of Council. Council does not currently have any Delegated Committees.

AUDITING

AUDIT AND RISK ADVISORY COMMITTEE

The Audit and Risk Advisory Committee is an independent advisory committee to Council, established under sections 53 and 54 of the Local Government Act 2020.

Section 54 of the Act requires Council to prepare and adopt a Committee Charter (the Charter) governing the functions and responsibilities of the Committee, which are to:

- monitor the compliance of Council policies and procedures with the overarching governance principles in the Act (refer appendix 1), the Act itself and any regulations and ministerial directions
- monitor Council financial and performance reporting
- monitor and provide advice on risk management and fraud prevention systems and controls, and
- oversee internal and external audit functions.

For the 2021/22 financial year, the Audit and Risk Advisory Committee comprised the following members:

- **Claude Baxter (Chair) (1 July 2020 - 30 June 2022)**
- **Ian McKaskill (1 July 2020 - 30 June 2022)**
- **Craig Nisbet (1 July 2020 - 30 June 2023)**
- **Ilona Gerencser (1 July 2020 - 30 June 2022)**
- **Cr Sandice McAulay (1 July 2020 – 30 June 2022)**
- **Cr Damien Gallagher (23 November 2020 – 30 June 2022)**

The Chief Executive Officer and a representative of the internal auditor are also invited to attend Audit and Risk Advisory Committee meetings in a non-voting capacity. A representative of the external auditor is also required to attend where the year-end financial statements or external audit reports are to be considered.

The Audit and Risk Advisory Committee met on four occasions during the 2021/22 financial year, providing invaluable advice to Council on a number of important issues, including reviews of Council's Business Continuity and Disaster Recovery Planning, Strategic Risk Framework and Council's budgetary and annual reporting processes.

Recommendations from the audit program are prioritised and addressed as opportunities for improvement across the organisation.

INTERNAL AUDITS

Murrindindi Shire Council's internal audit function was contracted to HLB Mann Judd for a term of four years beginning January 2019.

During 2021/22 Council's Internal Auditors conducted the following components of the audit program

- Review of Financial Controls – 9 September 2021 Audit and Risk Committee Meeting
- Review of Business Continuity and Disaster Recovery Report – 9 December 2021 Audit and Risk Committee Meeting.
- Follow Up Review of Previous Audit Recommendations – 10 March 2022 Audit and Risk Committee Meeting
- Follow Up Review – Final Report (Rates and Revenue) – 12 May 2022 Audit and Risk Committee Meeting

EXTERNAL AUDITS

During 2021/22 the external auditor was RSD Audit who was initially appointed in 2018/19. The main audit is conducted in August with interim audits conducted during the year.

PRIVACY

Council is committed to the responsible collection, handling and protection of the personal privacy of residents, ratepayers and the community as a whole.

Council has policies in place to ensure adherence with the Privacy and Data Protection Act 2014 and will only collect, use or disclose information where it is necessary to perform Council functions or where required by law.

Murrindindi Shire Council will take all reasonable steps to keep any information held about individuals secure.

OUR COUNCIL

FREEDOM OF INFORMATION

The Freedom of Information Act 1982 gives the community a legally-enforceable right to information held by Council.

Applications under the Freedom of Information Act 1982 must be made in writing and a fee of \$30.60 (as of 1 July 2022) must be paid. Information regarding Council's Freedom of Information (FOI) application process can be found on Council's website and is available from any Council office.

Community members are encouraged to contact Council's FOI Officer before lodging an application to seek advice regarding what information is accessible under the Freedom of Information Act 1982.

In 2021-2022 11 Freedom of Information requests were received by Council.

One appeal was received against the FOI Officer's decisions.

PUBLIC INTEREST DISCLOSURES

On 5 March 2019, the Victorian Parliament passed legislation making changes to Victoria's integrity system. The legislation established a new parliamentary oversight committee, the Integrity and Oversight Committee, consolidating the oversight and performance review of a number of Victorian integrity agencies, including the Independent Broad-based Anti-corruption Commission (IBAC).

The legislation also introduced changes to support people making disclosures which are in the public interest. Effective from 1 January 2020, these changes replaced previous 'protected disclosure' arrangements with 'public interest disclosures' under the updated Public Interest Disclosures Act 2012 (Vic).

Murrindindi Shire Council is committed to the aims and objectives of the Public Interest Disclosures Act 2012 and has in place procedures to facilitate the making of disclosures. Council does not tolerate improper conduct by its employees, officers or members, nor acts of reprisal against those who come forward to disclose such conduct.

Relevant Council contact details are listed below:

Public Interest Disclosure Coordinator
Michael Chesworth
Director, Corporate and Shared Services
Murrindindi Shire Council
PO Box 138 Alexandra 3714
or phone 03 5772 0335

Public Interest Disclosure Officer
Tara Carter
Manager, Governance and Risk
Murrindindi Shire Council
PO Box 138 Alexandra 3714
or phone 03 5772 0347

ALTERNATIVE CONTACTS

Independent Broad-Based Anti-Corruption Commission (IBAC),

Address: IBAC, GPO Box 24234, Melbourne Victoria 3001,

website: www.ibac.vic.gov.au ; Phone: 1300 735 135

Note: All public interest disclosures about Councillors should be directed to IBAC.

DOCUMENTS FOR PUBLIC INSPECTION

These documents and registers are available for public inspection as required by Regulation 12 of the Local Government (General) Regulations 2015.

Item	Way In Which Available to the Public
The certified voters' roll for a Council election - for the period beginning on the certification date and ending 30 days after election day	Available at the Council Offices
Councillor Code of Conduct	Council's website
All Local Laws adopted by Council	Council's website
Copies of Council's Council Plan, Strategic Resource Plan, Budget and Annual Report	Council's website
Rating Strategy	Council's website
Election Campaign Donation Returns summary	Council's website
Details of overseas or interstate travel (with the exception of interstate travel by land for less than 3 days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months, including the names of the Councillors or members of Council staff and the date, destination, purpose and total cost of the overseas or interstate travel	Available upon request
Councillor Expenses and Support Policy	Council's website
Agendas for council meetings - except parts of meetings closed to the public	Council's website
Minutes of council meetings - except parts of the meetings closed to the public	Council's website
Council Delegations	Available upon request and as part of Council Minutes on Council's website
Lease Register	Available upon request
A register of authorised officers appointed	Available upon request
Council's Procurement Policy	Council's website
Personal Interest Returns	Council's website
All Council Policies	Council's website

<http://www.murrindindi.vic.gov.au/Your-Council/Governance/Documents-for-Public-Inspection>

OUR COUNCIL

CONTRACTS

Murrindindi Shire Council adopted a Procurement Policy on 1 November 2021 consistent with section 108 of the Local Government Act 2020 in this period from 1 November – 30 June we entered into the below contracts all with values above Council's Procurement Policy contract value for invitation to tender:

Council Meeting	CONT Number	Contract Name
24/11/2021	CONT21/39	VECO Victorian Energy Collaboration
15/12/2021	CONT21/8	Civil Works Panel
	CONT21/21	Break O Day Bridge Glenburn
	CONT21/20	Gravel Roads Resheeting Program
	CONT21/25	Annual Reseal Program
	CONT21/23	Yea Closed Landfill Rehabilitation
23/02/2022	CONT21/34	Path Renewal Program 21/22
23/03/2022	CONT21/22	Contract Cleaning Council Facilities
13/04/2022	CONT21/30	Delivery of a Motor Grader
27/04/2022	CONT21/32	Yea Caravan Park Bridge Renewal
	CONT21/33	Alexandra Youth Precinct
	CONT22/2	Blue Gums to Eildon Recreational Trail

We had no contracts that were above Council's threshold that did not have an invite for tender or seek expression of interest.

GOVERNANCE AND MANAGEMENT CHECKLIST

The following are the results of Council's assessments against the prescribed governance and management checklist.

Governance and Management Items	Assessment	Check Box
1. Community Engagement Policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act: 24 February 2021	✓
2. Community Engagement Guidelines (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation 24 February 2021	✓
3. Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Plan adopted in accordance with s91 of the Act: 27 October 2021	✓
4. Asset Plan (plan that sets out the asset maintenance and renewal needs for the key infrastructure asset classes for at least the next 10 years)	Plan adopted in accordance with S92 of the Act: in 2012, Adopted: 22 June 2022	✓
5. Revenue and Rating Plan (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with S93 of the Act: 28 April 2022	✓
6. Annual Budget (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with s94 of the Act Adopted: 22 June 2022	✓
7. Risk Policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation 25 May 2022	✓
8. Fraud Policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation 22 September 2021	✓
9. Municipal Emergency Management Plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with s20 of the Emergency Management Act 1986 26 August 2020	✓

OUR COUNCIL

GOVERNANCE AND MANAGEMENT CHECKLIST CONT.

The following are the results of Council's assessments against the prescribed governance and management checklist.

Governance and Management Items	Assessment	Check Box
10. Procurement Policy (policy under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Adopted in accordance with s108 of the Act 1 November 2021	✓
11. Business Continuity Plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation 16 September 2021	✓
12. Disaster Recovery Plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation 5 May 2022	✓
13. Risk Management Framework (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation 25 October 2017	✓
14. Audit and Risk Committee (advisory committee of Council under section 53 and 54 of the Act)	Established in accordance with s53 of the Act 22 July 2020	✓
15. Internal Audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged 8 January 2019	✓
16. Performance Reporting Framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Local Government Act 1989)	Current framework in operation 1 July 2014	✓
17. Council Plan Report (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Council reports its performance against the Council Plan on a quarterly basis at the November, February and April meetings and as part of the Annual Report Council Plan & Priority Action Plan adopted 27 October 2021	✓
18. Quarterly Budget Reports (quarterly reports to Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations)	Council reports its financial performance against the budget on a quarterly basis at the October, February, April and August meetings. 25 August 2021	✓

GOVERNANCE AND MANAGEMENT CHECKLIST CONT.

The following are the results of Council's assessments against the prescribed governance and management checklist.

Governance and Management Items	Assessment	Check Box
19. Risk Reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring risk minimisation strategies)	Reported to Council's Audit and Risk Committee Meetings on a quarterly basis in September, December, March and May. Minutes of the meetings are formally presented to Council.	✓
20. Performance Reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred section 131 of the 1989 Act)	Council reports its performance against key indicators of both financial and non-financial performance on a quarterly basis at the November, February, April and August meetings.	✓
21. Annual Report (annual report under sections 131, 132 and 133 of the Local Government Act 1989 to the community containing a report of operations and audited financial performance statements)	Annual report presented at a meeting of Council in accordance with section 100 of the Act 27 October 2021	✓
22. Councillor Code of Conduct (Code setting out the standards of conduct to be followed Councillors and other matters)	Code of conduct reviewed and adopted in accordance with s139 of the Act 24 February 2021	✓
23. Delegations (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with s11(7) of the Act and a register kept in accordance with s11(8) and 47(7) of the Act 23 June 2021	✓
24. Meeting Procedures (Governance Rules governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with s60 of the Act 24 June 2020	✓

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

Livia Bonazzi

Livia Bonazzi
Chief Executive Officer
Dated: 26 October 2022

Sue Carpenter

Sue Carpenter
Mayor
Dated: 26 October 2022



FINANCIAL REPORT

FINANCIAL REPORT

INTRODUCTION TO THE FINANCIALS

UNDERSTANDING THE FINANCIAL STATEMENTS

Murrindindi Shire Council's Financial Report is a general purpose financial report that consists of an Income Statement, Balance Sheet, Statement of Changes in Equity and a Cash Flow Statement, together with explanatory notes.

This general purpose Financial Report has been prepared to comply with the provisions of the Local Government Act, 2020, Local Government (Finance and Reporting) Regulations 2014, applicable Australian Accounting Standards and other mandatory professional reporting requirements.

Particular terms required by the Standards may not be familiar to some readers. Further, Council is a 'not for profit' public organisation and some of the generally recognised terms used in private sector company reports are not appropriate for Council's reports.

Council is committed to accountability and transparency. It is in this context that the plain English guide has been developed to assist readers to understand and analyse the financial report.

WHAT IS CONTAINED IN THE ANNUAL FINANCIAL REPORT?

Council's financial report has two sets of Statements:

- 1 Financial Statements
- 2 Performance Statement

Each of these statements is prepared by Council staff, examined by Council's Audit and Risk Advisory Committee, examined by Council and is then audited by the Victorian Auditor-General.

COMPREHENSIVE INCOME STATEMENT

The Income Statement sets out the movement in relation to revenue, expenses and other adjustments from all activities and compares these figures to the previous financial year. It provides a view of Council's operating performance.

The Income Statement requires revenues to be separately disclosed where the item is of such a size, nature and incidence, that its disclosure is relevant in explaining the performance of Council.

THE BALANCE SHEET

The Balance Sheet shows a snapshot of Council's financial position as at 30 June 2022. It shows the total of what is owned (assets) less what is owed (liabilities). The assets and liabilities are separated into 'current' and 'non-current'. 'Current' means those assets or liabilities that fall due in the next 12 months.

The bottom line of this statement is net assets, which reflect the net worth of the Council. The change in net assets between the two years shows how the financial position has changed over the period. Net assets are made up of the total current and non-current assets less the current and non-current liabilities.

STATEMENT OF CHANGES IN EQUITY

During the course of the year, the value of 'Total Equity' as set out in the Balance Sheet changes. This Statement shows the values of such changes and how these changes arose.

The main reasons for a change in equity stem from

- the 'surplus or deficit' from operations, described in the Comprehensive Income Statement as the Comprehensive Result for the year
- the use of monies from Council's reserves
- a revaluation of the assets which takes place on a regular basis to ensure the most up-to-date value is included in Council's books. It also occurs when existing assets are taken up in the books for the first time.

CASH FLOW STATEMENT

The Cash Flow Statement summarises Council's cash payments and cash receipts for the year. This Statement is presented according to a very specific Accounting Standard and needs some care in analysis. The values may differ from those shown in the Comprehensive Income Statement because the Comprehensive Income Statement is prepared on an accrual accounting basis.

Cash in this Statement refers to bank deposits and other forms of highly-liquid investments that can be readily converted to cash. Council's cash arises from, and is used in, three main areas.

1. Cash flows from operating activities

- Receipts – all cash received into Council's bank account from ratepayers and others who owe money to Council. Receipts also include the interest earnings from Council's cash investments. It does not include the costs associated with the sale of assets.
- Payments – all cash paid by Council from its bank account to employees, creditors and other persons. It does not include the costs associated with the creation of assets.

2. Cash flows from investing activities

- This section shows the cash invested in the creation or purchase of property, infrastructure, plant and equipment assets and the cash received from the sale of these assets.

3. Cash flows from financing activities

- This is where the receipt and repayment of borrowed funds are recorded.

The bottom line of the Cash Flow Statement is the cash and cash equivalents at end of financial year. This shows the capacity of Council to meet its cash debts and other liabilities.

STATEMENT OF CAPITAL WORKS

The Statement of Capital Works details Council's capital works expenditure for the financial year. It sets out the expenditure on creating or buying property, plant and equipment, and infrastructure by each category of asset. It also indicates how much has been spent on renewing, upgrading, expanding or creating new assets of this type.

FINANCIAL REPORT

NOTES TO THE FINANCIAL STATEMENTS

The Notes are a very important and informative section of the Report. The Australian Accounting Standards are not prescriptive on some matters. Therefore, to enable the reader to understand the basis upon which the values shown in the Statements are established, it is necessary to provide details of Council's significant accounting policies.

Apart from the accounting policies, the Notes also give details behind many of the summary figures contained in the Statements. The Note numbers are shown beside the relevant items in the Comprehensive Income Statement, Balance Sheet and the Cash Flow Statement.

The Notes also include information that Council wishes to disclose but which cannot be incorporated into the Statements.

The Notes should be read in conjunction with the other parts of the Financial Statements to get a clear picture of the accounts.

NOTES TO THE PERFORMANCE STATEMENT

The Performance Statement shows the results that were achieved for the year across a number of performance indicators.

STATEMENTS BY THE PRINCIPAL ACCOUNTING OFFICER, COUNCILLORS AND THE CHIEF EXECUTIVE OFFICER

The certification of the Principal Accounting Officer is made by the person responsible for the financial management of Council that, in her/his opinion, the financial statements have met all the statutory and professional reporting requirements. The certification of the Chief Executive Officer and Councillors is made by two Councillors and the Chief Executive Officer on behalf of Council that, in their opinion, the financial statements are fair and not misleading.

AUDITOR-GENERAL'S REPORT

The Independent Audit Report provides the reader with an external and independent opinion on the Financial Statements. It confirms that the Financial Report has been prepared in accordance with relevant legislation and professional standards and that it represents a fair picture of the financial affairs of the Council.

DONATIONS AND GRANTS PROVIDED BY COUNCIL 2021/22

RECEIVED BY	AMOUNT
2030 Yea Incorporated	\$4,480.00
Alexandra Community Hub	\$3,553.00
Alexandra Events Corporation	\$16,000.00
Alexandra Football Netball Club Inc	\$2,000.00
Alexandra Indoor Heated Pool Inc	\$1,982.00
Alexandra Pastoral & Agricultural	\$454.55
Alexandra Secondary College	\$600.00
Big Hill Events	\$5,000.00
Blackburn Cycling Club Inc	\$3,000.00
Country Womens Association of Victoria	\$3,300.00
Dindi Naturals	\$2,000.00
Eildon Action Inc	\$5,000.00
Fawcett Mechanics Institute Committee	\$600.00
Flowerdale Community House	\$2,500.00
Flowerdale Estate	\$2,000.00
Flowerdale Hall Committee of Management	\$550.00
Foggy Mountain Inc	\$4,500.00
Glenburn Hall & Progress Association	\$400.00
Goulburn Valley Suicide Awareness Group	\$2,000.00
Grant St Grocer	\$1,740.00
Highlands Community Hall	\$5,000.00
IM & MG Simpson & Son	\$2,400.00
Koori Kids	\$500.00
Lions Club of Marysville	\$900.00
Mothers Day Classic Foundation	\$3,500.00
Murrindindi East U3A	\$750.00
Open Roads Travel	\$5,000.00
Philip Lobley Wines	\$4,000.00
Rotary Club of Alexandra	\$2,500.00
Rotary Club of Kinglake Ranges Inc	\$2,500.00
Rotary Club of Yea	\$300.00
Strath Creek Progress Association	\$450.00
Sustainable Property and Environmental Solutions	\$750.00
Taggerty Community Progress Group	\$2,500.00
Taungurung Clans Aboriginal Corporation	\$1,500.00
The Outdoor Education Foundation Ltd	\$2,500.00
Triangle Arts Group	\$2,000.00
Try Gym Inc	\$4,500.00
Yarra Valley Yurts Pty Ltd	\$3,000.00
Yea & District Historical Society Inc	\$1,000.00
Yea Community House	\$2,227.00
Yea Golf Club	\$3,500.00
Yea Wetlands Discovery Centre	\$3,200.00
TOTAL	\$116,136.55

ANNUAL FINANCIAL REPORT

CONTENTS

CERTIFICATION OF THE FINANCIAL STATEMENTS	118	NOTE 5 – OUR FINANCIAL POSITION	146
VICTORIAN AUDITOR GENERAL'S OFFICE REPORT	120	5.1 FINANCIAL ASSETS	146
COMPREHENSIVE INCOME STATEMENT	122	5.2 NON-FINANCIAL ASSETS	148
BALANCE SHEET	123	5.3 PAYABLES, TRUST FUNDS AND DEPOSITS AND UNEARNED INCOME/REVENUE	149
STATEMENT OF CHANGES IN EQUITY	124	5.4 PROVISIONS	150
STATEMENT OF CASH FLOWS	125	5.5 COMMITMENTS	153
STATEMENT OF CAPITAL WORKS	126	5.6 LEASES	155
NOTES TO THE FINANCIAL REPORT	128	NOTE 6 – ASSETS WE MANAGE	157
INTRODUCTION	128	6 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT	157
STATEMENT OF COMPLIANCE	128	SUMMARY OF WORKS IN PROGRESS	157
SIGNIFICANT ACCOUNTING POLICIES	128	6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT	158
NOTE 2	130	NOTE 7 – PEOPLE AND RELATIONSHIPS	165
2.1.1 PERFORMANCE AGAINST BUDGET	130	7.1 COUNCIL AND KEY MANAGEMENT REMUNERATION	165
2.1.2 PERFORMANCE AGAINST BUDGET	131	7.2 RELATED PARTY DISCLOSURE	167
NOTE 2.2 ANALYSIS OF COUNCIL RESULTS BY PROGRAM	136	NOTE 8 – MANAGING UNCERTAINTIES	168
2.2.1 RESILIENT COMMUNITIES	135	8.1 CONTINGENT LIABILITIES AND CONTINGENT ASSETS	168
2.2.2 SUMMARY OF REVENUES, EXPENSE AND ASSETS BY PROGRAM	136	8.2 CHANGE IN ACCOUNTING STANDARDS	169
NOTE 3 – FUNDING FOR THE DELIVERY OF OUR SERVICES	137	8.3 FINANCIAL INSTRUMENTS	169
3.1 RATES AND CHARGES	137	8.4 FAIR VALUE MEASUREMENT	171
3.2 STATUTORY FEES AND FINES	138	8.5 EVENTS OCCURRING AFTER BALANCE DATE	172
3.3 USER FEES	138	NOTE 9 – OTHER MATTERS	173
3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT	139	9.1 RESERVES	173
3.5 CONTRIBUTIONS	142	9.2 RECONCILIATIONS OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS	176
3.6 OTHER INCOME	142	9.3 SUPERANNUATION	176
NOTE 4 – THE COST OF DELIVERING SERVICES	143	9.4 IMPACT OF COVID 19 PANDEMIC	179
4.1 EMPLOYEE COSTS	143	NOTE 10 – CHANGE IN ACCOUNTING POLICY	179
4.1 A) SUPERANNUATION	143	10.1 CHANGE IN ACCOUNTING STANDARDS	179
4.2 MATERIALS AND SERVICES	144	PERFORMANCE STATEMENT	180
4.3 DEPRECIATION	144	DESCRIPTION OF MUNICIPALITY	182
4.4 AMORTISATION - INTANGIBLE ASSETS	144	PERFORMANCE STATEMENT	182
4.5 BAD AND DOUBTFUL DEBTS	144	SIGNIFICANT ACCOUNTING POLICIES	186
4.6 BORROWING COST	144	BASIS OF PREPARATION	186
4.7 NET LOSS DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT	145	DEFINITIONS	186
4.8 OTHER EXPENSES	145	CERTIFICATION OF THE PERFORMANCE STATEMENT	188

CERTIFICATION OF THE FINANCIAL STATEMENTS

Murrindindi Shire Council
2021/2022 Financial Report

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 (Finance and Reporting) Regulations 2020*, Australian Accounting Standards and other mandatory professional reporting requirements.



Cheryl Nickel-Beattie
Principal Accounting Officer

Date: 28 September 2022
Alexandra

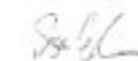
In our opinion the accompanying financial statements present fairly the financial transactions of Murrindindi Shire Council for the year ended 30 June 2022 and the financial position of the Council as at that date.

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

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.

Sue Carpenter
Mayor

Date: 28 September 2022
Alexandra



John Walsh
Councillor

Date: 28 September 2022
Alexandra



Livia Bonazzi
Chief Executive Officer

Date: 28 September 2022
Alexandra



VICTORIAN AUDITOR GENERAL'S OFFICE REPORT



Independent Auditor's Report

To the Councillors of Murrindindi Shire Council

Opinion	<p>I have audited the financial report of Murrindindi Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> balance sheet as at 30 June 2022 comprehensive income statement for the year then ended statement of changes in equity for the year then ended statement of cash flows for the year then ended statement of capital works for the year then ended notes to the financial statements, including significant accounting policies certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, 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.</p> <p>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:</p> <ul style="list-style-type: none"> identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern. evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
---	---

Travis Derrickott
as delegate for the Auditor-General of Victoria

MELBOURNE
12 October 2022

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

COMPREHENSIVE INCOME STATEMENT

For the Year Ended 30 June 2022 of the Council.

	Note	2022 (\$)	2021 (\$)
INCOME			
Rates and charges	3.1	22,104,551	21,529,678
Statutory fees and fines	3.2	1,346,299	1,213,451
User fees	3.3	1,288,386	1,132,560
Gants - operating	3.4	8,907,017	8,474,378
Grants - capital	3.4	3,510,055	2,772,824
Contributions - monetary	3.5	394,471	320,179
Contributions - non monetary	3.5	1,204,062	1,219,962
Other income	3.6	1,485,581	1,183,423
TOTAL INCOME		40,240,422	37,846,455
EXPENSES			
Employee costs	4.1	14,785,116	15,447,155
Materials and services	4.2	12,368,864	12,646,987
Depreciation	4.3	7,953,062	8,655,486
Amortisation - Intangible assets	4.4	487,756	334,473
Bad and doubtful debts	4.5	8,968	169,784
Borrowing costs	4.6	-	22,906
Net loss on disposal of property, infrastructure, plant and equipment	4.7	229,176	1,330,274
Other expenses	4.8	543,227	441,793
Increase in provision for landfill liability	5.4	276,566	1,561,454
TOTAL EXPENSES		36,652,735	40,610,312
Surplus/ (Deficit) for the year		3,587,687	(2,763,857)
OTHER COMPREHENSIVE INCOME -			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	6.1	23,045,545	53,275,108
TOTAL OTHER COMPREHENSIVE RESULTS		23,045,545	53,275,108
COMPREHENSIVE RESULT		23,045,545	50,511,251

The above Comprehensive Income Statement should be read in conjunction with the accompanying notes.

BALANCE SHEET

As at 30 June 2022.

	Note	2022 (\$)	2021 (\$)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5.1 (a)	13,399,729	10,981,779
Other financial assets	5.1 (b)	29,400,000	30,300,000
Trade and other receivables	5.1 (c)	3,783,284	3,581,233
Inventories		44,922	37,808
Other assets	5.2	253,275	201,378
TOTAL CURRENT ASSETS		46,881,210	45,102,198
NON-CURRENT ASSETS			
Trade and other receivables	5.1(c)	705	1,481
Intangible assets	5.2	1,469,121	1,948,577
Property, infrastructure, plant and equipment	6.1	434,115,402	406,104,775
TOTAL NON-CURRENT ASSETS		435,585,228	408,054,833
Total assets		482,466,438	453,157,031
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5.3(a)	2,564,206	2,308,655
Trust funds and deposits	5.3(b)	1,695,123	1,349,442
Unearned income	5.3(c)	6,495,150	4,683,431
Provisions	5.4(a)	3,413,717	3,459,711
TOTAL CURRENT LIABILITIES		14,168,196	11,801,239
NON-CURRENT LIABILITIES			
Provisions	5.4	7,822,130	7,512,912
TOTAL NON-CURRENT LIABILITIES		7,822,130	7,512,912
Total liabilities		21,990,326	19,314,151
NET ASSETS		460,476,112	433,842,880
EQUITY			
Accumulated surplus		133,518,606	128,738,537
Reserves	9.1	326,957,506	305,104,343
TOTAL EQUITY		460,476,112	433,842,880

The above Balance Sheet should be read in conjunction with the accompanying notes

Murrindindi Shire Council 2021/2022 FINANCIAL REPORT

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2022.

	Note	Total	Accumulated Surplus (\$)	Revaluation Reserve (\$)	Other Reserves (\$)
2022					
BALANCE AT BEGINNING OF THE FINANCIAL YEAR		433,842,880	128,738,538	284,869,747	20,234,596
Surplus (deficit) for the year		3,587,687	3,587,687	-	-
Net asset revaluation increment	9.1	23,045,545	-	23,045,545	-
Transfers to other reserves	9.1(b)	-	(1,454,867)	-	1,454,867
Transfers from other reserves	9.1(b)	-	2,647,248	-	(2,647,248)
BALANCE AT END OF THE FINANCIAL YEAR		460,476,112	133,518,606	307,915,291	19,042,215
2021					
BALANCE AT BEGINNING OF THE FINANCIAL YEAR		383,331,628	131,560,472	231,594,639	20,176,517
Surplus (deficit) for the year		(2,763,856)	(2,763,856)	-	-
Net asset revaluation increment	9.1	53,275,108	-	53,275,108	-
Transfers to other reserves	9.1(b)	-	(1,752,326)	-	1,752,326
Transfers from other reserves	9.1(b)	-	1,694,247	-	(1,694,247)
BALANCE AT END OF THE FINANCIAL YEAR		433,842,880	128,738,537	284,869,747	20,234,596

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 2022.

	Note	2022 (\$) Inflows/ (Outflows)	2021 (\$) Inflows/ (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Rates and charges		22,185,763	21,714,820
Statutory fees and fines		1,363,834	1,236,616
User fees		991,036	1,216,855
Grants - operating		9,649,684	9,044,273
Grants - capital		4,911,793	7,460,270
Contributions - monetary		419,742	332,820
Interest received		332,873	426,852
Other receipts		1,035,803	700,312
Net Fire Services Property Levy received (Remitted)		887	(61,682)
Net GST refund		1,802,541	1,441,525
Net receipt of trust funds and deposits		344,804	(71,159)
Materials and services		14,603,524	(14,797,074)
Employee Cost		14,459,859	(15,553,601)
Other Payments		(351,626)	(293,811)
NET CASH PROVIDED OPERATING ACTIVITIES	9.2	13,623,741	12,797,016
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, infrastructure, plant and equipment		(12,482,856)	(11,144,653)
Payments for intangible assets		(8,300)	(81,303)
Proceeds from sale of property, infrastructure, plant and equipment		385,364	103,227
Receipts/(payments) for investments		900,000	(8,280,500)
NET CASH PROVIDED (USED) IN INVESTING ACTIVITIES		(11,205,792)	(19,403,229)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance costs		0	(28,298)
Repayment of interest bearing loans and borrowings		0	(478,556)
NET CASH (USED) IN FINANCING ACTIVITIES		0	(506,854)
Net increase (decrease) in cash and cash equivalents		2,417,950	(7,113,067)
Cash and cash equivalents at the beginning of the financial year		10,981,779	18,094,846
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	5.1(a)	13,399,729	10,981,779

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

Murrindindi Shire Council 2021/2022 FINANCIAL REPORT

STATEMENT OF CAPITAL WORKS

For the Year Ended 30 June 2022.

	Note	2022 (\$)	2021 (\$)
PROPERTY			
Land		680,898	542,673
Buildings		1,592,238	1,740,544
TOTAL PROPERTY		2,273,136	2,283,217
PLANT AND EQUIPMENT			
Heritage plant and equipment		174,798	-
Plant, machinery and equipment		1,701,406	1,738,560
Fixtures, fittings and furniture		174,454	150,276
Library books		100,593	106,503
TOTAL PLANT AND EQUIPMENT		2,151,251	1,995,339
INFRASTRUCTURE			
Roads		4,910,368	4,120,785
Bridges		1,533,755	426,315
Footpaths and cycleways		1,064,740	1,099,927
Drainage		395,370	602,272
TOTAL INFRASTRUCTURE		7,904,233	6,249,299
TOTAL CAPITAL WORKS EXPENDITURE		12,328,620	10,527,855
REPRESENTED BY			
New asset expenditure		1,091,556	3,328,953
Asset renewal expenditure		7,213,426	4,477,563
Asset expansion expenditure		615,519	378,260
Asset upgrade expenditure		3,408,119	2,343,079
TOTAL CAPITAL WORKS EXPENDITURE		12,328,620	10,527,855

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



NOTES TO THE FINANCIAL REPORT

INTRODUCTION

The Murrindindi 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 Perkins Street, Alexandra.

STATEMENT OF COMPLIANCE

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

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

SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

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.

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.

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 dollar unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

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

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

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.

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 2.1.1 – 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 \$500,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 22 June 2022. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

2.1.1 INCOME AND EXPENDITURE	Budget 2022 (\$)	Actual 2022 (\$)	Variance (\$)	Variance (%)	Ref
INCOME					
Rates and charges	22,017,000	22,104,551	87,551	-	
Statutory fees and fines	1,219,000	1,346,299	127,299	10%	1
User fees	990,000	1,288,386	298,386	30%	2
Grants - operating	6,767,000	8,907,017	2,140,017	32%	3
Grants - capital	4,866,000	3,510,055	(1,355,945)	(28%)	4
Contributions - monetary	179,000	394,471	215,471	120%	5
Contributions - non monetary	600,000	1,204,062	604,062	101%	6
Other income	1,015,000	1,485,581	470,581	46%	7
TOTAL INCOME	37,653,000	40,240,422	2,587,422	7%	
EXPENSES					
Employee costs	15,373,000	14,785,116	587,884	(4%)	8
Materials and service	11,254,000	12,368,864	(1,114,864)	10%	9
Bad and doubtful debts	-	8,968	(8,968)	100%	
Depreciation	8,563,000	7,953,062	609,938	(7%)	10
Amortisation - intangible assets	357,000	422,916	(65,916)	18%	11
Net loss on disposal of property, infrastructure, plant and equipment	600,000	229,176	370,824	(62%)	12
Other expenses	362,000	543,227	(181,227)	50%	13
Increase in provision for landfill Liability	-	276,566	(276,566)	100%	14
TOTAL EXPENSES	36,509,000	36,587,895	(78,895)	0%	
SURPLUS/ (DEFICIT) FOR THE YEAR	1,144,000	3,652,527	2,508,527		

NOTE 2.1.2 – PERFORMANCE AGAINST BUDGET (CONT.)

(i) EXPLANATION OF MATERIAL VARIATIONS

Variance Ref	Item	Explanation
1	Statutory fees and fines	Favourable variance in planning fees \$52k, building fees \$50k, animal registrations \$24k
2	User Fees	Favourable variance in Saleyard fee income \$151,327 and Landfill and Recycling charges \$145,561
3	Grants-operating	New grants received during the year that were not budgeted \$805k. An additional 25% of the 2022/23 Grants Commission Financial Assistance payment was paid in advance, equating to \$1.7m unbudgeted.
4	Grants-capital	Budgeted grants deferred to unearned income as outcomes not delivered, DITRDC Bridge renewal and Heavy Vehicle road grants \$2.4 m, offset by new unbudgeted grants received \$1.4m
5	Contributions – monetary	Favourable variance in contributions to capital projects \$68k, Public Space Contributions \$68k; Operating contributions: Eildon Alliance Boat Ramp \$30k. Includes contributions to Goulburn Murray Climate Alliance
6	Contributions – non monetary	Council receives contributions in the form of infrastructure as a result of subdivisions and developments. The timing and amount of such contributions is largely outside Council's control. Details of contributions are shown at note 3.5.
7	Other income	Favourable variances from interest income earnings \$293k due to increasing interest rates, sale of scrap steel and batteries \$177k and value of volunteer services \$120k as highlighted in note 3.6. The recognition of volunteer services under Accounting Standards is cost neutral, with the matching amounts recognised as revenue and expenditure.
8	Employee costs	Variance mainly in Infrastructure Operations: Parks and Gardens and Road Maintenance. Vacancies filled by contract positions (materials and services).
9	Materials and services	Unfavourable variances in Waste Management and Landfill including plant repairs and leachate treatment \$626k, Rubicon Waster Water (grant funded) project \$126k, Small Business Support (grant funded) \$162k, Parks and gardens \$103k, Road maintenance \$104k tree works \$49k, increased weed control \$81k, Goulburn Murray Climate project (supported by contributions) \$43k, 2021 Storm recovery works \$59, Kinglake streetscape works budgeted as capital \$258k, contractors filling staff vacancies \$202k; offset by favourable variances in Family Day Care (grant funded) \$340k, Grants program over budgeted \$223k

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 2.1.2 – PERFORMANCE AGAINST BUDGET (CONT.)

(I) EXPLANATION OF MATERIAL VARIATIONS

Variance Ref	Item	Explanation
10	Depreciation	The roads revaluation work undertaken in late 2020/21 resulted in a downward adjustment to depreciation rates. These figures were not available at the time of adopting the 2021/22 budget.
11	Amortisation - Intangible Assets	The amortisation (consumption) of landfill airspace was higher than expected.
12	Net loss on disposal of property, infrastructure, plant and equipment	When assets are replaced, renewed, or upgraded, the underlying book value of the assets must be written out of the asset register, this value is recorded as an expense. The amount of this expense depends on the size, nature and timing of the completion of the capital works program. In the current year the bridge replacement program has been delayed, when the new bridges are completed in 2022-23 the book value of the existing bridges will be adjusted and any remaining book value expensed.
13	Other Expenses	Variance of \$156,048 due to the recognition of the offsetting volunteer services contribution as highlighted in note 4.8. The recognition of volunteer services is cost neutral, with the corresponding amounts recognised as other revenue.
14	Increase in provision for landfill liability	Landfill provision increased following the annual review and alignment with EPA assurance requirements.

2.1.2 CAPITAL WORKS	Budget 2022 (\$)	Actual 2022 (\$)	Variance (\$)	Variance (%)	Ref
PROPERTY LAND	1,250,000	680,898	(569,102)	(46%)	1
Total Land	1,250,000	680,898	(569,102)	(46%)	
BUILDINGS	2,209,586	1,592,238	(617,348)	(28%)	2
Total Buildings	2,209,586	1,592,238	(617,348)	(28%)	
Total Property	3,459,586	2,273,136	(1,186,450)	(34%)	
PLANT AND EQUIPMENT					
Heritage plant and equipment	-	174,798	174,798	100%	3
Plant, machinery and equipment	1,680,000	1,701,406	21,406	1%	
Fixtures, Computer hardware, fittings and furniture	240,000	174,454	(65,546)	(27%)	4
Computers and telecommunications software	0	8,300	8,300	100%	
Library materials	100,000	100,593	593	1%	
Total Plant and Equipment	2,020,000	2,159,551	139,551	7%	
INFRASTRUCTURE					
Roads	3,862,542	4,910,368	1,047,826	27%	5
Bridges	4,183,600	1,533,755	(2,649,845)	(63%)	6
Footpaths and cycleways	433,730	1,064,740	631,010	145%	7
Drainage	730,698	395,370	(335,328)	(46%)	8
Total Infrastructure	9,210,570	7,904,233	(1,306,337)	(14%)	
Total Capital Works Expenditure	14,690,156	12,336,920	(2,353,236)	(16%)	
REPRESENTED BY:					
New asset expenditure	366,000	1,091,556	725,556	198%	
Asset renewal expenditure	8,217,156	7,221,726	(995,430)	(12%)	
Asset expansion expenditure	214,000	615,519	401,519	188%	
Asset upgrade expenditure	5,893,000	3,408,119	(2,484,881)	(42%)	
TOTAL CAPITAL WORKS EXPENDITURE	14,690,156	12,336,920	(2,353,236)	(16%)	

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 2.1.2 – PERFORMANCE AGAINST BUDGET (CONT.)

(I) EXPLANATION OF MATERIAL VARIATIONS

Variance Ref	Item	Explanation
1	Land	Yea landfill rehabilitation works completed under budget.
2	Buildings	Works on Alexandra Rotary Park & Visitors Precinct delayed due to increased project with works to commence early 2022/23.
3	Heritage Plant & Equipment	Goulburn Valley Rail Trail Art Installation and Signage Project commenced. An unbudgeted, grant funded project.
4	Fixtures, Computer hardware, fittings	Laptops purchased. Delay in GIS mapping and Digital Futures initiatives.
5	Roads	Gravel Road Resheeting works and Kinglake Streetscape project were both delayed in 2020-21 with budgets carried forward for completion in 2021-22.
6	Bridges	Bridge renewal and upgrade works for McDonalds Bridge Yarck Road Gobur & Break O'Day Road Bridge Glenburn were both delayed addressing community concerns and confirmation of additional funding with work commencing late in the 2021-22 financial year with remaining budgets carried forward for completion in 2022-23.
7	Footpaths and cycleways	Council received post budget adoption additional grant funding for footpath extension works in Alexandra and the Blue Gums to Eildon Rail Trail with some expenditure incurred in the current year. In addition recognition of footpath works as part of the Kinglake streetscape projects show as variance as these works were budgeted for within Roads project budget.
8	Drainage	Grant funded drainage works on Kinglake Glenburn Road and Mt Kitchener Avenue Marysville have been retendered due to high costs tendered and the withdrawal of Contractor. These works have been carried forward for completion in 2022-23.

NOTE 2.2 – ANALYSIS OF COUNCIL RESULTS BY PROGRAM

Council delivers its functions and activities through the following programs.

2.2.1 RESILIENT COMMUNITIES

To ensure we are welcoming, inclusive, caring and connected.

We recognise that resilient communities are connected communities with access to services that support physical and mental health in a safe environment. We value the community's diversity and are committed to inclusion, access and equity for everyone. We will build on this quality by encouraging participation and involvement. These principles foster cohesiveness, empower people and improve resilience and the wellbeing of the community.

Resilient communities includes, children and family services, library services, community services, community development and engagement

BEAUTIFUL TOWNSHIPS AND RURAL SETTINGS

To create a better place for our community and visitors to live in harmony with our rural character, natural beauty and heritage.

The unique character, history, scenic beauty and ambience of our places and spaces and the health of our natural environment are highly valued by our communities. We will ensure our built environments are well planned to enable sensible growth that does not compromise the natural environment, nor the liveability, accessibility and character of our towns and localities.

Beautiful township and rural settings includes, building control, community safety, development approvals, environmental health, infrastructure maintenance, parks, gardens and open space management.

GROWTH AND OPPORTUNITY

To prioritise and promote a culture in which the economy, businesses and community can grow and thrive.

We recognise that growth and opportunity are key to supporting individual aspirations and our communities. We will ensure that opportunities to encourage our businesses, social enterprises and industry sectors to grow and

thrive are pursued. We will support businesses to start, grow or transition, promote tourism, facilitate access to support and training, and embrace activities that help boost local employment and investment.

Growth and opportunity includes tourism and business development services and saleyards management.

OUR PROTECTED ENVIRONMENT

To protect and enhance our natural environment, supporting environmental sustainability, community resilience, innovation and adaptation to climate change to achieve net-zero emissions by 2035.

We are fortunate to live in one of the most diverse and beautiful places in the world. We recognise that the prosperity and wellbeing of our communities depends on a healthy environment, and a healthy environment depends on us making ecologically-sustainable choices. We will continue to value our natural landscapes and biodiversity and share the responsibility of being climate ready and leaders in resource management to help our Shire grow and thrive.

Our protected environment includes, environmental and waste management.

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 2.2 – ANALYSIS OF COUNCIL RESULTS BY PROGRAM

TRANSPARENCY, INCLUSION AND ACCOUNTABILITY

To ensure our services, people and systems deliver the best possible outcomes for our communities now and into the future.

Our organisation will be innovative, accountable and focused on achieving the community's needs and priorities. Our workplace is equitable, flexible and focused on health, safety and wellbeing, as our staff are integral in effective and responsive service delivery. We value working with our communities to prioritise, plan and advocate for the needs now and into the future.

Transparency, inclusion and accountability includes, councillors, chief executive and executive team, communications and publications, financial services, corporate services, human resources, customer services, emergency services, asset planning and management

2.2.2 SUMMARY OF REVENUES, EXPENSE AND ASSETS BY PROGRAM	Income	Expenses	Surplus/ (deficit) (\$)	Grants included in income (\$)	Total assets (\$)
2022					
Resilient Communities	1,971,228	4,912,110	(2,940,882)	1,544,471	24,947,215
Beautiful Townships and Rural Settings	8,879,610	8,553,234	326,376	6,081,105	339,757,035
Growth and Opportunity	1,087,716	1,716,448	(628,732)	379,152	8,717,353
Our Protected Environment	4,895,021	4,911,771	(16,750)	45,627	24,945,493
Transparency, Inclusion and Accountability	644,189	8,683,868	(8,039,679)	117,136	44,102,905
General Rates	18,513,077	-	18,513,077	-	-
Unattributed	4,249,581	7,875,304	(3,625,723)	4,249,581	39,996,438
	40,240,422	36,652,735	3,587,687	12,417,072	482,466,438
2021					
Resilient Communities	2,256,264	5,481,159	(3,224,895)	2,645,495	40,645,489
Beautiful Townships and Rural Settings	8,040,015	11,402,958	(3,362,943)	4,868,185	337,182,700
Growth and Opportunity	1,291,017	2,417,552	(1,126,535)	590,848	10,263,387
Our Protected Environment	4,466,675	5,159,523	(692,848)	-	31,637,144
Transparency, Inclusion and Accountability	669,330	8,277,785	(7,608,455)	56,356	-
General Rates	18,036,839	-	18,036,839	-	-
Unattributed	3,086,315	7,871,335	(4,785,020)	3,086,318	33,428,311
	37,846,455	40,610,312	(2,763,857)	11,247,202	453,157,031

NOTE 3 – FUNDING FOR THE DELIVERY OF OUR SERVICES

3.1 RATES AND CHARGES

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

The valuation base used to calculate the general rates for 2021/2022 was \$6,007 million (2020/2021 \$5,299 million). The 2021/2022 rate in the dollar for general rate was 0.002658 of the capital improved value of the property (2020/2021 0.002967).

The 2021/2022 Municipal Charge was \$346 (2020/2021 \$341) per rateable assessment. In 2021/2022 the Garbage Service Charge was \$395.80 (2020/2021 \$391.20) and Recycling Charge was \$121.00 (2020/2021 \$119.60).

3.1 RATES AND CHARGES	2022 (\$)	2021 (\$)
Residential	6,889,909	6,925,263
Commercial	858,407	717,936
Rural 1	3,317,163	3,212,030
Rural 2	3,325,376	3,142,489
Vacant Land - Residential	624,502	632,394
Vacant Land - Commercial	36,057	29,235
Municipal charge	3,394,610	3,311,363
Garbage charge	2,739,201	2,664,186
Recycling	852,272	828,653
Revenue in lieu of rates	67,054	66,129
TOTAL RATES AND CHARGES	22,104,551	21,529,678

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2022, and the valuation will be applied in the rating year commencing 1 July 2022.

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

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 3 – FUNDING FOR THE DELIVERY OF OUR SERVICES (CONT.)

3.2 STATUTORY FEES AND FINES

3.2 STATUTORY FEES AND FINES	2022 (\$)	2021 (\$)
Building inspection and permits	430,186	398,175
Community Safety – including companion animal registrations	208,531	212,952
Environmental health inspections and permits	151,611	155,452
Planning and development permits	391,018	327,118
Infrastructure inspections and permits	124,202	90,891
Other	40,751	28,863
TOTAL STATUTORY FEES AND FINES	1,346,299	1,213,451

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

3.3 USER FEES

3.3 USER FEES	2022 (\$)	2021 (\$)
Halls and Community Centres	19,736	11,200
Saleyard fees	521,327	469,870
Recreation pools and leisure centres	23,368	16,645
Waste - transfer stations & landfill fees	708,457	625,321
Other fees and charges	15,498	9,524
TOTAL USER FEES	1,288,386	1,132,560

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.

3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT

3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT	2022 (\$)	2021 (\$)
SUMMARY OF GRANTS -		
Grants were received in respect of the following:		
Commonwealth funded grants	9,869,462	7,779,986
State funded grants	2,547,610	3,467,216
TOTAL GRANTS RECEIVED	12,417,072	11,247,202
(A) OPERATING GRANTS		
RECURRENT - COMMONWEALTH GOVERNMENT		
Financial Assistance Grants	6,584,131	4,781,601
Aged and disability	57,161	56,206
Children services	701,410	1,015,484
RECURRENT - STATE GOVERNMENT		
Aged and disability	22,895	18,216
Children services	309,232	297,866
Public health	10,457	7,076
Library services	163,395	157,870
Road safety	37,020	36,246
TOTAL RECURRENT OPERATING GRANTS	7,885,701	6,370,565
NON-RECURRENT - COMMONWEALTH GOVERNMENT		
Children services	-	-
Community	-	21,000
Emergency management	27,790	
Infrastructure	66,923	
NON-RECURRENT - STATE GOVERNMENT		
Children services	59,915	61,240
Community	120,936	180,216
Development approvals	79,422	30,299
Economic development	379,152	590,848
Emergency management	73,200	73,200
Environmental services	35,627	32,774
Public health	79,517	228,029
Road safety	10,500	19,500
Recreational services	-	13,857
Youth services	78,334	55,639
Waste and recycling	10,000	10,000
Working for Victoria	-	787,211
TOTAL NON-RECURRENT OPERATING GRANTS	1,021,316	2,103,813
TOTAL OPERATING GRANTS	8,907,017	8,474,378

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT (CONT.)

	2022 (\$)	2021 (\$)
(B) CAPITAL GRANTS		
RECURRENT - COMMONWEALTH GOVERNMENT		
Roads to Recovery	1,161,351	1,021,986
RECURRENT - STATE GOVERNMENT		
Library materials	6,255	6,255
TOTAL RECURRENT CAPITAL GRANTS	1,167,606	1,028,241
NON-RECURRENT - COMMONWEALTH GOVERNMENT		
Buildings	356,112	27,201
Cultural and heritage	-	-
Footpaths and cycleways	4,854	41,293
Roads	909,730	815,215
Environment	-	-
NON-RECURRENT - STATE GOVERNMENT		
Governance	-	-
Buildings	455,977	228,543
Cultural and heritage	149,798	-
Footpaths and cycleways	165,978	-
Roads	300,000	632,331
TOTAL NON-RECURRENT CAPITAL GRANTS	2,342,449	1,744,583
TOTAL CAPITAL GRANTS	3,510,055	2,772,824
(C) UNSPENT GRANTS RECEIVED ON CONDITION THAT THEY BE SPENT IN SPECIFIC MANNER		
OPERATING		
Balance at start of year	424,918	991,836
Received during the financial year and remained unspent at balance date	948,907	354,017
Received in prior years and spent during the financial year	(348,176)	(920,935)
BALANCE AT END OF YEAR	1,025,649	424,918
CAPITAL		
Balance at start of year	4,550,433	479,566
Received during the financial year and remained unspent at balance date	2,374,872	4,550,433
Received in prior years and spent during the financial year	(1,123,635)	(479,566)
BALANCE AT END OF YEAR	5,801,670	4,550,433

D) RECOGNITION OF GRANT INCOME

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

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

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies AASB 1058 Income for 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.

	2022 (\$)	2021 (\$)
(D) RECOGNITION OF GRANT INCOME CONT.		
INCOME RECOGNISED UNDER AASB 1058 INCOME OF NOT-FOR-PROFIT ENTITIES		
General purpose	7,885,701	6,370,565
Specific purpose grants to acquire non-financial assets	3,510,055	2,772,824
Other specific purpose grants	782,043	1,196,953
REVENUE RECOGNISED UNDER AASB 15 REVENUE FROM CONTRACTS WITH CUSTOMERS		
Specific purpose grants	239,273	906,860
	12,417,072	11,247,202

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 3 – FUNDING FOR THE DELIVERY OF OUR SERVICES (CONT.)

3.5 CONTRIBUTIONS	2022 (\$)	2021 (\$)
Monetary - operating	228,582	216,724
Monetary - capital	165,889	103,455
Non-monetary - capital	1,204,062	1,219,962
TOTAL CONTRIBUTIONS	1,598,533	1,540,141

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

	2022 (\$)	2021 (\$)
Land	288,691	-
Land under roads	38,330	11,418
Drainage	257,228	417,953
Footpaths and Cycleways	171,250	90,150
Roads	448,563	700,441
TOTAL NON-MONETARY CONTRIBUTIONS	1,204,062	1,219,962

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

3.6 OTHER INCOME	2022 (\$)	2021 (\$)
Interest	187,452	230,151
Interest on rates	178,136	162,201
Rental	278,286	213,806
Reimbursements	304,439	236,352
Volunteer Services	201,048	156,099
Other	336,220	184,814
TOTAL OTHER INCOME	1,485,581	1,183,423

Interest and rent are recognised as it is earned. Other income is measured at the fair value of the consideration received and is recognised when Council gains control over the right to receive the income.

NOTE 4 – THE COST OF DELIVERING SERVICES

4.1 EMPLOYEE COSTS	2022 (\$)	2021 (\$)
Wages and salaries	12,751,321	13,399,054
Casual Staff	447,730	481,974
Fringe benefits tax	19,038	8,745
Superannuation	1,286,143	1,291,850
Workcover	280,884	265,532
TOTAL EMPLOYEE COSTS	14,785,116	15,447,155

4.1 A) SUPERANNUATION	2022 (\$)	2021 (\$)
COUNCIL MADE CONTRIBUTIONS TO THE FOLLOWING FUNDS:		
DEFINED BENEFIT FUND		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	20,468	23,678
EMPLOYER CONTRIBUTIONS PAYABLE AT REPORTING DATE		
ACCUMULATION FUNDS - EMPLOYER CONTRIBUTIONS TO:		
Vision Super	687,613	665,778
Australian Super	96,858	103,467
Hostplus	55,686	69,521
Other funds	425,516	429,406
	1,286,143	1,291,850
EMPLOYER CONTRIBUTIONS PAYABLE AT REPORTING DATE		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	12,177	7,519
Employer contributions - other funds	7,536	6,803

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2023 is \$45,660.

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

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 4 – THE COST OF DELIVERING SERVICES (CONT.)

4.2 MATERIALS AND SERVICES	2022 (\$)	2021 (\$)
Consultants	189,455	447,507
Contractors	9,054,821	8,795,648
Contributions	587,617	823,656
Insurance	603,386	522,951
Legal expenses	193,373	152,088
Materials	793,293	1,070,070
Information technology and software	497,999	407,627
Utilities	448,920	427,440
TOTAL MATERIALS AND SERVICES	12,368,864	12,646,987

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

4.3 DEPRECIATION	2022 (\$)	2021 (\$)
Property	1,994,623	2,343,381
Plant and Equipment	1,083,858	1,052,646
Infrastructure	4,874,581	5,259,459
TOTAL DEPRECIATION	7,953,062	8,655,486

Refer to 6.1 for a more detailed breakdown of depreciation and accounting policy

4.4 AMORTISATION - INTANGIBLE ASSETS	2022 (\$)	2021 (\$)
Landfill airspace	422,916	277,763
Software	64,840	56,710
TOTAL AMORTISATION	487,756	334,473

Refer to 5.2(b) for a more detailed breakdown of amortisation charges and accounting policy

4.5 BAD AND DOUBTFUL DEBTS	2022 (\$)	2021 (\$)
Debtors - Infringements	8,968	169,784
TOTAL BAD AND DOUBTFUL DEBTS	8,968	169,784
MOVEMENT IN PROVISIONS FOR DOUBTFUL DEBTS		
Balance at the beginning of the year	67,107	59,422
New provisions recognised during the year	8,673	8,661
Amounts already provided for and written off as uncollectible	-	(976)
BALANCE AT END OF YEAR	75,780	67,107

4.6 BORROWING COST	2022 (\$)	2021 (\$)
Interest - borrowings	-	22,906
TOTAL BORROWING COSTS	-	22,906

4.7 NET LOSS DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT	2022 (\$)	2021 (\$)
Written down value of assets disposed	614,540	1,433,501
Less proceeds from sales	(385,364)	(103,227)
TOTAL	229,176	1,330,274

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

Refer to Note 6 for additional details

4.8 OTHER EXPENSES	2022 (\$)	2021 (\$)
Auditors remuneration - VAGO- audit of the financial statements, performance statement and grant acquittals	51,400	47,600
Auditors remuneration - Internal Audit	45,175	25,030
Councillors allowances	228,146	194,187
Volunteer Services	201,048	156,099
Other	17,458	18,877
TOTAL OTHER EXPENSES	543,227	441,793

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 5 – OUR FINANCIAL POSITION

5.1 FINANCIAL ASSETS	2022 (\$)	2021 (\$)
(A) CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	2,555,729	5,667,779
Term deposits and at call	10,844,000	5,314,000
TOTAL CASH AND CASH EQUIVALENTS	13,399,729	10,981,779
(B) OTHER FINANCIAL ASSETS		
Term deposit - current	29,400,000	30,300,000
TOTAL OTHER FINANCIAL ASSETS	29,400,000	30,300,000
TOTAL FINANCIAL ASSETS	42,799,729	41,281,779

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

Trust funds and deposits (Note 5.3b)	1,695,123	1,349,442
Statutory reserves (Note 9.1(b))	589,530	575,811
Total restricted funds	2,284,653	1,925,253
Total unrestricted cash and cash equivalents	11,115,076	9,056,526

INTENDED ALLOCATIONS

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

Cash held to fund carried forward capital works	7,596,747	5,536,788
Grants received in advance (Note 3.4)	6,827,319	4,975,351
Cash held to fund discretionary reserves	18,452,685	19,658,785
Portion of long service leave liability	518,863	551,520
Total funds subject to intended allocations	33,395,614	30,722,444

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with an original maturity 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.

5.1 FINANCIAL ASSETS (CONT.)	2022 (\$)	2021 (\$)
(C) TRADE AND OTHER RECEIVABLES		
CURRENT		
STATUTORY RECEIVABLES		
Rates debtors	2,244,615	2,324,533
Provision for doubtful rate debts	(52,480)	(52,480)
Garbage and recycling debtors	465,044	466,338
Special rate scheme	6,111	6,328
Infringement debtors	77,769	48,757
Provision for doubtful debts - infringements	(23,300)	(14,627)
Net GST receivable	383,847	159,774
NON STATUTORY RECEIVABLES		
Other debtors	549,344	356,801
Government grants	132,334	285,809
TOTAL CURRENT TRADE AND OTHER RECEIVABLES	3,783,284	3,581,233
NON – CURRENT		
STATUTORY RECEIVABLES		
Special rate scheme	705	1,481
TOTAL TRADE AND OTHER RECEIVABLES	3,783,989	3,582,714

Short term receivables are carried at invoice amount. There is no impairment of non -statutory receivables.

Long term receivables are carried at amortised cost using the effective interest rate method.

5.1 FINANCIAL ASSETS (CONT.)	2022 (\$)	2021 (\$)
(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)	336,980	227,061
Past due by up to 30 days	137,717	241,003
Past due between 31 and 180 days	43,829	15,737
Past due between 181 and 365 days	6,016	52,639
Past due by more than 1 year	157,136	106,170
TOTAL TRADE AND OTHER RECEIVABLES	681,678	642,610

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 5 – OUR FINANCIAL POSITION (CONT.)

5.2 NON-FINANCIAL ASSETS	2022 (\$)	2021 (\$)
A) OTHER ASSETS		
Accrued Income	76,347	43,632
Prepayments	176,928	157,746
TOTAL OTHER ASSETS	253,275	201,378
B) INTANGIBLE ASSETS		
Landfill air space	1,163,907	1,586,823
Software	305,214	361,754
TOTAL INTANGIBLE ASSETS	1,469,121	1,948,577

	Software	Landfill	Total
GROSS CARRYING AMOUNT			
Balance at 1 July 2021	509,912	4,469,566	4,979,478
Other Additions	8,300	-	8,300
Balance at 1 July 2022	518,212	4,469,566	4,987,778
ACCUMULATED AMORTISATION AND IMPAIRMENT			
Balance at 1 July 2021	(148,158)	(2,882,743)	(3,030,901)
Amortisation expense	(64,840)	(422,916)	(487,756)
Balance at 1 July 2022	(212,998)	(3,305,659)	(3,518,657)
Net book value at 30 June 2021	361,754	1,586,823	1,948,577
Net book value at 30 June 2022	305,214	1,163,907	1,469,121

Landfill air space represents the unused capacity of the Alexandra landfill. The value of this asset is based on the corresponding landfill restoration provision (refer to note 5.4) adjusted to reflect the portion of unused air space remaining within this landfill. Amortisation is on the basis of the assets useful life and amortisation method is reviewed at least annually, and adjustments made where appropriate.

Software assets are amortised as an expense on a straight-line basis over the asset's useful life.

5.3 PAYABLES, TRUST FUNDS AND DEPOSITS AND UNEARNED INCOME/REVENUE	2022 (\$)	2021 (\$)
(A) TRADE AND OTHER PAYABLES		
NON STATUTORY PAYABLES		
Trade payables	1,851,180	1,917,856
Accrued wages	669,555	349,248
Accrued expenses	43,471	41,551
TOTAL TRADE AND OTHER PAYABLES	2,564,206	2,308,655
(B) TRUST FUNDS AND DEPOSITS		
Refundable building deposits	50,500	50,500
Refundable planning permit bonds	199,071	240,402
Retention contract deposits	751,567	512,274
Fire Service Property Levy	60,342	59,465
Other refundable deposits	633,643	486,801
TOTAL TRUST FUNDS AND DEPOSITS	1,695,123	1,349,442
(C) UNEARNED INCOME		
Grants received in advance - operating	693,478	132,997
Grants received in advance - capital	5,801,672	4,550,434
TOTAL UNEARNED INCOME	6,495,150	4,683,431

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

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

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 5 – OUR FINANCIAL POSITION (CONT.)

PURPOSE AND NATURE OF ITEMS:

Refundable building deposits and planning permit bonds - These amounts have been received from individuals or companies to guarantee performance of obligations under various building permits, planning permits and contract agreements.

Fire Service Property Levy - Council is the collection agent for this 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 this process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or 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 PROVISIONS	Employee (\$)	Land restoration (\$)	Total (\$)
2022			
Balance at beginning of the financial year	3,693,138	7,279,485	10,972,623
Additional provisions	1,055,940	276,566	1,332,506
Amounts used	(1,050,990)	-	(1,050,990)
Increase in the discounted amount arising because of the time and the effect of any change in the discount rate	-	(18,292)	(18,292)
BALANCE AT THE END OF THE FINANCIAL YEAR	3,698,088	7,537,759	11,235,847
2021			
Balance at beginning of the financial year	3,448,326	5,756,563	9,204,889
Additional provisions	1,106,112	1,561,454	2,667,566
Amounts used	(861,300)	-	(861,300)
Increase in the discounted amount arising because of the time and the effect of any change in the discount rate	-	(38,532)	(38,532)
BALANCE AT THE END OF THE FINANCIAL YEAR	3,693,138	7,279,485	10,972,623

5.4 PROVISIONS (CONT.)	2022 (\$)	2021 (\$)
(A) EMPLOYEE BENEFITS		
CURRENT PROVISION EXPECTED TO BE WHOLLY SETTLED WITHIN 12 MONTHS		
Annual leave	909,366	968,166
Long service leave	145,975	111,112
	1,055,341	1,079,278
CURRENT PROVISION EXPECTED TO BE WHOLLY SETTLED AFTER 12 MONTHS		
Annual leave	567,294	407,782
Long service leave	1,791,082	1,972,651
	2,358,376	2,380,433
TOTAL CURRENT EMPLOYEE PROVISIONS	3,413,717	3,459,711
NON-CURRENT		
Long service leave	284,371	233,427
TOTAL NON-CURRENT EMPLOYEE PROVISIONS	284,371	233,427
AGGREGATE CARRYING AMOUNT OF EMPLOYEE BENEFITS:		
Current	3,413,717	3,459,711
Non-current	284,371	233,427
TOTAL AGGREGATE CARRYING AMOUNT OF EMPLOYEE BENEFITS	3,698,088	3,693,138

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

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

5.4 PROVISIONS (CONT.)

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	2022	2021
- discount rate	3.25%	0.88%
- inflation rate	2.75%	2.00%

(B) PROVISIONS - LANDFILL RESTORATION

NON-CURRENT	2022	2021
Landfill restoration	7,537,759	7,278,485

Council is obligated to restore the 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.

KEY ASSUMPTIONS	2022	2021
- discount rate	3.95%	0.55%
- inflation rate	5.00%	2.00%

5.4 PROVISIONS (CONT.)	2022 (\$)	2021 (\$)
SUMMARY OF PROVISIONS		
CURRENT		
Annual leave	1,476,660	1,375,948
Long service leave	1,937,057	2,083,763
TOTAL CURRENT PROVISIONS	3,413,717	3,459,711
NON CURRENT		
Long service leave	284,371	233,427
Landfill restoration	7,537,759	7,279,485
TOTAL NON CURRENT PROVISIONS	7,822,130	7,512,912
TOTAL PROVISIONS	11,235,847	10,972,623

5.5 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.

5.5 COMMITMENTS	No later than 1 year (\$)	Later than 1 year and no later than 2 years	Later than 2 years and no later than 5 years	Later than 5 years (\$)	Total (\$)
A) COMMITMENTS FOR EXPENDITURE					
2022					
OPERATING					
Cleaning buildings services	237,048	242,973	249,048	-	729,069
Garbage and recycling collection	1,135,371	1,206,741	-	-	2,342,112
Landfill	44,625	33,256	-	-	77,881
Library	66,065	-	-	-	66,065
Photocopiers and printers	28,680	-	-	-	28,680
Software	181,112	119,890	52,004	-	353,006
Telecommunications	6,174	-	-	-	6,174
TOTAL	1,699,075	1,602,860	301,052	-	3,602,986
CAPITAL					
Bridges	2,760,412	-	-	-	2,760,412
Buildings & improvements	1,939,674	-	-	-	1,939,674
Drainage	145,288	-	-	-	145,288
Heritage and cultural	30,000	-	-	-	30,000
Paths and Cycleways	529,007	-	-	-	529,007
Plant and equipment	544,941	-	-	-	544,941
Roads	307,252	-	-	-	307,252
TOTAL	6,256,573	-	-	-	6,256,573

Murrindindi Shire Council 2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

5.5 COMMITMENTS (CONT.)

2021					
OPERATING					
Cleaning buildings services	57,958	-	-	-	57,958
Garbage and recycling collection	1,179,996	1,135,371	1,206,741.00	-	3,522,108
Internal Audit	32,500	-	-	-	32,500
Landfill	-	33,256	-	-	33,256
Library	64,141	66,065	-	-	130,206
Software	208,498	71,500	-	-	279,998
Street lighting	-	-	-	-	-
Street sweeping	181,808	-	-	-	181,808
Telecommunications	14,818	-	-	-	14,818
TOTAL	1,789,714	1,306,192	1,206,741	-	4,302,647
CAPITAL					
Bridges	18,556	-	-	-	18,556
Buildings & improvements	653,876	-	-	-	653,876
Drainage	73,008	-	-	-	73,008
Kerb and Channel	16,199	-	-	-	16,199
Landfill	27,779	-	-	-	27,779
Paths and Cycleways	168,929	-	-	-	168,929
Plant and equipment	738,605	-	-	-	738,605
Roads	2,656,349	-	-	-	2,656,349
TOTAL	4,354,946	-	-	-	4,354,946

B) OPERATING LEASE RECEIVABLES

The Council has entered into commercial property leases of its Caravan Parks and other property assets. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 99 years.

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

	2022 (\$)	2021 (\$)
Not later than one year	223,104	196,211
Later than one year and not later than five years	801,496	705,326
Later than five years	1,484,521	1,312,123
Total	2,509,121	2,213,660

5.6 LEASES

Council has not recognised any right-of-use assets and lease liabilities on the Balance Sheet, in accordance with AASB 16 Leases. All assets held by Council have been assessed as either short term or low value.

At inception of a contract, all entities would assess 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;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

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

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

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

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

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

5.6 LEASES (CONT.)

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.

Council has elected to apply the temporary option available under AASB 16 Leases which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

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.

5.6 LEASES	2022 (\$)	2021 (\$)
EXPENSES RELATION TO:		
Leases of low value assets	3,213	4,313
TOTAL NON- CANCELLABLE LEASE COMMITMENTS – SHORT TERM AND LOW VALUE LEASES	3,213	4,313
COMMITMENTS FOR MINIMUM LEASE PAYMENTS FOR SHORT-TERM AND LOW-VALUE LEASES ARE PAYABLE AS FOLLOWS:		
PAYABLE:		
Within one year	1,100	1,479
Later than one year but not later than five years	2,113	2,834
TOTAL LEASE COMMITMENTS	3,213	4,313

NOTE 6 – ASSETS WE MANAGE

6 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

SUMMARY OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT								
	Carrying amount (\$) 30 June 2021	Acquisitions (\$)	Contributions (\$)	Revaluations (\$)	Depreciation (\$)	Disposals (\$)	Transfers (\$)	Carrying amount (\$) 30 June 2022
Land	50,015,791	-	327,021	8,274,165	-	-	-	58,616,977
Buildings	67,368,524	526,020	-	2,680,524	(1,994,623)	(135,464)	191,782	68,636,763
Plant and Equipment	6,275,853	1,976,453	-	-	(1,083,857)	(107,383)	-	7,061,066
Infrastructure	278,109,371	1,749,288	877,041	12,090,857	(4,874,581)	(371,692)	1,430,749	289,011,032
Works in Progress	4,335,235	8,076,859	-	-	-	-	(1,622,531)	10,789,563
TOTAL	406,104,775	12,328,620	1,204,062	23,045,546	(7,953,061)	(614,539)	-	434,115,402

SUMMARY OF WORKS IN PROGRESS

	Opening WIP (\$)	Additions (\$)	Transfers (\$)	Closing WIP (\$)
Buildings	1,752,881	1,747,116	(191,782)	3,308,215
Plant and Equipment	-	174,798	-	174,798
Infrastructure	2,582,354	6,154,945	(1,430,749)	7,306,550
Total	4,335,235	8,076,859	(1,622,531)	10,789,563

Murrindindi Shire Council
2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

6 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

A) PROPERTY									
	Land-Specialised (\$)	Land - Non specialised (\$)	Land under roads (\$)	Total Land (\$)	Buildings - Specialised (\$)	Buildings - Non specialised (\$)	Total Buildings (\$)	Work In Progress (\$)	Total Property (\$)
At fair value 1 July 2021	-	34,931,212	15,084,579	50,015,791	104,187,582	-	104,187,582	1,752,881	155,956,254
Accumulated depreciation at 1 July 2021	-	-	-	-	(36,819,058)	-	(36,819,058)	-	(36,819,058)
	-	34,931,212	15,084,579	50,015,791	67,368,524	-	67,368,524	1,752,881	119,137,197
MOVEMENT IN FAIR VALUE									
Additions	-	-	-	-	717,802	-	717,802	1,747,116	2,464,918
Contributions	-	288,691	38,330	327,021	-	-	-	-	327,021
Revaluation increments/decrements	-	5,506,510	2,767,655	8,274,165	4,272,133	-	4,272,133	-	12,546,298
Disposals	-	-	-	-	(303,181)	-	(303,181)	-	(303,181)
	-	5,795,201	2,805,985	8,601,186	4,686,754	-	4,686,754	1,555,334	14,843,274
MOVEMENTS IN ACCUMULATED DEPRECIATION									
Depreciation and amortisation	-	-	-	-	(1,994,623)	-	(1,994,623)	-	(1,994,623)
Accumulated depreciation of disposals	-	-	-	-	167,717	-	167,717	-	167,717
Revaluation increments/decrements	-	-	-	-	(1,591,609)	-	(1,591,609)	-	(1,591,609)
	-	-	-	-	(3,418,515)	-	(3,418,515)	-	(3,418,515)
At fair value 30 June 2022	-	40,726,413	17,890,564	58,616,977	108,874,336	-	108,874,336	3,308,215	170,799,528
Accumulated depreciation at 30 June 2022	-	-	-	-	(40,237,573)	-	(40,237,573)	-	(40,237,573)
CARRYING AMOUNT	-	40,726,413	17,890,564	58,616,977	68,636,763	-	68,636,763	3,308,215	130,561,956

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

B) PLANT AND EQUIPMENT						
	Heritage plant and equipment (\$)	Plant machinery and equipment (\$)	Fixtures fittings and furniture (\$)	Library books (\$)	Works in progress (\$)	Total plant and equipment (\$)
At fair value 1 July 2021	358,172	10,120,046	2,369,333	919,859	-	13,767,410
Accumulated depreciation at 1 July 2021	(47,081)	(5,153,711)	(1,848,617)	(442,148)	-	(7,491,557)
	311,091	4,966,335	520,716	477,711	-	6,275,853
MOVEMENT IN FAIR VALUE						
Additions	-	1,701,406	174,454	100,593	174,798	2,151,251
Disposals	-	(1,002,219)	(19,455)	(94,587)	-	(1,116,261)
	-	699,187	154,999	6,006	174,798	1,034,990
MOVEMENTS IN ACCUMULATED DEPRECIATION						
Depreciation and amortisation	(1,790)	(794,691)	(194,257)	(93,119)	-	(1,083,857)
Accumulated depreciation of disposals	-	895,585	18,705	94,588	-	1,008,878
	(1,790)	100,894	(175,552)	1,469	-	(74,979)
At fair value 30 June 2022	358,172	10,819,233	2,524,332	925,865	174,798	14,802,400
Accumulated depreciation at 30 June 2022	(48,871)	(5,052,817)	(2,024,169)	(440,679)	-	(7,566,536)
CARRYING AMOUNT	309,301	5,766,416	500,163	485,186	174,798	7,235,864

Murrindindi Shire Council
2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

C) INFRASTRUCTURE						
	Roads (\$)	Bridges (\$)	Footpaths and cycleways (\$)	Drainage (\$)	Work in progress (\$)	Total Infrastructure (\$)
At fair value 1 July 2021	225,046,538	64,977,950	12,663,747	22,273,841	2,582,354	327,544,430
Accumulated depreciation at 1 July 2021	(13,707,492)	(23,399,214)	(3,537,296)	(6,208,704)	-	(46,852,705)
	211,339,046	41,578,736	9,126,451	16,065,137	2,582,354	280,691,725
MOVEMENT IN FAIR VALUE						
Additions	1,630,822	56,350	1,203,080	289,785	6,154,945	9,334,982
Contributions	448,563	-	171,250	257,228	-	877,041
Revaluation increments/decrements	-	13,816,413	5,567,840	-	-	19,384,253
Disposals	(367,212)	(8,880)	(208,612)	(22,400)	-	(607,104)
Transfers	-	-	-	-	(1,430,749)	(1,430,749)
	1,712,173	13,863,883	6,733,558	524,613	4,724,196	27,558,423
MOVEMENTS IN ACCUMULATED DEPRECIATION						
Depreciation and amortisation	(3,429,034)	(707,615)	(497,077)	(240,855)	-	(4,874,581)
Accumulated depreciation of disposals	117,107	5,661	105,668	6,976	-	235,412
Revaluation increments/decrements	-	(5,385,492)	(1,907,904)	-	-	(7,293,396)
	(3,311,927)	(6,087,446)	(2,299,313)	(233,879)	-	(11,932,565)
At fair value 30 June 2022	226,758,711	78,841,833	19,397,305	22,798,454	7,306,550	355,102,853
Accumulated depreciation at 30 June 2022	(17,019,419)	(29,486,660)	(5,836,609)	(6,442,583)	-	(58,785,270)
CARRYING AMOUNT	209,739,292	49,355,173	13,560,696	16,355,871	7,306,550	296,317,583

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

ACQUISITION

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

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

In accordance with Council's policy, the threshold limits detailed below have been applied when recognising assets within an applicable asset class. These are consistent with the prior year.

ASSET RECOGNITION THRESHOLDS AND DEPRECIATION PERIODS	Depreciation Years	Threshold Limit (\$)
Land		1
Land under roads		1
Buildings	30 to 80	5,000
PLANT AND EQUIPMENT		
fixtures, fittings and furniture	4 to 20	2,000
computers and telecommunications	4 to 10	2,000
heritage and cultural	20 to 200	1,000
library materials	3 to 10	1,000
plant, machinery and equipment	3 to 15	2,000
INFRASTRUCTURE		
bridges	30 to 100	7,500
drainage	50 to 100	5,000
footpaths and cycleways	20 to 70	5,000
road formations and earthworks	100 to 200	5,000
road pavements	20 to 40	5,000

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

LAND UNDER ROADS

Council recognises land under roads it controls at fair value.

DEPRECIATION

Buildings, 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 infrastructure 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.

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

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

VALUATION OF LAND AND BUILDINGS

Valuation of land and buildings were undertaken at 30 June 2019 by a qualified independent valuers Lackaln Black APV Valuers and Asset Management valuer registration number 66132 and Josh Franklin valuer registration number 102257. An indexed based revaluation was conducted using Valuer General Victoria (VGV) data for all land and building asset classes in June 2022. 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.

Land under roads is valued at fair value. Fair value is based on valuations at 30 June 2018 for land under roads in existence at that date, 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. Valuation of land under roads was undertaken by a qualified independent valuer Marcus Hann valuer registration number 62901. An indexed based revaluation was conducted using Valuer General Victoria (VGV) data for all land and building asset classes in June 2022.

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.

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2022 are as follows:

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Date of Valuation	Valuer
Land	-	40,726,413	-	30-JUNE-2022	Jian Zhao MIE Aust. (Murrindindi Shire Council)
Land under roads	-	-	17,890,564	30-JUNE-2022	Jian Zhao MIE Aust. (Murrindindi Shire Council)
Buildings	-	-	68,636,763	30-JUNE-2022	Jian Zhao MIE Aust. (Murrindindi Shire Council)
TOTAL	-	40,726,413	86,527,327		

VALUATION OF INFRASTRUCTURE

Valuation of infrastructure assets has been determined in accordance with a valuation undertaken as detailed in the following table.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2022 are as follows:

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Date of Valuation	Valuer
Roads	-	-	209,739,292	30-JUNE-2021	Dale Hughes (Talis Consultants)
Bridges	-	-	49,355,173	30-JUNE-2022	Jian Zhao MIE Aust. (Murrindindi Shire Council)
Footpaths and cycleway	-	-	13,560,696	30-JUNE-2022	Jian Zhao MIE Aust. (Murrindindi Shire Council)
Drainage	-	-	16,355,870	31-MARCH-2020	Richard Medhurst (HDS Australia) & Jian Zhao MIE Aust
TOTAL	-	-	289,011,032		

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

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 25% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$295 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement cost is calculated on a square metre basis and range from \$100 to \$15,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 8 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 depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset can vary from 20-200 years. Replacement cost are 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.

RECONCILIATION OF SPECIALISED LAND	2022 (\$)	2021 (\$)
Land under roads	17,890,564	15,084,579
Total specialised land	17,890,564	15,084,579

NOTE 7 - PEOPLE AND RELATIONSHIPS

7.1 COUNCIL AND KEY MANAGEMENT REMUNERATION

(A) RELATED PARTIES

Parent entity

Murrindindi Shire Council is the parent entity

Subsidiaries and Associates

There are no subsidiaries and associates

(B) KEY MANAGEMENT PERSONNEL

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

Details of KMP at any time during the year are:

COUNCILLORS	OFFICER
Councillor – Sue Carpenter Mayor from 17/11/21	Chief Executive Officer - Livia Bonazzi
Councillor - Sandice McAulay - Mayor from 23/11/2020 to 16/11/21	Director Assets and Development Services - Vito Albicini
Councillor - Damien Gallagher	Director Community Engagement - Shivaun Brown
Councillor - Eric Lording	Director Corporate and Community Services - Michael Chesworth
Councillor – Ilona Gerencer	
Councillor – John Walsh	
Councillor – Karine Haslam	

	2022 (No.)	2021 (No.)
Total Number of Councillors	7	12
Chief Executive Officer and other Key Management Personnel	4	6
Total Key Management Personnel	11	18

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

7.1 COUNCIL AND KEY MANAGEMENT REMUNERATION (CONT.)

7.1 COUNCIL AND KEY MANAGEMENT REMUNERATION	2022 (\$)	2021 (\$)
C) REMUNERATION OF KEY MANAGEMENT PERSONNEL		
TOTAL REMUNERATION OF KEY MANAGEMENT PERSONNEL WAS AS FOLLOWS:		
Short-term benefits	998,257	980,668
Post-employment benefits	77,011	72,368
Long-term benefits	49,717	43,741
TOTAL	1,124,985	1,096,777

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

\$0 - \$9,999	-	4
\$10,000 - \$19,999	-	6
\$20,000 - \$29,999	4	2
\$30,000 - \$39,999	1	-
\$40,000 - \$49,999	1	1
\$60,000 - \$69,999	1	-
\$100,000 - \$109,999	-	1
\$120,000 - \$129,999	-	1
\$190,000 - \$199,999	1	-
\$200,000 - \$209,999	2	2
\$240,000 - \$249,999	-	1
\$290,000 - \$300,000	1	-
	11	18

(D) SENIOR OFFICERS REMUNERATION

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

- has management responsibilities and reports directly to the Chief Executive; or
- whose total annual remuneration exceeds \$151,000

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

INCOME RANGE:	2022 (No.)	2021 (No.)
Less than \$151,000	-	1
\$151,000 - \$159,999	3	4
\$160,000 - \$169,999	-	1
\$170,000 - \$179,999	-	1
Total Senior Officers	3	7
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	\$461,671	\$1,077,938

The prior year remuneration figures included 27 fortnightly pays which resulted in a number of officers receiving remuneration above the threshold.

7.2 RELATED PARTY DISCLOSURE

(A) TRANSACTIONS WITH RELATED PARTIES

During the period, Council entered into the following transactions with related parties.

Alexandra Events Corporation Ltd

Grant payment of \$16,000.00 relating to Alexandra Pro Rodeo.
Grant payment of \$1,000.00 relating to Alexandra Truck Ute & Rod Show.
Receipts of \$2,675.40 relating to facility rental.

Central Ranges Local Learning and Employment Network

Grant payment of \$28,600 relating to How Work Works project for Youth Services.

Tourism North East

Payment of \$41,800 relating to 21/22 annual member contributions.
Payment of \$82,216.20 relating to 21/22 industry development activity contributions.
Payment of \$699.60 relating to Reimbursement of PR Expenses for MSC Tourism Officer.

All transactions relate to entities that are controlled or jointly controlled by Key Management Personnel or close family members. These transactions were made at arm's length with the appropriate delegation, and any conflict of interest appropriately declared and reported.

(B) OUTSTANDING BALANCES WITH RELATED PARTIES

No balances were outstanding at the end of the reporting period in relation to transactions with related parties

(C) LOANS TO/FROM RELATED PARTIES

No loans are in existence as at 30 June 2022 between Council and any related party, nor were any loan transactions entered into during the 2021/22 financial year.

(D) COMMITMENTS TO/FROM RELATED PARTIES

No commitments are in existence as at 30 June 2022 between Council and any related party, nor were any commitments made during the financial year.

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

NOTE 8 – MANAGING UNCERTAINTIES

8.1 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A) CONTINGENT ASSETS

There were no contingent assets as at 30 June 2022 (2021: Nil)

B) CONTINGENT LIABILITIES

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 in note 9.3. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists

LEGAL LIABILITIES

The Council is presently involved in two confidential legal matters, which are being conducted through Council's solicitors. These matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies have been made in the financial report.

As at 30 June 2022 there is no contingent liability identified by Council (2021: Nil).

LANDFILL

Council operates a landfill. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to precisely assess the financial implications of such works.

As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

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.

8.2 CHANGE IN ACCOUNTING STANDARDS

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period. Council assesses the impact of these new standards. As at 30 June 2021 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2022 that are expected to impact Council.

8.3 FINANCIAL INSTRUMENTS

A) OBJECTIVES AND POLICIES

The Council's principal financial instruments comprise cash assets, term deposits, receivables excluding statutory receivables and payables, but excluding statutory payables. Details of the significant accounting policies and methods are disclosed in Note 1 of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

B) MARKET RISK

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

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 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.

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

8.3 FINANCIAL INSTRUMENTS (CONT.)

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 has exposure to credit risk on all financial assets included in the balance sheet. To help manage this risk:

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

Receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the major 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 provides a guarantee for another party. Details of our contingent liabilities are disclosed in note 8.1(b).

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

D) LIQUIDITY RISK

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

To help reduce these risks Council:

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

Council's exposure to liquidity risk 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.

All financial liabilities are expected to be settled within normal terms of trade.

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

8.3 FINANCIAL INSTRUMENTS (CONT.)

E) SENSITIVITY DISCLOSURE ANALYSIS

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

- A parallel shift of + 2% and -2% in market interest rates (AUD) from year-end rates of 1.04%.

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

8.4 FAIR VALUE MEASUREMENT

FAIR VALUE HIERARCHY

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

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

8.4 FAIR VALUE MEASUREMENT (CONT.)

REVALUATION

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed in Note 6.1, Property, infrastructure, plant and equipment.

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 an independent expert valuer.

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

IMPAIRMENT OF ASSETS

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

8.5 EVENTS OCCURRING AFTER BALANCE DATE

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

NOTE 9 – OTHER MATTERS

9.1 RESERVES

	2022 (\$)	2021 (\$)
Asset revaluation reserves (a)	307,915,291	284,869,747
Other reserves (b)	19,042,215	20,234,596
	326,957,506	305,104,343

	Balance at beginning of reporting period (\$)	Increment (decrement) (\$)	Balance at end of reporting period (\$)
A) ASSET REVALUATION RESERVES			
2022			
PROPERTY			
Land	30,233,531	5,506,509	35,740,040
Land under roads	11,468,076	2,767,656	14,235,731
Buildings	35,038,096	2,680,524	37,718,620
	76,739,703	10,954,689	87,694,391
INFRASTRUCTURE			
Bridges	11,119,518	8,430,921	19,550,439
Drainage	10,677,238	-	10,677,238
Footpaths and cycleways	7,602,810	3,659,935	11,262,745
Roads	178,730,478	-	178,730,478
	208,130,044	12,090,856	220,220,900
TOTAL ASSET REVALUATION RESERVES	284,869,747	23,045,544	307,915,291

2021			
PROPERTY			
Land	29,870,552	362,979	30,233,531
Land under roads	11,311,452	156,624	11,468,076
Buildings	32,907,649	2,130,447	35,038,096
	74,089,653	2,650,050	76,739,703
INFRASTRUCTURE			
Bridges	11,119,518	-	11,119,518
Drainage	10,677,238	-	10,677,238
Footpaths and cycleways	7,602,810	-	7,602,810
Roads	128,105,420	50,625,058	178,730,478
	157,504,986	50,625,058	208,130,044
TOTAL ASSET REVALUATION RESERVES	231,594,639	53,275,108	284,869,747

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

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

9.1 RESERVES (CONT.)

	Balance at beginning of reporting period (\$)	Transfer from accumulated surplus (\$)	Transfer to accumulated surplus (\$)	Balance at end of reporting period (\$)
B) OTHER RESERVES				
2022				
STATUTORY RESERVES				
Public Open Space	575,811	97,500	(83,781)	589,530
DISCRETIONARY RESERVES				
Defined Benefits Superannuation	1,200,000	-	(180,000)	1,020,000
Gifted and Novated Assets	700,948	-	-	700,948
Infrastructure Contributions Parking	41,080	-	-	41,080
Infrastructure Balance MAP funding	-	45,537	-	45,537
Infrastructure Maintenance	1,040,130	-	-	1,040,130
Infrastructure	4,915,478	126,826	(1,509,345)	3,532,959
Landfill and Waste Management	11,417,707	878,781	(800,569)	11,495,919
Marysville Caravan Park	137,205	75,679	-	212,884
Shaw Avenue Redevelopment	43,752	-	-	43,752
Yea Caravan Park	(20,876)	60,384	-	39,508
Yea Saleyards	183,361	170,160	(73,553)	279,968
TOTAL OTHER RESERVES	20,234,596	1,454,867	(2,647,248)	19,042,215
2021				
STATUTORY RESERVES				
Public Open Space	556,330	82,700	(63,219)	575,811
DISCRETIONARY RESERVES				
Defined Benefits Superannuation	1,200,000	-	-	1,200,000
Gifted and Novated Assets	700,948	-	-	700,948
Infrastructure Contributions Parking	41,080	-	-	41,080
Infrastructure Balance MAP funding	498,428	-	(498,428)	-
Infrastructure Maintenance	1,040,130	-	-	1,040,130
Infrastructure	4,915,478	-	-	4,915,478
Landfill and Waste Management	10,893,202	1,473,934	(949,429)	11,417,707
Marysville Caravan Park	151,557	22,439	(36,791)	137,205
Shaw Avenue Redevelopment	43,752	-	-	43,752
Yea Caravan Park	32,882	35,162	(88,920)	(20,876)
Yea Saleyards	102,730	138,091	(57,460)	183,361
TOTAL ASSET REVALUATION RESERVES	20,176,517	1,752,326	(1,694,247)	20,234,596

9.1 RESERVES (CONT.)

Public Open Space; represents payments from subdividers as specified under the Subdivisions Act, to fund future creation of areas of recreational land.

Defined Benefits; been created to assist in meeting obligations for future funding calls from the Vision Super Defined Benefits Superannuation Fund.

Gifted and Novated Assets; contains the balance of funds that were held by (VBRRA) the Victorian Bushfire Recovery and Reconstruction Authority for reconstruction projects in Murrindindi Shire when the Authority closed. The funds (also known as VBRR Cessation funds) were transferred by the State Government to Council as further assistance for the new assets gifted after the 2009 bushfires.

Infrastructure Contributions; represents payments from Subdividers set aside for future infrastructure works relating to provision of car parking.

Infrastructure Balance MAP Funding; represents the final payment received from State Government related to the Murrindindi Assistance Package. Funds have been utilised in the current period to support the Covid support package.

Infrastructure Maintenance; represents funds set aside for addressing council's long term infrastructure renewal obligations.

Infrastructure; has been established as an accumulation fund to plan for the future investment in community infrastructure. Any unallocated savings from the annual capital works program will be transferred to this reserve. The reserve is the consolidation of two previous reserves which had similar objectives – the Infrastructure Unexpended Capital Works reserve and the New and Expanded Assets Reserve.

Landfill and Waste Management; is to be utilised for future works, including site rehabilitation and ongoing monitoring following the sites closure.

Marysville Caravan Park; is surplus operational funds (rental) set aside for future capital works or operational requirements.

Marysville Community Fund contains funds set aside from the sale of Council land associated with the prior Marysville Retirement Village which are available for reinvestment in infrastructure or programs in Marysville.

Shaw Avenue; represents remaining funds from Council land sales at Shaw Avenue in 2003.

Yea Caravan Park; is surplus operational funds (rental) set aside for future capital works or operational requirements.

Yea Saleyards; is surplus operational funds set aside for future capital works or operational requirements.

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

9.2 RECONCILIATIONS OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS

	2022 (\$)	2021 (\$)
Surplus for the financial year	3,587,687	(2,763,856)
Depreciation and amortisation	8,440,818	8,989,958
Contributions - non-monetary	(1,204,062)	(1,219,962)
Finance Costs	-	28,298
(Gain)/loss on disposal of property, plant and equipment, infrastructure	229,176	1,330,274
CHANGE IN ASSETS AND LIABILITIES:		
Decrease in trade and other receivables	(201,275)	891,363
(Increase)/Decrease in inventories	(7,114)	(10,648)
(Increase)/Decrease in other assets	(51,897)	76,562
Increase/(Decrease) in trade and other payables	409,784	(363,731)
Increase/(Decrease) in trust funds and deposits	345,681	(132,841)
Increase unearned income	1,811,719	4,203,865
Increase in provisions	263,224	1,767,734
NET CASH PROVIDED BY OPERATING ACTIVITIES	13,623,741	12,797,016

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 categories, Vision My Super/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings (for the year ended 30 June 2022, this was 10% as required under Superannuation Guarantee legislation (2021: 9.5%).

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 Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

9.3 SUPERANNUATION (CONT.)

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.

As at 30 June 2021, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category.

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 109.8%. The financial assumptions used to calculate the VBI were:

Net investment returns 4.75% pa

Salary information 2.75% pa

Price inflation (CPI) 2.25% pa

As at 30 June 2022, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2022.

Vision Super has advised that the VBI at 30 June 2022 was 102.2%. Council was notified of the 30 June 2022 VBI during August 2022. The financial assumptions used to calculate this VBI were:

Net investment returns	5.5% pa
Salary information	2.5% pa to 30 June 2023, and 3.5% pa thereafter.
Price inflation (CPI)	3% pa

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2021 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

EMPLOYER CONTRIBUTIONS

Regular contributions

On the basis of the results of the 2021 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2022, this rate was 10% of members' salaries (9.5% in 2020/21). This rate is expected to increase in line with any increase to the SG contribution rate and be reviewed as part of the 30 June 2020 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.

Murrindindi Shire Council

2021/2022 FINANCIAL REPORT

NOTES TO FINANCIAL REPORT

For the Year Ended 30 June 2022.

9.3 SUPERANNUATION (CONT.)

FUNDING CALLS

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

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

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

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

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

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

THE 2021 TRIENNIAL ACTUARIAL INVESTIGATION SURPLUS AMOUNTS.

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2021 and the last full investigation was conducted as at 30 June 2020.

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

	2021 (Interim) (\$m)	2020 (Triennial) (\$m)
A VBI Surplus	214.7	100
A total service liability surplus	270.3	200
A discounted accrued benefits surplus	285.2	217.8

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2021.

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 2021.

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 2021.

9.3 SUPERANNUATION (CONT.)

THE 2022 INTERIM ACTUARIAL INVESTIGATION

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2022 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2022. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

ENTERPRISE BARGAINING AGREEMENT

Staff employed under Council's Enterprise Bargaining Agreement are entitled to additional superannuation depending on years of service as outlined below;

Years of service between 10- 15	1%
Years of service greater than 15	2%

9.4 IMPACT OF COVID 19 PANDEMIC

On 30 January 2020, Covid-19 was declared as a global pandemic by the World Health Organisation. The impacts were disruptive and significant, but do not cast any doubt on the ability of the entity to continue as a going concern.

The Covid-19 pandemic was a consideration to judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates particularly in relation to the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1). At reporting date any material impact was not apparent.

NOTE 10 – CHANGE IN ACCOUNTING POLICY

10.1 CHANGE IN ACCOUNTING STANDARDS

There have been no changes to accounting policies in the 2021-22 year.

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

PERFORMANCE STATEMENT



DESCRIPTION OF MUNICIPALITY

Murrindindi Shire Council ("the Council") is situated 150 kms or 90 minutes north-east of Melbourne. The Wurundjeri tribe and the Taungurung language speakers are the traditional owners of the land known as the Shire of Murrindindi. European settlement followed Hume and Hovell's overland exploration in December 1824. Many local towns were established during the 1850s and 1860s following the discovery of gold.

The Murrindindi Shire Council was declared on 18 November 1994 by the amalgamation of the former municipalities of Alexandra and Yea, and the addition of parts of the former municipalities of Healesville, Broadford, Eltham, Whittlesea and Euroa.

The main industries of the Shire include agriculture, aquaculture, horticulture, forestry and timber processing, tourism and hospitality, light manufacturing and engineering, retail and trades services, education and public services.

The council covers an area of 3,873 square kilometres, of which 48% is Crown land, and has a population of 15,197 as of the most recent Australian Bureau of Statistics update.

PERFORMANCE STATEMENT						
SUSTAINABLE CAPACITY INDICATORS						
Indicator/measure [formula]	Results				Material Variations	
	2019	2020	2021	2022		
POPULATION						
C1	Expenses per head of municipal population [Total expenses / Municipal population]	\$ 2,494.86	\$ 2,636.22	\$ 2,769.96	\$ 2,462.09	Higher costs in 2019/20 and 2020/21 due to Working with Victoria grant funded program
C2	Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$ 21,700.64	\$ 20,696.71	\$ 24,288.18	\$ 26,425.00	Increase is due to the addition of new assets and revaluation of Council's assets
C3	Population density per length of road [Municipal population / Kilometres of local roads]	11.68	12.03	12.08	11.96	
OWN-SOURCE REVENUE						
C4	Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$ 1,805.32	\$ 1,765.15	\$ 1,709.24	\$ 1,761.54	
RECURRENT GRANTS						
C5	Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$ 584.98	\$ 569.74	\$ 504.67	\$ 608.18	The increase is due to Grants Commission funding \$1.8m received in advance
DISADVANTAGE						
C6	Relative Socio-Economic Disadvantage [Index of Relative Socio-Economic Disadvantage by decile]	6	6	6	6	
WORKFORCE TURNOVER						
C7	Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	13.30%	31.80%	33.80%	14.10%	2020/21 high turnover - Working For Victoria program (30 grant funded positions) ceased.

PERFORMANCE STATEMENT						
SERVICE PERFORMANCE INDICATORS						
Service/Indicator/Measure [formula]	Results				Material Variations	
	2019	2020	2021	2022		
AQUATIC FACILITIES UTILISATION						
AF6	Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	1.53	0.97	1.51	1.81	Second year of free pool entry provided resulting in an increase of patronage despite the impact of covid-19 restrictions.
ANIMAL MANAGEMENT HEALTH AND SAFETY						
AM7	Animal management prosecutions [Number of successful animal management prosecutions] x100	New in 2020	0.00%	0.00%	100%	Council progressed four animal management cases, all prosecutions were successful. There were no prosecutions in previous years.
FOOD SAFETY HEALTH AND SAFETY						
FS4	Critical and major non-compliance outcome notifications [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	100%	100%	100%	100%	All critical non-compliance outcome notifications and major non-compliance notifications were routinely followed up.
GOVERNANCE SATISFACTION						
G5	Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	55	53	54	51	The slight drop in satisfaction may be attributed to Council's inability to conduct in-person engagement for key policy decisions, as well as the requirement to mandate Covid-19 vaccination and mask wearing for community members accessing Council facilities.
LIBRARIES PARTICIPATION						
LB4	Active library borrowers in municipality [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	22.08%	20.04%	18.03%	14.31%	Decrease reflects the continued impact of COVID restrictions had on library operations across the year.
MATERNAL AND CHILD HEALTH (MCH) PARTICIPATION						
MC4	Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	86.75%	82.11%	87.20%	89.89%	Increased participation associated with increase in births
MATERNAL AND CHILD HEALTH (MCH) PARTICIPATION						
MC5	Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	89.19%	89.47%	100%	91.11%	Enrolments have decreased consistent with a decrease in Aboriginal births.
ROADS SATISFACTION						
R5	Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	48	50	48	44	Low satisfaction rating may be attributable to increasing community expectations and to delays in programmed maintenance due to weather and availability of materials. It is also a reflection of the sustained pressure on service delivery due to rate capping, low levels of recurrent grant funding, and higher costs of material and contractors due to inflation.
STATUTORY PLANNING DECISION MAKING						
SP4	Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	100%	0.00%	50%	50%	Of the four decisions referred to VCAT, two were upheld at and two were set aside.
WASTE COLLECTION WASTE DIVERSION						
WC5	Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	34.09%	33.59%	34.43%	33.82%	

Murrindindi Shire Council

2021/2022 PERFORMANCE STATEMENT

PERFORMANCE STATEMENT										
SERVICE PERFORMANCE INDICATORS										
Dimension/indicator/measure	Results				Forecasts				Material Variations	
	2019	2020	2021	2022	2022	2023	2024	2025		
EFFICIENCY EXPENDITURE LEVEL										
E2	Expenses per property assessment [Total expenses / Number of property assessments]	\$3,645.23	\$3,848.67	\$4,031.60	\$3,593.45	\$3,644.24	\$3,696.39	\$3,758.62	\$3,831.19	Expenditure in 2019-20 and 2020-21 was higher due to Covid-19 pandemic costs and the Working for Victoria Program. 2021-22 and future years have returned to more normal levels
EFFICIENCY REVENUE LEVEL										
E4	Average rate per property assessment [General rates and Municipal charges / Number of property assessments]	New in 2020	\$1,801.56	\$1,784.05	\$1,808.43	\$1,857.28	\$1,894.11	\$1,936.39	\$1,984.52	In recognition of the Covid-19 pandemic, Council did not increase rates for the 2020/21 financial year resulting in a lower average rate in that year
LIQUIDITY WORKING CAPITAL										
L1	Current assets compared to current liabilities [Current assets / Current liabilities] x100	590.22%	520.81%	382.18%	330.89%	378.68%	315.41%	281.64%	275.50%	Council's current liabilities have increased due to the need to recognise grant income in the year when the funds are expended and the required outcome has been delivered. These are grants Council has received, however the matching expenditure will be incurred in future periods. The amount of this liability in 2021/22 was \$6.5 million (2020/21 \$4.7 million).
LIQUIDITY UNRESTRICTED CASH										
L2	Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	12.91%	186.28%	34.58%	32.61%	297.49%	233.92%	199.86%	193.43%	Council has significant cash holding in term deposits, which are classified as 'financial assets' in our Balance Sheet (\$29 million). Although these term deposits are liquid, these cash holdings are excluded from the calculation which understates Council's actual unrestricted cash position. The decrease in the unrestricted cash result for 2021-22 is due to the recognition of unearned grants as a liability. Future years indicators assume these term deposits are classified as cash.
OBLIGATIONS LOANS AND BORROWINGS										
O2	Loans and borrowings compared to rates [Interest bearing loans and borrowing/ Rate revenue] x100	3.25%	2.24%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	No loans or borrowings
O3	Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowing/ Rate revenue] x100	1.84%	1.07%	2.35%	0.00%	0.00%	0.00%	0.00%	0.00%	No loans or borrowings
OBLIGATIONS INDEBTNESS										
O4	Non-current liabilities compared to own source revenue [Non-current liabilities/Own source revenue] x100	22.86%	24.55%	29.98%	29.83%	29.25%	27.03%	24.91%	22.91%	

PERFORMANCE STATEMENT										
SERVICE PERFORMANCE INDICATORS										
Dimension/indicator/measure	Results				Forecasts				Material Variations	
	2019	2020	2021	2022	2022	2023	2024	2025		
OBLIGATIONS ASSET RENEWAL AND UPGRADE										
O5	Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense/Asset depreciation] x100	New in 2020	80.03%	79.74%	133.66%	143.00%	111.49%	106.67%	105.82%	Increase in 2021/22 asset renewal and upgrade works includes completion of previous years' projects
OPERATING POSITION ADJUSTED UNDERLYING RESULT										
OP1	Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (or deficit) / Adjusted underlying revenue] x100	1.63%	-7.53%	-16.77%	-0.34%	-8.83%	-12.30%	-12.09%	-11.89%	The decrease is predominantly due to unconditional grant funding (including Grants commission) received in advance and a reduction in employee costs from 2020/21 due to the end of the Working for Victoria grant funded program. Future year's results are based on Financial Plan assumptions.
STABILITY RATES CONCENTRATION										
S1	Rates compared to adjusted underlying revenue [Rate revenue/Adjusted underlying revenue] x100	55.94%	59.89%	61.91%	60.51%	66.61%	69.10%	69.34%	69.59%	2021-22 result lower due to Grants Commission funding received in advance. Future years assumes receipt of full year Grants Commission funding.
STABILITY RATES EFFORT										
S2	Rates compared to property improved value of rateable properties in the municipality] x100	0.44%	0.41%	0.40%	0.36%	0.29%	0.29%	0.29%	0.29%	CIV increasing annually; Rates capped at 1.5% rates revenue

SIGNIFICANT **ACCOUNTING POLICIES**

BASIS OF PREPARATION

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the Local Government Act 2020 and Local Government (Planning and Reporting) Regulations 2020.

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's Finance Plan. The Local Government (Planning and Reporting) Regulations 2020 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its Financial Plan, adopted by council on 27 October 2021 and which forms part of the council plan. The Financial Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The financial plan can be obtained by contacting council.

DEFINITIONS

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

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

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

"**adjusted underlying revenue**" means total income other than -
(a) non-recurrent grants used to fund capital expenditure; and
(b) non-monetary asset contributions; and
(c) contributions to fund capital expenditure from sources other than those referred to above

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

"**annual report**" means an annual report prepared by a Council under sections 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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"**population**" means the resident population estimated by Council

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

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

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

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

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

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

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

CERTIFICATION OF THE PERFORMANCE STATEMENT



Independent Auditor's Report

To the Councillors of Murrindindi Shire Council

Opinion	<p>I have audited the accompanying performance statement of Murrindindi Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> description of municipality for the year ended 30 June 2022 sustainable capacity indicators for the year ended 30 June 2022 service performance indicators for the year ended 30 June 2022 financial performance indicators for the year ended 30 June 2022 significant accounting policies certification of the performance statement. <p>In my opinion, the performance statement of Murrindindi Shire Council in respect of the year ended 30 June 2022 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020 and Local Government (Planning and Reporting) Regulations 2020</i>.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the Audit Act 1994 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 <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>

Auditor's responsibilities for the audit of the performance statement

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

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

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

Travis Derrickott
as delegate for the Auditor-General of Victoria

MELBOURNE
12 October 2022

THANK YOU

NEED COPIES OR HAVE QUESTIONS OR COMMENTS?

Copies of this Report are available at Council offices or online at www.murrindindi.vic.gov.au
If you would like additional copies of this Report or if you have any questions or feedback about this Report, please get in touch with us.

CONTACT US

VISIT US

Alexandra: 28 Perkins Street

Yea: 15 The Semi Circle

Kinglake: 19 Whittlesea-Kinglake Road

Mobile Library and Customer Service: visit our website for locations and times

CONTACT US

Phone: 5772 0333

Email: customer@murrindindi.vic.gov.au

Website: www.murrindindi.vic.gov.au

[@murrindindishirecouncil](#)

MAIL US

Murrindindi Shire Council

PO Box 138

Alexandra VIC 3714



murrindindi.vic.gov.au

