

Mount Alexander Shire Council

Annual Report 2022-2023

Working together for a healthy, connected shire



Acknowledgement of country

Mount Alexander Shire Council acknowledges that the traditional custodians of this land, the Dja Dja Wurrung and Taungurung peoples, proudly survive. We acknowledge their continued practise of custom and their close cultural, spiritual, physical, social, historical and economic relationship with the land and waters that make up their country, which includes Mount Alexander Shire.

Council recognises the Victorian Government's Recognition and Settlement with both the Dja Dja Wurrung Clans Aboriginal Corporation and the Taungurung Land and Waters Council.



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Cover image of Werpila Larnuk (Eagle's Nest), created by master weaver Aunty Marilyn Nichols. Werpila Larnuk is made from natural materials and is on display at the Castlemaine Market building as part of the Boorp Boorp Boondyil exhibition. Find out more about how Council supported the development of this unique exhibition on page 22. Photography by Penny Ryan.

Inside cover acknowledgement artwork by local artist Daikota Nelson.

Introduction

About our Annual Report

Mount Alexander Shire Council's Annual Report informs our community about Council's operations and performance in the past financial year.

Like all Victorian Councils, we are required to prepare the Annual Report in accordance with the Local Government Act 2020.

The report is based upon the vision, principles and pillars of our Council Plan 2021-2025, and measures our progress

against our three pillars:

- A healthy, connected and inclusive community
- An environment for people and nature
- A resilient and growing local economy.

It also includes annual highlights and challenges, service performance indicators, and information about our finances and governance.

Our vision, principles and pillars

Our vision: Working together for a healthy, connected shire

Our principles: How we will work

We are genuinely engaging with the community
We are always improving
We are delivering together



Our pillars: What we want to achieve



A healthy, connected and inclusive community



An environment for people and nature



A resilient and growing economy

Our shire

Mount Alexander Shire – a snapshot

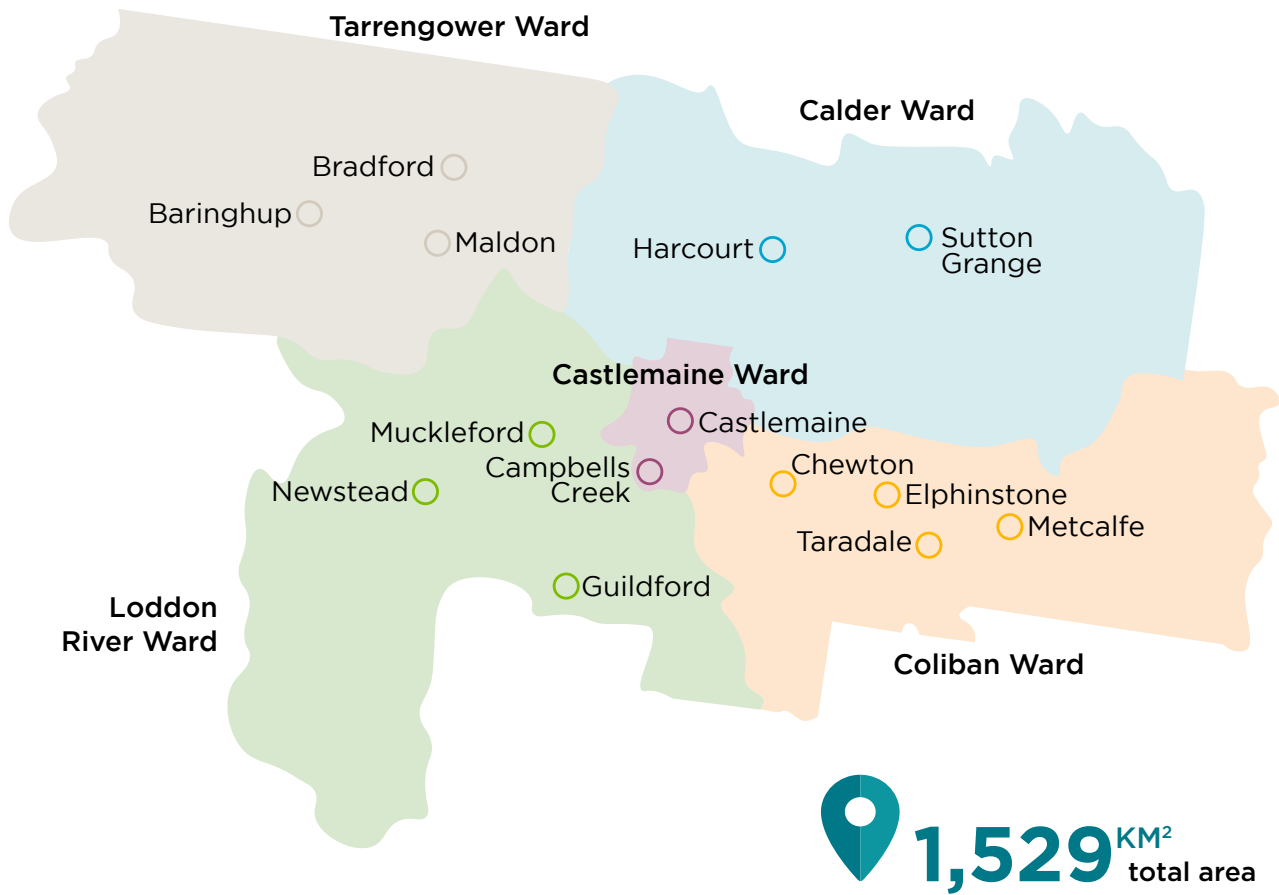
Mount Alexander Shire is diverse, with urban and rural communities. It has much to offer: beautiful heritage streetscapes and picturesque towns, stunning natural surroundings, a thriving local economy, and a vibrant cultural life.

Our community comprises more than 20,000 people with most living in and around the townships of Castlemaine,

Harcourt, Maldon, Campbells Creek, Newstead, Elphinstone, Guildford, Chewton and Taradale.

Located within commuting distance of Melbourne and Bendigo, the popularity of the shire continues to grow as new residents move to the area to make the most of the lifestyle and all the shire offers.





Mount Alexander Shire – fast facts



137 babies born in the shire each year

\$674 median weekly income

\$455 median rent for a house per week

51 years median age

20,253 population

51.2% in the workforce

80.5% born in Australia

1.3% Aboriginal and/or Torres Strait Islander background

1513 jobs in the largest industry - Manufacturing

4.8% speak another language at home

10.1% Year 12 educated



Our towns

Most of the community live in the main townships, each with individual characteristics that help define Mount Alexander Shire as a great place to live, work and invest.



Maldon

A charming gold rush town that attracts visitors for its retail, cafes, natural landscape and rich heritage.

Population 1,665



Harcourt

The area has a long history of apple and pear growing, and more recently cider production. Also home to a world class mountain bike park.

Population 1,038



Castlemaine

A town with a rich gold rush history and a growing reputation as a fine food, arts and shopping destination.

Population 7,506



Elphinstone

Characterised by undulating hills, with diverse flora and fauna.

Population 633



Taradale

A scenic town with walking trails linking historic landmarks.

Population 524



Chewton

A picturesque village surrounded by bushland and the Castlemaine Diggings National Heritage Park.

Population 762



Guildford

A welcoming community on the banks of the Loddon River between Daylesford and Castlemaine.

Population 298



Campbells Creek

Shares its name with a line of billabongs flowing south towards the Loddon River, and is a diverse and growing community.

Population 2,071



Newstead

On the Loddon River, has a genuine village feel with cafes, a gallery, artists' studios and a commitment to switch to renewable energy.

Population 820

Message from the Mayor and Chief Executive Officer



Councillor Rosie Annear
Mayor
Mount Alexander Shire Council



Darren Fuzzard
Chief Executive Officer
Mount Alexander Shire Council

On behalf of Councillors and staff, we are pleased to present Mount Alexander Shire Council's 2022-2023 Annual Report, a collation of some of Council's achievements, highlights and challenges over the past financial year.

The Annual Report also outlines progress on priorities from our 2021-2025 Council Plan, and shares key financial information.

Our Council vision of 'Working together for a healthy, connected shire', is illustrated in the plan's front cover image of Aunty Marilyn Nichols' Eagle's Nest, from our Boorp Boorp Boondyil exhibition.

Aunty Marilyn is a Multi-Clans master weaver. Her Eagle's Nest, Werpila Larnuk, is made from natural materials found on Dja Dja Wurrung Country.

The raffia fibre and twigs have value on their own, but when woven together they create something more, and form a strong, connected, and beautiful artwork. It's a wonderful analogy for the collaboration between Council and community - we're stronger and have more of an impact when we work together.

The artwork is also an example of Council's commitment to elevate more Indigenous stories and voices, as set out in our Reconciliation Action Plan. There is so much we can learn from Boorp Boorp Boondyil and our Country's history and first peoples, and we're proud to have this incredible (and award-winning) exhibition open to all in the heart of Castlemaine.

Looking at the financials for 2022-2023, we're pleased to report that in the last 12 months we've delivered \$13.32 million in capital works initiatives. This includes projects across the shire to increase road safety, create footpaths, upgrade recreation facilities, enhance streetscapes, and work on flood management, among many other things.

We've invested significantly in improving recreational opportunities across the shire, with major projects at Harcourt Recreation Reserve, Bill Woodfull Recreation Reserve, and Campbells Creek Recreation Reserve. Many of these projects focus on improving access and equity so that people of all genders and abilities can play sport.

We've also continued to invest in projects to upgrade roads and bridges, to improve flood protection in Castlemaine and Campbells Creek, and to develop important waste management strategies. One of the major projects we've completed this year is capping the Castlemaine landfill: a huge achievement for Council!

We know that one area of great concern in our community is the lack of affordable housing. We've continued our commitment to address this through work on a number of short and long-term initiatives.

Our commitment to improving access and inclusion for people with disability was solidified through our Disability Inclusion Action Plan 2023-2027. This document focuses on how we can remove barriers to participation in shire life, so that everyone who lives, works, or visits our shire can feel included and valued.

Something we weren't expecting, but were prepared for, was the extreme flood event in October 2022, which impacted properties, roads, parks and trails, community infrastructure, and importantly, community itself.

Our amazing team quickly responded to the event by establishing a flood recovery and information centre. We also had a number of other flood recovery initiatives, including easily accessible skips, waiving fees at the transfer stations, community meetings, and many more.

We're really proud of the way Council and community worked together, both in the wake of the flooding, and since. We know that the changing climate puts us at higher risk of more extreme weather events, and working together to plan for the future and build resilience is an important part of our work.

We continued to have a very high level of community engagement over the last 12 months. It's pleasing to see so many residents have their say on projects, give their feedback on Council plans and strategies, and generally get involved with their local government. We know that our best successes happen when Council and community work together, and we're excited to build on this into the future.

In our roles as Mayor and CEO, we've also had the opportunity to meet and speak with many residents from around the shire, to hear your concerns and aspirations for the region. Local government is the closest tier to community, so we know how important it is to stay connected to the people who live here.

We always try our best to provide services and deliver projects to a high standard, despite having limited resources, and acknowledging the challenges posed by the rate-capping environment, and the increasing expectations of the role and responsibilities of local government.

Thank you to all Councillors, staff, and everyone in our community, who has supported the valuable work that we've done over the last 12 months.

We look forward to more exciting projects, initiatives, and consultations, and continuing to serve our community in the years ahead.

Year in review

Below is a snapshot of our achievements in the 2022/2023 financial year. More detailed information is provided in the 'Progress Report' and 'Performance Statement' sections of this report.



July 22

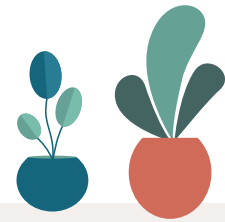


- Began works to improve the health and condition of significant trees along the Guildford Avenue of Honour.
- Rehabilitation of Castlemaine landfill one step closer following Councillors appointing the contract to Apex Earthworks Pty Ltd.
- Opened Winter Art exhibition at the Market Building in Castlemaine, an initiative that celebrates local artists by displaying their art and supports their efforts with a space to sell their work.
- Began investigation into reducing the risk of roadside bushfires, with two information sessions open to the community.

August 22

- Following Maldon's win for Mainstreet of the Year 2021, the Phee Broadway Theatre hosted the Mainstreet Australia Regional Conference.
- Battle of the Bands took place, a music competition for young people aged 12-25.
- Small business workshops began, a program run in collaboration with Business Victoria that offers free workshops to local businesses.
- Received \$1.2M in Federal Government funding to improve Fogartys Gap Road, setting the project in motion.
- Completed streetscape improvements in Guildford and Chewton town centres.
- Completed stage one restoration works at Guildford Avenue of Honour.
- Installed new gates at the entrance to Campbells Creek Community Park, which were designed by a local artist and feature wildlife.
- Installed a pedestrian crossing on Barker Street in Castlemaine to ensure the safety of pedestrians and motorists.





September 22



- INVEST Loddon Mallee launched, a new online initiative for businesses and entrepreneurs interested in relocating, or contributing, to the region's extensive supply chain.
- Completed the revitalisation of Old Bank Corner in Maldon, with new plants, furniture upgrades and an enhanced pavement surface.
- Began restorative works on the former Wesleyan Church in Chewton, which focused on rising damp, roof plumbing works and improvements to drainage.
- Awarded 18 local groups with a share in almost \$50,000 as part of the Community Grants program.
- Finished repairing the retaining wall along Forest Creek at Western Reserve in Castlemaine.

October 22

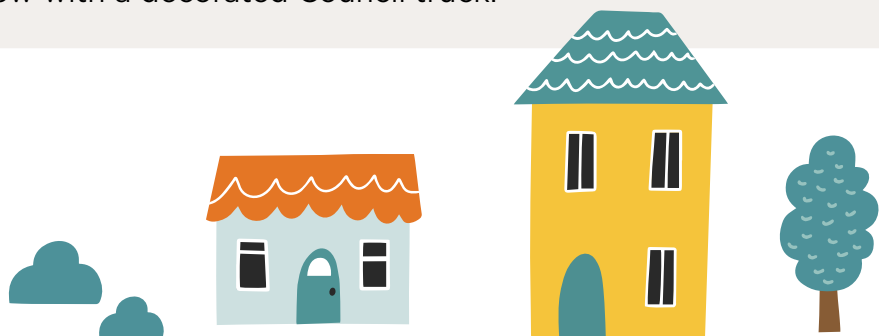
- Completed the Maldon Shopfront Improvement Program, which is part of the broader Maldon Streetscape Revitalisation Project. Council's Economy and Culture team managed the Maldon Shopfront Improvement Program which saw 16 businesses receive funding to make improvements to their shopfronts.
- Worked with emergency service providers to host the Castlemaine Emergency Expo, which offered trucks and emergency vehicles, preparatory information, presentations, information on how to become a volunteer, and food, drinks and live entertainment.
- Received State government funding to improve sports lighting at the Harcourt Recreation Reserve and Bill Woodfull Recreation Reserve, as well as undertake pavilion improvements at Bill Woodfull Recreation Reserve.
- Responded to severe flooding in a timely manner, provided flood response updates and set up an information centre at the Castlemaine Senior Citizens Centre (read more about our flood response and recovery efforts on page 24).
- Councillors voted to allocate air rights over two sites in Castlemaine for the purpose of creating affordable rental housing.
- Opened nominations for the 2023 Australia Day Awards, which were announced at the Australia Day - Survival Day community event.



November 22



- Hosted the Mount Alexander Youth Awards Festival, which celebrated the contributions that young people make to our community.
- Co-organised a workshop held by DJAARA, exploring how local councils and Traditional Owners can work collaboratively towards climate and environmental goals.
- Opened Boorp Boorp Boondyil to the public, a permanent exhibition in Castlemaine dedicated to sharing Jaara stories and teachings.
- Adopted the 2021/2022 Annual Report.
- Began 'Hunt for heritage': a campaign that involved inviting the community to nominate a site in Castlemaine that could be of heritage significance. This was then used to develop a heritage gap analysis for Castlemaine.
- Awarded 15 local groups with a share in almost \$34,000 as part of the Event Grants program.
- Asked the community how they move around the shire, which informed the draft Active Transport Strategy 2023-2033.
- Awarded six local young people with Mount Alexander Youth Awards in the categories of social impact, STEM and trades, music and the arts, environment, and sports and recreation.
- Conducted community consultation on the Climate Change Strategy, asking residents to help prioritise spending to fund climate action.
- Councillors elected Cr Rosie Annear as Mayor and Cr Matthew Driscoll as Deputy Mayor.
- Showed support for the prevention of gender-based violence by participating in the annual Rotary Truck Show with a decorated Council truck.





December 22



- Provided funding via the Small Town Christmas Celebration Grants program to the towns of Guildford, Elphinstone, Taradale, Fryerstown, Harcourt, Newstead, Sutton Grange and Castlemaine.
- Hosted a free Christmas celebration event in Mostyn Street in Castlemaine with a choir performance, a visit from Santa and ice cream. Installed Christmas trees and decorations in Castlemaine and Maldon.
- Conducted community consultation on the draft Early Years Plan 2022-2026, asking residents to read the plan and provide feedback.
- Conducted community consultation on the future of disability, access and inclusion in the shire, which informed the draft Disability Inclusion Action Plan 2023-2027.
- Announced upgrades to Bill Woodfull Recreation Reserve after securing State Government funding.
- Adopted the Development Contributions Policy, which applies to landowners in the shire and will ensure a fair and equitable approach to the collection of development contributions.





January 23

- Offered additional free green waste disposal for residents following the severe flooding event in October 2022.
- Hosted a free, family-friendly community event for Australia Day – Survival Day, which included a Welcome to Country, a citizenship ceremony, the presentation of Australia Day Awards, a live concert and catering.
- Invited community feedback on Council’s Christmas decorations and celebrations, which will inform festivities for December 2023.
- Conducted community consultation about the draft 2023/2024 Budget, asking residents to provide feedback on their spending priorities.
- Invited community feedback on the future of aged care services in the shire ahead of Federal Government changes to the sector.



February 23



- Successfully transitioned to in-house operation of the Castlemaine and Maldon waste facilities.
- Conducted community consultation on a potential reform to Local Law 13: camping on private property without a permit.
- Opened applications for round one of the Event Grants program, offering funding to local groups running public events.
- Asked the community how they prefer to hear from Council, which then informed the draft Communications and Engagement Strategy.

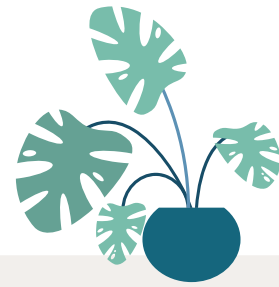




March 23

- Established a cultural precinct within the Mechanics Lane area in Castlemaine (opposite the library) in a partnership between the Castlemaine Fringe and State Festivals. The site hosted a number of events between March and June 2023, showcasing local musicians, dancers and community groups.
- Hosted the Regional Zero Emissions Forum, a free event that explored local opportunities to reduce greenhouse gas emissions in the region. This was run by Regional Development Victoria, City of Greater Bendigo and the Central Victorian Greenhouse Alliance. This will lead to a Regional Zero Emissions Roadmap for the Loddon Campaspe, Mallee and Grampians region.
- Created a 'StoryWalk' in partnership with Goldfields Libraries and Healthy Loddon Campaspe, which placed pages from the children's book Australian Backyard Buddies along a popular walk in Castlemaine, encouraging literacy and exercise.
- Small business workshops began, a program run in collaboration with Business Victoria that offers free workshops for local businesses.
- Resealed roads to improve road safety in the towns of Castlemaine, Fryerstown, Metcalfe, Newstead and Guildford.
- Upgraded Yeats Street in Castlemaine from gravel to sealed surface.
- Promoted the Women Leading Locally Fellowship, a Victorian Government program that aims to increase the representation of women in government.
- Began road safety works along Fogartys Gap Road, a popular route that links Maldon and the Calder Freeway.
- Promoted Healthy Loddon Campaspe's Adventure Bingo, a fun initiative that encourages the community to get physical by walking along a local trail and spotting points of interest.
- Updated the community on flood recovery following the severe flooding event in October 2022.
- Mount Alexander Planning Scheme was amended to introduce the Maldon Design Guidelines, which provide detailed design criteria for new development in specific areas in the township of Maldon.
- Supported Business Mount Alexander to install the work of local artists in Council buildings as part of the Castlemaine Fringe Festival Art Windows Trail.





April 23



- Adopted the Mount Alexander Shire Early Years Plan 2022-2026, which outlines our priorities and actions for supporting children aged 0-8 and their families living in the shire.
- Completed upgrades to Dave Bennett Reserve in Muckleford. Works include new table drains, the installation of storm water culverts, and the formation of a new section of road.
- Awarded design contract for National School Lane levee in Campbells Creek
- Started construction of footpath on Gaffney Street to improve pedestrian safety and accessibility
- Completed installation of irrigation system at Bill Woodfull Reserve in Maldon.
- Promoted and supported local operators and attractions to run activities during Australian Heritage Festival.
- Mayor Cr Rosie Anear was appointed to the 2023 Local Government Mayoral Advisory Panel. This is a group that provides legislative, regulatory, strategic and policy decisions that impact the local government sector, as well as present ideas and opportunities to improve local government.
- Announced key dates for the proposed 2023/2024 Budget and invited community input on the draft.
- Awarded 18 local groups with a share in almost \$50,000 as part of the Community Grants program.
- Opened applications for the Phee Broadway Theatre Foyer Exhibition Program, an initiative that displays a selection of local artists' work in a high-traffic area.
- Installed a rainbow bench outside the Castlemaine Library to increase visibility, raise awareness and show our support for our LGBTIQ+ community.





May 23



- Awarded 15 local groups with a share in almost \$33,000 as part of the Event Grants program.
- Began road works along Walker Street in Castlemaine to improve pedestrian and road safety, accessibility, and the footpath network.
- Renamed a local creek to Larni Barramal Yaluk, in collaboration with Hepburn Shire Council, North Central Catchment Management Authority and DJAARA.
- Commemorated Sorry Day and National Reconciliation Week with a number of events open to the community. This program was created in partnership with Nalderun, and aimed to commemorate, educate and nurture the entire community.
- Awarded Design contract for Elizabeth Street, Castlemaine Cabin and Van Park and Campbells Creek Township levees.
- Upgraded change rooms at Harcourt Leisure Centre.
- Completed restoration of historic entrance gates and fountain at Castlemaine Botanical Gardens.
- Opened entries for the COscars, a competition for filmmakers aged 8-25 years that offers an opportunity for young people to showcase their films, tell stories, network and compete for prizes.
- Began maintenance works on the Castlemaine Skate Park to improve safety, remove graffiti and update amenities for the entire community.
- Adopted the Domestic Wastewater Management

Plan, to improve the management of domestic wastewater in the shire.

- Celebrated IDAHOBIT (International Day Against Homophobia, Biphobia, Intersexism and Transphobia) with a display of colourful artwork and photos of staff members in the Castlemaine Library foyer.
- Hosted a workshop with 38 middle years students in the Council chambers to hear directly from children and understand their challenges. This was used to inform the draft Middle Years Plan 2023-2026.
- Installed public art in Newstead following community consultation. The artwork was designed and created by local artists.
- Amendment C7malx was gazetted into the Mount Alexander Planning Scheme.





June 23



- Completed capping of all remaining cells at the Castlemaine Landfill site. This will allow Council to capture and flare all legacy methane gasses which will result in lower CO2 emissions from Council into the future.
- Launched the 2023 Phee Broadway Theatre Foyer Exhibition Program showcasing 12 local artists into 2024. Artists are given free use of the foyer space to exhibit and sell their works along with Council support of the planning, marketing and installation of their exhibition.
- Diverted the following waste from landfill during the financial year: 38 tonnes of e-waste, 550 tonnes of steel, 735 mattresses and 1684 tonnes of commingled recyclables.
- Saved over 23 tonnes of greenhouse gas emissions during the financial year by providing community electric vehicle chargers which power cars through 100% renewable energy instead of fossil fuels.
- Purchased two new replacement graders during the financial year. The purchases are part of Council's plant replacement program, which is carefully calculated to ensure plant is replaced at the optimum time to ensure reliability and continuity of our operations.
- Announced sporting facility upgrades for Campbells Creek Recreation Reserve, which includes a new competition standard netball court.
- Launched a new website, which focuses on user-experience, making it easier for the community to access essential services.
- Adopted 2023/2024 Budget following extensive community consultation.
- Hosted a Disability Inclusive Emergency Preparedness Forum to educate the community on, and understand more about, how Council can make emergency management more inclusive of people with disability.
- Completed Maldon Streetscape Revitalisation Project works.



Case study: We're improving access and inclusion

Council is committed to improving access and inclusion for people with disability in Mount Alexander Shire.

One step that we've taken to solidify this commitment is drafting the Disability Inclusion Action Plan 2023-2027.

This plan is the first of its kind for us, marking a shift from being incorporated as part of Council's Municipal Health and Wellbeing Plan, to being its own stand-alone Action Plan.

It focuses on how we can remove barriers to participation in shire life, as well as deliver genuine and achievable results that will make our community more accessible and inclusive for everyone.

The draft plan was created in consultation with residents with disability, carers, service providers, general members of the community and members of the Disability Inclusion Action Plan Working Group.

The working group was created to assist with the development of the draft plan and ensure genuine representation. It's made up of a diverse selection of community members with disability, as well as Council staff and Councillors including Mayor Cr Rosie Annear.

The plan, which is scheduled to be adopted by Council in September 2023, will improve access and inclusion through a number of concrete actions.

The draft plan is a work of collaboration that aims to deliver genuine, meaningful and achievable results, which will have a positive impact on the lives of community members.

Another way that we're improving access and inclusion in the community is through inclusive emergency management planning.

In June 2023, Council's Emergency Management team organised an Inclusive Emergency Preparedness Forum, working closely with Mount Alexander Shire Disability Advocacy Group and Windarrang.

The forum was a successful and informative event that benefitted Council, emergency management organisations, people with disability and carers. It's a great example of the whole community coming together to educate and learn from one another.



Artwork from the Disability Inclusion Action Plan: Olivia Newton John by Ned Middleton

Case study: We're planning for children and families

Council is prioritising the health and wellbeing of children and families in Mount Alexander Shire.

Two steps that we've taken to deliver on this commitment is drafting an Early Years Plan and a Middle Years Plan, following extensive community consultation.

Both plans aim to support the needs of families and children. They will guide Council and the community in working together to improve the health and wellbeing, and learning opportunities for children.

The Early Years Plan 2022-2026 will focus on children aged 0-8 and was adopted by Council in April 2023. The Middle Years Plan 2023-2026 will focus on children aged 8-12 and will go to Councillors for adoption in September 2023.

The two plans were heavily informed by community consultation and feedback.

When engaging with residents on the draft Early Years Plan we heard from over 225 children aged 3-8, twelve service providers, over 110 parents and carers, and received valuable advice from the Mount Alexander Early Years Steering Group.

When engaging with residents on the draft Middle Years Plan we heard from more than 200 children aged 8-12, 95 survey responses from parents, carers and service providers, three key informant interviews with school principals and two reflection workshops with the Bulortj Children and Youth Network.

We also hosted a workshop in the Council Chamber with 38 middle year students, representing nine local primary schools and the home schooling community, who helped Council further develop the Middle Years Plan's actions and priorities.

It was valuable to hear directly from local children and understand more about what it means to be young today, what's important to children and their families, and what worries they have.

We're proud to have created two detailed plans that reflect the needs and priorities of local children and families.

The knowledge and expertise of the Mount Alexander Shire community is a valuable resource, and we're grateful to have the support of passionate and engaged residents, schools and service providers.



Artwork from the Early Years Plan by Hunter - Castlemaine North Primary School

Case study: We're learning from and elevating Indigenous stories and voices

Council is proud to be on Jaara Country, and to learn from the rich history of the Dja Dja Wurrung People.

One way that we've shown this is through the facilitation of Boorp Boorp Boondyil, a new permanent exhibition in Castlemaine that shares the stories and teachings of the Jaara People.

Boorp Boorp Boondyil means passing knowledge to our children and is a name gifted by local Dja Dja Wurrung Elder, Uncle Rick Nelson.

It gives residents and visitors a chance to walk through an interactive space, where they will learn the history of the area. It features the story of the Eagle, the Bat and the Crow, the creation story of the Dja Dja Wurrung in the Mount Alexander region, as told by the Nelson family.

It also includes important cultural lessons about living on Country. It teaches us about bush foods, medicine, waterways and weaving.

The exhibition's development was led by Uncle Rick Nelson who was employed by Council to deliver this important exhibition to the community, ensuring the longevity of Jaara stories and teachings.

Artists featured in the exhibition include Aunty Marilyn Nichols, Alvin Darcy Briggs, Georgie Rose and Paul Turbitt. Their work and creativity contributed to a beautiful collection.

The exhibition was launched in October 2022 and is the recipient of two awards:

2023 Maggolee Awards

This award celebrates and recognises strong partnerships between Victorian local government and First Nations Peoples. It is an initiative of Reconciliation Victoria.

2023 National Awards for Local Government - Indigenous Recognition category.

This award highlights initiatives implemented by local governments that are innovative, make a difference to their local communities, display excellence and have outcomes that are replicable across the country.

We're proud to have delivered Boorp Boorp Boondyil with Uncle Rick Nelson - a joyful and generous exhibition that we can all enjoy and learn from for years to come.



Left: Dja Dja Wurrung Elder, and project co-designer Uncle Rick Nelson (second from left), celebrating the launch of the Boorp Boorp Boondyil exhibition. Right: 2023 Maggolee Award for Boorp Boorp Boondyil, 2023 National Awards for Local Government (Indigenous recognition).



THE MOUNTAIN PEOPLE have been found on trails
the world has never seen before. These people
lived in the mountains and they had stone tools
but never were found in any place to another.

There are thousands of miles of the hills which
lead to the mountains, and they had stone tools
to use them. The world is now and will never
be the same.

There are probably another half a dozen in that
mountain area they were big with the soil landscape.
The mountains and the mountains were the first
people and the first people but they are not
the same. The people are in the area
and we are working to find these places.

David H. Hester



Case study: We're prioritising flood recovery

In October 2022 the shire was impacted by a severe flooding event which impacted properties, roads, parks and trails, and community infrastructure.

During the event

Council quickly establishing a flood recovery and information centre at the Castlemaine Senior Citizens Centre. Staff were on site to offer a chat and a cuppa, as well as flood information and support as needed.

We also placed large skip bins at the Campbells Creek Community Centre car park and the Campbells Creek Bowling Club for residents to drop off flood-damaged materials free of charge.

In addition, the Castlemaine Transfer Station was accepting flood-damaged items for free during October and for months afterwards.

We also utilised social media to disseminate this information and ensure the community was aware of the various emergency payments and grants available.

After the event

We focused our attention on repairing and upgrading roads, and improving levees.

We've inspected the shire's entire road network to assess damage, and have begun to systematically repair roads.

We're also advocating for flood recovery assistance from government agencies to supplement the current budget.

Communications have been a key aspect in the overall flood recovery process. We hosted two flood recovery meetings in Newstead and Campbells Creek where Council staff, key emergency management agencies and the community came

together to discuss the flood event and next steps.

Staff used social media to inform the community during the event, and also used print advertising, newsletters, website updates and face-to-face time to keep residents up-to-date after the event.

While the flooding event was a difficult time for the entire community, it exhibited Council's ability to respond quickly in a crisis and work together with the community for the best possible outcome.



Sandbags being placed to prevent flooding.

Case study: We're revitalising playgrounds

Council is revitalising playground across the shire, ensuring safe, accessible and fun outdoor spaces for the entire community.

We're doing this by improving Newstead Memorial Park Playground, Stanley Park North Play Space, Harcourt Recreation Reserve Playground and Norwood Hill Playground.

When beginning the development of Newstead Memorial Park Playground we conducted extensive community consultation – the aim was to have the park reflect the wants and needs of the Newstead community.

The improved playground will include new play equipment, fencing, park furniture, a water fountain and upgrades to the barbecue.

The Stanley Park North Play Space sits in the centre of Harcourt and was developed with community input and feedback.

The park includes a natural feel play space with established trees, accessible swings, a climbing wall, a wheelchair accessible carousel, and a rock and spinner.

This play space was a particularly proud project for Council because it won LGPro's Community Assets & Infrastructure Initiative for \$5 million and under. This prestigious award recognises initiatives that benefit the community, showcase partnerships and manage community assets.

The Norwood Hill Playground is in the middle of improvement works which are being undertaken in two stages.

Stage one, which is complete, included shade trees, gardens and a new path network to increase accessibility. There is a new nature play section, and enhancements were made to the barbecue

shelter and park furniture. There are also improvements to the existing playground with a double swing set, two climbing elements and a digger in the sandpit.

Stage two is now in progress, and includes the revitalisation of the hard courts to create a teen space with parkour equipment, a hit-up wall, and netball and basketball courts.

The final play space we revitalised is the Harcourt Recreation Reserve Playground. Improvements to this space include a new playground, an accessible concrete ramp and landscaping.

This play space is now inclusive, accessible, fun and beautiful!

These playgrounds showcase our dedication to the health and wellbeing of our community, as well as upholding our commitment to fostering a healthy, connected shire.



Norwood Hill Recreation Reserve Playground

Case study: We're aiming to increase affordable housing options

Council is aware of barriers to affordable housing and has been working hard to increase options for residents across the shire.

This is a complex challenge which requires the combined efforts of Council, community organisations, all levels of government, and private and public organisations.

We're committed to addressing the issue of affordable housing and have taken the following steps to support our community now and into the future:

- Reforming Local Law 13: Camping on private property with a dwelling.
- Managing permanent housing through the Mount Alexander Planning Scheme.
- Hiring a Housing Solutions Broker.
- Planning to develop medium-density affordable housing on Council-owned land.

The June 2023 Council meeting saw a reform to Local Law 13: A local law related to camping on private property where there is an existing dwelling.

Previously, anyone camping or staying in a caravan or tiny house for up to six months on private property needed to have a permit.

Councillors unanimously voted to remove those permit requirements, which means people are now able to camp, or occupy a caravan or tiny house on wheels, on property where there is an existing dwelling, for an indefinite period of time with no permit required.

This is a small change but is a big step in the right direction towards affordable housing. It's also a change that the community supported with an overwhelming 91% showing their support for the reform.

Local Law 13 does not cover permanent or non-moveable housing – this is where building regulations and the Mount Alexander Planning Scheme come in.

The scheme includes strategies that aim to deliver more affordable housing close to jobs, transport and essential services. We're now looking at ways we can achieve this through the preparation of housing strategies for specific towns.

We're currently working on two Housing and Neighbourhood Character Strategies: Castlemaine, Campbells Creek and Chewton, and Maldon and Newstead.

Through research and community consultation, we've learned of a mismatch between household sizes and available housing.

Within these towns, dwellings with three or more bedrooms make up approximately 70% of dwellings, while one- and two-bedroom houses only make up approximately 29% of dwellings.

The projected increase in single person households in these areas is largely a result of an ageing population, and points to the need for smaller homes.

Our strategies seek to encourage the development of more one- and two-bedroom dwellings in these areas.

Another step in the direction towards affordable housing is the hiring of a Housing Solutions Broker.

Our broker, Clare Richards, dedicates her time to addressing affordable housing in the shire.

Her key tasks include:

- investigating the use of Council land to create affordable housing
- exploring short and long-term solutions for affordable housing in the shire

- negotiating with the State Government around the use of state-owned land to create affordable housing
- connecting private land holders with affordable housing developers to advocate for the needs of our community.

Council has also taken the first step in developing medium-density affordable housing in the heart of Castlemaine.

Councillors voted to assign air rights to Council-owned land on Templeton Street,

following overwhelming community support for the idea.

Our Chief Executive Officer, Darren Fuzzard, is currently working in partnership with Haven Home Safe to find the most sustainable funding model for this project.

These initiatives are positive steps towards solving the current housing crisis, and we're incredibly proud and grateful to have the support of our community while we find solutions.

Council has been working hard to increase affordable housing options for residents across the shire.



Advocacy, partnerships and engagement

Advocacy

Council is committed to advocating on behalf of its current and future communities to represent the needs and views of the community to decision and policy makers to build a creative, innovative and connected community. In the 2021-2025 Council Plan, Council acknowledges the critical role it will play in advocating to State and Federal Governments, and other authorities on matters that impact the diverse needs and interests of the Mount Alexander Shire community.

Advocacy efforts aim to raise awareness and reduce service gaps, seek improved funding or funding models to help raise revenue to perform council functions, and improve the health, safety and wellbeing of the community. Council recognises the importance of being clear and consistent about investment priorities, and has advocacy priorities to facilitate action and results. Funding priorities aim to build the liveability of our shire by building better community infrastructure with improved roads, community facilities that are safe and fit for purpose, expanding the footpath and trail network, improving water and sewerage infrastructure, affordable housing and improved access to services and better health facilities. Council works in partnership to influence policy, tackle challenges, leverage new opportunities and support partner initiatives that align with our strategic objectives. CEO Darren Fuzzard and Mayor Rosie Annear met regularly with State and Federal Members of Parliament throughout the year, and staff and Councillors are involved in many industry and regional working groups to share information, and work on common challenges.

Victorian Parliamentary Inquiry into October 2022 floods

Council's Emergency Management team played a key leadership role in a submission to the inquiry into the 2022 Flood Event in Victoria on behalf of the Northern Victorian Emergency Management Cluster. The development of this submission occurred after Council's Emergency Management team helped to lead workshops and other forms of consultation with the five LGAs involved in the cluster.

The final 17-page submission contains strong advocacy for the needs of our residents following the flood events, and in relation to future planning.

The Hub Foundation

Council advocated for The Hub Foundation by providing a testimonial to support their application through the Premier's Sustainability Awards for the Yes In My Back Yard (YIMBY) community composting project.

Prevention of all forms of violence - Statement of Commitment - Collective Action for Respect and Equality (CARE) Stewardship Committee

Council has committed to being an active member of the Loddon Mallee Collective Action for Respect and Equality (CARE) partnership. The prevention of violence against women is everyone's business.

- We know we all have a role to play to help promote gender equality and prevent violence against women, and that our organisation can take action to make a difference.
- We know by working together we can build safer, respectful communities for everyone in the Loddon Mallee region.

- We know that while all women can experience violence, discrimination and disadvantage, some women may experience it more often. We understand that this happens because of structural barriers and attitudes towards aboriginality, age, ability, sexuality, cultural identity, and social 'class'.
- We will create a workplace and community which promotes social justice, gender equality and respect for all women.
- We will be active members of the CARE partnership and provide at least two key contacts from our organisation to

promote this work with the support of Women's Health Loddon Mallee.

- We will complete a CARE partner organisation survey each year, provided by Women's Health Loddon Mallee.

Advocacy for Orange Door services in the shire

Council is committed to supporting initiatives that prevent violence against women, and advocated for an Orange Door service to be established in Castlemaine to the Minister for Prevention of Family Violence, The Hon. Ros Spence MP.





Partnerships

As an advocate for our shire, Council works in collaboration with all levels of government and state and federal organisations that provide services to the community. We also work in partnership with special interest and community groups to improve services and outcomes for the shire. We have established many partnerships and memorandums of understanding (MOUs) and work with our partners to develop action plans, deliver projects and advocate for the community. Some examples of our partnerships are below:

Nalderun Education Aboriginal Corporation

Council ratified its first Memorandum of Understanding with Nalderun Education Aboriginal Corporation at a Council meeting in August 2022. The MOU documents the shared desire of Council and Nalderun to improve the health and wellbeing of Aboriginal and Torres Strait Islander people and communities in Mount Alexander Shire.

The MOU:

- outlines the partnership between Mount Alexander Shire Council and NEAC
- details the reciprocal support Mount Alexander Shire Council and NEAC will provide to the other
- defines the relationship, expectations, roles, and obligations of Mount Alexander Shire Council and NEAC under this agreement.

Social Prescribing Pilot Project

Council partnered with Castlemaine Community House (CCH), Dhelkaya Health and Goldfields Medical Group to develop the “Get Connected” Social Prescribing Pilot project launched in March 2023. GPs at the Goldfields Medical Group have been

referring people experiencing loneliness and isolation to the “Get Connected” link worker who has facilitated involvement in social activities as a means of improving people’s sense of connection and positive wellbeing.

Drawing on the pilot project, Council has been working in partnership with CCH and Dhelkaya Health to advocate for further support and funding for an ongoing social prescribing service in our shire.

VECO

Council participated in the Steering Committee for the Victorian Energy Collaboration, which powers 51 councils with renewable energy.

Mechanics Lane community hub

Building on previous years, we increased our partnership with both the Castlemaine Fringe Festival and Castlemaine State Festival in 2023, where we created a hub in Mechanics Lane with free entertainment. The Phee Broadway Theatre also took part with several shows hosted by Council and Castlemaine Fringe Festival occurring in March.

This space will continue to be available for use by our partners, Castlemaine Fringe Festival and Castlemaine State Festival, and the library along with any local groups that are looking for an outdoor space to run events or just come together.

Seniors Festival

Partnering with Castlemaine Community House to deliver a seniors festival for the shire through the provision of an expo on services for older adults.

With support from the State Government of Victoria Seniors Festival a dedicated concert for older adults was held at the Castlemaine Town Hall to capacity audience to experience the brilliance of Broderick Smith.

Project partners

Some of our key project partners are below:



A healthy, connected and inclusive community

Health and wellbeing	Department of Health, Department of Families, Fairness and Housing, Dhelkaya Health, Loddon Mallee Primary Health Unit, Women’s Health Loddon Mallee, Windarring, State and Federal Governments, Bendigo Health, Maldon Neighbourhood House, Castlemaine Community House, Nalderun Education Aboriginal Corporation, Loddon Mallee Group of Councils, ELM (Every Life Matters), Australian Breastfeeding Association, Healthy Loddon Campaspe, Mount Alexander Shire Disability Advocacy Group, Bulortj Children and Youth Network, Castlemaine Secondary College, Goldfields Local Employment and Education Network, Department of Transport, Department of Education and Training, Goldfields Library Corporation, Victoria Police, Lifeline, Stride, Municipal Association of Victoria, Alcohol Drug Foundation, Sports Recreation Victoria, Coliban Water, Northern Victorian Emergency Management Cluster, Castlemaine Secondary College, Connectors, primary schools across the shire.
Aged and disability services	Dhelkaya Health, Loddon Mallee Primary Health Unit, Loddon Mallee Local Government Group of Councils, Maldon Neighbourhood House, Mount Alexander Shire Disability Advocacy Group, Department of Health, Veterans Home Care.
Age-friendly	Mount Alexander Positive Ageing Advocacy Group, Mount Alexander Shire Disability Advocacy Group.
Young people and families	Department of Education and Training, local preschools, kindergartens, playgroups childcare centres, primary and secondary schools, Municipal Association of Victoria, Nalderun Education Aboriginal Corporation, Goldfields Library Corporation, Maldon Neighbourhood Centre, Castlemaine Community House, YMCA Bendigo, Central Victorian Primary Care Partnerships, Bulortj Children and Youth Network, Dhelkaya Health, Victorian Local Government Association, Department of Health, Department of Families, fairness and Housing, Women’s Health Loddon Mallee, Australian Breastfeeding Association, Youth Advisory Group, FReeZA Committee, Goldfields Local Employment and Education Network, Victoria Police.

Emergency management and preparedness	Dhelkaya Health, Loddon Mallee Primary Health Unit, Victorian Municipal Emergency Management Enhancement Group, Northern Victoria Emergency Management Cluster, Australian Red Cross, Salvation Army, Victorian Council of Churches, City of Greater Bendigo, Campaspe Shire Council, Central Goldfields Shire Council, Loddon Shire Council, Hepburn Shire Council, Macedon Ranges Shire Council, State Emergency Services, Victoria Police, Country Fire Authority, Emergency Management Victoria, Municipal Association of Victoria, Department of Health, Department of Families Fairness and Housing.
Diversity, access and inclusion	Castlemaine Health, CHIRP Castlemaine District Community Health, Central Victorian Primary Care Partnerships, Central Victorian Municipal Emergency Management Enhancement Group, Northern Victoria Emergency Management Cluster, Australian Red Cross, Salvation Army, Victorian Council of Churches, City of Greater Bendigo, Campaspe Shire Council, Central Goldfields Shire Council, Loddon Shire Council, Hepburn Shire Council, Macedon Ranges Shire Council, State Emergency Services, Victoria Police, Country Fire Authority, Emergency Management Victoria, Municipal Association of Victoria, Department of Health, Department of Families Fairness and Housing.
Indigenous heritage	Local Indigenous elders and community members, Nalderun Education Aboriginal Corporation, Dja Dja Wurrung Corporation, Dhelkaya Health, Department of Environment, Land, Water and Planning, Department of Health, Castlemaine Art Gallery, Castlemaine Community House, Regional Centre for Culture, Castlemaine State Festival, and representatives from Reconciliation Victoria.
Housing	Department of Health, Department of Families, Fairness and Housing, University of Technology Sydney, Latrobe University.



An environment for people and nature

Streetscape and town improvements	Maldon Streetscape Revitalisation Project working groups, including: External Steering Committee, Heritage Sub-Committee, Tree Working Group, Business and Property Owners Working Group, Underground Power and Lighting Working Group, and Pedestrianisation Working Group, Campbells Creek Matters Inc, Elphinstone Progress Association, Taradale Community Forum, Guildford Progress Association, Newstead 2021 Inc, Chewton Domain Society, Regional Development Victoria.
Sports and recreation	State and Federal government, YMCA Victoria, Sports and Recreation Victoria, Committees of Management, VicHealth, clubs/user groups, Healthy Loddon Campaspe, Sports Focus, Bike Bendigo, CycleSafe Mount Alexander, Newstead Walks and Wheels.
Roads and transport	Department of Jobs, Precincts and Regions, Loddon Mallee Regional Cluster, Department of Transport and Planning, Regional Roads Victoria, Regional Development Australia, Transport Accident Commission (TAC), VicTrack, V/Line.
Environment	Connecting Country Incorporated, local Landcare and friends groups, Department of Energy, Environment and Climate Action, North Central Catchment Management Authority, Goulburn Murray Water, Parks Victoria, Sustainability Victoria.
Sustainability and climate change	Mount Alexander Sustainability Group, Hub Foundation, Wararack, Central Victorian Greenhouse Alliance including local councils, Cities Power Partnership, Better Building Finance, Sustainable Australia Fund.
Flood management	North Central Catchment Management Authority, Department of Environment, Land, Water and Planning.
Waste management	Recycling Victoria, Sustainability Victoria.
Heritage	Heritage Victoria, Castlemaine Art Gallery, Buda Historic Homestead, Victorian Goldfields Railway, National Trust.



A resilient and growing economy

Business growth and employment	Regional Development Victoria, Small Business Victoria, Business Mount Alexander, Maldon Inc, People Plus, Elliott Midland Newspapers, City of Greater Bendigo.
Tourism development	Bendigo Regional Tourism which includes shires of Mount Alexander, Loddon, Central Goldfields and City of Greater Bendigo, Daylesford Macedon Ranges Tourism, Visit Victoria, Tourism Working Group, Local tourism operators.
Cultural Development	Municipal Association of Victoria, Regional Arts Victoria, Creative Victoria, Music Victoria, Central Victorian Culture and Arts Network, Castlemaine Art Museum, Castlemaine State Festival, Castlemaine Fringe Festival, Storyland, We Push Buttons, Buda Historic Home and Garden, MainFM, Youth Advisory Group, FReeZA Committee, Village Festival, Castlemaine Electronic Workshop, 3451 Culture, Business Mount Alexander, Maldon Folk Festival, Hobo Theatre Company, Regional Development Victoria, VicHealth, MasUmano.
Land use planning	Department of Transport and Planning, Department of Environment, Energy and Climate Action, Coliban Water, Country Fire Authority, Goulburn-Murray Water, North Central Catchment Management Authority, Environment Protection Authority, Agriculture Victoria.
Education and training	Dhelkaya Health, School Focussed Youth Services, Goldfields Local Learning & Employment Network, Castlemaine Police, St Luke's Anglicare, Bendigo TAFE, Castlemaine Secondary College, Nalderun, Maldon Neighbourhood Centre, Central Victorian Primary Care Partnership.

Engagement

Community engagement is defined as the range of opportunities for public involvement in Council decision-making, relationship building and community strengthening.

Council is committed to effective engagement with the community to ensure the needs of the community are acknowledged in key Council projects, plans and strategies.

Council's Community Engagement Policy, Community Engagement Framework and Youth Engagement Charter guide community engagement activities and continuous improvement.

In February 2023, Council began work on the development of a new Communications and Engagement Strategy, which will set a benchmark for how we communicate and engage with our community in the coming years. The draft strategy has been informed by more than 700 pieces of feedback from the community, Councillors and staff. It is due to go before Councillors for consideration in October 2023.

In February 2022, Council appointed a Community Engagement Coordinator on a fixed-term contract to guide the organisation in building capacity to genuinely engage with the community.

In June 2023, Councillors acknowledged the value the role has brought to the organisation and resolved to make the role permanent. This was determined through Council's budget process for 2023/2024.

Shape Mount Alexander

During the 2022/2023 financial year there were a number of opportunities for the community to provide input into plans, strategies and service design via Council's online engagement platform, Shape Mount Alexander - www.shape.mountalexander.vic.gov.au.

The online platform is being used to engage the community on a range of consultations.

Between 1 July 2022 and 30 June 2023, there were 31 active projects on Shape Mount Alexander, with projects collectively receiving more than 32,500 views, 22,800 visits to the website, and more than 4,200 contributions to projects from community members.

Some examples of community consultations undertaken during the 2022/2023 financial year are listed here:

- Developed a draft Disability Inclusion Action Plan, which aims to ensure the shire is genuinely inclusive of people with disabilities. For more information about the consultation process, read the case study on page 20.
- Actively consulted with the Community Waste Reference Group to assist in the development of Council's 10-year Waste Management Strategy, due to be considered by Councillors in 2023/2024.
- Climate Change Strategy 2023-2033 was adopted by Councillors in June 2023. The strategy was heavily informed by the community, and sets the direction for Council's climate action now, and into the future.
- Asked the community for feedback on the Christmas decorations and activities that occurred in 2022. This feedback has been used to inform plans for Council Christmas decorations and activities in 2023.
- Sought feedback from residents on how to reduce the risk of roadside bushfires as part of the development of a draft Roadside Fuel and Bushfire Risk Report.
- Invited community input on the draft Maldon Historic Central Area Review.

- Encouraged community members to provide feedback on uses and improvements for the Castlemaine Railway Precinct. The consultation process also included the formation of a project working group. Input provided from community and stakeholders will inform the draft master plan for the site.
- Gathered input on a range of short, medium and long-term initiatives to address the housing affordability challenge in our community.
- Received input on Council's proposed Budget 2023/2024.
- Invited community members to be part of project advisory groups for the Castlemaine Heritage Study, and Neighbourhood and Character Studies in Chewton, Castlemaine, Campbells Creek, Maldon and Newstead. The development of each study involves community input, which will inform each of the draft papers.
- Sought feedback on proposed updates to internal processes that impact Council meetings.
- Received input on Council's draft Middle Years Plan.
- Adopted the Early Years Plan, which will provide strategic direction for the development and coordination of early years programs, activities and other local community development processes that impact children aged 0-8 and their families.

Shape consultations that attracted the most interest from the community in the 2022/2023 financial year included overwhelming support to amend Local Law 13, which ultimately resulted in removing the need for a permit when camping on private property.

The community was almost equally split when it came support for the concept designs for improvements at Castlemaine's Camp Reserve and there was high engagement with Council's Active Transport Strategy.





Description of operations

Mount Alexander Shire Council delivers more than 100 services to the community including family and children’s services, youth programs, aged and disability care, business and economic development, community planning and development, waste management, library services and emergency management. Council manages and maintains a variety of community assets such as recreation and leisure facilities, local roads, bridges, footpaths, drains, parks, playgrounds, community buildings and much more. Council strives to balance the provision of services to meet current community needs with maintaining our ageing infrastructure and preparing for future needs and demands.

The delivery of our services, facilities, support, community engagement, advocacy and decision making is measured by the different performance and capacity indicators in this report. Our services are guided by plans and strategies adopted by Council along with our responsibilities under Victorian and Australian legislation. The 2022/2023 Annual Plan and 2022/2023 Budget deliver on our commitment to achieve the vision, goals and strategic objectives outlined in the Council Plan 2021-2025.

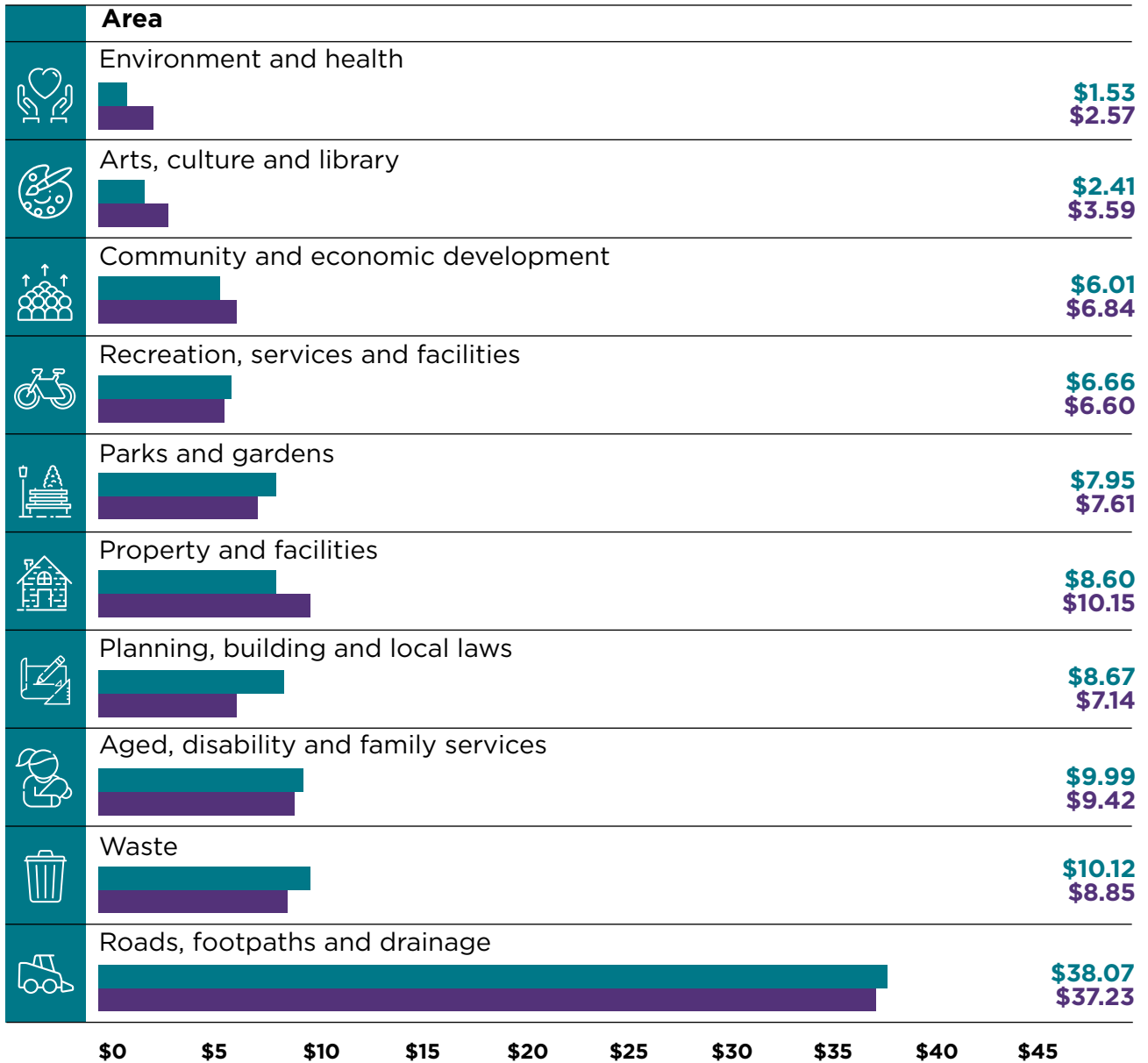
Major capital works



Council spending on services per \$100

2022-2023

2021-2022



The prior year's figures have been adjusted to remove losses on fair value adjustments for future landfill rehabilitation costs. This expense should not have been included and artificially inflated the spend per \$100 allocated to waste.



Financial performance summary

In brief

Council recorded an operating surplus of \$7.20 million, which is favourable compared with the adopted budget of a \$2.05 million surplus. The variance of \$9.20 million has arisen predominantly due to the receipt of unbudgeted operating grant income (\$9.67 million more than budget). This is partially offset by smaller fluctuations in other line items.

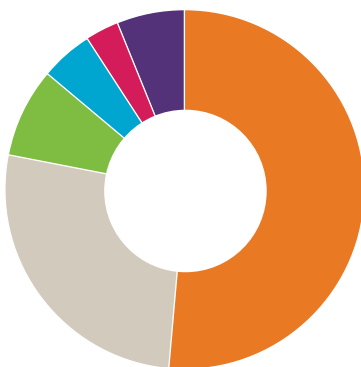
Council ended the 2022/2023 financial year with a cash balance of \$31.15 million, with restrictions in place on the use of \$27.08 million of these funds.

The value of property, infrastructure, plant and equipment increased from \$406.32 million to \$416.47 million as a result of capital expenditure of \$11.02 million and the revaluation of land, building and infrastructure assets (\$9.69 million).

Revenue

Council's total revenue for the 2022/2023 year was \$50.93 million compared to \$44.50 million in 2021/2022. The graph below shows the different sources of revenue for Council, with rates and charges the greatest proportion at 52%.

Revenue

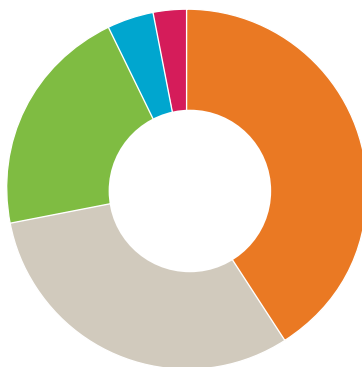


- 52% Rates and charges
- 27% Operating grants
- 8% Capital grants
- 5% Fees, fines and charges
- 3% Contributions
- 6% Other income

Expenditure

Council's total operating expenses for the 2022/2023 year were \$43.73 million (compared to \$45.62 million in 2021/2022).

Expenditure



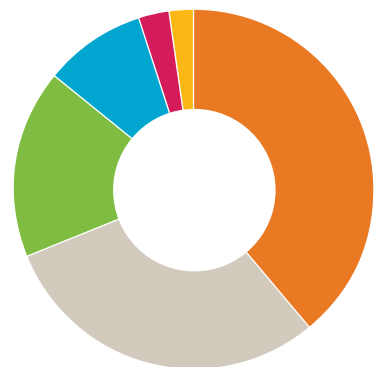
- 41% Employee costs
- 31% Materials and services
- 21% Depreciation
- 4% Other expenses
- 3% Asset disposal
- 0% Borrowing costs

Capital works

During the financial year, Council completed \$11.02 million of capital works projects (\$11.39 million in 2021/2022).

Infrastructure related projects, such as roads, drainage and bridges, accounted for 53% of the capital spend.

Capital works

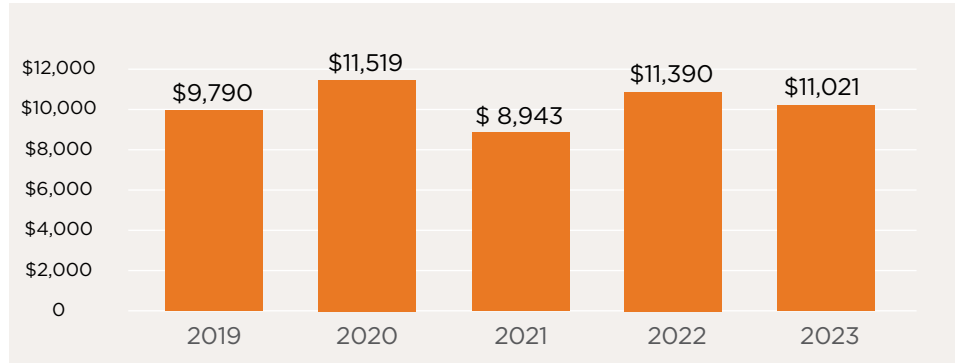


- 39% Roads
- 30% Property
- 17% Plant, vehicles and IT
- 9% Footpaths and cycleways
- 3% Bridges
- 2% Drainage
- 0% Other

Capital spend over time

Council continues to invest significantly in buildings and infrastructure assets such as roads, bridges and footpaths to address the issue of ageing infrastructure. The graph below highlights the extent of this investment.

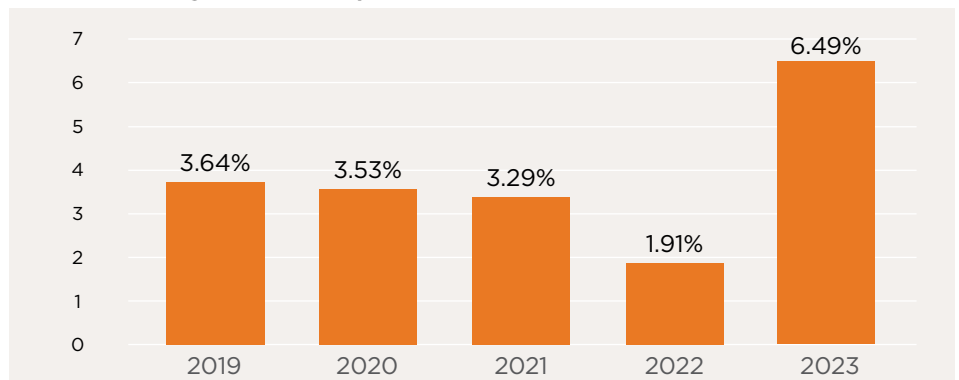
Debt servicing and redemption costs / rate revenue (%)



Debt service ratio

The debt servicing and redemption ratio assesses the degree to which rate revenues are committed to the repayment and servicing of loans. This has been calculated using rates revenue excluding waste charges. In 2022/2023 the ratio was 1.26%, well below the guidelines of 10%.

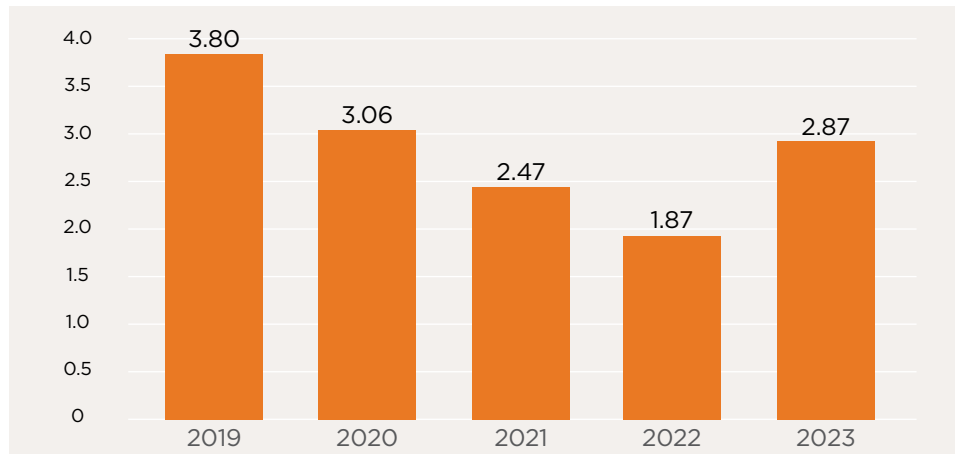
Debt servicing and redemption costs / rate revenue (%)



Adjusted working capital ratio

The ratio expresses the level of current assets the Council has available to meet its current liabilities. Current liabilities have been reduced to reflect the long service leave that is shown as current but is not likely to fall within the next 12 months. The ratio at 2.87 is financially prudent.

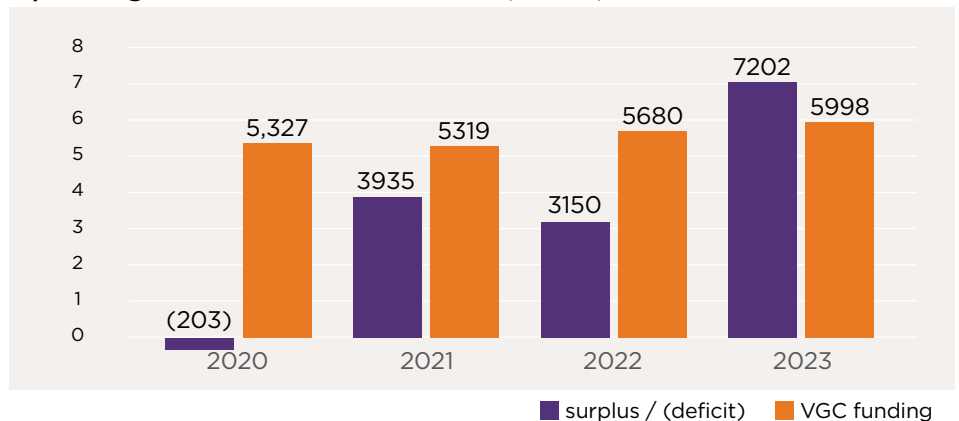
Adjusted working capital ratio



Operating result before revaluations

Council's 2022/2023 operating result, before asset revaluations, was a surplus of \$7.20 million. The main contributor to the surplus is the receipt of unbudgeted operating grant income.

Operating result before revaluations (\$'000)



■ surplus / (deficit) ■ VGC funding

Our services

We provide more than 100 services to the community that help us work towards our vision of working together for a healthy, connected shire.

The teams listed below help to deliver our services. These range from helping the youngest members of our community through our maternal and child health programs to supporting our seniors through aged and disability care. Our teams also provide business and economic development opportunities, community planning, waste collection and management, and of course, they manage vital community assets like roads, bridges and footpaths.



A healthy, connected and inclusive community

Aged and Disability Services

Assesses and provides services for older people and people with people with disability to enable them to remain living independently in their own homes. Services provided include domestic assistance, shopping, personal care, respite, delivered meals, home safety and social support programs for isolated older people.

Civic Compliance

Improves safety and amenity in the shire by supervising school crossings, control of domestic animals and livestock, regulating parking, issuing local law permits and infringement notices, and providing information and advice to the community.

Communications and Engagement

Ensures that the community receives timely, relevant and engaging information about what's happening in the shire through numerous channels including our website, social media, email, media engagement, advertising, community newsletters, and more. Supports and advises staff on best practice communication strategies, tools and community engagement.

Community Partnerships

Works with local residents, community organisations and service providers to build community capacity and strengthen our engagement with the community.

Corporate Services

Provides policy, systems and support in the areas of continuous improvement, corporate planning and performance reporting.

Customer Service

Assists customers with general enquiries in person, by email and by telephone. It also shares information with the community and connects the community with relevant Council staff, registers community requests for services and processes payments.

Venue Coordination and Events

Provides hire and management services for public venues, as well as cleaning and maintenance of public restrooms.

Executive

Strategically manages the organisation in keeping with the requirements of good governance, legislation and strategic policy.

Emergency Management

Develops and implements strategies to increase the emergency management capability of the shire and community. Undertakes prevention measures to reduce risk from hazards.

Environmental Health

Conducts inspections and maintains registrations for food and public health businesses, including registration and approval of temporary food permits. Assesses septic tank applications and investigates complaints.

Library Operations

Provides accessible information and resources for the recreational, cultural, educational and social development of our community. The service is provided by Goldfields Library Corporation via the library located in Castlemaine.

Maternal and Child Health

Provides consultations, information, referrals, advice and support for children from birth to school age and their families.

People and Culture

Provides strategic and operational organisation capability support including human resource and industrial relations strategies, policies and procedures.

Records

Stores, retrieves and archives records and ensures legislative and privacy requirements are met.

Youth Development

Works in partnership with young people and the community, organisations and service providers to support and promote initiatives, activities and programs that strengthen young people's connections and place within the community.

Active Communities

Provides advice on local recreational needs, and facility use and planning, develops master plans and strategies to promote and develop healthy physical activity in the shire, and supports sports and recreation clubs.

Healthy Loddon Campaspe

Works to improve health in the region through projects that focus on encouraging healthy eating and getting more people, more active, more often.



An environment for people and nature

Community Buildings

Prepares and delivers maintenance and management programs for our buildings, pavilions and other community assets to maximise value and use.

Environment and Sustainability

Develops environmental policy, coordinates and implements environmental projects and works with other services to improve our environmental performance, including climate change initiatives.

Engineering

Designs, contract manages and supervises our capital works program. Undertakes safety and condition inspections of roads, bridges and footpaths, and maintains the asset management system while overseeing community infrastructure development.

Parks and Gardens

Manages and maintains key parks and recreation areas including Castlemaine Botanical Gardens, Maldon Gardens, Stanley Park North and Victory Park. Oversees tree management and provides tree pruning, planting and removal in addition to working closely with Landcare groups to enhance, protect and maintain our natural environment areas.

Property Management

Facilitates management and strategic planning for our building, land, commercial and community leases and licences.

Recreation Facilities

Oversees the management, use and development of sporting reserves, pavilions and the Castlemaine War Memorial Stadium as well as Council's four outdoor pools. Provides advice on recreational needs, facility use and planning to provide access to well-maintained sport and recreation facilities.

Works: Roads, Bridges, Paths and Drainage

Undertakes maintenance and renewal of our roads, bridges, paths and drainage. This includes maintenance grading, patrol patching, periodic gravel and bituminous resurfacing, road and intersection renewals, road line markings, signage, drain clearance and street sweeping.

Street Beautification

Manages street trees, coordinates new lighting installations and maintains public toilets. The service also provides annual inspections, programming and implementation of power line clearance requirements in Castlemaine and Maldon.

Waste Management

Manages the waste management facilities at Castlemaine and Maldon. Provides kerbside waste, recycling collection and develops and implements waste and resource recovery strategies.

Building Services

Provides building compliance services including emergency management responsibilities, fire safety inspections, swimming pool barrier audits, and investigates complaints and illegal works.

Cultural Development

Provides advocacy and support to help develop and promote arts, cultural and creative activities across the shire.

**A resilient and growing economy**

Economic Development

Undertakes initiatives to build the local economy including support for the growth of local businesses and industry networks along with reducing barriers for business development. Works towards creating and maintaining an environment that ensures the shire is a desirable location for people to visit, work, live and invest.

Financial Services

Manages finances through preparation and monitoring of the budget, payment of accounts, procurement of services, and the raising and collection of rates and charges, and valuation of properties.

Governance

Coordinates Council meetings, Councillor-related activities and provides support and oversight of compliance with the Local Government Act.

Information Services

Provides, supports and maintains cost effective communications and IT systems enabling Council to deliver services in a productive and efficient way.

Planning Services

Manages land use and development in the municipality in accordance with the Mount Alexander Planning Scheme. The service provides planning information and advice, assesses planning permit applications and undertakes compliance activities. It develops and implements urban and rural planning strategy and maintains an effective planning scheme through regular reviews and planning scheme amendments, while ensuring appropriate support for our heritage.

Tourism Services

Provides visitor information, marketing and industry development for the shire. Supports economic and social benefits of tourism through operation of Visitor Information Centres in Castlemaine and Maldon. Provides accommodation and tour booking services. Significantly impacted by COVID-19 restrictions.

Our Council

Mount Alexander Shire Council is comprised of seven Councillors in five wards.



Castlemaine Ward

**Councillor Rosie Annear
Mayor**

Email: castlemaineannear@mountalexander.vic.gov.au
Mobile: 0407 345 744



Loddon River Ward

**Councillor Matthew Driscoll
Deputy Mayor**

Email: loddonriver@mountalexander.vic.gov.au
Mobile: 0437 108 458



Castlemaine Ward

Councillor Bill Maltby

Email: castlemainemaltby@mountalexander.vic.gov.au
Mobile: 0437 089 841



Castlemaine Ward

Councillor Gary William McClure

Email: castlemainemcclure@mountalexander.vic.gov.au

Mobile: 0408 017 655



Calder Ward

Councillor Tony Cordy

Email: calder@mountalexander.vic.gov.au

Mobile: 0466 004 629



Coliban Ward

Councillor Christine Henderson

Email: coliban@mountalexander.vic.gov.au

Mobile: 0466 004 628



Tarrengower Ward

Councillor Stephen Gardner

Email: tarrengower@mountalexander.vic.gov.au

Mobile: 0407 991 403

Good governance

Our Councillors aim to govern in an open and transparent way, showing integrity and leadership, and make decisions in the long-term interests of the community. They strive to responsibly manage assets and finances, advocate on behalf of the community and work with Council, residents and organisations to secure a strong future for the shire.

Councillors committed to the following values and behaviour in a Code of Conduct they developed after being elected in October 2020.

Councillors:

- will let people have their say
- are open, fair and respectful
- will listen to each other
- will value other perspectives
- are accountable for their decisions
- will always consider the environment
- will always consider financial sustainability
- will always consider the social impacts
- will foster inclusivity, diversity and equity
- will ask clarifying questions and give constructive feedback on information provided
- will work together towards common goals.

Council elections

Mount Alexander Shire Council's seven Councillors are elected by residents and ratepayers from the five wards. The Coliban, Calder, Tarrengower and Loddon River wards comprise one Councillor, and there are three Councillors in the Castlemaine Ward, elected under the proportional representation system of voting.

On 20 November 2022, Councillor Rosie Annear was elected Mayor for twelve months. Councillor Matthew Driscoll was elected Deputy Mayor to provide back-up when the Mayor is unavailable for public speaking engagements and attending Council meetings.

Committees

Council has a number of Advisory Committees and Community Asset Committees established under the provisions of the Local Government Act. Councillors play an important part in representing Council on external committees.

Advisory committees and reference groups

Council's advisory committees and reference groups help guide and support decision making across a range of areas within the shire. They include the Community Waste Reference Group, Audit and Risk Committee, Youth Advisory Group, Mount Alexander: A Healthy Shire Community Advisory Committee, Indigenous Roundtable, Early Years Steering Group, LGBTIQ+ Steering Group, Municipal Fire Management Planning Committee, Municipal Health and Wellbeing Plan 2021–2025 Working Group.

Community asset committees

Special committees of Council (community asset committees) are established by Council to assist with the everyday operation and management of a number of Council-owned community facilities. Community asset committees are formally established under the provisions of Section 65 of the Local Government Act 2020 and each committee is governed by the same legal requirements as Council. Appointed members are required to comply with the powers and responsibilities provided under their Instrument of Delegation. There are currently 20 community asset committees for the following facilities:

- Barfold Hall
- Baringhup Hall
- Bill Woodfull Reserve
- Camp Reserve
- Campbells Creek Community Centre
- Campbells Creek Recreation Reserve
- Castlemaine War Memorial Stadium
- Elphinstone Community Facilities
- Guildford Hall
- Guildford Recreation Reserve
- John Powell Reserve
- Maldon Community Centre
- Metcalfe Hall
- Muckleford Community Centre
- Newstead Community Centre
- Sutton Grange Hall
- Taradale Hall
- Taradale Recreation Reserve
- Wattle Flat Reserve
- Wesley Hill Facility



Our Organisation

Executive Team

Council is the governing body that appoints a Chief Executive Officer (CEO), who is accountable for the overall management and performance of the organisation in line with the strategic directions in the Council Plan 2021-2025. The organisational structure is based on the functional activity of two directorates – Corporate and Community Services and Infrastructure and Development. The directorates work collectively to provide services, programs and initiatives to meet Council’s strategic goals.



Darren Fuzzard, Chief Executive Officer (CEO)

Darren Fuzzard commenced his role as Chief Executive Officer in July 2016. Darren is accountable for the overall management and performance of the organisation. As Chief Executive Officer, Darren chairs the Executive Team which comprises the CEO and Directors. The Executive Manager People and Culture, Manager Economy and Culture and the Housing Solutions Broker report directly to the CEO.



Lisa Knight, Director, Corporate and Community Services

The Director Corporate and Community Services is responsible for delivering services which aim to strengthen the community as well as internal corporate services. The directorate delivers services for young people, older people, families, children and people with people with disability as well as leading Council’s partnerships and emergency management services. Corporate services critical to the successful operation of the organisation include business performance, IT, finance, procurement, customer service, visitor services, communications and engagement. The directorate also supports the Healthy Loddon Campaspe/Health Broker partnership.



Michael Annear, Director, Infrastructure and Development

The Director Infrastructure and Development is responsible for the delivery of statutory functions including land use planning, development and building control, environmental health and waste management. Other key responsibilities include maintaining the shire’s physical infrastructure including community buildings, roads, bridges, parks and sporting facilities. The directorate also supports community participation in sport and recreation, and safety and amenity.

Staffing profile

Council employs a diverse and skilled staff. All staff are employed under the Local Government Authorities Award 2001 and the Mount Alexander Shire Council Enterprise Bargaining Agreement No 7, with the exception of the Chief Executive Officer and Senior Officers.

The table below shows the staffing profile across the organisation for the year to 30 June 2023. The total number of full time, fixed term, part time and casual employees is 265. The actual number of staff at 30 June in any year may vary as a result of positions in the process of being filled.

Equal employment opportunity

As an equal opportunity employer with a diverse workforce, Council will continue to employ people from a wide range of backgrounds including mature aged workers, young people, people with disability, Indigenous Australians, people from overseas and people from culturally and linguistically diverse backgrounds.

Staffing profile

Directorate	Ongoing	Fixed term	Casual	Total
CEO	16	8	9	33
Corporate & Community Services	84	19	13	116
Infrastructure & Development	100	9	7	116
Total	200	36	29	265

Gender profile

Management level	Female	Male	Intersex indeterminate	Total
Executive	1	2	0	3
Management	7	4	0	11
Other	139	112	0	251
Total	147	118	0	265

Organisational structure





Governance and other information

Governance

Meetings of Council

Council meets each month in the Council Chamber. These meetings are open to the public unless confidential matters are dealt with. In 2022/2023 there were 11 scheduled and one unscheduled meeting of Council (see table below).

In response to COVID-19, temporary provisions were inserted in the Local Government Act 2020 (LGA 2020) to allow councils and regional libraries to conduct virtual meetings. Changes to the Local Government Act 2020 took effect on 2 September 2022 and will enshrine virtual attendance at Council meetings.

Council continued the video recording and live streaming of Council meetings via YouTube to ensure meetings were transparent and available to members of the public who could not attend.

Live streaming has proven to be very successful with many people watching the live feed or viewing recorded sessions after the meeting. The archive and minutes of Council meetings are also posted on Council’s website to enable citizens to examine key decisions.

Councillor	Ordinary Meetings	Special Meetings
	Attended	Attended
Councillor Annear	11	1
Councillor Driscoll	11	1
Councillor Cordy	11	1
Councillor Gardner	11	1
Councillor Henderson	10	1
Councillor Maltby	10	1
Councillor McClure	11	1

Councillor briefings

Briefing sessions are held three times a month, on a Tuesday afternoon, to inform Councillors on issues relating to Council business, some of which may go to an Ordinary Meeting of Council. The briefing sessions are confidential and only limited

information is made available to the public.

Information by way of documents and reports are made available to Councillors during the briefing sessions so they have

sufficient information and an opportunity to ask questions of Council officers about matters that may be decided in a full meeting of Council. While such reports often include the proposed recommendation to be considered at a future Council meeting, no decision is sought from Councillors at the briefing. Councillors are reminded that they are not able to make decisions at briefing sessions.

Policies

Council approved the following governance policies during 2022/2023.

- Revenue and Debt Collection Policy – Adopted 23 March 2023
- Pricing Policy – Adopted 21 February 2021
- External Grant Funding Policy – Approved by Executive Team – May 2023
- Child Safe Policy – Approved by Executive Team – December 2022
- Developer Contribution Policy – Adopted by Council – December 2022
- Addressing Unreasonable Conduct Policy – Approved by Executive Team – July 2022

Policies are available on Council's website under Policies.

Code of conduct

The Councillor Code of Conduct commits Councillors to working effectively together and provides for effective participation and accountability of Council to its community. Council adopted the Councillor Code of Conduct on 16 February 2021 and is available on Council's website.

Conflict of interest

Councillors are required to declare any interests before discussing at Council meetings. The Local Government Act defines interests and conflicts of interest. Council also has guidelines in place to assist Councillors and staff on this important issue.

Councillor allowances

The Local Government Act 2020 prescribes that Councillor allowances are to be set by the Victorian Independent Remuneration Tribunal. This process is outlined in the Council Expenses Policy.

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 Tribunal is required to make an annual adjustment to the values of allowances. On 30 June 2023, the Tribunal made the allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Annual Adjustment Determination 2023. This Determination adjusts the values of allowances with effect from 1 July 2023.

Current annual Councillor allowances are set at the maximum limit for a Category 1 Council being:

Mayoral allowance – \$79,492

Deputy Mayoral allowance – \$39,746

Councillor allowance – \$25,650.

The allowances are in two parts. Part A is the base allowance and Part B is the equivalent of the superannuation guarantee contribution (currently 10%).

Council is required to set the allowances by 30 June of the year following a general election. These allowances are then adjusted annually in accordance with the Ministerial direction.

Allowances and expenses

Councillor*	Allowance \$	Travel & motor vehicles \$	Phone \$	Internet, access & consumables \$	Conference & training \$	Total \$
Councillor Annear	68,620	3,690	213	282	7,761	80,565
Councillor Cordy	27,229		252	282		27,763
Councillor Driscoll	36,597		210	282	2,272	39,361
Councillor Gardner	27,229		189	282	4,021	31,721
Councillor Henderson	27,229		210	317	82	27,838
Councillor Maltby	48,652		201	395		49,248
Councillor McClure	27,229		204	282		27,715
Total \$*	262,785	3,690	1,479	2,121	14,135	284,212

*Excludes shared costs

Citizenship ceremonies

During the year Council held three citizenship ceremonies, including one livestreamed online on Australia Day.

A total of 35 residents took the Australian Citizenship Pledge before the Mayor. The new citizens came from many countries including the United Kingdom, India, Netherlands, Ireland, Finland, United States of America, Denmark, Argentina and Phillipines.

Council plays a significant role in the citizenship process by liaising with the Department of Home Affairs. Arrangements include organising the

venue, arranging for the attendance of candidates, relatives and friends, and hosting the function. It is an important event for the new citizens as they take the pledge to become an Australian citizen. Each function has proven to be a special day for conferees.

Risk management

Risk management is a structured approach to understanding the organisation's risk environment and proactively managing risks to achieve its objectives. The Governance and Risk team is responsible for managing Council's insurance portfolio, overseeing insurance claims and

developing an operational and strategic risk management framework.

The Risk Management Framework currently includes:

- an Audit and Risk Advisory Committee and Health and Safety Committee
- a comprehensive risk register
- relevant policies, procedures and systems
- standard job safety analyses for common manual tasks
- health and safety guidelines for contractors
- online health and safety inductions for contractors and staff
- a detailed Business Continuity Plan and unit sub-plans
- a comprehensive insurance portfolio.

Audit and Risk Advisory Committee

The Audit and Risk Advisory Committee is an independent advisory committee of Council, established in accordance with Section 53 of the Local Government Act 2020. The main role of the committee is to provide oversight and advice on financial and performance reporting processes, the effectiveness of internal control and risk management systems and the performance of internal and external auditors.

During the year the committee reviewed and considered the following matters:

- Annual Financial Statements and Performance Statement
- Internal Audit Reviews
- Council's Financial Management
- Strategic risk register
- Council policies

Statutory information

The following information is provided in accordance with legislative and other requirements that apply to Council. Documents available for public inspection. In accordance with the Local Government Acts 1989 and 2020, the Local Government (General) Regulations 2015, Local Government (Governance and Integrity) Regulations 2020 and Council's adopted Public Transparency Policy, the following information, but not limited to this, is available at the Civic Centre, corner Lyttleton and Lloyd Streets, Castlemaine during office hours and on Council's website:

- A register of the interests of Councillors, the Chief Executive Officer, members of Special Committees and nominated officers.
- Minutes of Ordinary and Special Council Meetings held in the previous 12 months, except for meetings closed to the public. Minutes are available on Council's website.
- Minutes of meetings of Community Asset Committees established under Section 65 of the Local Government Act 2020 and held in the previous 12 months, except for meetings closed to the public.
- Register of Delegations, under Section 47 of the Local Government Act 2020.
- Details of all leases involving land entered into by Council as lessor, including the lessee and the terms and value of the lease.
- A register of Authorised Officers appointed under Section 224 of the Local Government Act 1989.
- A register of gifts, established in line with section 138 of the Local Government Act 2020.

- A list of donations and grants made by Council during the financial year, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant.
- A copy of local laws in force in the municipal district.

Freedom of information

The Freedom of Information Act 1982 gives members of the public rights of access to official documents held by Council. Council's Freedom of Information Section II Statement, which explains the types of information held and how members of the public can access information, can be found on our website. Requests for access to documents must be made in writing and be accompanied by the fee of \$31.80. Nine valid requests were received and processed during the year.

Public interest disclosures

The purpose of the Public Interest Disclosures Act 2012 is to encourage and facilitate disclosers of improper conduct by public officers, public bodies and other persons and detrimental action taken in reprisal for a person making a disclosure under the Act. It also provides protection for persons who make disclosures and provides confidentiality of the content of those disclosures and the identity of persons who make disclosures. Council has detailed Protected Disclosures Procedures available on its website to facilitate the making, handling and notification of protected disclosures. During 2022/2023 there were no notifications of a disclosure.

Contracts

During the year Council did not enter into any contracts for services valued at more than \$150,000 or works with a greater value of \$200,000 or more without engaging in a competitive process.



Governance and management checklist

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







Checklist

Governance and management items	Assessment	
<p>Community engagement policy (Policy outlining Council's commitment to engaging with the community on matters of public interest).</p>	<p>Policy New policy adopted: 16 February 2021</p>	✓
<p>Community engagement guidelines (Guidelines to assist staff to determine when and how to engage with the community.)</p>	<p>Guidelines Updated 23 June 2021</p>	✓
<p>Financial plan (Plan under section 91 of the 2020 LGA outlining the financial and non-financial resources required for at least the next 10 financial years.)</p>	<p>Plan The Financial Plan was adopted on 19 October 2021, and was updated and adopted again on 21 June 2022. It has again been updated and is scheduled for adoption on 19 September 2023.</p>	✓
<p>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.)</p>	<p>Budget The 2023/2024 Budget was adopted by Council on 20 June 2023. The budget contains information on the services provided and initiatives undertaken.</p>	✓
<p>Asset management plans Asset Plan (Plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years.)</p>	<p>Plans Date of operation of current plans: Open Space February 2022 Bridges June 2020 Pathways June 2020 Castlemaine Waste Facility Master Plan November 2013 Investing in Sport Master Plan all reserves December 2010 Buildings December 2009 (update adopted July 2023) Roads - October 2019 (drafted August 2022, not yet adopted) Drainage - (drafted August 2022, not yet adopted)</p>	✓
<p>Revenue and rating plan (Plan setting out the rating structure of Council to levy rates and charges.)</p>	<p>Strategy Council adopted its Revenue and Rating Plan on 21 June 2022. It has again been updated and is scheduled for adoption on 19 September 2023.</p>	✓

Checklist

Governance and management items	Assessment
<p>Risk policy (Policy outlining Council's commitment and approach to minimising the risks to Council's operations.)</p>	<p>Policy Date of operation of current policy: 15 September 2020. A Risk Management Policy is in place that provides a framework for identification, evaluation and mitigation of Council's strategic, operational and project risks. ✓</p>
<p>Fraud policy (Policy outlining Council's commitment and approach to minimising the risk of fraud.)</p>	<p>Policy Date of operation of current Fraud and Corruption Prevention Policy: 19 May 2020 ✓</p>
<p>Municipal Emergency Management Plan (Plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery.)</p>	<p>Plan A redeveloped plan to meet legislative requirements has been endorsed by the Municipal Emergency Management Planning Committee in August 2023. This is scheduled for endorsement by the Regional Emergency Management Planning Committee late August 2023. The Plan no longer requires Council approval (due to legislation requirements) as it is now an all agency plan that is required to meet assurance guidelines. ✓</p>
<p>Procurement policy (Policy outlining the principles, processes and procedures that will apply to all purchases of goods, services and works by Council.)</p>	<p>Policy Policy adopted: 16 November 2021 ✓</p>
<p>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.)</p>	<p>Plan Date of operation of current plan: 23 March 2016 ✓</p>
<p>Disaster recovery plan (Plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster.)</p>	<p>Plan Council has a Disaster Recovery Plan, which was reviewed, and approved on 30 September 2021. ✓</p>
<p>Risk management framework (Framework outlining Council's approach to managing risks to the council's operations.)</p>	<p>Framework A Risk Management Policy, adopted 15 September 2020 and procedures provide the framework for identifying, evaluating and mitigating Council's strategic, operational and project risks. This framework is currently being reviewed and updated. ✓</p>

Checklist

Governance and management items	Assessment
<p>Audit and Risk Committee (Advisory committee of Council under sections 53 and 54 of the LGA.)</p>	<p>Committee Q1 – November Q2 – February Q3 – May and Q4 – August Council operates an Audit and Risk Advisory Committee that meets four times per year. A Council adopted charter in place, approved 21 July 2020.</p> 
<p>Internal audit (Independent accounting professionals engaged by Council to provide analyses and recommendations aimed at improving council's governance, risk and management controls.)</p>	<p>Supplier engaged 1 November 2018 Council's internal auditor completed a program of reviews as approved by the Audit and Risk Advisory Committee.</p> 
<p>Performance reporting framework (A set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act.)</p>	<p>Framework Council undertakes annual reporting of the Local Government Performance Reporting Framework (LGPRF), as required as part of the Annual Report process.</p> 
<p>Council Plan reporting (Report reviewing the performance of Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year.)</p>	<p>Report Dates of report: Q1 – September, Q2 – December, Q3 – March and Q4 – June. Council is provided with a quarterly report at Ordinary Meetings, detailing progress against Annual Plan actions. Council Plan 2021-2025 was adopted by Council on 19 October 2021. Annual Plan actions were approved on 19 July 2022.</p> 
<p>Quarterly budget reports (Quarterly statements to Council detailing progress against year to date budget.)</p>	<p>Report Dates of report: Q1 – September, Q2 – December and Q3 – March. Council is provided with a quarterly report detailing progress against year to date budget. This is presented at an Ordinary Meeting of Council. 2022/2023 financial reports have been presented at Council Meetings in December 2022, March 2023, and June 2022. No fourth quarter financial report is produced; annual financial statements are produced instead.</p> 
<p>Risk reporting (Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies.)</p>	<p>Reports Council's Risk Management Policy was adopted by Council in September 2020. The Strategic Operational Risk Register was presented to the Audit and Risk Committee in August 2021, November 2021 and May 2022.</p> 

Checklist

Governance and management items	Assessment
<p>Performance reporting (Six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 98 of the Act).</p>	<p>Reports Local Government Performance Reporting Framework (LGPRF) reports are reported to Executive, Council and the Audit and Risk Committee on an annual basis. Monthly financial management reports are provided to Executive, while quarterly financial management reports are provided to Council and the Audit and Risk Committee. These include various financial and non-financial performance indicators.</p>
<p>Annual report (Annual Report under sections 131, 132 and 133 of the LGA 1989 to the community containing a report of operations and audited financial and performance statements.)</p>	<p>Report The 2021/2022 Annual Report statements were presented to Council on 20 September 2022 and adopted on 18 October 2022. The 2022/2023 Annual Report is scheduled to be presented to Council on 19 September 2023.</p>
<p>Councillor Code of Conduct (Code setting out the conduct standards to be followed by Councillors.)</p>	<p>Code Council Code of Conduct is current. Date reviewed: 16 February 2021</p>
<p>Delegations (Document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff.)</p>	<p>Delegations Dates of review: Schedule 6 – Instrument of Delegation: Council to Staff – 22 December 2021 Schedule 5 – Instrument of Delegation: Council to CEO – 31 October 2021 Schedule 7 – Instrument of Sub-Delegation: CEO to Council Staff – 28 March 2018</p>
<p>Meeting procedures (Governance rules for the conduct of meetings of Council and delegated committees.)</p>	<p>Rules Meeting Procedures Local Law was adopted by Council on 21 February 2023.</p>

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



Michael Annear
Acting Chief Executive Officer
Dated: 19 September 2023



Cr Rosie Annear
Mayor
Dated: 19 September 2023

Service performance indicators

Indicator / measure	2020	2021	2022	2023	Material variations & comments
Transparency Council decisions made at meetings 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, 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	5.94%	9.62%	2.15%	3.80%	Three resolutions were passed at closed Council meetings.
Consultation and engagement Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement.	51.00	55.00	54.00	51.00	Council has worked hard to increase community consultation and engagement using a number of strategies including: media, briefings and streaming of Council Meetings on YouTube.
Attendance Councillor attendance at council meetings [(Attendance Councillor attendance at council meetings [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) (Number of Councillors elected at the last Council general election) x100	94.81%	99.05%	92.86%	97.62%	Two Councillors were absent on two separate occasions.
Service cost Cost of elected representation (Direct cost of the governance service / Number of Councillors elected at the last Council general election)	\$31,739.57	\$29,883.29	\$35,721.29	\$41,655.55	Service costs are returned back to pre-pandemic levels.
Satisfaction Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	49.00	55.00	50.00	48.00	Council has endeavoured to raise public awareness of its decisions, meetings, and activities through media releases, live streaming of Council Meetings to the internet, and actively encouraging community involvement in projects via our online community engagement platform.

Community satisfaction survey results

Each year Council participates in the Community Satisfaction Survey. The majority of Victorian Councils participate in the survey, which is undertaken by JWS Research.

Council's results are compared to similar sized Councils and the state-wide average. The 2023 results for core measures are summarised below.

Performance measures

Measure	2021	2022	2023	2023	2023
	Mount Alexander			Large rural	State-wide
Overall performance	58	55	52	52	56
Community consultation & engagement	55	54	51	49	52
Community decisions	55	50	48	48	51
Sealed local roads	56	51	47	40	48
Waste management	58	59	48	65	66
Customer service	70	68	68	65	67
Overall Council direction	52	45	41	44	46





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Progress report

Planning and reporting

We have a legislative planning framework that helps link the strategies in our four-year Council Plan to the actions in our annual plan and budget each year.

The Council Plan 2021-2025 includes strategic objectives under three pillars:

- A healthy, connected and inclusive community
- An environment for people and nature
- A resilient and growing local economy

This report demonstrates progress against our objectives by reporting on major initiatives, service performance indicators, financial indicators and sustainable capacity. Refer to pages 42-43 for a description of services funded in the budget.

There are opportunities for community and stakeholder input at each stage of the planning, budget and reporting cycle.

The 2022/2023 Annual Plan was adopted by Council on 9 July 2022, with actions presented under our objectives (listed below).

Our pillars



A healthy, connected and inclusive community



An environment for people and nature



A resilient and growing economy

Our objectives

Services in our community are accessible and coordinated

Our community is inclusive and connected

Our community feels safe, regardless of identity or circumstance

Our community is physically and mentally healthy

We are working locally to address the climate emergency

We are maintaining, improving and celebrating our places and spaces

Our community is growing in harmony with nature

We are focused on the housing affordability challenge in our community

We are facilitating managed growth of our towns while protecting natural assets

Our local economy is diverse and resilient

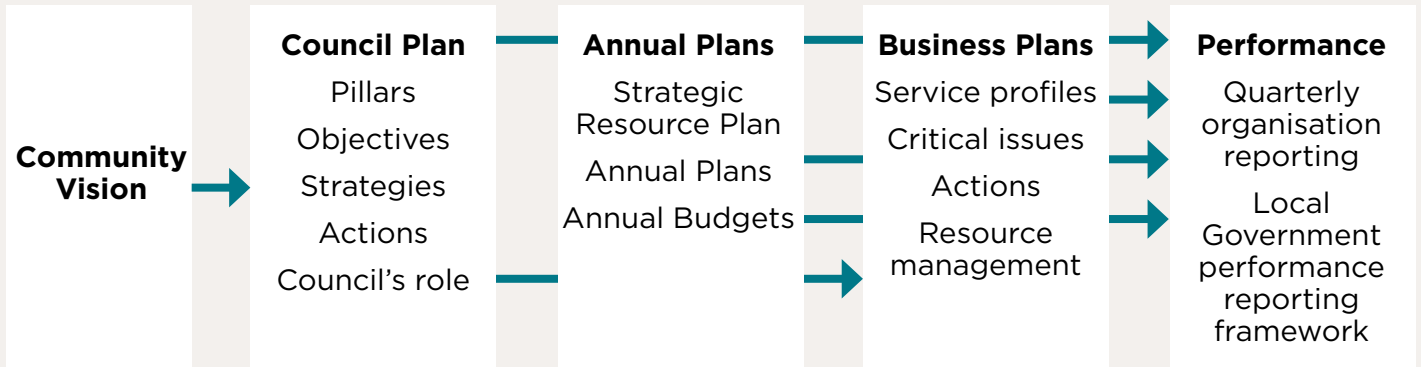
We are supporting continuous learning and personal growth

We are helping businesses make their work simpler and more sustainable

We are attracting and building investment in our cultural and creative community

Corporate reporting framework

The following diagram shows the relationships between our key planning and reporting documents.



Strategic objectives

Our principles

- We are engaging genuinely with the community
- We are always improving
- We are delivering together

Progress

Our community feels heard and is able to influence and participate in the decisions that impact upon them

Project	Description	%	Comments
Improve our capability to apply our Community Engagement Framework	Adopt a Community Engagement Strategy	80%	The strategy is due to be endorsed by Council at the October 2023 Meeting.

Council is response to the needs of the communities it serves

Project	Description	%	Comments
Rebuild our website	Rebuild our website	100%	Site successfully launched on 20 June 2023 with very positive initial feedback.

Strategic objectives



A healthy, connected and inclusive community

Population | Health | Wellbeing | Support | Resilience | Partnerships | Social services | Connections

Services in our community are accessible and coordinated

- Partner with community groups and agencies to deliver better services
- Improve accessibility of Council services
- Enhance Council's services to be more coordinated and collaborative
- Support organisations to provide a safe, healthy and engaging environment for volunteers.

Our community is inclusive and coordinated

- Recognise, support and celebrate the diversity within our community
- Increase access to inclusive and useable spaces for all seasons
- Support events that celebrate our community and bring people together
- Ensure Council is a leader in equity and gender equality.

Our community feels safe, regardless of identity or circumstance

- Improve the safety and wellbeing for LGBTIQ+ and Culturally and Linguistically Diverse (CALD) members of our community
- Build community resilience by working together with the community, key stakeholders and emergency service providers to plan and prepare for, respond to, and recover from health and environmental emergencies
- Implement initiatives to change the behaviours and attitudes that contribute to family violence in our community.

Our community is supported to be physically and mentally healthy

- Increase active transport options
- Support healthy eating locally
- Improve access to mental health services locally
- Improve access to information and services for older people and people with disability
- Build resilience to the impacts of climate change.

Progress

Services in our community are accessible and coordinated

Project	Description	%	Comments
Progress the Health Precinct Master Plan	Advocate for completion of the Hub Master Plan, to inform the Health Precinct Master Plan	10%	Awaiting announcement of completion of Health Hub Masterplan by the Health Building Authority.
Implement the Disability Inclusion Action Plan	Establish the Disability Inclusion Action Plan Working Group	100%	Group established comprising six community representatives and four Council Officers. Meetings have now commenced.
Respond to Age Care reforms	Undertake an independent review to determine the position of Council prior to the rollout of Federal Government reforms commencing 2023/2024	90%	Draft Aged Care Service Review report completed and scheduled for consideration by Council in September 2023.

Our community is inclusive and coordinated

Project	Description	%	Comments
Upgrade community recreation facilities	Install sports ground lighting at the Newstead Recreation Reserve	100%	Project complete and officially opened by Maree Edwards MP in October 2022.
Connecting walking and cycling trails	Completion of the Campbells Creek walking and cycling trail	20%	Cultural Heritage Management Plan, preliminary design, and vegetation assessment complete. Design due in August 2023. Awaiting extension advice from funding body.
Walking and Cycling Strategy	Adopt the Active Transport Strategy	90%	Public feedback will be presented to Councillors in August 2023. Strategy scheduled for adoption at the September 2023 Council meeting.

Our community is supported to be physically and mentally healthy

Project	Description	%	Comments
Improving active transport	Develop localised active transport initiatives that support health and wellbeing	100%	Awaiting further grant funding rounds to be announced late 2023 for any future funding and delivery options to be explored.
Improving road safety	Completion of Fogarty's Gap Road stage 1 upgrade	50%	Works have been postponed due to environmental issues; expected to recommence November 2023.
Disability Inclusion Action Plan	Adopt the Disability Inclusion Action Plan	90%	Plan is scheduled for adoption at September 2023 Meeting of Council.



Service performance indicators

The following statement provides the results of prescribed service indicators and measures.

Animal management

Service / indicator / measure	2020	2021	2022	2023	Material variations & comments
Timeliness Time taken to action animal management requests (Number of days between receipt and first response action for all animal management requests / Number of animal management requests)	1.64	1.41	1.84	1.76	All Animal Management requests are actioned within 1-2 business days.
Service standard Animals reclaimed (Number of animals reclaimed / Number of animals collected) x 100	41.12%	46.92%	45.51%	40.84%	There has been a 20% increase in animals reclaimed. However, there has been a 193% increase in surrender of dogs by the public. This is due to the fact people bought dogs during the pandemic and now that most people have returned to the workplace they can no longer care for the dog/want the dog.
Service standard Animals rehomed [Number of animals rehomed / Number of animals collected] x100	44.38%	40.41%	44.85%	45.79	Animals rehomed continued to improve.
Service cost Cost of animal management service per population [Direct cost of the animal management service / Population]	\$19.51	\$17.10	\$19.86	\$24.59	An increase to permanent staff during 2022/2023 has increased employee costs.
Health and safety Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	100%	100%	100%	0.00%	No animal prosecutions were undertaken for 2022/2023.

Food safety

Service / indicator / measure	2020	2021	2022	2023	Material variations & comments
<p>Timeliness</p> <p>Time taken to action food complaints (Number of days between receipt and first response action for all food complaints / Number of food complaints)</p>	1.00	5.67	3.50	4.14	Internal staff shortages and changeover created disruption and setbacks compared to prior year's performance and achievements.
<p>Service standard</p> <p>Food safety assessments (Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the 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) x 100</p>	95.33%	100%	52.17%	51.14%	Internal staff shortages and changeover created disruption and setbacks compared to prior year's performance and achievements.
<p>Service cost</p> <p>Cost of food safety service (Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984)</p>	\$349.24	\$365.81	\$320.79	\$328.50	While there has been an increase of 8% in the number of registered premises, there has been a 13% increase in the cost of providing the service compared to 2021/2022.
<p>Health & safety</p> <p>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) x 100</p>	100.00%	16.22%	61.54%	90.91%	Similar to the improvement in 2021/2022, critical and major non-compliance follow-ups increased as inspection routines return to normal after several years of COVID-19 lockdowns.

Maternal and Child Health (MCH)

Service / indicator / measure	2020	2021	2022	2023	Material variations & comments
Service standard Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	100.74%	102.82%	100%	99.27	All births were enrolled in the Maternal and Child Health service.
Service cost Cost of the MCH service (Cost of the MCH service / Hours worked by MCH nurses)	\$66.37	\$70.77	\$68.46	73.65	MCH Enhanced services commenced in the 2019/2020 year but these costs were excluded from this indicator in error. If this service was included in the costs, the result adjusts to \$76.30 for 2019/2020. There has been a 5% increase in service costs and a 2% decrease in MCH nurse hours worked compared to 2021/2022.
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) x 100	86.50%	87.34%	84.66%	82.39%	Attendance decreased by 2.6% while enrolments remained stable.
Participation Participation in the MCH service by Aboriginal children (Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service) x 100	77.78%	96.77%	87.88%	86.84%	Low numbers of Aboriginal children (9 in 2019/2020, 15 in 2020/2021, 16.5 in 2021/2022, 19 in 2022/2023) can skew the percentage change between years.
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	96.30%	92.25%	86.79%	97.81%	Two children were born in June therefore not eligible for 4-week KAS visit.



Strategic objectives



A flourishing environment for nature and people

**Buildings | Sport and recreation facilities | Roads | Footpaths | Drainage | Trails
| Playgrounds | Gardens | Natural environment | Waste | Recycling | Heritage**

We are working locally to address the climate emergency

- Partner with the community to reduce emissions across the shire
- Reduce Council emissions to zero by 2025
- Protect our biodiversity values
- Protect and celebrate our Indigenous and European heritage
- Foster connection to place
- Protect urban and landscape character.

We are focused on the housing affordability challenge in our community

- Ensure there is sufficient residential land that caters for the existing and future community needs
- Support state-wide initiatives to increase affordable housing supply
- Encourage diverse housing options and infill residential development in appropriate locations.

Our community is growing in harmony with nature

- Manage sustainable township growth and development
- Reduce waste and increase resource recovery
- Review, maintain, renew and expand sustainable assets of our community
- Partner and support the community to deliver green infrastructure outcomes
- Promote sustainable use of water.

We are facilitating managed growth of our towns while protecting natural assets

- Coordinate land use, urban design and infrastructure planning for towns
- Ensure there is sufficient residential, commercial and industrial land to meet demand
- Protect agricultural land that contributes or can contribute to local food systems from residential development.

Progress

We are working locally to address the climate emergency

Project	Description	%	Comments
Address the Climate Emergency	Adopt a ten-year Climate Change Strategy	100%	Adopted at 20 June 2023 Council Meeting.

We are maintaining, improving and celebrating our places and spaces

Project	Description	%	Comments
Planning Scheme amendment - Maldon Design Guidelines	Complete the Planning Scheme amendment to introduce the Maldon Design Guidelines (C96malx) into the Planning Scheme	100%	Amendment C96malx - Maldon Design Guidelines was approved by the Minister and were introduced to the Mount Alexander Planning Scheme on 30 March 2023.
Small town streetscape upgrade	Completion of small town streetscapes in Campbells Creek, Chewton, Elphinstone, Guildford, Newstead and Taradale	100%	All works are complete, with the exception of installation of decorative discs in Newstead and town entry sign in Taradale.
Manage Council's public art	Adopt a Public Art Policy	100%	Policy adopted at Meeting of Council December 2022.

Our community is growing in harmony with nature

Project	Description	%	Comments
Improve the function of community facilities	Complete the Local Roads and Community Infrastructure Program Phase 1 and Phase 2 projects that deliver upgrades to recreation reserves, community buildings and roads	95%	All projects are complete apart from the kitchen upgrade at the Chewton Senior Citizens Centre, which is due for completion in August 2023.
Campbells Creek Master Plan	Update the Master Plan for the Campbells Creek Recreation Reserve	100%	The Campbells Creek Master Plan was adopted at the November 2022 Meeting of Council.
Improving community facilities	Detailed design of the Camp Reserve Pavilion and associated hardcourts	40%	The procurement phase for a Town Planning Consultant and a Project Manager is currently underway and will complete in August 2023, with the aim to submit the town planning application late 2023/early 2024.
Castlemaine Urban Waterways Management Plan	Complete construction of the National School Lane levee and commence construction of Castlemaine and Campbells Creek levees	15%	National School Lane design contract awarded. Construction to commence in 2023/2024.
Castlemaine Landfill Cell Capping	Complete cell capping at the Castlemaine Landfill	100%	Completed in May 2023.
Building Asset Management Plan	Adopt a ten year Building Asset Management Plan	95%	The draft Building Asset Management Plan will be presented at the July 2023 Council meeting for adoption.
Bridge construction	Commence construction of the Vaughan-Tarilta low level bridge	20%	Design review is underway, with cultural heritage and vegetation assessment due August 2023. Funding body has granted an extension to June 2024. Retendering for contractors planned for October 2023.

Our community is growing in harmony with nature

Project	Description	%	Comments
Manage sustainable township growth and development	Adopt a Domestic Wastewater Management Plan	100%	The Domestic Wastewater Management Plan 2023-2027 was adopted by Council on 16 May 2023.
Glass recycling trial	Completion and evaluation of trial	50%	Glass skip bins and recycling trailers delivered. Trial on hold awaiting clarification from the State Government regarding the four-bin system.
The future of waste	Adopt an updated ten year Waste Strategy	50%	Draft strategy to be exhibited publicly in July 2023.

We are focused on the housing affordability challenge in our community

Project	Description	%	Comments
Affordable housing	Investigate options for affordable housing in the shire	75%	Development of Council's Templeton Street sites is progressing in partnership with Haven Home Safe. Developments on State Government and private land also being pursued. Harcourt Planning Scheme Amendment to enable significant land release is 95% complete.

We are facilitating managed growth of our towns while protecting natural assets

Project	Description	%	Comments
Industrial land review	Undertake a shire-wide industrial land supply and demand study	10%	Consultant has been appointed. Discussion paper to be released for community engagement in late 2023.



Service performance indicators

The following statement provides the results of prescribed service indicators and measures.

Roads

Service / indicator / measure	2020	2021	2022	2023	Material variations & comments
Satisfaction of use Sealed local road requests (Number of sealed local road requests / Kilometres of sealed local roads) x100	43.72	49.62	2.76	5.87	The number of local road customer requests received in 2022/2023 increased by 17 from 2021/2022, but still remain low (total 32). The outcome could be the result of more defects being identified and repaired as a result of regular maintenance activities and council Road Management Plan inspections.
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) x100	96.64%	94.45%	97.02%	97.25%	The majority of sealed roads are in good condition, according to a recent survey of road conditions in 2020/2021.
Service cost Cost of sealed local road reconstruction (Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed)	\$71.04	\$30.20	\$24.47	\$52.00	Road reconstruction unit rates vary depending on a variety of variables, including project value, specifications, the length, width, and depth of the road, material types, design criteria, and other related works, such as minor drainage, shoulders, cut/fill, and resource availability. Therefore, price fluctuation on road reconstruction projects is unavoidable for a rural council. In comparison to the 2021/2022 financial year, the unit rate nearly doubled in 2022/2023. It might be the cause of the project's scope and the increased demand for civil contractors following the pandemic. However, the unit rate is within the targeted range.

Service / indicator / measure	2020	2021	2022	2023	Material variations & comments
Service cost Cost of sealed local road resealing (Direct cost of sealed local road resealing / Square metres of sealed local roads resealed)	\$6.71	\$12.55	\$8.02	\$8.51	Road resealing unit rates depend on a variety of parameters, including seal designs, road lengths, widths, aggregate sizes, material types, functionalities of the road, associated preparation work, resources on hand, etc. Therefore, a rural council cannot avoid price fluctuations for road resealing projects. Due to the aforementioned factors, the unit rate was slightly raised from 2021/2022 to 2022/2023. However, the unit rate falls within the targeted range.
Satisfaction Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads)	50.00	56.00	51.00	47.00	There was a slight decline in customer satisfaction reported in the 2022/2023 survey, but overall, there haven't been any significant changes in the way Council provides services. The recent flood events may have contributed to the drop in satisfaction, but the council is still making great efforts to restore the roads to their pre-flood conditions.

Aquatic facilities

Service / indicator / measure	2020	2021	2022	2023	Material variations & comments
Service standard Health inspections of aquatic facilities (Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities)	1.00	1.00	1.00	1.00	All pools were inspected and water quality tested during the financial year.
Utilisation Utilisation of aquatic facilities (Number of visits to aquatic facilities / Municipal population)	0.90	0.78	1.03	0.96	Council has four outdoor seasonal pools open from December through to the second Monday in March. This season patron attendances were slightly down on the previous year due to cooler summer temperatures. Also, due to these cooler temperatures the pools were closed for 20 days, which affected attendances.

Service / indicator / measure	2020	2021	2022	2023	Material variations & comments
Service cost Cost of aquatic facilities (Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities)	\$27.37	\$32.26	\$25.65	\$29.70	This summer saw a 6% decrease in attendances than the previous year (20,767 in 2021/2022), while costs increased by 8%. This was mainly due to an additional cost of undertaking a pool shell integrity audit.

Statutory Planning

Service / indicator / measure	2020	2021	2022	2023	Material variations & 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)	33.50	35.00	56.00	80.00	Higher staff turnover resulted in delays on planning decisions compared to 2022/2021.
Service standard Planning applications decided within required time frames (Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	83.59%	87.74%	56.38%	26.43%	Significant change in staffing arrangements impacted decision timeframes.
Service cost Cost of statutory planning service (Direct cost of the statutory planning service / Number of planning applications received)	\$1,458.05	\$1,290.11	\$1,049.84	\$2,419.53	Legal costs increased by 150% in 2022/2023 with a number of complex VCAT issues that required legal representation, compared to 2021/2022. In addition, employee costs increased by 38% due to higher than average staff turnover.
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	33.33%	75%	66.67%	80.00%	There were five VCAT decisions during this reporting period, with four being upheld by VCAT. Numbers of appeals made to VCAT were three in 2021/2022 and four in 2020/2021.

Waste Collection

Service / indicator / measure	2020	2021	2022	2023	Material variations & comments
Satisfaction Kerbside bin collection requests (Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households) x 1000	136.31	136.45	141.82	149.01	Kerbside bin collection requests increased slightly compared to 2021/2022.
Service standard Kerbside bin collection missed (Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts) x 10,000	6.22	5.76	7.28	7.60	Increased number of rural households with a kerbside waste/recycling service can cause occasional collection issues.
Service cost Cost of kerbside garbage bin collection service (Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins)	\$121.85	\$139.22	\$161.24	\$167.32	There has been a 6% increase in the costs of processing general waste compared to 2021/2022.
Service cost Cost of kerbside recyclables collection service (Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins)	\$77.96	\$90.63	\$75.41	\$71.33	There has been a 1% decrease in the costs of processing recyclables compared to 2021/2022.
Waste diversion 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	36.30%	34.08%	34.09%	35.02%	Kerbside collection waste diverted from landfill has improved by 2.75% compared to 2021/2022.



Strategic objectives



A resilient and growing local economy

Business | Economy | Jobs | Education | Creativity | Innovation | Tourism | Culture | Events

Our local economy is diverse and resilient

- Partner with local businesses to build a regional, circular economy
- Support tourism sector to respond to new opportunities and recover from the COVID pandemic
- Promote economic opportunities for social inclusion
- Advocate for improved digital access and connectivity
- Develop tourism products that champion our cultural, environmental and social values.

We are supporting continuous learning and personal growth

- Support and advocate for high quality education for people of all ages
- Promote an accessible range of services for all, including children, young people and families
- Support training for career and life transitions.

We are helping businesses make their work simpler and more sustainable

- Simplify how businesses can work with Council
- Support the business community to work together.

We are attracting and building investment in our cultural and creative community

- Promote and build capacity of creative arts and industries
- Support innovative industries and individuals
- Encourage resurgence of live music and events locally
- Continue to work with change to the local Indigenous community and First Australians to celebrate Indigenous culture.

Progress

We are helping businesses make their work simpler and more sustainable

Project	Description	%	Comments
Supporting Business Mount Alexander	Support Business Mount Alexander to develop a strategic plan	70%	New delivery time for the strategy is September 2023.
Economic Development Strategy	Adopt an Economic Development Strategy	10%	Draft strategy proposed for exhibition in second quarter of 2023.

Our economy is diverse and resilient

Project	Description	%	Comments
Welcome to Country	Complete the Boorp Boorp Boondyil installation in the Market Building	10%	The exhibition was successfully launched in November 2022.
Early Years Plan	Adopt an updated four-year Early Years Plan	100%	Early Years Plan adopted by Council at the April 2023 Meeting of Council.
Middle Years Plan	Adopt an updated four-year Middle Years Plan	90%	The plan is scheduled for adoption at the September 2023 Meeting of Council.
Increase education, training and work opportunities	Work in partnership with local training and education providers to boost education and training opportunities	70%	The Passion and Pathways Program 2022 is completed. State election commitment to increase Bendigo Kangan Institute (BKI) services in Castlemaine being explored in partnership with local MP, BKI and Castlemaine Health.

Service performance indicators

The following statement provides the results of prescribed service indicators and measures.

Libraries

Service / indicator / measure	2020	2021	2022	2023	Material variations & comments
Utilisation Physical library collection usage (Number of physical library collection item loans / Number of physical library collection items)	4.87	5.22	5.33	5.79	In 2020/2021 the library was closed for 87 days during COVID-19 lockdowns, reducing the access of borrowers to the collection. For 2022/2023 loans have increased by 3% while collection items have decreased by 5%, compared to 2021/2022.
Resource standard Recently purchased library collection (Number of library collection items purchased in the last 5 years / Number of library collection items) x100	72.10%	72.10%	72.10%	72.10%	No change in library collection items purchased.
Participation 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	23.10%	20.22%	17.85%	18.04%	In 2020/2021 the library was closed for 87 days during COVID-19 lockdowns, reducing the ability of people to be active borrowers. Average borrower numbers over the last three years (2020/2021 to 2022/2023) have increased by 2% each year while average population over the last three years has only increased by 1%.
Service cost Cost of library service per population (Direct cost of the library service / Population)	\$27.93	\$27.85	\$28.09	\$28.37	No change in cost of library services.



Performance statement

For the year ended 30 June 2023

Our shire

Our community comprises more than 20,000 people with most living in and around the townships of Castlemaine, Harcourt, Maldon, Campbells Creek, Newstead, Elphinstone, Guildford, Chewton and Taradale.

Located within commuting distance of Melbourne and Bendigo, the popularity of the shire continues to grow as new residents move to the area to make the most of the lifestyle and all the shire has to offer.

Further information is detailed in the Annual Report 2022/2023.

Sustainable capacity indicators

The following statement provides the results of prescribed service indicators and measures.

Population

Indicator / measure	2020	2021	2022	2023	Material variations & comments
Population Expenses per head of municipal population (Total expenses / Municipal population)	\$1,977.02	\$2,151.62	\$2,268.87	\$2,154.89	Expenses in 2021/2022 were higher than usual mainly due to the increase in the provision for landfill liability to reflect the estimated costs associated with cell capping at the Castlemaine landfill. With the cell capping works completed in 2022/2023 expenses have decreased by 4%.
Population Infrastructure per head of municipal population (Value of infrastructure / Municipal population)	\$16,974.79	\$17,152.89	\$18,075.10	\$18,422.53	\$9.7 million (net) in asset revaluations were undertaken on buildings, roads, bridges, drainage, kerb and channel, and footpath asset classes in 2022/2023. In addition, capital works to maintain the Shire's assets and infrastructure continue in line with the long term Financial Plan, with the assistance of grant funding, while population growth remains low.

Indicator / measure	2020	2021	2022	2023	Material variations & comments
Population Population density per length of road (Municipal population / Kilometres of local roads)	13.86	14.03	14.10	14.22	Population growth remains low (1%) with minimal change in length of local roads.
Own-source revenue Own-source revenue per head of municipal population (Own-source revenue / Municipal population)	\$1,385.64	\$1,495.28	\$1,444.69	\$1,569.39	2022/2023 includes a decrease to the estimated future provision for the cost of landfill rehabilitation (\$933k) that is required to be recognised as income. In addition, interest eared on term deposits is \$746,494 greater than in 2021/2022. Population growth continues to remain low.
Recurrent grants Recurrent grants per head of municipal population (Recurrent grants / Municipal population)	\$427.10	\$442.28	\$543.37	\$564.75	A greater increase to recurrent operating grant funding occurred in 2022/2023 with 100% (\$6.31 million) of the 2023/2024 allocation of Federal Assistance Grant funding brought forward, while population growth remains low.
Disadvantage Relative Socio-Economic Disadvantage (Index of Relative Socio-Economic Disadvantage by decile)	6.00	6.00	6.00	6.00	Socio-economic disadvantage index remains stable compared to prior years.
Workforce turnover Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	16.0%	15.1%	34.2%	18.7%	An error was identified in calculating staff turnover in 2021/2022 whereby casuals and fixed term resignations/terminations were included. The result should have been 22.83%. Comparing to the correct measure, year-on-year, staff turnover has decreased by 18.22% and appears to be returning to pre-pandemic levels.

Definitions

Infrastructure

Non-current property, plant and equipment excluding land.

Local roads

Sealed or unsealed roads for which Council is the responsible road authority under the Road Management Act 2004. It includes right-of-ways and laneways.

Own-source revenue

Adjusted underlying revenue excluding revenue which is not under the control of Council (including government grants).

Non-recurrent grants

Operating or capital grants obtained on the condition that they may be expended in a specified manner and not expected to be received again during the period covered by the Financial Plan.

Population

Means the resident population of the municipal district estimated by Council.

Recurrent grants

Operating or capital grant other than non-recurrent grants.

Relative socio-economic disadvantage

In relation to a municipality, means a general socio-economic index that summarises a range of information about the economic and social conditions of people and households within an area. The index includes only measures of relative disadvantage and is expressed as a decile for the relevant financial year of the area in which the municipality is located according to the Victorian Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001).

Resignations and terminations

All permanent employees (including senior officers on contract) that leave Council and includes resignations, terminations, retirements and redundancies. This should exclude short term contingent workers i.e. contracts of less than six months.

Total expenses

Total expenditure or costs incurred or required.

Service performance indicators

Indicator / measure	2020	2021	2022	2023	Material variations & comments
Utilisation Utilisation of aquatic facilities (Number of visits to aquatic facilities / Municipal population)	0.90	0.78	1.03	0.96	Council has four outdoor seasonal pools open from December through to the second Monday in March. This season patron attendances were slightly down on the previous year due to cooler summer temperatures. Also, due to these cooler temperatures the pools were closed for 20 days, which affected attendances.
Health and safety – Animal Management Animal management prosecutions (Number of successful animal management prosecutions / Number of animal management prosecutions) x100	100%	100%	100%	0%	No animal prosecutions were undertaken for 2022/2023.
Health and safety – Food Safety 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	100.00%	16.22%	61.54%	90.91%	Similar to the improvement in 2021/2022, critical and major non-compliance follow-ups increased as inspection routines return to normal after several years of COVID-19 lockdowns.
Satisfaction – governance Satisfaction with council decisions (Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community).	49	55	50	48	Council has endeavoured to raise public awareness of its decisions, meetings, and activities through media releases, live streaming of Council meetings to the internet, and actively encouraging community involvement in projects via our online community engagement platform.
Participation – libraries 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	23.10%	20.22%	17.85%	18.04%	In 2020/2021 the library was closed for 87 days during COVID-19 lockdowns, reducing the ability of people to be active borrowers. Average borrower numbers over the last three years (2020/2021 to 2022/2023) have increased by 2% each year while average population over the last three years has only increased by 1%.

Service performance indicators

Indicator / measure	2020	2021	2022	2023	Material variations & comments
Participation — Maternal and Child Health (MCH) 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	86.50%	87.34%	84.31%	82.39%	Attendance decreased by 2.6% while enrolments remained stable.
Participation — Maternal and Child Health (MCH) 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	77.78%	96.77%	87.88%	86.84%	Low numbers of Aboriginal children (9 in 2019/2020, 15 in 2020/2021, 16.5 in 2021/2022, 19 in 2022/2023) can skew the percentage change between years.
Satisfaction — roads Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads).	50	56	51	47	There was a slight decline in customer satisfaction reported in the 2022/2023 survey, but overall, there haven't been any significant changes in the way Council provides services. The recent flood events may have contributed to the drop in satisfaction, but the council is still making great efforts to restore the roads to their pre-flood conditions.
Decision making — statutory planning 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	33.33%	75.00%	66.67%	80.00%	There were five VCAT decisions during this reporting period, with four being upheld by VCAT. Numbers of appeals made to VCAT were three in 2021/2022 and four in 2020/2021.
Waste collection — waste diversion 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	36.30%	34.08%	34.09%	35.02%	Kerbside collection waste diverted from landfill has improved by 2.75% compared to 2021/2022.

Retired measures

Indicator / measure	2020	2021	2022	2023	Material variations & comments
Health & safety — animal management Animal management prosecutions (Number of successful animal management prosecutions)	Retired in 2020	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by Animal management prosecutions (%) for 2020.

Definitions

Aboriginal

Aboriginal or Torres Strait Islander people.

Active library borrower

Borrower of a library who has borrowed a book or other resource from the library.

Aquatic facility

A Council operated facility that includes at least one wet area for swimming and/or water play. The facility may be operated on a seasonal basis or available for use all year round. It excludes facilities where council does not have operational control.

Book or other resources

All print material (such as books, magazines, serials, maps, plans, manuscripts), audio visual and digital materials (such as audio books, CDs, CD-ROMs, videos, computer games, e-books), toys, games and equipment on hand (that can be reserved or borrowed) at the end of the reporting period. This includes music streaming services and other such digital services where the borrowing of the service can be quantified. This does exclude the booking of library facilities e.g. meeting and conference rooms or outdoor areas.

Children

Children aged 0 to 3.5 years.

Critical non-compliance outcome notification

A notification received by Council under section 19N(3) or (4) of the Food Act 1984, or advice given to Council by an authorised officer under that Act, of a deficiency that poses an immediate serious threat to public health and must be followed up by Council. This includes

situations where there is a serious risk of food being sold that is unsafe to eat. Each case must be examined on its merits, in deciding what outcome to assign to a compliance check.

Follow-up

Follow up of a critical non-compliance outcome notification or a major non-compliance outcome notification will normally involve Council inspecting the premises. It can include Council verifying that a non-compliance, which was originally detected at the initial audit phase by an auditor or authorised officer (and notified to Council under section 19N(3) of the Food Act) has been remedied by the business. In this case, Council must receive written confirmation of this fact from the auditor or authorised officer. Where a non-compliance outcome notification requires multiple follow up visits, only the first follow up visit is to be counted. The subsequent follow up visits should not be counted.

Kerbside collection bin

A container used as part of Council's formal kerbside collection systems.

Local road

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

Major non-compliance outcome notification

A notification received by a Council under section 19N(3) or (4) of the Food Act 1984, or advice given to Council by an authorised officer under that Act, if it

relates to a deficiency that does not pose an immediate serious threat to public health but which may do so if no remedial action is taken and must be followed up by the council. Typically, auditor or authorised officer notifications that fall into this category will be received under section 19N(4) at the conclusion of the audit process.

A number of major non-compliances may result in the outcome of the compliance check being categorised as critical, if when taken together they pose an immediate serious threat to public health. Judgement must be exercised about whether non-compliances detected amount to a critical or major non-compliance.

A number of major non-compliances may result in the outcome of the compliance check being categorised as critical, if when taken together they pose an immediate serious threat to public health. Judgement must be exercised about whether non-compliances detected amount to a critical or major non-compliance.”

MCH

The Maternal and Child Health Service provided by a Council to support the health and development of children within the municipality from birth until school age.

Not set aside

Where the tribunal has found in favour of the original decision. The decision ‘Not Set Aside’ includes upheld, varied, affirmed, not appealed and remitted. In this context, ‘not appealed’ refers to VCAT’s decision not being appealed by the parties involved. The measure is concerned with decisions that are made by VCAT in support of Council’s decision.

Planning application

A completed regular or VicSmart planning permit application on the prescribed form lodged with a Council (the responsible authority) accompanied by a complete description of the proposal and the prescribed fee.

Population

The resident population of the municipal district estimated by Council.

Sealed local roads

Sealed local roads means sealed roads under the control of the municipality and includes the road pavement and road seal (and kerb and channel where applicable).

Successful animal management prosecutions

Any charge (excluding unpaid fines) brought by Council under the Domestic Animals Act 1994 against a defendant and found in favour of Council in a court of law, or where successfully appealed, in the appeal court. This would include the issuing of good behaviour bonds or court diversions. Where a group of charges is brought against a defendant, the group should be counted as one prosecution.

Total number of animal management prosecutions

Any charge (excluding unpaid fines) brought by Council under the Domestic Animals Act 1994 against a defendant in a court of law, or in the appeal court. Where a group of charges is brought against a defendant, the group should be counted as one prosecution.

VicSmart

A streamlined planning permit assessment process for low impact applications.

VCAT

The Victorian Civil and Administrative Tribunal hears cases and resolves disputes through negotiation, mediation and hearings

VCAT decisions

All decisions on applications for review by VCAT as per Part 4, Division 2 of the Planning and Environment Act 1987. It does not include consent orders approved by VCAT or applications withdrawn..

Visit

A visit to an aquatic facility in person. It also includes attendees at carnivals.

Financial performance indicators

Dimension / indicator / measure	Forecast								
	2020	2021	2022	2023	2024	2025	2026	2027	Material variations
Efficiency expenditure level Expenses per property assessment (Total expenses / Number of property assessments)	\$3,285	\$3,561	\$3,711	\$3,537	\$3,553	\$3,615	\$3,642	\$3,707	Expenses in 2021/2022 were higher than usual mainly due to the increase in the provision for landfill liability to reflect the estimated costs associated with cell capping at the Castlemaine landfill. With the cell capping works completed in 2022/2023 expenses have decreased by 4%. Forecast results expect an average increase of 1%.
Efficiency Revenue level Average rate per property assessment (General rates and Municipal charges / Number of property assessments)	\$1,650	\$1,687	\$1,711	\$1,753	\$1,815	\$1,844	\$1,879	\$1,916	"Increase is in line with the Fair go Rate System (FGRS). Forecast results are conservatively averaging 2.2% rate caps, with property assessment numbers expected to remain stable."
Liquidity working capital Current assets compared to current liabilities (Current assets / Current liabilities) x100	300.02%	244.90%	186.20%	284.33%	392.05%	347.91%	403.20%	424.59%	Current liabilities decreased by 32% at 30 June 2023 with the completion of cell capping works (paid from the landfill provision) at the Castlemaine landfill). In comparison current assets increased by 3%. The ratio increases in forecast years to reflect the reduction in loan borrowings as existing loans are paid off.
Liquidity unrestricted cash Unrestricted cash compared to current liabilities (Unrestricted cash / Current liabilities) x 100	-1.68%	-0.93%	-47.21%	-73.48%	-12.16%	70.95%	90.42%	103.86%	An error was identified in calculating unrestricted cash in prior years and results should have been 2019/2020 +27.02%, 2020/2021 -15.94% and 2021/2022 -47.03%. Council's term deposits are invested for periods of up to twelve months and these funds are not included in the calculation of unrestricted cash. If these funds were included, Council's unrestricted cash ratio would be 106.21% for 2022/2023. Carried forward capital works and conditional grants unspent are unknown and not considered for unrestricted cash in future years.

Dimension / indicator / measure	2020	2021	2022	2023	2024	Forecast			Material variations
						2025	2026	2027	
Obligations loans and borrowings Loans and borrowings compared to rates (Interest bearing loans and borrowings / Rate revenue) x100	14.30%	12.76%	7.52%	6.55%	5.85%	5.24%	0.49%	0.00%	No new loans occurred during the year, while principal repayments were made across the year that reduced the level of borrowings. No new loans have currently been budgeted for.
Obligations loans and borrowings repayments compared to rates (Interest and principal repayments on interest bearing loans and borrowings / Rate revenue) x100	2.68%	1.55%	5.30%	1.04%	0.69%	0.67%	4.80%	0.48%	One loan was paid off during 2019/2020 year. Two loans were paid off during 2021/2022 year, including one that required a \$1M balloon repayment, and two loans were paid off and no new loans were drawn down in 2022/2023 year. No new loans have currently been budgeted for.
Obligations Indebtedness Non-current liabilities compared to own source revenue (Non-current liabilities / Own source revenue) x100	34.15%	24.99%	14.82%	12.42%	13.60%	8.86%	7.72%	7.27%	Non-current liabilities decreased from June 2022 to June 2023 due to the decreased non-current provision for landfill rehabilitation costs as capping of the Castlemaine landfill was completed in May 2023. The continuation with declining own source revenue growth is expected in forecast years due to rate capping while non current liabilities are reducing with borrowings being paid off.

Dimension / indicator / measure	Forecast							Material variations	
	2020	2021	2022	2023	2024	2025	2026		2027
Obligations Asset renewal and upgrade Asset renewal and upgrade compared to depreciation (Asset renewal and asset upgrade expense / Asset depreciation) x100	118.03%	67.75%	81.99%	84.86%	127.47%	119.88%	110.05%	118.21%	\$7.4M of renewal works were completed. during 2022/2023 and \$3.4M of new capital works was also completed. Forecast years focus more on completing renewal works and some upgrade works with the indicator returning to above 100% in 2023/2024.
Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) (Adjusted underlying surplus (deficit)/ Adjusted underlying revenue) x100	-5.92%	2.88%	-9.03%	8.11%	-5.21%	-8.27%	-7.21%	-7.24%	Overall, income was 29% greater than budget, while expenses were 5% greater than budget. In terms of income, the 2023/2024 Federal Assistance Grants was paid early in 2022/2023 (\$6.3M), an unbudgeted amount of \$933k was recognised for a reduction in the expected future cost of landfill rehabilitation works, interest income was greater than budget by \$703k, and contributions, both monetary and non-monetary, were greater than budget by \$1.22 million.

Dimension / indicator / measure	2019	2020	2021	2022	2023	Forecast			Material variations
						2024	2025	2026	
Stability Rates Concentration Rates compared to adjusted underlying revenue (Rate revenue / Adjusted underlying revenue) x100	65.30%	56.51%	61.54%	55.59%	65.76%	67.68%	67.88%	68.08%	Total rate revenue (including waste charges) increased by 2.7%. The adjusted underlying revenue increased by 13.7% in 2022/2023, due to an increase in operating grants received. This increase in grants is not expected to continue in forecast years.
Stability Rates effort Rates effort — Rates compared to property values (Rate revenue / CIV of rateable properties in the municipality) x100	0.45%	0.42%	0.40%	0.32%	0.30%	0.29%	0.29%	0.28%	Capital improved values (CIV) have increased at a greater rate than rates revenue and is expected to continue in forecast years.

Retired measures

Indicator / measure	2020	2021	2022	2023	Material variations & comments
Efficiency — Revenue level Average residential rate per residential property assessment (Residential rate revenue / Number of residential property assessments)	Retired in 2020	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by Average rate per property assessment for 2020.
Obligations — Asset renewal Asset renewal compared to depreciation (Asset renewal expense / Asset depreciation) x100	Retired in 2020	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by Asset renewal and upgrade compared to depreciation for 2020.

Definitions

Adjusted underlying revenue

Total income other than:

- non-recurrent capital grants used to fund capital expenditure; and
- non-monetary asset contributions; and
- contributions to fund capital expenditure from sources other than those referred to above.

Adjusted underlying surplus (or deficit)

Adjusted underlying revenue less total expenditure.

Asset depreciation

Council's use of its physical assets through a systematic reduction in their value over time, usually to reflect wear and tear. Refers to total depreciation of all assets, not just the depreciation on renewed or upgraded assets.

Asset renewal expenditure

Expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability.

Asset upgrade expenditure

Expenditure that enhances an existing asset to provide a higher level of service or increases the life of the asset beyond its original life.

Capital improved value (CIV)

The market value of a property and is measured at the end of the year and includes all valuation adjustments (e.g. supplementary valuations).

Current assets

Assets that Council expects to recover or realise within the following financial year.

Current liabilities

An obligation or liability that is due to be settled, or paid, within one year.

Interest bearing loans and borrowings

A loan or borrowing in which the debt is expressed as a principal amount and interest is calculated, charged, and collected on unpaid balances.

Interest and principal repayments

Repayments made on principal amounts and/or interest from interest bearing loans or borrowings, where the debt is expressed as a principal amount and interest is calculated, charged, and collected on unpaid balances.

Non-current assets

All assets other than current assets.

Non-current liabilities

All financial liabilities that provide financing on a long-term basis and are not due for settlement within 12 months after the reporting period.

Non-recurrent grants

Operating or capital grants obtained on the condition that they be expended in a specified manner and not expected to be received again during the period covered by the Financial Plan.

Number of property assessments

Number of rateable properties as at 1 July.

Own-source revenue

Adjusted underlying revenue other than revenue that is not under the control of Council (including government grants).

Population

The resident population of the municipal district estimated by council.

Rate revenue

Means revenue from general rates, municipal charges, service rates and service charges (e.g. garbage, recycling and organic charges) levied on rateable properties.

Recurrent grants

Operating or capital grants other than a non-recurrent grant.

Restricted cash

Cash and cash equivalents and financial assets, 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 that will be used to fund carry forward capital works from the previous financial year. Items which are considered to be restricted under the definition are:

- trust funds and deposits
 - statutory or non-discretionary reserves
 - cash held to fund carry forward capital works
 - conditional grants unspent.
- term deposits with an original maturity of greater than 90 days (i.e. other financial assets) are also considered to be restricted under this definition.

Total rate revenue

Total revenue leviable from general rates, municipal charges and supplementary rates on rateable properties as at 1 July. This excludes service rates and service charges.

Unrestricted cash

All cash and cash equivalents other than restricted cash.

Other Information

1. Basis of Preparation

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

Where applicable the results in the performance statement have been prepared on accounting basis 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 Financial Plan. The Local Government (Planning and Reporting) Regulations 2020 requires

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

The forecast figures included in the performance statement are those adopted by Council in its Financial Plan on 20 June 2023 and which forms part of the council plan. The Financial Plan includes estimates based on key assumptions about the future that are relevant at the time of adoption adjusted to match definition required for performance statement reporting 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 is available on Council's website.

2. Impact of COVID 19 pandemic on Council operations and 2022-2023 performance statement

During 2022-23 the COVID-19 pandemic continued to impact on Council's operations, however there were no significant impacts on its financial operations.

Certification of the Performance Statement

In my opinion, the accompanying Performance Statement has been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Finance and Reporting) Regulations 2020*.



Carolyn Ross, Certified Practising Accountant (CPA)

Principal Accounting Officer

Date: 19.09.2023

In our opinion the accompanying Performance Statement of the Mount Alexander Shire Council for the year ended 30 June 2023 presents fairly in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

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

As at the time of signing, we are not aware of any circumstance which would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify this performance statement in its final form.



Councillor Rosie Annear

Mayor

Date: 19/9/2023



Councillor Matthew Driscoll

Councillor

Date:

19/9/23



Michael Annear

Acting Chief Executive Officer

Date: 19/09/2023



Independent Auditor's Report

To the Councillors of Mount Alexander Shire Council

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

Auditor's responsibilities for the audit of the performance statement

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

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

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

MELBOURNE
26 September 2023



Travis Derricott
as delegate for the Auditor-General of Victoria



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Mount Alexander Shire Council
2022/2023 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 (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.



Carolyn Ross, Certified Practising Accountant (CPA)
Principal Accounting Officer

Date : 19.09.2023

Castlemaine

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

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

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



Councillor Rosie Annear

Mayor

Date : 19/9/2023

Castlemaine



Councillor Matthew Driscoll

Councillor

Date : 19/9/2023

Castlemaine



Michael Annear

Acting Chief Executive

Officer

Date : 19/09/2023

Castlemaine



Independent Auditor's Report

To the Councillors of Mount Alexander Shire Council

Opinion	<p>I have audited the financial report of Mount Alexander Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2023 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <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>

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 T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
26 September 2023



Travis Derricott
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Income/revenue			
Rates and charges	3.1	26,450	25,748
Statutory fees and fines	3.2	940	1,048
User fees	3.3	1,585	1,410
Grants - operating	3.4	13,714	11,586
Grants - capital	3.4	3,860	6,249
Contributions - monetary	3.5	1,117	156
Contributions - non-monetary	3.5	392	1,730
(Increase)/decrease on provision for landfill liability	2.1	933	(4,265)
Share of net profits (or loss) of associates and joint ventures	6.2	0	29
Other income	3.7	1,938	812
Total income/revenue		50,929	44,502
Expenses			
Employee costs	4.1	17,761	16,993
Materials and services	4.2	13,597	12,310
Depreciation	4.3	9,005	9,157
Amortisation - intangible assets	4.4	177	193
Amortisation - right-of-use assets	4.5	33	13
Bad and doubtful debts - allowance for impairment losses	4.6	61	(8)
Net (gain) or loss on disposal of property, infrastructure, plant and equipment	3.6	1,400	1,018
Borrowing costs	4.7	71	98
Finance costs - leases	4.6	7	2
Other expenses	4.8	1,615	1,577
Total expenses		43,727	41,352
Surplus/(deficit) for the year		7,202	3,150
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	6.1	9,691	24,614
Total other comprehensive income		9,691	24,614
Total comprehensive result		16,893	27,764

Balance Sheet

As at 30 June 2023

	Note	2023 \$'000	2022 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1(a)	8,397	6,368
Trade and other receivables	5.1(c)	3,142	3,154
Other financial assets	5.1(b)	22,750	24,700
Inventories	5.2(a)	95	72
Other assets	5.2(b)	1,615	315
Total current assets		35,999	34,610
Non-current assets			
Other financial assets	5.1(b)	-	1,250
Investments in associates, joint arrangements and subsidiaries	6.2	660	659
Property, infrastructure, plant and equipment	6.1	416,470	406,317
Right-of-use assets	5.8	520	50
Intangible assets	5.2(c)	751	898
Total non-current assets		418,401	409,174
Total assets		454,400	443,784
Liabilities			
Current liabilities			
Trade and other payables	5.3(a)	2,485	2,554
Trust funds and deposits	5.3(b)	1,097	922
Unearned income	5.3(c)	5,255	4,449
Provisions	5.5	3,591	10,447
Interest-bearing liabilities	5.4	126	203
Lease liabilities	5.8	107	13
Total current liabilities		12,661	18,588
Non-current liabilities			
Provisions	5.5	1,930	2,534
Interest-bearing liabilities	5.4	1,607	1,733
Lease liabilities	5.8	418	38
Total non-current liabilities		3,955	4,305
Total liabilities		16,616	22,893
Net assets		437,784	420,891
Equity			
Accumulated surplus		112,036	103,184
Reserves	9.1	325,748	317,707
Total equity		437,784	420,891

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

2023	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		420,891	103,184	290,069	27,637
Surplus/(deficit) for the year		7,202	7,202	-	-
Net asset revaluation increment/(decrement)	6.1	9,691	-	9,691	-
Transfers to other reserves	9.1(b)	-	(19,018)	-	19,018
Transfers from other reserves	9.1(b)	-	20,668	-	(20,668)
Balance at end of the financial year		437,784	112,036	299,760	25,987

2022		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		393,126	102,641	265,455	25,030
Surplus/(deficit) for the year		3,150	3,150	-	-
Net asset revaluation increment/(decrement)	6.1	24,614	-	24,614	-
Transfers to other reserves	9.1(b)	-	(14,577)	-	14,577
Transfers from other reserves	9.1(b)	-	11,970	-	(11,970)
Balance at end of the financial year		420,891	103,184	290,069	27,637

Statement of Cash Flows

For the Year Ended 30 June 2023

	Note	2023 Inflows/ (Outflows) \$'000	2022 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		25,884	26,143
Statutory fees and fines		940	1,048
User fees		1,585	1,410
Grants - operating		13,950	11,241
Grants - capital		3,683	6,005
Contributions - monetary		1,117	156
Interest received		1,179	272
Trust funds and deposits (net)		175	(234)
Other receipts		835	455
Net GST refund/(payment)		(2,902)	(2,162)
Employee costs		(17,488)	(16,798)
Materials and services		(10,589)	(10,660)
Landfill rehabilitation costs		(6,801)	(109)
Other payments		(1,623)	(1,577)
Net cash provided by operating activities	9.2	9,947	15,190
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(11,022)	(11,391)
Proceeds from sale of property, infrastructure, plant and equipment	3.6	219	218
Payments for investments		(22,750)	(25,950)
Proceeds from sale of investments		25,950	15,500
Net cash (used in) investing activities		(7,603)	(21,623)
Cash flows from financing activities			
Finance costs		(71)	(105)
Repayment of borrowings		(203)	(1,260)
Interest paid - lease liability		(7)	(2)
Repayment of lease liability		(33)	(13)
Net cash (used in) financing activities		(314)	(1,380)
Net increase/(decrease) in cash and cash equivalents		2,029	(7,813)
Cash and cash equivalents at the beginning of the financial year		6,368	14,181
Cash and cash equivalents at the end of the financial year		8,397	6,368

Statement of Capital Works For the Year Ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Property			
Land improvements		356	139
Total land		356	139
Buildings		2,960	1,924
Site improvements		-	1,696
Total buildings		2,960	3,620
Total property		3,316	3,759
Plant and equipment			
Plant, machinery, and equipment		1,328	1,037
Computers and telecommunications		548	97
Intangibles		16	281
Total plant and equipment		1,892	1,415
Infrastructure			
Roads		4,276	4,819
Bridges		312	382
Footpaths and cycleways		958	693
Drainage		238	217
Waste management		30	105
Total infrastructure		5,814	6,216
Total capital works expenditure		11,022	11,390
Represented by:			
New asset expenditure		3,380	3,883
Asset renewal expenditure		7,354	7,474
Asset expansion expenditure		-	-
Asset upgrade expenditure		288	33
Total capital works expenditure		11,022	11,390

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

Note 1 OVERVIEW

Introduction

The Mount Alexander Shire Council was established by an Order of the Governor in Council on 17 January 1995 and is a body corporate. The Council's main office is located at the corner of Lyttleton and Lloyd Streets, Castlemaine.

Statement of compliance

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

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

Significant accounting policies

(a) Basis of accounting

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

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

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

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

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

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

- The fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1).
- 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).
- Whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable.
- Other areas requiring judgements.

Note 1 OVERVIEW continued

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

Goods and Services Tax (GST)

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

(b) Impact of Covid-19

During 2022-23 the COVID-19 pandemic continued to impact on Council's operations, however there were no significant impacts on its financial operations.

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

Note 2 ANALYSIS OF OUR RESULTS

Note 2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold with explanations provided if the variance is greater than 10 percent and greater than \$100,000. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

2.1.1 Income/revenue and expenditure

	Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000	Variance %	Ref
Income/revenue					
Rates and charges	26,339	26,450	110	0%	
Statutory fees and fines	1,258	940	(319)	(25%)	1
User fees	1,431	1,585	154	11%	
Grants - operating	4,044	13,714	9,670	239%	2
Grants - capital	5,369	3,860	(1,508)	(28%)	3
Contributions - monetary	257	1,117	860	335%	4
Contributions - non monetary	34	392	357	1042%	5
Decrease on provision for landfill liability	-	933	933	0%	6
Share of net profits/(losses) of associates and joint ventures	5	0	(5)	(91%)	
Other income	760	1,938	1,178	155%	7
Total income	39,498	50,929	11,431	29%	
Expenses					
Employee costs	18,399	17,761	(638)	(3%)	
Materials and services	11,576	13,597	2,021	17%	8
Depreciation	9,130	9,005	(125)	(1%)	
Amortisation - intangible assets	193	177	(16)	(8%)	
Amortisation - right of use assets	84	33	-	0%	
Bad and doubtful debts - allowance for impairment losses	9	61	52	574%	
Net loss on disposal of property, infrastructure, plant and equipment	546	1,400	854	156%	9
Borrowing costs	68	71	3	5%	
Finance costs - leases	12	7	-	0%	
Other expenses	1,534	1,615	81	5%	
Total expenses	41,551	43,727	2,231	5%	
Surplus/(deficit) for the year	(2,053)	7,202	9,200	448%	

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

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory fees and fines	Actual statutory fees and fines for all categories are less than budgeted. The major variances are in parking fines (\$137k), building permits and fees (\$61k), animal registrations (\$55k), statutory planning (\$37k), and engineering services (\$40k).
2	Grants - operating	Significantly more non-recurrent grant funding has been received from the State Government than was initially expected including: \$1.6 million for recovery works after a storm/flood event in October 2022; \$527k for establishing community hubs after this event, and \$192k to employ Community Resilience Officers; \$237k for various programs that support families and children. The State Government has also contributed \$50k towards restoring the Guildford Avenue of Honour, and has paid the 2023/24 Municipal Emergency Resourcing Program funding early in 2022/23 (\$120k). In addition, the Federal Government brought forward 100% of the payment of the 2023/2024 financial assistance grants (\$6.35 million), and they have contributed \$108k in unbudgeted funding for a Digital Inclusion project.
3	Grants - capital	There are numerous variances, both positive and negative, that make up this amount. The largest variance is in the LRCI3 funding stream granted by the Federal Government with income recognised that is \$1.5m less than budget. Other large negative variances (where budgeted income has not been received or recognised) include the Castlemaine and Campbells Creek levees project (\$587k), construction of facilities at Bill Woodfull Recreation Reserve (\$394k), and the TIMB 2.0 data modelling tool (\$484k). These are offset by variances where income has been received but had not been budgeted for, including Welcome to Country installation (carry forward budget of \$236k), Campbells Creek netball court (\$225k), and reseal of Fogarty's Gap Road (\$607k).
4	Contributions - monetary	Significant unbudgeted contributions have been received from developers, and these funds will be transferred to a reserve until required (\$644k). Contributions for open space fees are greater than budget by \$186k with the timing of these contributions being difficult to estimate as they are reliant on permit holders submitting subdivision applications; these funds will also be transferred to a reserve until they are required.
5	Contributions - non monetary	Assets that were gifted from developers this financial year and not budgeted for include roads (\$84k), drainage (\$246k) and footpaths (\$34k).
6	Decrease on provision for landfill liability	The estimated future costs of rehabilitating the landfill have decreased due to changes in the inflation rate and expected future interest rates., as well as cell capping works at the Castlemaine landfill being completed during the year at a cost less than anticipated.
7	Other income	Interest income on investments is greater than budget due to higher than expected interest rates (\$703k). Unbudgeted monies were received for an insurance claim on damaged machinery (\$166k), carbon certificated credits (\$65k), as well as reimbursement for the cost of works (\$66k).

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

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Item	Explanation
8	Materials and services	Approximately \$1.78 million in unbudgeted expenditure has been incurred for the October 2022 storm/flood event; it is expected that most of this cost will be reimbursed by the State and Federal Government. This variance is offset by positive and negative variances across the organisation in waste management (\$590k positive), plant and fleet (\$510k positive), strategic planning (\$246k negative), HR & payroll (\$86k negative), parks and gardens (\$241k negative), building services (\$198k negative), information technology (\$169k negative), works (\$95k negative).
9	Net loss on disposal of property, infrastructure, plant and equipment	Unbudgeted disposal of infrastructure assets greater than budget was incurred (\$854k). These disposals represent the value of existing assets being replaced, such as roads, which are recognised at their written down value. A breakdown by asset class includes: - land (-\$262k) - plant and motor vehicles (\$21k) - infrastructure (-\$613k).

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

Note 2.1 Performance against budget (continued)

2.1.2 Capital works

	Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000	Variance %	Ref
Property					
Land improvements	1,505	356	(1,149)	(76%)	1
Total land	1,505	356	(1,149)	(76%)	
Buildings & site improvements	3,296	2,960	(336)	(10%)	2
Total buildings	3,296	2,960	(336)	(10%)	
Total property	4,801	3,316	(1,485)	(31%)	
Plant and equipment					
Plant, machinery and equipment	1,197	1,328	131	11%	3
Computers and telecommunications	449	548	99	22%	4
Intangibles	500	16	(484)	0%	5
Total plant and equipment	2,146	1,892	(254)	(12%)	
Infrastructure					
Roads	3,619	4,276	657	18%	6
Bridges	1,644	312	(1,332)	(81%)	7
Footpaths and cycleways	800	958	158	20%	8
Drainage	310	238	(72)	(23%)	
Waste management	-	30	30	0%	
Total infrastructure	6,373	5,814	(559)	(9%)	
Total capital works expenditure	13,320	11,022	(2,299)	(17%)	
Represented by:					
New asset expenditure	2,298	3,380	1,082	47%	
Asset renewal expenditure	8,262	7,354	(908)	(11%)	
Asset expansion expenditure	-	-	-	0%	
Asset upgrade expenditure	2,760	288	(2,472)	(90%)	
Total capital works expenditure	13,320	11,022	(2,299)	(17%)	

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

Note 2.1 Performance against budget (continued)**(i) Explanation of material variations**

Variance Ref	Item	Explanation
1	Land improvements	Works on constructing several levee banks through Castlemaine and Campbells Creek require designs to be finalised before construction can commence (\$938k); landscaping works are expected to commence in August and equipment is expected to be installed in September for the Norwood Hill Recreation Reserve redevelopment (\$265k).
2	Buildings & site improvements	A number of projects account for this variance: Construction of female friendly facilities at Bill Woodfull Recreation Reserve (\$857k underspent) with construction contract awarded at the May 2023 Meeting of Council; Bill Woodfull Recreation Reserve lights (\$358k), offset by overspends in the Boorp Boorp Boondyil installation (\$236k, not inclusive of carry forward of \$236k), glass recycling facilities (\$215k, not inclusive of carry forward of \$265k), Castlemaine Botanical Gardens gate and fountain restoration (\$100k, not including carry forward of \$144k), and Newstead Recreation Reserve lighting (\$205k, due to unbudgeted grant funds being received).
3	Plant, machinery and equipment	Due to the order of a budgeted purchase of a Flocon truck not being able to be filled in 2022/2023, the purchase of a grader was brought forward from its expected purchase date in 2023/2024 (\$510k). This is offset by orders for motor vehicles unable to be filled in 2022/2023 (\$291k). In addition, the grant funded purchase of an emergency resilience trailer has not yet occurred (\$88k).
4	Computers and telecommunications	Some items were ordered and not received in 2021/2022, due to delays in supply chains, and these funds (\$118k) were carried forward to 2022/2023 to pay suppliers once the goods were received.
5	Intangibles	A software specification is required to be developed and an Expression of Interest advertised before Council can approach software providers for the development of the TIMBI data modelling tool (\$484k).
6	Roads	Many projects account for this variance, however the two largest variances are for the Maldon Streetscape project and the reseal of Fogarty's Gap Road. The Maldon Streetscape project had an adopted budget of \$37k plus a carry forward budget of \$720k, and \$970k in expenditure. The variance for this project is calculated against the adopted budget. The reseal of Fogarty's Gap Road has been placed on hold due to additional third party permits and environmental remediation works required (\$572k). Works are expected to recommence in late-2023. Design of the Frederick Street project was underspent by \$375k. Streetscape projects in Guildford, Chewton and Newstead also had no adopted budget but did have carry forward budgets (\$321k). In addition to the adopted budget, the gravel road resheeting program had a carry forward budget of \$84k which was also spent.
7	Bridges	A Cultural Heritage Management Plan is required to be negotiated and construction plans developed before works can commence on the Vaughan-Tarilta low level crossing over the Loddon River (\$1.12m). Works on Froomes Road Bridge have not proceeded due to unsuitable tender submissions (\$181k).
8	Footpaths and cycleways	While a budget was not adopted for the CSISP Campbells Creek Trail, a carry forward budget of \$926k was allocated, and \$152k of this was spent by year end.

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

Note 2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1 Community

- Services in our community are accessible and coordinated
- Our community is inclusive and connected
- Our community feels safe, regardless of identity or circumstance
- Our community is physically and mentally healthy

Population | Health | Wellbeing | Support | Resilience | Partnerships | Social services | Connections | Venues | Events | Safety Communications

Environment

- We are working locally to address the climate emergency
- We are maintaining, improving and celebrating our places and spaces
- Our community is growing in harmony with nature
- We are focused on the housing affordability challenge in our community
- We are facilitating managed growth of our towns while protecting natural assets

Buildings | Sport and recreation facilities | Roads | Bridges | Footpaths | Drainage | Trails | Playgrounds | Gardens | Natural environment | Waste | Recycling | Heritage | Climate

Economy

- Our local economy is diverse and resilient
- We are supporting continuous learning and personal growth
- We are helping businesses make their work simpler and more sustainable
- We are attracting and building investment in our cultural and creative community

Business | Economy | Jobs | Education | Creativity | Innovation | Tourism | Culture | Heritage | Development | Corporate

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

	Income/ revenue	Expenses	Surplus/ (Deficit)	Grants included in income/revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2023					
Community	4,469	12,378	(7,908)	5,214	744
Environment	16,899	23,552	(6,654)	3,410	416,124
Economy	29,560	7,797	21,765	8,951	37,531
	50,929	43,727	7,202	17,575	454,400
	Income/ revenue	Expenses	Surplus/ (Deficit)	Grants included in income/revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2022					
Community	3,962	12,146	(8,184)	5,411	766
Environment	17,064	26,543	(9,479)	2,859	405,890
Economy	27,741	6,929	20,813	9,565	37,129
	48,768	45,618	3,150	17,835	443,785

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

Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES**3.1 Rates and charges**

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

The valuation base used to calculate general rates for 2022/23 was \$8.31 billion (2021/22 \$6.53 billion).

	2023	2022
	\$'000	\$'000
General rates	21,677	21,038
Waste management charge	4,773	4,709
Total rates and charges	26,450	25,748

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

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

3.2 Statutory fees and fines

Animal control	195	210
Planning permits and fees	423	461
Health registrations	145	143
Local laws	24	38
Parking fines	16	30
Building	112	120
Other fines	25	46
Total statutory fees and fines	940	1,048

Statutory fees and fines (including parking 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

Home and community care	547	569
Employee vehicle contribution	103	86
Facility hire	51	20
Tourism services	101	67
Waste management services	504	469
Infrastructure	198	102
Other fees and charges	81	97
Total user fees	1,585	1,410

User fees by timing of revenue recognition

User fees recognised over time	-	-
User fees recognised at a point in time	1,585	1,410
Total user fees	1,585	1,410

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

Grants were received in respect of the following :

Summary of grants

Commonwealth funded grants	11,858	11,561
State funded grants	5,716	6,274
Total grants received	17,575	17,835

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

3.4 Funding from other levels of government (continued)

	2023	2022
	\$'000	\$'000
(a) Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Financial Assistance Grants	7,831	7,398
Home support packages	1,506	1,394
Veterans' Affairs	147	83
Australia Day / Survival Day	29	24
Other	3	4
<i>Recurrent - State Government</i>		
Home and community care	222	220
School crossing supervisors	74	62
Maternal and child health	338	426
Community health	10	20
Environment	59	39
Emergency management	240	146
Youth	96	80
Other	-	3
Total recurrent operating grants	10,554	9,900
<i>Non-recurrent - Commonwealth Government</i>		
Local roads and community infrastructure	-	720
Healthy Heart Victoria Phase 2	-	99
Other	203	66
<i>Non-recurrent - State Government</i>		
Families and children	205	13
Strategic planning	62	200
Placemaking Investigations and Activations	20	-
October 2022 storms	1,792	-
Economic development	-	100
Engineering and road safety	60	75
Building	-	75
Parks and gardens	113	50
COVID-19	-	55
COVID Safe Outdoor Activation	-	150
Youth	42	10
Waste	20	36
Community Recovery Hubs	527	-
Other	118	38
Total non-recurrent operating grants	3,161	1,686
Total operating grants	13,714	11,586

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

3.4 Funding from other levels of government (continued)

	2023	2022
	\$'000	\$'000
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to Recovery	906	1,049
Total recurrent capital grants	906	1,049
<i>Non-recurrent - Commonwealth Government</i>		
Emergency management	1	-
Black Spot Program	607	-
Levees and drainage	113	-
Local roads and community infrastructure program	512	724
<i>Non-recurrent - State Government</i>		
Buildings	43	33
Engineering and road safety	333	1,834
Maldon streetscape rejuvenation	189	1,507
Boorp Boorp Boondyl	236	164
Waste management	265	3
Information technology	16	-
COVID Safe Outdoor Activation	-	150
Parks and gardens	24	315
Recreation facilities and reserves	615	471
Total non-recurrent capital grants	2,954	5,200
Total capital grants	3,860	6,249
(c) Unspent grants received on condition that they be spent in a specific manner		
<i>Operating</i>		
Balance at start of year	4,511	2,780
Received during the financial year and remained unspent at balance date	6,315	4,511
Received in prior years and spent during the financial year	(4,511)	(2,780)
Balance at year end	6,315	4,511
<i>Capital</i>		
Balance at start of year	4,420	4,800
Received during the financial year and remained unspent at balance date	5,255	4,420
Received in prior years and spent during the financial year	(4,420)	(4,800)
Balance at year end	5,255	4,420

Unspent grants are determined and disclosed on a cash basis.

(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.

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

3.4 Funding from other levels of government (continued)

	2023	2022
	\$'000	\$'000
Income recognised under AASB 1058 <i>Income of Not-for-Profit Entities</i>		
General purpose	13,714	9,925
Specific purpose grants to acquire non-financial assets	3,860	6,249
Revenue recognised under AASB 15 <i>Revenue from Contracts with Customers</i>		
Specific purpose grants	-	1,661
	17,575	17,835

3.5 Contributions

Monetary	1,117	156
Non-monetary	392	1,730
Total contributions	1,508	1,886

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

Land under roads	27	330
Drainage	246	465
Roads	84	746
Pathways	34	190
Total non-monetary contributions	392	1,730

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

3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

Proceeds of sale	219	218
Written down value of assets disposed	(1,619)	(1,235)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(1,400)	(1,018)

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

3.7 Other income

Interest	1,103	357
Fuel Tax Credits	47	45
Rates and valuation reimbursements	49	48
Debt collection	60	39
Insurance claims	166	20
Rental	197	189
Other	315	115
Total other income	1,938	812

Interest is recognised as it is earned.

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

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

Note 4 THE COST OF DELIVERING SERVICES

4.1 (a) Employee costs	2023	2022
	\$'000	\$'000
Wages and salaries	15,465	14,624
WorkCover	330	612
Superannuation	1,590	1,356
Fringe Benefits Tax	36	37
Other	341	365
Total employee costs	17,761	16,993

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	50	47
	50	47
Employer contributions payable at reporting date.	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	762	745
Employer contributions - Australian Super Pty Ltd	152	127
Employer contributions - VIC Super Pty Ltd	87	93
Employer contributions - other funds	538	344
	1,539	1,309
Employer contributions payable at reporting date.	85	-

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

4.2 Materials and services

Service providers	2,571	3,775
Waste management	2,839	2,827
Parks and gardens	1,417	848
Recreation facilities and reserves	831	1,032
Building services	307	453
Animal control	225	197
October 2022 storm/flood event	1,877	-
Materials	965	801
Utilities	467	566
Office administration	375	386
Information technology	978	592
Insurance	514	426
Plant and fleet	227	416
Other	4	(8)
Total materials and services	13,597	12,310

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

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

Note 4 THE COST OF DELIVERING SERVICES (continued)

	2023	2022
	\$'000	\$'000
4.3 Depreciation		
Property	2,152	2,423
Plant and equipment	815	804
Infrastructure	6,038	5,929
Total depreciation	9,005	9,157

Refer to note 5.2(c), 5.8 and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Amortisation - Intangible assets

Software	177	193
Total Amortisation - Intangible assets	177	193

4.5 Amortisation - Right of use assets

Photocopiers	13	13
Plant and machinery	20	-
Total Amortisation - Right of use assets	33	13

4.6 Bad and doubtful debts - allowance for impairment losses

Rates debtors	5	(7)
Other debtors	55	(1)
Total bad and doubtful debts - allowance for impairment losses	61	(8)
Movement in allowance for impairment losses in respect of debtors		
Balance at the beginning of the year	44	52
New provisions recognised during the year	76	1
Amounts already provided for and written off as uncollectible	(23)	(9)
Balance at end of year	97	44

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

4.7 Borrowing costs

Interest - Borrowings	71	98
Total borrowing costs	71	98

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

4.8 Finance Costs - Leases

Interest - Lease liabilities	7	2
Total finance costs	7	2

4.9 Other expenses

Auditors' remuneration - VAGO	41	42
Auditors' remuneration - internal audit	66	55
Councillors' allowances	263	233
Community grants	433	548
Library contribution	550	541
Other	262	157
Total other expenses	1,615	1,577

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

Note 5 OUR FINANCIAL POSITION

	2023	2022
	\$'000	\$'000
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	2	2
Cash at bank	8,390	6,362
Term deposits	5	5
Total cash and cash equivalents	8,397	6,369
(b) Other financial assets		
Term deposits - current	22,750	24,700
Term deposits - non-current	-	1,250
Total other financial assets	22,750	25,950
Total financial assets	31,147	32,319

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

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

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

(c) Trade and other receivables**Current***Statutory receivables*

Rates debtors	3,218	2,653
Provision for doubtful debts - rates	(11)	(37)
Prepaid rates	(948)	(511)
Traffic infringement debtors	10	16
Provision for doubtful debts - traffic infringements	-	(1)
Pet infringement debtors	9	5
Net GST receivable	-	-
Total current statutory receivables	2,279	2,126

Non statutory receivables

Home and community care	66	85
State Government	162	156
Other debtors	722	794
Provision for doubtful debts - other debtors	(86)	(6)
Total current non-statutory receivables	863	1,028
Total trade and other receivables	3,142	3,154

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred.

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

5.1 Financial assets (continued)

	2023	2022
	\$'000	\$'000
(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)	41	118
Past due by up to 30 days	23	155
Past due between 31 and 60 days	595	524
Past due between 61 and 90 days	91	69
Past due by more than 90 days	199	169
Total trade and other receivables	949	1,035

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$96,837 (2022: \$43,561) were impaired. The amount of the provision raised against these debtors was \$96,837 (2022: \$43,651). They individually have been impaired as a result of their doubtful collection.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	3	2
Past due by up to 30 days	2	1
Past due between 31 and 180 days	10	2
Past due between 181 and 365 days	9	0
Past due by more than 1 year	62	1
Total trade and other receivables	86	7

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

5.2 Non-financial assets	2023	2022
(a) Inventories	\$'000	\$'000
Inventories held for use	71	52
Inventories held for sale	24	20
Total inventories	95	72

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets

Prepayments	251	149
Accrued income	1,364	166
Total other assets	1,615	315

(c) Intangible assets

Software	751	898
Total intangible assets	751	898

Gross carrying amount

Balance at 1 July 2022	1,933
Additions	30
Disposals	(277)
Balance at 30 June 2023	1,686

Accumulated amortisation and impairment

Balance at 1 July 2022	1,035
Amortisation expense	177
Disposals	(277)
Balance at 30 June 2023	935

Net book value at 30 June 2022

898

Net book value at 30 June 2023

751

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

5.3 Payables, trust funds and deposits and unearned income/revenue**(a) Trade and other payables****Current:***Non-statutory payables*

Trade payables	1,034	623
Accrued loan interest	2	2
Accrued expenses	993	1,929

Statutory payables

Accrued expenses	456	-
Total current trade and other payables	2,485	2,554

(b) Trust funds and deposits**Current:**

Refundable deposits	31	47
Fire Services Property Levy	242	304
Retention amounts	786	251
Heritage fund	34	34
Central Victorian Primary Care Partnership	-	277
Other refundable deposits	4	10
Total current trust funds and deposits	1,097	922

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

5.3 Payables, trust funds and deposits and unearned income/revenue (continued)

	2023	2022
	\$'000	\$'000
(c) Unearned income/revenue		
Current:		
Grants received in advance - operating	-	29
Grants received in advance - capital	5,255	4,420
Total current unearned income/revenue	5,255	4,449

Unearned income/revenue represents contract liabilities and reflects consideration received in advance from other levels of government in relation to grant funded projects. 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 forfeit.

Purpose and nature of items

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

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

5.4 Interest-bearing liabilities

Current		
Borrowings - secured	126	203
	126	203
Non-current		
Borrowings - secured	1,607	1,733
	1,607	1,733
Total	1,733	1,936

Borrowings are secured by a mortgage over the general rates and charges of Council.

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

Not later than one year	126	203
Later than one year and not later than five years	1,607	1,733
	1,733	1,936

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

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

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

5.5 Provisions

	Employee	Landfill restoration	Total
	\$ '000	\$ '000	\$ '000
2023			
Balance at beginning of the financial year	3,438	9,544	12,982
Additional provisions	1,666	-	1,666
Amounts used	(1,362)	(7,660)	(9,022)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(31)	(75)	(106)
Balance at the end of the financial year	3,711	1,810	5,521
<i>Provisions - current</i>	3,349	243	3,591
<i>Provisions - non-current</i>	362	1,567	1,930
<i>Total</i>	3,711	1,810	5,521
2022			
Balance at beginning of the financial year	3,242	5,388	8,630
Additional provisions	1,492	4,033	5,525
Amounts used	(1,254)	(109)	(1,363)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(42)	232	190
Balance at the end of the financial year	3,438	9,544	12,982
<i>Provisions - current</i>	2,906	7,542	10,448
<i>Provisions - non-current</i>	532	2,002	2,534
<i>Total</i>	3,438	9,544	12,982
(a) Employee provisions			
Current provisions expected to be wholly settled within 12 months			
Annual leave	1,040	945	
Long service leave	124	99	
Rostered days off	160	133	
	1,324	1,176	
Current provisions expected to be wholly settled after 12 months			
Annual leave	272	327	
Long service leave	1,753	1,402	
	2,025	1,729	
Total current employee provisions	3,349	2,906	
Non-current			
Long service leave	362	532	
Total non-current employee provisions	362	532	
Aggregate carrying amount of employee provisions:			
Current	3,349	2,906	
Non-current	362	532	
Total aggregate carrying amount of employee provisions	3,711	3,438	

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

Annual leave

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

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

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

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

5.5 Provisions (continued)

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:	2023	2022
- discount rate	3.63%	3.38%
- index rate	4.35%	3.85%

(b) Landfill restoration	\$'000	\$'000
Current	243	7,542
Non-current	1,567	2,002
	1,810	9,544

Council is obligated to restore the Castlemaine site to a particular standard. Since April 2020 the landfill has operated as a transfer station with all general waste carted offsite. Reinstatement works were completed during the 2022/23 year and the provision for landfill restoration has been calculated based on the present value of the expected cost for future site inspections and audits etc.

Key assumptions:		
- discount rate	3.8%	2.38%
- index rate	5.2%	4.90%

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2023.

Bank overdraft	500	500
Credit card facilities	300	300
Borrowings	1,733	1,936
Total facilities	2,533	2,736
Used facilities	1,784	1,976
Unused facilities	749	760

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

5.7 Commitments

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

(a) Commitments for expenditure

2023	Not later than 1	Later than 1 year	Later than 2 years	Total
	year	and not later than 2 years	and not later than 5 years	
	\$'000	\$'000	\$'000	\$'000
Operating				
Aged and disability services	113	9	-	122
Consultancy and professional services	330	104	311	744
IT and software licences	496	470	1,423	2,390
Waste management	3,656	914	-	4,570
Recreation services	603	627	-	1,230
Regulatory compliance	233	-	-	233
Tree management	313	-	-	313
Utility supply	187	187	518	892
Total	5,931	2,311	2,252	10,494
Capital				
Bridges	77	-	-	77
Buildings	131	-	-	131
Drainage	163	-	-	163
Pathways	409	-	-	409
Plant and equipment	793	-	-	793
Recreation	595	-	-	595
Roads	557	-	-	557
Waste management	304	-	-	304
Other	456	-	-	456
Total	3,483	-	-	3,483

2022	Not later than 1	Later than 1 year	Later than 2 years	Total
	year	and not later than 2 years	and not later than 5 years	
	\$'000	\$'000	\$'000	\$'000
Operating				
Aged and disability services	112	113	9	234
Consultancy and professional services	574	82	203	859
IT and software licenses	281	279	756	1,316
Waste management	3,025	590	-	3,615
Recreation services	502	-	-	502
Regulatory compliance	218	-	-	218
Tree management	627	313	-	940
Uniform	27	-	-	27
Utility supply	185	185	533	904
Total	5,551	1,563	1,501	8,616
Capital				
Bridges	83	-	-	83
Drainage	195	-	-	195
Pathways	182	-	-	182
Plant and equipment	227	-	-	227
Recreation	276	-	-	276
Roads	952	-	-	952
Other	556	-	-	556
Total	2,471	-	-	2,471

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

5.7 Commitments (continued)**(b) Operating lease receivables**

Council has entered into commercial property leases on its investment properties. These properties, held under operating leases, have remaining non-cancellable lease terms of between 1 and 20 years. Future undiscounted minimum rentals receivable under non-cancellable operating leases are as follows:

	2023	2022
	\$'000	\$'000
Not later than one year	201	150
Later than one year and not later than five years	757	749
Later than five years	1,396	1,551
	<u>2,354</u>	<u>2,450</u>

5.8 Leases

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.

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

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

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

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

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

5.8 Leases (continued)

Right-of-Use Assets	Photocopiers	Plant	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2022	50	-	50
Additions	-	503	503
Amortisation charge	(13)	(20)	(33)
Balance at 30 June 2023	36	483	520
Lease Liabilities	2023	2022	
Maturity analysis - contractual undiscounted cash flows	\$'000	\$'000	
Less than one year	135	14	
One to five years	445	39	
Total undiscounted lease liabilities as at 30 June:	580	53	
Lease liabilities included in the Balance Sheet at 30 June:			
Current	107	13	
Non-current	418	38	
Total lease liabilities	525	51	

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

Note 6 ASSETS WE MANAGE

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2022	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	Carrying amount 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land and land improvements	42,899	-	-	-	(250)	(344)	-	334	42,640
Buildings	48,505	-	-	3,339	(1,901)	(15)	-	(5,920)	44,008
Plant and equipment	3,294	-	-	-	(815)	(3)	-	1,277	3,753
Infrastructure	297,832	-	364	6,352	(6,038)	(1,258)	-	12,477	309,729
Work in progress	13,787	11,022	-	-	-	-	(297)	(8,171)	16,341
Work in progress - Intangibles see note 5.2 (c)	-	-	-	-	-	-	-	30	-
	406,317	11,022	364	9,691	(9,005)	(1,619)	(297)	-	416,470

Summary of Work in Progress

	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Land and land improvements	1,386	356	-	(450)	1,292
Buildings	1,378	2,960	(56)	(1,037)	3,245
Plant and equipment	315	1,876	-	(1,277)	914
Infrastructure	10,200	5,814	(241)	(5,407)	10,365
Intangibles	509	16	-	-	525
Total	13,787	11,022	(297)	(8,171)	16,341

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

6.1 Property, infrastructure, plant and equipment (continued)
(a) Property

	Land - specialised	Land - non specialised	Land improvements	Land	Total Land & Land Improvements	Buildings - specialised	Buildings - non specialised	Buildings - improvements	Site	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	1,180	38,139	6,927	46,245	59,224	18,629	10,044	10,044	87,897	2,764	136,905	
Accumulated depreciation at 1 July 2022	-	-	(3,345)	(3,345)	(26,675)	(9,409)	(3,308)	(3,308)	(39,392)	-	(42,738)	
	1,180	38,139	3,581	42,899	32,549	9,220	6,735	6,735	48,505	2,764	94,168	
Movements in fair value												
Additions	27	-	307	334	260	80	1,222	1,222	1,562	3,316	5,212	
Contributions	-	-	-	-	-	-	-	-	-	-	-	
Revaluation	-	-	-	-	4,879	1,533	-	-	6,412	-	6,412	
Disposal	-	(343)	(1)	(344)	(45)	(54)	(40)	(40)	(139)	-	(482)	
Write-off	-	-	-	-	-	-	-	-	-	(56)	(56)	
Transfers	-	-	-	-	-	-	(11,225)	(11,225)	(11,225)	(1,487)	(12,712)	
	27	(343)	306	(9)	5,094	1,559	(10,044)	(10,044)	(3,391)	1,773	(1,627)	
Movements in accumulated depreciation												
Depreciation and amortisation	-	-	(250)	(250)	(1,083)	(342)	(476)	(476)	(1,901)	-	(2,152)	
Accumulated depreciation of disposals	-	-	-	-	37	47	40	40	124	-	124	
Revaluation	-	-	-	-	(2,276)	(797)	-	-	(3,073)	-	(3,073)	
Transfers	-	-	-	-	-	-	3,744	3,744	3,744	-	3,744	
	-	-	(250)	(250)	(3,322)	(1,093)	3,308	3,308	(1,106)	-	(1,357)	
At fair value 30 June 2023	1,207	37,795	7,233	46,235	64,318	20,188	(0)	(0)	84,506	4,537	135,278	
Accumulated depreciation at 30 June 2023	-	-	(3,596)	(3,596)	(29,997)	(10,501)	0	0	(40,499)	-	(44,094)	
Carrying amount	1,207	37,795	3,637	42,640	34,321	9,687	(0)	(0)	44,008	4,537	91,184	

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

6.1 Property, infrastructure, plant and equipment (continued)
(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Work in Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	6,885	1,697	314	8,896
Accumulated depreciation at 1 July 2022	(3,852)	(1,435)	-	(5,287)
	3,032	262	314	3,609
Movements in fair value				
Additions	907	370	1,876	3,153
Disposal	(456)	-	-	(456)
Transfers	-	-	(1,277)	(1,277)
	450	370	599	1,420
Movements in accumulated depreciation				
Depreciation and amortisation	(649)	(166)	-	(815)
Accumulated depreciation of disposals	454	-	-	454
	(196)	(166)	-	(362)
At fair value 30 June 2023	7,335	2,067	914	10,316
Accumulated depreciation at 30 June 2023	(4,048)	(1,601)	-	(5,649)
Carrying amount	3,287	466	914	4,667

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

6.1 Property, infrastructure, plant and equipment (continued)
(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Kerb	Recreational, leisure and community facilities	Waste Management	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
At fair value 1 July 2022	226,272	71,066	10,144	55,570	9,168	-	5,747	10,200	388,167
Accumulated depreciation at 1 July 2022	(38,270)	(15,736)	(2,897)	(13,513)	(4,041)	-	(5,677)	-	(80,135)
	188,002	55,330	7,247	42,057	5,127	-	69	10,200	308,031
Movements in fair value									
Additions	2,572	738	762	207	716	-	-	5,814	10,809
Contributions Found	94	-	11	174	-	-	-	-	279
Revaluation	-	-	34	147	-	-	-	-	181
Disposal	22,953	(14,135)	748	7,241	645	-	-	-	17,453
Write-off	(1,899)	(219)	(87)	(10)	-	-	-	-	(2,214)
Transfers	-	-	-	-	-	-	-	(241)	(241)
	-	-	-	-	-	11,225	-	(5,407)	5,818
	23,721	(13,616)	1,468	7,760	1,361	11,225	-	165	32,085
Movements in accumulated depreciation									
Depreciation and amortisation	(4,290)	(658)	(344)	(519)	(193)	-	(34)	-	(6,038)
Accumulated depreciation of contributions	(10)	-	(11)	(2)	-	-	-	-	(22)
Accumulated depreciation of found assets	-	-	-	(74)	-	-	-	-	(74)
Accumulated depreciation of disposals	858	72	25	1	-	-	-	-	957
Revaluation	(4,216)	1,139	(222)	(7,525)	(277)	-	-	-	(11,100)
Transfers	-	-	-	-	-	(3,744)	-	-	(3,744)
	(7,657)	554	(551)	(8,118)	(470)	(3,744)	(34)	-	(20,021)
At fair value 30 June 2023	249,992	57,451	11,612	63,330	10,530	11,225	5,747	10,365	420,251
Accumulated depreciation at 30 June 2023	(45,927)	(15,183)	(3,448)	(21,632)	(4,511)	(3,744)	(5,712)	-	(100,157)
Carrying amount	204,065	42,268	8,164	41,698	6,018	7,481	35	10,365	320,094

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

6.1 Property, infrastructure, plant and equipment (continued)

Acquisition

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

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

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

<i>Asset recognition thresholds and depreciation periods</i>	Depreciation Period	Threshold Limit \$'000
<i>Property</i>		
land improvements	1-10 years	10
<i>Buildings</i>		
buildings	20-100 years	10
building improvements	20-100 years	10
<i>Plant and Equipment</i>		
plant, machinery and equipment	2-10 years	5
fixtures, fittings and furniture	2-10 years	5
computers and telecommunications	2-10 years	5
<i>Infrastructure</i>		
road pavements	80 years	10
road sealed surfaces	15-35 years	10
road unsealed pavement base	20-80 years	10
road formation and pavement sub base	200 years	10
road kerb, channel and minor culverts	25-100 years	10
bridges deck / rail	80 years	10
bridges substructure / super structure	50-120 years	10
footpaths and cycleways	30-80 years	10
drainage pits	80 years	10
drainage pipes	10-145 years	10
<i>Intangible assets</i>		
software	5-10 years	25

Land under roads

Council recognises land under roads it controls at discounted fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Valuation of land and buildings

Valuation of land and buildings were undertaken by Ashay Prabhu, Director of Assetic Pty Ltd (NPER member 1102199). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

6.1 Property, infrastructure, plant and equipment (continued)

Valuation of land and buildings cont.

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

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

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

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

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Land	-	11,737	26,058	30/06/2022	Index
Specialised land	-	-	1,207	30/06/2022	Index
Land improvements	-	-	3,637	30/06/2017	Full
Buildings - specialised	-	-	34,321	30/06/2023	Index
Buildings - non specialised	-	9,687	-	30/06/2023	Index
Total	-	21,424	65,223		

Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with both an internal valuation undertaken by a Council officer and an independent valuation by Ashay Prabhu, Director of Assetic Pty Ltd (NPER member 1102199) .

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

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

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

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	204,065	30/06/2023	Index
Bridges	-	-	42,268	30/06/2023	Full
Footpaths and cycleways	-	-	8,164	30/06/2023	Index
Drainage	-	-	41,698	30/06/2023	Full
Kerb and channel	-	-	6,018	30/06/2023	Index
Recreational, leisure and community facilities	-	-	7,481	30/06/2017	Full
Waste management	-	-	35	30/06/2019	Full
Total	-	-	309,729		

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

6.1 Property, infrastructure, plant and equipment (continued)**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 of 90%. 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 \$1,100 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$12 to \$3,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 20 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 2 years to 146 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2023	2022
	\$'000	\$'000
Reconciliation of specialised land		
Land under roads	1,207	1,180
Total specialised land	1,207	1,180

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

	2023 \$'000	2022 \$'000
6.2 Investments in associates, joint arrangements and subsidiaries		
(a) Investments in associates		
- Goldfields Regional Library Corporation	660	659
<i>Goldfields Regional Library Corporation</i>		
<i>Council is a member of the Goldfields Regional Library Corporation which provides library services to the municipalities of City of Greater Bendigo, Macedon Ranges, Loddon and Mount Alexander Shires. Council's share of the net assets of the Corporation as at 30 June 2023 was 10.73% (2022, 10.77%).</i>		
Fair value of Council's investment in Goldfields Regional Library Corporation	660	659
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus/(deficit) at start of year	295	264
Reported surplus/(deficit) for year	3	32
Transfers (to) from reserves	0	(1)
Council's share of accumulated surplus/(deficit) at end of year	298	295
Council's share of reserves		
Council's share of reserves at start of year	122	121
Transfers (to) from reserves	(0)	1
Council's share of reserves at end of year	122	122
Movement in carrying value of specific investment		
Carrying value of investment at start of year	659	630
Share of surplus/(deficit) for year	3	32
Share of asset revaluation	(2)	(3)
Carrying value of investment at end of year	660	659
Council's share of expenditure commitments		
Operating commitments	26	9
Capital commitments	-	-
Council's share of expenditure commitments	26	9

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

Community Asset Committees

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as Community Asset Committees, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

There are currently 20 Community Asset Committees for the following facilities:

Barfold Hall	John Powell Reserve
Baringhup Community Association	Maldon Community Centre
Bill Woodfull Recreation Reserve	Metcalfe Hall
Camp Reserve	Muckleford Community Centre
Campbells Creek Community Centre	Newstead Community Centre
Campbells Creek Recreation Reserve	Sutton Grange Hall
Castlemaine War Memorial Stadium	Taradale Hall
Elphinstone Community Facilities	Taradale Recreation Reserve
Guildford Hall	Wattle Flat Reserve
Guildford Recreation Reserve	Wesley Hill Facility

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

	2023	2022
Note 7 PEOPLE AND RELATIONSHIPS	No.	No.
7.1 Council and key management remuneration		
(a) Related Parties		
Mount Alexander Shire Council is the parent entity.		
(b) Key Management Personnel		
Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Mount Alexander Shire Council. The Councillors, Chief Executive Officer and Directors are deemed KMP.		
Details of KMP at any time during the year are:		
Councillors		
Councillor Rosie Annear (elected 04/11/2020 until current, Mayor 16/11/22 to current)	1	1
Councillor Matthew Driscoll (elected 04/11/2020 until current, Deputy Mayor 16/11/22 to current)	1	1
Councillor William Maltby (elected 04/11/2020 until current, Mayor 16/11/21 to 15/11/22)	1	1
Councillor Anthony Cordy (elected 20/05/2014 until current)	1	1
Councillor Christine Henderson (elected 01/12/2008 until current)	1	1
Councillor Stephen Gardner (elected 26/02/2018 until current)	1	1
Councillor Gary McClure (elected 04/11/2020 until current)	1	1
Total Number of Councillors	7	7
Officers		
Darren Fuzzard (Chief Executive Officer)	1	1
Lisa Knight (Director Corporate and Community Services)	1	1
Michael Annear (Director Infrastructure and Development)	1	1
Cath Olive (Acting Director Infrastructure and Development, 01/07/21 to 03/10/21)	-	1
Total of Chief Executive Officer and other Key Management Personnel	3	4
Total Number of Key Management Personnel	10	11
(c) Remuneration of Key Management Personnel		
Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.		
Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.		
Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.		
Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.		
Termination benefits include termination of employment payments, such as severance packages.		
	2023	2022
	\$'000	\$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	941	909
Long-term benefits	16	16
Post employment benefits	85	78
Termination benefits	-	10
Total	1,042	1,013

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

7.1 Council and key management remuneration (continued)

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

	2023 No.	2022 No.
\$20,000 - \$29,999	4	4
\$30,000 - \$39,999	1	1
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	-	1
\$70,000 - \$79,999	1	-
\$100,000 - \$109,999	-	1
\$150,000 - \$159,999	-	1
\$220,000 - \$229,999	1	1
\$230,000 - \$239,999	1	-
\$290,000 - \$299,999	-	1
\$310,000 - \$319,999	1	-
	<u>10</u>	<u>11</u>

(d) Remuneration of other senior staff

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

	2023 \$'000	2022 \$'000
Total remuneration of other senior staff was as follows:		
Short-term employee benefits	287	150
Other long-term employee benefits	7	3
Post-employment benefits	30	15
Total	<u>323</u>	<u>167</u>

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

	2023 No.	2022 No.
Income Range:		
\$160,000 - \$169,999	2	1
	<u>2</u>	<u>1</u>
	2023 \$'000	2022 \$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	323	167

* Due to a definitional change the comparative figures in this note may not align with the previous year's annual report, which included disclosure of senior officers as defined in the Local Government Act 1989.

7.2 Related party disclosure**(a) Transactions with related parties**

During the period Council entered into transactions with 7 related parties. This is detailed below:

Expenditure

Purchase of goods and services under normal trading terms:

- Rotary Club Castlemaine	4	3
- Maldon Inc	3	-
- W R Law Pty Ltd	175	57
- Maine Civil Pty Ltd	233	60
<i>Contributions:</i>		
- Castlemaine Art Museum	35	35
- Castlemaine State Festival	34	36
- North Central Goldfields Regional Library Corporation	605	612
	<u>1,088</u>	<u>804</u>

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

7.2 Related party disclosure (continued)

(b) Outstanding balances with related parties

There are no outstanding balances with related parties.

(c) Loans to/from related parties

There are no loans to or from related parties.

(d) Commitments to/from related parties

There are no commitments to or from related parties.

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

Note 8 MANAGING UNCERTAINTIES

8.1 Contingent assets and liabilities

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

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

Maldon Caravan Park

Ongoing negotiations are occurring with the lessee of the park, with the possibility of Council resuming control of the asset.

(b) Contingent liabilities

Contingent liabilities are:

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

The following are potential contingencies to be considered by Council:

Superannuation

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

Castlemaine Rifle Range

The EPA is satisfied with the containment and stabilisation of the premises but there may be a continuing environmental risk if the cap encapsulating the waste is not monitored and maintained. A potential liability exists if there is a default on the requirements of an Improvement Notice imposed by the EPA. The fine for failing to comply with the requirements of the Improvement Notice would be \$463,250.

Tarilta gravel pit

A rehabilitation bond has been issued for the restoration of the Tarilta gravel pit. The bank guarantee is for \$23,500 to the Minister of Agriculture and Resources. A further addition to this rehabilitation bond of \$124,500 is required and is currently being organised.

Aged and disability services

Council has a number of funding arrangements with both the State and Federal Government to deliver aged and disability services. Repayment of funding may be required if service targets are not met. Council does not estimate that any funding may be requested for payment as a result of service targets not met during 2022/2023. In addition, Council is currently investigating its role in the future provision of such services, with a decision expected to be made by late-2023. If Council does decide to exit the market and no longer provide aged care services, there will be associated costs of that decision, such as staff redundancies.

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

8.1 Contingent assets and liabilities (continued)

Depot

A potential liability exists for costs associated with remediating the Castlemaine Depot site. The depot is still currently in use, with no confirmed plans for moving. As an interim measure, a surface seal was laid, with appropriate drainage, to cap loose soil and hold contaminants in place to reduce the risk of water run off or dust blowing off site. Progressive rehabilitation of the site has commenced with some areas being formerly capped with concrete. However, due to limited resources available, there is still a significant amount of remedial works required. Outstanding costs to complete this work is estimated at \$250k.

Former Wesleyan Church Chewton

The need for rehabilitation of the Former Wesleyan Church in Chewton has been identified and while works have commenced they will be staged over a number of financial years. Future financial liability of this rehabilitation has not been estimated as at balance date.

Maldon Caravan Park

Ongoing negotiations are occurring with the lessee of the park, with the possibility of Council resuming control of the asset. The cost of this decision, should it occur, is not known.

October 2022 flood

Council continues to undertake works to restore flood damaged assets arising from storms in October 2022. Estimates of the potential cost are approximately \$7.5m. While most of these costs should be covered by the Federal Government's Disaster Recovery Funding Arrangements, as well as insurance claims, not all of the costs will be eligible for reimbursement.

(c) Guarantees for loans to other entities

Council has not guaranteed any loans to other entities.

8.2 Change in accounting standards

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

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

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

8.3 Financial instruments (continued)

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council's cash deposits are lodged at floating rates while cash investments are lodged at fixed rates for their term (all terms are 12 months or less).

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.
- 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 were significant during the year, compared to amounts budgeted, resulting in unbudgeted cash investment income of \$703k.

(c) Credit risk

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

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

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

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

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

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

8.3 Financial instruments (continued)

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

(d) Liquidity risk

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

To help reduce these risks Council:

- Have readily accessible standby facilities and other funding arrangements in place.
- Have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments.
- Monitor budget to actual performance on a regular basis; and
- Set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

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

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 5.45%.

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

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

8.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

Revaluation

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

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

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

8.4 Fair value measurement continued

Asset class	Revaluation frequency
Land	5 years
Buildings	5 years
Roads	5 years
Bridges	5 years
Footpaths and cycleways	5 years
Drainage	5 years

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

Impairment of assets

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

8.5 Events occurring after balance date

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

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

Note 9 OTHER MATTERS

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
9.1 Reserves			
(a) Asset revaluation reserves			
2023			
Property			
Land and land improvements	29,375	-	29,375
Buildings	32,322	3,339	35,661
	61,697	3,339	65,036
Infrastructure			
Roads	125,372	18,737	144,109
Bridges	37,560	(12,995)	24,565
Drainage	59,704	(284)	59,420
Footpaths and cycleways	3,019	526	3,545
Kerb and channel	2,716	369	3,085
	228,372	6,352	234,723
Total asset revaluation reserves	290,069	9,691	299,760
2022			
Property			
Land and land improvements	23,019	6,356	29,375
Buildings	18,761	13,561	32,322
	41,780	19,917	61,697
Infrastructure			
Roads	125,372	-	125,372
Bridges	37,560	-	37,560
Drainage	55,436	4,268	59,704
Footpaths and cycleways	2,941	78	3,019
Kerb and channel	2,365	351	2,716
	223,675	4,697	228,372
Total asset revaluation reserves	265,455	24,614	290,069

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

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

9.1 Reserves (b) Other reserves	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
2023				
Diamond Gully contribution reserve*	396	(372)	416	440
General development contribution reserve*	-	-	83	83
Campbells Creek South Development Contribution Reserve*	-	-	83	83
McKenzie Hill Reserve*	-	-	145	145
Energy/water saving reserve	124	-	143	267
Gravel pit rehabilitation reserve	39	-	-	39
Parkland/open space reserve*	1,089	(783)	416	722
Swimming pool reserve	3,061	-	-	3,061
Uncompleted works reserve	8,255	(8,255)	9,875	9,875
Unspent grants reserve	4,482	(4,482)	6,315	6,315
Waste reserve	10,158	(6,759)	1,520	4,919
Developer tree planting and maintenance reserve	35	(17)	23	40
Total Other reserves	27,639	(20,668)	19,018	25,989
2022				
Diamond Gully contribution reserve*	384	-	12	396
Energy/water saving reserve	76	39	9	124
Gravel pit rehabilitation reserve	39	-	-	39
Parkland/open space reserve*	978	-	111	1,089
Swimming pool reserve	3,061	-	-	3,061
Uncompleted works reserve	9,025	(9,025)	8,255	8,255
Unspent grants reserve	2,764	(2,764)	4,482	4,482
Waste reserve	8,678	(220)	1,700	10,158
Developer tree planting and maintenance	27	-	8	35
Total Other reserves	25,032	(11,970)	14,577	27,640

* Notes a statutory reserve held for restricted use.

Energy/water saving reserve

Funds set aside for the undertaking of works on Council property which reduces future energy or water usage.

Gravel pit rehabilitation reserve

Funds set aside for the future rehabilitation works at Council's gravel pit.

Uncompleted works reserve

Funds set aside at year-end to allow projects to be carried forward.

Unspent grants reserve

Grant fund provided to Council with conditions on how they are spent that remain unspent at end of year.

Developer tree planting and maintenance reserve

Funds set aside for the required tree planting and maintenance in future developments.

McKenzie Hill Reserve

Funds McKenzie Hill infrastructure works through contributions from owners who subdivide or develop their land.

Diamond Gully DCP reserve

Funds Diamond Gully infrastructure works through contributions from owners who subdivide or develop their land.

Parkland/open spaces reserve

Funds to provide for future recreational infrastructure within the Shire.

Swimming pool reserve

Funds set aside for future capital works on swimming pools.

Waste reserve

Funds set aside to provide for the capital improvements and rehabilitation at the Castlemaine landfill.

Campbells Creek South Development Contribution Reserve

Funds Campbells Creek South infrastructure works through contributions from owners who subdivide or develop their land.

General development contribution reserve

Funds general infrastructure works through contributions from owners who subdivide or develop their land.

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

9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	2023	2022
	\$'000	\$'000
Surplus/(deficit) for the year	7,202	3,150
Depreciation	9,005	9,157
Amortisation	210	207
(Profit)/loss on disposal of property, infrastructure, plant and equipment	1,400	1,018
Contributions - non-monetary assets	(392)	(1,730)
Found assets	-	-
Borrowing costs	71	98
Finance costs	7	2
Share of net (profit)/losses of associates	(0)	(29)
Prior year WIP expensed	297	24
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	13	63
Increase/(decrease) in trade and other payables	(69)	(736)
Increase/(decrease) in trust funds	175	(233)
(Increase)/decrease in other assets	(1,299)	224
(Increase)/decrease in inventories	(23)	(10)
Increase/(decrease) in unearned income	806	(367)
Increase/(decrease) in provisions	(7,456)	4,352
Net cash provided by/(used in) operating activities	9,947	15,190

9.3 Superannuation

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

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2023, this was 10.5% as required under Superannuation Guarantee (SG) legislation (2022: 10.0%)).

Defined Benefit

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

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

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

9.3 Superannuation (continued)

Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. A triennial actuarial investigation is currently underway for the Defined Benefit category which is expected to be completed by 31 December 2023. Council was notified of the 30 June 2023 VBI during August 2023 (2022: August 2022). The financial assumptions used to calculate the 30 June 2023 VBI were:

- Net investment returns 5.7% pa
- Salary information 3.5% p.a.
- Price inflation (CPI) 2.8% p.a.

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

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

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

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

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2022 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2022 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2023, this rate was 10.5% of members' salaries (10.0% in 2021/22). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2022 interim valuation.

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

(b) Funding calls

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

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

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

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

9.3 Superannuation continued

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

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

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

The 2022 interim actuarial investigation surplus amounts

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

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

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

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2022.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2022.

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

The 2023 triennial actuarial investigation

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

	2023	2020
	Triennial investigation	Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.50% pa	2.50% pa for the first two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

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

9.3 Superannuation continued

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2022 are detailed below:

Scheme	Type of Scheme	Rate	2023 \$'000	2022 \$'000
Vision Super	Defined benefit	10.5% (2022:10.0%)	50	47
Vision Super	Accumulation fund	10.5% (2022:10.0%)	762	745
Vision Super clearing house	Accumulation fund	10.5%	777	564

Council had no unfunded liability payments to Vision Super during 2022/2023 (2021/22 \$0).

There were \$85,023 contributions outstanding and no loans issued from or to the above schemes as at 30 June 2023.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 is \$52,588.

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

Note 10 CHANGE IN ACCOUNTING POLICY

There have been no changes to accounting policies in the 2022/2023 year.

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

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