



ALPINE
SHIRE COUNCIL

Annual Report

2022/23

About this annual report

Welcome to the Alpine Shire Council Annual Report 2022/23. This report provides an account of Council's performance against the Alpine Shire Council Plan 2021-2025 and Budget for 2022/23.

Performance is measured against the five strategic drivers in the Council Plan:

1. **For those who live and visit**
2. **For a thriving economy**
3. **For the bold protection of our future**
4. **For the enjoyment and opportunities of our lifestyle**
5. **For strong and informed leadership**

This report can be downloaded from Council's website www.alpineshire.vic.gov.au. Hard copies are available, by request, for those in the community without access to a computer.

Cover:
Mount Beauty pondage

Council Vision 2040

Our people, places, and environment enrich our area's resilience, prosperity, and sustainability.

1. For those who live and visit

To be connected, supported, and welcomed throughout all stages of life.

2. For a thriving economy

Ideas and industry thrive through a climate sensitive and diverse economy.

3. For the bold protection of our future

Our natural environment is protected and preserved.

4. For the enjoyment and opportunities of our lifestyle

The connection between people and place is strengthened.

5. For strong and informed leadership

Collaborative, bold and evidence-based decision making.

Council Values

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

The values were developed following workshops with both councillors and staff and recognise who we are. The values are:

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

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

Acknowledgement of Country

Alpine Shire Council acknowledges that the region known as the Alpine Shire is the traditional land of many First Nations peoples. We acknowledge all Traditional Owners as the custodians of their Country.

We acknowledge the First Nations peoples of Bpangerang, Dalka Warra Mittung, Dhuduroa Waywurru, Duduroa Dhargal, Gunaikurnai, Jaithmathang, Taungurung, and Waywurru.

We pay our respect to all Elders, past and present, and extend that respect to ancestors that guide through history and emerging leaders that will lead the way into the future. We recognise the unique and continuous connections to Country for all First Nations peoples and thank you for sharing your lands and cultures.

Year in review

Alpine Shire Council (Council) has made good progress in delivery against the Council Plan 2021-2025. Highlights included:

1. For those who live and visit

- Active community engagement occurred throughout the year, including 17 pop-ups at community events and markets, increased posts and engagement on Council's Facebook page, and a number of surveys to help guide project direction and Council decisions.
- More than \$70,000 was awarded through Council's Community Grants program, allowing 21 community projects to proceed.
- Council developed a Reflect Reconciliation Action Plan (RRAP), which was endorsed by Reconciliation Australia, and formally noted by Council at the Ordinary Council Meeting in January 2023.

See page 22 for more details.

2. For a thriving economy

- Council's Events team issued 94 permits for events during 2022/23, with an additional 48 regular markets occurring throughout the year.
 - The Events Strategy Permitting and Funding Framework was implemented, and criteria applied to the 2022/23 Event Funding Program, which awarded \$132,000 in sponsorship and logistics support to 32 events, with a further \$102,000 to support events that were unable to proceed in previous years due to COVID-19 restrictions.
 - Additional funding was allocated to events in Dederang, Myrtleford, and Mount Beauty to allow for greater dispersion of events across the Alpine Shire.
- See page 27 for more details.

3. For the bold protection of our future

- Solar and battery installations at Council facilities were completed at the Mount Beauty Stadium, Porepunkah Transfer Station, Mount Beauty Visitor Information Centre, Myrtleford Library, and Myrtleford Supper Rooms.
- Two pilot 'no / low maintenance' gardens were planted in Mount Beauty and Bright, which will be used to evaluate whether the methodology is suitable for larger scale plantings.
- Preparation for the commencement of a Food Organics Garden Organics (FOGO) collection service on 1 July 2023 was a major focus for Council during 2022/23. Community engagement occurred throughout the year including pop-up engagement at community events, as well as online information and leaflets.

See page 29 for more details.

4. For the enjoyment and opportunities of our lifestyle

- Community engagement for the Land Development Strategy was undertaken, including community reference groups, a technical reference group, and more than 200 survey responses. The draft strategy will be presented to Council later in 2023 and be subject to community consultation prior to adopting a final strategy.
- Delivery of \$9.3 million of capital projects including the Dargo High Plains Road, Mount Beauty Airport Upgrade, renewable energy upgrades in Council buildings and renovations to the Alpine Children's Centre.

See page 33 for more details.

5. For strong and informed leadership

- An organisational restructure commenced operation on 9 January 2023 to ensure that they organisation was focussed on delivering a positive customer experience, a positive employee experience, and a sustainable future for the Alpine Shire.
- Council’s new MyAlpine online customer portal was delivered, allowing a self-service option for customers to log requests to Council.

See page 40 for more details.

Challenges in 2022/23

- Staff attraction and retention – it was particularly challenging market to attract professionals into regulatory services (planning, building, environmental health, compliance) and engineering/project delivery.
- Bright Valley Development – given the significant community interest, this proposed development required significant effort from across the organisation, including providing regular updates to the community.
- Food Organics Garden Organics (FOGO) – this was the biggest change in service delivery for Council and community for many years and required a combined effort across multiple teams to ensure a smooth transition to the service commencement on 1 July 2023.
- Project delivery - Cost escalation and poor contractor availability in capital projects impacted on Council’s ability to deliver planed capital projects, particularly those relating to buildings.



Table of contents

About this annual report.....	2
Year in review	4
Table of contents.....	6
Mayor’s message.....	7
CEO’s message	8
Financial summary.....	9
Capital works summary.....	11
Our Council.....	13
Alpine Shire Councillors.....	14
The organisation	15
Performance report.....	21
1. For those who live and visit.....	22
2. For a thriving economy.....	27
3. For the bold protection of our future.....	29
4. For the enjoyment and opportunities of our lifestyle.....	33
5. For strong and informed leadership.....	40
Governance report.....	44
Glossary.....	57
Annual Financial Report.....	58
Financial Statements.....	59
Performance Statement.....	116

Mayor's message

I am pleased to present Council's Annual Report for 2022/23. As always, Council has had a busy twelve months.

Rainfall and infrastructure damage

October 2022 saw heavy rainfall across much of Victoria. Fortunately, the Alpine Shire community was not as severely affected as some areas in central Victoria, however we did experience our share of damage to our roads and infrastructure, requiring emergency repair works to reestablish roads and access. We were fortunate to receive funding via the Australian and Victorian governments to aid in these restoration works.

We supported Major Road Projects Victoria in their management of the Bogong High Plains Road landslip, which cut off access between Mount Beauty and Falls Creek. We were pleased to see that access to the area was available ahead of the winter 2023 snow season, and congratulations to all those involved in getting the road ready to be reopened.

End of pandemic declaration

October also saw the official end to the COVID-19 pandemic declaration, removing mandatory isolation periods. It has been pleasing to see the community and events returning to their pre-COVID operations, and visitors and residents alike coming together to enjoy the Alpine Shire.

Community engagement

Council had an increased focus on community engagement in 2022/23, and it was pleasing to see both staff and Councillors in attendance at a series of pop-ups at key community events and markets, where we could hear directly from the community on a series of issues. This was reinforced by Council's first ever Community Budget process, which invited the community to submit their ideas and proposals for consideration ahead of preparation of our 2023/24 Budget. We were extremely pleased with the response and will be running the program again ahead of the 2024/25 Budget.

Development

The proposed Bright Valley Development on the western outskirts of Bright saw an impassioned response from our community during the year. A planning application for Stage 1 of the development was received by Council in November 2022, with a decision on the application yet to be made at the time of writing this report.

Reconciliation

Council noted its Reflect Reconciliation Action Plan (RRAP) in January 2023. The RRAP is the first step in making the Alpine Shire a safer and more inclusive place for First Nations peoples, and I thank the individuals and organisations that generously offered their time and experience to Council in the preparation of this plan.

Capital Projects

Delivery of capital projects across the Alpine Shire continues to be a priority, with a \$9.3 million program delivered in 2022/23. From key infrastructure such as the Dargo High Plains Road upgrade, Mount Beauty Airport upgrade, and the annual road renewal program, to renewable energy upgrades in Council buildings and renovations to the Alpine Children's Centre, there have been some great projects delivered this year. I look forward to the completion of several multi-year projects that commenced this year and will be delivered in 2023/24.

Acknowledgements

I congratulate Will Jeremy on his appointment as Chief Executive Officer in July 2022, and acknowledge his work in ensuring that Council continues to work for and with the community. I would also like to thank Council staff for their hard work and dedication during the year.

Thank you also to Cr Nicholas, for her role as Mayor for the first part of 2022/23, and to all of my fellow Councillors for their hard work and dedication to make the Alpine Shire a fantastic place to live, work, and visit.



Cr John Forsyth
Mayor

CEO's message

My first year of being Chief Executive Officer at the Alpine Shire has seen much change both within and outside the organisation.

Restructure and staff

As part of my commitment to leading the organisation, I announced an organisational restructure to commence on 9 January 2023, focussing on three key areas:

- Positive customer experience
- Positive employee experience
- A sustainable future

While restructures can be challenging for the staff involved, I congratulate the entire workforce on their focus to embrace change and continue to deliver important services and programs to our community.

Resourcing

The challenge of attracting, recruiting and retaining staff remains a challenge post-COVID. This year was a challenging market to attract professionals into our regulatory services (planning, building, environmental health, compliance) and engineering / project delivery. We commenced a new process for staff satisfaction surveying in late 2022/23, utilising interviews for the first time to identify where the organisation can make the most important improvements. We will work through the results and key areas of focus with staff throughout 2023/24.

Delivery of projects

Council successfully delivered \$9.3 million of capital projects in 2022/23, with many multi-year projects that will carry over into 2023/24. As with staff resourcing, lack of contractor availability impacted on delivery of some projects, and cost escalations were felt across the construction sector. I commend our project delivery teams for their ongoing hard work, as they continue to focus on quality delivery of projects for our community.

Climate Action and Waste Reduction

Council's commitment to reducing environmental impact was reflected in the preparation for the commencement of the Food Organics Garden Organics (FOGO) kerbside collection service from 1 July 2023. The level of engagement required to implement this new program has been the biggest single communications program in

recent years. This is on top of ensuring the necessary detail was in place such as awarding the contract for the FOGO service in January 2023, and updating the Waste Services Policy and Procedure to reflect the new service. I thank all those staff who were involved in preparations for this major change and acknowledge the input from the community along the way.

Our further commitment to Climate Action was demonstrated by the purchases of Electric Vehicles (EV) to complement Council's existing fleet, and the installation of EV chargers at the Council office in Bright. We have also focussed on solar panel and battery installations at key Council facilities during the year.

Financial position

Council ended the year in a strong financial position, with a \$6.3 million surplus, largely due to the receipt of 100% of 2023/24 Financial Assistance Grants in 2022/23, bushfire recovery grants, and other income such as investment returns. I encourage you to read the Financial Summary on page 9 or visit the full financial annual report commencing on page 58. We continue to focus on managing Council's funds sustainably into the future.

Commencement of Enterprise Bargaining

Council's current Enterprise Agreement nominally ended on 30 June 2023, leading the organisation to commence negotiations towards the end of the financial year. Negotiations with staff representatives will continue into 2023/24.

Thanks

I would like to thank all past and present Council staff for their commitment to delivering fantastic outcomes for our community. Without a great workforce, we cannot deliver the services that our community needs and deserves. I would also like to thank all Councillors for their support this past year, and I look forward to delivering great outcomes for the community in 2023/24.



Will Jeremy
Chief Executive Officer

Financial summary

Financial overview 2022/23

Council ended the 2022/23 year with a surplus of \$6.3 million, which was \$0.8 million more than projected in the 2022/23 Budget. This was largely due to:

- The receipt of the complete 2023/24 Financial Assistance Grant funding, \$4.7 million;
- additional bushfire recovery grants totalling \$1.8 million;
- additional Rates & Charges income of \$0.45 million
- additional user fees income of \$0.3 million;
- additional other income of \$1.6 million, consisting of rent and investment interest income;
- a revision of the fair value of its two investment properties \$1.7 million
- lower than expected employee costs of \$0.8 million;
- lower than expected depreciation expense of \$0.5 million; and
- lower than expected other expenditure \$0.1 million.

This was in part offset by:

- additional materials and services costs of \$1.7 million; and
- higher than expected landfill rehabilitation expense of \$3.0 million.

Council's income

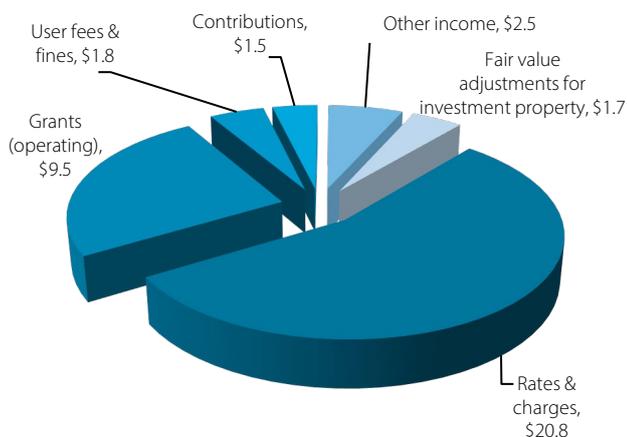


Figure 1: Alpine Shire Council operating income 2022/23 (\$millions)

Rates and charges are Council's most significant source of revenue comprising \$20.8 million of income. Operating Grants are the second largest income source, comprising \$9.48 million. Other income includes interest on

investments, capital grants and rent for leased Council assets.

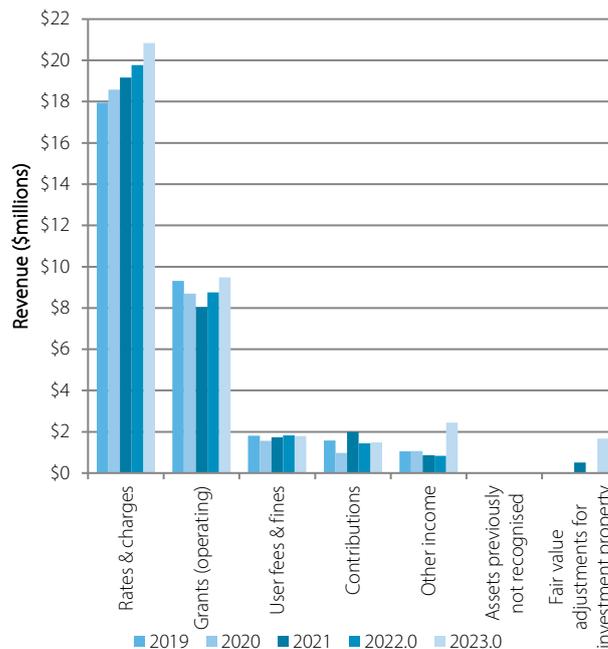


Figure 2: Alpine Shire Council operating income 2018/19 to 2022/23 (\$millions)

Rates and charges have demonstrated consistent incremental growth due to ongoing development in the Alpine Shire and compliance with Rate Capping. Grants fluctuate depending on the timing of payments, and the ability to obtain one-off project grants.

Council's expenditure

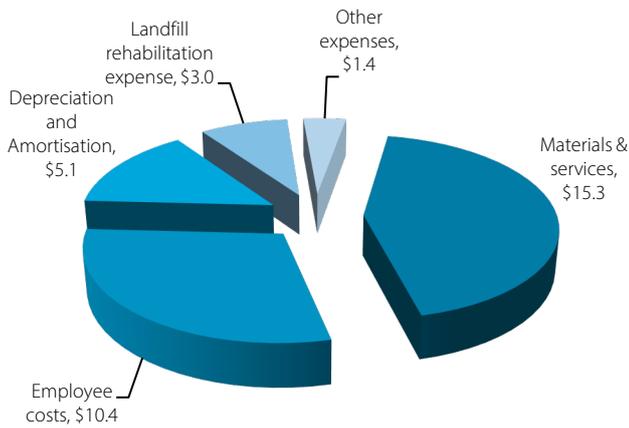


Figure 3: Alpine Shire Council expenditure 2022/23 (\$millions)
 Materials and services and employee costs comprise the majority of Council's operating expenditure.

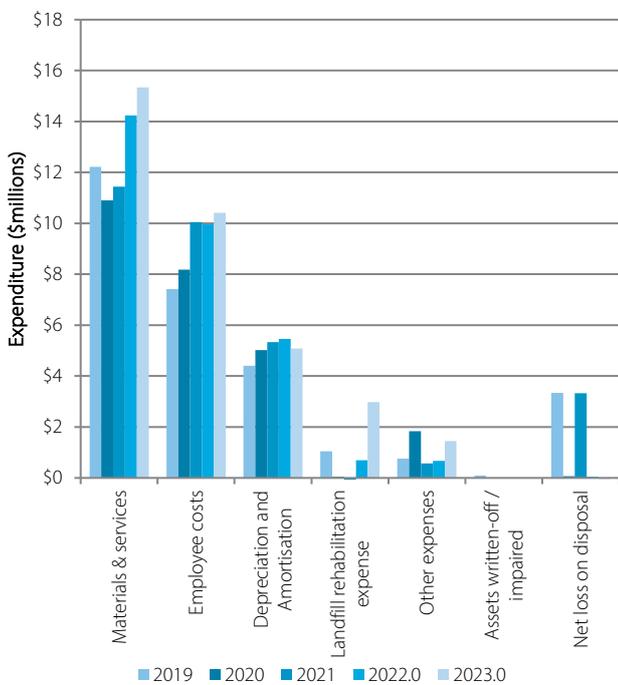


Figure 4: Alpine Shire Council expenditure 2018/19 to 2022/23 (\$millions)

There has been an increase in employee expenses during the five years shown in Figure 4, due to pay increases aligned with the Enterprise Agreement and incremental growth in staff numbers supporting service delivery. The Bushire Recovery grants have supported additional resources in 2022/23.

Materials and services increased this year as a result of additional works projects resulting in some project expenditure classified as operational rather than capital.

Cash balance

Following the surplus result, Council is in a strong cash position with a balance of \$43.1 million as at 30 June 2023. This will reduce over the next few years as the capital works program finalises a number of key projects and the Landfill rehabilitation works are completed.

Looking forward

Council continues to maintain a ten-year Financial Plan (FP) and 4-year budget, which are updated each year as part of the budgeting process. The FP is a critical tool for Council to ensure it makes fiscally responsible decisions. The FP measures long term fiscal sustainability utilising conservative assumptions such as:

- rate rises below or in line with the rate cap;
- increases in equivalent full time employees premised on service delivery needs and fiscal capacity; and
- no borrowings by Council.

These assumptions can be changed to respond to changes in the internal and external environment. The FP is used to inform decisions regarding grant applications, major projects, operational spending, rating strategies and financial risk.

Funding

Council acknowledges the support of both the Victorian Government and the Australian Government for the provision of funding, without which many of the projects and services that Council delivers would not be possible. In particular the Australian Government's Financial Assistance Grants are essential for the continued delivery of Council's services and infrastructure.

Council's Annual Financial Statements commence on page 58 of this report.

Capital works summary

Council delivered a \$9.3 million capital works program in 2022/23, balancing renewal of current assets with development of new infrastructure.

Capital Projects by Region

The capital works portfolio spans the Alpine Shire with the following distribution of investment in 2022/2023: Kiewa Valley \$2.7m, lower Ovens Valley \$0.6m, upper Ovens Valley \$1.5m, Dinner Plain and surrounds \$0.7m, and Shire-wide projects \$3.8m.

Dargo High Plains Road Upgrade

Upgrades to Dargo High Plains Road were completed in 2023, including improved drainage, road formation upgrades, and enhanced security at the entry and exit of the Alpine National Park. The northern section of the Dargo High Plains Road is currently maintained by Council and is seasonally closed from June each year with its annual opening date dependent on weather conditions. Necessary upgrades to the unsealed road were required to repair damaged sections of the road and reduce extensive annual maintenance.

Alpine View Children's Centre

Renovations to the Alpine View Children's Centre were completed in early 2023. Significant improvements were made to the facility, including expansion and reconfiguration of the existing building to include two additional playrooms spaces and a new dedicated after-hours school care building. With additional space, the childcare centre has increased enrolment numbers. The project was a collaboration between the community, Council, and the Victorian Government.

Alpine Better Places Tawonga

Funded by the Australian Government, Alpine Better Places Tawonga master planning was completed in late 2022. The final concept design identified safer pedestrian connections and other important improvements to Pioneer Memorial Park, considered the 'heart' of Tawonga. The final concept design includes new open spaces, multipurpose courts, extended play area, pump track, carparking, and landscaping.

Bill Hill Mountain Bike Park Car Park

Infrastructure upgrades to Bill Hill Mountain Bike Park car park were completed in 2023. New facilities include underground drainage, car park levelling, asphalt resurfacing, installation of water taps and landscaping. Funded by the Australian Government, these infrastructure improvements will support the growth of mountain bike tourism in the Kiewa Valley.

Mount Beauty Airport

Mount Beauty Airport upgrade works have been completed and include runway lengthening and widening, a new asphalt surface, improved drainage, and perimeter fencing. Airport upgrades will support essential firefighting and emergency services, including Forest Fire Management Victoria and Ambulance Victoria. These important upgrades were supported by grant funding from the Australian Government.

Tawonga Caravan Park Upgrade

Tawonga Caravan Park re-opened to the public in 2023 following essential upgrades to its wastewater, electrical and fire service infrastructure, as well as refurbishment of park facilities. A new reception building, including a café and parking, will also welcome visitors to the park. A private operator was awarded management of the park, and they will provide further upgrades over their multi-year tenure. Upgrades were funded through grants from the Victorian and Commonwealth Governments.

Road Renewal Program

The annual road renewal program in 2022/23 focused on improvements to roads in the upper Ovens Valley, including Wandiligong, Porepunkah, Germantown, Buckland, Harrietville and Bright. Works included road resealing, line marking, kerb and channel installation, asphalt overlays and improved drainage.

Footpath Renewal Program

Council's annual footpath renewals program saw improvements to footpaths around the Mount Beauty pondage and sports and education precinct. Upgrades included a sealed footpath from Lakeview Children's Centre to the Mount Beauty Primary School and improved crossings at Nelse Street and Embankment Drive.

Renewable Energy Upgrade Project

Solar photovoltaic (PV) panels and batteries were installed at the Mount Beauty Visitor Information Centre, Myrtleford Library, Myrtleford Supper Rooms (Myrtleford Neighbourhood Centre), and the Porepunkah Waste Transfer Station. These renewable energy upgrades will support the Council's Climate Action Plan.

Mount Beauty Stadium, Neighbourhood Safer Places Energy Upgrade

A solar energy system (including PV panels, battery, and back-up generator) was installed at the Mount Beauty Stadium in 2023. As a 'Bushfire Place of Last Resort' building, the new energy system will provide independent power during bushfire emergencies. The project was a collaboration between the community, Council, and the Australian Government.

Major Multi-Year Projects Update

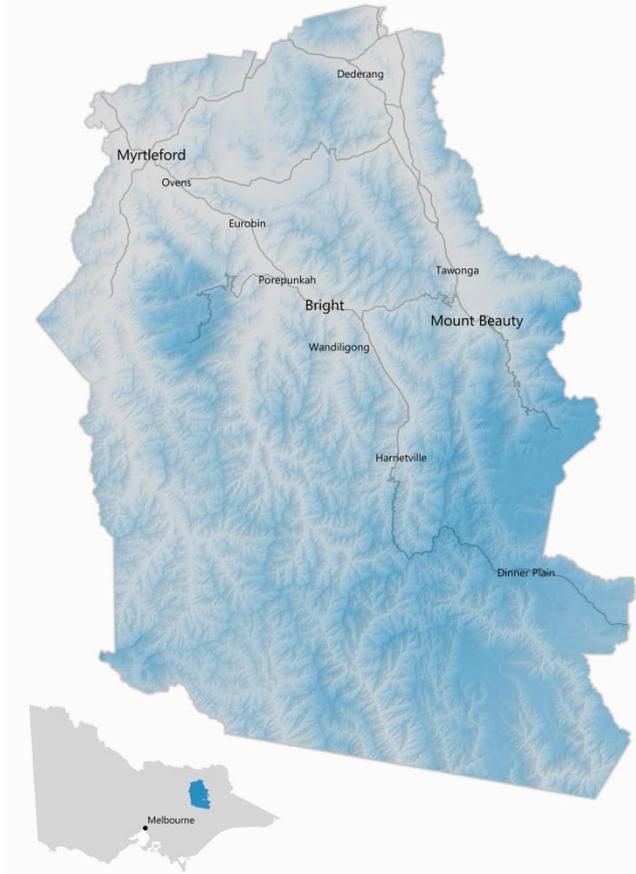
Council is continuing work on several multi-year projects across the Shire that will be delivered over the coming years. Projects include upgrade designs for Ablett Pavilion, Savoy Soccer Club, Myrtleford Memorial Hall, and Tawonga Memorial Hall; Sports and Active Recreation Master Planning; landfill rehabilitation; and Dinner Plain activation and snowmaking projects. These projects will provide important infrastructure to the Alpine Shire community once completed.

Challenges

Council continues to face challenges delivering capital works projects following the COVID-19 pandemic. Challenges include increased material and contractor costs, supply chain delays, and labour shortages. Labour shortages have affected both contractor and Council staff, which has sometimes resulted in loss of project continuity and delivery delays. In many instances, project costs have also been estimated to be greater than their adopted budgets. Some projects have been reduced in scope ensure that essential components of the project are prioritised for delivery.

Our Council

Alpine Shire profile



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

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

The Alpine Shire has a rich history of ancient First Nations culture. There was an influx of mining and prospecting that accompanied the gold rush era, and an increase in diversity through post-war immigration. Today the region offers a diverse lifestyle with a mix of culture, history, and experiences. The region is a well-known destination for visitors, with festivals, markets, exhibitions, sporting, and recreational activities held throughout the Alpine Shire; together with a range of cafes, restaurants, and wineries.

Within the Alpine Shire, industries with the greatest number of businesses, according to the most recent Australian Bureau of Statistics data were: agriculture, forestry, and fishing; construction; and accommodation and food services. In terms of employment, the main industries were accommodation and food services; health care and social assistance; retail trade; construction, education and training, and agriculture, forestry, and fishing.

The estimated resident population of the Shire is 13,175², a number which significantly increases with the seasonal influx of tourists. Population demographics in the 2021 Census show a lower population of 0-49 year olds, but a much higher population of persons aged 50 and over, as compared to the Victorian averages.

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

² Estimated Residential Population, Local Government Areas, Victoria (released 30 April 2023) – Australian Bureau of Statistics

Alpine Shire Councillors

Elections were held for the Alpine Shire Council on 24 October 2020. Following the resignation of one Councillor, a countback was held on 19 January 2022. Councillors elected were:

Cr John Forsyth (Mayor)	First elected:	October 2012
	Re-elected:	October 2016 October 2020
	Mayor:	November 2020 – November 2021 November 2022 - current

Cr Tony Keeble (Deputy Mayor)	First elected:	November 2008
	Re-elected:	October 2012 October 2016 October 2020
	Deputy Mayor:	November 2015 – November 2017 November 2022 - current

Cr Katarina Hughes	First elected:	October 2020
	Deputy Mayor:	November 2021 – November 2022

Cr Ron Janas	First elected:	October 2012
	Re-elected:	October 2016 October 2020
	Deputy Mayor:	November 2014 – November 2015
	Mayor:	November 2015 – November 2019

Cr Simon Kelley	First elected:	January 2022
------------------------	-----------------------	--------------

Cr Sarah Nicholas	First elected:	October 2016
	Mayor	November 2021 – November 2022
	Deputy Mayor:	November 2017 – October 2020 November 2020 – November 2021
	Re-elected:	October 2020

Cr Kelli Prime	First elected:	October 2020
-----------------------	-----------------------	--------------

More information regarding Councillors can be found on page 44.

The organisation

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

The organisation has a two-directorate model consisting of 'Customer and Community' and 'Assets'. Each director reports to the CEO and is responsible for the delivery of services and projects within program areas. A small executive services team reports directly to the CEO.

Former CEO, Charlie Bird, announced his resignation in 2021/22, departing in May 2022. An acting CEO was in place from May to early July 2023. Will Jeremy was formally appointed as CEO on 15 July 2022, with a commencement date of 25 July 2022.

Organisation restructure

Following the commencement of Will Jeremy as CEO, an intent to undertake an organisation restructure was announced to staff on 1 August 2022. Following a period of intensive consultation with staff, a final organisation structure was announced on 2 December 2022, with a commencement date of 9 January 2023. The intent of the restructure was to align the teams within the organisation to achieve the following:

- A positive employee experience – improved productivity and increased staff satisfaction
- A positive customer experience – an improved and consistent customer experience for everyone engaging with our services
- A sustainable future – a well planned future for the Alpine Shire, aligned to the needs and aspirations of our community.

The changes were made to support the aim of building a vibrant, sustainable future for our communities, townships, and the organisation.

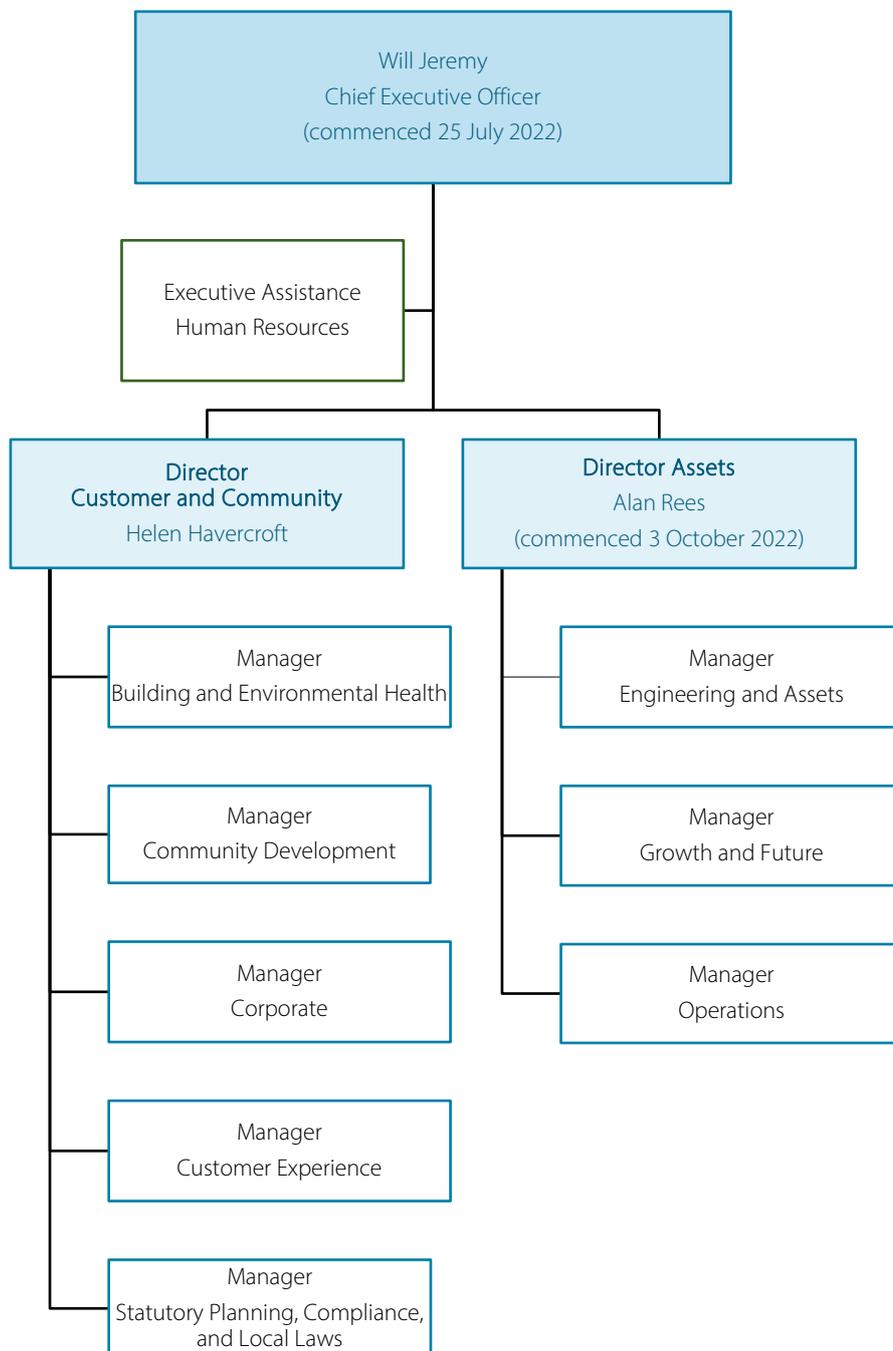
The restructure created four new Management positions under the existing two-Directorate structure, with a total of 12 new permanent positions created in the structure offsetting six positions where there was significant change to their existing role which no longer existed in the new structure.

In May 2023, to better fit the expertise and support required for those teams, an additional Manager position was added, taking the original seven Management streams to eight across the organisation.

Following an exhaustive recruitment process, all eight Management positions were filled by August 2023. Existing staff filled a series of backfill arrangements to ensure that the new structure was functioning as intended from 9 January 2023.

Note: Will Jeremy formerly held the position of Director Assets. The role was backfilled during the period 25 July to 3 October 2022, following which, Alan Rees commenced as the Director Assets on 3 October 2022.

Organisational structure at 30 June 2023



Chief Executive Officer

Functions reporting directly to CEO include Executive Assistance and Human Resources.

Senior Officers reporting directly to the Chief Executive Officer and the functions for which they are responsible include:

Director Customer and Community

Helen Havercroft at 30 June 2023

- Building and Environmental Health
 - Building Surveying and Inspection
 - Environmental Health
- Community Development
 - Community Development
 - Community Recovery
 - Emergency Management
 - Maternal and Child Health
- Corporate
 - Business Transformation
 - Financial Accounting and Payroll
 - Governance
 - High Country Libraries Hub
 - Information and Communication Technology
 - Rates
 - Records
 - Risk management
- Customer Experience
 - Customer Experience
 - Engagement and Communications
 - Events
 - Library Services
 - Visitor Information Centres
- Statutory Planning, Compliance, and Local Laws
 - Animal management
 - Compliance and Local Laws
 - Statutory Planning
 - Subdivisions

Director Assets

Alan Rees at 30 June 2023

- Engineering and Assets
 - Asset Management
 - Engineering and Civil Development
 - Design and Projects
- Growth and Future
 - Strategic Planning
 - Economic Development
 - Sustainability
- Operations
 - Building Maintenance
 - Civil Works
 - Depot Operations
 - Occupational Health and Safety
 - Open Spaces
 - Operations Engineering
 - Property and Contracts
 - School Crossing Supervision
 - Transfer Stations

Council staff

The workforce

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

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

Employee numbers are best measured by the number of full time equivalent (FTE) staff. On 30 June 2023 Council's FTE was 134.5, occupied by a total of 203 staff across the organisation, including permanent, temporary, and casual positions. There were 19.1 FTE (22 positions) vacant at the time of reporting, due to a mix of seasonal positions not filled in June, and a series of recruitment to both permanent and temporary positions.

A more detailed summary of the workforce can be found in tables 1 and 2 on page 20.

Recruitment and selection

Council's workforce turnover for permanent staff (not including casual and temporary staff) was 27.9% in 2022/23 based on filled (non-vacant) positions or 23.1% based on total number of permanent positions. This continues a trend since COVID-19 and its associated impacts, reflecting a situation common across the sector.

Council's workforce FTE (Full Time Equivalent) increased from 127.1 in 2021/22 to 134.5 in 2022/23. Approximately 10 FTE employed across temporary roles are fully funded by the State or Federal Government through various bushfire and flood-related grants. Temporary resourcing levels will remain elevated through to the end of 2024/25 as these externally funded projects and initiatives are delivered to completion. Based on current forecasts, from the start of the 2025/26 financial year resourcing will return towards the long-term average.

Training and development

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

92 events were attended by 380 staff during 2022/23.

Equal Employment Opportunity

Council is committed to ensuring that its workplaces promote equal opportunity and are free from discrimination.

Council's Equal Opportunity, Discrimination and Harassment Policy (No.112) ensures that Equal Employment Opportunity (EEO) principles are integral in Council's processes.

The objective of the policy is to ensure that people are treated as individuals, respected for their unique attributes, and not excluded, harassed, or bullied through unconscious bias, stereotypes, or unlawful actions.

The policy was reviewed and adopted in May 2023.

Council's Employee Code of Conduct further endorses equal employment opportunity and expects all employees to refrain from behaviour that could be perceived as discrimination, harassment, or bullying.

Gender Equality

Council adopted its first Gender Equality Action Plan as required by the *Gender Equality Act 2020* during 2021/22. Reporting against the Action Plan will take place in 2023/24. Councils are also required to carry out Gender Impact Assessments when considering how policies, programs and services will meet the different needs of all genders.

The *Local Government Act 2020* further requires councils to develop a Workforce Plan, which also must include Council's commitment to gender equality in the workforce. Council's Workforce Plan references the Gender Equality Action Plan to ensure that gender and intersectional issues are considered as part of Council's resourcing into the future.

Employee Code of Conduct

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

Enterprise Agreement 2020

The Alpine Shire Council Enterprise Agreement 2020 was approved by the Fair Work Commission on 23 September 2021. The Agreement detailed the terms and conditions under which staff are employed and remunerated.

The 2020 Enterprise Agreement nominally expired on 30 June 2023, however the terms and conditions of the agreement will continue until it is replaced or terminated by the Fair Work Commission. Staff were notified of the commencement of enterprise bargaining in late May 2023. The enterprise bargaining process will continue in 2023/24.

Employee Assistance Program

Council continues to focus on the health and wellbeing of its employees. An Employee Assistance Program (EAP) is available to all employees and their families.

Staff Engagement Surveys

During June 2023, Council commenced the annual Staff Engagement Survey. Previous surveys had been conducted via online or hard copy questionnaires, however in 2022/23 it was determined to test a new approach to improve the way staff were engaged with, using feedback to shape leadership, decision making and forward planning. The survey was conducted as an individual interview between an independent engagement professional and those staff members wishing to take part. Feedback could be provided anonymously if the staff member wished.

Results were released to staff at an all-staff meeting on 10 July 2023. Results will be further discussed in the 2023/24 report.

Employee Health, Safety and Wellbeing

Training, education, and awareness

Health, safety and wellbeing training, education and awareness programs are driven by mandatory requirements and analysis of high-risk activities.

Course Category	Number of Courses	Number of Attendees
Spotskin Skin Checks	2	40
Return to Work Coordinator	1	3
Fire Warden Training	4	54
Fire Extinguisher Training	4	54
First Aid and CPR	2	46
Dog Behaviour and Management	2	10
Licensing and Accreditation	1	1
Chemical Operations	1	3
Introduction to Local Government	1	5

Compliance training is delivered to all employees through Council's online training portal Alpine Academy. Health and safety related training in the compliance pack includes bullying and harassment, sexual harassment, and equal opportunities for workers.

Consultation

Employee engagement and consultation on health, safety and wellbeing matters occurs through a number of channels. The main consultative mechanism is Council's Health and Safety Committee, established in accordance with section 72 of the *Occupational Health and Safety Act 2004*, and its member health and safety representatives of the three designated workgroups, which were updated during 2022/23. Health and Safety representatives across the organisation reflect a mix of all departments. Engagement and consultation with workers also occur through management and departmental meetings and team toolbox meetings.

Volunteers

Volunteers play a crucial role in the delivery of various services provided by Council, including our visitor information services, the L2P program, youth programs, facilities management, library programs, and advisory committees.

Council appreciates the role undertaken by its many volunteers, and acknowledges that without their assistance, there would be many services which could not be provided. Much of the work done by Council's dedicated volunteers provides vital support and expertise to assist the Alpine Shire community.

Table 1: Total staff FTE (Full Time Equivalent) by department (30 June 2023)

Directorate		Assets			Customer and Community					
Department	Executive	Engineering and Assets	Growth and Future	Operations	Building and Environmental Health	Community Development	Corporate	Customer Experience	Statutory Planning, Compliance and Local Laws	Grand Total
Permanent – FT – W	4.0	2.0	2.0	2.0		1.0	6.0	5.0	2.0	24.0
Permanent – FT – M		3.0		25.6	2.0	1.0	2.0		1.0	34.6
Permanent – FT – Vacant		3.0	2.0	4.0	3.0		1.0	1.0	3.0	17.0
Permanent – PT – W			2.4	0.6	0.8	3.9	2.0	7.5	2.3	19.5
Permanent – PT – M		1.0		3.2			0.4	0.4	0.9	5.9
Permanent – PT – Vacant		0.8	0.2	1.1						2.1
Temporary – FT – W	1.0	2.0				1.0	1.0	2.0	1.0	8.0
Temporary – FT – M	2.0	3.0					2.0			7.0
Temporary – FT – Vacant				1.4			1.0			2.4
Temporary – PT – W			0.2		0.8	3.1			1.5	5.6
Temporary – PT – M						0.6	0.4			1.0
Temporary – PT – Vacant			0.6							0.6
Casual – W				0.9		0.6		2.9		4.4
Casual – M				1.8			0.1	0.3	0.2	2.4
Casual – Vacant										
Department Total	7.0	14.8	7.4	40.6	6.6	11.2	15.9	19.1	11.9	134.5
Directorate Total	7.0		62.8				64.7			134.5

FT = Full Time; PT = Part Time; W = Women; M = Men

* Temporary positions include backfill positions such as maternity leave, and short-term contract staff.

Note: Where gender was unspecified in Council's payroll system, data has not been reported separately due to privacy.

Table 2: Summary of FTE categorised by employment classification and gender (at 30 June 2023)*

	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Other	Total
Women	0.7		8.8	14.9	9.8	11.1	8.1	1.0	7.1	61.5
Men	0.6	0.4	18.9	5.4	5	7.0	9.3	1.0	3.3	50.9
Vacant			4.1	1.0	1.6	5.6	3.8	4.0	2.0	22.1
Total	1.3	0.4	31.8	21.3	16.4	23.7	21.2	6	12.4	134.5

* Includes all permanent, temporary, and casual positions at 30 June 2023.

** 'Other' includes CEO, Directors, Managers, Maternal Child Health Nurses, and Building Surveyors.

Note: Where gender was unspecified in Council's payroll system, data has not been reported separately due to privacy.

Performance report

Corporate Planning and Reporting Framework

Every council in Victoria is required to produce a Council Plan following each council election. The Alpine Shire Council Plan 2021-2025 was developed following the October 2020 Council election, and formally adopted in October 2021 following a deliberative engagement process with the community. The Community Vision, Council Plan, and Municipal Health and Wellbeing Plan were incorporated into the one document, bringing three of Council's key plans together.

The Council Plan is a strategic document, detailing the desired outcomes for the four years following the elections. Annual commitments to the Council Plan are detailed in Council's Budget.

Council also utilises a Financial Plan (FP) which projects Council's required resources (both financial and non-financial) over the next ten years.

This Annual Report is reporting the second year of progress against the Alpine Shire Council Plan 2021-2025.

Council Plan

The 2021-2025 Council Plan has five strategic drivers:

1. **For those who live and visit**
2. **For a thriving economy**
3. **For the bold protection of our future**
4. **For the enjoyment and opportunities of our lifestyle**
5. **For strong and informed leadership**

The Council Plan also includes strategic objectives, strategies for achieving the strategic objectives, and strategic indicators for monitoring achievement of them.

Performance

Council's performance for the 2022/23 year has been reported against each strategic driver to demonstrate how council is performing in achieving the Council Plan. Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the Council Plan.
- Progress in relation to the major initiatives identified in the Budget.
- Highlights from projects and services funded in the Budget and the persons or sections of the community who are provided those services.
- Results against the prescribed service performance indicators and measures.

Several of Council's strategic indicators in the Council Plan are sourced from the Service Performance indicators and measures contained within the Local Government Planning and Reporting Framework (LGPRF). These have been identified to reduce duplicate reporting.

It should be noted that the 2022/23 Budget adopted in June 2022 was prepared under the previous organisational structure. Commitments such as Major Initiatives and Service Performance Indicators in the Council Plan 2021-2025 were reallocated to the relevant team to ensure consistency in reporting.

Local Government Planning and Reporting

All councils across Victoria report against the prescribed Service Performance, Financial Performance, Sustainable Capacity indicators, and Governance and Management checklist contained within the *Local Government (Planning and Reporting) Regulations 2020*.

Results for these measures are found throughout the following sections under the headings "Service Performance Indicators". Further reporting is found in the "Governance and Management checklist" on page 48 and in the Performance Statement on page 118.

1. For those who live and visit

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2022/23 Budget which contribute to the Council Plan 2021-2025:

Annual Actions 2022/23	Progress to 30 June 2023
<i>Strategic Objective: 1.1 A community that is active, connected and supported</i>	
Ongoing engagement with community groups	<p>Active community engagement continued throughout the year, including:</p> <ul style="list-style-type: none"> Community pop-up sessions at key locations across the Shire, to inform the Land Development Strategy, Community Budget submissions, Community Climate Action Roadmap, and ahead of the introduction of the Food Organics Garden Organics (FOGO) service due to commence on 1 July 2023; An increase in posts and engagement on Council's Facebook page; A number of surveys to help guide project direction and Council decisions. <p>The planned introduction of the FOGO service was arguably one of the biggest engagement efforts Council has delivered. Along with the community pop-ups, there was a significant advertising and social media campaign rolled out, and education sessions facilitated by staff at nearly every local primary school.</p>
Deliver the annual Community Grants program	<p>21 community projects were awarded a total of \$70,477 through 2022/23 Community Grants program at the August 2022 Ordinary Council Meeting. An additional \$7,683 was awarded to two additional projects during the year.</p> <p>The 2023/24 Community Grants Program opened on 12 May and closed 25 June 2023.</p>
<i>Strategic Objective: 1.2 Services and resources that enhance health and wellbeing</i>	
Provide contemporary library services	<p>Visitation to library branches (measured through door count statistics) returned to pre-COVID numbers.</p> <p>Library branch budgets were utilised to meet the collection needs of patrons, and the demand for school holiday programs from locals and visitors. Small changes included new furniture pieces, an emphasis on drop-in craft and community colouring.</p> <p>Library staff were integral in supporting the community to adapt to the introduction of Council's Food Organics Garden Organics kerbside collection service. Staff attended meetings and discussions to support their knowledge, enabling them to answer many questions and advocate for the changes in waste service.</p>
Implement Library Services Plan	<p>The Library Services Plan was delivered through the following initiatives:</p> <ul style="list-style-type: none"> Premiers Reading Challenge Grant and Public Libraries Funding Program to support library programs. Discretionary budget for branches was increased due to inter-library loans being temporarily unavailable, to allow for patron requests, and BorrowBox audio and e-books. Libraries worked with Council's Community Development team to source the Pride Flag, Aboriginal Flag, and NAIDOC Week Flag which are scheduled to be put out at approved times throughout the year. Improvements have been made to OHS culture in libraries with all staff completing Fire Warden Training, and increased emphasis on reporting incidents and near-misses.

Annual Actions 2022/23	Progress to 30 June 2023
Provide services for critical life stages, including Maternal and Child Health, Immunisations, Supported Playgroups, Seniors Week, and Youth services	<p>Delivery of the Maternal Child Health (MCH) and Immunisation service was ongoing. A fully resourced MCH team allowed the implementation of Sleep Settling and breast-feeding support as well as continued delivery of First Time Parents groups. Regular meetings with Alpine Health have commenced to smooth the transition for families between domiciliary care and MCH service. Immunisation service has seen an increase in presentations.</p> <p>The annual Seniors Festival was successfully delivered during October 2022 with over 500 people participating in activities planned or promoted by Council.</p> <p>Council continues to deliver the Council Rapid Antigen Test program to the community.</p>
Implement the Alpine Shire Council Access and Inclusion Plan	<p>Actions and outcomes were delivered against Council's Access and Inclusion Plan. Council hosted an inspirational speaker and disability advocate, who spoke to Council staff and three school groups during the year. The procurement of a mobile stage lift for Bright Community Centre was completed.</p>
Strategic Objective: 1.3 A caring community	
Adoption of Reflect Reconciliation Action Plan	<p>Council's Reflect Reconciliation Action Plan (RRAP) was endorsed by Reconciliation Australia, noted by Council at its January 2023 Council meeting and launched on 15 February 2023 at Council offices.</p> <p>Fourteen actions were identified across four areas, with a number of outcomes delivered, and planning for future delivery of other outcomes commenced.</p>
Deliver Youth services including FreeZa, Youth Awards and Engage!	<p>Council's supported learner driver mentor program (L2P) consistent met its funded targets, and was awarded a Road Safety Award from TAC L2P Program in June 2023. The Youth Advisory Group (Resilient Action Youth Squad) was established and undertook training in a number of areas; a number of youth events were delivered with more planned for future. Alpine Shire Youth Awards were successfully delivered in September 2022; Alpine Colour Fun Run was delivered in March 2023; RAYS Youth Advisory Group joined the Inspector General Emergency Management walk in March.</p>
Completion of the Key Worker Housing Pilot Program, and development of the Affordable Housing Analysis Action Plan	<p>The Key Worker Housing Project was completed in early 2022/23. A consultant was engaged to develop a business case and feasibility assessment for installation of key worker housing in caravan parks for which Council is the committee of management. The was received, and will be considered by Council into 2023/24.</p>
Deliver the 16 Days of Activism program	<p>The 16 Days of Activism against gender-based violence campaign is an international campaign led annually by UN Women (United Nations) each November-December. Council included internal communications and a staff event, as well as external communications via social media and print media.</p>
Strategic Objective: 1.4 Increasing healthy eating and active living	
Review Council's aquatic facilities	<p>The operators of Council's three aquatic facilities created a Community Network Forum to understand what key community groups required at the aquatic and gymnasium facilities, and to increase engagement. The summer season saw an improvement in availability of trained lifeguards at the indoor, outdoor, and river pools. Events such as cinema days proved popular during the year, with membership of the Bright Sports Centre increasing in April-June 2023 reflecting an increase in visitation. Outdoor pool visitation was negatively impacted in the October-December 2022 period, due to wet and windy weather, but returned to more usual visitation during the post-Christmas school holiday period.</p>
Strategic Objective: 1.5 Improving mental wellbeing	
Investigate feasibility for hybrid Council Meetings utilising appropriate and reliable technology	<p>Supporting social connection through accessible and inclusive Council meetings, programs, and events continued in 2022/23. Council engaged audio-visual professionals to enhance the Council meeting experience for those physically attending as well as virtual participants across all Council meeting locations.</p>
Strategic Objective: 1.6 Preventing all forms of violence	
No actions in 2022/23	

Services provided to the community

Service area	Description of services provided
Library Branches	Libraries consist of the Alpine Shire library branches in Myrtleford, Bright and Mount Beauty and delivery of programs such as rhyme time, story time, school holiday programs and visiting authors. The Council also operates the High Country Library Network.
Swimming Pools	This service is managed under contract to Belgravia Leisure Services. It covers Bright Sports Centre, the provision of outdoor seasonal pools at Myrtleford and Mount Beauty and lifeguarding at the Bright and Porepunkah river pools.
Visitor Information Centres	This service comprises visitor information services located at Bright, Mount Beauty and Myrtleford.
Youth	Provision of specific services to youth in the community, including youth awards, youth activities and the Learner to Probationary (L2P) program.
Community Development	This service is concerned with building community capacity. Key areas include community resilience, the community grant program and implementing the Municipal Health and Wellbeing Plan.
School Crossings	Council provides the school crossing supervisor function to schools within the Alpine Shire Council.

Service Performance Indicators

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

Service/indicator/measure	2019/20	2020/21	2021/22	2022/23	Comments ⁺
Aquatic Facilities					
Service standard					
Health inspections of aquatic facilities <i>[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]</i>	0.3	1.7	1.0	0.0	Council did not conduct any health inspections of aquatic facilities during 2022/23, due to a lack of Environmental Health staff. Council made the Department of Health aware of its continued efforts to recruit Environmental Health staff. Water testing was undertaken at Bright and Porepunkah River pools during the peak summer holiday period.
Utilisation					
Utilisation of aquatic facilities <i>[Number of visits to aquatic facilities / Municipal population]</i>	2.2	1.9	2.7	2.4	Overall visitation to aquatic facilities declined in 2022/23 compared to the previous year. The decline was primarily driven by almost 6,400 fewer visits across the Mount Beauty and Myrtleford swimming pools caused by wet weather experienced during October – December 2022, however this was partially offset by an increase in visitation to the Bright Sports Centre in the second half of 2022/23.

Service/indicator/measure	2019/20	2020/21	2021/22	2022/23	Comments ⁺
Service Cost					
Cost of aquatic facilities <i>[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]</i>	\$8.38	\$13.74	\$17.35	\$19.04	Apparent cost per visit has increased due to the reduction in visitation during 2022/23 compared to the previous year. Actual costs have reduced slightly compared to the previous year.
Libraries					
Utilisation					
Physical library collection usage <i>[Number of physical library collection item loans / Number of physical library collection items]</i>	2.8	2.1	2.2	2.4	The increase in physical library collection usage correlates with an increase in active users in 2022/23, showing a steady improvement since the sharp decline during COVID restrictions in 2020/21.
Resource standard					
Recently purchased library collection <i>[Number of library collection items purchased in the last 5 years / Number of library collection items] x100</i>	59.7%	57.7%	56.6%	58.8%	Council undertook extensive collection auditing during 2022/23 to manage the COVID-19 impacts on collection development, including weeding, updating collection purchasing processes, and enhancement of patron led collection development.
Participation					
Active library borrowers <i>[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100</i>	18.4%	15.8%	14.3%	13.9%	The number of active users actually increased in 2022/23 compared to the previous year, however as this measure uses total active users over the past three years, the total number of active users has fallen slightly. This, combined with a steadily increasing population, has resulted in a slight drop in results.
Service cost					
Cost of library service <i>[Direct cost of the library service / Population]</i>	\$25.84	\$22.99	\$29.03	\$32.30	Cost of the library service has increased slightly compared to the previous year, primarily due to an increase in building maintenance costs.
Maternal and Child Health (MCH)					
Service standard					
Infant enrolments in the MCH service <i>[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100</i>	101.1%	102.0%	100.9%	101.9%	In a small number of cases, Council also conducts home visits for newborns where the birth notification was received elsewhere, but Alpine MCH nurses conduct the first home visit.
Service cost					
Cost of the MCH service <i>[Cost of the MCH service / Hours worked by MCH nurses]</i>	\$67.37	\$69.09	\$70.67	\$73.44	Costs have increased slightly compared to the previous year, while still remaining lower than the State-wide average for 2021/22.

Service/indicator/measure	2019/20	2020/21	2021/22	2022/23	Comments ⁺
Participation					
Participation in the MCH service <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	74.4%	81.8%	83.4%	83.4%	Participation in the Maternal and Child Health service continues to show high demand for service.
Participation in the MCH service by Aboriginal children <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	58.8%	85.7%	64.7%	82.6%	Council has a small number of First Nations children enrolled in the Maternal and Child Health service, so a slight change in participation creates a greater change in overall results.
Satisfaction					
Participation in 4-week Key Age and Stage visit <i>[Number of 4-week age and stage visits / Number of birth notifications received]x100</i>	102.1%	94.9%	101.9%	104.9%	Council's Maternal and Child Health (MCH) staff conduct 4-week Key Age and Stage visits for all clients where a birth notification has been received, and in a small number of cases the MCH staff will see clients who have moved / transferred into the shire.

⁺ The Local Government (Planning and Reporting) Regulations 2020 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Strategic Indicators

Indicator	Result 2021/22
Active library borrowers in municipality	13.9% at end of financial year Refer to 'service performance indicators' for more details.
Cost of library service per population	\$32.20 per resident Refer to 'service performance indicators' for more details.
Participation in the Maternal Child Health service	83.4% of children enrolled in the Maternal and Child Health service had participated in the service by the end of financial year. Refer to 'service performance indicators' for more details.
Aboriginal participation in the Maternal Child Health Service	82.6% of First Nations children enrolled in the Maternal and Child Health service had participated in the service by the end of financial year. Refer to 'service performance indicators' for more details.
Participation in supported playgroups	Supported Playgroups are active in Mount Beauty and Myrtleford; additional funding for the financial year has seen the successful introduction of Supported Playgroup in Bright.
Number of visits to aquatic facilities per head of population (Utilisation of aquatic facilities)	2.4 visits per resident in 2022/23. Refer to 'service performance indicators' for more details.

2. For a thriving economy

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2022/23 Budget which contribute to the Council Plan 2021-2025:

Annual Actions 2022/23	Progress to 30 June 2023
<i>Strategic Objective: 2.1 Diverse reasons to visit</i>	
Facilitate events on Council land over the year, and support the annual Event Funding Program	<p>94 Event permits were issued, along with 48 regular markets running throughout the Alpine Shire.</p> <p>The 2022/23 Event Funding program was awarded at the Ordinary Council Meeting in August 2022. Thirty-two successful applicants were awarded \$132,000 in sponsorship and logistics support, with a further \$102,000 to support events that were unable to proceed in previous years due to COVID-19 restrictions. Additional funding was allocated to Dederang, Myrtleford, and Mount Beauty in line with Council's Events Strategy and greater dispersion. Additional support was provided to events in Mount Beauty following the Bogong High Plains Road landslip in October 2022.</p> <p>An online facilities booking system was implemented via Council's website, making it easier for the community and event planners to book facilities. Review of the system continually occurred to ensure the system was providing maximum efficiency for customers and Council alike.</p>
Implement the Alpine Shire Council Events Strategy	The Events Strategy Permitting and Funding Framework was implemented from 1 July 2022. The criteria were applied to the 2022/23 Event Funding Program, which was awarded at the Ordinary Council Meeting in August 2022.
<i>Strategic Objective: 2.2 Innovative and sustainable business development that supports year-round benefit</i>	
Implement the Alpine Shire Council Economic Development Strategy	<p>"The following Economic Development Strategy actions were implemented prior to 30 June 2023.</p> <ul style="list-style-type: none"> • Creation of winter/autumn video and photography for press releases • Advertising and collateral for Dinner Plain • Working with Tourism North East to deliver Gravel Cycle Trails and Murray to Mountains Enhancement projects.
<i>Strategic Objective: 2.3 Access to technology that meets our evolving needs</i>	
Develop a Telecommunications Strategy	The draft Telecommunications Strategy was presented to the Ordinary Council Meeting in December 2022 for noting.

Services provided to the community

Service area	Description of services provided
Tourism	This service provides destination marketing. It develops and distributes tourism collateral including Official Visitors Guide, trail brochures, maps and retail and dining guide.
Dinner Plain	Specific services to Dinner Plain such as marketing and events of this alpine village, and Dinner Plain to Mount Hotham winter bus service.
Festivals and Events	Events are a major contributor to the economy. Council has a role in facilitating the annual events calendar.
Economic Development	This service facilitates local and new business to develop and grow.

Service Performance Indicators

There are no prescribed service performance outcome indicators for this Strategic Directive.

Strategic Indicators

Indicator	Result 2021/22
Number of permitted festivals and events in the Shire	<p>A total of 94 Event permits were issued in 2022/23, along with 48 regular markets running throughout the Alpine Shire.</p> <p>The 2022/23 year saw a return to more usual frequencies of events, following several years that were impacted by COVID-19 restrictions. A small number of events were cancelled due to wet weather in October 2022.</p>
Number of overnight and day trip visitors	<p>Visitation statistics from Tourism Research Australia for the 2022 calendar year showed that:</p> <ul style="list-style-type: none">- Alpine Shire received 716,000 domestic visitors - an increase of 9.3% compared to 2021.- Domestic visitors spent over 1.8 million nights in the Alpine Shire - down by 2.0% on 2021.- In total, domestic visitors spent \$481 million on travel to the Alpine Shire, an increase of 37.2% on 2021.
Number of small businesses and light industry in the Shire	<p>2022/23 data for small business and light industry is not available at the time of reporting.</p> <p>Australian Bureau of Statistics data as at 30 June 2022 shows that there is a total of 1,678 businesses in the Alpine Shire, an increase of 103 compared to the previous year. The greatest number of businesses by industry is agriculture, forestry and fishing, followed by construction, accommodation and food services, and professional scientific and technical services.</p>

3. For the bold protection of our future

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2022/23 Budget which contribute to the Council Plan 2021-2025:

Annual Actions 2022/23	Progress to 30 June 2023
Strategic Objective: 3.1 Decisive leadership to address the impacts and causes of climate change	
Commence Community Climate Action Plan	Community engagement was undertaken to prioritise focus areas for the Community Climate Action Plan. The Community Climate Action Plan Roadmap will be presented to Council in 2023/24.
Explore Environmentally Sustainable Design options	<p>Council undertook the following Environmentally Sustainable Design (ESD) works during 2022/23:</p> <ul style="list-style-type: none"> Solar and battery installations on the Mount Beauty Stadium, Porepunkah Transfer Station, Mount Beauty Visitor Information Centre, Myrtleford Library, and Myrtleford Supper Rooms were completed. Recycled asphalt for the Mount Beauty Airport and Big Hill Car Park (both in Mount Beauty). ESD was incorporated into the design for the Ablett Pavilion and Savoy Soccer Club upgrade works (both in Myrtleford). Energy efficient building upgrades of Council facilities progressed.
Strategic Objective: 3.2 Stewardship and care of our natural environment	
Utilise Water Sensitive Urban Design	<p>Council's Open Spaces team undertook several Water Sensitive Urban Design projects in 2022/23 including:</p> <ul style="list-style-type: none"> Piloting 'no / low maintenance' gardens in Mount Beauty and Bright, which will be assessed to determine viability of using this methodology in other areas of the Shire. Trialling use of a wetting agent to reduce water usage on the Pioneer Park football field. <p>The Open Spaces teams continue to pilot water sensitive design trials in their garden renewals. It is anticipated that a comprehensive evaluation of projects completed to date will be undertaken in 2023/24.</p>
Strategic Objective: 3.3 Responsible management of waste	
Prepare for the implementation of a Food Organics Garden Organics (FOGO) collection service	<p>Preparation for the commencement of a Food Organics Garden Organics (FOGO) collection service on 1 July 2023 was a major focus for Council during 2022/23. Community engagement commenced with an information leaflet in 2022/23 rates notices, and continued throughout the year including pop-up engagement at community events, and meetings with holiday accommodation property managers. A dedicated page on Council's website contained useful information as it was made available.</p> <p>The contracts for the FOGO service and delivery of new FOGO bins were awarded at the Ordinary Council Meeting in February 2023. Council's Waste Services Policy was updated in May 2023, and a new Waste Services Procedure was developed, which reflect the new FOGO kerbside collection service alongside the existing waste and recycling kerbside collection services.</p>
Identify sites for Container Deposit Scheme (CDS) across the Alpine Shire	Council officers progressed discussions regarding a Container Deposit Scheme (CDS) to gain clarity and service provision requirements. Potential involvement of local businesses and not for profit groups has been discussed.

Annual Actions 2022/23	Progress to 30 June 2023
Implementation of the Event Waste Management Plan	<p>Events held within the Alpine Shire were required to adhere to the Events Waste Management Plan. The “Dish Pig” trailer equipped with a commercial dishwasher and range of mugs, plates, bowls, and cutlery was secured for use at events across the Shire.</p> <p>A small-scale review of the Waste Wise Guide was undertaken to reflect current regulations. A full review of the Waste Wise Guide to reflect Sustainable Actions will be undertaken in 2023/24 after the full roll out of the Food Organics Garden Organics service.</p>
Develop Council Waste Management Plan	<p>The Waste Services Policy and Waste Services Procedure were updated and adopted ahead of the Food Organics Garden Organics (FOGO) commencement on 1 July 2023. Copies of both documents were made available on Council’s website.</p>
Participation in regional procurement of municipal glass collection and processing services	<p>Council participated in the Collaborative Procurement Hume Collective Councils for the provision of all waste contract. Contracts were awarded at the Ordinary Council Meeting in February 2023, and included kerbside services, transfer station services, and bulk haulage of waste.</p> <p>Council’s Sustainability team provided comment on draft guidelines for mandated kerbside glass recycling service to the Department of Environment, Land, Water and Planning in December 2022.</p>
Implement recommendations from Closed Landfill Risk Assessment	<p>The design and construction of landfill capping designs progressed across 2022/23. The construction works began but were delayed due to the finalisation of EPA (Environment Protection Authority) required testing on a Geosynthetic Clay Liner confining layer and clean fill. The construction works are due for completion in spring 2023.</p>
Strategic Objective: 3.4 A community that is prepared for, can respond to, and recover from emergencies	
Implement Resilience Month activities	<p>The Alpine Resilience Partnership (ARP) was formed following the disbanding of the Community Resilience Committee. The ARP met approximately every three months, with the following achievements in 2022/23:</p> <ul style="list-style-type: none"> • Adopted the Alpine Community Recovery Committee Action Plan. • REAP (Resilience Emergency Action Plan) Day was delivered in Myrtleford and Bright for Years 4-6 students. • Emergency Ready Trivia night delivered in Myrtleford for approximately 60 participants.
Strategic Objective: 3.5 Reducing the impact of climate change on health	
Implement Alpine Active Plan	<p>Regular meetings of Active Alpine Group reported on funding opportunities for installation of Outdoor Fitness Equipment; fitness classes, incorporating physical activity in youth events and seniors festival. Regular meetings were also held for implementation of the RESPOND Program (Reflexive Evidence and Systems interventions to Prevent Obesity and Non-communicable Disease) with Alpine Health.</p>
Support local and regional initiatives relating to Climate Change	<p>Council’s Sustainability team participated in an Integrated Water Management (IWM) forum with North East Water, Natural Resource Management (NRM) Forum and Tourism Stewardship working group with North East Catchment Management Authority (NECMA). Other initiatives were:</p> <ul style="list-style-type: none"> • Launched Home Energy and Water Efficiency Assessment Kits free for community to hire from libraries. • Presented at Schools and Sustainability Upper Ovens on waste wise, home energy kits and invasive species, and also presented at national tree day.

Services provided to the community

Service area	Description of services provided
Waste and Recycling	Provision of waste management services. This includes kerbside collection services as well as the operation of the Myrtleford, Mount Beauty and Porepunkah transfer stations and closed landfills.
Emergency Management	Administrative costs of Council's Emergency Management Planning role, maintenance of various flood warning infrastructure, and additional coordination activities which are fully grant funded.

Service Performance Indicators

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

Service/indicator/measure	2019/20	2020/21	2021/22	2022/23	Comments
Waste Collection					
Satisfaction					
Kerbside bin collection requests <i>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000</i>	80.0	90.7	102.8	126.6	Kerbside bin requests increased compared to the previous year, primarily due to an increase in 'broken / damaged bin' requests. This is likely due to the rollout of Food Organic Green Organic (FOGO) scheduled for 1 July 2023. A program of replacing out of date green-lidded garbage bins with red-lidded waste bins, to ensure that each household had red (garbage), yellow (recycling), and green (FOGO) bins ready for July 2023.
Service standard					
Kerbside collection bins missed <i>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000</i>	1.5	1.8	2.1	2.0	The actual number of bins missed remained identical to the previous year, however the number of scheduled bin lifts has increased, which has resulted in the overall 'bins missed per 10,000 households' reducing.
Service cost					
Cost of kerbside garbage bin collection service <i>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]</i>	\$113.28	\$115.21	\$128.24	\$123.69	The total cost of the kerbside garbage service remained steady from the previous year, however a small increase in bin numbers compared to the previous year means that the 'cost per bin' has decreased slightly.
Service cost					
Cost of kerbside recyclables collection service <i>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]</i>	\$61.17	\$69.06	\$74.93	\$78.91	A new collaborative waste tender was signed in May 2023 for the kerbside collection and transport of recycling, FOGO, and residual waste.

Service/indicator/measure	2019/20	2020/21	2021/22	2022/23	Comments
Waste diversion Kerbside collection waste diverted from landfill* <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	40.4%	40.0%	40.0%	39.8%	Kerbside collection waste diverted from landfill remained steady in 2022/23. Council introduced a FOGO service commencing 1 July 2023, so it is expected that diversion will increase in 2023/24.

+ The Local Government (Planning and Reporting) Regulations 2020 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Strategic Indicators

Indicator*	Result 2021/22
Net Zero Greenhouse Gas Emissions -2023 (Cities for Power Partnership)	A Climate Action Plan Snapshot was provided for review by Council's Executive in February 2023. The snapshot summarised emissions in 2022, the reduction in emissions since the Climate Action Plan baseline year, the cost savings in electricity bills due to emissions reduction activities and the progress towards the net zero GHG emissions target
Community satisfaction with waste management performance - Target 70	Waste management index score declined to 62 in 2023, following a high of 70 in the previous year. The Community Satisfaction Survey was undertaken in February / March 2023, and it is likely that the proposed introduction of the Food Organics Garden Organics (FOGO) service impacted on the results of the survey.
Kerbside collection waste diverted from landfill - Target increase	40% of kerbside collection waste is diverted from landfill as part of Council's kerbside recycling program. It is expected that this will increase in 2023/24 once a FOGO kerbside collection service is implemented. Refer to 'service performance indicators' for further details.

4. For the enjoyment and opportunities of our lifestyle

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2022/23 Budget which contribute to the Council Plan 2021-2025:

Annual Actions 2022/23	Progress to 30 June 2023
<i>Strategic Objective: 4.1 Conservation and promotion of the distinct character across the Shire</i>	
No actions in 2022/23	
<i>Strategic Objective: 4.2 Planning and development that reflects the aspirations of the community</i>	
Develop the Alpine Shire Council Land Development Strategy	<p>An intensive community engagement program commenced in October 2022, extending through until February 2023. This included community reference groups, a technical reference group, independent landowner meetings, formal requests for rezoning or rebuttals, and more than 230 survey responses.</p> <p>Following completion of community consultation, the draft strategy was compiled, and further engagement with key government departments conducted.</p> <p>The draft Alpine Shire Council Land Development Strategy will be considered by Council later in 2023 and subject to a public exhibition process. Council will then consider a final Alpine Shire Council Land Development Strategy in 2024.</p>
Develop the Alpine Shire Council Housing Affordability Strategy	The Key Worker Housing Pilot and Affordable Housing Analysis was presented to the Ordinary Council Meeting in December 2022. The actions and recommendations from the Alpine Shire Council Housing Affordability Strategy are being explored by Council.
<i>Strategic Objective: 4.3 Accessible parks that promote active and passive recreation</i>	
Implement the Alpine Shire Council Sports and Active Recreation Plan	Council awarded a contract to undertake the Sports and Recreation Master Planning at the Ordinary Council Meeting in September 2022. Community engagement on key sporting precincts around Bright, Mount Beauty, and Myrtleford was undertaken, and qualitative and quantitative data analysis completed.
<i>Strategic Objective: 4.4 Diverse arts and cultural experience</i>	
No actions in 2022/23	
<i>Strategic Objective: 4.5 Assets for our current and future needs</i>	
Dargo High Plains Road upgrade	Dargo High Plains Road upgrade was completed in 2022/23 to upgrade of the 39.25 km northern stretch of road to improve the main connection between Mount Hotham and Dargo.
Dinner Plain activation	Dinner Plain Activation progressed in 2022/23 across activation design works and construction. The construction works completed included Dinner Plain Bus Shelters, trail works and commencement of Scrubbers Hut Upgrade (amenities, shelter 50% completed by the end of June). Bore installation works delayed due to early winter (snow) conditions). Detailed design for Phase 2 Activation was completed which incorporates upgrades to the activity centre roadway, parking, open space and lighting. Snowmaking infrastructure detailed design and tender package completed for the incorporation of snowmaking facilities on Peashooter toboggan slope.
Mount Beauty Airport upgrade	The Mount Beauty Airport Upgrade was completed in 2022/23 which included a widening and lengthening of the existing runway. Small defects remain will be finalised in early 2023/24.

Services provided to the community

Service area	Description of services provided
Airports	Provision and maintenance of aerodromes at Mount Beauty and Porepunkah.
Local Roads, Bridges and Drainage	Maintenance of all Council's roads, and bridges. Council has 685km of roads, 190 bridges and over 40 major culverts. Spending in this area also covers roadside vegetation and drainage.
Footpaths	Maintenance of Council footpaths. Also includes snow grooming services for Dinner Plain.
Open Spaces	Maintenance of all of Council's open space areas such as playgrounds, parks, street trees, roundabouts and public reserves.
Building Maintenance	Maintenance of all of Council's buildings. This includes operational buildings such as depots and libraries as well as community buildings such as halls and childcare centres.
Property Management	Management of public amenity facilities and property leases.
Operations	Administration and management of Myrtleford, Bright and Mount Beauty works depots and plant maintenance and operational expenses.
Recreation	Council supports the development and maintenance of recreation reserves across the Shire and also supports recreation clubs and committees.
Building Services	Statutory building services includes processing of building applications, emergency response responsibilities, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works.
Environmental Health	Registration and inspection of all food premises, wastewater applications, investigation of complaints in relation to noise, odours, dealing with infectious disease outbreaks and other health issues.
Local Laws	This area provides animal registrations, animal management, and local law enforcement.
Statutory Planning	Assessment of planning applications, the provision of advice to developers and property owners and representing Council at the Victorian Civil and Administrative Tribunal.
Strategic Planning	Prepares and reviews amendments to the Alpine Planning Scheme, structure plans, strategies, master plans, urban growth plans, frameworks and design guidelines.
Asset Development	Delivers the critical projects to renew and upgrade our community assets and to develop new assets. The area is in part subsidised by recurrent and non- recurrent grants.

Service Performance Indicators

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

Service/indicator/measure	2019/20	2020/21	2021/22		Comments
Animal Management					
Timeliness					
Time taken to action animal management requests <i>[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]</i>	1.3	1.3	1.6	2.5	The total number of animal management jobs increased by 23% compared to the previous year. Of these, 73% received a first response action within 1 day, 9% within 2 days, and 9% within 5 days of receiving the request. A small proportion (4%) of jobs took longer than 10 days for a first response action, which are responsible for the apparent increase in time taken to respond in 2022/23. Animal management cases can take 4-5 times longer to bring to completion than dealing with other Local Laws tasks such as a parking complaint.
Service standard					
Animals reclaimed <i>[Number of animals reclaimed / Number of animals collected] x 100</i>	42.1%	34.7%	29.9%	48.8%	Council collected slightly fewer domestic animals in 2022/23 compared to the previous year. The community continue to use social media to assist in returning lost animals to their owners, meaning Council officers are generally called where these social media efforts are unsuccessful - which can impact on the number of animals returned to their owners.
Animals rehomed <i>[Number of animals rehomed / Number of animals collected] x 100</i>	54.3%	61.1%	41.4%	33.8%	While the number of animals rehomed was slightly fewer than the previous year, when animals returned to their owners and animals rehomed are considered together, 83% of domestic animals collected by Council found their way to a home in 2022/23. This is an improvement compared to the previous year. Council's agreement with the Wangaratta Animal Shelter will come to an end on 31 July 2023, when the responsibility for rehoming of animals will revert to Council.
Service cost					
Cost of animal management service <i>[Direct cost of the animal management service / Municipal population]</i>	\$8.69	\$6.95	\$8.50	\$9.98	Cost per registered animal has increased slightly compared to the previous year, but is still less than the average cost for Small Rural Councils in 2021/22.
Health and safety					
Animal management prosecutions <i>[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100</i>	0.0	0.0	0.0	0.0	No animal management prosecutions were presented to Court in 2022/23.

Service/indicator/measure	2019/20	2020/21	2021/22		Comments
Food Safety					
Timeliness					
Time taken to action food complaints <i>[Number of days between receipt and first response action for all food complaints / Number of food complaints]</i>	1.0	4.3	3.0	3.7	Council was without permanent Environmental Health staff from June 2022 onwards, which impacted on the time taken to respond to food complaints. Despite this, 64% of food complaints received a first response action within two days.
Service standard					
Food safety assessments <i>[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100</i>	56.3%	78.6%	64.0%	78.3%	Council undertook the majority of assessments in the first half of 2022, prior to the departure of Environmental Health staff in June 2022. Council is continuing its efforts to recruit Environmental Health staff and has informed the Department of Health of its circumstance.
Service cost					
Cost of food safety service <i>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]</i>	\$167.52	\$175.82	\$170.14	\$264.09	Cost of the food safety service has increased compared to the previous year, primarily due to Council utilising contractors to support the Environmental Health service, due to an inability to recruit Environmental Health staff. Costs remain less than the average for Small Rural Councils in 2021/22.
Health and safety					
Critical and major non-compliance outcome notifications <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</i>	95.8%	100.0%	100.0%	100.0%	All non-compliance notifications were followed up.
Roads					
Satisfaction of use					
Sealed local road requests <i>[Number of sealed local road requests / Kilometres of sealed local roads] x100</i>	45.0	53.7	100.3	127.7	Total number of requests relating to sealed road surface and drainage increased due to wet conditions in Winter and Spring.

Service/indicator/measure	2019/20	2020/21	2021/22		Comments
Condition					
Sealed local roads maintained to condition standards <i>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100</i>	98.8%	98.8%	98.8%	99.4%	Council undertook an external condition assessment of sealed local roads in early 2023, which has provided a current assessment of all sealed local roads, as well as kerb and channel. This assessment also provided the opportunity to update data on width and length of all sealed roads including kerb and channel, across the entire network. Previous year data only includes sealed local roads, and does not include kerb and channel.
Service cost					
Cost of sealed local road reconstruction <i>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]</i>	\$53.66	\$21.45	\$25.22	\$53.03	Costs have increased in 2022/23 primarily due to three projects with a large kerb and channel component, resulting in a higher cost per square metre.
Service Cost					
Cost of sealed local road resealing <i>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]</i>	\$11.44	\$6.66	\$12.81	\$6.87	Costs in 2022/23 have returned to the longer term trend due to a focus on reseals, as compared to a large asphalt project the previous year.
Satisfaction					
Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>	61	63	61	49	Satisfaction with sealed local roads has fallen compared to the previous year, however is still significantly higher than other Small Rural Councils. A wet Winter and Spring resulted in a deterioration of sealed road surfaces across the State. It is noted that arterial roads between towns are not under the control of Council.
Statutory Planning					
Timeliness					
Time taken to decide planning applications* <i>[The median number of days between receipt of a planning application and a decision on the application]</i>	68	68	114	145	Due to issues with extracting data from software, Council's results are based on data from 1/7/2022 to 4/10/2022 only. For the entirety of 2022/23, Council has utilised contractor services to support the statutory planning team, due to the departure of several key staff in late 2021/22. It is anticipated that the time taken to decide planning applications will reduce significantly in 2023/24.

Service/indicator/measure	2019/20	2020/21	2021/22		Comments
Service standard					
Planning applications decided within required time frames	55.7%	62.3%	41.4%	19.4%	<p>Due to issues with extracting data from software, Council's results are based on data from 1/7/2022 to 4/10/2022 only, and based on the date the application was received vs the date the application was determined. Due to difficulties in reporting, this does not include provision for any statutory 'stop the clock' processes - if these could be included, it is likely that the number of applications decided within required timeframes would increase.</p> <p>For the entirety of 2022/23, Council has utilised contractor services to support the statutory planning team, due to the departure of several key staff in late 2021/22. It is anticipated that the number of planning applications decided within required timeframes will improve significantly in 2023/24.</p>
<i>[(Number of planning application decisions made within 60 days for regular permits) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100</i>					
Service cost					
Cost of statutory planning service	\$1,533.50	\$1,683.26	\$1,936	\$2,847	<p>Due to issues with extracting data from software, Council's results are based on data from 1/7/2022 to 4/10/2022 only. For the entirety of 2022/23, Council has utilised contractor services to support the statutory planning team, due to the departure of several key staff in late 2021/22. This has led to an increase in cost per planning application.</p>
<i>[Direct cost of the statutory planning service / Number of planning applications received]</i>					
Decision making					
Council planning decisions upheld at VCAT	0.0%	100.0%	66.7%	0.0%	<p>One VCAT order was issued during 2022/23, which set aside Council's decision, and ordered that an amended permit be issued. This means that Council's decision was not upheld, hence a zero result for 2022/23.</p>
<i>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>					

+ The Local Government (Planning and Reporting) Regulations 2020 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Strategic Indicators

Indicator	Result 2021/22
Council planning decisions upheld at VCAT	0% of Council planning decisions were upheld at VCAT. Refer to 'service performance indicators' for more details.
Planning applications decided within required timeframes - Target 70%	19.4% of all planning permit applications (standard and VicSmart) were decided within required timeframes, based on information for July – early October 2022 only. Refer to 'service performance indicators' for more details.
Time taken to decide planning applications - Target 60 days	Median processing days for standard planning permit applications was 145 days, based on information for July – early October 2022 only. Refer to 'service performance indicators' for more details.
Sealed local roads maintained to condition standards	Maintenance of all sealed and unsealed roads has been undertaken based on priority and in accordance with our road management plan. 99.4% of Council's sealed local roads are maintained at the condition standards. Refer to 'service performance indicators' for more details.
Community satisfaction with sealed local roads - Target 60	Index score of 49 Refer to 'service performance indicators' for more details.

5. For strong and informed leadership

Performance against the Council Plan

The following is a statement of progress in relation to the services and initiatives identified in the 2022/23 Budget which contribute to the Council Plan 2021-2025:

Annual Actions 2022/23	Progress to 30 June 2023
Strategic Objective: 5.1 Effective communication and engagement	
Improve community engagement participation and access	Council has had a significant increase in community engagement opportunities in 2022/23 covering a broad range of topics and projects. Seventeen pop-ups were held at community markets and in prominent locations for the Community Budget, Land Development Strategy, introduction of Food Organics Garden Organics (FOGO) and the Community Climate Action Roadmap, giving community members the opportunity to speak with members of staff and Councillors in a casual setting. Dedicated community sessions were also run for a number of projects, as were surveys to support many of these topics. The introduction of a Community Budget process inviting early community submissions ahead of formal Budget preparation resulted in 44 submissions and funding a number of them in the final Budget.
Deliberative engagement panel involvement in key strategic projects	Council continues to refine and mature its approach to community engagement. 2022/23 saw an increase in Engagement and Communications team resourcing, along with an organisation-wide approach to deliberative engagement. The team has supported the implementation of project-specific community pop-ups for core services such as the Food Organics Garden Organics (FOGO) service. The use of community pop-ups at local markets and events ensures community members can access Council's engagement and education opportunities in a neutral setting in their own time.
Implementation of online Customer Service and engagement application	The MyAlpine online customer portal closed out the year with a total of 418 users in its first year of operation. This is a solid base on which to build for the next financial year. A targeted communications and promotion campaign through the Engagement and Communications and Customer Service teams is planned for 2023/24, to help drive community uptake and promote self-service options. A total of 928 tickets were raised through the portal by customers this financial year.
Strategic Objective: 5.2 A responsible, transparent and responsive organisation	
Maintain transparent decision making	Twelve policies were updated during 2022/23, as well as the development of a contractor safety management code of practice. Council meetings are live-streamed (when held in Bright) and recordings are made available after the event. Council continues to make only a very small number of decisions (2%) at Council meetings closed to the public.
Refresh Risk Policy, Framework and Register	The Risk Policy / Framework and Risk Appetite Statement was adopted in July 2022, and Council's Risk Register was reworked to reflect the new organisational structure that commenced on 9 January 2023.
Gender Equality Action Plan implementation	A Gender Impact Assessment register was established to assist with mandatory reporting due to the Gender Equality Commission. Gender Impact Assessments form part of project initiation paperwork and significant policy changes.
Explore alternative income stream opportunities	Council undertook detailed reworking of the waste reserve and charging structure as part of the North East Collaborative Procurement of waste services. This work means waste charges commencing on 1 July 2023 will more accurately reflect the cost of services being delivered to each resident.
Implement Workforce Plan	An organisational restructure commenced operation on 9 January 2023. Recruitment into vacant positions in the organisation was ongoing, with the last Management position commencing in August 2023. The new structure was developed to ensure the organisation was focussed on delivering a positive customer experience, a positive employee experience, and a sustainable future for the Alpine Shire Council.

Annual Actions 2022/23	Progress to 30 June 2023
<i>Strategic Objective: 5.3 Bold leadership, strong partnerships, and effective advocacy</i>	
Participate in regional partnerships and groups	Ongoing participation and advocacy by the CEO, Mayor and Councillors as delegated representatives on committees and groups.
Engage with State and Federal Governments	Engagement with local members of parliament was ongoing throughout the year, ensuring that opportunities for the Alpine Shire are advocated for and funding pursued.

Services provided to the community

Service area	Description of services provided
Corporate	Support function to enable Council to deliver services in an efficient, effective and safe manner. This includes financial control, revenue collection, information technology, governance, and risk management.
Councillors and Executive	This area includes all remuneration for the Council including the Mayor, and Councillors.

Service Performance Indicators

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

Service/indicator/measure	2019/20	2020/21	2021/22	2022/23	Comments
Governance					
Transparency					
Council decisions made at meetings closed to the public <i>[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100</i>	1.4%	0.5%	1.6%	2.1%	Council makes very few decisions in closed Council meetings, with a strong preference for transparent decision making in an open Council meeting. Council made the same number of confidential resolutions in 2022/23 as it did the previous year, however there were fewer total resolutions in 2022/23 than the previous year.
Consultation and engagement					
Satisfaction with community consultation and engagement <i>Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement</i>	57	57	55	50	The decrease in satisfaction with community consultation and engagement is reflective of a decline across the Local Government sector, and was likely impacted locally due to a high-profile planning application at the time of the survey being undertaken in February / March 2023. Council will move to quarterly surveying in 2023/24, to help mitigate single issues impacting on annual data, and will introduce an online Community Engagement Platform to increase accessibility and broaden the scope of its community engagement, continuing its commitment to engaged and transparent decision-making.

Service/indicator/measure	2019/20	2020/21	2021/22	2022/23	Comments
Attendance					
Councillor attendance at council meetings	93.4%	96.2%	96.4%	91.8%	Council's Governance Rules were updated in September 2022 to allow Council meetings to operate in-person, by electronic means, or a hybrid of in-person and electronic attendance. However a slight decrease in attendance was experienced in 2022/23.
<i>[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] × 100</i>					
Service cost					
Cost of governance	\$36,673.71	\$28,616.86	\$36,342.16	\$40,179	Costs increased in 2022/23 due to a scheduled increase to Mayor and Councillor allowances paid under the Victorian Independent Remuneration Tribunal Directive, and the inclusion of Chief Executive Officer recruitment costs.
<i>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]</i>					
Satisfaction					
Satisfaction with council decisions	56	56	56	51	The decrease in satisfaction with Council decisions is reflective of a decline across the Local Government sector, and was likely impacted locally due to a high-profile planning application at the time of the survey being undertaken in February / March 2023. Council will move to quarterly surveying in 2023/24, to help mitigate single issues impacting on annual data, and will introduce an online Community Engagement Platform to increase accessibility and broaden the scope of its community engagement, continuing its commitment to engaged and transparent decision-making.
<i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i>					

+ The Local Government (Planning and Reporting) Regulations 2020 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Strategic Indicators

Indicator	Commentary 2021/22
Community satisfaction with Council's community consultation and engagement performance - Target 60	Index score of 50. Refer to 'service performance indicators' for more details.
Council decisions made at meetings closed to the public	2.0% at end of financial year. Refer to 'service performance indicators' for more details.
Councillor attendance at Council meetings	91.8% at end of financial year. Refer to 'service performance indicators' for more details.
Satisfaction with Council decisions	Index score of 51. Refer to 'service performance indicators' for more details.
Community satisfaction with Council's overall performance - Target 70	Index score 52, down from the previous year (59), and less than Small Rural (55) and State-wide (56) averages. As per commentary for other Community Satisfaction Survey measures, the decrease in satisfaction with Council's overall performance is reflective of a decline across the Local Government sector, and was likely impacted locally due to a high-profile planning application at the time of the survey being undertaken in February / March 2023. Council will move to quarterly surveying in 2023/24, to help mitigate single issues impacting on annual data, and will introduce an online Community Engagement Platform to increase accessibility and broaden the scope of its community engagement, continuing its commitment to engaged and transparent decision-making.
Working capital (current assets as percentage of current liabilities)	220.0%. The ratio of current assets compared to current liabilities is affected by a significant increase in income in advance (current liabilities) in 2022/23, which reflects grant funding received for projects not yet commenced or fully completed and capitalised as assets. These levels of Grant funding are expected to decrease in future years, reflecting higher ratio of current assets to current liabilities. Refer to 'financial performance indicators' in the Performance Statement on page 118 for more details.

Governance report

Council report

Council's role

Council's role, functions and powers are governed by the *Local Government Act 2020* (LGA 2020), with several provisions remaining in the *Local Government Act 1989* (LGA 1989) as at 30 June 2023. Both Acts set out the legislative framework under which all councils in Victoria must operate.

Councillors

The Alpine Shire Council comprises seven elected members in an un-subdivided Shire. Council elections occurred on 24 October 2020, appointing Councillors for a four-year term. Following the resignation of a Councillor in December 2021, the Victorian Electoral Commission conducted a countback on 20 January 2022, where one new Councillor was deemed elected.

On 8 November 2022, Council resolved to appoint both the Mayor and Deputy Mayor to a one-year term, and to appoint the Deputy Mayor as Acting Mayor in accordance with section 21 of the LGA 2020. Councillor John Forsyth was elected as Council's Mayor, with Cr Tony Keeble elected as Deputy Mayor.

Councillor Code of Conduct

The Councillor Code of Conduct was adopted on 23 February 2021 and includes the standards of conduct expected to be observed by Councillors in the course of performing their duties and functions as councillors, including prohibiting discrimination, harassment, and vilification.

Council decision making

Decisions made by Council are made in one of two ways:

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

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

The majority of decisions, particularly those of an operational nature, are made under delegated authority from Council, either directly to officers or through the CEO. See 'delegated authority' on page 49 for more details.

Council meetings

During 2022/23, Council conducted 12 Ordinary Council meetings and two Special Council meetings.

The ordinary and special Council meetings are typically held in Bright, with one meeting held in Mount Beauty and one in Myrtleford through the year. Council updated its Governance Rules in September 2022 to allow for Council meetings to be attended by in-person or electronic means, or a combination of both. This provides additional flexibility for Councillors in attending the meeting where they otherwise would be an apology for an in-person meeting. All Council meetings held in Bright Council Chambers or online were livestreamed, while those held in Mount Beauty and Myrtleford were recorded and uploaded to Council's website the following day.

Council meeting agendas, attachments, minutes, and recordings of meetings are available on Council's website.

Councillor briefing sessions are held to give Councillors the opportunity to meet with management to keep up to date with issues as they arise. No formal decisions of Council may be made at these meetings. Each is considered an 'Informal meeting of Councillors' and reported at Council meetings.

Table 5: Council meeting attendance 2022/23

	Ordinary Council	Special Council
Cr Forsyth	12	2
Cr Nicholas	12	2
Cr Hughes	11	2
Cr Janas	12	2
Cr Keeble	10	0
Cr Kelley	12	2
Cr Prime	10	2
Total meetings	12	2

Councillor committees

Councillors were appointed to individual committees on 13 December 2022.

Councillor delegates were appointed on the following groups and committees (non-executive):

Committee	Delegate
Municipal Association of Victoria	Cr Forsyth Cr Keeble
Hume Region Local Government Network	Cr Forsyth
Rural Councils Victoria (RCV)	Cr Nicholas
Alpine Shire Council – Audit and Risk Committee	Cr Kelley Cr Keeble
Alpine Shire Council – Finance Committee	Cr Janas Cr Kelley
Alpine Children’s Services Inc.	Cr Hughes
Alpine Resilience Committee	Cr Kelley Cr Janas
Goulburn Murray Climate Alliance	Cr Prime Cr Nicholas
Reconciliation Action Plan Working Group	Cr Keeble Cr Forsyth
L2P Program	Cr Hughes

Councillor allowances

Victorian Independent Remuneration Tribunal

On 7 March 2022 the Victorian Independent Remuneration Tribunal made its first Determination setting allowances payable to Mayors, Deputy Mayors, and Councillors. The Determination applied to all Victorian Councils, and took effect retrospectively from 18 December 2021.

The Determination set a single base allowance for each Category of Council which was inclusive of a superannuation guarantee payment. Councils were required to pay the set allowance amounts, with no ability to vary this at a Council level. However, individual Councillors could elect to receive the entire allowance, a specified part, or none of the allowance.

On 8 December 2022, the VIR Tribunal made an annual adjustment determination, reflecting an increase to the base values of allowances payable to Mayors, Deputy Mayors, and Councillors payable from 18 December 2022.

Alpine Shire Council allowances applicable for the 2022/23 year are presented on this page. Noting that allowances were paid pro-rata for the part of the year where the allowance applied.

Councillor allowance:

1 July 2022 – 17 December 2023:

\$ 24,080 per annum

18 December 2022 – 30 June 2023:

\$ 25,147 per annum

Deputy Mayor allowance:

1 July 2022 – 17 December 2023:

\$37,353 per annum

18 December 2022 – 30 June 2023:

\$ 38,967 per annum

Mayor allowance:

1 July 2022 – 17 December 2023:

\$ 74,706 per annum

18 December 2022 – 30 June 2023:

\$ 77,933 per annum

Table 6: Councillor allowances paid 2022/23

	Total allowance paid (\$)
Cr Forsyth ^o	\$58,441
Cr Hughes [%]	\$29,373
Cr Janas	\$24,654
Cr Keeble ⁺	\$33,501
Cr Kelley	\$24,654
Cr Nicholas [^]	\$42,654
Cr Prime	\$24,264

[^]Cr Nicholas was Mayor 1 July 2022 – 8 November 2022.

[%]Cr Hughes was Deputy Mayor 1 July 2022 – 8 November 2022.

^oCr Forsyth was Mayor 8 November 2022 – 30 June 2023.

⁺Cr Keeble was Deputy Mayor 8 November 2022 – 30 June 2023.

Councillor expenses

The Councillor Expenses policy sets out the electronic equipment that will be provided to councillors, as well as the types of approved expenses that will be reimbursed under the policy. Expenses can only be reimbursed if the expense was incurred while performing duties as a Councillor or committee member and fulfils the requirements as described in the policy.

During 2022/23, a fully maintained vehicle was available for use by the Mayor, and Councillors were able to utilise fleet vehicles to attend to council business in accordance with the policy.

In accordance with r10(g) of the *Local Government (Planning and Reporting) Regulations 2020*, table 7 presents the expense declarations incurred by Council on behalf of each Councillor:

Table 7: Councillor & committee member expenses 2022/23**

	Travel ¹	Professional Development ²	Performance of the Role ³	Total
	\$	\$	\$	\$
Cr Forsyth ^o	7,427	4,821	1,020	13,268
Cr Hughes	-	250	760	1,010
Cr Janas	103	250	1,020	1,373
Cr Keeble	-	1,277	1,020	2,297
Cr Kelley	-	-	480	480
Cr Nicholas [^]	9,608	1,254	1,300	12,162
Cr Prime	-	250	1,525	1,775
Total	\$17,138	\$8,102	\$7,126	\$32,365

¹ Travel expenses include vehicle usage (costed at the ATO rate of \$0.78/km), and other minor expenses associated with travel including meals not associated with conferences.

² Professional Development expenses include attendance at conferences, workshops, and other learning opportunities.

³ Expenses to support the performance of the role include Information and Communication Technology (ICT) allowances, and childcare expenses.

** Audit committee members were paid sitting fees (allowances), but no other expenses were incurred.

[^]Cr Nicholas was Mayor 1 July 2022 – 8 November 2022.

^o Cr Forsyth was Mayor 8 November 2022 – 30 June 2023.

Delegated authority

The *Local Government Act 1989* (LGA 1989), *Local Government Act 2020* (LGA 2020) and numerous other pieces of legislation confer specific powers, duties, and functions on a council.

An Instrument of Delegation under section 11 of the LGA 2020 provides the CEO with the necessary authority to perform the duties of the position. Council delegates powers, duties, and functions to staff, and appoints authorised officers under various Acts. The CEO can further sub-delegate powers, duties, and functions to staff.

Following the commencement of the LGA 2020, delegations from Council to the CEO and Staff were updated on 5 October 2021, in accordance with legislative timeframes. Additional updates were conducted during the year – refer to “Delegations” in the Governance and Management Framework on page 48 for further details.

Audit and Risk Committee

Council’s Audit and Risk Committee, established under section 53(1) of the *Local Government Act 2020*, is part of Council’s good governance and accountability obligations to the community by providing oversight, advice and guidance on Council’s frameworks, systems and controls relating to:

- legislative and good governance compliance;
- financial and performance reporting;
- risk management; and
- audit.

The specific functions and responsibilities of the Committee are detailed in its Charter in adopted by Council under section 54(1) of the Act.

Committee Membership

Councillor Representatives	
Cr Nicholas	appointed December 2021 replaced by Cr Keeble in December 2022
Cr Keeble	appointed December 2022
Cr Kelley	appointed February 2022 reappointed December 2022
Independent Representatives	
Gerard Moore	appointed August 2020 reappointed May 2021
Craig Covich	appointed August 2020 reappointed September 2022
Jason Young	appointed May 2021
Julie Guest	appointed July 2021 reappointed June 2023

Key areas of focus for the Audit Committee during the year were:

- Annual financial and performance reports
- Quarterly reports: budget; performance; health and safety; finance controls audits; asset management documentation; and policy reviews
- Review of Council's Investments Policy
- Governance of Council's ICT/Business Transformation program
- Key risks: capital works; climate change and action plan; cyber security; and playground maintenance
- Considered Council's response and compliance with findings by VAGO, Minister for Local Government and Local Government Inspectorate reports

Risk Management

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

- Continued its regular review and reassessment of its risk register
- Maintained its ongoing financial controls audits including credit cards, float balances and purchasing
- Continued implementation of the health and safety management system
- Adopted its updated Risk Management Policy and Governance and Risk Framework, which clearly articulates its risk appetite and an updated risk matrix. These documents assist Council with the integration of governance, risk management and compliance into Council's corporate planning, operational management, and reporting processes.

Insurable risk

Council has an insurance program in place to cover its insurable risk which is reviewed annually to ensure adequate insurance coverage. Council procures its professional indemnity and public liability insurance through the MAV Liability Mutual Insurance scheme.

Community Asset Committees

Section 65 of the LGA 2020 provides for Council to establish Community Asset Committees (CACs) to manage community assets such as halls and recreation reserves.

Council formally established CACs for each of the Bright Senior Citizens Centre and the Mount Beauty Recreation Reserve in 2020.

Council amended the membership of the Bright Senior Citizens Centre CAC in November 2022, to better reflect the community needs for the management of the Centre, with a new Instrument of Delegation approved by the CEO.

The Mount Beauty Recreation Reserve is currently under review, with a renewed Instrument of Delegation due in 2023.

Organisational committees

Audit Committee - see previous page.

Finance Committee - provides oversight of Council's financial performance and management. Quarterly reports against Council's budget are also presented to Council meetings as required by s97 of the *Local Government Act 2020*.

Governance and Management Checklist

Governance and Management Items	Assessment
Community engagement policy (policy under section 55 of the <i>Local Government Act 2020</i> (LGA 2020) outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the LGA 2020 <input checked="" type="checkbox"/> Date of adoption 23/02/2021
Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines <input checked="" type="checkbox"/> Date of commencement 23/02/2021 High level guidelines are contained in Council's Community Engagement Policy, including specifying when Council will engage and won't engage with the community. The policy also includes specifications for an engagement plan. Additional detailed guidance will be developed as required.
Financial Plan (plan under section 91 of the LGA 2020 outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the LGA 2020 <input checked="" type="checkbox"/> Date of adoption 05/10/2021
Asset Plan (plan under section 92 of the LGA 2020 setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the LGA 2020 <input checked="" type="checkbox"/> Date of adoption 07/06/2022
Revenue and Rating Plan (plan under section 93 of the LGA 2020 setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the LGA 2020 <input checked="" type="checkbox"/> Date of adoption: 15/06/2021
Annual Budget (plan under section 94 of the LGA 2020 setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	Budget adopted in accordance with section 94 of the LGA 2020 <input checked="" type="checkbox"/> Date of adoption: 27/06/2023
Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy <input checked="" type="checkbox"/> Date of commencement of current policy: 05/07/2022
Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy <input checked="" type="checkbox"/> Date of commencement of current policy: 14/12/2021
Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response, and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> <input checked="" type="checkbox"/> Date of preparation: 17/12/2021 The Alpine Shire Municipal Emergency Management Plan (MEMP) was developed in accordance with section 60ADB of the <i>Emergency Management Act 2013</i> . The MEMP was endorsed by the Hume Regional Emergency Management Planning Committee on 17/12/2021.
Procurement policy (policy under section 108 of the LGA 2020 outlining the principles, processes and procedures that will apply to the purchase of goods and services by the Council)	Adopted in accordance with section 108 of the LGA 2020 <input checked="" type="checkbox"/> Date of adoption: 27/06/2023

Governance and Management Items	Assessment	
Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan Date of commencement of current plan: 11/12/2009. A review of the Business Continuity Plan was undertaken during 2019/20 and is scheduled for its next review in conjunction with Business Planning within the organisation.	☑
Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan Date of commencement of current plan: 16/09/2019. The Disaster Recovery Plan will be reviewed during 2023/24.	☑
Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of commencement of current framework: 05/07/2022	☑
Audit and Risk Committee (see sections 53 and 54 of the LGA 2020)	Established in accordance with section 53 of the LGA 2020 Date of establishment: 25/08/2020	☑
Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk, and management controls)	Engaged Date of engagement of current provider: At the Ordinary Council meeting on 05/04/2016, Council resolved to not appoint an internal auditor for a three year period but rather source quotes on a per audit basis as required under Council's Procurement Policy. There were no internal audits conducted in 2022/23 - 2023/24 audits will include a review of Council's Grants Programmes. Outcomes are proactively managed through the Audit and Risk Committee.	☑
Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the LGA 2020)	Framework Date of adoption of current framework: 24/10/2020 Council reports on the financial and non-financial measures prescribed by the section 98 of the <i>Local Government Act 2020</i> , and <i>Local Government (Planning and Reporting) Regulations 2020</i> . Additional performance measures are contained within the Alpine Shire Council Plan 2021-2025, and reported against annually.	☑
Council Plan report (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Report Date of report: Quarterly Council Plan reports were presented at the following Council meetings: Q4: 04/10/2022 (as part of annual report); Q1: 13/12/2022; Q2: 28/02/2023; Q3: 30/05/2023.	☑

Governance and Management Items	Assessment
<p>Quarterly budget reports (quarterly reports to the Council under section 97 of the LGA 2020, comparing actual and budgeted results and an explanation of any material variations)</p>	<p>Reports presented to the Council in accordance with section 97(1) of the LGA 2020 <input checked="" type="checkbox"/></p> <p>Dates reports presented:</p> <p>Quarterly budget reports were presented at the following Council meetings:</p> <p>Q4: 06/09/2022 (in-principle financial statements for annual report); and 04/10/2022 (as part of annual report);</p> <p>Q1: 13/12/2022;</p> <p>Q2: 28/02/2023;</p> <p>Q3: 30/05/2023.</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 <input checked="" type="checkbox"/></p> <p>Dates of reports:</p> <p>Strategic risks are reported to Council through its Audit and Risk Committee. Council's Risk Management Policy and Governance and Risk Framework were updated in July 2022.</p>
<p>Performance reporting (six-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the LGA 2020)</p>	<p>Reports <input checked="" type="checkbox"/></p> <p>Dates of reports:</p> <p>Quarterly progress reports against the non-financial service performance indicators included in the Council Plan were presented at the following Council meetings:</p> <p>Q4: 04/10/2022 (as part of annual report);</p> <p>Q1: 13/12/2022;</p> <p>Q2: 28/2/2023;</p> <p>Q3: 30/05/2023.</p> <p>All other non-financial and financial performance indicators are reported at end of financial year.</p>
<p>Annual report (annual report under sections 98 and 99 of the LGA 2020 containing a report of operations and audited financial and performance statements)</p>	<p>Presented at a meeting of the Council in accordance with section 100 of the LGA 2020 <input checked="" type="checkbox"/></p> <p>Date of presentation:</p> <p>04/10/2022</p>
<p>Councillor Code of Conduct (Code under section 139 of the LGA 2020 setting out the standards of conduct to be followed by Councillors and other matters)</p>	<p>Reviewed and adopted in accordance with section 139 of the LGA 2020 <input checked="" type="checkbox"/></p> <p>Date reviewed and adopted:</p> <p>23/02/2021</p>

Governance and Management Items	Assessment
<p>Delegations (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the LGA 2020)</p>	<p>Reviewed in accordance with section 11(7) of the LGA 2020 and a register kept in accordance with sections 11(8) and 47(7) of the LGA 2020 <input checked="" type="checkbox"/></p> <p>Date of review under section 11(7):</p> <p>5/10/2021</p> <p>Delegations were reviewed in October 2021, as required by s11(7) of the <i>Local Government Act 2020</i>. Council regularly reviews delegations throughout the year, with formal reviews adopted by Council on:</p> <ul style="list-style-type: none"> - 07/06/2022 - 02/08/2022 - 13/12/2022 - 26/04/2023 <p>The CEO also delegates their powers, duties, and functions directly to staff. Reviews were undertaken in June 2022, December 2022, and April 2023.</p>
<p>Meeting procedures (Governance Rules under section 60 of the LGA 2020 governing the conduct of meetings of Council and delegated committees)</p>	<p>Governance Rules adopted in accordance with section 60 of the LGA 2020 <input checked="" type="checkbox"/></p> <p>Date Governance Rules adopted:</p> <p>06/09/2022</p>

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



Will Jeremy
Chief Executive Officer
Date: 19 September 2023



Cr John Forsyth
Mayor
Date: 19 September 2023

Statutory Information Report

Documents Available for Public Inspection

In accordance with regulation 10(k) of the *Local Government (Planning and Reporting) Regulations 2020* the following are a summary of information that is publicly available for the purposes of Council's Public Transparency Policy adopted under section 57 of the Act:

Council will at minimum publish the following information for access by the public, except where the information is confidential in accordance with legislation:

- Plans, strategies, reports, policies, and documents required by the *Local Government Act 2020*;
- Plans, strategies, and policies otherwise adopted by Council;
- Local Laws;
- Council meeting agendas, minutes, and meeting recordings;
- Terms of reference or charters for Council committees;
- Application processes for approvals, permits, grants, and access to services.

Council will at minimum make the following information available to the public upon request, except where confidential in accordance with legislation:

- Plans, strategies, reports, and documents required by any Act or which have been adopted by Council;
- Project and service plans which have been adopted by Council;
- Guidelines, manuals, policies and procedures;
- Technical reports and / or research used to inform decision making;
- Registers required by LGA 2020 or any other legislation;
- Newsletters, handbooks and promotional materials;
- Building approval registers as required by the *Building Act 1993*;
- Planning permit registers and documentation as required by the *Planning and Environment Act 1987*.

Council may require that a formal Freedom of Information request is submitted where the information requested is not listed above.

Information published for access by the public can be found on Council's website. Additional information made available upon request can be inspected by appointment at Council's Bright Office located at 2 Churchill Avenue, Bright.

Information privacy

The primary legislative obligations applying to Council's treatment of personal and health information are contained in the Victorian Government's *Privacy and Data Protection Act 2014* and the *Health Records Act 2001*.

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

Council will continue to comply with the privacy principles contained in the Act, and its Information Privacy Policy.

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

Freedom of Information

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

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

How do I make a request?

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

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

Forward your request to:

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

Council will respond to your request within the legislated period. Search and access charges allowable under the Act may apply to your request.

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

Contracts

July 2022 – June 2023

Council adopted version 9.0 of its Procurement Policy on 14 December 2021. Under the policy, procurement valued > \$150,000 (excluding GST) required an Invitation to Tender process and a written contract. The CEO's financial delegation is \$150,000 (excluding GST), meaning that these contracts must be awarded at a Council meeting.

In accordance with the *Local Government (Planning and Reporting) Regulations 2020*, Council is required to report:

- (A) *a list of contracts entered into by Council valued above the contract value at which the Council must invite a tender or seek an expression of interest under its Procurement Policy;*

In accordance with Council's Procurement Policy, procurement valued >\$150,000 (excl GST) must be by Invitation to Tender, with a written contract required.

The CEO's financial delegation is also \$150,000 (excl GST), meaning that any contract valued above this delegation must be awarded at a Council meeting.

During 2022/23, Council awarded 25 contracts at Council meetings, resulting in a total value of more than \$11.6m. A summary of these contracts is shown on page 54.

- (B) *a list of contracts entered into by Council valued above the contract value at which the Council must invite a tender or seek an expression of interest under its Procurement Policy but for which the Council did not invite a tender or seek an expression of interest and which did not meet the conditions for the Council to purchase goods or services without inviting a public tender or seeking an expression of interest;*

Council did not enter into any contracts valued greater than \$150,000 excluding GST without first engaging in a competitive process.

July 2023

Council adopted version 10.0 of its Procurement Policy on 27 June 2023. Under this policy, the value above which procurement required an Invitation to Tender process was increased to \$200,000 (excluding GST). The CEO's financial delegation was increased to \$200,000 (excluding GST) to match this threshold, with any contracts valued greater than the CEO's financial delegation required to be awarded at a Council meeting.

One contract was awarded at the 27 June 2023 Council meeting, valued at \$350,000 excluding GST. This contract is included in the reporting for July 2022 – June 2023 on page 54.

Table 8: Contracts awarded at Council meetings valued >\$150,000 (excl GST) during 2022/23

Project	Contract name	Supplier	Value excl GST (\$)
Asset Management	Supply, implementation and commissioning of an Asset Management System	Univerus	\$ 191,899
Children's Centre	Mountain View Children's Centre - Lead Design Consultant	Spaces Pty Ltd	\$ 178,300
Climate Change	Energy Efficient Street Lighting Hardware Installation	GPE HV Pty Ltd	\$ 380,000
Dinner Plain	Dinner Plain Activation Phase 1 Building Works Construction	Midson Construction Pty Ltd	\$ 503,644
	Provision of Contracted Services at Dinner Plain Village - maintenance, waste management and snow grooming services	GF and AM Peterson	\$ 391,734
	Provision of Contracted Services at Dinner Plain Village - snow clearing services	GF and AM Peterson	\$ 177,309
Road sealing / reconstruction / drainage	Asphalt Overlay 2022-23	Rich River Asphalt	\$ 155,469
	Dargo High Plains Road Upgrade	North East Civil Construction	\$2,090,070
	Gravel Road Reconstruction and Re-sheeting 2022/23	Roche Excavations Pty Ltd	\$ 519,785
	Plant Hire Wet and Dry - Emergency Flood Repair Civil Works	Stadelmann Enterprises Pty Ltd	\$ 107,817
		Richardson Earthmoving	\$ 118,850
		Roche Excavations	\$ 195,650
		North East Civil Construction	\$ 196,735
	McPhersons Earthmoving	\$ 204,212	
Resealing 2022-23	GW & BR Cramer	\$ 439,887	
Tawonga Caravan Park - Roads and Carpark Construction	Jackson's Earthmoving Pty Ltd	\$ 151,627	
Sport and Recreation	Sport and Active Recreation Master Planning	GroupGSA	\$ 226,300
Statutory Planning	Bright Valley Development Project Management and Strategic Advisory Services	Mesh Planning	\$ 350,000
Tourism	Live Music Event	Live Nation	\$ 180,000
Waste, Recycling, Food Organics Garden Organics	Bulk haulage and disposal of kerbside residual waste and transfer station bulk bin residual waste	Veolia Environmental Services (Australia) Pty Ltd	\$ 795,987
	Demountable Site Office at Porepunkah Transfer Station	Rendine Construction Pty Ltd	\$ 198,177
	Kerbside collection and transport of comingled recycling, FOGO and residual waste, bulk haulage of transfer station comingled recycling, processing of comingled recycling and FOGO	Cleanaway Pty Ltd	\$1,919,646
	Porepunkah Landfill Rehabilitation Cap Construction Stage 2	Extons Pty Ltd	\$1,282,272
	Provision of Public Waste and Recycling Collection, and Servicing and Cleaning of Public Amenities and Council Facilities - Kiewa Valley	People Works Cleaning Services Pty Ltd	\$ 226,152
	Supply and delivery of approximately 6,574 green lidded 240L SULO mobile garbage bins and kitchen caddies	Cleanaway Pty Ltd	\$ 453,696
Total			\$11,635,218

Infrastructure and development contributions

In accordance with section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in a council's annual report.

For the 2022/23 year, Council did not receive any infrastructure and development contributions of the type specified in s46GM or 46QD of the *Planning and Environment Act 1987*.

Public Interest Disclosures Act

The *Public Interest Disclosures Act 2012* aims to encourage and facilitate the making of disclosures in relation to the improper conduct of Council and its employees and to provide protection for persons making disclosures against detrimental action.

Council's Public Interest Disclosures Policy was updated in September 2022.

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

In accordance with Section 70 of the *Public Interest Disclosures Act 2012*, the following information is provided:

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

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

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

There were no disclosures made directly to Council during the period of 1 July 2022 to 30 June 2023.

Road Management Act 2004

Council, as a road authority, is required under section 22 of the *Road Management Act 2004* to publish a copy of any direction received from the Minister in its annual report. No directions were received from the Minister in 2022/23.

Food Act 1984

Council is required under section 7E of the *Food Act 1984* to publish a copy of any direction received from the Minister in its annual report. No directions were received from the Minister in 2022/23.

Carers Recognition Act 2012

Council did not provide a Home and Community Care service during 2022/23 and therefore does not meet the definition of a care agency under the *Carers Recognition Act 2012*. Therefore, the reporting obligations for care agencies under s12(2)(a) of the Act do not apply to Council for the 2021/22 year.

Disability Act 2006

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

As required under section 38 of the *Disability Act 2006*, Alpine Shire Council adopted a Disability Action Plan (Access and Inclusion Plan) in October 2021.

Activity continued throughout 2022/23:

- Review and prioritise actions from Access and Inclusion Plan.
- Review and prioritise recommendations of Access Appraisals.
- The Alpine Shire currently has six RECHARGE points across the Shire.
- 2022 Seniors Festival was delivered.
- 2022 International Day of People with Disability acknowledged on Council's social media in conjunction with 16 Days of Activism.
- Promote 2023 Victorian Disability Awards.
- Building and facility upgrades scoped and delivered during 2022/23 were completed with consideration to accessibility.
- Purchase of mobility lift for community centres.
- Raising profile of people with disability – Brant Garvey guest speakers for Council staff and school students.
- Council's website updated with consideration for people with disabilities.

Domestic Animals Act 1994

Pursuant to section 68A of the *Domestic Animals Act 1994*, Council must prepare a Domestic Animal Management Plan (DAMP) every four years, review the plan annually, and publish an evaluation of its implementation of the plan in its annual report.

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

Council's 2022-2026 DAMP was reviewed and formally adopted by Council on 1 February 2022.

Key actions in the DAMP 2022-2026 were developed with input from staff and key stakeholders such as the RSPCA, customer request data, and service delivery statistics. Activity during 2022/23 included:

Training of Authorised Officers

One Local laws Officer completed training in:

- o Certificate IV in Animal Control and Regulation
- o Certificate IV in Local Government (regulatory services)

Annual animal registration reminders

Renewal notices were sent out with rates notices, and Local Laws Officers will follow up on animals that did not have registration renewed.

Community Partnerships

The agreement made under section 84Y of the *Domestic Animals Act 1994* was renewed with the RSPCA to assist rehoming of animals. The Wangaratta Pound will cease operations in July 2023, following which Council will need to make alternative arrangements to assist with rehoming of domestic animals. Engagement with other animal shelters commenced, ahead of arranging a new agreement in 2023/24.

Liaison with local Vets on animal management issues continued.

Overpopulation and High Euthanasia

Desex Your Animal month was undertaken in the month of July, Council engaged with the community and local vets to encourage community participation.

Domestic Animal Businesses

There are a number of Domestic Animal Businesses (DAB) within the Alpine Shire – Local Laws Officers engaged with these businesses to ensure they comply with the Act and are registered through an audit process.

Declared dogs

The *Domestic Animals Act 1994* allows Council to declare a dog dangerous or menacing. Once declared the owner of the animal has certain obligations under the Act. Local Laws Officers declared several dogs menacing and dangerous during 2022/23, and continued audits of addresses of all known dangerous dogs as part of annual requirements.

Cat Curfew

Initial work began on investigation of a cat curfew, starting with comparisons with other similar Councils. Further investigation was delayed in 2022/23 due to staff vacancies, however this will be further investigated in 2023/24.

Local Laws

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

Community Local Law 2019

The objectives of the Community Local Law are to:

- provide for the peace, order, and good government of the municipal district;
- protect, maintain, and enhance the natural environment of the municipal district;
- ensure the protection of Council assets and the sustainable use of resources;
- protect the health and safety of persons within the municipal district;
- regulate the management of animals on land and on Council land; and
- provide uniform and fair administration of this Local Law.

Council gazetted a provision under section 224A of the *Local Government Act 1989* on 1 August 2019, to allow Victorian Police to act as authorised officers to enforce 'Part 2.2 – Consumption of liquor on Council land' and 'Part 7 – Enforcement', where they relate to the use, possession or consumption of alcohol.

Governance Local Law

The objectives of the Governance Local Law are to:

- regulate the use of the Alpine Shire Council Common Seal;
- provide for offences in relation to unauthorised use of the Common Seal or any device resembling the Common Seal; and
- provide for offences in relation to Council meetings and Delegated Committee meetings.

Glossary

Alpine Shire	the geographic region in which the Alpine Shire Council operates.
Alpine Shire Council	the organisation represented by elected councillors and staff.
Annual report	a report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement
Budget	a plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the council plan
Council	the abbreviation of Alpine Shire Council
council (lowercase)	a reference to councils generally, not specifically the Alpine Shire Council
Council Plan	a plan setting out the medium-term strategic objectives, strategies, strategic indicators, and resources reflecting vision and aspirations of the community for the next four year
Financial performance indicators	a prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability, and efficiency
Financial statements	the financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards, and other applicable standards as they apply to the general purpose financial reports and a statement of capital works and included in the annual report
Financial year	the period of 12 months ending on 30 June each year
Indicator	what will be measured to assess performance
Initiatives	actions that are one-off in nature and/or lead to improvements in service
Measure	how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator
Minister	the Minister for Local Government
Performance statement	a statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report
Planning and accountability framework	the key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act
Regulations	the <i>Local Government (Planning and Reporting) Regulations 2020</i>
Services	assistance, support, advice, and other actions undertaken by a council for the benefit of the local community
Service outcome indicators	the prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved
Service performance indicators	a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost, and service outcomes
Strategic objectives	the outcomes a council is seeking to achieve over the next four years and included in the council plan
Strategies	high level actions directed at achieving the strategic objectives in the council plan
Sustainable capacity indicators	a prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks covering financial performance, capacity and governance and management

Annual Financial Report

For the year ended 30 June 2023

Understanding the Financial Report

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

The purpose of the performance statement is to provide readers with an overview of how Council performed against the nominated Service Performance, Sustainable Capacity and Financial Capacity indicators as required by section 98 of the *Local Government Act 2020* and part 4 of the *Local Government (Planning and Reporting) Regulations 2020*. This reporting is consistent for all councils across Victoria and provides a comparison against the previous financial year(s) results.

Financial Statements

For the year ended 30 June 2023

Financial Report	Page
Certification of the Financial Statements	60
Victorian Auditor-General's Office Report	61
Comprehensive Income Statement	63
Balance Sheet	64
Statement of Changes in Equity	65
Statement of Cash Flows	66
Statement of Capital Works	67
Note 1 Overview	68
Note 2 ANALYSIS OF OUR RESULTS	69
2.1 Performance against budget	69
2.2 Analysis of Council results by program	74
Note 3 Funding for the delivery of our services	76
3.1 Rates and charges	76
3.2 Statutory fees and fines	76
3.3 User fees	77
3.4 Funding from other levels of government	78
3.5 Contributions	81
3.6 Other income	81
Note 4 Cost of delivering services	82
4.1 Employee costs	82
4.2 Materials and services	82
4.3 Depreciation	83
4.4 Amortisation – Intangible assets	83
4.5 Bad and doubtful debts – allowance for impairment losses	83
4.6 Other expenses	84
4.7 Net loss on disposal of property, infrastructure, plant and equipment	84
4.8 Landfill rehabilitation expenses	84
Note 5 Our financial position	85
5.1 Financial assets	85
5.2 Non-financial assets	87
5.3 Payables, trust funds and deposits and unearned income / revenue	88
5.4 Provisions	89
5.5 Commitments	92
5.6 Financing arrangements	93
Note 6 Assets we manage	94
6.1 Property, infrastructure, plant and equipment	94
6.2 Investment property	101
Note 7 People and relationships	102
7.1 Council and key management remuneration	102
7.2 Related party disclosure	104
Note 8 Managing uncertainties	105
8.1 Contingent assets and liabilities	105
8.2 Change in accounting standards	105
8.3 Financial instruments	106
8.4 Fair value measurement	108
8.5 Events occurring after the balance date	109
Note 9 Other matters	110
9.1 Reserves	110
9.2 Reconciliation of cash flows from operating activities to surplus	112
9.3 Superannuation	112
Note 10 Change in accounting policy	115

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*, Australian Accounting Standards, and other mandatory professional reporting requirements.



Tony Cooper
Principal Accounting Officer CPA

Date: 30 October 2023
Location: Bright, Victoria

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

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

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



Cr Ron Janas
Councillor

Date: 30 October 2023
Location: Bright, Victoria



Cr Tony Keeble
Councillor

Date: 30 October 2023
Location: Bright, Victoria



William Jeremy
Chief Executive Officer

Date: 30 October 2023
Location: Bright, Victoria

Independent Auditor's Report

To the Councillors of Alpine Shire Council

Opinion I have audited the financial report of Alpine Shire Council (the council) which comprises the:

- 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.

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 *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020* and applicable Australian Accounting Standards.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. 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 *Code of Ethics for Professional Accountants* (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.

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

Councillors' responsibilities for the financial report The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*, 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.

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.

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
3 November 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	20,837	19,766
Statutory fees and fines	3.2	557	579
User fees	3.3	1,239	1,253
Grants - operating	3.4	9,478	8,750
Grants - capital	3.4	3,116	8,525
Contributions - monetary	3.5	906	665
Contributions - non-monetary	3.5	573	766
Other income	3.6	2,451	833
Fair value adjustments for investment property	6.3	1,675	-
Total income / Revenue		40,832	41,137
Expenses			
Employee costs	4.1	(10,417)	(9,959)
Materials and services	4.2	(15,343)	(14,238)
Depreciation	4.3	(5,090)	(5,406)
Amortisation - Intangible assets	4.4	(53)	(53)
Bad and doubtful debts – allowance for impairment losses	4.5	2	2
Other expenses	4.6	(693)	(667)
Net profit/(loss) on disposal of PIPE	4.7	40	(38)
Landfill rehabilitation expense	4.8	(2,276)	(701)
Adjustment for prior year understatement of landfill rehabilitation expense	4.8	(701)	-
Total expenses		(34,531)	(31,060)
Surplus for the year		6,301	10,077
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation (decrement)/increment	9.1	(7,751)	22,840
Total other comprehensive income		(7,751)	22,840
Total comprehensive result		(1,450)	32,917

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

Balance Sheet

As at 30 June 2023

	Note	2023 \$'000	2022 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	13,683	8,008
Other financial assets	5.1	29,500	32,000
Trade and other receivables	5.1	2,133	1,585
Prepayments	5.2	710	118
Inventories	5.2	96	102
Other assets	5.2	602	111
Total current assets		46,724	41,924
Non-current assets			
Property, infrastructure, plant and equipment	6.1	253,097	255,783
Intangible assets	5.2	135	188
Investment property	6.3	5,450	3,775
Total non-current assets		258,682	259,746
Total assets		305,406	301,670
Liabilities			
Current liabilities			
Trade and other payables	5.3	4,280	4,511
Trust funds and deposits	5.3	420	300
Unearned income / revenue	5.3	12,350	8,672
Provisions	5.4	4,172	4,355
Total current liabilities		21,222	17,838
Non-current liabilities			
Unearned income / revenue	5.3	349	386
Provisions	5.4	3,949	2,110
Total non-current liabilities		4,298	2,496
Total liabilities		25,520	20,334
Net assets		279,886	281,336
Equity			
Accumulated surplus		134,274	127,973
Reserves	9.1	145,612	153,363
Total equity		279,886	281,336

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

Statement of Changes in Equity

For the year ended 30 June 2023

2023	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at the beginning of the financial year		281,336	127,973	147,291	6,072
Surplus for the year		6,301	6,301	-	-
Net asset revaluation decrement	6.2	(7,751)	-	(7,751)	-
Transfers to other reserves	9.1	-	-	-	-
Transfers from other reserves	9.1	-	-	-	-
Balance at the end of the financial year		279,886	134,274	139,540	6,072

2022	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at the beginning of the financial year		248,419	118,844	124,451	5,124
Surplus for the year		10,077	10,077	-	-
Net asset revaluation increment	6.1	22,840	-	22,840	-
Transfers to other reserves	9.1	-	(948)	-	948
Transfers from other reserves	9.1	-	-	-	-
Balance at the end of the financial year		281,336	127,973	147,291	6,072

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2023

		2023	2022
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Notes	\$'000	\$'000
Cash flows from operating activities			
Rates and charges		20,714	19,716
Statutory fees and fines		557	579
User fees		1,276	1,291
Grants - operating		9,525	8,794
Grants - capital		6,756	11,014
Contributions - monetary		997	732
Interest received		573	141
Rent received		1,211	538
Trust funds and deposits taken		172	63
Other receipts		36	236
Net GST refund		521	807
Materials and services		(18,586)	(15,147)
Employee costs		(10,450)	(10,166)
Trust funds and deposits repaid		(36)	(35)
Other payments		(459)	(712)
Net cash provided by operating activities	9.2	12,807	17,851
Cash flows from investing activities			
Payments for / proceeds from investments		2,500	(1,500)
Payments for property, infrastructure, plant and equipment		(9,587)	(15,573)
Proceeds from sale of property, infrastructure, plant and equipment		(45)	(56)
Net cash used in investing activities		(7,132)	(17,129)
Net increase in cash and cash equivalents		5,675	722
Cash and cash equivalents at the beginning of the financial year		8,008	7,286
Cash and cash equivalents at the end of the financial year	5.1	13,683	8,008
Commitments	5.6	315	315
Restrictions on cash assets	5.1	420	300

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

Statement of Capital Works

For the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Property			
Land		-	1,121
Buildings		2,198	3,637
Total property		2,198	4,758
Plant and equipment			
Plant, machinery and equipment		434	833
Fixtures, fittings and furniture		81	-
Computers and telecommunications		186	469
Library books		73	67
Total plant and equipment		774	1,369
Infrastructure			
Roads		4,509	6,469
Bridges		5	474
Footpaths and cycleways		155	2,095
Drainage		651	192
Recreational, leisure and community facilities		227	131
Parks, open space and streetscapes		-	35
Waste		1,068	50
Total infrastructure		6,615	9,446
Total capital works expenditure		9,587	15,573
Represented by:			
New asset expenditure		1,256	3,846
Asset renewal expenditure		1,308	2,699
Asset upgrade expenditure		7,023	9,028
Total capital works expenditure		9,587	15,573

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

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1 Overview

Introduction

The Alpine Shire Council (Council) was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate. The Council's main office is located at 2 Churchill Avenue, Bright, Victoria 3741.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*. The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

Significant accounting policies

1.1 Basis of accounting

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

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

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

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.

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 5.4);
- the determination of landfill provisions (refer to Note 5.4).
- 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.

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

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.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 ANALYSIS OF OUR RESULTS

2.1. Performance against budget

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

The budget figure details below are those adopted by Council on 7 June 2022. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council set guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

Notes to the Financial Statements

For the year ended 30 June 2023

2.1.1 Income / Revenue and expenditure

	Budget 2023 \$'000	Actual 2023 \$'000	Variance 2023 \$'000	Variance 2023 %	Ref
Income / Revenue					
Rates and charges	20,390	20,837	447	2	1
Statutory fees and fines	552	557	5	1	
User fees	965	1,239	274	28	2
Grants - Operating	4,154	9,478	5,324	128	3
Grants - Capital	8,782	3,116	(5,666)	(65)	4
Contributions - monetary	716	906	190	27	5
Contributions – non-monetary	438	573	135	31	6
Other income	868	2,451	1,583	182	7
Fair value adjustments for investment property	-	1,675	1,675	-	
Total income / revenue	36,865	40,832	3,967	11	
Expenses					
Employee costs	(11,233)	(10,417)	816	(7)	8
Materials and services	(13,632)	(15,343)	(1,711)	13	9
Bad and doubtful debts – allowance for impairment losses	-	2	2	-	
Depreciation	(5,549)	(5,090)	459	(8)	10
Amortisation	(28)	(53)	(25)	-	
Landfill rehabilitation expense	(78)	(2,276)	(2,198)	2,818	11
Other expenses	(835)	(693)	142	(17)	12
Net loss on disposal of property, infrastructure, plant and equipment	(8)	40	48	(600)	
Total expenses	(31,363)	(33,830)	(2,467)	8	
Surplus for the year	5,502	7,002	1,500	27	

Notes to the Financial Statements

For the year ended 30 June 2023

2.1.1 Income and expenditure (continued)

Ref	Item	Explanation
1	Rates and Charges	Above budget due to higher than expected income from supplementary rates notices issued due to revaluation and increased revenue in lieu of rates.
2	User fees and charges	Increased waste management activities.
3	Grants – Operating	Higher than budget as a result of additional grants received for <ul style="list-style-type: none">• 2023/24 Financial Assistance Grants received ahead of schedule (\$4,673k);• Bushfire recovery (\$952k);• Council flood support (\$500k).
4	Grants - Capital	Lower than budgeted due to incomplete capital projects as a result of resourcing constraints.
5	Contributions - monetary	Higher than budgeted due to valuation of developer contributions.
6	Contributions – non-monetary	Greater than budgeted developer contributed assets.
7	Other income	Above budget mainly due to higher than budgeted investment interest income due to interest rate rises throughout the year.
8	Employee costs	Below budget as a result of extended staff vacancies throughout the year.
9	Materials and services	Above budget mainly due to the expensing of the Bogong High Plains Road Blackspot Upgrade project as the road is to be handed over to DEECA in 2023/24. This project has been fully funded by grant funding.
10	Depreciation	Lower than budget due to movements in revalued asset classes.
11	Landfill rehabilitation expense	Rising interest and discount rates affected the projected total spend which has also experienced delays in official EPA approval.
12	Other expenses	Lower than budgeted expenditure over a range of operational activities.

Notes to the Financial Statements

For the year ended 30 June 2023

2.1.2 Capital works

	Budget 2023 \$'000	Actual 2023 \$'000	Variance 2023 \$'000	Variance 2023 %	Ref
Property					
Buildings	3,431	2,198	(1,233)	(36)	1
Total buildings	3,431	2,198	(1,233)	(36)	
Total property	3,431	2,198	(1,233)	(36)	
Plant and equipment					
Plant, machinery and equipment	562	434	(128)	(23)	2
Fixtures, fittings and furniture	-	81	81	-	
Computers and telecommunications	410	186	(224)	(55)	3
Intangibles	41	-	(41)	(100)	
Library Books	69	73	4	6	
Total plant and equipment	1,082	774	(308)	(28)	
Infrastructure					
Roads	8,155	4,509	(3,646)	(45)	4
Bridges	487	5	(482)	(99)	
Footpaths and cycleways	230	155	(75)	(33)	
Drainage	530	651	121	23	5
Recreational, leisure and community facilities	1,355	227	(1,128)	(83)	6
Waste management	3,570	607	(2,963)	(83)	7
Total infrastructure	14,327	6,154	(8,173)	(57)	
Total capital works expenditure	18,840	9,587	(9,253)	(49)	
Represented by:					
New asset expenditure	2,951	1,256	(1,695)	(57)	
Asset renewal expenditure	4,644	1,308	(3,336)	(72)	
Asset upgrade expenditure	11,245	7,023	(4,222)	(38)	
Total capital works expenditure	18,840	9,587	(9,253)	(49)	

Expenditure on uncompleted works in progress has been included in the relevant categories in the above table. For further information refer to Note 6.1 Summary of work in progress - additions.

Notes to the Financial Statements

For the year ended 30 June 2023

Ref	Item	Explanation
1	Buildings	Lower than budgeted as a result of Council continues to experience a high turnover of staff and recruiting replacement staff has been challenging due to low unemployment and the highly competitive job market for project managers. This presents project continuity and delivery delays.
2	Plant, machinery and equipment	Lower than budgeted spend as non-capitalised items were included in budget total.
3	Computers and telecommunications	Lower than budgeted spend as a number of Information and Communication Technology (ICT) initiatives were deferred to 2023/24.
4	Roads	Resourcing constraints have again hampered the budgeted roads program of works.
5	Drainage	Higher than budgeted spend as a result of increased raw materials and labour costs. . In 2022 national construction costs increased significantly due to increased material and labour costs, in line with other industry sectors
6	Recreational, leisure and community facilities	Lower than budgeted due to resourcing constraints delaying project works.
7	Waste management	Lower than budgeted due to <ul style="list-style-type: none">- Delays in EPA approval for the landfill capping design of Porepunkah Landfill and Myrtleford Landfill resulted in projects being postponed.- Additional material testing requested by EPA during construction resulted in construction delays.

Notes to the Financial Statements

For the year ended 30 June 2023

2.2 Analysis of Council results by program

Summary of income / revenues, expenses, assets and capital expenses by program

	Income / Revenue \$'000	Expenses \$'000	Surplus/ (Deficit) \$'000	Grants included in income / revenue \$'000	Total assets \$'000
2023					
Executive	26	11,169	(11,143)	26	-
Building and Environmental Health	402	33	369	6	-
Community Development	3,271	768	2,503	3,271	-
Corporate	26,285	4,859	21,426	5,732	23,090
Customer Experience	513	660	(147)	246	-
Engineering and Assets	3,860	13,763	(9,903)	3,150	279,050
Growth and Future	20	1,323	(1,303)	20	-
Operations	5,807	947	4,860	143	3,266
Statutory Planning, Compliance and Local Laws	648	308	340	-	-
	40,832	33,830	7,002	12,594	305,406
	Income / Revenue \$'000	Expenses \$'000	Surplus/ (Deficit) \$'000	Grants included in income / revenue \$'000	Total assets \$'000
2022					
Councillors and Executive	160	10,695	(10,535)	160	-
Asset Development	8,582	7,860	722	8,526	-
Asset Maintenance	942	3,461	(2,519)	99	259,555
Economic and Community Development	1,588	1,764	(176)	1,561	-
Bushfire Recovery	1,010	502	508	1,010	-
Corporate Services	22,862	2,905	19,957	5,753	42,044
Facilities	4,973	4,003	970	75	71
Planning and Amenity	1,020	279	741	91	-
	41,137	31,469	9,668	17,275	301,670

Notes to the Financial Statements

For the year ended 30 June 2023

2.2 Analysis of Council results by program (continued)

Organisational Restructure

Following the commencement of Will Jeremy as CEO, an intent to undertake an organisation restructure was announced to staff on 1 August 2022. Following a period of intensive consultation with staff, a final organisation structure was announced on 2 December 2022, with a commencement date of 9 January 2023. The intent of the restructure was to align the teams within the organisation to achieve the following:

- A positive employee experience – improved productivity and increased staff satisfaction
- A positive customer experience – an improved and consistent customer experience for everyone engaging with our services
- A sustainable future – a well planned future for the Alpine Shire, aligned to the needs and aspirations of our community.

The changes were made to support the aim of building a vibrant, sustainable future for our communities, townships, and the organisation.

The restructure created four new Management positions under the existing two-Directorate structure, with a total of 12 new permanent positions created in the structure offsetting six positions where there was significant change to their existing role which no longer existed in the new structure. In May 2023, to better fit the expertise and support required for those teams, an additional Manager position was added, taking the original seven Management streams to eight across the organisation.

Following an exhaustive recruitment process, all eight Management positions were filled by August 2023. Existing staff filled a series of backfill arrangements to ensure that the new structure was functioning as intended from 9 January 2023.

Executive

Includes all human resources support and advocacy activities. This area also includes remuneration for the Council workforce, the Mayor and the Councillors.

Building and Environmental Health

Amenity provides various regulatory services to uphold the amenity and safety of the community such as assessment of building and waste water applications, conduct of fire safety and environmental health inspections, registration of food premises.

Community Development

Community Development supports a thriving, connected community and focuses on building community capacity through community services such as youth activities, community grants, emergency management and the Maternal and Child Health service

Corporate

Corporate manages the supporting functions that help Council to deliver services in a responsible and sustainable manner. Services include financial control and planning, revenue collection, governance, health and safety, risk management and information technology.

Customer Experience

Customer Experience oversees library services, the visitor information centres, events throughout the shire and the communications and marketing on behalf of council.

Engineering and Assets

Engineering and Assets delivers the critical projects to develop, renew and upgrade our community assets.

Growth and Future

Growth and Future centres around delivering the strategic planning and economic development capability for the shire's long term future. It also has a strong focus on planning for the council's vision for a climate sensitive sustainable future.

Operations

Operations is responsible for maintaining our vital civil assets in order to underpin the wellbeing of the community. It also responsible for maintaining the council's property and contracts. Services include maintenance of local roads, bridges and drainage, footpaths, open spaces and buildings, operations, and occupational health and safety.

Statutory Planning, Compliance and Local Laws

Statutory Planning develops frameworks and plans for the ongoing development of land across the Shire and assesses planning applications submitted by individuals and businesses, management of animals and enforcement of local laws.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 3 Funding for the delivery of our services

3.1 Rates and charges

	2023 \$'000	2022 \$'000
General rates	16,383	15,981
Waste charges	3,363	3,129
Dinner Plain special rate	168	168
Supplementary rates and rate adjustments	362	101
Interest on rates and charges	114	101
Revenue in lieu of rates	447	286
Total rates and charges	20,837	19,766

Council uses capital improved value (CIV) as the basis of valuation of all properties within the shire. The CIV of a property is the total market value of the land plus buildings and other improvements.

The valuation base used to calculate general rates for 2022/2023 was \$5,899 million (\$3,927 million in 2021/2022). The 2022/2023 rate in the dollar was 0.002750 for residential, 0.003933 for farm and 0.002008 for commercial/industrial (2021/22 0.003649 for residential, 0.002664 for farm and 0.005218 for commercial/industrial).

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

Annual rates and charges are recognised as 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

	2023 \$'000	2022 \$'000
Town planning fees	289	388
Health services	143	21
Animal and roadside trading permits	8	50
Infringements and costs	100	96
Land information certificates	17	24
Total statutory fees and fines	557	579

Statutory fees and fines are recognised as revenue when the service has been provided where a specific service obligation is required. All other services are recognised when the payment is received, or when the penalty has been applied, whichever first occurs.

Notes to the Financial Statements

For the year ended 30 June 2023

3.3 User fees

	2023	2022
	\$'000	\$'000
Building services	252	320
Waste management services	572	604
Engineering works	25	39
Leisure centre and recreation	11	20
Community centres	92	27
Legal costs recovered	37	12
Visitor information centres	236	220
Library income	13	9
Other fees and charges	1	2
Total user fees	1,239	1,253
User fees by timing of revenue recognition		
User fees recognised over time	-	-
User fees recognised at a point in time	1,239	1,253
Total user fees	1,239	1,253

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.

Notes to the Financial Statements

For the year ended 30 June 2023

3.4 Funding from other levels of government

	2023 \$'000	2022 \$'000
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	6,376	6,186
State funded grants	6,218	11,089
Total	12,594	17,275
(a) Operating recurrent grants		
<i>Commonwealth Government</i>		
Financial assistance grant	5,683	5,496
Fuel rebate	-	2
<i>State Government</i>		
School crossing supervisors	44	37
Maternal and child health	335	346
Rates administration	49	107
Youth services	93	80
Senior citizen centres	7	31
Library services	168	151
Immunisation funding	12	7
Weed management	24	24
Tobacco activity	6	8
Total recurrent operating grants	6,421	6,289
Operating non-recurrent grants		
<i>Commonwealth Government</i>		
Bushfire Recovery	26	210
<i>State Government</i>		
Learning and development	-	160
Municipal emergency resourcing program	-	73
Economic development and tourism	89	256
Housing	-	83
Community development	246	673
COVID-19 Recovery	-	168
Youth services	323	-
Flood/storm incident and recovery	550	-
Waste	59	38
Bushfire Recovery	1,764	800
Total non-recurrent operating grants	3,057	2,461
Total operating grants	9,478	8,750

Notes to the Financial Statements

For the year ended 30 June 2023

3.4 Funding from other levels of government (continued)

	2023 \$'000	2022 \$'000
(b) Capital grants		
Capital recurrent grants		
<i>Commonwealth Government</i>		
Roads to Recovery	693	690
Total recurrent capital grants	693	690
Capital non-recurrent grants		
<i>Commonwealth Government</i>		
LRCI	-	1,115
Roads	34	778
<i>State Government</i>		
Capital projects	15	19
Roads	1,285	1,678
Bridges	-	123
Recreational, leisure	25	108
Pathways	1,064	1,236
Buildings	-	2,778
Total non-recurrent capital grants	2,423	7,835
Total capital grants	3,116	8,525
(c) Unspent grants received on condition that they be spent in a specific manner		
<i>Operating</i>		
Balance at start of year	26	2,412
Received during the financial year and remained unspent at balance date	971	433
Received in prior years and spent during the financial year	(246)	(2,819)
Balance at year end	751	26
<i>Capital</i>		
Balance at start of year	8,609	6,412
Received during the financial year and remained unspent at balance date	2,954	4,347
Received in prior years and spent during the financial year	-	(2,150)
Balance at year end	11,563	8,609

Unspent grants are determined and disclosed on a cash basis

Notes to the Financial Statements

For the year ended 30 June 2023

3.4 Funding from other levels of government (continued)

(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.

	2023 \$'000	2022 \$'000
Income recognised under AASB 1058 <i>Income of Not-for-Profit Entities</i>		
General purpose	6,233	5,496
Specific purpose grants to acquire non-financial assets	3,116	8,526
Other specific purpose grants	3,057	793
Revenue recognised under AASB 15 <i>Revenue from Contracts with Customers</i>		
Specific purpose grants	188	2,460
	12,594	17,275

Notes to the Financial Statements

For the year ended 30 June 2023

3.5 Contributions

	2023 \$'000	2022 \$'000
Monetary	906	665
Non-monetary	573	766
Total contributions	1,479	1,431
Contributions of non-monetary assets were received in relation to the following services:		
Roads	403	461
Other infrastructure	170	305
Total non- monetary contributions	573	766

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

3.6 Other income

	2023 \$'000	2022 \$'000
Disposal of caravans from Tawonga Caravan Park update and other assets	-	46
Non-monetary services received	-	45
Interest on investments	1,064	181
Rent	1,174	561
Sundry income	213	-
Total other income	2,451	833

Interest and rent 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 Statements

For the year ended 30 June 2023

Note 4 Cost of delivering services

4.1 Employee costs

	2023 \$'000	2022 \$'000
a) Employee costs		
Wages and salaries - permanent	7,485	7,282
Workcover	153	106
Wages and salaries - casual	643	690
Annual leave and long service leave	1,116	885
Superannuation	1,000	977
Fringe benefits tax	20	19
Total employee costs	10,417	9,959
b) Superannuation		
Council has made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	33	36
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	337	373
Employer contributions - other funds	630	568
Total accumulation funds	967	941
Employer contributions payable at reporting date	27	28

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2023 is \$27,128. Contributions made exclude amounts accrued at balance date.

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

4.2 Materials and services

	2023 \$'000	2022 \$'000
Administration	2,044	2,703
Operational	8,685	6,263
Asset maintenance	3,472	3,375
Non-recurrent projects	1,142	1,897
Total materials and services	15,343	14,238

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

Notes to the Financial Statements

For the year ended 30 June 2023

4.3 Depreciation

	2023 \$'000	2022 \$'000
Property	1,705	1,691
Plant and equipment	762	597
Infrastructure	2,623	3,118
Total Depreciation	5,090	5,406

Refer to note 6 for a more detailed breakdown of depreciation charges and accounting policy.

4.4 Amortisation – Intangible assets

	2023 \$'000	2022 \$'000
Software and Implementation costs	53	53
Total Amortisation	53	53

4.5 Bad and doubtful debts – allowance for impairment losses

	2023 \$'000	2022 \$'000
Other debtors	(2)	(2)
Total bad and doubtful debts	(2)	(2)

Movement in allowance for impairment losses in respect of debtors

Balance at the beginning of the year	(2)	(6)
New provisions recognised during the year	1	3
Amounts already provided for and written off as uncollectible	(1)	1
Amounts provided for but recovered during the year	-	-
Balance at end of year	(2)	(2)

Provision for doubtful debts is recognised in accordance with the expected credit loss model, or when there is objective evidence that an impairment loss has occurred. Bad debts are written-off when identified.

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

Excluding one-off items, year end sundry debtor balances have not altered significantly from 2022 levels. When using the expected credit loss model, in addition to 'base expectations', Council has also applied to other debts greater than 30 days outstanding a factor of 2.29% in consideration of potential economic impacts of prolonged restrictions due to COVID-19.

Notes to the Financial Statements

For the year ended 30 June 2023

4.6 Other expenses

	2023 \$'000	2022 \$'000
Auditors remuneration - VAGO - audit of financial statements, performance statement and grant acquittals	75	26
Councillors allowances	227	221
Council grants and contributions	369	375
Non-monetary services received	-	45
Impairment losses	22	-
Total other expenses	693	667

4.7 Net loss on disposal of property, infrastructure, plant and equipment

	2023 \$'000	2022 \$'000
(a) Property, infrastructure, plant and equipment		
Proceeds of sale	45	56
Written down value of assets disposed	(5)	(25)
Disposal of asset: share in MomentumOne Pty Ltd	-	(69)
Total net loss on disposal of property, infrastructure, plant and equipment and other assets	40	(38)

4.8 Landfill rehabilitation expenses

	2023 \$'000	2022 \$'000
Additional provisions	2,276	701
Total landfill rehabilitation expenses	2,276	701
Adjustment for prior year understatement of landfill rehabilitation expense processed via current year Comprehensive Income Statement	701	-

Notes to the Financial Statements

For the year ended 30 June 2023

Note 5 Our financial position

5.1 Financial assets

	2023 \$'000	2022 \$'000
(a) Cash and cash equivalents - current		
Cash on hand	2	2
Cash at bank	13,681	8,006
Total cash and cash equivalents	13,683	8,008
(b) Other financial assets - current		
Term deposits	29,500	32,000
Total other financial assets	29,500	32,000
Total financial assets	43,183	40,008
Council's cash and cash equivalents are subject to restrictions that limit amounts available for discretionary use. These include:		
Trust funds and deposits Note 5.3(b)	420	300
Total restricted funds	420	300
Total unrestricted cash, cash equivalents and other financial assets	13,263	7,708
Intended allocations		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
Cash held to fund carried forward capital works	3,391	2,116
Dinner Plain reserve	845	845
Subdivision reserves	374	374
Waste reserve	4,853	4,853
Total funds subject to intended allocations	9,464	8,188

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

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

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

Notes to the Financial Statements

For the year ended 30 June 2023

5.1 Financial assets (continued)

	2023 \$'000	2022 \$'000
(c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	1,046	923
Net GST receivable	378	355
<i>Non-statutory receivables</i>		
Other debtors	711	311
Provision for doubtful debts - other debtors	(2)	(4)
Total current trade and other receivables	2,133	1,585

Short-term receivables are carried at invoice amount. A provision for doubtful debts is recognised in accordance with the expected credit loss model, or when there is objective evidence that impairment has occurred.

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

(d) Ageing of receivables

At balance date other debtors representing financial assets were past due but not impaired. The ageing of the Council's trade and other receivables (excluding statutory receivables) was:

	2023 \$'000	2022 \$'000
Current (not yet due)	585	210
Past due by up to 30 days	1	25
Past due between 31 and 180 days	82	67
Past due between 181 and 365 days	5	3
Past due more than 1 year	36	6
Total trade and other receivables	709	311

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$2,094 (2022: \$3,555) were impaired. The amount of the provision raised against these debtors was \$2,094 (2022: \$3,555).

In determining the value of the provision for doubtful debts, an expected credit loss model was used, incorporating a combination of historical trends, knowledge of individual issues and forward-looking expected losses. All of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

Notes to the Financial Statements

For the year ended 30 June 2023

5.2 Non-financial assets

	2023 \$'000	2022 \$'000
(a) Inventories		
Current		
Merchandise	96	72
Pavement materials	-	30
Total inventories	96	102

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories 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.

	2023 \$'000	2022 \$'000
(b) Other assets		
Prepayments	710	118
Accrued income	598	111
Other	4	-
Total other assets	1,312	229

	2023 \$'000	2022 \$'000
(c) Intangible assets		
Software and implementation costs	135	188
Total intangible assets	135	188

	\$'000
Gross carrying amount	
Balance at 1 July 2022	295
Additions	-
Balance at 30 June 2023	295

Accumulated amortisation

Balance at 1 July 2022	107
Amortisation expense	53
Balance at 30 June 2023	160

Net book value at 30 June 2022	188
Net book value at 30 June 2023	135

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.

Notes to the Financial Statements

For the year ended 30 June 2023

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

	2023 \$'000	2022 \$'000
(a) Trade and other payables		
Current		
<i>Non-statutory payables</i>		
Trade payables	2,295	4,159
Accrued expenses	1,959	347
<i>Statutory payables</i>		
Other creditors	26	5
Total current trade and other payables	4,280	4,511
(b) Trust funds and deposits		
Current		
Fire services levy	168	87
Retention amounts	122	64
Subdivision works	80	97
Other deposits	50	52
Total current trust funds and deposits	420	300
(c) Lease income received in advance		
Current	36	36
Non-current	349	386
Total lease income received in advance	385	422
(d) Unearned income/revenue		
Grants received in advance – operating	751	26
Grants received in advance – capital	11,563	8,610
Total unearned income/revenue	12,314	8,636

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

Purpose and nature of items

Other deposits – Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Fire Services Levy – Council is the collection agent for the 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.

Subdivision works – Council receives deposits as a form of surety from property developers until certain works are completed. Once the works are completed the amounts are refunded.

Notes to the Financial Statements

For the year ended 30 June 2023

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

Unearned income - Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of grant funding to deliver specified works on behalf of the funding body. Grants received in advance for capital and operating projects are to be recognised when the specific obligations for the grant agreement have been fulfilled.

Unearned income/revenue are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

Other income in advance is comprised of fees and contributions with specific obligations to be recognised when they have been fulfilled.

Lease Income Received in Advance - This represents lease income received in advance for the Bright and Myrtleford Caravan Park leases at the start of the lease to be recognised on a straight line basis over the life of the leases (21 years).

5.4 Provisions

	Employee provisions \$'000	Landfill restoration \$'000	Total \$'000
2023			
Balance at beginning of the financial year	1,924	4,541	6,465
Additional provisions	865	2,723	3,588
Amounts used	(1,064)	(412)	(1,476)
Decrease in the discounted amount arising because of time and the effect of any change in the discount rate	(9)	(447)	(456)
Balance at the end of the financial year	1,716	6,405	8,121
<i>Provisions – current</i>	1,604	2,568	4,174
<i>Provisions – non-current</i>	112	3,837	3,949
2022			
Balance at beginning of the financial year	2,129	3,984	6,113
Additional provisions	961	1,110	2,071
Amounts used	(1,136)	(144)	(1,280)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	(30)	(409)	(439)
Balance at the end of the financial year	1,924	4,950	7,166
<i>Provisions – current</i>	1,749	3,307	5,056
<i>Provisions – non-current</i>	175	1,935	2,110

Notes to the Financial Statements

For the year ended 30 June 2023

5.4 Provisions (continued)

	2023 \$'000	2022 \$'000
a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	526	556
Long service leave	138	145
Other accrued and parental leave	159	127
	823	828
Current provisions expected to be wholly settled after 12 months		
Annual leave	141	178
Long service leave	640	743
	781	921
Total current provisions	1,604	1,749
Non-current		
Long service leave	112	175
	112	175
Total aggregate carrying amount of employee provisions	1,716	1,924
	2023	2022
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average increase in employee costs	4.35%	3.85%
Weighted average discount rates	4.06%	3.69%
Weighted average settlement period	2 years	2 years

Employee costs and benefits include 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 as 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 not expected to be wholly settled within 12 months of the reporting date are recognised as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave (LSL)

Unconditional LSL is disclosed as a current liability as 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 there is a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

Paid parental leave and other accrued leave

A liability for paid parental leave, time in lieu and rostered day off is recognised in the provision for employee benefits under the Alpine Shire Enterprise Agreement 2020. The liability is measured at the nominal value as it expected to be settled within 12 months.

Notes to the Financial Statements

For the year ended 30 June 2023

5.4 Provisions (continued)

	2023 \$'000	2022 \$'000
b) Landfill restoration		
Current	2,568	3,307
Non-current	3,837	1,935
Total landfill restoration	6,405	5,242

	2023	2022
The following assumptions were adopted in measuring the present value of landfill restoration:		
Weighted average increase in restoration costs	3.08%	2.59%
Weighted average discount rates	4.06%	3.69%
Weighted average settlement period	3 Years	3 Years

Council is obligated to restore former landfill sites at Myrtleford and Porepunkah to a particular standard.

The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken, which has been estimated based on current understanding of work required to reinstate the sites to this standard.

Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Notes to the Financial Statements

For the year ended 30 June 2023

5.5 Commitments

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

(a) Commitments for expenditure

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2023	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste management	1,965	2,858	2,169	-	6,992
Electricity	412	412	1,235	1,235	3,294
Cleaning	412	42	14	-	468
Other	198	1,158	-	-	1,356
Total	2,987	4,470	3,418	1,235	12,110
Capital					
Buildings	113	-	-	-	113
Roads	336	-	-	-	336
Other	1,693	-	-	-	1,693
Total	2,142	-	-	-	2,142

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2022	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste management	2,094	1,509	777	-	4,380
Electricity	412	412	1,235	1,647	3,706
Dinner Plain bus	168	-	-	-	168
Cleaning	412	412	107	-	931
Other	198	1,147	70	-	1,415
Total	3,284	3,480	2,189	1,647	10,600
Capital					
Buildings	1,210	-	-	-	1,210
Roads	1,680	-	-	-	1,680
Other	877	-	-	-	877
Total	3,767	-	-	-	3,767

Notes to the Financial Statements

For the year ended 30 June 2023

5.5 Commitments (continued)

b) Operating lease receivables

The Council has entered into commercial property leases on some properties, consisting of caravan parks, a community centre and a cafe. These properties held under operating leases have remaining non-cancellable lease terms between 1 and 18 years. All leases include a CPI based revision of the rental charge annually.

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

Not later than one year

Later than one year and not later than five years

Later than five years

Total operating lease receivables

	2023 \$'000	2022 \$'000
Not later than one year	396	438
Later than one year and not later than five years	1,379	1,454
Later than five years	1,920	2,299
Total operating lease receivables	3,695	4,191

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than recognised in the years in which they are incurred.

5.6 Financing arrangements

	2023 \$'000	2022 \$'000
Bank overdraft	250	250
Credit cards	50	50
Bank guarantees	15	15
Total facilities	315	315
Used facilities	24	65
Unused facilities	291	250

Notes to the Financial Statements

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	At fair value 30 June 2022 \$'000	Acquisitions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	At fair value 30 June 2023 \$'000
Land	35,472	-	-	-	-	-	-	35,472
Buildings	32,967	53	-	-	(1,705)	-	-	31,315
Plant and equipment	4,387	631	-	-	(761)	(5)	-	4,252
Infrastructure	174,360	6,500	573	(7,751)	(2,624)	-	-	171,058
Work in progress	8,597	2,403	-	-	-	-	-	11,000
Total	255,783	9,587	573	(7,751)	(5,090)	(5)	-	253,097

Summary of work in progress	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Disposal \$'000	Closing WIP \$'000
Buildings	3,556	2,145	-	-	5,701
Infrastructure	5,041	258	-	-	5,299
Total	8,597	2,403	-	-	11,000

Notes to the Financial Statements

For the year ended 30 June 2023

6.1 Property infrastructure plant and equipment (continued)

a) Property	Land	Land under roads	Total land	Buildings	Total buildings	Work in progress	Total property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property - at fair value 1 July 2022	30,842	4,630	35,472	83,163	83,163	3,556	122,191
Property - accumulated depreciation at 1 July 2022	-	-	-	(50,196)	(50,196)	-	(50,196)
	30,842	4,630	35,472	32,967	32,967	3,556	71,995
Movements in fair value							
Acquisition of assets at fair value	-	-	-	53	53	2,145	2,198
Revaluation increments	-	-	-	-	-	-	-
Fair value of assets disposed	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
	-	-	-	53	53	2,145	2,198
Movements in accumulated depreciation							
Depreciation and amortisation	-	-	-	(1,705)	(1,705)	-	(1,705)
Revaluation increments/(decrements)	-	-	-	-	-	-	-
	-	-	-	(1,705)	(1,705)	-	(1,705)
At fair value 30 June 2023	30,842	4,630	35,472	83,216	83,216	5,701	124,389
Accumulated depreciation at 30 June 2023	-	-	-	(51,901)	(51,901)	-	(51,901)
	30,842	4,630	35,472	31,315	31,315	5,701	72,488

Notes to the Financial Statements

For the year ended 30 June 2023

6.1 Property infrastructure plant and equipment (continued)

	Plant, machinery and equipment	Fixtures, fittings and furniture	Computers and telecomms	Library Books	Work in progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
b) Plant and equipment						
At fair value 1 July 2022	6,871	471	1,044	939	-	9,325
Accumulated depreciation at 1 July 2022	(3,508)	(314)	(476)	(640)	-	(4,938)
	3,363	157	568	299	-	4,387
Movements in fair value						
Acquisition of assets at fair value	434	81	43	73	-	631
Revaluation increments/(decrements)	-	-	-	-	-	-
Fair value of assets disposed	(346)	-	-	-	-	(346)
	88	81	43	73	-	285
Movements in accumulated depreciation						
Depreciation and amortisation	(528)	(26)	(130)	(77)	-	(761)
Revaluation increments/(decrements)	-	-	-	-	-	-
Accumulated depreciation of disposals	341	-	-	-	-	341
	(187)	(26)	(130)	(77)	-	(420)
At fair value 30 June 2023	6,959	552	1,087	1,012	-	9,610
Accumulated depreciation at 30 June 2023	(3,695)	(340)	(606)	(717)	-	(5,358)
	3,264	212	481	295	-	4,252

Notes to the Financial Statements

For the year ended 30 June 2023

6.1 Property, infrastructure, plant and equipment (continued)

	Roads	Bridges	Footpaths and cycleways	Drainage	Waste	Recreational, leisure and community facilities	Parks, open spaces and streetscapes	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
c) Infrastructure									
At fair value 1 July 2022	147,482	56,194	16,149	24,876	1,046	4,620	3,284	5,041	258,692
Accumulated depreciation at 1 July 2022	(44,334)	(16,997)	(4,261)	(10,361)	(396)	(1,549)	(1,393)	-	(79,291)
	103,148	39,197	11,888	14,515	650	3,071	1,891	5,041	179,401
Movements in fair value									
Acquisition of assets at fair value	4,956	-	241	642	607	53	-	258	6,500
Contributed assets	289	-	114	170	-	-	-	-	573
Revaluation	3,678	-	530	11,102	-	1,566	-	-	16,876
Fair value of assets disposed / written-off	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	258
	8,923	-	885	11,914	607	1,619	-	258	24,207
Movements in accumulated depreciation									
Depreciation and amortisation	(1,407)	(577)	(149)	(133)	(62)	(56)	(240)	-	(2,624)
Revaluation	(17,184)	-	(3,326)	(3,448)	-	(669)	-	-	(24,627)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-
	(18,591)	(577)	(3,475)	(3,581)	(62)	(725)	(240)	-	(27,251)
At fair value 30 June 2023	156,405	56,194	17,034	36,790	1,653	6,240	3,284	5,299	282,897
Accumulated depreciation at 30 June 2023	(62,925)	(17,574)	(7,736)	(13,942)	(458)	(2,274)	(1,633)	-	(106,540)
	93,480	38,620	9,298	22,848	1,195	3,966	1,651	5,299	176,357

Notes to the Financial Statements

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.

Asset recognition thresholds and depreciation periods

Class of Asset	Depreciation period	Threshold limit \$'000
Land	-	-
Land under roads	-	5
Buildings	15 to 100 years	5
Roads	20 to 80 years	5
Bridges	70 years	5
Drainage	50 to 100 years	5
Footpaths and cycleways	22 to 60 years	5
Recreational, leisure and community facilities	15 to 50 years	5
Parks, open space and streetscapes	20 to 50 years	5
Waste management	12 to 20 years	-
Plant, machinery and equipment	3 to 20 years	2
Fixtures, fittings and furniture	5 to 20 years	2
Computers and telecomms	3 to 10 years	2

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation

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. Depreciation rates and methods are reviewed annually.

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

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

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

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

Repairs and maintenance

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

Notes to the Financial Statements

For the year ended 30 June 2023

6.1 Property, infrastructure, plant and equipment (continued)

Valuation of land and land under roads

Valuation of land was undertaken by a qualified independent valuer Martin Burns AAPI (Liquid Pacific) in June 2021. The valuation of land 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.

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.

Valuation of buildings

Management elected to perform an indexation of all council buildings as at 30 June 2022 in line with the cumulative indices issued by the Valuer General Victoria since the last formal valuation. These indices totalled 10.1%.

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 \$'000	Level 2 \$'000	Level 3 \$'000	Valuation method	Date of valuation
Land	-	16,234	14,608	Independent	Jun-2021
Land under roads	-	-	4,630	Independent	Jun-2021
Specialised buildings	-	-	22,032	Indexation	Jun-2022
Non-specialised buildings	-	9,283	-	indexation	Jun-2022
Total	-	25,517	41,270		

Notes to the Financial Statements

For the year ended 30 June 2023

6.1 Property, infrastructure, plant and equipment (continued)

Valuation of infrastructure

Valuation of Council's infrastructure assets was performed by an asset management consultant Robert Uebergang, Bachelor of Engineering (Civil). The date of the current valuation is detailed in the following table.

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

Infrastructure asset values are not expected to be materially impacted by COVID-19 as at 30 June 2023. Formal revaluations were undertaken for Infrastructure assets during 2022/23 (Roads, Stormwater and Sporting Infrastructure) which were predominately based on industry standard unit rates (Rawlinson's Construction Cost Guide) and are largely immune to the impacts of COVID-19.

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Valuation method	Date of valuation
Roads	-	-	93,480	Independent	Jun-2023
Bridges	-	-	38,620	Independent	Jun-2022
Footpaths and cycleways	-	-	9,297	Independent	Jun-2023
Drainage	-	-	22,849	Independent	Jun-2023
Waste management	-	-	1,195	Independent	Jun-2022
Recreational, leisure and community facilities	-	-	3,966	Independent	Jun-2023
Parks, open space and streetscapes	-	-	1,651	Independent	Jun-2022
Total	-	-	171,058		

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads are valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 10% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$7.62 and \$679 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement cost is calculated on a square metre basis and ranges from \$200 to \$4,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 15 years to

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

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

	2023 \$'000	2022 \$'000
Reconciliation of specialised land		
Land under roads	4,630	4,630
Parks and reserves	6,488	6,488
Facilities	5,567	5,056
Office/depots	2,553	2,553
Total specialised land	19,238	18,727

100 years.

Notes to the Financial Statements

For the year ended 30 June 2023

6.2 Investment property

	2023	2022
	\$'000	\$'000
Balance at beginning of financial year	3,775	3,775
Fair value adjustments	1,675	-
Balance at end of financial year	5,450	3,775

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

Valuation of investment property

Valuation of investment property has been determined in accordance with an independent valuation by a qualified independent valuer LG Valuation Services Pty Ltd (API Registration no. 62901) who has recent experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property as at 31 March 2023.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 7 People and relationships

7.1 Council and key management remuneration

a) Related Parties

Interests in associates are detailed in Note 6.2.

b) Key management personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

Councillors

John Forsyth - Councillor (1 Jul 2022 - 8 Nov 2022), Mayor (9 Nov 2022 - 30 Jun 2023)

Sarah Nicholas - Mayor (1 Jul 2022 - 8 Nov 2022), Councillor (9 Nov 2022 – 30 Jun 2023)

Tony Keeble - Councillor (1 Jul 2022 – 8 Nov 2022), Deputy Mayor (9 Nov 2022 - 30 Jun 2023)

Ron Janas (1 Jul 2022 - 30 Jun 2023)

Kelli Prime (1 Jul 2022 - 30 Jun 2023)

Katarina Hughes (1 Jul 2022 - 30 Jun 2023)

Simon Kelley (1 Jul 2022 – 30 Jun 2023)

Chief Executive Officer and other key management personnel

Alan Clark - Acting Chief Executive Officer (1 Jul 2022 - 22 Jul 2022)

William Jeremy - Director Assets (1 Jul 2021 – 22 Jul 2022), Chief Executive Officer (23 Jul 2022 – 30 Jun 2023)

Helen Havercroft - Director Customer and Community (1 Jul 2022 - 30 Jun 2023)

Elaine Burridge – Acting Director Assets (23 Jul 2022 – 2 Oct 2022)

Alan Rees – Director Assets (3 Oct 2022 – 30 Jun 2023)

c) Remuneration of Key Management Personnel

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

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

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

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

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

Notes to the Financial Statements

For the year ended 30 June 2023

7.1 Council and key management remuneration (continued)

(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

	2023	2022
	2022	2022
	\$'000	\$'000
Short-term benefits	808	820
Long-term benefits	13	8
Termination benefits	-	-
Post-employment benefits	59	53
Total	880	881

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

	No.	No.
< \$10,000	-	-
\$10,000 - \$19,999	-	3
\$20,000 - \$29,999	5	3
\$30,000 - \$39,999	1	2
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	1	1
\$140,000 - \$149,999	-	1
\$180,000 - \$189,999	1	-
\$190,000 - \$199,999	1	1
\$250,000 - \$259,999	1	-
\$270,000 - \$279,999	-	1
	11	13

Total Number of Councillors

Chief Executive Officer and other Key Management Personnel

Total Key Management Personnel

	2023	2022
	No.	No.
Total Number of Councillors	7	8
Chief Executive Officer and other Key Management Personnel	4	5
Total Key Management Personnel	11	13

(d) Remuneration of other senior staff

Other senior staff are officers of the Council, other than Key Management Personnel, who:

- have management responsibilities and report directly to the Chief Executive; or
- whose total annual remuneration exceeds \$160,000.

The numbers of senior officers whose total remuneration from Council and any related entities, fall within the following bands:

	2023	2022
	No.	No.
\$170,000 - \$179,999	1	-
	1	-

Notes to the Financial Statements

For the year ended 30 June 2023

7.2 Related party disclosure

(a) Transactions with related parties

2023
\$'000

2022
\$'000

Momentumone

The CEO is a director of MomentumOne Shared Services Pty Ltd as Council owns 50% of this company. MomentumOne provided labour hire services mainly for the operating of Council's swimming pool facilities until September 2021 when management of the pools was contracted out to Belgravia Leisure. MomentumOne also provided recruitment, onboarding and payroll services for Council employees funded under the Working for Victoria program which ceased in 2021/22.

Paid to MomentumOne Shared Services Pty Ltd

-

65

Alpine Community Plantations

William Jeremy was a member of the board of management for Alpine Community Plantations., until his appointment as CEO. He was replaced by Emma Chadwick and, subsequently, Alan Rees was also appointed as a director. Transactions with Alpine Community Plantations relate to the development of a new masterplan for the mountain bike park, the installation of an electronic boom gate at the entrance to the park and an annual fee towards operational costs.

Paid to Alpine Community Plantations

-

12

Tourism North East

The CEO is a member of the Tourism North East board of directors. Tourism North East provides marketing and advertising services for Council.

Paid to Tourism North East

210

101

Received from Tourism North East

-

-

Partners of key management personnel that are employed by Council

Council employed partners of key management personnel. This is a normal Council employee/contractor relationship.

No.

No.

1

1

(b) Outstanding balances with related parties

\$'000

\$'000

The outstanding balances owing to related parties is to MomentumOne Shared Services Pty Ltd

-

-

The outstanding balances owing with related parties is to Tourism North East

5

-

(c) Loans to/from related parties

There were no loans either to or from related parties.

(d) Commitments to/from related parties

Council had contracted with MomentumOne to provide labour hire services for seasonal swimming pools for three years to September 2022. Both parties mutually agreed that this contract would cease prior to the 2021/22 outdoor swimming season. MomentumOne's contract to provide recruitment, onboarding and payroll services for Council employees funded the Working for Victoria program and ended 31 August 2021.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

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

(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

Landfill

Council is responsible for three small landfill sites that have been closed for more than twenty years at Myrtleford, Mount Beauty and Harrietteville. These sites are being monitored by Council and it may be required to perform rehabilitation works in the future. It is estimated that the works if required are likely to cost \$3,100,000.

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme; matters relating to this potential obligation are outlined in note 9.3. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Liability Mutual Insurance

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

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 applicable for the year ending 30 June 2024 that are expected to impact Council.

Notes to the Financial Statements

For the year ended 30 June 2023

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

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

Interest rate movements have been sufficiently significant during the year to have an impact on the Council's year end result, the main outcome being the significant interest returns on council's term deposit investments.

(c) Credit risk

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

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

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.

Notes to the Financial Statements

For the year ended 30 June 2023

8.3 Financial instruments (continued)

(d) Liquidity risk

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

below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- has readily accessible standby facilities and other funding arrangements in place;
- monitors budget to actual performance on a regular basis; and
- sets limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

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 is deemed insignificant based on prior periods' data and current assessment of risk.

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of 0.75% and -1.00% in market interest rates (AUD) from year end rates of 4.10%.

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

Notes to the Financial Statements

For the year ended 30 June 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, they are measured at amortised cost.

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

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

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

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

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

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

For the purpose of fair value disclosures, Council has determined classes of assets 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. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 4 years. The valuation is performed either by experienced council officers or independent experts.

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

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.

Notes to the Financial Statements

For the year ended 30 June 2023

8.5 Events occurring after the balance date

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

Notes to the Financial Statements

For the year ended 30 June 2023

Note 9 Other matters

9.1 Reserves

	Balance at beginning of reporting period \$'000	Increment / (decrement) \$'000	Balance at end of reporting period \$'000
a) Asset revaluation reserve			
2023			
Property			
Land	26,856	-	26,856
Buildings	20,998	-	20,998
	47,854	-	47,854
Plant, machinery and equipment			
Books	94	-	94
Infrastructure			
Roads	54,740	(13,506)	41,234
Bridges	32,908	-	32,908
Footpaths and cycleways	1,764	(2,796)	(1,032)
Drainage	353	7,654	8,007
Waste	7,983	-	7,983
Recreational, leisure and community Parks, open spaces and streetscapes	510	897	1,407
	1,085	-	1,085
	99,343	(7,751)	91,592
Total asset revaluation reserve	147,291	(7,751)	139,540
2022			
Property			
Land	26,856	-	26,856
Buildings	17,978	3,020	20,998
	44,834	3,020	47,854
Plant, machinery and equipment			
Books	94	-	94
Infrastructure			
Roads	54,740	-	54,740
Bridges	13,744	19,164	32,908
Footpaths and cycleways	1,764	-	1,764
Waste	7,983	-	7,983
Drainage	353	-	353
Recreational, leisure and community Parks, open spaces and streetscapes	510	-	510
	429	656	1,085
	79,523	19,820	99,343
Total asset revaluation reserve	124,451	22,840	147,291

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

Notes to the Financial Statements

For the year ended 30 June 2023

9.1 Reserves (continued)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
b) Other reserves				
2023				
Dinner Plain	845	-	-	845
Waste	4,853	-	-	4,853
Subdivision recreation	374	-	-	374
Total other reserves	6,072	-	-	6,072
2022				
Dinner Plain	835	10	-	845
Waste	3,915	938	-	4,853
Subdivision recreation	374	-	-	374
Total other reserves	5,124	948	-	6,072

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

The **waste reserve** is maintained to fund landfill rehabilitation works. Where budgeted rehabilitation projects are not carried out in the financial year, funds are allocated to the reserve to fund future rehabilitation work.

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

Notes to the Financial Statements

For the year ended 30 June 2023

9.2 Reconciliation of cash flows from operating activities to surplus

	2023	2022
	\$'000	\$'000
Surplus for the year	7,002	10,077
Depreciation	5,090	5,406
Net loss on disposal of property, infrastructure, plant and equipment	(40)	38
Contributions - non-monetary assets	(573)	(766)
Fair value adjustments for investment property	(1,675)	-
Non-cash amortisation	54	54
Adjustment landfill rehabilitation expense	701	-
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(548)	55
(Increase)/decrease in prepayments	(592)	(16)
(Increase)/decrease in accrued income	(487)	(26)
Decrease in inventories	6	-
Increase in investment in associates	-	123
Increase/(decrease) in trade and other payables	(231)	434
Increase in trust funds and other deposits	120	22
Increase/(decrease) in employee provisions	(208)	(205)
Increase in unearned income	3,641	2,097
Increase/(Decrease) in landfill restoration provision	1,248	557
Net cash provided by operating activities	12,807	17,851

9.3 Superannuation

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

Accumulation

The Fund's accumulation categories, Vision MySuper / Vision Super Saver, receive 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 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 Statements

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 June 2023 VBI were:

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

Vision Super has advised that the estimated VBI at 30 June 2023 was 104.10%, Council was notified of this during August 2023.

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

Regular contributions

On the basis of the results of the 2022 interim actuarial review 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 2021/2022). 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.

Funding calls

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

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall. Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound-up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

Notes to the Financial Statements

For the year ended 30 June 2023

9.3 Superannuation (continued)

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 conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted at 30 June 2022 and the last full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigations identified the following in the defined benefit category of which Council is a contributing employer:

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

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

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

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

The 2023 triennial actuarial investigation

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

	2023 Triennial Investigation	2020 Triennial Investigation
Net investment return	5.7%	5.6%
Salary inflation	3.50% pa	2.5% pa
Price inflation	2.8% pa	For the first two years and 2.75% pa thereafter 2.0% pa

Superannuation contributions

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

Scheme	Type of Scheme	Rate	2023 \$'000	20212 \$'000
Vision super	Defined benefit	10.50%	33	36
Vision super	Accumulation fund	10.50%	337	373
Other funds	Accumulation fund	10.50%	630	568

There were no 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 \$27,128

Notes to the Financial Statements

For the year ended 30 June 2023

Note 10 Change in accounting policy

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

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

Performance Statement

For the year ended 30 June 2023

Performance Statement

For the year ended 30 June 2023

Description of municipality

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

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

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

The estimated resident population of the Shire is 13,175, a number which significantly increases with the seasonal influx of tourists. Population demographics in the 2021 Census show a lower population of 0-49 year olds, but a much higher population of persons aged 50 and over, as compared to the Victorian averages.

Other Information

For the year ended 30 June 2023

1. Basis of preparation

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

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

The Performance Statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by Council's Budget. The *Local Government (Planning and Reporting) Regulations 2020* require explanation of any material variations in the results contained in the Performance Statement. Council has utilised materiality thresholds as described in the "Local Government Better Practice Guide - Annual Report Performance Statement 2022/23" relevant to each indicator and measure. Where Council's year on year result varies by more than 10% of the State-wide average (2021/22), Council has reported a material variance. Explanations have not been provided for variations below these 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 four-year Budget on 27 June 2023. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The Budget can be obtained by contacting Council or visiting Council's website www.alpineshire.vic.gov.au.

Generally the financial indicators show that Council is financially sustainable and that services are being delivered within expected parameters despite the extraordinary ongoing global situation.

Sustainable Capacity Indicators

For the year ended 30 June 2023

<i>Indicator / measure</i>	Results				Material Variations
	2019/20	2020/21	2021/22	2022/23	
<i>Population</i>					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$2,032	\$2,359	\$2,377	\$2,621	Total expenses increased in 2022/23, primarily due to writing off accrued expenditure for the resealing of Bogong High Plains Road that was undertaken in 2021/22, and the increase in landfill rehabilitation expense.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$14,489	\$14,467	\$16,858	\$16,528	Infrastructure per head of municipal population has decreased slightly due to a net asset revaluation decrement across some of Council's infrastructure asset classes.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	22.4	22.6	22.6	23.0	Population density continues to grow, in accordance with a growing estimated residential population.
<i>Own-source revenue</i>					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,655	\$1,718	\$1,716	\$2,031	An increase in other income was attributed to the revaluation of investment properties, increased interest received on investments, and increased rent received.

Sustainable Capacity Indicators (continued)

For the year ended 30 June 2023

Indicator / measure	Results				Material Variations
	2019/20	2020/21	2021/22	2022/23	
<p>Recurrent grants Recurrent grants per head of municipal population [Recurrent grants / Municipal population]</p>	\$428	\$428	\$534	\$540	Recurrent grants per head of population continues to appear high in 2022/23, due to receipt of Federal Assistance Grants for 2023/24 in advance, which had a similar impact in the previous year.
<p>Disadvantage Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]</p>	5	5	5	7	The Socio-Economic Indexes for Areas (SEIFA) relative socio-economic disadvantage index released from the 2021 census has shown a 2 point increase compared to the 2016 census. A higher score indicates a relative lack of disadvantage. The Australian Bureau of Statistics suggests that a higher score may demonstrate fewer households with low incomes, fewer people without qualifications, or fewer people in low skilled occupations. It represents a shift in demographics since the last census, and likely related to the COVID-19 population shift from metropolitan to rural areas.

Sustainable Capacity Indicators (continued)

Sustainable Capacity Indicators (continued)

Indicator / measure	Results				Material Variations
	2019/20	2020/21	2021/22	2022/23	
<p>Workforce turnover Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year]x100</p>	11.0 %	19.6 %	26.5 %	27.9 %	Council continues to experience a higher than expected turnover compared to filled permanent positions, a trend that has continued since COVID-19 first appeared in early 2020. If turnover was compared to total number of permanent positions (whether filled or vacant), this percentage would reduce to 23.1%.

Sustainable Capacity Indicators (continued)

For the year ended 30 June 2023

Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

"population" means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2023

Service / indicator / measure	Results				Material Variations
	2019/20	2020/21	2021/22	2022/23	
Aquatic facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	2.2	1.9	2.7	2.4	Overall visitation to aquatic facilities declined in 2022/23 compared to the previous year. The decline was primarily driven by almost 6,400 fewer visits across the Mount Beauty and Myrtleford swimming pools caused by wet weather experienced during October – December 2022, however this was partially offset by an increase in visitation to the Bright Sports Centre in the second half of 2022/23.
Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	0%	0%	0%	0%	No animal management prosecutions were presented to Court in 2022/23.
Food safety Health and safety <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	95.8 %	100.0 %	100.0 %	100.0 %	All non-compliance notifications were followed up.

Service Performance Indicators (continued)

For the year ended 30 June 2023

Service/indicator /measure	Results				Material Variations
	2019/20	2020/21	2021/22	2022/23	
<p>Governance Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</p>	56	56	56	51	The decrease in satisfaction with Council decisions is reflective of a decline across the Local Government sector, and was likely impacted locally due to a high-profile planning application at the time of the survey being undertaken in February / March 2023. Council will move to quarterly surveying in 2023/24, to help mitigate single issues impacting on annual data, and will introduce an online Community Engagement Platform to increase accessibility and broaden the scope of its community engagement, continuing its commitment to engaged and transparent decision-making.
<p>Libraries Participation <i>Active library borrowers in municipality</i> [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100</p>	18.4 %	15.8 %	14.3 %	13.9 %	The number of active users actually increased in 2022/23 compared to the previous year, however as this measure uses total active users over the past three years, the total number of active users has fallen slightly. This, combined with a steadily increasing population, has resulted in a slight drop in results.

Service Performance Indicators (continued)

For the year ended 30 June 2023

Service/indicator /measure	Results				Material Variations
	2019/20	2020/21	2021/22	2022/23	
Maternal and child health Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	74.4 %	81.8 %	83.4 %	83.4 %	Participation in the Maternal and Child Health service continues to show high demand for service.
Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	58.8 %	85.7 %	64.7 %	82.6 %	Council has a small number of First Nations children enrolled in the Maternal and Child Health service, so a slight change in participation creates a greater change in overall results.

Service Performance Indicators (continued)

For the year ended 30 June 2023

Service/indicator /measure	Results				Material Variations
	2019/20	2020/21	2021/22	2022/23	
Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	61	63	61	49	Satisfaction with sealed local roads has fallen compared to the previous year, however is still significantly higher than other Small Rural Councils. A wet Winter and Spring resulted in a deterioration of sealed road surfaces across the State. It is noted that arterial roads between towns are not under the control of Council.
Statutory Planning Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	0.0 %	100.0 %	66.7 %	0.0 %	One VCAT order was issued during 2022/23, which set aside Council's decision, and ordered that an amended permit be issued. This means that Council's decision was not upheld, hence a zero result for 2022/23.
Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	40.4 %	40.0 %	40.0 %	39.8 %	Kerbside collection waste diverted from landfill remained steady in 2022/23. Council introduced a FOGO service commencing 1 July 2023, so it is expected that diversion will increase in 2023/24.

Service Performance Indicators (continued)

For the year ended 30 June 2023

Definitions

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

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

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

"annual report" means an annual report prepared by a council under sections 98 and 99 of the *Local Government Act 2020*

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

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

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

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

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

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

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

"population" means the resident population estimated by council

Financial Performance Indicators

For the year ended 30 June 2023

Dimension / indicator / measure	Results					Forecasts			Material Variations
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
Efficiency Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$2,955	\$3,423	\$3,451	\$3,818	\$3,926	\$3,771	\$3,785	\$3,843	A slight drop in expenses per property assessment forecast in 2024/25 represents a reduction in employee numbers following the end of fixed term funded positions.
Revenue level <i>Average rate per property assessment</i> [General rates and Municipal charges / Number of property assessments]	\$1,684	\$1,717	\$1,787	\$1,852	\$1,941	\$2,021	\$2,064	\$2,103	Growth in average rate per property assessment reflects continued compliance with the Victorian Government Fair Go Rates system.

Financial Performance Indicators (continued)

For the year ended 30 June 2023

Dimension / indicator / measure	Results				Forecasts				Material Variations
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
Liquidity									
Working capital									
Current assets compared to current liabilities [Current assets / Current liabilities] x100	373 %	293 %	235 %	220 %	350 %	368 %	294 %	305 %	The ratio of current assets compared to current liabilities is affected by a significant increase in income in advance (current liabilities) in 2022/23, which reflects grant funding received for projects not yet commenced or fully completed and capitalised as assets. These levels of Grant funding are expected to decrease in future years, reflecting higher ratio of current assets to current liabilities.
Unrestricted cash									
Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	-48 %	15 %	18 %	-45 %	-89 %	-69 %	-58 %	-6 %	Council's commitment to carried-forward capital works and unspent conditional grants is greater than the amount of cash on hand, resulting in a negative unrestricted cash amount for 2022/23 and future years. Council has a number of term deposits which mature throughout the year – for the purposes of this measure if a term deposit matures within 90 days of year end, it is classified as unrestricted cash; those term deposits maturing after 90 days are considered other financial assets (for the purposes of this report) and are not included in this measure. Council believes it has enough cash to manage its liabilities.

Financial Performance Indicators (continued)

For the year ended 30 June 2023

Dimension / indicator / measure	Results					Forecasts			Material Variations
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
Obligations									
<i>Loans and borrowings</i>									
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	Council continues to operate free from borrowings and has no plans to do so in the short to mid term.
<i>Loans and borrowings repayments</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	Council continues to operate free from borrowings and has no plans to do so in the short to mid term.
<i>Indebtedness</i>									
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	20 %	18 %	11 %	16 %	40 %	26 %	26 %	26 %	Non-current liabilities increased in 2022/23 and future years due to increased provision for landfill rehabilitation. A peak in 2023/24 is forecast due to residual landfill rehabilitation projects from 2022/23 being completed.
<i>Asset renewal and upgrade</i>									
<i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and asset upgrade expense / Asset depreciation] x100	112 %	93 %	217 %	164 %	143 %	94 %	95 %	95 %	While the proportion of asset renewal and upgrade projects was higher than the previous year, fewer capital projects were competed in 2022/23 than in the previous year. This was slightly offset by lower depreciation than the previous year.

Financial Performance Indicators (continued)

For the year ended 30 June 2023

Dimension / indicator / measure	Results				Forecasts				Material Variations
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
Operating position <i>Adjusted underlying result</i> Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	16.8 %	3.8 %	4.5 %	8.7 %	-11.1 %	-4.8 %	-3.4 %	-3.9 %	Adjusted underlying surplus (or deficit) is quite changeable from year to year depending on the amount of non-recurrent grant funding (including Bushfire and Flood Recovery related funding). The surplus in 2022/23 is higher than forecast due to recognition of grants received in advance, and is offset by increases in landfill rehabilitation provisions and writing off accrued expenditure for the resealing of Bogong High Plains Road that was undertaken in 2021/22.

Financial Performance Indicators (continued)

For the year ended 30 June 2023

Dimension / indicator / measure	Results				Forecasts				Material Variations
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
Stability									
<i>Rates concentration</i>									
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	59 %	60 %	60 %	55 %	68 %	69 %	69 %	70 %	2022/23 includes higher non-recurrent operating grant funding, primarily related to Bushfire and Flood recovery funding. Future years income does not forecast non-recurrent operating grant funding at these levels.
<i>Rates effort</i>									
<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.51 %	0.50 %	0.37 %	0.34 %	0.28 %	0.28 %	0.28 %	0.27 %	Large increases in the Capital Improved Value (CIV) for property valuations across the Alpine Shire occurred in 2021/22 and 2022/23. This has reduced the rate in the dollar compared to property values in the current year, and into future years.

Financial Performance Indicators (continued)

For the year ended 30 June 2023

Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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

Certification of the Performance Statement

For the year ended 30 June 2023

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



Tony Cooper
Principal Accounting Officer CPA
Date: 30 October 2023

In our opinion, the accompanying Performance Statement of the Alpine Shire Council for the year ended 30 June 2022 presents fairly the results of Council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

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

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

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



Cr Ron Janas
Councillor
Date: 30 October 2023



Cr Tony Keeble
Councillor
Date: 30 October 2023



William Jeremy
Chief Executive Officer
Date: 30 October 2023

Independent Auditor's Report

To the Councillors of Alpine Shire Council

Opinion	<p>I have audited the accompanying performance statement of Alpine Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2023 • sustainable capacity indicators for the year ended 30 June 2023 • service performance indicators for the year ended 30 June 2023 • financial performance indicators for the year ended 30 June 2023 • other information and • certification of the performance statement. <p>In my opinion, the performance statement of Alpine 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
3 November 2023



Travis Derricott
as delegate for the Auditor-General of Victoria

Produced by:

Alpine Shire Council

PO Box 139

BRIGHT VIC 3741

Email: info@alpineshire.vic.gov.au

Web: www.alpineshire.vic.gov.au

Facebook: www.facebook.com/alpineshirecouncil

Bright Council Offices (Head Office)

2 Churchill Avenue, BRIGHT VIC 3741

Telephone: (03) 5755 0555

Facsimile: (03) 5755 1811

Myrtleford Customer Service Centre

Corner Standish Street and O'Donnell Avenue, Myrtleford

Telephone: (03) 5752 2038

Mount Beauty Customer Service Centre

Lakeside Avenue, Mount Beauty

Telephone: (03) 5754 4542

