



# **COUNCIL MEETING**

## **AGENDA**

**Wednesday 11 October 2023**

**Commencing at 7:00pm**

**Wycheproof Supper Room**

**367 Broadway, Wycheproof**

**Wayne O'Toole  
Chief Executive Officer  
Buloke Shire Council**

## ORDER OF BUSINESS

### 1. COUNCIL WELCOME AND STATEMENT OF ACKNOWLEDGEMENT

#### WELCOME

The Mayor Cr Alan Getley will welcome all in attendance.

#### STATEMENT OF ACKNOWLEDGEMENT

The Mayor Cr Alan Getley will acknowledge the traditional owners of the land on which we are meeting and pay our respects to their Elders and to the Elders from other communities who maybe here today.

### 2. RECEIPT OF APOLOGIES

### 3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

#### RECOMMENDATION:

That Council adopt the Minutes of the Council Meeting held on Wednesday, 13 September 2023.

### 4. REQUESTS FOR LEAVE OF ABSENCE

### 5. DECLARATION OF PECUNIARY AND CONFLICTS OF INTEREST

In accordance with Section 130 (2) of the Local Government Act 2020 Councillors who have a conflict of interest in respect of a matter being considered at this Meeting, must

- a) Disclose the conflict of interest in the manner required by the Council's Governance Rules 2020; and
- a) Exclude themselves from the decision making process in relation to that matter, including any discussion or vote on the matter at any Council meeting or delegated committee, and any action in relation to the matter.

Disclosure must occur immediately before the matter is considered or discussed.

### 6. QUESTIONS FROM THE PUBLIC

NIL

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	NIL	
<b>10.</b>	<b>MEETING CLOSE</b>	

#### **NEXT MEETING**

THE NEXT MEETING OF COUNCIL WILL BE THE STATUTORY MEETING TO BE HELD IN WYCHEPROOF SUPPER ROOM, 367 BROADWAY, WYCHEPROOF ON WEDNESDAY, 8 NOVEMBER 2023 AT 6:00PM, FOLLOWED BY THE COUNCIL MEETING AT 7:00PM.

**Wayne O'Toole**  
**CHIEF EXECUTIVE OFFICER**

**6. QUESTIONS FROM THE PUBLIC**

Nil

## 7. PROCEDURAL ITEMS

### 7.1 REPORT OF COUNCILLOR ASSEMBLIES

**Author's Title:** Executive Assistant

**Department:** Office of the CEO

**File No:** GO/05/04

#### RECOMMENDATION

That the Council note the report of Councillor Assembly Meetings held 6 and 20 September 2023.

- Attachments:**
- 1 [Councillor Briefing Record - 6 September 2023](#)
  - 2 [Councillor Briefing Record - 20 September 2023](#)

#### KEY POINTS/ISSUES

Transparency is a fundamental principle of democratic governance.

The Local Government Act 2020 (The Act) Section 9 (2) (i) provides that the transparency of Council decisions, actions and information is to be ensured.

In accordance with Section 57 of The Act, Council at its September 2020 Ordinary Meeting, adopted a Public Transparency policy, designed to improve public transparency in Council's decision-making processes and to assist the community in understanding the information that is accessible to them.

As per the Council Meeting Schedule adopted 9 November 2022, Councillor Briefings are held for Councillors to meet to consider matters that are likely to be the subject of a Council decision or for the exercise of delegation.

A record of the Councillor Briefings held on 6 and 20 September 2023 is attached for public information.



## Councillor Briefing Record

*Build a Better Buloke – a healthy, connected, inclusive and prosperous community*

<b>Date:</b>	6 September 2023	<b>Time</b>	5:00pm – 8:00pm
<b>Location:</b>	Sea Lake Senior Citizens		
<b>Attendees:</b>	Cr Getley, Cr Simpson, Cr Hogan, Cr Warren, Cr Milne, Wayne O’Toole, Hannah Yu, Michelle Stedman		
<b>Apologies:</b>	Travis Fitzgibbon		
<b>Guests:</b>	Jenny Newell, Pat Amos, Julie Pringle – Advance Sea Lake Terry Bailey – (remote) Kyle Sandona – West Wind Energy Michael Jones - West Wind Energy (remote)		
<b>Acknowledgement of Country:</b>	The Mayor will acknowledge the traditional owners of the land on which we are meeting and pay our respects to their Elders and to the Elders from other communities who maybe here today.		
<b>Conflicts of Interest:</b>	Nil		

### ITEMS

NO.	MATTER FOR DISCUSSION	Notes
	<b>Councillor only time 5:00pm – 5:30pm</b>	
2.	<b>Confirmation of Councillor Briefing Minutes – 16 August 2023</b>	Agreed
3.	<b>Presentations</b>	
3.1	Advance Sea Lake – Jenny Newell, Pat Amos, Julie Pringle	
3.2	Youth Engage Students – Tyrrell College -	cancellation
3.3	Direl (Lake Tyrrell) Section 10 and 12 applications under the Aboriginal and Torres Strait Islander Heritage Protection Act 1984. - Terry Bailey	
<b>Dinner Break</b>		<b>6:30pm</b>
3.4	West Wind Energy Wind Farm Development –	
3.5	Australia Day and Citizenship Ceremony -	
4.	<b>Discussion</b>	
5.	Councillor Matters	
6.	<b>CEO Updates</b>	
6.1	Draft September 13 Council Meeting Agenda	
6.2	Delegates for Committees coverage for Leave of Absence	



6.3	VNI West Update	
<b>NEXT BRIEFING</b> 20 September 2023, Nullawil Recreation Reserve, 5:00pm		



## Councillor Briefing Record

*Build a Better Buloke – a healthy, connected, inclusive and prosperous community*

<b>Date:</b>	20 September 2023	<b>Time</b>	5:00pm – 8:00pm
<b>Location:</b>	Nullawil Community Centre		
<b>Attendees:</b>	Cr Getley, Cr Warren, Cr Milne, Cr Simpson, Cr Hogan, Wayne O’Toole, Hannah Yu, Michelle Stedman, Travis Fitzgibbon, Trevor Rumbold, Jenna Allan and Nathan Cutting.		
<b>Apologies:</b>	Cr Pollard and Cr Stewart, leaves of absence noted.		
<b>Guests:</b>	Nullawil Historical Society – Kaylene and Barry James Nullawil Progress Association – Marcia Pollington Transmission Company Victoria – Marie-Nour Negenman Jenna Allan Trevor Rumbold		
<b>Acknowledgement of Country:</b>	The Mayor will acknowledge the traditional owners of the land on which we are meeting and pay our respects to their Elders and to the Elders from other communities who maybe here today.		
<b>Conflicts of Interest:</b>	Nil		

### ITEMS

NO.	MATTER FOR DISCUSSION
1.	<b>Councillor and CEO only time 5:00pm – 5:30pm</b>
2.	<b>Confirmation of Councillor Briefing Minutes – 6 September 2023</b>
3.	<b>Presentations</b>
3.1	Nullawil Historical Society – Kaylene and Barry James Nullawil Progress association – Marcia Pollington <b>5:30pm</b>
3.2	Transmission Company Victoria – via zoom <b>5:45pm</b>
3.3	Monthly Capital Project Update - Trevor Rumbold <b>6:15pm</b>
<b>Dinner Break - 6:35pm</b>	
3.4	Financial Statements - Michelle Stedman <b>6:55pm</b>
3.5	Home Support Services Transition – Travis Fitzgibbon and Jenna Allan – Report to be tabled at Briefing <b>7:35pm</b>
4.	<b>Discussion</b>
5.	<b>Councillor Matters</b>
	Cr Warren



	Cr Simpson
	Cr Hogan
	Cr Milne
<b>6.</b>	<b>CEO Updates</b>
6.1	Lake Tyrrell ATSIHP Act Application
<b>NEXT BRIEFING</b> 4 October 2023, Birchip Council Office, 5:00pm	

## 7.2 CORRESPONDENCE INITIATED BY COUNCIL

**Author's Title:** Executive Assistant

**Department:** Office of the CEO

**File No:** GO/06/06

### PURPOSE

This report notes and records correspondence initiated by Council and informs the Council of the responses received from this correspondence.

### RECOMMENDATION

That the Council notes the record of correspondence initiated by Council and the responses received.

**Attachments:** Nil

### TABLE OF CORRESPONDENCE

Council Initiative	Sent to	Sent	Response	Purpose of Letter/Response
Notice of Motion from September 2023 CM to forward letter.	Hon Sonya Kilkenny MP Victorian Minister for Planning	3 Oct 2023		To outline Council's concerns with the impacts on small communities with the introduction of the Windfall Gains Tax (WGT).

### 7.3 LETTERS OF CONGRATULATIONS AND RECOGNITION OF ACHIEVEMENT/AWARDS

**Author's Title:** Executive Assistant

**Department:** Office of the CEO

**File No:** CR/13/01

#### PURPOSE

This report acknowledges and congratulates community persons and/or groups for their success in being recognised for a significant achievement or for being a recipient of an honourable award.

The report also informs Council of any letters of congratulations or any recognition of achievement that Council has received or been awarded in the past month.

#### RECOMMENDATION

That the Council acknowledge and congratulate the persons and/or groups mentioned in the report for their achievements.

**Attachments:** Nil

#### RECOGNITION OF ACHIEVEMENT ITEMS

Provider	Recipient	Date	Purpose for Recognition
North Central Football League	Bryan Hogan Birchip	17 September 2023	For being awarded a Life Membership for the North Central Football League and the third recipient to do so from his home club Birchip (Birchip-Watchem)
North Central Football League	Shane O'Shea Donald	17 September 2023	For being awarded a Life Membership for the North Central Football League.
Buloke Shire Council	Peter Vogel OAM Watchem		Peter is the retiring Chairman of GWM Water having served on that Board and Chairman for the past 28 years.
Buloke Shire Council	Caroline Welsh Berriwillock		Currently Deputy Chair of GWM Water, will replace Mr. Peter Vogel as Chair.
Buloke Shire Council	Hunter Wingfield Donald		Winning a Gold Medal in the Under 18 School Sport Australian Lawn Bowls Championships in Tweed Heads, Queensland. Hunter is currently the youngest player for the Donald Bowls Club.

## 7.4 STATUS OF ACTION OF PAST COUNCIL MEETING RESOLUTIONS

**Author's Title:** Executive Assistant

**Department:** Office of the CEO

**File No:** GO/05/04

### PURPOSE

To provide Council with a list of the Status of Action (SOA) of Council Resolutions outstanding for completion of action, and the SOA for the 13 September 2023 Council Meeting Resolutions.

### RECOMMENDATION

Council to note the Status of Action Report for Council resolutions documented on this list.

**Attachments:** 1 [↓](#)Action taken on Council Meeting Resolutions

### KEY POINTS/ISSUES

The Local Government Act 2020 (The Act) Section 9 (2) (i) provides that the transparency of Council decisions, actions and information is to be ensured.

In accordance with the Council's Governance Rules adopted August 2022, Council decisions are to be made and actions taken in accordance with the relevant law.

The transparency of Council decisions, actions and information is to be ensured and is a fundamental principle of democratic governance.

Attached to this report for public information is a list of the SOA of Council Resolutions outstanding for completion of action and introducing the SOA for the 13 September 2023 Council Meeting Resolutions.

**Summary of Action on Council Resolutions – Outstanding Previous Months Items to 13 September 2023 Council Meeting**

Date	Directorate	Item	Resolution/Question	Actioning Officer/s	Status of Action	Complete or Commenced
12072023	Executive Office	6.1	<p><b>Council Watch Group – Cost of Cost Shifting from State Government</b></p> <p>QUESTION: Can Council please advise the dollar amount of cost shifting from State Government they estimate they incurred in the 2022 - 2023 financial year?</p> <p>THE CHIEF EXECUTIVE OFFICER RESPONDED: Having just received this question recently, they have not had a chance to work on this, therefore would like to take the “Question on Notice” and provide a response to Councillors at its August Council Meeting.</p>	CEO	DCOP reported to 13/9 meeting	Complete
12072023	Executive Office	7.3	<b>Letters of Congratulations and Achievements</b>	EA		Complete
12072023	Infrastructure and Delivery	8.2.2	<p><b>Consideration of Licence for Comm Engagement – Fast Cities Aust Pty Ltd trading As Evie Networks – Donald EV Charging Station</b></p> <p>That Council:</p> <ol style="list-style-type: none"> <li>1. In accordance with Section 115 of the Local Government Act 2020, gives public notice of the intention to grant a Licence to Fast Cities Australia Pty Ltd trading as Evie Networks for part of the land being Lot 1 TP174450 contained in Certificate of Title Volume 9363 Folio 257, 68A Woods Street, Donald on the following terms: <ol style="list-style-type: none"> <li>a. A 15-year Licence commencing 1 September 2023, and</li> <li>b. A Licence fee of five per cent of the charging station’s Net Operating Income payable in arrears on each anniversary of the commencement date during the term.</li> </ol> </li> </ol>	DID	Report presented to September 2023 Council Meeting	Complete

**Tabled 11 October 2023 Council Meeting**

**Summary of Action on Council Resolutions – Outstanding Previous Months Items to 13 September 2023 Council Meeting**

			<ol style="list-style-type: none"> <li>2. Notes that the public notice shall allow persons to make a submission on the proposed licence in accordance with Section 115 of the Local Government Act 2020 and Council's Community Engagement Policy, and that all written submissions be received by a date that is at least 21 days after the publication of the notice.</li> <li>3. Authorise the Chief Executive Officer to undertake the administrative procedures necessary to enable Council to fulfill its functions under Section 115 of the Local Government Act 2020, and</li> <li>4. Receives a further report to consider the granting of a Licence for Fast Cities Australia Pty Ltd trading as Evie Networks following the conclusion of the public notice process.</li> </ol>			
02082023	Infrastructure and Delivery	8.2.1	<p>That Council:</p> <ol style="list-style-type: none"> <li>1. Notes that following the consultation process in accordance with its Community Engagement Policy, one submission was received to the proposed nine-lot subdivision sale of land at 110 Sutcliffe Street, Sea Lake;</li> <li>2. Sells the nine-lot subdivision surplus land at 110 Sutcliffe Street, Sea Lake by private treaty or auction in accordance section 114 of the Local Government Act 2020 and Council's Sale of Land Policy; and</li> <li>3. Authorises the Chief Executive Officer to execute the Transfer of Land documents and any other documents required to affect the sale of the land.</li> </ol>	DID	<p>Correspondence sent.</p> <p>PowerCor and NBN contracts executed; GWMWater contract pending approval.</p> <p>Titles pending GWMWater approval.</p> <p>Civil Contracting works commenced</p>	Commenced
09082023	Community Development	8.2.2	<ol style="list-style-type: none"> <li>1. Endorses the <b>Draft Customer Experience Charter</b> for consultation, noting its preparation in accordance with the <i>Local Government Act 2020</i>;</li> <li>2. Invites community feedback submissions on the Draft Customer Experience Charter until 1 September 2023;</li> </ol>	DCD	Adopted - 13 September 2023	Completed

**Tabled 11 October 2023 Council Meeting**

**Summary of Action on Council Resolutions – Outstanding Previous Months Items to 13 September 2023 Council Meeting**

			3. Notes that a final Customer Experience Charter will be presented to Council for consideration at its scheduled meeting on 13 September 2023.			
09082023	Infrastructure and Delivery	8.2.4	<p><b>Risk and Resilience Grants Program</b></p> <p>That Council:</p> <ol style="list-style-type: none"> <li>1. Approve a financial co-contribution of \$70,000 from the \$200,000 Grant Opportunity Reserve FY24 in addition to a \$180,000 Council cash commitment in FY25 for the purposes of a funding application towards the Risk and Resilience Grants Program 2023.</li> <li>2. Delegate authority to the Chief Executive Officer to apply for the Risk and Resilience Grants Program 2023; and</li> <li>3. Authorises the Chief Executive Officer to sign the funding agreement on behalf of the Council should the application be successful.</li> </ol>	DID	Expression of Interest submitted	Commenced
09082023	Community Development	8.4.2	<p><b>2023 Local Govt Community Satisfaction Survey</b></p> <ol style="list-style-type: none"> <li>1. Notes the results of the 2023 Local Government Community Satisfaction Survey;</li> <li>2. Considers future actions in response to the results; and</li> <li>3. Publishes the results of the survey to the community.</li> </ol>	DCD	<p>Results of the survey have been published and promoted.</p> <p>Survey informs future strategic planning.</p>	Commenced and ongoing.
13092023	Office of CEO	7.3	<b>Letters of Congratulations and Achievements</b>	EA	Letters sent.	Complete
13092023	Community Development	8.2.1	<p><b>Customer Experience Charter</b></p> <ol style="list-style-type: none"> <li>1. Adopts the Customer Experience Charter.</li> <li>2. Places the Customer Experience Charter on Council's website and promotes it.</li> </ol>	DCD	Placed on Council's website and promoted.	Complete

**Tabled 11 October 2023 Council Meeting**

**Summary of Action on Council Resolutions – Outstanding Previous Months Items to 13 September 2023 Council Meeting**

13092023	Infrastructure and Delivery	8.2.2	<p><b>Licence Fast Cities Australia Pty Ltd Trading As Evie Networks</b> That Council:</p> <ol style="list-style-type: none"> <li>1. Following the consultation period in accordance with Section 115 of the <i>Local Government Act 2020</i>, grants a licence to Fast Cities Australia Pty Ltd trading as Evie Networks for part of the land being Lot 1 TP174450 contained in Certificate of Title Volume 9363 Folio 257, 68A Woods Street, Donald on the following terms: <ol style="list-style-type: none"> <li>a) A 15-year licence commencing 14 September 2023, including one further option of five years, and</li> <li>b) A licence fee of 5% of the Net Operating Income payable in arrears on each anniversary of the commencement date during the term</li> </ol> </li> <li>2. Authorise the Chief Executive Officer to undertake the administrative procedures necessary to enable Council to fulfill its functions under Section 115 of the <i>Local Government Act 2020</i>.</li> </ol>	DID		Complete
13092023	Office of the CEO	9.1.1	<p><b>Notice Of Motion - Introduction Of Windfall Gains Tax</b> That Council write to the Minister for Planning on the impacts on small rural communities of the introduction of the Windfall Gains Tax.</p>	CEO	Letter sent	Complete

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**Tabled 11 October 2023 Council Meeting**



## 7.5 BUILDING PERMITS - MONTHLY UPDATE

**Author's Title:** Statutory Administration Support

**Department:** Community Development

**File No:** DB14/01

### EXECUTIVE SUMMARY

This report provides information on Building Permits approved by staff from 1 September to 30 September 2023.

### RECOMMENDATION

That the Council note information contained in the report on Building Permits approved by staff from 1 September to 30 September 2023.

**Attachments:** Nil

### LIST OF BUILDING PERMITS APPROVED BY COUNCIL SURVEYOR

Applic No.	Address	Project Description	Date Approved
20230021	Sherwood Street Birchip VIC 3483	Construction of a new building shed	21/9/2023
20230023	Taverner Street Berriwillock VIC 3531	Installation of prefabricated BBQ shelter structure.	28/9/2023

### LIST OF BUILDING PERMITS APPROVED BY PRIVATE SURVEYOR

Applic No.	Address	Project Description	Date Approved
PBLD23109	Stevens Street Birchip VIC 3483	Construction of Dwelling & Garage	18/9/2023
PBLD23110	Three chain Road Birchip VIC 3583	Construction of Storage Shed	18/9/2023
PBLD23112	Broadway Wycheproof VIC 3527	Demolition of a dwelling	12/9/2023

## 7.6 PLANNING APPLICATIONS RECEIVED - MONTHLY UPDATE

**Author's Title:** Planning Officer

**Department:** Community Development

**File No:** LP/09/01

### PURPOSE

This report provides information on planning applications under consideration by staff and the status of each of these applications.

### RECOMMENDATION

That the Council note information contained in the report on planning applications under consideration by staff and the status of each of these applications.

**Attachments:** Nil

### LIST OF PLANNING APPLICATIONS

Application No	Address	Date Rec	Summary of Proposal	Status
PA23019	Borong Highway, Gil Gil	22/03/2023	Place of Assembly (Events Centre)	Withdrawn
PA23020	Church Street, Culgoa	10/05/2023	Use and development of land for a transfer station (install an RV dump point and septic holding tank)	Review
PA23023	Back St Arnaud Road, Charlton	16/07/2023	Place of assembly (campdraft events)	Review
PA23024	Calder Highway, Wycheproof	21/08/2023	Construction of a Farm Shed within a LSIO	Review
PA23025	Byrne Street, Donald	16/08/2023	Development of land for a Smoke House restaurant and cocktail bar including the construction of a new deck / entertainment area and amenities and the demolition of two buildings	Referral
PA23026	Horace Street, Sea Lake	06/09/2023	Construct and display internally illuminated business identification sign (LED priceboard)	Notice of application
PA23027	Opie Road, Karyrie	04/09/2023	Use and development of land for a single dwelling	Notice of application
PA23028	Calder Highway, Berriwillock	08/09/2023	Development of a telecommunications facility	Review
PA23029	McLoughlans Road, Warmur	31/08/2023	Create or alter access to a road in a Transport Zone 2 for the construction of a single dwelling	Request for further information

<b>Application No</b>	<b>Address</b>	<b>Date Rec</b>	<b>Summary of Proposal</b>	<b>Status</b>
PA23030	Borong Highway, Donald	15/09/2023	Creation of access to Borung Highway to an existing Powercor Regulator Site	Review
PA23031	Calder Highway, Wycheproof	15/09/2023	Creation of access to Borung Highway to an existing Powercor Regulator Site	Review
PA23032	Boort- Wycheproof Rd, Wycheproof	15/09/2023	Creation of access to Borung Highway to an existing Powercor Regulator Site	Review
PA23033	Borong Highway, Gil Gil	15/09/2023	Creation of access to Borung Highway to an existing Powercor Regulator Site	Review
VS23009	Crescent Road, Watchem	27/09/2023	Building and works for the construction of a store (shed)	Permit Issued

**The information published in the list provided, is in accordance with the *Privacy and Data Protection Act 2014* and the *Planning and Environment Act 1987*.**

**8. GENERAL BUSINESS**

**8.1 POLICY REPORTS**

Nil

## 8.2 MANAGEMENT REPORTS

### 8.2.1 2023/24 SWIMMING POOL SEASON

**Author's Title:** Manager Community Services

**Department:** Community Development

**File No:** CP|19|01

**Relevance to Council Plan 2021 - 2025**

**Strategic Objective:** Our Built and Natural Environment

#### PURPOSE

The purpose of this report is to seek Council approval to confirm the opening date of 18 November 2023 and the closing date of 18 March 2024 for the 2023/2024 swimming pool season.

#### SUMMARY

The Council reviews the season dates and operational times of its aquatic facilities on an annual basis.

#### RECOMMENDATION

That Council:

1. Sets the 2023/2024 swimming pool season to operate from Saturday 18 November 2023 until Monday 18 March 2024 for all seven swimming pools;
2. Make no change to opening days and hours across all seven swimming pools;
3. Advertises the 2023/2024 pool season dates through its media platforms and displays them at each pool for the duration of the season;
4. Continue to waive the Lifeguard fee of \$50.00 per hour for all swimming pool hire bookings in the 2023/2024 swimming pool season; and
5. Ceases the practice of 'banking' cold weather days for use at the end of the 2023/2024 season to minimise the impact of waiving fees to Council's budgeted position.

**Attachments:** Nil

#### DISCUSSION

Council has historically opened all seven swimming pools in mid-November and closed them in mid-March. The recommendation is consistent with last year, with the proposed opening and closing dates being 18 November 2023 and 18 March 2024.

Council Officers conducted a community survey at the conclusion of the 2022/2023 season, with results showing a majority satisfaction level for all categories of operations surveyed. Following delays and emergency maintenance works resulting from the October 2022 flood event, the commencement of Council's Aquatic Strategy was delayed. It is anticipated that the development of this strategy will inform future discussion regarding any changes to the current structure of Council's pool season and the operations of the seven aquatic facilities.

**RELEVANT LAW**

Not applicable.

**RELATED COUNCIL DECISIONS**

Not applicable.

**OPTIONS**

Alternative options in relation to pool season opening and closing dates, and hours of operation, have been discussed internally; these alternative options have not pursued.

**SUSTAINABILITY IMPLICATIONS**

Not applicable.

**COMMUNITY ENGAGEMENT**

Information in relation to pool operations will be made available to the community via traditional and social media channels.

**INNOVATION AND CONTINUOUS IMPROVEMENT**

Not applicable.

**COLLABORATION**

Not applicable.

**FINANCIAL VIABILITY**

The 2023/24 Annual Budget provides for operational and capital expenditure required for effective aquatic service delivery. The proposal not to proceed with banking cold weather days during the 2023/24 season will allow the Council to offset any costs associated with waiving pool and lifeguard hire fees for not-for-profit community groups.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

Not applicable.

**COUNCIL PLANS AND POLICIES**

Not applicable.

**TRANSPARENCY OF COUNCIL DECISIONS**

Not applicable.

**CONFLICTS OF INTEREST**

No Officer involved in the preparation of this report has a conflict of interest.

## 8.2.2 AUDIT AND RISK COMMITTEE CHAIR'S REPORT

**Author's Title:** Director Corporate and Organisation Performance

**Department:** Corporate and Organisational Performance **File No:**

**Relevance to Council Plan 2021 - 2025**

**Strategic Objective:** Our Council and Community Leadership

### PURPOSE

To provide the Council with the Biannual Audit and Risk Report (Biannual Report) from the Chair of the Audit and Risk Committee (Audit Committee).

### SUMMARY

The Biannual Report from the Chair of the Audit Committee was provided to the Chief Executive Officer on 20 September 2023. It describes the activities of the Audit Committee and includes its findings and recommendations.

### RECOMMENDATION

That Council notes the Biannual Audit and Risk Report from the Chair of the Audit and Risk Committee.

**Attachments:** 1 [Audit and Risk Committee Biannual Chair Report September 2023](#)

### DISCUSSION

The *Local Government Act 2020* (Act) provides that the Audit Committee must prepare a Biannual Report which describes the activities of the Audit Committee and includes its findings and recommendations.

The Act further provides that these reports must be provided to the Chief Executive Officer for tabling at the next scheduled Council Meeting.

### RELEVANT LAW

Section 54(5)(b) of the Act requires the Chief Executive Officer provide a copy of the Biannual Report to the Council.

### RELATED COUNCIL DECISIONS

The Audit Committee was established by the Council at the Council Meeting held on 12 August 2020.

### OPTIONS

Not applicable.

### SUSTAINABILITY IMPLICATIONS

Not applicable.

### COMMUNITY ENGAGEMENT

Not applicable.

### INNOVATION AND CONTINUOUS IMPROVEMENT

Not applicable.

**COLLABORATION**

Not applicable.

**FINANCIAL VIABILITY**

The Audit and Risk Committee is required to monitor financial and performance reporting.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

Not applicable.

**COUNCIL PLANS AND POLICIES**

Not applicable.

**TRANSPARENCY OF COUNCIL DECISIONS**

The Audit Committee is an Advisory Committee to the Council and its role is to ensure good governance and provide guidance on how the Council will work with the Audit Committee for the benefit of the organisation and the community.

**CONFLICTS OF INTEREST**

In providing this advice to the Council as the Director Corporate and Organisational Performance, I, Michelle Stedman, have no interests to disclose in this provision of this report.

# Buloke Shire Council

## AUDIT AND RISK COMMITTEE CHAIR'S REPORT

### **PURPOSE**

To advise the Councillors and Chief Executive Officer at Buloke Shire Council of the activities of the Audit and Risk Committee over the past six months since the last Chair's report in March 2023

### **INTRODUCTION**

The Buloke Shire Council Audit and Risk Committee Charter provides that the Chair will prepare a biannual audit and risk report that "describes the activities of the Audit and Risk Committee and includes its findings and recommendations." The Charter also provides that this report will be tabled at the next Council meeting by the Chief Executive Officer and that the Chair may present the report to Councillors at that meeting if desired.

The Audit and Risk Committee is established in accordance with s53 of the Local Government Act 2020 which provides that the Committee is not a delegated committee but rather fulfils an advisory role.

### **AUDIT AND RISK COMMITTEE CHARTER**

The revised Audit and Risk Committee Charter was adopted by Council on 9 November 2022. The Committee regularly references its activities back to the Charter to ensure that it remains within its Scope of Authority.

### **COMMITTEE MEMBERSHIP**

The current membership of the Committee has remained unchanged and comprises five members – the Mayor, a Councillor and three external, independent members. At the Statutory Meeting held on 9 November 2022 Cr Hogan was appointed to the Committee.

The Committee has met in person on two occasions during this period. These meetings were held on:

- 3 May 2023
- 12 September 2023

The Committee continues to be ably supported by Council staff who provided timely updates and responses to issues and questions raised by the Committee.

## **AUDIT FUNCTIONS**

The Committee continues to assist the Council in addressing financial, strategic and operational risks and also ensuring that the Council maintains a reliable system of internal controls. As is the usual practice, the Committee reviewed its Work Plan at the two meetings held during this reporting period.

## **GOVERNANCE**

In order to ensure accountability, compliance and transparency, in addition to this biannual report, the minutes of each Committee meeting are presented to the next available Ordinary Council meeting.

The Committee also receives a report from the Chief Executive Officer at each Committee meeting regarding any legal, significant OH&S issues, fraud events, or any other events or issues affecting Council as an organisation at a strategic level.

## **EXTERNAL AUDITORS**

In accordance with the Local Government Act, Council's Auditor is appointed by the Victorian Auditor General (VAGO). The external auditor is Crowe and a representative has attended Committee meetings during this period.

The Committee received the Audit Strategy Memorandum 2023/2023 at its May 2023 meeting and both the interim management letter and the draft external closing report at its September 2023. It was reassuring to be advised that no issues of significance arose during the planning or interim phase of the audit.

The Committee also receives the Victorian Auditor General's office status report at each meeting which provides a valuable update on audit matters being considered by various agencies at both a state and national level.

## **INTERNAL AUDITORS**

Buloke Shire Council has continued the engagement of RSD Audit Bendigo as its Internal Auditors. The Committee receives a regular Internal Audit Progress report which provides not only a progress report on the Buloke internal audit program but also a very useful summary of recent reports from public bodies.

Three audit scopes were approved by the Committee during this period relating to Building Maintenance and Human Resources in May and Governance in September.

In my previous reports I have noted that the Committee has had a very keen interest in the ICT General Security Controls. It is of concern to the Committee that this audit has not been finalised, along with the Procurement internal audit and it is hoped that they will be received by the Committee at its December 2023 meeting.

## MANAGEMENT REPORTS

In addition to the Internal and External audit functions of the Committee, in order to meet its advisory functions, the Committee also receives regular management reports at each meeting which have incorporated the following:

- Progress on implementing outstanding actions arising from past internal and external audits and other regulatory reports. Whilst a small number of actions have been completed during this reporting period, the Committee has noted that a large number of actions have been rescheduled for completion in the latter months of 2023. The ability of management to complete audit issues within due dates has been a constant concern for the audit Committee over many years. Council officers and auditors are encouraged to be more aligned in terms of both actions required and due dates expected.
- An asset management update is received at each meeting, recognising its importance to Council. The Committee is particularly cognisant of the impact that the October 2022 floods has had on not only the operations of the Council but also its financial management/strategic planning.
- The regular updating of the legislative compliance register is an important tool for Council to be assured that it is meeting its legal obligations.
- Financial Performance reports are received by the Committee for the preceding quarter enabling discussion on management reports, the statutory accounts, performance statements and forward looking reports such as the budget and strategic resource plan.
- The Committee also undertakes various management duties such as reviewing its annual work plan.

Specific reports and presentations were also received during this reporting period in relation to the following matters:

- Draft Investment Policy
- Draft Financial Reserves Policy
- Investment report
- 2023/2024 budget
- 2022/2023 financial statements and performance statements.

The Committee has noted that the early receipt of grants in 2022/2023 and the deferral of a significant component of the capital works program to 2023/2024 create a distorted picture of the Council's financial situation and that prudent financial management continues to be a high priority.

As in past years, Councillors, officers and internal and external auditors are encouraged to participate in the annual Audit and Risk Assessment. The Committee at its September meeting endorsed the questions and timing of the 2023 Assessment.

## CONCLUSION

The Committee acknowledges that it has been a challenging period for Council as a result of the continuing impact of the October 2022 floods. It is keenly aware that the recovery and rehabilitation phases continue to have a significant impact upon the operations of the organisation. The Committee is also very aware of the impact that this event is having upon the Council's financial management and strategic planning in both the short and medium term.

The work of the Audit and Risk Committee continues to be greatly assisted by the diligence and professionalism of both Councillors and officers. Therefore, the Committee encourages all Councillors to attend and participate in Committee meetings when they are able to do so.

As this is my last Chair's report I also wish to thank the Councillors and staff for their support as I have undertaken this role over the past 3 years.

Margaret Abbey PSM

Chair

Audit and Risk Advisory Committee

Buloke Shire Council

### 8.2.3 ACTIVITIES OF CHARLTON PARK COMMUNITY ASSET COMMITTEE

**Author's Title:** Chief Executive Officer

**Department:** Office of the CEO

**File No:**

#### PURPOSE

To inform Council of the activities of the Charlton Park Community Asset Committee (Committee).

#### SUMMARY

An annual report to Council in relation to the activities and performance of the Committee is provided to Council in accord with Council's legislative requirements.

#### RECOMMENDATION

That Council notes the Annual Report of activities and performance of the Charlton Park Community Asset Committee.

**Attachments:**

- 1 [↓](#) Charlton Park Comm Asset Cttee AGM Minutes - 7 Aug 2023
- 2 [↓](#) C7 Instrument of Delegation by CEO to Charlton Park Community Asset Committee

#### DISCUSSION

Council established the Committee under section 65 of the *Local Government Act 2020* (Act) on 12 August 2020. Under the authority of s5 Instrument of Delegation authorised by resolution of Council, the Chief Executive Officer has sub-delegated powers to the Committee in accordance with the attached C7 Instrument of Delegation as made on 25 October 2021.

The Act requires the Chief Executive Officer to submit an annual report to the Council in relation to the activities and performance of all Community Asset Committees. A copy of the Committee's Annual General Meeting minutes is attached for the information of the Council.

#### RELEVANT LAW

This report enables the Council to meet its requirements under the Act.

#### RELATED COUNCIL DECISIONS

Information in relation to the establishment of the Committee under the Act is set out in the Discussion section of this report.

#### OPTIONS

Not applicable to this report.

#### SUSTAINABILITY IMPLICATIONS

Not applicable to this report.

#### COMMUNITY ENGAGEMENT

Not applicable to this report.

**INNOVATION AND CONTINUOUS IMPROVEMENT**

Not applicable to this report.

**COLLABORATION**

Not applicable to this report.

**FINANCIAL VIABILITY**

Not applicable to this report.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

Not applicable to this report.

**COUNCIL PLANS AND POLICIES**

Not applicable to this report.

**TRANSPARENCY OF COUNCIL DECISIONS**

Information in relation to the Committee performance and activities is considered at a public Meeting of the Council.

**CONFLICTS OF INTEREST**

No Officer has a conflict of interest in relation to the annual report of operations of the Committee.

**Charlton Park Community Asset Committee**  
**Minutes of Annual General Meeting held on Monday 7<sup>th</sup> August 2023, at the Community Complex**

**Present:** Shane Fitzpatrick, Simon Peck, Kevin Willey, Joe Thompson, Troy Heenan, Kim Fitzpatrick, Wendy Laffin, Lindsay Patullo, Liz Riley, David Pollard

**Apologies:** Carolyn Stewart

**Minutes of previous meeting:**

Moved they be accepted – Shane Fitzpatrick  
Seconded – Liz Riley  
Carried

**Business Arising:**

Nil

**Correspondence in:**

Nil

**Correspondence out:**

Nil

**Finance Report:**

- Balance at June 30 2023 - \$59,149.93
- Annual report for 2022/23 financial year presented for adoption.

Moved that the report be accepted – Simon Peck (Treasurer)  
Seconded – Troy Heenan  
Carried.

**Election of office bearers:**

- **Chairman**  
Moved that the chair be held by Council delegate (as is the current situation).  
Moved – Kim Fitzpatrick  
Seconded – Wendy Laffin  
Carried
- **Secretary / Treasurer**  
  
Only nomination – Simon Peck (accepted)  
Nominated by Troy Heenan  
Carried

**Nomination of club representatives (by individual clubs):**

All previous representatives have renominated, except for:

Croquet – Lindsay Patullo

Current list of representatives as at July 1 2023:

<b>Harness Club</b>	Joe Thompson	<b>Golf</b>	Troy Heenan
<b>Cricket</b>	Adam Soulsby	<b>Bowling</b>	Kevin Willey
<b>Croquet</b>	Lindsay Patullo	<b>Netball</b>	Kim Fitzpatrick
<b>Pony Club</b>	Liz Riley	<b>Hockey</b>	Naomi Fitzpatrick
<b>Football Club</b>	Shane Fitzpatrick	<b>Show</b>	Wendy Laffin
<b>Stadium</b>	Shane Fitzpatrick	<b>Angling</b>	Kevin Willey
<b>Tennis</b>	Troy Heenan		

**Bank account signatories:**

Motion that the signatories remain as – Carolyn Stewart, Simon Peck & Kevin Willey

Moved – Troy Heenan Seconded – Kim Fitzpatrick

Carried

Motion that the signatories be permitted to pay online as cheques being phased out.

Moved – Joe Thompson Seconded – Shane Fitzpatrick

Carried

**General Business:**

- Discussion of possibility of moving to four meetings per year (every three months). Committee decided to trial the new structure, with opportunity to call extra meetings if required. Meetings to be held in Sept, Dec, Mar & June.

**Meeting closed:** 8.20 pm

**Next Meeting:** will be decided at a later date

***C7 Instrument of Delegation  
by CEO to Community Asset Committee***

**Buloke Shire Council**

**Instrument of Delegation**

**by the Chief Executive Officer**

**to the Charlton Park Community Asset Committee**

In exercise of the power conferred by s 47(1)(b) of the *Local Government Act 2020 (Act)*, I, as Chief Executive Officer of Buloke Shire Council, by this Instrument of Sub-Delegation –

1. delegate to each person who is from time to time appointed as a member of the Community Asset Committee, established by resolution of Council passed on 12 August 2020 and known as "Charlton Park Community Asset Committee" (**Community Asset Committee**), each power and/or function and/or duty set out in the Schedule;
2. declare that a delegate can only exercise the delegations contained in this Instrument of Sub-Delegation while acting as a member of the Community Asset Committee at a meeting of the Community Asset Committee;
3. declare that this Instrument of Sub-Delegation –
  - 3.1 comes into force immediately upon its execution;
  - 3.2 remains into force until varied or revoked; and
  - 3.3 is subject to the conditions and limitations set out in paragraph 4 and 5, and in the Schedule;
4. declare that the delegate must comply with specified governance requirements to ensure appropriate standards of probity are met and monitor and report on the activities and performance of the Community Asset Committee;
5. declare that the delegate must not determine the issue, take action or do the act or thing if the determining of the issue, the taking of the action or the doing of the act or thing cannot be the subject of a lawful delegation, whether on account of s 47 of the Act or otherwise.

**This Instrument of Sub-Delegation** is dated **25 October 2021** and is made by the Chief Executive Officer

**Signed** by the Chief Executive Officer of Council  
in the presence of:

Wayne O'Toole




Witness

## SCHEDULE

### Powers and Functions

To manage the following community asset: **Charlton Park Recreation Reserve precinct.**

And for that purpose:

To assist the Council in the management of the community assets known as the Charlton Park Recreation reserve precinct efficiently, in compliance with legislative requirements and consistent with the community's expectations:

1. to oversee day to day operation of the recreation reserve precinct;
2. to enter into contracts, and to incur expenditure, not exceeding the value of \$30,000 (including GST) and for the specific purpose of maintaining an intergenerational asset assigned to that Community Asset Committee;
3. by identifying current and potential issues affecting the viability and performance of the recreation reserve precinct and communicating same to Council;
4. to undertake maintenance and management duties in accord with Council's asset management maintenance requirements as amended from time to time;
5. through managing the usage of the facility through the completion of facility use and hire agreements and communicating with Council on this usage, and ensuring any hirer maintains adequate public liability insurance;
6. by advising on and reporting of hazards and/or risks associated with the recreation reserve precinct, including any incidents that may affect Council's insurance in a timely manner;
7. to work with sporting clubs in ensuring facilities are operating effectively and facilities are provided and resourced equitably; and
8. to do all things necessary or convenient to be done for or in connection with the performance of those functions, duties and powers.

### Requirements

The members of the Community Asset Committee must, when exercising the powers, functions and duties delegated to them:

9. comply with the following governance requirements:
  - 9.1. to regularly communicate community views to Council;
  - 9.1. to keep Council updated with the Chairperson's current contact details;
  - 9.2. to keep confidential all sensitive, commercial and personal information that the members encounter while being a member of the Community Asset Committee;
  - 9.3. to meet bi-monthly or as agreed by the Community Asset Committee from time to time;
  - 9.4. that the Chairperson will chair all Community Asset Committee meetings;

- 9.5 that the Chairperson is the authorised spokesperson for the Community Asset Committee;
  - 9.6 to maintain a register of Community Asset Committee members, their date of appointment, reappointment, and official positions held as a Committee member, including their eligibility for reappointment as relevant
  - 9.7 ensure a quorum of the Community Asset Committee as half of the voting members plus one;
  - 9.8 that voting will be by a majority of votes by a show of hands, with only members in attendance entitled to vote. The Chairperson shall have the casting vote;
  - 9.9 that Sub Committees, if required by the Community Asset Committee, may meet between general meetings and as authorised by the full Community Asset Committee; and
  - 9.10 ensure that any expenditure of funds occurs in accord with Council's Procurement Policy.
10. monitor and report on its activities and performance at least in accordance with the following:
- 10.1 prepare and submit to Council a report of all meeting minutes within 14 days of each meeting;
  - 10.2 provide quarterly bank statements and summary of expenditure to the Council;
  - 10.3 provide updated facility upgrade plans annually;
  - 10.4 provide a list of small plant and equipment purchased annually; and
  - 10.5 where requested by the Chief Executive Officer, the Community Asset Committee must report its activities and performance to a meeting of the Council or to the Chief Executive Officer.

#### **Exceptions, conditions and limitations**

The Community Asset Committee is not authorised by this Instrument to:

- 11. appoint members to the Community Asset Committee unless membership is revised by the Council by resolution;
- 12. enter into contracts, or incur expenditure, for an amount which exceeds the approved budget;
- 13. dispose of council assets; and
- 14. borrow money without a resolution of Council, in accord with Councils Loan Guarantee Policy.

## 8.3 FINANCIAL REPORTS

### 8.3.1 FINANCIAL AND PERFORMANCE STATEMENTS 2022/23

**Author's Title:** Manager Financial Strategy

**Department:** Corporate and Organisational Performance **File No:** FM/02/09

**Relevance to Council Plan 2021 - 2025**

**Strategic Objective:** Our Council and Community Leadership

#### PURPOSE

The purpose of this report is to seek Council's approval in principle of the Draft Financial Statements and Performance Statement (the Statements) for the 2022/23 financial year as presented, noting their pre-audit status. This report also seeks to authorise two Councillors to certify by signature these final form Statements on behalf of the Council, in conjunction with the Chief Executive Officer and Principal Financial Officer. This process is in accordance with Section 99 (3) (a) and (b) of the *Local Government Act 2020* (the Act), and Sections 13 and 15 of the *Local Government (Planning and Reporting) Regulations 2020* (the Regulations).

#### SUMMARY

The preparation of the annual Financial and Performance Statements is a legislative requirement.

To enable the final form Statements to be submitted to the auditor in accordance with Section 99 (3) (a) and (b) of the Act and Sections 13 and 15 of the Regulations, Council is required to pass a resolution to give the Statements its approval in principle, and to authorise two Councillors to sign the Statements in conjunction with the Chief Executive Officer and the Principal Accounting Officer. Councillors are requested to consider the Statements, noting that they are in the process of being reviewed by the Victorian Auditor General's Office (VAGO) and are as such considered to be in draft.

Once the Statements are returned from the auditor, they will form part of Council's 2022/23 Annual Report which will be considered by Council in late October.

#### RECOMMENDATION

That Council:

1. Approves in principle the draft Financial Statements and Performance Statement for the 2022/2023 Financial Year, ahead of the Statements' submission to the auditor; and
2. Authorises Mayor Cr Getley and Cr Hogan, to certify the final form Financial Statements and Performance Statement on behalf of, and with full authority of, the Council.

**Attachments:** 1 [Draft Financial Statements 2022/23 - Buloke Shire Council](#)  
2 [Draft Performance Statement 2022/23 - Buloke Shire Council](#)

#### DISCUSSION

Under Section 98 of the *Local Government Act 2020* a Council must in respect of each financial year, prepare an Annual Report that includes audited Statements for the financial year. These Statements must be prepared in the prescribed manner and form and be certified by the Auditor General.

This year the Victorian Auditor General's Office agents Crowe acted as Council's auditors. The Statements have been reviewed by the Victorian Auditor General's Office.

Council is required to approve, in principle, the Statements prior to receiving certification from the Auditor General. The Council must also authorise two Councillors to certify the Statements in their final form; historically the Mayor and the Deputy Mayor. However, in this instance it is proposed that Mayor Cr Getley and Cr Hogan be authorised to sign with the Deputy Mayor on a leave of absence and Cr Hogan being the Councillor currently appointed as Delegate to Council's Audit and Risk Committee.

#### **RELEVANT LAW**

The Statements have been prepared in accordance with Australian Accounting Standards and Interpretations, the *Local Government Act 2020* and the Regulations.

Council's Statements must be audited to meet the requirements as set out under the *Local Government Act 2020*.

#### **RELATED COUNCIL DECISIONS**

Not applicable to this report.

#### **OPTIONS**

Not applicable to this report.

#### **SUSTAINABILITY IMPLICATIONS**

Not applicable to this report.

#### **COMMUNITY ENGAGEMENT**

Community consultation was not required in the preparation of the Statements. However, the Statements will be made available as public documents following the Auditor-General's approval. Once fully audited and approved, the Statements will be published in Council's upcoming Annual Report.

#### **INNOVATION AND CONTINUOUS IMPROVEMENT**

Not applicable to this report.

#### **COLLABORATION**

Not applicable to this report.

#### **FINANCIAL VIABILITY**

The Statements are a report back to the community on Council's performance against the adopted 2022/23 Annual Budget, along with performance against measures and targets for Key Strategic Activities specified in the 2022/23 Annual Budget.

#### **REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

Not applicable to this report.

#### **COUNCIL PLANS AND POLICIES**

The Statements are a report back to the community on Council's performance against the performance against measures and targets for Key Strategic Activities specified in the 2022/23 Annual Budget.

#### **TRANSPARENCY OF COUNCIL DECISIONS**

The availability of Council's audited financial and performance reporting to the community essential for ensuring transparency and accountability to the community and other levels of government.

**CONFLICTS OF INTEREST**

In providing this advice to the Council as the Manager Financial Strategy, I, Nathan Cutting, have no interests to disclose in this report.

# Buloke Shire Council

## ANNUAL FINANCIAL REPORT

for the year ended 30 June 2023

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**Buloke Shire Council**  
**Annual Financial Report**  
for the year ended 30 June 2023

2022/2023 Financial Report

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**Buloke Shire Council**  
**Annual Financial Report**  
for the year ended 30 June 2023

2022/2023 Financial Report

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## Buloke Shire Council

2022/2023 Financial Report

### Annual Financial Report

for the year ended 30 June 2023

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#### Certification of the Financial Statements

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

---

Nathan Cutting CA

**Principal Accounting Officer**

**Dated:** 11 October 2023

Wycheproof

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

At the date of signing, we are not aware of any circumstances 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.

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Alan Getley

**Councillor**

**Dated:** 11 October 2023

Wycheproof

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Bernadette Hogan

**Councillor**

**Dated:** 11 October 2023

Wycheproof

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Wayne O'Toole

**Chief Executive Officer**

**Dated:** 11 October 2023

Wycheproof

## Buloke Shire Council

2022/2023 Financial Report

### Annual Financial Report

for the year ended 30 June 2023

#### Victorian Auditor-General's Office Report

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Insert VAGO Report here

## Buloke Shire Council

2022/2023 Financial Report

### Annual Financial Report

for the year ended 30 June 2023

### Victorian Auditor-General's Office Report

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Insert VAGO Report here

## Buloke Shire Council

2022/2023 Financial Report

### Comprehensive Income Statement

for the year ended 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
<b>Income / Revenue</b>			
Rates and charges	3.1	14,583	14,287
Statutory fees and fines	3.2	171	197
User fees	3.3	967	925
Grants - operating	3.4	22,014	10,889
Grants - capital	3.4	4,688	11,320
Contributions - monetary	3.5	200	157
Net gain on disposal of property, infrastructure, plant and equipment	3.6	-	2
Other income	3.7	1,468	600
<b>Total income / revenue</b>		<b>44,091</b>	<b>38,377</b>
<b>Expenses</b>			
Employee costs	4.1	11,107	10,239
Materials and services	4.2	13,379	9,084
Depreciation	4.3	9,422	9,038
Amortisation - Right of use assets	4.4	329	258
Bad and doubtful debts	4.5	(103)	(19)
Finance Costs - Leases	4.6	38	10
Net loss on disposal of property, infrastructure, plant and equipment	3.6	32	-
Other expenses	4.7	839	664
<b>Total expenses</b>		<b>35,043</b>	<b>29,274</b>
<b>Surplus/(deficit) for the year</b>		<b>9,048</b>	<b>9,103</b>
<b>Other comprehensive income:</b>			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	6.2	23,270	-
<b>Total other comprehensive income</b>		<b>23,270</b>	<b>-</b>
<b>Total comprehensive result</b>		<b>32,318</b>	<b>9,103</b>

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

## Buloke Shire Council

2022/2023 Financial Report

### Balance Sheet

as at 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	5.1	6,150	4,302
Cash and cash equivalents	5.1	17,320	27,102
Non-current assets classified as "held for sale"	6.1	165	60
Other financial assets	5.1	23,000	5,000
Inventories	5.2	181	139
Other assets	5.2	316	252
<b>Total current assets</b>		<b>47,132</b>	<b>36,855</b>
<b>Non-current assets</b>			
Property, infrastructure, plant and equipment	6.2	300,952	277,975
Right-of-use assets	5.7	976	152
<b>Total non-current assets</b>		<b>301,928</b>	<b>278,127</b>
<b>Total assets</b>		<b>349,060</b>	<b>314,982</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	2,262	2,057
Trust funds and deposits	5.3	345	294
Unearned income/revenue	5.3	6,706	6,813
Provisions	5.4	3,682	2,901
Lease liabilities	5.8(b)	284	91
<b>Total current liabilities</b>		<b>13,279</b>	<b>12,156</b>
<b>Non-current liabilities</b>			
Provisions	5.4	963	957
Lease liabilities	5.8(b)	701	70
<b>Total non-current liabilities</b>		<b>1,664</b>	<b>1,027</b>
<b>Total liabilities</b>		<b>14,943</b>	<b>13,183</b>
<b>Net assets</b>		<b>334,117</b>	<b>301,799</b>
<b>Equity</b>			
Accumulated surplus		129,609	126,405
Reserves	9.1	204,508	175,394
<b>Total Equity</b>		<b>334,117</b>	<b>301,799</b>

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

## Buloke Shire Council

2022/2023 Financial Report

### Statement of Changes in Equity

for the year ended 30 June 2023

	Note	Total \$ '000	Accumulated Surplus \$ '000	Revaluation Reserves \$ '000	Other Reserves \$ '000
<b>2023</b>					
Balance at beginning of the financial year		301,799	126,405	172,086	3,308
Surplus/(deficit) for the year		9,048	9,048	-	-
Other comprehensive income					
Net asset revaluation increment/(decrement)		23,270	-	23,270	-
Other comprehensive income		23,270	-	23,270	-
<b>Total comprehensive income</b>		<b>32,318</b>	<b>9,048</b>	<b>23,270</b>	<b>-</b>
Transfers to other reserves	9.1	-	(5,844)	-	5,844
<b>Balance at end of the financial year</b>		<b>334,117</b>	<b>129,609</b>	<b>195,356</b>	<b>9,152</b>
<b>2022</b>					
Balance at beginning of the financial year		292,696	119,610	172,086	1,000
Surplus/(deficit) for the year		9,103	9,103	-	-
<b>Total comprehensive income</b>		<b>9,103</b>	<b>9,103</b>	<b>-</b>	<b>-</b>
Transfers to other reserves	9.1	-	(2,308)	-	2,308
<b>Balance at end of the financial year</b>		<b>301,799</b>	<b>126,405</b>	<b>172,086</b>	<b>3,308</b>

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

## Buloke Shire Council

2022/2023 Financial Report

### Statement of Cash Flows

for the year ended 30 June 2023

	Notes	2023 Inflows/ (Outflows) \$ '000	2022 Inflows/ (Outflows) \$ '000
<b>Cash flows from operating activities</b>			
Statutory fees and fines		160	154
Other receipts		287	541
Rates and charges		14,919	14,158
User fees		1,003	823
Grants - operating		22,494	11,231
Grants - capital		2,264	8,228
Contributions - monetary		220	157
Interest received		927	44
Trust funds and deposits taken/(repaid)		51	(66)
Net GST refund/(payment)		2,100	2,104
Employee costs		(11,276)	(10,812)
Materials and services		(14,468)	(8,635)
Other payments		(830)	(2,086)
<b>Net cash provided by/(used in) operating activities</b>	9.2	<b>17,851</b>	<b>15,841</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.2	(9,266)	(13,605)
Proceeds from sale of property, infrastructure, plant and equipment		-	2
Payments for investments		(18,000)	-
Proceeds from sale of investments		-	13,015
<b>Net cash provided by/(used in) investing activities</b>		<b>(27,266)</b>	<b>(588)</b>
<b>Cash flows from financing activities</b>			
Interest paid - lease liability		(38)	(10)
Repayment of lease liabilities		(329)	(274)
<b>Net cash flow provided by/(used in) financing activities</b>		<b>(367)</b>	<b>(284)</b>
<b>Net Increase (decrease) in cash and cash equivalents</b>		<b>(9,782)</b>	<b>14,969</b>
Cash and cash equivalents at the beginning of the financial year		27,102	12,133
<b>Cash and cash equivalents at the end of the financial year</b>		<b>17,320</b>	<b>27,102</b>
Financing arrangements	5.5	150	150

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

## Buloke Shire Council

2022/2023 Financial Report

### Statement of Capital Works

for the year ended 30 June 2023

	2023	2022
	\$ '000	\$ '000
<b>Property</b>		
Land	105	34
Land improvements	511	3,370
<b>Total land</b>	<u>616</u>	<u>3,404</u>
Buildings	115	735
Building improvements	206	6
<b>Total buildings</b>	<u>321</u>	<u>741</u>
<b>Total property</b>	<u>937</u>	<u>4,145</u>
<b>Plant and equipment</b>		
Plant, machinery and equipment	880	472
Fixtures, fittings and furniture	-	100
Computers and telecommunications	156	187
Library books	1	-
<b>Total plant and equipment</b>	<u>1,037</u>	<u>759</u>
<b>Infrastructure</b>		
Roads	2,879	6,494
Bridges	188	8
Footpaths and cycleways	23	82
Drainage	59	641
Recreational, leisure and community facilities	2,041	1,777
Parks, open space and streetscapes	2,322	304
Aerodromes	6	-
<b>Total infrastructure</b>	<u>7,518</u>	<u>9,306</u>
<b>Total capital works expenditure</b>	<u>9,492</u>	<u>14,210</u>
Represented by:		
New asset expenditure	1,854	657
Asset renewal expenditure	5,934	10,247
Asset upgrade expenditure	1,704	3,306
<b>Total capital works expenditure</b>	<u>9,492</u>	<u>14,210</u>

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 1. Overview

##### Introduction

The Buloke Shire Council was established by an Order of the Governor in Council on 20 January 1995 and is a body corporate.

The Council's main office is located at 367 Broadway, Wycheproof, Victoria 3527.

##### Statement of compliance

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

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

##### Significant accounting policies

###### 1.1 Basis of accounting

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

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

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

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

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 1. Overview

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##### **Goods and Services Tax (GST)**

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 2. Analysis of our results

##### Note 2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$50,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

	Budget 2023 \$ '000	Actual 2023 \$ '000	Variance \$ '000	Variance %	Ref
<b>2.1.1 Income / Revenue and expenditure</b>					
Income / Revenue					
Rates and charges	14,449	14,583	134	0.93%	1
Statutory fees and fines	244	171	(73)	(29.92)%	2
User fees	839	967	128	15.26%	3
Grants - operating	7,171	22,014	14,843	206.99%	4
Grants - capital	13,009	4,688	(8,321)	(63.96)%	5
Contributions - monetary	97	200	103	106.19%	6
Other income	308	1,468	1,160	376.62%	7
Total income / revenue	36,117	44,091	7,974	22.08%	
Expenses					
Employee costs	11,703	11,107	596	5.09%	8
Materials and services	10,432	13,379	(2,947)	(28.25)%	9
Depreciation	8,950	9,422	(472)	(5.27)%	10
Amortisation - right of use assets	404	329	75	18.56%	11
Bad and doubtful debts	78	(103)	181	232.05%	12
Finance costs - leases	33	38	(5)	(15.15)%	13
Net loss on disposal of property, infrastructure, plant and equipment	-	32	(32)	∞	
Other expenses	795	839	(44)	(5.53)%	
Total expenses	32,395	35,043	(2,648)	(8.17)%	
<b>Surplus/(deficit) for the year</b>	<b>3,722</b>	<b>9,048</b>	<b>5,326</b>	<b>143.10%</b>	

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 2.1 Performance against budget

(i) Explanation of material variations

##### Variance Explanation

###### Ref

1. Favourable variance in Rates and charges mainly due to interest on rates and charges being budgeted for as Other income.
2. Unfavourable variance in Statutory Fees due to reclassification of Building Surveying Fees to User Fees.
3. Favourable variance in User Fees due to reclassification of Building Surveying Fees from Statutory Fees.
4. Favourable variance in Grants - operating mostly due to the receipt of grants relating to the October 2022 flood event and the early payment of the Financial Assistance Grants.
5. Unfavourable variance in Grants - capital mostly due to the delayed delivery of various capital projects resulting from the October 2022 flood event, which has subsequently delayed the revenue recognition.
6. Favourable variance in Contributions - capital mostly due to capital projects carried forward to 2022/23, the receipt of an equipment related insurance payout and the value of library books gifted to Council.
7. Favourable variance in Other income due to higher than anticipated interest on investments.
8. Favourable variance in Employee costs mostly due to vacant positions throughout the financial year and the delayed planned back pay associated with the Enterprise Bargaining Agreement. This underspend was offset by increased employee costs in response to the October 2022 flood event.
9. Unfavourable variance in Materials and services due to unbudgeted costs associated with the recovery of the October 2022 flood event, an increase to the Landfill provision, and increased labour hire/contract to cover vacant employee positions.
10. Unfavourable variance in Depreciation mostly relating to computer equipment and plant & machinery purchased throughout the financial year. Part of this variance is a result of an underestimation of depreciation.
11. Favourable variance in Amortisation - right of use assets due to long lead times for vehicle replacements during the financial year.
12. Positive variance in Bad and doubtful debts due to the successful collection of prior year doubtful debts.
13. Negative variance in Finance costs - leases mainly due to the timing of planned vehicle replacements arriving.

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 2.1 Performance against budget

	Budget 2023 \$ '000	Actual 2023 \$ '000	Variance \$ '000	Variance %	Ref
<b>2.1.2 Capital works</b>					
Property					
Land	438	105	(333)	(76.03)%	1
Land improvements	572	511	(61)	(10.66)%	2
Total land	1,010	616	(394)	(39.01)%	
Buildings	–	115	115	∞	3
Building improvements	240	206	(34)	(14.17)%	4
Total buildings	240	321	81	33.75%	
Total property	1,250	937	(313)	(25.04)%	
Plant and equipment					
Plant, machinery and equipment	865	880	15	1.73%	
Computers and telecommunications	179	156	(23)	(12.85)%	5
Library books	–	1	1	∞	
Total plant and equipment	1,044	1,037	(7)	(0.67)%	
Infrastructure					
Roads	6,970	2,879	(4,091)	(58.69)%	6
Bridges	161	188	27	16.77%	7
Footpaths and cycleways	832	23	(809)	(97.24)%	8
Drainage	378	59	(319)	(84.39)%	9
Recreational, leisure and community facilities	5,182	2,041	(3,141)	(60.61)%	10
Parks, open space and streetscapes	4,318	2,322	(1,996)	(46.23)%	11
Aerodromes	30	6	(24)	(80.00)%	12
Total infrastructure	17,871	7,518	(10,353)	(57.93)%	
<b>Total capital works expenditure</b>	<b>20,165</b>	<b>9,492</b>	<b>(10,673)</b>	<b>(52.93)%</b>	
Represented by:					
New asset expenditure	4,187	1,854	(2,333)	(55.72)%	
Asset renewal expenditure	12,825	5,934	(6,891)	(53.73)%	
Asset upgrade expenditure	3,153	1,704	(1,449)	(45.96)%	
<b>Total capital works expenditure</b>	<b>20,165</b>	<b>9,492</b>	<b>(10,673)</b>	<b>(52.93)%</b>	

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 2.1 Performance against budget

(i) Explanation of material variations

##### Variance Explanation

###### Ref

1. Favourable variance due to delays with Sea Lake Housing Development project caused by long lead times for issue of titles.
2. Favourable variance due to delays with Wycheproof Saleyards and Nullawil Silo Art projects caused by contractor availability and coordination with affected third parties.
3. Unfavourable variance due to preliminary works on the Cabins project, budgeted for in 2023/24.
4. Favourable variance due to delays with Litchfield Hall project caused by longer than expected design process and issue of building permit.
5. Favourable variance due to a lower spend on equipment renewal.
6. Favourable variance due to delays with Resheet program, Jeffcott Road and Marlbed-Curyo Road projects caused by redeployment of Council staff and contractors due to the October 2022 flood event and subsequent recovery operations. The Major Patch program was not utilised and the Wilkur-Watchupga Road and Nullawil-Birchip Road projects did not proceed. Final seal components of various other road projects will occur in 2023/24.
7. Unfavourable variance due to the Scilleys Island Bridge project exceeding budget caused in part by higher than expected price rises in materials.
8. Favourable variance due to delays with the footpath and crossover projects caused by redeployment of Council staff and contractors due to the October 2022 flood event and subsequent recovery operations.
9. Favourable variance due to delays with the Nullawil and Birchip Oval Drainage projects, caused by delays with interdependent projects.
10. Favourable variance due to delays with the Playspaces project caused by longer than expected design process and the sports ground lighting projects caused by a variation to the funding agreement to add another site. The Donald Pool and Mounted Machinery projects did not proceed. Wycheproof Caravan Park and Lake Cabins projects are in progress but final completion delayed to early 2023/24.
11. Favourable variance due to delays with the Donald and Sea Lake streetscapes projects and Wycheproof Wetland projects caused by longer than expected design processes and contractor availability.
12. Favourable variance due to delays with the Water Connections projects due to contractor availability.

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 2.2 Analysis of Council results by program

##### 2.2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

###### 1. Our Built and Natural Environment

- 1.1 Work Towards Sustainability
- 1.2 Suitable Housing Options
- 1.3 An Attractive and Well Maintained Buloke
- 1.4 A Safe and Active Buloke

###### 2. Our Community Wellbeing

- 2.1 Partnerships to Outcomes
- 2.2 Inclusiveness Plan in Action
- 2.3 Well Supported Community
- 2.4 Increased Community Wellbeing

###### 3. Our Economy

- 3.1 Tourism
- 3.2 Attraction and Promotion of Local Business
- 3.3 Employment Opportunities
- 3.4 Digital Connections

###### 4. Our Council and Community Leadership

- 4.1 Active Leaders and Volunteers
- 4.2 Community Engagement
- 4.3 Continuous Service Improvement for Efficient and Flexible Services
- 4.4 A Well Governed and Healthy Organisation

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

Functions/activities	Income / Revenue \$ '000	Expenses \$ '000	Surplus / (Deficit) \$ '000	Grants included in income / revenue \$ '000	Total assets \$ '000
<b>2023</b>					
Our Built and Natural Environment	21,012	26,514	(5,502)	18,784	300,952
Our Community Wellbeing	2,405	3,846	(1,441)	1,441	-
Our Economy	352	199	153	200	-
Our Council and Community Leadership	7,214	4,484	2,730	6,182	48,108
Unattributed	13,108	-	13,108	95	-
Total functions and activities	44,091	35,043	9,048	26,702	349,060
<b>2022</b>					
Our Built and Natural Environment	17,028	21,130	(4,102)	13,163	277,975
Our Community Wellbeing	2,602	3,481	(879)	1,742	-
Our Economy	156	389	(233)	62	-
Our Council and Community Leadership	5,774	4,274	1,500	5,642	36,932
Unattributed	12,817	-	12,817	1,600	75
Total functions and activities	38,377	29,274	9,103	22,209	314,982

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 3. Funding for the delivery of our services

	2023	2022
	\$ '000	\$ '000

##### 3.1 Rates and charges

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

The valuation base used to calculate general rates for 2022/23 was \$2.914 billion (2021/22 \$2.095 billion). The 2022/23 rate in the CIV dollar was a General Rate used for Residential and Commercial and Industrial of 0.6179 cents (2021/22, 0.7399 cents) and a Farm Rate of 0.3707 cents (2021/22, 0.5179 cents).

Municipal charge	753	750
Supplementary rates and rate adjustments	18	45
Interest on rates and charges	106	77
Rates - Residential	2,703	2,605
Rates - Commercial	519	601
Rates - Rural	8,870	8,607
Windfarm electricity generation charge	139	131
Garbage Charges	1,475	1,471
<b>Total rates and charges</b>	<u>14,583</u>	<u>14,287</u>

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

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

##### 3.2 Statutory fees and fines

Compliance	78	88
Planning Permits & Certificates	60	63
Revenue Collection	13	15
Building Regulations and Inspections	20	31
<b>Total statutory fees and fines</b>	<u>171</u>	<u>197</u>

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

##### 3.3 User fees

Pound fees and animal registrations	67	59
Home and Community Care	203	177
Brokered Programs Charges	307	268
Public Health and Wellbeing Charges	26	36
Building Services charges	105	90
Caravan Parks & Halls	3	11
Waste and Environment	175	181
Saleyards / Truck Wash	54	75
Other	27	28
<b>Total user fees</b>	<u>967</u>	<u>925</u>

User fees are recognised as revenue when the service has been provided or Council has otherwise earned the income.

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 3. Funding for the delivery of our services

	2023	2022
	\$ '000	\$ '000

#### 3.4 Funding from other levels of government

Grants were received in respect of the following:

Summary of grants		
Commonwealth funded grants	12,638	16,833
State funded grants	14,064	5,376
<b>Total grants received</b>	<u>26,702</u>	<u>22,209</u>

##### (a) Operating Grants

<i>Recurrent - Commonwealth Government</i>		
Financial Assistance Grants - general purpose	9,841	9,080
General home care	368	522
<i>Recurrent - State Government</i>		
School crossing supervisors	15	-
Libraries	125	159
Maternal and child health	336	329
General home care	152	206
Other	95	198
Total recurrent operating grants	<u>10,932</u>	<u>10,494</u>
<i>Non-recurrent - State Government</i>		
Family and children	131	-
Natural disaster - floods	10,239	-
Other	712	395
Total non-recurrent operating grants	<u>11,082</u>	<u>395</u>
<b>Total operating grants</b>	<u>22,014</u>	<u>10,889</u>

##### (b) Capital Grants

<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	1,401	1,607
Total recurrent capital grants	<u>1,401</u>	<u>1,607</u>
<i>Non-recurrent - Commonwealth Government</i>		
Regional Growth Fund/Local Roads and Community Infrastructure	-	2,628
Other - Roads Infrastructure	1,028	2,996
<i>Non-recurrent - State Government</i>		
Recreation	-	128
Road rehabilitation	-	350
Parks, Open space & Streetscapes	1,843	2,884
Other	416	727
Total non-recurrent capital grants	<u>3,287</u>	<u>9,713</u>
<b>Total capital grants</b>	<u>4,688</u>	<u>11,320</u>

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 3. Funding for the delivery of our services

	2023	2022
	\$ '000	\$ '000

##### (c) Recognition of grant income

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

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

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

Income recognised under AASB 1058 Income of Not-for-Profit Entities		
General purpose	9,859	9,080
Specific purpose grants to acquire non-financial assets	4,327	11,320
Other specific purpose grants	361	-
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	12,155	1,809
	<u>26,702</u>	<u>22,209</u>

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

###### Operating

Balance at start of year	1,932	1,590
Received during the financial year and remained unspent at balance date	1,431	342
Received in prior years and spent during the financial year	(951)	-
<b>Balance at year end</b>	<u>2,412</u>	<u>1,932</u>

###### Capital

Balance at start of year	4,880	5,749
Received during the financial year and remained unspent at balance date	646	-
Received in prior years and spent during the financial year	(1,232)	(869)
<b>Balance at year end</b>	<u>4,294</u>	<u>4,880</u>

Unspent grants are determined and disclosed on a cash basis.

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 3. Funding for the delivery of our services

	2023 \$ '000	2022 \$ '000
<b>3.5 Contributions</b>		
Monetary contributions		
Revenue Collection Contributions	81	114
Capital Works Contributions	119	43
<b>Total monetary contributions</b>	<u>200</u>	<u>157</u>
<b>Total contributions</b>	<u>200</u>	<u>157</u>

Monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

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

Land and buildings		
Written down value of assets disposed	(32)	-
Total net gain/(loss) on disposal of land and buildings	<u>(32)</u>	<u>-</u>
Plant and equipment		
Proceeds of sale	-	2
Total net gain/(loss) on disposal of plant and equipment	<u>-</u>	<u>2</u>
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<u>(32)</u>	<u>2</u>

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

#### 3.7 Other income

Interest	927	44
Rent Council properties	19	17
Reimbursements	342	222
Fuel tax credits	49	101
Other	131	216
<b>Total other income</b>	<u>1,468</u>	<u>600</u>

Interest is recognised as it is earned.

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 4. The cost of delivering services

	2023	2022
	\$ '000	\$ '000

#### 4.1 Employee costs

##### (a) Employee costs

Wages and salaries	9,829	9,053
Superannuation	1,016	950
Fringe benefits tax	52	40
Allowances	13	21
Worksafe	196	172
Other	1	3
<b>Total employee costs</b>	<u>11,107</u>	<u>10,239</u>

##### (b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	–	13
	<u>–</u>	<u>13</u>

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	434	473
Employer contributions - Australian Super	155	–
Employer contributions - Hostplus Super	48	–
Employer contributions - Hesta	45	–
Employer contributions - Aware Super	36	–
Employer contributions - other funds	298	464
	<u>1,016</u>	<u>937</u>

Employer contributions payable at reporting date

	–	–
<b>Total superannuation costs</b>	<u>1,016</u>	<u>950</u>

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

#### 4.2 Materials and services

Utilities	479	515
Information technology	476	531
Insurance	485	535
Consultants	1,209	452
Advertising	92	81
Garbage	564	243
Operational Contracts and Services	5,996	3,641
Operational Materials	1,792	950
Promotion/Public Education	1	4
Subscriptions/Memberships/Publications	91	91
Telephone	86	94
Vehicle and Plant Costs	1,391	1,440
Other	717	507
<b>Total materials and services</b>	<u>13,379</u>	<u>9,084</u>

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 4. The cost of delivering services

	2023 \$ '000	2022 \$ '000
<b>4.3 Depreciation</b>		
Property		
Buildings - non specialised	2,151	2,128
Leasehold improvements	27	27
Total depreciation - property	2,178	2,155
Plant and equipment		
Plant machinery and equipment	795	806
Fixtures fittings and furniture	13	64
Computers and telecomms	182	219
Library books	2	5
Total depreciation - plant and equipment	992	1,094
Infrastructure		
Roads	5,724	5,275
Bridges	102	102
Footpaths and cycleways	167	163
Drainage	81	71
Kerb & Channel	163	163
Landfill sites	5	5
Other infrastructure	10	10
Total depreciation - infrastructure	6,252	5,789
<b>Total depreciation</b>	<b>9,422</b>	<b>9,038</b>

Refer to note 5.7 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

#### 4.4 Amortisation - Right of use assets

Vehicles	329	258
<b>Total Amortisation - Right of use assets</b>	<b>329</b>	<b>258</b>

#### 4.5 Bad and doubtful debts

Rates debtors	(145)	(43)
Other debtors	42	24
<b>Total bad and doubtful debts - allowance for impairment losses</b>	<b>(103)</b>	<b>(19)</b>

Movement in allowance for impairment losses in respect of debtors

Balance at the beginning of the year	531	565
New provisions recognised during the year	(103)	(19)
Amounts already provided for and written off as uncollectable	(7)	(15)
<b>Balance at end of year</b>	<b>421</b>	<b>531</b>

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 4. The cost of delivering services

	2023	2022
	\$ '000	\$ '000

#### 4.6 Finance Costs - Leases

Interest - Lease Liabilities	38	10
<b>Total finance costs</b>	<b>38</b>	<b>10</b>

#### 4.7 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	52	50
Auditors' remuneration - Internal Audit	37	12
Councillors' allowances	210	202
Council Contributions and Donations	475	374
Council meeting expenses	18	15
Election expenses	35	-
Others	12	11
<b>Total other expenses</b>	<b>839</b>	<b>664</b>

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 5. Our financial position

	Note	2023 \$ '000	2022 \$ '000
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#### 5.1 Financial assets

##### (a) Cash and cash equivalents

Current			
Cash at bank		17,320	27,102
<b>Total current cash and cash equivalents</b>		<b>17,320</b>	<b>27,102</b>

##### (b) Other financial assets

Current			
Term deposits - current		23,000	5,000
<b>Total current other financial assets</b>		<b>23,000</b>	<b>5,000</b>

<b>Total financial assets</b>		<b>40,320</b>	<b>32,102</b>
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##### External restrictions

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

Trust funds and deposits	5.3	170	220
Unearned Income	5.3	6,706	6,813
<b>Total restricted funds</b>		<b>6,876</b>	<b>7,033</b>
<b>Total unrestricted cash and cash equivalents</b>		<b>10,444</b>	<b>20,069</b>

##### 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	5.3	1,119	1,600
Cash held for carried forward service delivery	5.3	5,744	231
Cash held for General reserves	9.1(b)	2,291	1,478
<b>Total funds subject to intended allocations</b>		<b>9,154</b>	<b>3,309</b>

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

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

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 5. Our financial position

	2023	2022
	\$ '000	\$ '000
<b>(c) Trade &amp; Other Receivables</b>		
Current		
<i>Statutory receivables</i>		
Rates debtors	1,097	1,433
Infringement debtors	255	209
GST receivable	322	407
<i>Non-statutory receivables</i>		
Grant debtors	4,267	2,430
Accrued interest	223	8
Other debtors	407	346
<i>Provisions for doubtful debts</i>		
Provision for doubtful debts - infringements	(168)	(133)
Provision for doubtful debts - rates debtors	(253)	(398)
<b>Total current trade and other receivables</b>	6,150	4,302
<b>Total trade and other receivables</b>	6,150	4,302

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

#### (d) Ageing of receivables

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

Current (not yet due)	2,443	2,556
Past due by up to 30 days	4	10
Past due between 31 and 180 days	20	60
Past due between 181 and 365 days	2,319	45
Past due by more than 1 year	111	113
<b>Total trade and other receivables</b>	4,897	2,784

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 5. Our financial position

	2023	2022
	\$ '000	\$ '000

#### 5.2 Non-financial assets

##### (a) Inventories

Inventories held for distribution	181	139
<b>Total inventories</b>	<u>181</u>	<u>139</u>

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

##### (b) Other assets

Current		
Prepayments	316	252
<b>Total current other assets</b>	<u>316</u>	<u>252</u>

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 5. Our financial position

	2023	2022
	\$ '000	\$ '000

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

##### (a) Trade and other payables

Current

*Non-statutory payables**Statutory payables*

Trade payables

1,817

1,594

Accrued expenses

445

459

Other

-

4

**Total current trade and other payables**

2,262

2,057

##### (b) Trust funds and deposits

Current

Other refundable deposits

150

207

Funds held on behalf of community groups and third parties

20

13

Overpaid rates and charges

175

74

**Total current trust funds and deposits**

345

294

##### (c) Unearned income/revenue

Current

Grants received in advance:

Grants received in advance - operating

2,412

1,932

Grants received in advance - capital

4,294

4,881

Total grants received in advance

6,706

6,813

**Total current unearned income/revenue**

6,706

6,813

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

Funds held on behalf of community groups and third parties - Amounts received as trust deposits to be expended in a specified manner that had not occurred at balance date.

Overpaid rates and charges - This amount represents the amount of rate payments made by rate payers in advance at 30 June 2023.

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

Refundable 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.

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 5. Our financial position

	Employee provisions \$ '000	Landfill restoration \$ '000	Gravel pit restoration \$ '000	Total \$ '000
<b>5.4 Provisions</b>				
<b>2023</b>				
Balance at the beginning of the financial year	2,430	1,011	417	3,858
Additional provisions	548	944	–	1,492
Amounts used	(699)	–	(6)	(705)
Balance at the end of the financial year	2,279	1,955	411	4,645
Provisions				
Provisions - current	1,677	1,955	50	3,682
Provisions - non-current	602	–	361	963
Total Provisions	2,279	1,955	411	4,645
<b>2022</b>				
Balance at the beginning of the financial year	2,698	185	555	3,438
Additional provisions	872	1,011	–	1,883
Amounts used	(1,140)	(185)	(138)	(1,463)
Balance at the end of the financial year	2,430	1,011	417	3,858
Provisions				
Provisions - current	1,839	1,012	50	2,901
Provisions - non-current	589	–	368	957
Total Provisions	2,428	1,012	418	3,858
			<b>2023</b>	<b>2022</b>
			<b>\$ '000</b>	<b>\$ '000</b>

#### (a) Employee provisions

Current provisions expected to be wholly settled within 12 months			
Annual leave		731	793
Long service leave		208	185
Accrued Days Off		13	25
		952	1,003
Current provisions expected to be wholly settled after 12 months			
Long service leave		725	836
		725	836
Total current employee provisions		1,677	1,839
Non-Current			
Long service leave		182	201
Redundancy		420	388
Total Non-Current Employee Provisions		602	589
Aggregate Carrying Amount of Employee Provisions:			
Current		1,677	1,839
Non-current		602	589
Total Aggregate Carrying Amount of Employee Provisions		2,279	2,428

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 5. Our financial position

	2023	2022
	\$ '000	\$ '000

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

##### Annual leave

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

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

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

##### Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

##### Key assumptions:

- discount rate	4.06%	3.69%
- wage inflation rate	4.35%	3.85%

##### Redundancy

Council has acknowledged the impact on services provided in aged care following the introduction of the National Disabilities Insurance Scheme (NDIS) and the Commonwealth Government's announcement of ceasing the current funding model for over 65's in 2023. Council has subsequently made the decision to exit from this service provision and has begun this transition.

Provision has been updated based on employees in this service area as at 30 June 2023. Actual redundancies incurred may be less than the provision if employees terminate their employment prior.

##### Key assumptions:

- discount rate	4.06%	3.69%
- inflation rate	4.35%	3.85%

#### (b) Landfill restoration

Current

Current

**Total current**

1,955	1,012
<u>1,955</u>	<u>1,012</u>

##### Key assumptions:

- discount rate	4.06%	3.69%
- inflation rate	4.35%	3.85%

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 5. Our financial position

	2023 \$ '000	2022 \$ '000
<b>(c) Gravel pit restoration</b>		
Current	50	50
	<u>50</u>	<u>50</u>
Non-current	361	368
	<u>361</u>	<u>368</u>
Key assumptions:		
- discount rate	4.06%	3.69%
- inflation rate	4.35%	3.85%

Under provisions of the *Mineral Resources (Sustainable Development) Act* (1990), Council is obliged to restore gravel pits currently operated under Work Authority Permits. The forecast life of gravel pits is based on current estimates of remaining suitable gravel availability and unrestored areas of individual sites. The provision for pit restoration has been calculated based on the present value of the expected cost of works to be undertaken.

#### 5.5 Financing arrangements

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

Other facilities - Bank Guarantee	150	150
Total Facilities	<u>150</u>	<u>150</u>
Used facilities	135	130
Used facilities	<u>135</u>	<u>130</u>
Unused facilities	15	20

Council has no overdraft facility at 30 June 2023.

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 5. Our financial position

##### 5.6 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 \$ '000	Later than 1 year and not later than 2 years \$ '000	Later than 2 years and not later than 5 years \$ '000	Later than 5 years \$ '000	Total \$ '000
<b>2023</b>					
Operating					
Garbage & recyclables	822	846	1,744	898	4,310
Glass recycling	44	44	–	–	88
Hire of plant	167	–	–	–	167
IT systems and technology	34	–	–	–	34
Building surveying	213	–	–	–	213
Asset valuation	56	–	–	–	56
Fuel cards	6	–	–	–	6
<b>Total</b>	<b>1,342</b>	<b>890</b>	<b>1,744</b>	<b>898</b>	<b>4,874</b>
Capital					
Construction works	2,473	–	–	–	2,473
Roads	2,012	–	–	–	2,012
<b>Total</b>	<b>4,485</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4,485</b>
<b>2022</b>					
Operating					
Garbage & recyclables	645	645	1,935	1,290	4,515
IT systems and technology	175	–	–	–	175
Building surveying	202	202	–	–	404
<b>Total</b>	<b>1,022</b>	<b>847</b>	<b>1,935</b>	<b>1,290</b>	<b>5,094</b>
Capital					
Construction works	4,744	–	–	–	4,744
Roads	1,227	–	–	–	1,227
<b>Total</b>	<b>5,971</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,971</b>

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 5. Our financial position

##### 5.7 Leases

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

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

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

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

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

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

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

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

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

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

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 5. Our financial position

##### (a) Right-of-Use Assets

	Vehicles \$ '000	Total \$ '000
<b>2023</b>		
Balance at 1 July	152	152
Additions	1,153	1,153
Amortisation charge	(329)	(329)
<b>Balance at 30 June</b>	<b>976</b>	<b>976</b>
<b>2022</b>		
Balance at 1 July	185	185
Additions	228	228
Amortisation charge	(261)	(261)
<b>Balance at 30 June</b>	<b>152</b>	<b>152</b>
	<b>2023</b>	<b>2022</b>
	<b>\$ '000</b>	<b>\$ '000</b>

##### (b) Lease Liabilities

Maturity analysis - contractual undiscounted cash flows		
Less than one year	338	97
One to five years	769	75
Total undiscounted lease liabilities as at 30 June:	<u>1,107</u>	<u>172</u>
Lease liabilities included in the Balance Sheet at 30 June:		
Current	284	91
Non-current	701	70
<b>Total lease liabilities</b>	<b><u>985</u></b>	<b><u>161</u></b>

Variable lease payments are those that depend on an index or a rate, for example payments linked to the consumer price index, a benchmark interest rate or changes in market rental rates.

#### Note 6. Assets we manage

##### 6.1 Current assets classified as "held for sale"

Current		
Fair value of assets	165	60
<b>Total non current assets classified as held for sale</b>	<b><u>165</u></b>	<b><u>60</u></b>

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 6. Assets we manage

##### 6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	Carrying amount 30 June 2022 \$ '000	Additions \$ '000	Contributions \$ '000	Revaluation \$ '000	Depreciation \$ '000	Disposal \$ '000	Write-off \$ '000	Transfers \$ '000	Carrying amount 30 June 2023 \$ '000
Property	82,671	-	-	-	(2,178)	-	(5)	1,871	82,359
Plant and equipment	3,905	1,311	18	-	(992)	(32)	-	339	4,549
Infrastructure	186,393	-	-	23,271	(6,252)	-	5	3,415	206,832
Work in progress	5,006	8,181	-	-	-	-	(350)	(5,625)	7,212
<b>Total</b>	<b>277,975</b>	<b>9,492</b>	<b>18</b>	<b>23,271</b>	<b>(9,422)</b>	<b>(32)</b>	<b>(350)</b>	<b>-</b>	<b>300,952</b>

Summary of Work in Progress	Opening WIP \$ '000	Additions \$ '000	Write-off \$ '000	Transfers \$ '000	Closing WIP \$ '000
Property	1,196	2,831	(176)	(1,871)	1,980
Plant and equipment	-	339	-	(339)	-
Infrastructure	3,810	5,011	(174)	(3,415)	5,232
<b>Total</b>	<b>5,006</b>	<b>8,181</b>	<b>(350)</b>	<b>(5,625)</b>	<b>7,212</b>

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 6. Assets we manage

	Land specialised \$ '000	Land non specialised \$ '000	Land improve- ments \$ '000	Land under roads \$ '000	Total land and land improve- ments \$ '000	Buildings non specialised \$ '000	Leasehold improvements \$ '000	Total buildings \$ '000	Work in progress \$ '000	Total property \$ '000
<b>Property</b>										
At fair value 1 July 2022	4,194	74	1,176	22,312	27,756	114,945	534	115,479	1,196	144,431
Accumulated depreciation at 1 July 2022	-	-	-	-	-	(60,526)	(38)	(60,564)	-	(60,564)
	<u>4,194</u>	<u>74</u>	<u>1,176</u>	<u>22,312</u>	<u>27,756</u>	<u>54,419</u>	<u>496</u>	<u>54,915</u>	<u>1,196</u>	<u>83,867</u>
Movements in fair value										
Additions	-	-	-	-	-	-	-	-	2,831	2,831
Revaluation	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	(5)	-	(5)	(176)	(181)
Transfers	-	-	-	-	-	1,871	-	1,871	(1,871)	-
Transfer land held for resale	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,866</u>	<u>-</u>	<u>1,866</u>	<u>784</u>	<u>2,650</u>
Movements in accumulated depreciation										
Depreciation and amortisation	-	-	-	-	-	(2,151)	(27)	(2,178)	-	(2,178)
Transfers	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,151)</u>	<u>(27)</u>	<u>(2,178)</u>	<u>-</u>	<u>(2,178)</u>
At fair value 30 June 2023	4,194	74	1,176	22,312	27,756	116,810	534	117,344	1,979	147,079
Accumulated depreciation at 30 June 2023	-	-	-	-	-	(62,676)	(65)	(62,741)	-	(62,741)
<b>Carrying amount</b>	<u>4,194</u>	<u>74</u>	<u>1,176</u>	<u>22,312</u>	<u>27,756</u>	<u>54,134</u>	<u>469</u>	<u>54,603</u>	<u>1,979</u>	<u>84,338</u>

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 6. Assets we manage

	Plant machinery and equipment \$ '000	Fixtures fittings and furniture \$ '000	Computers and telecomms \$ '000	Library books \$ '000	Work in progress \$ '000	Total plant and equipment \$ '000
<b>Plant and Equipment</b>						
At fair value 1 July 2022	11,082	587	2,122	397	–	14,188
Accumulated depreciation at 1 July 2022	(7,739)	(531)	(1,895)	(118)	–	(10,283)
	<u>3,343</u>	<u>56</u>	<u>227</u>	<u>279</u>	<u>–</u>	<u>3,905</u>
Movements in fair value						
Additions	1,166	1	144	–	339	1,650
Contributions	–	–	–	18	–	18
Revaluation	–	–	–	–	–	–
Disposal	(32)	–	–	–	–	(32)
Transfers	339	–	–	–	(339)	–
	<u>1,473</u>	<u>1</u>	<u>144</u>	<u>18</u>	<u>–</u>	<u>1,636</u>
Movements in accumulated depreciation						
Depreciation and amortisation	(795)	(13)	(182)	(2)	–	(992)
Accumulated depreciation of disposals	–	–	–	–	–	–
Write-off	–	–	–	–	–	–
	<u>(795)</u>	<u>(13)</u>	<u>(182)</u>	<u>(2)</u>	<u>–</u>	<u>(992)</u>
At fair value 30 June 2023	12,555	589	2,265	416	–	15,825
Accumulated depreciation at 30 June 2023	(8,534)	(545)	(2,076)	(121)	–	(11,276)
<b>Carrying amount</b>	<u>4,021</u>	<u>44</u>	<u>189</u>	<u>295</u>	<u>–</u>	<u>4,549</u>

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 6. Assets we manage

	Roads \$ '000	Bridges \$ '000	Footpaths and cycleways \$ '000	Drainage \$ '000	Landfill sites \$ '000	Kerb & Channel \$ '000	Other infrastructure \$ '000	Work in progress \$ '000	Total infrastructure \$ '000
<b>Infrastructure</b>									
At fair value 1 July 2022	342,030	10,925	10,039	9,756	733	16,325	471	3,810	<b>394,089</b>
Accumulated depreciation at 1 July 2022	(179,469)	(4,714)	(4,913)	(4,592)	(721)	(9,023)	(454)	–	<b>(203,886)</b>
	<u>162,561</u>	<u>6,211</u>	<u>5,126</u>	<u>5,164</u>	<u>12</u>	<u>7,302</u>	<u>17</u>	<u>3,810</u>	<u><b>190,203</b></u>
Movements in fair value									
Additions	–	–	–	–	–	–	–	5,011	<b>5,011</b>
Revaluation	9,983	82	(458)	–	–	(311)	–	–	<b>9,296</b>
Disposal	–	–	–	–	–	–	–	–	–
Write-off	5	–	–	–	–	–	–	(174)	<b>(169)</b>
Transfers	2,116	196	989	52	–	62	–	(3,415)	–
Impairment losses recognised in operating result	–	–	–	–	–	–	–	–	–
	<u>12,104</u>	<u>278</u>	<u>531</u>	<u>52</u>	<u>–</u>	<u>(249)</u>	<u>–</u>	<u>1,422</u>	<u><b>14,138</b></u>
Movements in accumulated depreciation									
Depreciation and amortisation	(5,724)	(102)	(167)	(81)	(5)	(163)	(10)	–	<b>(6,252)</b>
Accumulated depreciation on revaluation	12,955	(192)	289	–	–	923	–	–	<b>13,975</b>
Transfers	–	–	–	–	–	–	–	–	–
Write-off	–	–	–	–	–	–	–	–	–
	<u>7,231</u>	<u>(294)</u>	<u>122</u>	<u>(81)</u>	<u>(5)</u>	<u>760</u>	<u>(10)</u>	<u>–</u>	<u><b>7,723</b></u>
At fair value 30 June 2023	354,135	11,203	10,570	9,808	733	16,076	471	5,233	<b>408,229</b>
Accumulated depreciation at 30 June 2023	(172,239)	(5,008)	(4,790)	(4,673)	(727)	(8,263)	(464)	–	<b>(196,164)</b>
<b>Carrying amount</b>	<u>181,896</u>	<u>6,195</u>	<u>5,780</u>	<u>5,135</u>	<u>6</u>	<u>7,813</u>	<u>7</u>	<u>5,233</u>	<u><b>212,065</b></u>

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 6. Assets we manage

##### *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

	Depreciation Period years	Threshold Limit \$ '000
Buildings		
buildings	30 - 50 years	–
Plant and Equipment		
plant, machinery and equipment	3 - 13 years	5
fixtures, fittings and furniture	4 - 13 years	5
computers and telecommunications equipment	3 - 6 years	5
Infrastructure		
road formation	95 - 105 years	–
sealed road pavements	60 - 90 years	–
unsealed road pavements	15 - 25 years	–
sealed road surfaces	15 - 25 years	–
bridges	80 - 120 years	–
drainage	100 years	–
footpaths and cycleways	20 - 70 years	–
recreational, leisure and community facilities	10 - 50 years	–
waste management	10 - 50 years	–
parks, open space and streetscapes	10 - 50 years	–

##### *Land under roads*

Council recognises land under roads it controls at fair value.

##### *Depreciation and amortisation*

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

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

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

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

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 6. Assets we manage

##### *Repairs and maintenance*

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

##### *Valuation of land and buildings*

Valuation of land and buildings was undertaken by a qualified independent valuer Ben Sawyer, Certified Practising Valuer AAPI Reg. 63163, Director, Preston Rowe Paterson Horsham and Wimmera Pty Ltd in June 2020. The valuation of land and buildings as at 30 June 2020 has been assessed at fair value using the 2020 valuations for existing assets and recognising additions post the revaluation at cost. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

	Level 1	Level 2	Level 3	Date of valuation	Type of Valuation
Land - Non specialised	-	74	-	Jun-20	
Land - Specialised	-	-	4,195	Jun-20	
Land improvements	-	-	1,176	Jun-21	
Land under roads	-	-	22,312	Jun-18	
Buildings - Non Specialised	-	-	54,603	Jun-20	
Total	-	74	82,286		

##### *Valuation of Infrastructure*

Valuation of the road infrastructure has been determined in accordance with valuation undertaken by independent valuer, Peter Moloney, MIE (Aust) Member Institute of Engineers, Dip Civil Engineering (FIT).

A valuation of Council's bridge assets was performed by Mr Peter Moloney, Dip Civil Engineering (FIT), Member Institute of Engineers (Aust) MIE.

Valuation of drains has been determined in accordance with a valuation undertaken by independent valuer, Peter Moloney, MIE (Aust) Member Institute of Engineers, Dip Civil Engineering (FIT).

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 6. Assets we manage

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

	Level 1	Level 2	Level 3	Date of valuation	Type of Valuation
Roads	-	-	181,896	30/06/2023	
Bridges	-	-	6,195	30/06/2023	
Footpaths and cycleways	-	-	5,780	30/06/2023	
Drainage	-	-	5,135	30/06/2019	
Landfill sites	-	-	6	30/06/2015	
Kerb & Channel	-	-	7,813	30/06/2023	
Other Infrastructure	-	-	7	30/06/2019	
Total	-	-	206,832		

#### Description of significant unobservable inputs into level 3 valuations

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values of 90%. The market value of land varies significantly depending on the location of the land and the current market conditions.

**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 10 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.

#### Reconciliation of specialised land

	2023 \$ '000	2022 \$ '000
Land under roads	22,312	22,312
Community facilities	4,195	4,195
Total specialised land	26,507	26,507

#### (c) Community Asset Committee

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

## Buloke Shire Council

2022/2023 Financial Report

### 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

###### *Parent entity*

Council is the parent entity.

###### (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**

Daryl Warren - Mayor (01/07/2022 to 09/11/2022) and Councillor (10/11/2022 to 30/06/2023)

Alan Getley - Deputy Mayor (01/07/2022 to 09/11/2022) and Mayor (10/11/2022 to 30/06/2023)

David Pollard - Councillor (01/07/2022 to 09/11/2022) and Deputy Mayor (10/11/2022 to 30/06/2023)

Bernadette Hogan - Councillor (02/11/2022 to 30/06/2023)

Graeme Milne

Carolyn Stewart

Bronwyn Simpson

###### **Key management personnel**

Wayne O'Toole - Chief Executive Officer

Hannah Yu - Director Infrastructure and Delivery

Travis Fitzgibbon - Director Community Development

Michelle Stedman - Director Corporate and Organisational Performance (28/11/2022 to 30/06/2023)

	2023 No.	2022 No.
<b>Total Number of Councillors</b>	7	7
<b>Total of Chief Executive Officer and other Key Management Personnel</b>	4	8
Total Number of Key Management Personnel	11	15

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 7. People and relationships

##### (c) Remuneration of Key Management Personnel

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

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

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

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

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

	2023 \$ '000	2022 \$ '000
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	685	874
Other long-term employee benefits	15	13
Total	700	887

	2023 No.	2022 No.
--	-------------	-------------

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

\$1 - \$9,999	-	2
\$10,000 - \$19,999	1	3
\$20,000 - \$29,999	3	2
\$30,000 - \$39,999	1	-
\$40,000 - \$49,999	1	1
\$60,000 - \$69,999	1	3
\$90,000 - \$99,999	1	1
\$110,000 - \$119,999	-	1
\$140,000 - \$149,999	-	1
\$170,000 - \$179,999	2	-
\$250,000 - \$259,999	1	-
	11	14

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 7. People and relationships

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

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

Total remuneration of other senior staff was as follows:

	2023 \$ '000	2022 \$ '000
Short-term employee benefits	215	-
Other long-term employee benefits	4	-
Total	219	-

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

	2023 No.	2022 No.
Income Range:		
\$210,000 - \$219,999	1	-
	1	-

	2023 \$ '000	2022 \$ '000
Total Remuneration for the reporting year for Senior Officers included above amounted to:	219	-

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 7. People and relationships

##### 7.2 Related party disclosure

###### (a) Transactions with related parties

During the period Council entered into the following transactions with related parties:

All transactions are undertaken at arm's length and in line with Council's Procurement Policy.

Organisation	2022/23 Total (GST inclusive if applicable)
TMC Enviro*	307,109
Wimmera Mallee Tourism Board	7,394
Buloke Tourism	7,500
Watchem Progress Association	3,200
Watchem Hall Committee of Management	370
Watchem Lake & Rec Reserve Committee	8,946
Donald 2000 Inc	3,500
Rex Theatre Museum Limited	11,000
<b>Total</b>	<b>349,019</b>

\*Close family member of a member of Key Management Personnel.

During the period ended 30 June 2022, Council did not enter into any material transactions with related parties.

###### (b) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Nil

###### (c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party as follows:

Nil

###### (d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

Nil

## Buloke Shire Council

2022/2023 Financial Report

### 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 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

At balance date the Council is not aware of any contingent assets.

(b) Contingent liabilities

Superannuation

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

Liability Mutual Insurance

Council is (was) 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.

(c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

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

##### 8.2 Change in accounting standards

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

##### 8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

**Interest rate risk**

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 8. Managing uncertainties

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

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

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

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

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

##### (c) Credit risk

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

- Council 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.

There are no material financial assets which are individually determined to be impaired. Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

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

##### (d) Liquidity risk

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

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

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

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade.

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 8. Managing uncertainties

##### (e) Sensitivity disclosure analysis

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

- A parallel shift of + 1 % and - 2 % in market interest rates (AUD) from year-end rates of 4.00 - 5.00%.

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

#### 8.4 Fair value measurement

##### *Fair Value Hierarchy*

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

##### *Revaluation*

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 5 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

<b>Asset Class</b>	<b>Revaluation frequency</b>
Land	2 years
Buildings	3 years
Roads	3 years
Bridges	3 years
Footpaths and cycleways	3 years
Drainage	3 years
Recreational, leisure and community facilities	3 years
Waste management	3 years
Parks, open space and streetscapes	3 years

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 8. Managing uncertainties

Aerodromes	3 years
Other infrastructure	3 years

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

##### *Impairment of assets*

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

#### 8.5 Events occurring after balance date

Post balance date, Council has provided in principle support to act as guarantor for a ten-year loan up to a maximum of \$300,000 for Birchip Community House Inc..

The amount disclosed for the financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 9. Other matters

	Balance at beginning of reporting period \$ '000	Increment (decrement) \$ '000	Share of incr. (decr) on revaluation of the asset class by an associate \$ '000	Balance at end of reporting period \$ '000
<b>9.1 Reserves</b>				
(a) Asset revaluation reserves				
<b>2023</b>				
Property				
Land and land improvements	2,032	–	–	2,032
Land under roads	22,307	–	–	22,307
Buildings	24,546	–	–	24,546
	<u>48,885</u>	<u>–</u>	<u>–</u>	<u>48,885</u>
Infrastructure				
Roads	105,768	22,937	–	128,705
Bridges	3,014	(110)	–	2,904
Footpaths and cycleways	5,123	(169)	–	4,954
Drainage	2,022	–	–	2,022
Kerb & Channel	6,911	612	–	7,523
Other infrastructure	363	–	–	363
	<u>123,201</u>	<u>23,270</u>	<u>–</u>	<u>146,471</u>
<b>Total asset revaluation reserves</b>	<b>172,086</b>	<b>23,270</b>	<b>–</b>	<b>195,356</b>
<b>2022</b>				
Property				
Land and land improvements	2,032	–	–	2,032
Land under roads	22,307	–	–	22,307
Buildings	24,546	–	–	24,546
	<u>48,885</u>	<u>–</u>	<u>–</u>	<u>48,885</u>
Infrastructure				
Roads	105,768	–	–	105,768
Bridges	3,014	–	–	3,014
Footpaths and cycleways	5,123	–	–	5,123
Drainage	2,022	–	–	2,022
Kerb & Channel	6,911	–	–	6,911
Other infrastructure	363	–	–	363
	<u>123,201</u>	<u>–</u>	<u>–</u>	<u>123,201</u>
<b>Total asset revaluation reserves</b>	<b>172,086</b>	<b>–</b>	<b>–</b>	<b>172,086</b>

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 9. Other matters

	Balance at beginning of reporting period \$ '000	Transfer from Accumulated Surplus \$ '000	Transfer to Accumulated Surplus \$ '000	Balance at end of reporting period \$ '000
(b) Other reserves				
<b>2023</b>				
Defined Benefits Superannuation	1,000	–	–	1,000
Sustainability Fund	78	22	–	100
Unspent Grants	1,830	5,032	–	6,862
Grant Opportunity	200	200	–	400
Capital Project Initiations	200	193	–	393
Waste	–	397	–	397
<b>Total Other reserves</b>	<b>3,308</b>	<b>5,844</b>	<b>–</b>	<b>9,152</b>
<b>2022</b>				
Defined Benefits Superannuation	1,000	–	–	1,000
Sustainability Fund	–	78	–	78
Unspent Grants	–	1,830	–	1,830
Grant Opportunity	–	200	–	200
Capital Project Initiations	–	200	–	200
<b>Total Other reserves</b>	<b>1,000</b>	<b>2,308</b>	<b>–</b>	<b>3,308</b>

**Defined Benefits Superannuation** - This reserve is used to assist with the funding of any call that may be made on Council as a result of shortfall in the Local Authorities Superannuation Fund Defined Benefits Plan. Refer to note 9.3 for further detail.

**Sustainability Fund** – surplus annual portion of income derived from windfarm operations within the Shire is set aside for specific community project support to promote local sustainability.

**Unspent Grants** - to set aside surplus grant received to be expended according to funding intentions in subsequent financial years. The reserve is only necessary when grant does not meet the requirements to be carried forward as a liability under Australian Accounting Standards.

**Grant Opportunity**- allocation from Council's Accumulated surplus to provide matching funds for unanticipated grant opportunities arising outside of the annual budget scope.

**Capital Project Initiations** – allocation from Council's Accumulated surplus to facilitate initial development expenditure for unanticipated projects in response to grant opportunities outside of the annual budget scope.

**Waste** – this reserve was established to make some provision for future waste related activities and initiatives, including contributing to rehabilitation requirements for closed landfill sites.

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 9. Other matters

	2023 \$ '000	2022 \$ '000
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>		
Surplus/(deficit) for the year	9,048	9,103
Depreciation/amortisation	9,751	9,296
(Profit)/loss on disposal of property, infrastructure, plant and equipment	32	(2)
Amounts disclosed in financing activities	38	10
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(1,848)	(2,374)
(Increase)/decrease in inventories	(42)	(7)
(Increase)/decrease in prepayments	(64)	16
Increase/(decrease) in other assets	-	(3)
Increase/(decrease) in trade and other payables	205	(28)
Increase/(decrease) in provisions	787	422
Increase/(decrease) in trust funds and other payables	51	(66)
Increase/(decrease) in Unearned income /revenue	(107)	(526)
Net cash provided by/(used in) operating activities	17,851	15,841

#### 9.3 Superannuation

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

##### Accumulation

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

##### Defined Benefit

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

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

##### Funding Arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

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

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

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 9. Other matters

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

Net investment returns 5.5% pa  
Salary information 2.5% pa to 30 June 2023, and 3.5% pa thereafter  
Price inflation (CPI) 3.00% pa.

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

Vision Super has advised that the estimated VBI at 30 June 2023 was 104.1%.

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

##### Employer contributions

###### *(a) Regular contributions*

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

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

###### *(b) Funding calls*

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

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

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

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.

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 9. Other matters

##### The 2022 interim actuarial investigation surplus amounts

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

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

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

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

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

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

##### The 2023 triennial actuarial investigation

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

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

##### Superannuation contributions

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

Scheme	Type of scheme	Rate	2023 \$ '000	2022 \$ '000
Vision Super	Defined benefit	10.5% (2022:10.0%)	-	13
Vision Super	Accumulation fund	10.5% (2022:10.0%)	434	473

## Buloke Shire Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 10. Changes in accounting policies

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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.



# Buloke Shire Council

Performance Statement  
For the year ended 30 June 2023

## Performance Statement For the year ended 30 June 2023

### Description of Buloke Shire Council

The Buloke Shire is located in the northwest of Victoria between 210 and 360 kilometres from Melbourne.

The Buloke Shire is bounded by both the Mildura and Swan Hill Rural Cities in the north, Gannawarra and Loddon Shires in the east, Northern Grampians Shire in the south and Yarriambiack Shire in the west.

The Buloke Shire is a predominantly rural area. The main townships are Birchip, Charlton, Donald, Sea Lake and Wycheproof. The shire also comprises of the smaller townships of Berrivillock, Culgoa, Nandaly, Nullawil and Watchem.

The Buloke Shire encompasses a total land area of 8,000 square kilometres and is approximately 140 kilometres long and 60 kilometres wide.

The two main highways servicing the Buloke Shire are the Calder Highway and the Sunraysia Highway, both of which run north and south through the Shire.

Land is used largely for agriculture, particularly grain (wheat, oats and barley) production and sheep grazing.

The Buloke Shire is named after the 'buloke' or 'bulloak' tree, '*Allocasuarina Luehmannii*' which is common in the area and the feature of the Buloke Shire logo.

## Sustainable Capacity Indicators

### For the year ended 30 June 2023

<b>Indicator/Measure</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Comments</b>
<b>Population</b> <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$4,320.22	\$5,088.84	\$4,821.94	\$5,735.35	Operating expenditure for Council increased significantly mainly as a result of the October 2022 flood event whilst municipal population remained steady.
<b>Infrastructure per head of municipal population</b> [Value of infrastructure / Municipal population]	\$44,242.33	\$44,820.36	\$41,215.45	\$44,712.93	The value of infrastructure has increased as a result of the revaluation of road asset classes in 2023, whilst municipal population remained steady.
<b>Population density per length of road</b> [Municipal population / Kilometres of local roads]	1.16	1.15	1.15	1.15	
<b>Own-source revenue</b> <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$2,512.90	\$2,600.07	\$2,637.29	\$2,813.26	
<b>Recurrent grants</b> <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$1,687.62	\$1,701.69	\$1,993.25	\$2,018.49	2023 includes an increased advance payment of the Financial Assistance Grant.
<b>Disadvantage</b> <i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	3.00	3.00	3.00	3.00	Council is ranked in the mid-range of the SEIFA index, indicating high levels of disadvantage within the municipality.
<b>Workforce turnover</b> <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year]x100	9.6%	10.6%	18.2%	27.0%	High staff turnover has been experienced across the Local Government sector and the region during the financial year. Council's remote location continues to create challenges for recruiting and retaining staff.

**Definitions**

**"Adjusted underlying revenue"** means total income other than —

- a) non-recurrent grants used to fund capital expenditure; and
- b) non-monetary asset contributions; and
- c) contributions to fund capital expenditure from sources other than those referred to 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 other than revenue that is not under the control of council (including government grants)

**"Relative socio-economic disadvantage"**, in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decline 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

<b>Service Indicator/Measure</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Comments</b>
<p><b>Aquatic Facilities</b></p> <p><b>Utilisation</b></p> <p><i>Utilisation of aquatic facilities</i></p> <p>[Number of visits to aquatic facilities / Municipal population]</p>	4.86	3.08	3.81	2.55	Council offers free entry to its 7 pools from November to March each year. Maintenance on 2 of these pools meant that they did not open until January, which has impacted on attendance numbers.
<p><b>Animal Management</b></p> <p><b>Health and safety</b></p> <p><i>Animal management prosecutions</i></p> <p>[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100</p>	100%	100%	100%	0%	There were no animal management prosecutions in 2023.
<p><b>Food Safety</b></p> <p><b>Health and safety</b></p> <p><i>Critical and major non-compliance outcome notifications</i></p> <p>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</p>	0.00%	100.00%	100.00%	0.00%	There were no critical or major non-compliance outcome notifications in 2023.
<p><b>Governance</b></p> <p><b>Satisfaction</b></p> <p><i>Satisfaction with council decisions</i></p> <p>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</p>	58	61	54	52	

<b>Service Indicator/Measure</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Comments</b>
<p><b>Libraries</b></p> <p><b>Participation</b></p> <p><i>Active library borrowers in municipality</i></p> <p>[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100</p>	7.91%	8.00%	7.74%	6.95%	External factors such as the temporary cessation of the inter-library loan system and the October 2022 flood event were reflected within the downward trends in the statistics. Trends towards greater knowledge and use of digital resources has also resulted in the downwards shift of active Library users.
<p><b>Maternal and Child Health (MCH)</b></p> <p><b>Participation</b></p> <p><i>Participation in the MCH service</i></p> <p>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</p>	79.50%	85.53%	87.45%	87.73%	Council is proactive in encouraging participation in the MCH service. Participation tends to drop from age 3 to 4. Percentage variance in the results tend to fluctuate due to the relatively low average number of births (60) in the shire.
<p><i>Participation in the MCH service by Aboriginal children</i></p> <p>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</p>	93.33%	75.00%	84.62%	94.12%	Councils MCH team are actively encouraging inclusiveness. Council has seen a minor increase in the number of Aboriginal children enrolled as a result.
<p><b>Roads</b></p> <p><b>Satisfaction</b></p> <p><i>Satisfaction with sealed local roads</i></p> <p>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</p>	39	48	38	37	
<p><b>Statutory Planning</b></p> <p><b>Decision Making</b></p> <p><i>Council planning decisions upheld at VCAT</i></p> <p>[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</p>	100.00%	0.00%	0.00%	0.00%	Council had 1 decision to be reviewed by VCAT which resulted in VCAT ordering Council to consider a revised application.

<b>Service Indicator/Measure</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Comments</b>
<p><b>Waste Collection</b></p> <p><b>Waste diversion</b></p> <p><i>Kerbside collection waste diverted from landfill</i></p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	24.74%	32.03%	31.08%	18.08%	There was a reduction in recyclable waste collected however with the glass separation initiative Council should see this percentage increase in future.

#### Definitions

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

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

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

**"Annual report"** means an annual report prepared by a council under sections 131, 132 and 133 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

**"Community Care Common Standards"** means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

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

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

**"HACC program"** means the Home and Community Care program established under the Agreement entered into for the purpose of the *Home and Community Care Act 1985 (Cwth)*

**"HACC service"** means home help, personal care or community respite provided under the HACC program

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

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

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

**"Population"** means the resident population estimated by council

**"Target population"** has the same meaning as in the Agreement entered into for the purposes of the *Home and Community Care Act 1985 (Cwth)*

**"WorkSafe reportable aquatic facility safety incident"** means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

**Financial Performance Indicators**  
For the year ended 30 June 2023

Dimension/indicator/measure	Actual				Forecast				Comments
	2020	2021	2022	2023	2024	2025	2026	2027	
<p><b>Efficiency</b></p> <p><b>Expenditure level</b></p> <p><i>Expenses per property assessment</i></p> <p>[Total expenses / Number of property assessments]</p>	\$4,227.03	\$5,174.50	\$4,646.67	\$5,475.47	\$5,296.09	\$5,546.56	\$5,692.34	\$5,832.81	Operating expenditure for Council increased as a result of inflationary pressures and additional expenditure relating to the October 2022 flood event. A low number of new rateable property developments is also a factor.
<p><b>Revenue level</b></p> <p><i>Average residential rate per residential property assessment</i></p> <p>[General Rates and Municipal Charges / Number of property assessments]</p>	\$1,938.81	\$2,063.17	\$2,001.27	\$2,009.84	\$2,080.94	\$2,137.81	\$2,178.13	\$2,219.38	
<p><b>Liquidity</b></p> <p><b>Working capital</b></p> <p><i>Current assets compared to current liabilities</i></p> <p>[Current assets / Current liabilities] x100</p>	371.48%	267.19%	303.18%	354.94%	342.94%	286.91%	198.56%	112.90%	Council received grant funding as a result of the October 2022 flood event, of which remained partially unspent at balance date.
<p><b>Unrestricted cash</b></p> <p><i>Unrestricted cash compared to current liabilities</i></p> <p>[Unrestricted cash / Current liabilities] x100</p>	286.83%	36.48%	115.98%	78.65%	292.81%	211.96%	125.70%	44.83%	At balance date Council held a significantly greater amount of funds in term deposit investments with maturities greater than 3 months. These funds are therefore classified as 'other financial assets', not cash.

Dimension/indicator/measure	Actual				Forecast				Comments
	2020	2021	2022	2023	2024	2025	2026	2027	
<b>Obligations</b> <b>Loans and borrowings</b> <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Loans and borrowings repayments compared to rates</b> <i>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i>	51.60%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Indebtedness</b> <b>Non-current liabilities compared to own source revenue</b> [Non-current liabilities / Own source revenue] x100	8.43%	7.99%	6.41%	9.68%	9.27%	13.24%	13.01%	12.78%	Councils non-current liabilities has increased due to the arrived of several leased fleet vehicles, which were delayed due to extended manufacturing times seen across the industry.
<b>Asset renewal and upgrade</b> <b>Asset renewal compared to depreciation</b> [Asset renewal expense / Asset depreciation] x100	137.44%	134.83%	149.96%	81.07%	122.51%	73.63%	79.01%	77.33%	Council experienced significant delays in capital projects as a result of the October 2022 flood event, which hampered the ability to conduct planned renewal projects.
<b>Operating position</b> <b>Adjusted underlying result</b> <b>Adjusted underlying surplus (or deficit)</b> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	4.47%	-6.13%	-2.28%	13.87%	-19.73%	-37.00%	-37.81%	-38.40%	Council has received significant non-recurrent operating grants as a result of the October 2022 flood event which has improved the adjusted underlying result.

Dimension/indicator/measure	Actual				Forecast				Comments
	2020	2021	2022	2023	2024	2025	2026	2027	
<p><b>Stability</b>  <b>Rates concentration</b>  <i>Rates compared to adjusted underlying Revenue</i>                      [Rate revenue / Adjusted underlying revenue] x100</p>	49.72%	48.17%	49.92%	35.84%	53.05%	58.50%	58.31%	58.13%	The adjusted underlying revenue has been increased by the receipt of non-recurrent operating grants as a result of the October 2022 flood event. Rates revenue has experienced a steady increase in line with the rate cap.
<p><b>Rates effort</b>  <i>Rates compared to property values</i>                      [Rate revenue / Capital improved value of rateable properties in the municipality] x100</p>	0.81%	0.76%	0.68%	0.50%	0.37%	0.38%	0.38%	0.39%	Farming property valuations have consistently seen substantial increases over the past 3 years, which is a large proportion of Councils rateable properties.

**Definitions**

**“Adjusted underlying revenue”** means total income other than—

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

## Other Information

For the year ended 30 June 2023

### 1. Basis of Preparation

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

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

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

The forecast figures included in the performance statement are those adopted by council in its 2023/24 Annual Budget on 27 Jun 2023 and which forms part of the council plan. The Annual Budget includes estimates derived from the financial plan which are based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The Annual Budget and financial plan can be obtained by contacting council.

### Certification of the Performance Statement

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

.....  
Nathan Cutting CA  
**Principal Accounting Officer**  
**Dated: 11 October 2023**

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

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

At the date of the 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.

.....  
Alan Getley  
**Councillor**  
**Dated: 11 October 2023**

.....  
Bernadette Hogan  
**Councillor**  
**Dated: 11 October 2023**

.....  
Wayne O'Toole  
**Chief Executive Officer**  
**Dated: 11 October 2023**

**8.4 ORGANISATIONAL REPORTS**

Nil

**8.5 REPORTS FROM COUNCILLORS**

Nil

**9. OTHER BUSINESS****9.1 NOTICES OF MOTION****9.1.1 STATE GOVERNMENT GUARANTEE ONE- PERSON POLICE STATIONS  
REMAIN OPEN**

**Author's Title:** Executive Assistant

**Department:** Office of the CEO

**File No:** GO/09/01

**PURPOSE**

For the Council to consider a Notice of Motion to write to the Minister for Police calling on the State Government to guarantee that one-person police stations will not close.

**SUMMARY**

Clause 184.8 of the Victoria Police Enterprise Agreement 2019 currently states that one-person station employees can only be rostered away from their response zone in emergencies or critical situations and only if the employee's area does not suffer in terms of provision of service to his or her local community.

Victoria Police has lodged claims with the Police Association that would amend clause 184, increasing the mobility for deployment and rostering of one-person station employees. If successful, employees from 98 one-person stations in small towns across Victoria including those in Wycheproof, Culgoa, and Birchip, may be rostered out to larger regional centres and cities, which would undermine the safety and security of rural communities.

**RECOMMENDATION**

That Council write to the Minister for Police calling on the State Government to guarantee that one-person police stations will not close.

**Attachments:** Nil

**DISCUSSION**

One-person police stations provide an assurance of safety to the regional communities they serve and ensure people don't have to travel long distances to larger, busier stations. This provides communities with peace of mind and reassurance to feel safe and secure in their homes.

**RELEVANT LAW**

Not applicable.

**RELATED COUNCIL DECISIONS**

Not applicable.

**OPTIONS**

Not applicable.

**SUSTAINABILITY IMPLICATIONS**

Not applicable.

**COMMUNITY ENGAGEMENT**

The potentially impacted Buloke communities have provided considerable input on the need for all one-person Police Stations to be resourced to maintain their safety.

**INNOVATION AND CONTINUOUS IMPROVEMENT**

Not applicable.

**FINANCIAL VIABILITY**

Not applicable.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

Not applicable.

**COUNCIL PLANS AND POLICIES**

The availability of access to vital services to ensure our community wellbeing is a common theme identified in the Council Plan 2021-2025.

**TRANSPARENCY OF COUNCIL DECISIONS**

Not applicable.

**CONFLICT OF INTEREST**

No officer involved in the preparation of this report has a conflict of interest.

**9.2 QUESTIONS FROM COUNCILLORS**

Nil

**9.3 URGENT BUSINESS**

Nil

**9.4 ANY OTHER BUSINESS**

**9.5 MATTERS WHICH MAY EXCLUDE THE PUBLIC**

Nil

**10. MEETING CLOSE**