



Government  
Services

# Murrindindi Shire Council

## Performance Statement

### Year Ending 30 June 2025

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# Certification of the Performance Statement

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

**Nikki Rongong CPA**

**Principal Accounting Officer**

**Dated:** *(Date)*

In our opinion, the accompanying performance statement of the *(council name)* for the year ended 30 June 2025 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

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

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

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

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**Damien Gallagher**

**Councillor**

**Dated:** *(Date)*

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**Paul Hildebrand**

**Councillor**

**Dated:** *(Date)*

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**Livia Bonazzi**

**Chief Executive Officer**

**Dated:** *(Date)*

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# Victorian Auditor – General's Office Audit Report

[Letter from VAGO to be inserted once issued]

# Section 1. Description of municipality

Murrindindi Shire Council ("the Council") is situated 150 kms or 90 minutes north-east of Melbourne.

The Wurundjeri and the Taungurung are the traditional owners of the lands known as the Shire of Murrindindi. European settlement followed Hume and Hovell's overland exploration in December 1824. Many local towns were established during the 1850s and 1860s following the discovery of gold.

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

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

The municipality covers an area of 3,873 square kilometres, of which 48% is Crown land, and has a population of 15,603 is of the most recent Australian Bureau of Statistics update.

## Overview of 2025

During the financial year Council experienced growth in population and demand for services.

While extensive works were undertaken to improve infrastructure, some operating project expenditure and capital works projects were delayed due to factors such as:

- Lengthy cultural heritage approval processes
- Delayed Department of Transport and Planning approvals
- Material and equipment availability and contractor shortages
- Weather events and a landslip at Snobbs Creek
- Addition of several new large projects to the capital program.

Highlights of the 2024/25 year include:

- Completion of the Alexandra Landfill Cell Construction
- Completion and opening of the Eildon Reserve Redevelopment Project, including skate park, splash park and senior play area.
- Securing grant funding commitment for the Eildon Key Worker Housing Project and Alexandra East Development Plan
- Delivering close to \$1 million in community grants
- Significant bridge and road drainage works at Flowerdale, Molesworth, Fawcett and Maintongoon
- Continued implementation of the digital transformation of Council's business systems
- Completion of an induction program for new Councillors following the 2024 Council elections
- Preparation for the rollout of the new 4 bin kerbside collection service
- Development and adoption of the new 10-year Community Vision and Council Plan 2025-2029
- Delivery of flood recovery repair works and community wellbeing initiatives.

## Section 2. Service performance indicators

For the year ended 30 June 2025

Results						
Dimension/indicator / measure	2022	2023	2024	2025		Comments
	Actual	Actual	Actual	Target as per budget	Actual	
<b>Aquatic Facilities Utilisation</b> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	1.81	1.64	1.80	N/A	2.23	A new municipal aquatic facility (splash park) was registered during the year, which, coupled with a warmer summer season, boosted utilisation.
<b>Animal Management</b> <b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	100%	100%	0%	N/A	0%	There were no animal management prosecutions.
<b>Food Safety</b> <b>Health and safety</b> <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100%	100%	100%	N/A	100%	
<b>Governance</b> <b>Satisfaction</b> <i>Satisfaction with community consultation and engagement</i> (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)	54	55	52	56	51	The outcome may have been impacted by the kerbside reform and four-bin rollout, with an intense and prolonged community engagement campaign potentially overshadowing the broader engagement activities, including on the Council Plan.

<b>Libraries</b> <b>Participation</b> <i>Library membership [percentage of the population that are registered library members] x100</i>	N/A	N/A	16.15%	N/A	16.35%	This is a relatively new measure, which was introduced in last year's performance reporting.
<b>Maternal and Child Health (MCH)</b> <b>Participation</b> <i>Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	89.89%	88.58%	85.57%	N/A	85.38%	
<b>Participation</b> <i>Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	91.11%	92.86%	80.56%	N/A	79.55%	
<b>Roads Condition</b> <i>Sealed local roads below the intervention level [percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal]</i>	97.87%	97.87%	80.08%	95.00%	99.12%	Flood recovery works restored damaged roads, while favourable weather boosted maintenance delivery.
<b>Statutory Planning</b> <b>Service standard</b> <i>Planning applications decided within the relevant required time [percentage of planning application decisions made within the relevant required time]</i>	75.68%	77.91%	91.85%	75.00%	69.50%	We temporarily experienced longer assessment times while we implemented and tested a new planning platform, however, most decision timeframes complied with the statutory 60 days. Since the new system was implemented, timeframes have improved.
<b>Waste Management</b> <b>Waste diversion</b> <i>Kerbside collection waste diverted from landfill. [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	33.82%	34.77%	32.33%	34.00%	31.59%	The diversion of landfill dropped with the introduction of the Container Deposit Scheme, as residents diverted their own recycling through the scheme, which reduced the amount of kerbside recycling collected.

### Section 3. Financial performance indicators

For the year ended 30 June 2025

Dimension / indicator/ measure	2022	2023	2024	2025		2026	2027	2028	2029	Material variations and comments
	Actual			Target as per budget	Actual	Forecast				
<b>Efficiency</b>  <b>Expenditure level</b> Expenses per property assessment [Total expenses / Number of property assessments]	\$3,593.45	\$3,995.59	\$4,560.85	\$4,049.00	\$4,552.52	\$4,334.76	\$4,429.42	\$4,494.32	\$4,580.83	
<b>Revenue level</b> Average rate per property assessment [Sum of all general rates and municipal charges / Number of property assessments]	\$1,808.43	\$1,852.55	\$1,920.00	N/A	\$1,973.11	\$2,057.71	\$2,580.75	\$2,634.08	\$2,688.42	
<b>Liquidity</b>  <b>Working capital</b> Current assets compared to current liabilities [Current assets / Current liabilities] x100	330.89%	319.54%	301.35%	355.00%	258.51%	236.14%	215.62%	196.45%	174.73%	Current liabilities have increased due to flood recovery grants being received in advance. Council's ability to meet liabilities remains strong.
<b>Unrestricted cash</b> Unrestricted cash compared to current liabilities                [Unrestricted cash / Current liabilities] x100	32.61%	-43.74%	-40.50%	N/A	-0.26%	149.77%	120.00%	100.90%	79.41%	Cash and cash equivalents increased compared to last year, due to a \$10 million reduction in investments. Restricted cash in future years has increased due to the current year capital works carry forward adjustments.

<b>Obligations</b> <b>Loans and borrowings</b> Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	0.00%	0.00%	0.00%	N/A	0.00%	7.70%	6.37%	5.07%	3.78%	
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	0.00%	0.00%	0.01%	N/A	0.01%	0.60%	1.44%	1.40%	1.36%	Actuals for both the 2024-25 and 2023-24 years are less than 0.01% and therefore are immaterial. We have budgeted for \$2M borrowings in 2025-26 which will increase the ratio.
<b>Indebtedness</b> Non-current liabilities compared to own source revenue  [Non-current liabilities / Own source revenue] x100	29.83%	27.82%	23.19%	36.72%	7.99%	37.95%	36.94%	34.48%	32.07%	The decrease in non-current liabilities is due to the proposed borrowings for the year not being undertaken. The increase of future non-current liabilities is due to \$2M borrowing budgeted in 2025-26.
<b>Asset renewal and upgrade</b> Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense / Asset depreciation] x100	133.66%	124.94%	95.96%	120.00%	85.15%	118.84%	117.60%	96.59%	93.23%	Some asset update projects were delayed, new assets were capitalised earlier in the year, and the revaluation of infrastructure assets resulted in higher depreciation.

<b>Operating position</b>  <b>Adjusted underlying result</b> Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	-0.34%	-7.71%	-16.28%	N/A	-0.45%	-8.34%	-6.80%	-6.16%	-7.55%	The adjusted underlying result appears artificially improved, mainly due to substantial Federal Assistance Grants being paid in advance, recognised in the year.
<b>Stability</b>  <b>Rates concentration</b> Rates compared to adjusted underlying revenue   [Rate revenue / Adjusted underlying revenue] x100	60.51%	60.17%	59.85%	67.00%	53.43%	63.19%	62.23%	62.22%	63.12%	This decrease is due to an increase in adjusted underlying revenue, which was driven by the recognition of grants received in advance as income.
<b>Rates effort</b> Rates compared to property values   [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.36%	0.29%	0.26%	N/A	0.27%	0.28%	0.28%	0.29%	0.29%	There was a 19% increase in the January 2024 property valuation, which led to the variance in the rates/property value ratio.

## Section 4. Sustainable capacity indicators

For the year ended 30 June 2025

Results					
Indicator / measure [formula]	2022	2023	2024	2025	Comments
	Actual	Actual	Actual	Actual	
<b>Population</b>					
<i>Expenses per head of municipal population</i>	\$2,462.09	\$2,655.91	\$3,030.75	\$3,005.26	
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$26,425.00	\$27,546.95	\$29,013.65	\$30,387.94	
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	11.96	12.30	12.44	12.53	
<b>Own-source revenue</b>					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,761.54	\$1,828.87	\$1,952.65	\$2,100.04	
<b>Recurrent grants</b>					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$608.18	\$543.30	\$248.68	\$771.97	The significant rise in recurrent grants was due to grants funding received in advance.
<b>Disadvantage</b>					
<i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	6	6	6	6	
<b>Workforce turnover</b>					
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	14.10%	20.30%	14.20%	14.50%	The permanent casual staff were included in 2024-25 calculation. Then, this indicator for 2023-24 should be 12.3% due to permanent casual staff not included in 14.16% calculation. The changing between 2023-24 and 2024-25 was caused by the increasing of permanent staff resignations and terminations during this period.

## Section 5. Notes to the accounts

### 5.1. Basis of preparation

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

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

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by *the Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year, and the results forecast for the period 2025-26 to 2028-29 by the council's financial plan.

The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

## 5.2. Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: <ul style="list-style-type: none"> <li>• non-recurrent grants used to fund capital expenditure; and</li> <li>• non-monetary asset contributions; and</li> <li>• contributions to fund capital expenditure from sources other than those referred to above</li> </ul>
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by council
rate revenue	means revenue from general rates, municipal charges, service rates and service charges
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA

restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

### 5.3. Other Matters

Council continued to deliver a range of flood recovery works and community recovery initiatives, which were additional to the delivery of Council's business-as-usual services and projects.