

Annual Report

2012-2013



Mildura Rural City Council

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Mildura Rural City at a Glance

Area

The municipality covers an area of 22,330 square kilometres, making it the largest in Victoria.

Townships within the municipality

Major townships within Mildura Rural City's urban area include Mildura, Irymple, Red Cliffs and Merbein. These irrigation areas formed part of the first irrigation colony established in Australia.

Other townships within Council's rural area include Ouyen, Walpeup, Murrayville, Underbool, Werrimull, Cullulleraine, Nangiloc and Colignan.

Population

Mildura Rural City's estimated resident population is 51,373. The City's population growth rate over the last decade exceeds 1% per year on average.

With the structure of the region's economy and a significant transient population for employment purposes, Council serves a regional population of 100,000 across three states – Victoria, New South Wales and South Australia.

Economic advantages

Key economic advantages for the Mildura Rural City include its proximity to the Murray River, its diverse agricultural sector, a vibrant community, its strategic location and vocation and tertiary education institutions.

Mildura also boasts the largest and busiest regional airport in Victoria with 210,000 passenger movements each year to Melbourne, Sydney and Adelaide.

Length of local roads

Sealed – 1,008km

Unsealed – 4,109km

Combined – 5,117km

Number of rated properties

27,888 properties (Capital improved value \$6,591,391,100)

Average value of a residential property across Mildura Rural City Council

\$202,000

Total value of Mildura Rural City Council infrastructure

Net assets (property and infrastructure) of more than \$539 million dollars.

Message from the Mayor and Chief Executive Officer

2012/13 was a busy year for Mildura Rural City Council with a massive capital works program, completion of flood repair works, major urban drainage upgrades and Council elections mid-way through the year. With tremendous support from the Victorian Government, we saw a revised riverfront master plan adopted and in early 2013 embarked on an extensive community engagement process over many months to re-write the four-year Council plan. With three new faces in the council chamber following the election and refreshed Councillor portfolios, the Council has embraced the challenge of governing Victoria's sixth biggest regional city with enthusiasm.

Enhancing Mildura's regional city lifestyle to support population growth is a key task for the Council and its staff, and without doubt the pinnacle project this year was the completion of the new Mildura Arts Centre, or the "MAC" as its known locally. With years in the planning by former councils and the arts community, it's a fabulous asset providing world class facilities for touring and local performances. Early audience numbers show that the community has fully embraced this exceptional cultural facility.

With Mildura Rural City spanning nearly 10 percent of Victoria, it's important that we support our smaller and remote communities and the Merbein community hub is a fine example of an aspiration in a community plan finally being converted to a purpose built, energy efficient, modern facility. Officially opened by the Minister for Local Government and with shared Victorian Government and Council funding, it's a demonstration of the Council's commitment to all communities across the rural city. Similar community aspirations were delivered through the Cardross Community Complex, which was one of the worst affected areas in the 2011 flood event and the Advancing Country Towns project along the Mallee Track. Coupled with the Council's extensive grants programs, we are helping to achieve greater community resilience, which is reflected in our improved community satisfaction results.

The Mildura region continues to attract the interest of corporate Australia with strong investment in retail, food processing and solar being the highlights of the past year. Carwarp has literally been transformed from a grain siding to a showcase of solar technology and almond processing. Supported by Council and Regional Development Victoria, the precinct looks set to attract further energy investment and complements other food processing investments in carrots and citrus. Aviation has also taken a big step forward with direct flights to Sydney and Adelaide being well patronised and a new airport terminal servicing a growing throughput of passengers for the three major airlines operating in Mildura.

As our community continues to grow, the Council has maintained its commitment to a very broad range of community services that touch all age groups and demographics. We've invested in pre-school upgrades, improved our library facilities, maintained our home and community care program, and in partnership with Sunraysia community health and the Victorian Government developed the Healthy Together Mildura program to highlight the benefits of healthy foods and exercise.

Balancing the Council budget is never easy, as whilst we've secured significant federal and state capital grants, recurrent grants that fund valued services never quite keep up with actual costs, particularly when those services span 22,000 square kilometres. We're continually asking Council management to contain costs, and for the first time this year we asked Council funded entities working on tourism and economic development to be less reliant on Council rates. We're mid-way through a revenue and rate review, and Council's

management is working through a sustainability review to further drive down the costs of running the rural city.

Our operating result is balanced and very close to budget although the bottom line is skewed by advance payments of Grants Commission funds and substantial capital grants. At year end, following sign off by the Auditor-General, our consolidated balance sheet assets have increased by \$41 million and our liabilities have reduced by \$2.9 million, keeping the Council in a solid financial position and quite capable of maintaining service standards and meeting its commitments into the future.

The 2012 elections saw Councillors Sue Nichols, Fiona Hilton-Wood and Nick Cavallo retire from Council and we'd be remiss not to record the strong contribution these councillors made to the region during their respective terms in office. Cr Nichols in particular was a long standing councillor on Mildura and Wentworth shires, as well as Mildura Rural City and never missed an opportunity to participate in community affairs on both sides of the river. Likewise, our current councillors are committed to the region's future and ably supported by a competent and motivated organisation that works hard to deliver on the Council Plan.

**CR GLENN MILNE
MAYOR**

**MARK HENDERSON
CHIEF EXECUTIVE OFFICER**

Our Purpose

Through our nine councillors and staff of just over 500, Council works to provide responsive customer service, high quality facilities and effective management of infrastructure to nearly 10 percent of Victoria.

Services and facilities are provided, and infrastructure managed, according to needs, values and priorities determined by the community through the Council Plan 2009-2013; a four-year strategic plan that sets out the relationship between Council's vision, the five strategic outcomes of Council's functions and specific key result areas.

Council Vision

Council's vision is to be *"The most liveable, people friendly community in Australia."*

Five strategic outcomes have been established in consultation with the community to guide Council's functions towards the achievement of its vision:

1. Liveable community

Our community will be one that is a safe and supportive place to live, encouraging diversity, wellbeing and lifestyle opportunities for everyone.

2. Management of the environment

Our community will manage, develop and initiate a healthy, sustainable environment and resources.

3. Growth of the economy

Our community encourages visionary growth built on innovation, creating sustainability and prosperity.

4. Active community

Our community recognises the essential role played by arts, culture, sport and recreation in enhancing wellbeing.

5. Management of resources

Our council will manage resources effectively and efficiently to provide services that are relevant, of a high standard and that address identified community needs.

Council Functions

Broadly, the functions of Council include:

- Advocating and promoting proposals that are in the best interests of the local community
- Planning for and providing services and facilities for the local community
- Providing and maintaining community infrastructure
- Undertaking strategic and land use planning for the municipal district
- Raising revenue to enable Council to perform its functions
- Making and enforcing local laws
- Exercising, performing and discharging the duties and powers of councils under the Local Government Act and other Acts

Council Values

Council's values form part of our organisational culture, but most importantly, they outline the behaviours for Councillors and staff to display as they work with the community.

Members of the community were asked what qualities or characteristics they believed were important for Council to demonstrate. From the responses received, the following five values were adopted:

Honesty

We will be consistent, keep our promises, admit our mistakes and clearly communicate our decisions.

Integrity

We will live the Council values, be reliable and trustworthy in our actions and behave ethically and respectfully towards others, whose opinions may be different from ours.

Accountability

We will keep well informed when setting our goals, take responsibility for our actions and appreciate everyone's contribution towards achieving results.

Transparency

We will keep accurate records, be open and fair in our communications and be willing to discuss our decisions with others.

Consultation

We will engage and initiate meaningful conversations, appreciate our diverse community and value our relationships to build mutual trust and respect.

Our Councillors

Current Councillors (2012-2016)



Cr Glenn Milne – Mayor

Terms: 2005 – 2008, 2008–2012, 2012-2016

Cr Glenn Milne is commencing his third consecutive term as a Mildura Rural City councillor. It is also the third time he has been elected Mayor. Born and bred in the region, Cr Milne grew up on a dried fruit and citrus property at Cardross. While completing school and further education pursuits locally, he has always maintained a strong interest in horticulture. Cr Milne has also been employed as a press photographer, and worked in community development and welfare. The father of eight, including two foster children, Cr Milne is a life member of the Mallee Accommodation and Support Program, and serves on the Board of Sunraysia Residential Services and the Mildura Chaplaincy Committee. Cr Milne holds the Governance Portfolio.



Cr Alison Cupper – Deputy Mayor

Term: 2012-2016

Cr Ali Cupper joined Council in 2012 for her first term in local government. Cr Cupper lived in Mildura, Irymple and Sunnycliffs as a youngster and is passionate about the region she calls home. With particular interests in regional economic development, service access and social justice, Cr Cupper is keen to help shape our community's future. She hopes her role as a councillor will enable her to assist with and experience its evolution as it adapts and thrives in a modern, sophisticated and sustainable world. Cr Cupper holds the Community Development and Safety Portfolio.



Cr John Arnold

Terms: 2003–2005, 2005–2008, 2008–2012, 2012-2016

Cr John Arnold is serving his fourth term as a councillor and has served four terms as Mayor. Cr Arnold has always lived in the region and attended the Mildura Technical School (now Chaffey Secondary College). A long time horticulturalist at Merbein, Cr Arnold also operated an aluminium manufacturing business for almost 20 years. Passionate about his home-region and committed to promoting Mildura as a great place to live, Cr Arnold hopes Council can drive economic development, see through major projects and encourage new tourism and sporting events and opportunities. Cr Arnold holds the Economic Development and Tourism Portfolio.



Cr Greg Brown

Terms: 2003–2005, 2012-2016

Cr Greg Brown has served on two previous councils, and is pleased to have again been given the opportunity to represent local residents. Cr Brown went to school in Underbool and Ouyen and has operated a dryland farm at Underbool for 55 years. He has also managed his own small business for 48 years. Passionate about rural Victoria, Cr Brown is keen to ensure locals can access the services, infrastructure and facilities they need, regardless of where they live or work throughout the municipality. Cr Brown holds the Infrastructure and Transport Portfolio.



Cr Mark Eckel

Terms: 2000–2003, 2005–2008, 2008–2012, 2012-2016

Cr Mark Eckel remains committed to consulting with the region's residents, promoting the region as a premium tourist destination and working to make Mildura a better place to live – now and into the future. The father of six, grandfather of 16 and great grandfather of one, lists Mildura's geographical location, lifestyle and multicultural community as highlights. Growing up the son of a naval officer father, Cr Eckel lived in most Australian states as a child and was educated at Sydney's Marist Brothers College. In addition to working as a radio presenter at the Sunraysia Community radio Station, Cr Eckel is a keen sportsman, and looks after the Recreation and Sport Portfolio.



Cr Judi Harris

Term: 2008–2012, 2012-2016

Commencing her second term on Council, Cr Judi Harris says she wants to focus on improving service levels and see that the community gets the best value for its money. She believes effective consultation and planning is the key to good outcomes and the Council Plan is evidence of this. Cr Harris has lived in three areas of the state's north-west for more than 50 years and is committed to working to achieve a sustainable future for all generations, focusing on services, the environment and infrastructure issues. Cr Harris is responsible for the Environmental Sustainability Portfolio.



Cr Jill Joslyn

Term: 2012-2016

Cr Jill Joslyn is a former Council employee and this is her first term as a Councillor. Born in Daylesford, Cr Joslyn came to Mildura in 1979 with her husband and two young children and has been here ever since. Cr Joslyn has worked in small business and has considerable experience in the aged and community sectors. Prior to retiring in mid-2012, Cr Joslyn worked with young people in schools as Council's School-focussed Youth Services Coordinator; a role she held for 15 years. Passionate about people from all walks of life, Cr Joslyn is looking forward to serving the community and holds the Arts and Culture Portfolio.



Cr Sharyon Peart

Terms: 2005–2008, 2011–2012, 2012-2016

Cr Sharyon Peart has a wealth of experience in community representative roles. In addition to embarking on her third term of Council, she represents the community she is so passionate about in a wide range of roles including Chair of the Mallee Catchment Management Authority and as a member of La Trobe University's Advisory Board and the Northern Mallee Local Learning & Employment Network. Testament to her energy, commitment and drive, she is also a small business owner and mother of two teenage boys. Cr Peart is determined to continue to work to ensure the best possible outcomes for the region's residents in terms of future infrastructure, economic development, education, health and wellbeing, aged care, and environment and tourism assets. Cr Peart is responsible for the Community Wellbeing and Services portfolio.



Cr Max Thorburn

Term: 2008–2012, 2012-2016

Cr Max Thorburn, an experienced broadcaster, sports commentator and journalist, again plans to fight for solid outcomes for residents living across the municipality. The father of four was educated at Upwey High School and has worked in commercial radio and television across Australia and overseas, including as Editor of the Mildura Independent Star for the past 25 years. Cr Thorburn is committed to improving quality of life for all, targeting local issues such as sports facilities, tourism, public transport, streetscapes, tree plantings and the positioning of nursing homes and retirement villages. In his second term on Council, Cr Thorburn is adamant Council must be accountable for rate payer money spent.

Former Councillors not returned following elections in October 2012



Cr Fiona Hilton-Wood

Term: 2008–2012

Cr Fiona Hilton-Wood was born locally and lived her early childhood in Colignan and Red Cliffs. She now lives in Mildura with her husband and two teenage children. Cr Hilton-Wood has been employed in the banking sector, in local government as a customer service coordinator and as an electoral officer for the previous local Member of Parliament. Cr Hilton-Wood now runs a small family business in Mildura alongside her husband. During her term as a councillor, she held the Infrastructure Portfolio. She did not seek re-election at the end of her term.



Cr Susan Nichols

Terms: 2000–2003, 2005–2008, 2008–2012

Cr Susan Nichols' great-grandfather arrived in Merbein in 1886 as an emissary to Lord Ranfurly and she has had a family member in Merbein since that time. Cr Nichols is a civil marriage celebrant and a New South Wales Justice of the Peace. Any spare time Cr Nichols has, she spends playing lawn bowls and is a past President of the Sunraysia District Ladies Bowling Association. Cr Nichols is also a Legatee with the Mildura Legacy Club, providing support to war widows and enjoying meeting with Legacy members. While a councillor, she held the Recreation Portfolio.



Cr Nick Cavallo

Term: 2008–2012

Cr Nick Cavallo was born and raised in the municipality and returned after he attained a science degree at Footscray Institute of Technology. In 1995, as a partnership, Cr Cavallo opened GMC Leading Edge Computers. He is a past president of Mildura Chamber of Commerce and has supported many sporting clubs, associations and charities. Cr Cavallo is the President of Mildura Settlers Cricket Club, and a committee member of the Mildura Willowfest Cricket Carnival. Cr Cavallo held the Economic Development and Environment portfolios. He did not seek re-election at the end of his term.

Our Organisation

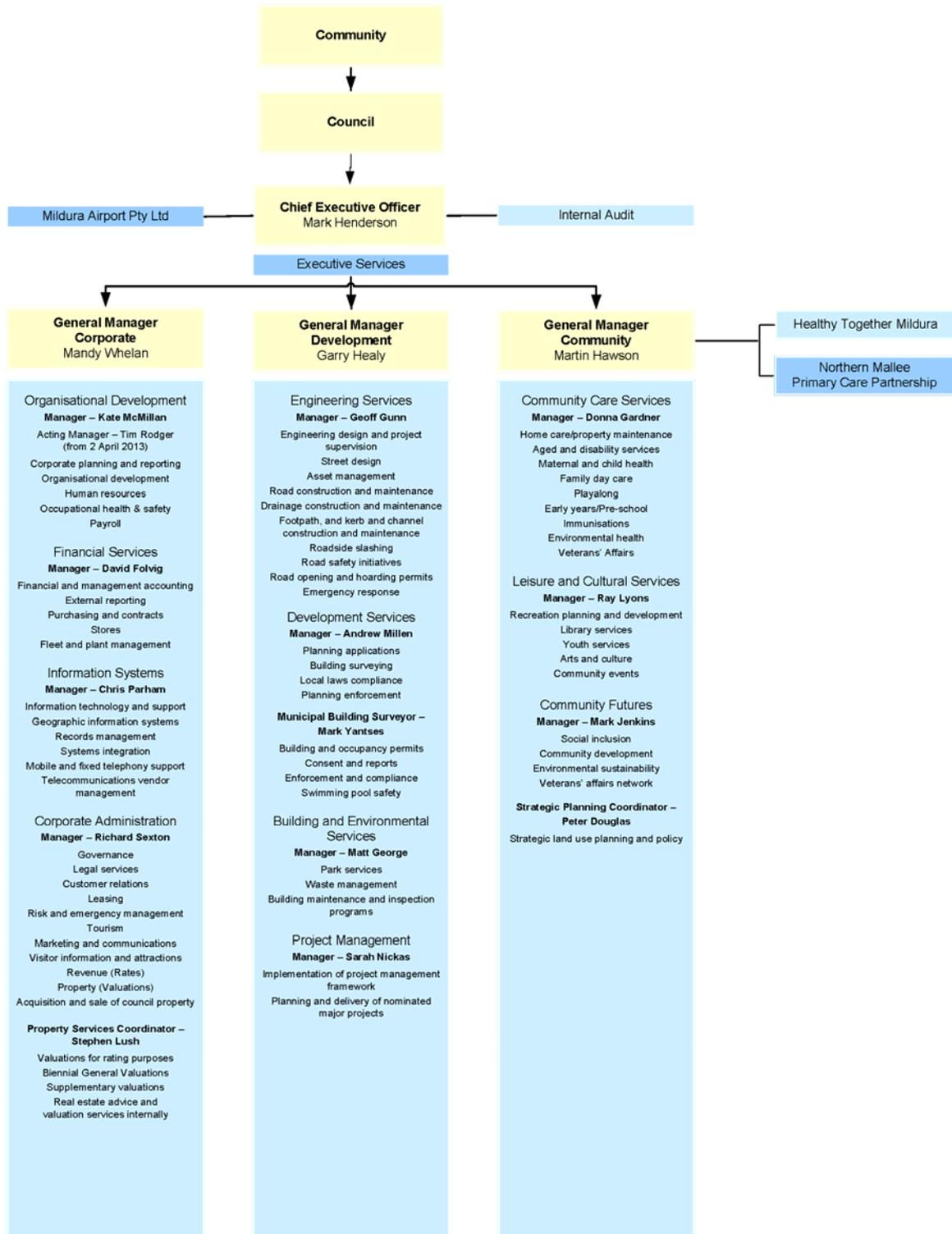
Mildura's councillors are elected as representatives of all residents and ratepayers within the municipality to provide a link between the community and Council. Collectively, they are responsible for a range of functions, duties and powers including setting the strategic direction for the municipality, establishing and guiding policies, setting service delivery standards and monitoring organisational performance.

To ensure Council is able to effectively and efficiently discharge its functions and duties, a position of Chief Executive Officer is established by *the Local Government Act 1989* to be responsible for the day-to-day management of operations in accordance with the Council Plan.

Mildura's Chief Executive Officer, together with three general managers, form the Corporate Management Team (CMT). CMT meets fortnightly to oversee and manage the operations of Council, and provide Council with information and advice to support strategic and effective decision-making. CMT is supported by service branch managers and their staff who have responsibility for effecting the policies and directions set by Council. **Refer profiles of our CMT on pages 14-16.**

The Audit Committee oversees the financial operations and risk exposure of Council and reports directly to Council. Three independent representatives and two councillors meet bi-monthly or according to need.

Organisational Structure



Corporate Management Team



Left to right: Martin Hawson, General Manager Community; Garry Healy, General Manager Development; Mandy Whelan, General Manager Corporate; Mark Henderson; Chief Executive Officer

Chief Executive Officer – Mark Henderson

Mark Henderson joined Mildura Rural City Council as Chief Executive Officer in October 2009.

Mark's extensive experience in local government includes being a Council Chief Executive Officer in Victoria, New South Wales and Queensland. He has also overseen three council mergers as local government has evolved over time. Mark's previous roles at Albury City Council (New South Wales), Hervey Bay City Council (Queensland) and most recently Murrindindi Shire Council (Victoria) have contributed to his understanding of the issues facing regional and rural communities.

As Chief Executive Officer, Mark is responsible for the day to day operations of Mildura Rural City Council on policy and strategic matters, and the management of other operations (i.e. financial, assets, human resources, corporate governance) in accordance with the Council Plan.

Responsibilities:

- Executive support for Mayor and councillors, including approving Council reports and advice to Council, and implementing Council's policies and decisions
- Liaison with other levels of government and major stakeholders
- City development and investment attraction
- Coordinating the activities of Council staff
- Leadership of the Strategic Management Team (i.e. Council's Corporate Management Team and branch managers).

General Manager Corporate – Mandy Whelan

The newest member of the Corporate Management Team, Mandy Whelan was appointed General Manager Corporate in October 2010.

Mandy has over nine years' management experience in local government, having served in the role of Manager Organisational Development for a period of five years prior to her appointment to the General Manager Corporate position and Manager Aged and Disability Services for two years prior to that.

Responsibilities:

- Organisational development
- Human resources
- Financial services
- Information systems
- Corporate administration
- Risk and emergency Management
- Internal audit

General Manager Community – Martin Hawson

Martin Hawson has a broad and extensive background in community services leadership and management experience in local government.

Prior to his appointment to the Corporate Management Team in June 2003 as General Manager Community and Culture, Martin was Mildura Rural City Council's Manager Aged and Disability Services for five years.

Responsibilities:

- Leisure and cultural services
- Community care services
- Community futures
- Community planning
- Strategic planning
- Healthy Together Mildura
- Community Engagement Framework

General Manager Development – Garry Healy

The longest serving member of the Corporate Management Team, Garry Healy became part of the Corporate Management Team in 1998, when he was appointed Director Planning and Asset Development.

Garry has 33 years experience in local government in the development, planning and regulatory areas of Council operations.

Responsibilities:

- Engineering services

- Development services
- Building services
- Parks services
- Waste management services
- Project management

Our People

Staff Profile

Category	Numbers	Percentage
Total Employees	630	
Total equivalent full time employees	489.66	
Total full time employees	389	61.74
Male full time employees	225	35.71
Female full time employees	164	26.03
Total part time employees	188	29.84
Male part time employees	12	1.90
Female part time employees	176	27.93
Total casual employees	53	8.41
Male casual employees	3	0.47
Female casual employees	50	7.93

Equal Opportunity Program

Council is committed to the principle of equal opportunity in the workplace. Council recognises the value of all Council employees and will select individuals on the basis of personal merit, in fair and open competition according to the skills, qualifications, knowledge and efficiency, relevant to the position involved. Council promotes employee morale and motivation by establishing employee confidence in personnel practices and employment opportunities. Council's policy of equal opportunity reflects a desire for staff to progress to the full extent of their ability.

Council has an Equal Opportunity Program that consists of developing, implementing and communicating the following:

- Equal Opportunity and Workplace Behaviours Policy
- Prevention of Bullying Policy
- Discipline Policy
- Working from Home Policy
- Flexible Working Arrangements Policy
- Corporate Induction Policy
- Recruitment and Selection Policy
- Training and Professional Development Policy
- Employee Assistance Program Policy

The Equal Opportunity and Workplace Behaviours policy sets out the framework for the Equal Opportunity Committee and Equal Opportunity contact officers. Council has nine contact officers in selected worksites across the organisation.

Equal Opportunity achievements in 2012-2013 include:

- conducting a two-hour equal opportunity training course as part of the induction for all new staff
- Equal Opportunity Committee meetings, which were held quarterly

- The communication of Equal Opportunity policies to all staff as part of Policy of the Month

The following actions have been planned for the 2013-2014 financial year:

- The continuation of two-hour equal opportunity training sessions as part of the induction for all new staff
- The continuation of quarterly Equal Opportunity Committee meetings
- Communication of Equal Opportunity policies to all staff as part of Policy of the Month
- The provision of refresher training for Equal Opportunity contact officers
- Reviewing equal opportunity policies, and the marketing and communication plan in consultation with Management.

Performance measurement

The Chief Executive Officer, general managers and branch managers are employed under fixed-term employment contracts and their performance is measured and reviewed annually against key performance indicators. Council reviews the Chief Executive Officer's performance, while the Chief Executive Officer reviews the performance of general managers. Each general manager reviews the performance of his/her department's branch managers.

Individual performance development plans covering work objectives, professional development goals and key deliverables give staff a clear understanding of Council's priorities and are used to review staff performance.

Training and Development

All new staff are required to attend a number of induction training programs, specifically designed for Mildura Rural City Council. These include:

- Corporate Induction
- Occupational Health & Safety
- Equal Opportunity Awareness
- Business Excellence Awareness
- Customer Service
- Privacy

In addition, staff are required to attend the following training programs, if the program is applicable to the position:

- Records Management
- Disability Awareness
- Environmental Sustainability Awareness
- Cultural Awareness
- Straightbuy
- Authority.

New staff also participate in a branch induction process to ensure they are aware of Council policies, procedures and systems.

A number of staff have attended local government specific training programs conducted by Local Government Professionals. These include:

- Executive Leadership Program
- Emerging Leaders Program
- Mastering Management Program
- Ignite Program
- Igniting Others Program.

Other training programs covering a variety of aspects were conducted to assist with the development of staff. These included:

- Recruitment and Selection
- Fish! Program
- Business Excellence Awareness
- Continuous Improvement Awareness
- Business Writing
- Report Writing
- Time Management
- Day to Day Management and Supervision of Staff
- Know Your Award
- Position Description Classifications
- Myers Briggs
- Success Without Stress.

A number of Occupational Health & Safety training programs were also offered to staff. These included:

- First Aid
- Traffic Controller, Roadworks Signing & Safety Training
- Emergency Warden Training
- Fire Extinguisher Training
- Dealing with Difficult People, Behaviours and Situations
- Manual Handling Training
- Chemical Users Certificate
- Health and Safety Representative Course
- Safe working at heights
- Chainsaw training

Council also provided numerous Health and Wellbeing sessions, and programs throughout the year. These included:

- Worker health checks
- Fruit provided each month to all workplace locations

- Beyond Blue depression awareness sessions for managers and general staff
- Sessions on Nutrition delivered by Nutrition Australia
- 10,000 Step Challenge
- Diabetes Awareness sessions
- Life Program.

Study Support

Through our study support program in 2012-2013, 45 staff have been supported in undertaking external post-secondary qualifications. Under the study support policy, staff receive financial support and are able to access leave to attend classes.

Report of Operations

Our Year in Review

Challenges in general:

- Geographical size and remoteness of our municipality presents ongoing challenges to the cost of providing services and infrastructure
- Ageing infrastructure that requires significant maintenance and re-investment
- Ageing population placing increased demands on services
- Level of social disadvantage
- Legislative change from other levels of government
- Cost shifting from other levels of government
- Slowing economy reflected in reduced new house starts, real estate sales and retail vacancies

Specific challenges over the past twelve months:

- Preparation for introduction of the Fire Services Levy
- Transition to a new Council
- Successfully managing a tight operational budget
- Cost escalation outside Council control
- Continued restoration of the road network after the February 2011 flood event
- Delivery of a \$30M plus Capital Works Program including significant upgrades to drainage infrastructure and the opening of a new theatre and Merbein Community Hub
- Securing further funding for the Riverfront Redevelopment Project and undertaking community consultation

Highlights and achievements over the past twelve months

➤ Mildura Rural City Council

July 2012

- Council supports the Australian Taxation Office's Tax Help Program; a free community service, which aims to assist people who earned \$50,000 or less in the last financial year to complete their income tax returns.
- Council's LEAP program teams up with Regional Arts Victoria's Education and Schools Program to host six drama workshops for students from grade three to year 12.
- The Accessible Accommodation booklet, outlining local accommodation suitable for people with physical, intellectual, and sensory or communication impairments, is launched in Mildura.
- Council and Mildura Aboriginal Corporation come together and simultaneously raise the Aboriginal and Torres Strait Islander flags in front of Council's Madden Avenue Service Centre on 2 July 2012 in recognition of NAIDOC Week.

- Council calls for expressions of interest from people to serve on a community reference group, which will help set priorities for Mildura Rural City Council's \$13.3 million Mildura Riverfront Redevelopment Project.
- Community-based events including concerts, markets, cultural festivals and sports carnivals, are among 37 events Mildura Rural City Council backs with a total of \$124,600 of funding through its annual Events and Festivals Grants Program.
- Council endorses the Cultural Diversity and Inclusion Strategy 2012-2017 and the Nichols Point Community Plan 2012.
- An expression of interest for additional funding to promote an increase in physical activity, as part of the Healthy Communities Partnership, is submitted to Vic Health.
- In the lead up to Universal Access, funding of \$300,000 to extend the Pasadena Preschool is secured under the renovation and refurbishment grants.



Additional funding is sought in July 2012 to promote increased physical activity as part of the Healthy Communities Partnership.

August 2012

- In response to concerns about the impacts of the proposed Murray Darling Basin Plan, the Murray River Group of Councils (of which Mildura Rural City is a member), City of Greater Shepparton and Strathbogie Shire Council join forces to launch a video clip - *Achieving the Right Balance* - to reinforce the Group's key message, which is to seek a balanced Murray Darling Basin Plan.
- Cultural and educational ties with Mildura's sister-city Kumatori, Japan, are strengthened as Council hosts a visit from a delegation of 17 Japanese, made up of Kumatori Town Office officials and high school students.
- The \$260,000 Red Cliffs Skate Park facility is officially opened on 25 August 2013.
- Council's Library Service hosts a free session on 30 August 2013 providing local writing enthusiasts with the opportunity to interact with four acclaimed young adult authors on a Melbourne Writers' Festival road tour.
- Council finalises and endorses membership a 24 person community reference group to collect ideas and ensure the final design for the \$13.3 million Mildura Riverfront Redevelopment Project meets community needs.
- Council's Mobile Library, which travels around 700 kilometres each week providing a local library service to residents from Lake Cullulleraine to Murrayville, celebrates its twenty-third birthday with a book-reading and story-telling gathering in Ouyen on 30 August 2012.
- Council adopts a revised version of the Environmental Sustainability Policy, which outlines Council's targets associated with environmental sustainability.
- Council adopts the final reports of the Mildura Heritage Study (former Shire of Walpeup) Stage 2 (dated 1 August 2012).
- Council receives the Tourism Services Review Final Report and commits to working with key stakeholders to maximise the opportunities for improved tourism service delivery identified within the report.

- Council endorses the NBN4 Mildura Wentworth Digital Community Strategy with a view to obtaining an early rollout announcement and enabling the community to take up the benefits of the NBN as soon as possible.
- Council endorses the Municipal Fire Management Plan 2012–2015, which provides an integrated fire management planning framework for the municipality based on a holistic approach to emergency management including Prevention, Preparedness, Response and Recovery.
- Construction of the Merbein Community Hub and Mildura Eco Living Centre commences.

September 2012

- Council adopts a revised version of the Community Plan Support Funding Policy, which provides clear principles and assessment criteria that are to be applied when offering funds to communities to implement actions from their Community Plan.
- Council adopts a revised draft Budget 2012-2013, which includes an additional \$4 million in new borrowings to replenish Council's working capital that was used to pay the Vision Super Defined Benefits superannuation liability.
- Award-winning author and illustrator Terry Denton visits Mildura to speak to school children from eight Mildura schools and also appears at a one-off public event at the Mildura Library on 6 September to share secrets of his creative brilliance with local youngsters.
- The Mildura Riverfront Development Project Control Group announces the expected release in October 2013 of the revised Riverfront Master Plan.
- Officers meet with a State Revenue Office representative to commence discussions in readiness for the implementation of the Fire Services Levy on 1 July 2013.

October 2012

- Locals are invited to find out more about the development of the Mildura Housing and Settlement Strategy by attending one of four community sessions.
- Four local primary schools demonstrate their commitment to the Healthy Communities Partnership by signing on to the new Victorian Prevention and Health Promotion Achievement Program.
- Council's Draft Tracks and Trails Strategy, which provides opportunities for linked and shared on- and off-road cycling and walking paths suitable for commuting and recreational purposes, is released for public comment.
- In response to concerns regarding the impact of recent funding cuts to TAFE, and the education and training sector, Council supports initiatives of the Sunraysia Education Forum to address educational and social disadvantage in the local community.
- Council adopts a revised Grants Policy.
- Council approves applications for grant funding totaling \$92,620 under Council's Community Project 2012 Grant Scheme, providing opportunities for 19 local not-for-profit community organisations and groups to implement innovative projects that will target recognised high needs groups within the municipality.
- Council approves grant funding totalling \$10,000 through the Environmental Project Grants for 2012-2013, providing financial assistance for five community organisations to implement local innovative environmental initiatives aligned with waste reduction and recycling, water conservation, sustainable gardening and revegetation, environmental education and energy conservation.

- Nominations open for the 2013 Australia Day Awards.

November 2012

- Cr Glenn Milne is appointed Mayor and Cr Ali Cupper Deputy Mayor with all nine successful candidates from the recent local government elections being officially sworn in as councillors at a statutory meeting on 1 November 2012.
- Expressions of interest in receiving funding under the Department of Planning and Community Development's Country Football and Netball Program are sought from local football and netball clubs wishing to make improvements to their club's facilities and playing surfaces.
- The Mildura Healthy Communities Partnership calls on interested parties to attend a meeting to explore the level of interest and viability for a Food Hub to address issues such as food insecurity and inadequate fruit and vegetable consumption levels in the Sunraysia community.
- The \$8.7 million new proscenium theatre at the Mildura Arts Centre reopens showcasing an improved design that provides for a greater range of accessibility needs.
- Older people in the community set health goals and monitor their fitness levels as part of the Council-led Living Longer Living Stronger Program, designed to preserve flexibility, strength and cardiovascular fitness.
- Council distributes resources to thousands of local businesses throughout Sunraysia and hosts a series of free information sessions aimed at helping small businesses prepare for a range of emergency events such as a natural disaster.
- Council approves grant applications totalling \$5,313.29 for funding under Council's Recreation Development Grant Scheme Round 1 2012-2013 and \$73,134 for funding under the Council's Recreation Facilities Upgrade Grant Scheme Round 1 2012-2013.
- Council adopts an updated version of the Councillor Portfolio Policy and appoints councillors to eight portfolios.
- In accordance with the Representation on Advisory and External Organisations Policy, Council appoints councillors to a total of 36 boards and committees.
- Places Victoria releases its revised Riverfront Master Plan, which will require Council endorsement in early 2013.
- Construction works commence on approximately 4.5kms of Carwarp West Road to service the new Olam almond processing plant.

December 2012

- Council increases disabled car parking spaces in the central business district making it easier for locals to do business and shop.
- Eleven workplaces sign a 'Health Promoting Workplace Expression of Intent'.
- Laws banning smoking at all patrolled beaches in Victoria, between the red-and-yellow lifesaving flags and within a 50 metre radius of the red and yellow flags, come into effect and apply to Mildura's popular swimming beach at Apex Park.
- Following on from the successful Mildura Healthy Communities Food Hub workshop in November, Food Bank Victoria surveys local producers and farmers to identify potential donors of produce, with a view to addressing the issue of food security in Mildura.

- Council looks forward to celebrating the first 100 sponsors of the Mildura Arts Centre's 444 Foundation, with almost 70 valued supporters of the local arts scene being signed up to sponsor one of the 444 fixed seats in the redeveloped theatre auditorium.
- Residents in Merbein and Gol Gol prepare to trial a weekly kerbside organic waste collection service for four months at the end of January 2013.
- Council employee Raylene Pearce is awarded the 2012 Victorian Mobile Library Operator of the Year.
- Plans to extend the Crank it Up! Program in 2013, which provides Sunraysia's young people with access to a range of fun holiday activities, are announced.
- The Healthy Together Mildura program is officially launched.
- Council commits funds of \$162,000 from the 2013-2014 Capital Works Program to support the extension of the Mildura South Kindergarten.

January 2013

- Australia Day celebrations hosted by Council across the municipality see a Colignan woman with a will to see her community prosper, a compassionate Merbein teenager, and two innovative community committees recognised for their outstanding commitment to the local community.
- Council launches the 2013 Early Years Directory, a comprehensive guide for parents and carers of contact details for child care service providers across the region.
- Stage 2 of the Mildura Riverfront Precinct Redevelopment Masterplan is officially endorsed at the 24 January 2013 Ordinary Council Meeting.
- A special bulk recycling collection and delivery service is made available encouraging residents of the East End to do the right thing with their kerbside waste.
- The Mildura Regional Waste Management Group, in partnership with Council and Transpacific Cleanaway, commences a 16 week trial of a kerbside organic waste collection service in Merbein.
- Council adopts the ten-year Mildura Tracks and Trails Strategy and resolves to consider funding strategies for its identified actions during Council's budget process.
- Council formally adopts an updated version of the Human Rights Policy.
- Council supports a request from Ouyen petitioners to provide a safe pedestrian rail crossing over the railway line adjacent to Gregory Street Ouyen.

February 2013

- Council urges community groups and businesses across the region to make the most of a range of funding opportunities available with the opening of applications for four different Council grants: Recreation Facilities Upgrade Grant; Recreation Development Grant; Rural Access Grant; Environmental Project Grant.
- Council selects consultants to undertake architectural and landscape architectural consultancy services for Stage 1 of the Mildura Riverfront Precinct Redevelopment.
- Plans to improve traffic flow and road safety for vehicles, pedestrians and motorised scooters are put into action with the commencement of construction of a new roundabout at the intersection of Pine Avenue and Ninth Street, Mildura.
- Healthy Together Mildura works with local businesses to provide a range of incentives to encourage local people to get involved in the Premier's Active Families Challenge next month.

- Locals are invited to have their say about what they love about the Mildura riverfront and what riverfront activities and events would encourage them to use the area more, with the opening of an online survey about the Mildura Riverfront Redevelopment Project.
- Council resolves to advise the Minister for Health of its view that in negotiating future base hospital arrangements in Mildura, the outcome should be an equivalent public health service model to that applying in other growing regional cities in Victoria.
- Council approves Councillor John Arnold and the Manager Development Services, Andrew Millen, to visit Dali, China, in April 2013 as part of the Dali-Mildura Sister-city Exchange Program.
- Council resolves to make a written submission to the Ministerial Committee for Differential Rates in response to the Victorian Government's release of the draft Guidelines for differential rates, strongly supporting, among other points, retaining the capacity for councils to impose differential rates.



Council's Supported Playgroup and Parents Group Initiative hosts free fun activities for parents as part of National Playgroup Week Celebrations in March 2013.

March 2013

- McDonalds cease trading in Langtree Mall presenting an opportunity for Council to continue rolling out the CBD Masterplan, which aims to link Langtree Avenue with the river and create an integrated retail, restaurant and riverfront precinct.
- Council encourages further community input to the 2013-2017 Council Plan through a series of community workshops and an online survey that provide the opportunity for local residents to tell Council what matters to them most.
- As part of National Playgroup Week celebrations, to showcase the many benefits of Playgroup, Council's Supported Playgroup and Parents Group Initiative invites parents with babies and children under school age to take part in free fun activities at Mildura's Park for Play on Wednesday 20 March.
- 42 tonnes of food and garden waste is collected in the first four weeks as the trial kerbside organics collection service, aimed at diverting waste from local landfills, gets underway in Merbein.
- The LEAP Easter Arts Festival, featuring an art exhibition, open mic night and pop-up arts and crafts market, is held over the Easter long weekend providing a platform for celebrating creativity in the community.
- Coinciding with Cultural Diversity Week, the Sunraysia Work and Learn Expo is held at the Sunraysia Mallee Ethnic Communities Council providing the first ever training, further education and employment expo organised specifically to support the region's ethnically diverse community.
- Council invites community feedback on the *Mildura Multipurpose Youth Facility and Youth Service Delivery Model Feasibility Study*, a Council commissioned independent study to help determine the most effective way of supporting local youth.

- Minister for Local Government, the Honourable Jeannette Powell, officially opens the \$2.2 million Merbein Community Hub, a facility featuring the new Merbein Library and flexible community meeting spaces.
- The construction of seven rain gardens in the nature strips along Walnut Avenue between Eighth and Ninth streets begins, providing an innovative solution to improve drainage, save water and enhance the appeal of a residential street adjacent to Mildura's busy CBD.
- Council adopts an amended Water Allocation Policy.
- Council formally notes Mildura Rural City Council's Annual Community Satisfaction Survey results for 2013.
- Sealing of the \$1.5 million construction of the Carwarp Road servicing the new Olam almond processing plant is completed.



Minister for Local Government, the Honourable Jeannette Powell (far right), officially opens the \$2.2 million Merbein Community Hub in March 2013.

April 2013

- Red Cliffs Skate Park teems with BMX, board and scooter riders as locals compete in The Grind 2013, a drug, alcohol and smoke-free event, hosted by Council on 6 April as part of National Youth Week celebrations.
- Coinciding with the lead up to ANZAC Day, Vietnam veteran Barry Heard, author of *Well Done, Those Men*, gives a reading at the Merbein Library and visits the Mildura Library on 16 April.
- Nominations for Council's Commercial Recycling Rewards Program open offering a range of prizes to reward local businesses and organisations for implementing innovative recycling practices that aim to reduce the amount of waste sent to landfill.
- The achievements and community contributions of local young people are celebrated at a Gala Dinner where winners of Council's inaugural Youth Awards are announced.
- Council urges residents, community groups, clubs and businesses based in Mildura South to attend a public meeting to provide input to the development of the Mildura South Community Plan.
- As part of the *Lighting the Regions* project, Mildura joins forces with 15 other regional Victorian councils to develop a combined submission to the federal government to upgrade 23,000 streetlights with energy efficient technology that has the potential to save Council around \$8.3 million over 20 years.
- 598 Mildura residents signed up for the Premier's Active Families Challenge work towards the goal of participating in 30 minutes of physical activity for 30 days.
- Mildura Mayor Glenn Milne forms part of a Regional Cities Victoria delegation to participate in a briefing with Premier Denis Napthine in Melbourne to discuss Regional Victoria's crucial role in the state's prosperity including key projects and opportunities in the Mildura region, such as the Mildura Riverfront Redevelopment Project.

- Following a review of the rural city's rating structure, Council resolves to abandon the drainage differential rate, previously applied to 79% of rateable properties, and allow revenue previously raised through the drainage contribution to be reabsorbed into the general rate that is applicable to 100% of ratepayers.
- Work to demolish the stand-alone kiosk at the Eighth Street end of Mildura's Langtree Mall, previously occupied by McDonalds, commences making way for Council to complete the design concept that was established in the initial redevelopment for the Mall project, as planned.
- Council resolves to formally acknowledge and support the Mildura Local Indigenous Network Community Plan.
- Council nominates the Mayor Cr Glenn Milne and Cr Max Thorburn to visit Kumatori, Japan, in October 2013 as part of the Kumatori-Mildura Sister-city Exchange Program.
- Following a request from Victoria Police (Mildura), Council amends Local Law No 2 to extend the Alcohol Free Zone from Eleventh Street to Twelfth Street between Langtree Parade and Henderson Place.

May 2013

- Council releases the Draft Mildura Key Issues and Influences Report and Draft Background Report containing possible future directions for the Mildura Housing and Settlement Strategy project for public exhibition and comment on Friday 3 May 2013.
- Council adopts the Draft Budget 2013-2014, which outlines how the organisation will invest \$110.3 million to deliver community services, infrastructure and projects over the next twelve months.
- The Grand Opening of the new Cardross Community Complex is held celebrating the local community spirit that saw the building and the surrounding infrastructure rebuilt after floods devastated the Cardross Community and destroyed the recreation reserve over two years ago.
- Council releases its Draft 2013-2017 Council Plan, which lists the community's overarching goals and outlines how Council will work to achieve them, for the purpose of inviting public submissions.
- The 126th Anniversary since the Chaffey Brothers signed the historic indenture which made Mildura Australia's first irrigation colony is celebrated on 31 May 2013 with the Chaffey Trail Reference Group organising a number of community events that focus on the riverfront and its importance to the development of the irrigation in Sunraysia.
- Minister for the Arts the Hon. Heidi Victoria announces funding of \$350,000 under the Small Town Transformations program to enable the courtyard in front of the town's iconic Roxy Theatre to be transformed.
- Council agrees to sign a five-year memorandum of understanding with partner councils of Regional Cities Victoria, an alliance of 10 regional Victorian cities that work cooperatively on issues and projects of mutual interest that affect Regional Cities as well as the whole of Victoria..
- Council formally adopts the Alfresco Dining Policy on Footpaths 2013 and resolves to investigate the interest from traders in further outdoor dining opportunities and in the future urban design needs along Langtree Avenue (Feast Street) linking the Mall and the Riverfront Development.
- Council approves grant applications for funding totaling \$10,000 to five community organisations through the Environmental Project Grants Round Two for 2012-2013.

- Council approves four grant applications for funding totaling \$9,973.82 under the Rural Access Grants Scheme 2012–2013.
- Council approves seven grant applications totaling \$6,718.33 for funding under the Mildura Rural City Council Recreation Development Grant Scheme Round Two 2012-2013.
- Council approves 16 grant applications totaling \$72,983.29 for funding under the Mildura Rural City Council Recreation Facilities Upgrade Grant Scheme Round Two 2012-2013.
- Council approves 33 one-year grant applications totalling \$140,350 under the Events & Festivals Grants Program 2013-2014.
- Council approves two grant applications for funding totaling \$9,289.00 under the Commercial Waste Management Grants Program 2013.
- Council endorses the Murrayville Netball Club Redevelopment Project application for 2013 Country Football and Netball Program funding and resolves to commit \$38,240.94 from the Capital Works Program 2013-2014 subject to this application being successful.
- Council confirms its intention to participate in the national 'Yes' campaign coordinated in Victoria by the Municipal Association of Victoria.
- Council approves the Mildura Airport Business Plan 2014.
- Council authorises the Chief Executive Officer to give public notice of the adoption of the Draft Budget 2013-2014 and appoints a panel to hear any submissions received.
- Preparation of the concept design for Stage 1 of the Riverfront Redevelopment Project gets underway and includes a change of scope with regard to a new 2 storey facility at the Rowing Club.

June 2013

- Works commence on 3 June 2013 in Mildura's Central Business District to construct new kerb and channel on Eighth Street between Lime and Pine avenues, and on Ninth Street between Walnut and Pine avenues, and to resurface road sections.
- Background reports analysing housing supply and demand, and making recommendations about future residential development across the Mildura Rural City local government area, are released for public exhibition to help inform the Mildura Housing and Settlement Strategy.
- Works get underway to complete paving, install shade shelters, seating and plant trees at the Eighth Street end of the Mall where the former McDonalds kiosk was removed from.
- With Stage One of the Volunteer Community Emergency Liaison Officer Project implemented across rural areas of the municipality, Mildura Rural City Council calls for volunteers to become Community Emergency Liaison Officers as part of the Stage Two roll out of the project.
- Healthy Together Mildura teams up with the Victorian Employers' Chamber of Commerce and Industry (VECCI) to host a free breakfast presentation on 25 June 2013 to educate local business on the benefits of improved staff health in relation to business profits.
- Council receives and notes the 2013 Community Satisfaction Survey results, which show local residents are more satisfied with Mildura Rural City Council this year compared to the previous twelve months.

- Council approves Community Plan Support Funding totalling \$49,914.50 for three applications to achieve the outcomes identified in the East Mildura, Red Cliffs and Millewa Community Plans.
- Council adopts the Council Plan 2013-2017 (including the Strategic Resource Plan 2013-2014 to 2016-2017).
- Council adopts the 2013-2014 Budget including the User Fees and Charges.
- Council adopts the Municipal Road Management Plan 2013, which sets out Council's intentions in relation to road inspection, monitoring, repair and maintenance in the context of the budget resources available to Council.
- Negotiations get underway with Mildura Tourism, Mildura Development Corporation and Mildura City Heart to revise Memorandums of Understanding.
- Development of a project scope for Stage 2 of Council's Revenue Review, which will ultimately see a Rating Strategy developed that will ensure future decisions best meet the Minister's Differential Rate Guidelines, the Tax Design Principles and the needs of all ratepayers, commences.

Other entities funded by Mildura Rural City Council

➤ **Mildura Airport Pty Ltd**

Terminal Redevelopment Project

The primary focus of the 2012-13 year was delivery of the Airport Terminal redevelopment that had passed through the concept and design development phases in the previous years.

With funding announced and the quantum determined, the design was reviewed and recast to deliver the infrastructure within the budget and the time defined—\$6.4 million and completion within the financial year.

Both targets were comfortably achieved with the project completing right on the projected date of 28 June 2013.

Tenders were called early in the financial year and proved favourable to the project, allowing many items initially removed to satisfy budget constraints to be reintroduced for the greater good of the project and the community.

The final product was formally opened by the Honourable Peter Ryan MLA, Deputy Premier of Victoria, on Sunday 14 July 2013 at a community open day. The day was a great success with in excess of 6,000 people making their way out to inspect the new facilities.

New Services

The significant aviation event in the reporting period was the commencement of additional services to new destinations by Regional Express (Rex).

Rex commenced services to Broken Hill, Sydney and Adelaide on 9 July 2012, culminating an intensive year of negotiation between Rex and the Board and Management of the Mildura Airport Pty Ltd. These services have been well supported by the community with passenger numbers exceeding expectations by the airline.

Passenger Numbers

During the reporting period, passenger numbers through the terminal continued to grow with the annual total reaching just over 209,000 at June 2013.

The Mildura Airport Pty Ltd's Board and Management team would like to thank the community for their patience for any inconvenience they may have experienced during construction.

Expanded Security Screening

Passenger screening regulations mandated that from 1 July 2012, all aircraft exceeding 20,000 kg maximum takeoff weight would require screening for all passengers.

This was implemented and maintained right throughout the terminal complex redevelopment and provided some challenges to maintaining operations but with careful planning, the support of stakeholders and the community, it was able to be achieved. .

Office bearers' positions remained unchanged in the reporting period.

Regulatory Audits

Mildura Airport remains safe, secure and compliant with the two main regulatory bodies: Civil Aviation Safety Authority; Office of Transport Security. Both of these organisations conducted their regulatory audits during the year with no non-compliances being identified.

Other

Expansion of the CCTV network continued with the terminal works with new cameras and a new software system being installed.

Consolidation of the IT network continued during the period with further development of the central server/communications room, pulling together the previously fragmented system.

A new and upgraded Flight Information Display System was installed with the terminal redevelopment replacing the existing outdated system.

A sophisticated audio visual system was also installed to allow messaging and advertising to be played throughout the terminal.

Work continued on expanding the airport's Water Harvesting Program to 'drought proof' the airport for the future and rationalise the purchase of water on the open market.

Work was progressed on a landscaping strategy and concepts for the future.

The fragmented irrigation system is to be implemented over several stages.

➤ **Mildura Tourism Inc.**

Tourism Research

Throughout the year, Mildura Tourism maintained an extensive suite of tourism research - on a quarterly basis tracking multiple indicators of the region's tourism performance. For the year ended March 2013, the Mildura region attracted 403,000 overnight domestic visitors, which was four percent less than the previous year. Around 16,000 international overnight visitors travelled to Mildura, which was an increase of eight percent. Domestic overnight visitors spent \$178 million in the region, which was an average of around \$140 per night. Figures for the year ended June 2013 were not available at the time of preparation of this Annual Report.

Tourism Marketing

Significant television advertising throughout regional Victoria, South Australia and New South Wales spearheaded Mildura Tourism's annual marketing campaigns. These campaigns spanned July-November 2012 and March-June 2013. Campaign vision was

updated on a seasonal basis to present relevant and refreshed imagery of our key attractions and tourism experiences.

During the year, Mildura Tourism attracted and supported an impressive list of travel and lifestyle programs and publications, generating significant media exposure for our region. TV programs that visited included *Better Homes and Gardens*, *Postcards*, *The Good Life*, *Taste of Travel* and *Making Tracks*, while mainstream print media included *The Weekend Australian*, *Sydney Morning Herald*, *The Age*, *RACV Royal Auto* and *Caravan and Motorhomes*. International television crews included *Food Source* from Singapore and *Dishing up Australia* from New Zealand.

Locally, in May, Mildura Tourism staged its fifth annual *Be a Tourist in Your Own Town* campaign, which resulted in 6,000 local residents participating in around 400 events over nine days. This campaign is aimed at stimulating Mildura's important "visiting friends and relatives" market, which is valued at \$50 million a year to the local economy.

Digital Excellence

In November, Mildura launched its new mobile website, which is the first of its kind within the Murray region and aimed at growing numbers—now the majority—of visitors who use mobile phones and iPads to research holiday destinations.

Among regional destinations, Mildura retained its position as a leader in digital marketing, further developing and improving our websites, Facebook, Youtube, Twitter and Instagram capabilities in the ongoing integration of digital media into all Mildura Tourism's advertising and public relations activities.

Mildura Tourism worked extensively with operators to ensure the digital up-skilling of our tourism industry. In October, Mildura Tourism engaged a social media expert to undertake two days of tailored social media workshops attended by more than 70 operators. In February, Mildura Tourism worked with Tourism Victoria, the Murray Regional Tourism Board and Mildura Visitor Information and Booking Centre to provide training for 30 operators to take advantage of free listings on Tourism Victoria's website, ensuring greater consumer exposure and booking capabilities on one of Australia's busiest tourism websites.

Community Engagement

Mildura Tourism achieved greater engagement with both consumers and the business community with its dual-purpose *Talking Tourism* program. In December, Mildura Tourism commenced a quarterly *Talking Tourism* newspaper page to keep local residents informed about key Mildura Tourism projects and activities within our \$240 million tourism industry. In May, the 'Talking Tourism' theme was worked into the business community with important tourism trends and topics discussed at a tailored business forum.

Representing the tourism industry, Mildura Tourism participated in on-going meetings as a member of the Riverfront Redevelopment Community Reference Group facilitated by Mildura Rural City Council.

Tourism Leadership

Throughout the year Mildura Tourism organised and hosted quarterly meetings of the city's Tourism Services Group, bringing together Council's tourism, visitor services, events and arts staff with private sector tourism industry, arts, retail, airport and economic development team members to discuss on-going strategic collaboration as well as relevant project intelligence updates.

In February and April, working with local Murray River tourism operators, Mildura Tourism convened meetings with the Murray Darling Basin Authority to negotiate mutually agreeable timings for the river level to be dropped to enable essential maintenance at Loch 11. This work was required for an extended period and was scheduled to commence in late May to ensure the least impact on the commercial viability of our tourism paddle steamer and houseboat fleets.

➤ **Mildura Development Corporation**

Vision: Our Region. Our Prosperity

At the commencement of the 2013 financial year, the Board of Mildura Development Corporation (MDC) renewed the strategic focus of the organisation, concentrating on four key areas that will bring business and investment growth to the region. This report provides an overview of the achievements that MDC has delivered over the last year.

Goal: Work with regional industry and business to facilitate growth

- Hosted 19 business workshops including 13 with assistance in funding and facilitation from Small Business Victoria. MDC workshops included:
 - Energy Efficiency
 - Chinese Cultural Training
 - Social media training.
- Broadcast Mildura: With funding assistance from Regional Development Victoria and Mildura Rural City Council, MDC facilitated the production of five new film-clips that are available via Youtube, the MDC website and Council website promoting the region:
 - Overview of Mildura Region
 - Investment
 - Produce
 - Education
 - Tourism and Lifestyle.
- Mildura Wines – as part of our work with the wine processing sector, MDC continued to act as Secretariat for Mildura Wines and facilitated the following:
 - A session on branding for wines coming from the Mildura region and application for funds to the Victorian Department of Business and Innovation (DBI) to assist in the development of an overall branding strategy
 - With funds secured from DBI's Manufacturing Productivity Network and contributions from MDC, Mildura Wines and other local businesses, organised and hosted Professor Goran Roos as guest speaker for a networking breakfast and workshop with wineries and other food processors from the region to examine productivity measures to remain globally competitive
 - Continued to promote Mildura region wines to overseas investors
 - Assisted with the Australian Wine Research Institute visit to the Mildura region to talk on supply chain issues and wine quality issues.
- Skills Passport: Coordinated with RTOs and industry in developing and administering the first Skills Passport ensuring basic training which qualifies people to work across the wine, beverage and olive sectors.

- VECCI regional forum: Attended the local workshop and the overall forum held in Geelong, providing input and support to other local business representatives who presented on the Mildura region
- Industry and Community Groups: Provided information on MDC activities to a range of industry and community groups including rotary clubs, real estate and professional industry bodies.
- Commodity Groups: Continued to work closely with all locally based commodity groups in furthering opportunities for business growth and output.
- Tradestart: Acted as a linkage point for local businesses interested in export and Tradestart representatives based in Bendigo.
- Individual business meetings: Met with a range of local businesses to discuss and provide information and linkages to grant funding.
- Focus groups: Hosted five focus groups with representation from across the region and across business groups to determine appropriate strategic directions.
- Annual State of the Economy survey: Conducted the annual State of the Region Survey, which provides data on business opportunities and challenges over the previous 12 months.
- Weekly email update: Continued to support local businesses with access to a vast range of training and professional development forums.
- Networking events: Hosted three significant networking events over the year:
 - Brad Howarth, talking about smart technologies and the NBN
 - David Wells, working on Food Hubs
 - Professor Goran Roos, focusing on global competitiveness, innovation and productivity growth.
- Submission to National Food Plan: MDC coordinated a submission to the federal government's National Food Plan, focusing on biosecurity, research and development, education and training.

Goal: Attract and develop investment opportunities

- Solar Systems: Continued to provide information and support to Solar Systems as the 1.5MW power station at Carwarp was constructed.
- Olam: Provided further information and support to Olam as required during the construction phase of its almond processing facility, and attended the official opening in March.
- Solar inquiries: Continued to field several enquiries in regard to medium scale solar developments from national and international companies.
- Biomass: Worked on developing this sector, generating energy from waste product from across the region.
- Regional Living Expo: Attended the Regional Living Expo in Melbourne to promote the region to investors.

- **Broadcast Mildura:** One of the film-clips developed, is based solely on encouraging investment into the Mildura region. Film-clips translated into Chinese, Japanese and Indonesian to encourage interest in the region's products from outside revenue sources.
- **China Study Tour:** Along with the Chairman, attended the SuniTAFE China Study Tour and met with a number of business and government entities. Promoted Mildura region food and beverage exports. Developed linkages with agricultural research institutes focused on wheat and wine production. Forged closer ties with Dali, Mildura's sister-city.
- **Natural Gas:** Continued to work with the Victorian Government to monitor the increase in capacity of natural gas to the Mildura region.
- **BELECTRIC:** Facilitated the introduction of Germany company BELECTRIC to the Mildura region with a decision resulting in a commitment to build a 5MW solar power station at Thurla.
- **SMP:** With Lower Murray Water, facilitated a comprehensive business case for the Sunraysia Modernisation Project with the intention to secure \$103 million in funding from the commonwealth government.
- **Iluka opening:** Worked with and attended the opening of the WRP mine at Ouyen, bringing a capital investment of \$97 million to the region.
- **Approach to venture capital and financiers:** Through Board Director contacts, provided information on investment opportunities in the Mildura region to city based financiers.
- **Energy Australia (formerly TRUenergy):** Continued to liaise with Energy Australia in regard to future plans for solar power in the region.
- **Transcontinental Rail Link:** Providing strong support and information to the Victorian Department of Transport's recent commissioning of a study into the freight futures of the Murray Darling Basin, which will provide evidence to Infrastructure Australia for a full feasibility for the proposed Transcontinental Rail Link.
- **Mildura Riverfront:** Working with Mildura Rural City Council and state government on the planning for the linking of the riverfront to the CBD.
- **Mildura Airport:** Provided strong support to Mildura Airport Corporation for the delivery of the capital works project, resulting in a new terminal at the Mildura Airport.
- **NBN4 Mildura-Wentworth:** Coordinated local advocacy to NBN Co and the commonwealth government to seek early roll-out of the NBN to the Mildura-Wentworth region.
- **RDA representation:** As a member of RDA Loddon Mallee, provided strong representation in regard to regional development opportunities for the area.

Goal: Assist in building vibrant and sustainable communities

- **Northern Mallee Leaders:** Supported the commencement of this program in the Mildura region by participating in the Committee of Management as well as the provision of funds.

- Murray Darling Association Conference sponsorship: As well as providing sponsorship to this event, which attracted representatives from all areas of the Murray-Darling Basin, also spoke at the event on industry and project development within the Mildura region.
- Mildura Rural City Council Indigenous Employment Program: Participated in the Committee overseeing this program being coordinated by Mildura Rural City Council to develop Indigenous employment opportunities.
- Regional Development Australia (RDA) representation: Announced as a member of the RDA Loddon Mallee Committee and participated in a number of meetings and workshops to enhance regional development across the north-west of Victoria.
- NBN4 Mildura-Wentworth: Promoted the Mildura-Wentworth Digital Community Strategy and advocated for the early roll-out of the NBN to the region.
- VET in Schools Awards: Provided funding for these awards, encouraging training and education in schools.
- School Awards: Continued to provide funding for VCE Awards to students excelling in business studies.
- La Trobe University: Worked closely with La Trobe University to encourage curriculum development that will enhance established and emerging local industry sectors.
- Murray Darling Basin Authority (MDBA) response: As well as completing submission to the MDBA Plan, continued to work with local sectors and industries to identify a local response to predicted socio-economic changes.
- School of Social Entrepreneurs (SSE): Introduced SSE to various local organisations working with business models that generate social outcomes. Funding available to assist with further training and to develop local social entrepreneurs.
- Advancing Country Towns: Participated in the committee assisting in development of economic and social projects for towns along the Mallee track.

Goal: Strong relationships with Stakeholders

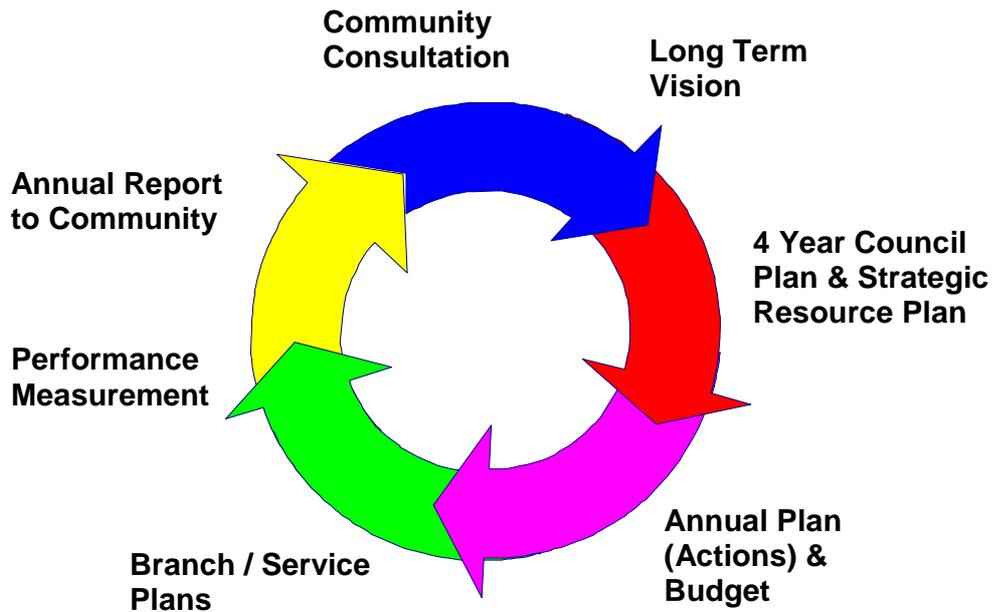
- Mildura Rural City Council (MRCC): Developed and worked on a number of projects with Council including Mildura Riverfront, Broadcast Mildura, Indigenous Employment Program, Community Engagement Framework. Attended Council Forums and provided reports, as requested.
- Local business groups, businesses and community groups: Continued to provide the Weekly Email Update to close to 1,200 businesses. Also provided the MDC Newsletter on a quarterly basis to all businesses and households in the Mildura and Wentworth municipalities. Held focus groups with businesses, held individual consultation meetings with businesses, sent out annual economic survey, attended and spoke at a number of community group meetings regarding the work of MDC and held small business workshops in conjunction with Small Business Victoria.
- Central Murray Regional Transport Forum: Attended workshops investigating and planning for transport requirements of north-west Victoria for the next twenty years, including road, rail and bridges.

- Victorian Department of Transport (DOT): Worked closely with DOT in regard to progressing standardisation of rail line from Geelong to Mildura as well as advocating for funding to research freight loads to support feasibility case for Transcontinental Rail Link.
- Department of Education, Employment and Workplace Relations (DEEWR): With Skills Passport development, worked with DEEWR to implement this project with the wine, olive and beverage sectors.
- Wentworth Council: Provided information on project development and support to Council on project funding applications.
- Port of Melbourne: Maintained close links with representatives from Port of Melbourne, Australia's largest and busiest port.
- Powercor: Worked closely with representatives from Powercor on potential solar power developments and other innovative concepts.
- VECCI – Executive Council: Represented Mildura region at VECCI Executive Council level, providing information on projects and business developments within the Mildura region.
- Austrade: Maintained links with Austrade across a number of key export markets for the Mildura region.
- AusIndustry: Maintained links with this key federal government agency to assist local businesses to access funding for research and development, new product development, clean technology and other opportunities.
- Regional Development Victoria (RDV): worked very closely with RDV on a range of funding opportunities to assist local and new business development.
- Department of Business and Innovation (DBI): Utilised the services and funding available from DBI to assist a number of business opportunities, as well as project development for Mildura wines.
- Mildura Tourism: Continued to work in partnership with Mildura Tourism to promote the region.
- Mildura Airport: Provided support to Mildura Airport for funding for completion of new terminal.
- Sunraysia Modernisation: In developing the business case, developed key relationships with regional stakeholders, commodity groups as well as government stakeholders including Lower Murray Water, the Department of Environment and Primary Industries, and the Department of Sustainability and Environment, water, population and communities.

Our Performance against the Council Plan

Planning and Reporting our Performance

Every year Council endorses an annual plan based on its four-year strategic plan known as the Council Plan that outlines the key actions and initiatives that will be undertaken over the next twelve months. Results are reported to the community at the end of each twelve-month period.



Key Result Area 1.1: Community Safety

Results to be achieved:

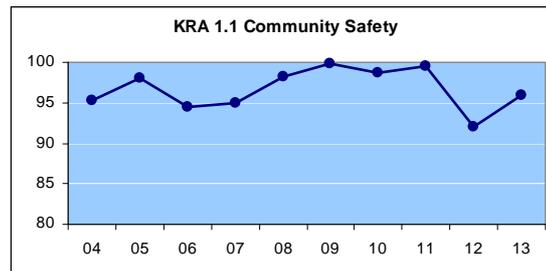
- A community where people feel safe
- A community that is safe for families
- A community that is well prepared for emergencies

Key Actions in 2012-2013	Performance %
Implement Risk Management Strategy*	100
Implement Road Safety Plan 2010 to 2017*	100
Develop Domestic Animal Management Plan	75
Implement Domestic Animal Management Plan *	100
Test Emergency Management Plans	100
Implement Municipal Fire Management Plan*	90

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with animal control
- Community perception of personal safety
- Crimes against property
- Crimes against persons
- Childhood accidents
- Farm accidents
- Non-farm work accidents
- Community satisfaction with public lighting
- Community satisfaction with fire prevention/emergency services
- Community satisfaction with footpaths
- Community satisfaction with car parking control
- Reported public safety incidents
- Community awareness of safety issues
- Road trauma
- Child safety and wellbeing



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Community Safety (see green box above).

What we have delivered:

- 25 school crossings supervised by 39 school crossing supervisors
- 701 dog pick ups
- 237 cat pick ups

Key Result Area 1.2: Community Development

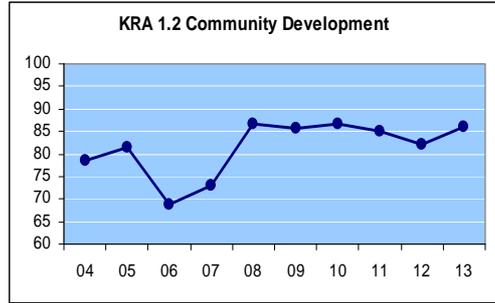
Results to be achieved:

- A community with equitable access to facilities, services and activities
- A community where all people are valued and can be active participants in community life
- A community where people are actively involved in shaping the community to meet its own needs

Key Actions in 2012-2013	Performance %
Implement Community Access and Inclusion Plan 2009 to 2013*	95
Implement the Community Engagement Framework Operational Plans*	100
Maintain accurate social indicators	80
Implement Youth Agenda 2009 to 2012*	74
Implement Social Inclusion Plan 2011 to 2015*	68
Develop Indigenous Action Plan (as part of Social Inclusion Strategy)	0
Implement Indigenous Action Plan*	0
Implement Annual Community Development Grants Program*	100
Implement Integrated Marketing & Communication Strategy*	0
Implement a Memorandum of Understanding between Mildura Rural City Council and Sunraysia Mallee Ethnic Communities Council*	100
Support the implementation of the Nichols Point Community Plan	100
Support the implementation of the South Mildura Community Plan	0
Support the implementation of the West Mildura Community Plan	93
Support the implementation of the Nangiloc-Colignan Community Plan	92
Support the implementation of the Red Cliffs Community Plan	98
Support the implementation of the Walpeup Community Plan	92
Support the implementation of the Underbool Community Plan	83
Support the implementation of the Murrayville Community Plan	78
Support the implementation of the Ouyen Community Plan	88
Support the implementation of the Cardross Community Plan	81
Support the implementation of Lake Culluleraine/Meringur/Millewa Community Plan	96
Support the implementation of the East Mildura Community Plan	91
Support the implementation of the Irymple Community Plan	89
Support the implementation of the Merbein Community Plan	85
Note: * Implementation relates to the 2012-2013 year.	

Strategic Outcome Measures – Are we achieving the results?

- Individuals isolated by language
- Volunteering
- Unpaid assistance to persons with disabilities
- Community satisfaction with consultation
- Community satisfaction with support to people with a disability
- Access to the Internet
- Evaluation of a Community Access and Inclusion Plan
- Community satisfaction with engagement
- Wellbeing measure
- Evaluation of Localities Embracing and Accepting Diversity Project
- Pre-school attendance
- Transport access



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Community Development (see green box above).

What we have delivered:

- 5 citizenship ceremonies with 100 new citizens
- Support and assistance to 120 initiatives in community plans

Key Result Area 1.3: Community Health and Wellbeing

Results to be achieved:

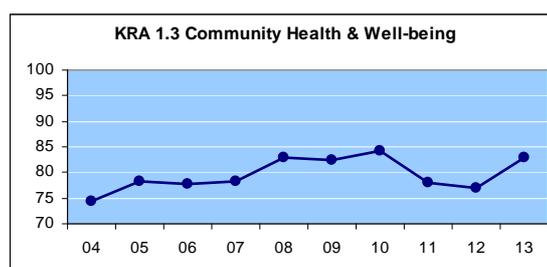
- A community that has a proactive approach to being healthy
- A community where everybody feels valued, connected and people have opportunities to reach their potential
- A community that is mentally healthy and resilient
- A community that values and looks after the vulnerable
- A community that values diverse social and cultural opportunities
- A community that supports equitable access to health services

Key Actions in 2012-2013	Performance %
Implement Recreation Strategy 2008 to 2018*	13
Implement Healthy Ageing Strategy*	53
Implement Early Years Plan 2010 to 2013*	70
Implement Youth Agenda 2009 to 2012*	74
Implement Community Access and Inclusion Plan 2009 to 2013*	95
Evaluate Community Access and Inclusion	100
Review Municipal Public Health and Wellbeing Plan 2009 to 2013*	75
Implement the Community Engagement Framework Operational Plans*	100
Implement the State Food Strategy*	100

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Participation in exercise
- Birth weight
- Incomplete education
- Overall education
- Community satisfaction with health education programs
- Psychiatric hospital admissions
- Immunisation cover
- Community satisfaction with immunisation programs
- Community satisfaction with maternal and child health
- Community satisfaction with services to youth
- Food/water borne illnesses
- Safety of food premises
- Communicable diseases
- Disability and sickness payments
- Volunteering



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Community Health and Wellbeing (see green box above).

What we have delivered:

- 15,840 immunisations
- 996 food and health compliance inspections
- 255 health related customer requests
- 785 temporary food acceptances issued

<ul style="list-style-type: none"> • Unpaid assistance • Community engagement • Wellbeing measure • Utilities services defaults • Communities isolated by language • Level of engagement of Indigenous/CALD communities • Evaluation of Community Access and Inclusion Plan • Australian Early Years Development Index • Social VELs (Victorian Educational Learning Standards) • Teenage pregnancy rates • Kindergarten participation rates 	
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Key Result Area 1.4: Community Services

Results to be achieved:

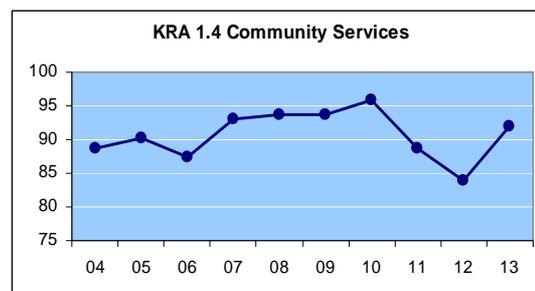
- A community in which there is equity in service provision
- A community that is aware of and able to readily access appropriate services
- A community that supports and maintains the ability of people to live independently
- A community where service planning and provision keeps pace with community expectations

Key Actions in 2012-2013	Performance %
Implement Integrated Marketing * Communications Strategy*	0
Implement Youth Agenda 2009 to 2012*	74
Implement Early Years Plan 2010 to 2013*	70
Implement Community Access and Inclusion Plan 2009 to 2013*	95
Implement Healthy Ageing Strategy*	53
Support the implementation of the Primary Care Partnership's Health Promotion Strategy	88
Support the implementation of the Primary Care Partnership's Service Coordination Strategy	100
Implement Cultural Access Plan for Community Care Services*	75
Develop customer service measures for Aged Care and Early Years Services	96

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with services to children and families
- Community satisfaction with home care services
- Community satisfaction with information provided about Council services
- Customer satisfaction with provision of Aged Care Services
- Customer satisfaction with provision of Early Years Services



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Community Services (see green box above).

What we have delivered:

- Services provided to 2,241 Home and Community Care clients, including:
 - 36,865 hours of home care
 - 8,570 hours of personal care
 - 6,353 hours of respite
 - 4,924 hours of property maintenance
 - 10,650 hours of planned activity group

	<ul style="list-style-type: none"> • 22 activities as part of the annual Seniors Festival with 1,145 participants • 12 maternal and child health centres have supported: <ul style="list-style-type: none"> – 702 births – 7488 face-to-face and 907 telephone consultations • 4 school holiday programs with 41 activity days involving 604 participants • 105 youth supported through the Youth Connections program • 16 FReezA events held with 927 participants
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Key Result Area 1.5: Planning and Development Standards

Results to be achieved:

- A community with a well developed long-term land use vision that is understood, sustainable and is the result of community engagement
- A community where Council delivers best practice in planning and building assessment processes
- A community where people have ownership of their neighbourhood and retain an individual sense of place
- A community that is connected to the river

Key Actions in 2012-2013	Performance %
Develop a program of strategic land use projects	100
Implement program of strategic land use projects*	64
Develop a process to integrate community plans with strategic land use projects	100
Implement Mildura South Strategic Framework Plan	50
Implement the Mildura Riverfront Master Plan – Central Precincts	100
Implement the Mildura Riverfront Master Plan – Ornamental Lakes Precinct	100
Implement customer satisfaction survey for building/surveying services	50
Implement customer satisfaction survey for planning	50
Implement a proactive enforcement program for planning	100
Implement the Mildura CBD Plan	90
Implement the recommendations of the review of Mildura Planning Scheme Stage 2	90
Implement Community Access and Inclusion Plan 2009 to 2013	95

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with town planning policy and approvals
- Community satisfaction with town planning controls
- Community satisfaction with building controls
- Community satisfaction with protection of local character
- Community satisfaction with planning for the future
- Community satisfaction with support to people with a disability
- Community satisfaction with public open space (including parks and playgrounds)
- Development Services Customer Planning Survey (Approvals)
- Development Services Customer Planning Survey (Policy)



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Planning and Development Standards (see green box above).

What we have delivered:

- 585 planning permit applications determined
- 948 building permits issued totalling \$129.1M

<ul style="list-style-type: none">• Community satisfaction with the riverfront development and accessibility	
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Key Result Area 2.1: Environmental Management

Results to be achieved:

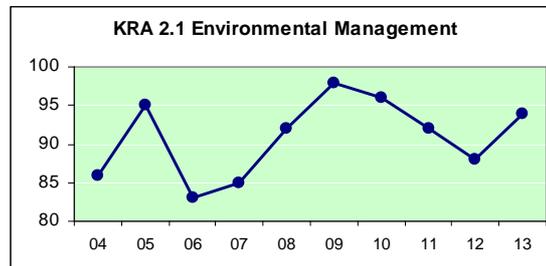
- A community that is proactive on environmental initiatives and opportunities
- A community that creates and maintains a healthy and sustainable environment
- A community that provides responsive and appropriate management of resources
- A community that is environmentally aware and educated in sustainable living

Key Actions in 2012-2013	Performance %
Implement Environmental Strategy 2010 to 2013*	73
Implement Stormwater Management Plan 2009 to 2014*	98
Implement Energy Management Plan	62
Implement Environmental Awareness Strategy 2007 to 2012*	50
Review Environmental Awareness Strategy 2007 to 2012	100
Review Sustainable Water Use Plan	100
Implement Sustainable Water Use Plan*	67

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with management of creeks and waterways
- Stormwater quality
- Air quality
- Greenhouse emissions (Mildura Rural City Council)
- Energy usage (Mildura Rural City Council)
- Water usage (Mildura Rural City Council)
- Diversion of waste from landfill
- Quantity of recycling
- Total waste generation
- Recycled water usage
- Total community water usage
- Energy usage (community)
- Alternative energy usage (community)
- Quantity of green products purchased



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Environmental Management (see green box above).

What we have delivered:

- 125.96 tonne reduction of waste to landfill

Key Result Area 2.2: Natural Resource Management

Results to be achieved:

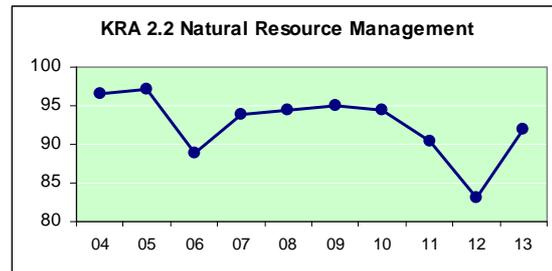
- A community where there is conservation of land and natural vegetation
- A community with enhanced natural environment and biodiversity
- A community where plants and animals are controlled
- A community that promotes the region's natural resources and biodiversity

Key Actions in 2012-2013	Performance %
Implement Sunraysia Remnant Linkage Plan*	67
Implement Municipal Fire Management Plan*	90
Implement the Significant Linkages Strategy*	94
Implement Vegetation Strategy 2010 to 2015*	59
Implement Pest Plant and Animal Management Plan 2010 to 2015*	0
Implement Domestic Animal Management Plan 2012 to 2016*	100

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with protection of natural bushland
- Community satisfaction with fire prevention and emergency services
- Loss of vegetation cover



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Natural Resource Management (see green box above).

Key Result Area 2.3: Environmental Services

Results to be achieved:

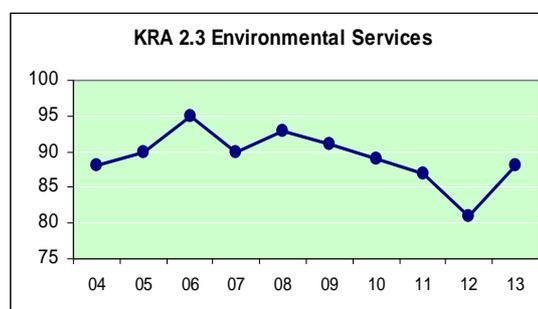
- A community with clean, attractive and sustainable public open spaces
- A community that minimises waste and conserves resources
- A community that is flexible and adaptive to local environment conditions

Key Actions in 2012-2013	Performance %
Implement Litter Strategy in conjunction with Mildura Regional Waste Management Group*	100
Implement Municipal Waste Management Plan 2009 to 2014*	89
Implement Deakin Avenue Master Plan*	100
Implement Public Open Space Strategy 2012 to 2017	100
Implement Urban Tree Strategy 2010 to 2015*	75
Implement Sustainable Landscape Strategy 2010 to 2015*	92
Implement Township Recreation Reserve Master Plans*	94
Implement appropriate maintenance programs for parks, gardens and open spaces*	100

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with appearance of public areas
- Community satisfaction with litter control
- Community satisfaction with waste management
- Community satisfaction with garbage collection
- Community satisfaction with recycling
- Community satisfaction with tips/public transfer stations
- Community satisfaction with beautification of streets
- Community satisfaction with maintenance of parks and gardens
- Community satisfaction with maintenance of public places
- Waste deposited to landfill
- Waste diverted from landfill
- Community satisfaction with public open space (including parks and playgrounds)
- Community satisfaction with tree planting
- Water usage (Mildura Rural City Council)
- Water usage (community)
- Total waste generation



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Environmental Services (see green box above).

What we have delivered:

- 23,960 waste bins collected per week
- 23,960 recycling bins collected per week
- 49km of rural tree trimming

Key Result Area 2.4: Infrastructure, Assets and Facilities

Results to be achieved:

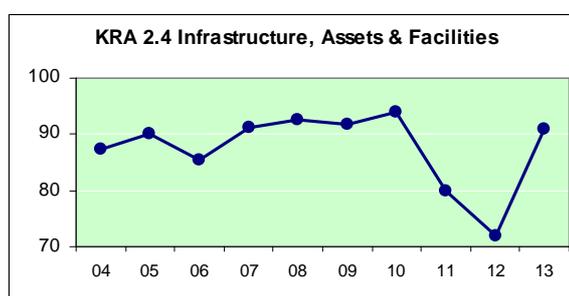
- A community with well-maintained, sustainable and accessible roads, buildings and facilities
- A community with appropriate, integrated and sustainable land use, development and infrastructure provision
- A community that maximises the use of existing facilities

Key Actions in 2012-2013	Performance %
Develop Preliminary Asset Management Plans for Playgrounds	25
Implement Preliminary Asset Management Plans for Playgrounds	5
Develop Preliminary Asset Management Plans for Roads	100
Implement Preliminary Asset Management Plans for Roads*	0
Develop Preliminary Asset Management Plans for Swimming Pools*	95
Develop Preliminary Asset Management Plans for Drains	100
Develop Preliminary Asset Management Plans for Properties	100
Develop Preliminary Asset Management Plans for Buildings	100
Implement Preliminary Asset Management Plans for Buildings	0
Develop Preliminary Asset Management Plans for Parks	0
Develop Preliminary Asset Management Plans for Information Technology	5
Review Strategy for the Lighting of Public Places	90
Implement Road Management Plan*	100
Implement Sunraysia Drainage Strategy*	25
Implement Township Recreation Reserve Master Plans*	94

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with traffic management and parking facilities
- Community satisfaction with local roads and footpaths
- Community satisfaction with car parking availability
- Community satisfaction with drainage
- Community satisfaction with road maintenance
- Community satisfaction with maintenance of public toilets
- Community satisfaction with traffic control and signs
- Community satisfaction with footpaths
- Community satisfaction with public lighting
- Community satisfaction with public halls



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Infrastructure, Assets and Facilities (see green box above).

What we have delivered:

- \$32.4M of Capital Works including the following major projects:
 - Construction of the Merbein Library Hub

<ul style="list-style-type: none"> • Community satisfaction with support to people with a disability • Community satisfaction with recreational facilities • Community satisfaction with bike trails and walking paths/trails • Community satisfaction with beautification of streets • Community satisfaction with maintenance of parks and gardens • Community satisfaction with maintenance of public places • Community satisfaction with public open space • Customer satisfaction with CBD traffic flow • Customer satisfaction with directional/informational signage 	<ul style="list-style-type: none"> – Drainage infrastructure – New Arts Theatre – Restoration of the road network • 55km sealed road resurfacing and resealing works • 3,286km of unsealed roads maintained • 56km of unsealed gravel resheeting works • 6.5km sealed roads reconstructed • 990km local sealed roads maintained • 192km of Vic Roads arterial sealed roads maintained • 1,583m of concrete footpath works completed • 373km of footpaths and shared paths maintained • 52 playgrounds maintained • 18 pools maintained • 46 neighbourhood parks maintained • 25 community parks maintained • 20 sports reserves maintained • 1,104 buildings and structures maintained • 70 sporting pavilions maintained
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Key Result Area 3.1: Economic Development

Results to be achieved:

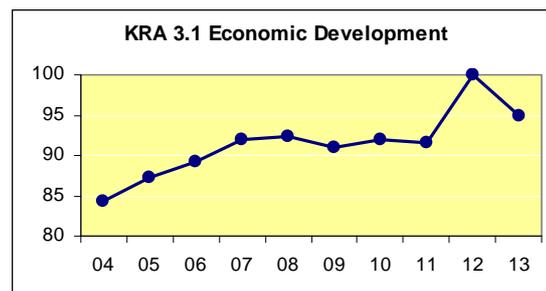
- A community with sustainable economic development that encourages and supports innovation in business and industry
- A community with a well-networked and coordinated business community that focuses on its unique assets and opportunities
- A community with vibrant, active, viable and attractive industrial, commercial, tourism and retail precincts
- A community with environmentally responsible economic development
- A community with a balanced employment skill base to meet business and industry needs
- A community with appropriate infrastructure to support tourism and events development
- A community with access to quality education that meets our needs now and into the future

Key Actions in 2012-2013	Performance %
Implement the Mildura Riverfront Master Plan – Central Precincts*	100
Implement the Mildura Riverfront Master Plan – Ornamental Lakes Precinct*	100
Implement Chaffey Trail Strategy*	100
Evaluate Chaffey Trail Strategy	100
Implement Conferencing and Business Events Strategy*	100
Review Conferencing and Business Events Strategy	0
Implement Environmental Strategy 2010 to 2013*	73

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with economic development
- Community satisfaction with encouragement of business/industry
- Community satisfaction with employment support programs
- Rate of unemployment
- Household income (\$)
- Business satisfaction with economic development
- Number of businesses
- Number of building permits
- Value of building permits
- Tourism impact
- Business satisfaction with conferences and business events
- Level of education attained
- Number of home-based businesses



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Economic Development (see green box above).

Key Result Area 3.2: Tourism and Events

Results to be achieved:

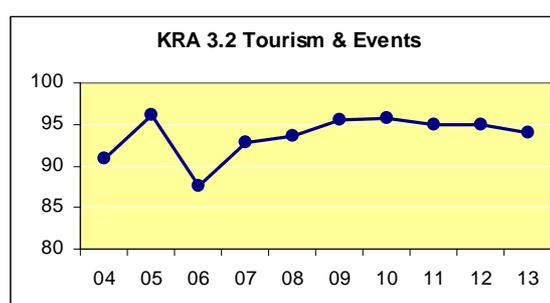
- A community that promotes exceptional experiences for tourists and visitors
- A community with highly developed events, festivals and conventions that attract visitors
- A community that recognises and fosters the distinct qualities of small communities, their unique events with attractions
- A community with appropriate infrastructure to support tourism and events development
- A community where Mildura Rural City Council, Mildura Development Corporation and Mildura Tourism work together creatively and cooperatively to achieve economic outcomes

Key Actions in 2012-2013	Performance %
Implement the Mildura Riverfront Master Plan – Central Precincts*	100
Implement the Mildura Riverfront Master Plan – Ornamental Lakes Precinct*	100
Develop Visitor Information Strategy 2013 to 2017	75
Implement Conferencing and Business Events Strategy*	100
Review Conferencing and Business Events Strategy	0
Implement Chaffey Trail Strategy*	100
Evaluate Chaffey Trail Strategy	100
Implement Arts, Cultural and Heritage Strategy 2009 to 2013*	64
Review Arts, Cultural and Heritage Strategy	0
Develop Events Strategic Plan 2013 to 2017	5

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with promotion of tourism
- Community satisfaction with festivals and major events
- Growth in tourism
- Yield of tourism
- Industry barometer
- Community satisfaction with visitor services
- Visitor Information Centre – number of visitors
- Community satisfaction with small community events
- Industry satisfaction with visitor services
- Visitor satisfaction with Mildura experiences
- Overall indicator of satisfaction with tourism



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Tourism and Events (see green box above).

What we have delivered:

- Support to 17 conferences and business events including:
 - Murray River Leadership Program
 - Victorian Farmers Federation
 - RANZCOG Annual Scientific Meeting
 - Rotary Club of Adelaide

	<ul style="list-style-type: none">- Annual State National Party- Datsun Roadsters Car Club Nationals• 54 events and festival grants totalling \$287,600
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Key Result Area 4.1: Arts and Cultural Heritage

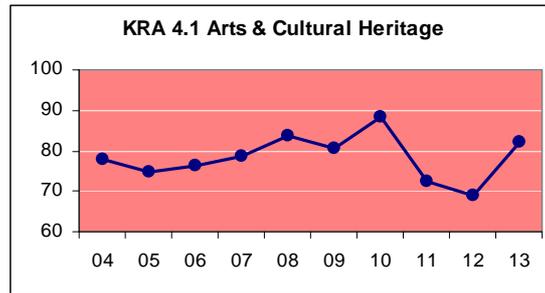
Results to be achieved:

- A community that embraces and values creativity, imagination and participation in arts and cultural opportunities
- A community that values and embraces its history and links arts to our environment and cultural heritage
- A community with appropriate infrastructure to support tourism and events development
- A community that recognises the significance of the Indigenous culture of the region and encourages diverse cultural expression
- A community that fosters arts and cultural heritage in education
- A community where all people have access to a diverse, relevant and up-to-date range of library materials, services and programs
- A community where Mildura Rural City Council, Mildura Development Corporation and Mildura Tourism work together creatively to achieve economic outcomes

Key Actions in 2012-2013	Performance %
Implement Arts, Cultural and Heritage Strategy 2009 to 2013	64
Review Arts, Cultural and Heritage Strategy	0
Review Arts Marketing and Promotion Plan	50
Implement annual Arts Marketing and Promotion Plan*	79
Implement Art Collection Strategy*	100
Implement Rio Vista Restoration Conservation Management Plan*	75
Implement Arts Outreach Program 2009 to 2013*	100
Implement adopted Arts feasibility precinct recommendations*	100
Establish partnerships with key stakeholders to foster arts and cultural heritage in education	100
Review Library Marketing and Promotion Strategy	100
Implement Library Strategy*	94
Work in partnership with key stakeholders to promote learning and access to information	100
Implement Online Library Access Strategy*	94
Implement State-wide History Preservation Strategy*	95
Note: * Implementation relates to the 2012-2013 year.	

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with support to arts/cultural groups
- Community satisfaction with libraries
- Art gallery visits
- Art theatre – attendance
- Art theatre – occupancy
- Library usage
- Library visits – actual
- Library visits – virtual
- Library loans
- Community satisfaction with arts and cultural facilities
- Community satisfaction with accessibility to arts and cultural programs
- Literacy levels
- Level of satisfaction with cultural services for Indigenous and CALD communities
- Level of satisfaction with arts school visits



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Arts and Cultural Heritage (see green box above).

What we have delivered:

- Support across our libraries as follow:
 - 22,604 library members
 - 345,623 library visits
 - 271,444 loans
 - 32,814 internet sessions
 - 36,623 enquiries
 - 16,373 Wi Fi sessions
 - 61 holiday sessions with 583 attendees
 - 266 story time sessions with 5,104 attendees
- Opening of new arts theatre
- Arts development grants totalling \$3,500 to three projects

Key Result Area 4.2: Recreation and Sport

Results to be achieved:

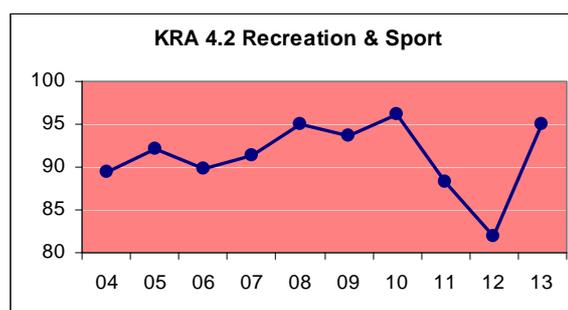
- A community where all people have equal access to appropriate recreation facilities and services
- A community that promotes and encourages participation in sporting and recreational activities
- A community that recognises, supports and encourages people to achieve their sporting potential
- A community with sporting and recreation organisations which have the capacity and support to provide a diverse range of programs and activities
- A community with infrastructure and partnerships that can cater for state, national and international recreation and sport events

Key Actions in 2012-2013	Performance %
Implement Community Access and Inclusion Plan 2009 to 2013*	95
Implement Healthy Ageing Strategy*	53
Implement Public Open Space Strategy 2012 to 2017	100
Implement Recreation Strategy 2008 to 2018*	12
Implement Township Recreation Reserve Master Plans*	94
Implement Recreation Grants Program*	100
Implement program to include people from a culturally and linguistically diverse background in recreation	100

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with sporting activities
- Community satisfaction with bicycle paths and walking tracks
- Community satisfaction with Council support to clubs
- Community satisfaction with recreational facilities
- Participation in exercise



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Recreation and Sport (see green box above).

What we have delivered:

- 45 sport grants totalling \$164,798
- 307 casual sports facility hire bookings and 94 service agreements with recurrent bookings

Key Result Area 5.1: Leadership and Representation

Results to be achieved:

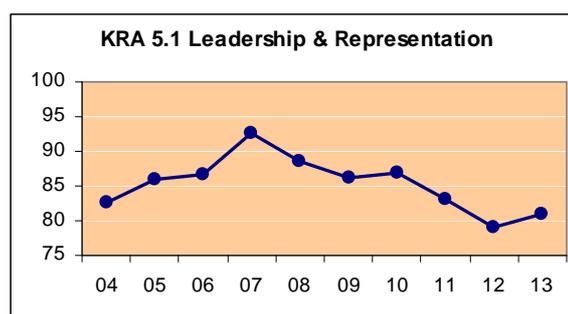
- An organisation with respected and proactive leadership for our region
- An organisation that represents the community's interests, particularly those less able to represent themselves
- An organisation that works together to find solutions and make informed decisions
- An organisation that works with other leaders within the community
- An organisation that operates with integrity

Key Actions in 2012-2013	Performance %
Implement Councillors self-assessment process to monitor leadership performance*	0
Implement Action Plan from Councillor self-assessment*	0
Develop annual Councillor Professional Development Program	100
Implement annual Councillor Professional Development Program	100
Advocate on identified community issues	100
Develop and maintain constructive relationships with key stakeholders and government	70
Develop and maintain strong strategic alliances and partnerships	65
Develop Councillor annual visitation plan to communities across the municipality	50
Implement Councillor visitation plan to communities across the municipality*	100
Monitor and report on the implementation of Council Plan actions	100

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with overall performance of Council
- Community satisfaction with advocacy
- Community satisfaction with performance of the elected Council
- Community perception of Mildura Rural City as a place to live
- Community satisfaction with Council's engagement in decision-making
- Level of wellbeing in community
- Staff satisfaction with cooperation across work areas



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Leadership and Representation (see green box above).

What we have delivered:

- 6 freedom of information requests
- 182 reports that were considered by Council

Key Result Area 5.2: Communication and Consultation

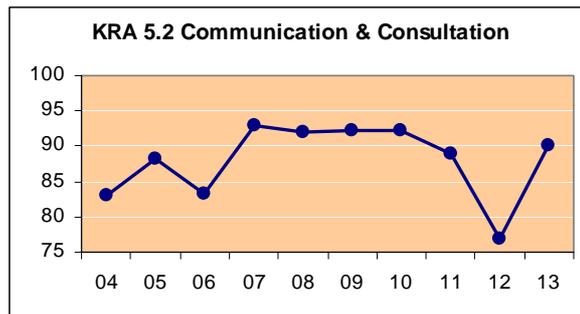
Results to be achieved:

- An organisation that is seen as professional and acting with integrity
- An organisation that demonstrates open and transparent communication
- An organisation that engages the community in its decision-making
- An organisation that provides information on its services
- An organisation that is actively involved in the community
- An organisation where Councillors and staff are visible and accessible to the community

Key Actions in 2012-2013	Performance %
Implement Integrated Marketing & Communications Strategy	0
Develop a Website Plan	75
Develop the 2013 to 2017 Council Plan in consultation with the community	100

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with Council's engagement in decision-making
- Community satisfaction with consultation
- Community satisfaction with information about Council's decisions
- Community satisfaction with information in the media
- Community satisfaction with Council's website
- Community satisfaction with the community newsletter



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Communication and Consultation (see green box above).

What we have delivered:

- the community consultation process to develop the new Council Plan 2013-2017, which involved 280 community members participating in a workshop and 635 completing an online survey
- 167 media releases distributed

Key Result Area 5.3: Customer Service

Results to be achieved:

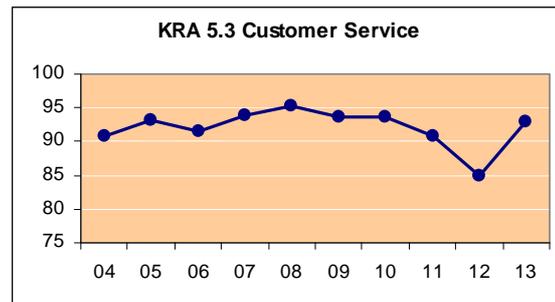
- An organisation that is accessible to all
- An organisation that is understanding, responsive and receptive to feedback
- An organisation that puts customers first

Key Actions in 2012-2013	Performance %
Implement Customer Service Strategy*	100
Develop Website Plan	75
Implement Community Access and Inclusion Plan 2009 to 2013*	96
Implement Integrated Marketing & Communications Plan*	0

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Community satisfaction with customer contact
- Community satisfaction with general courtesy of Council staff
- Community satisfaction with general effectiveness of Council staff
- Community satisfaction with responsiveness to complaints
- Community satisfaction with Council's website
- Community satisfaction with accessibility to whole of Council
- Number of non-financial transactions through website



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Customer Service (see green box above).

What we have delivered:

- 36,549 items of correspondence
- 379,136 customer calls
- 17,620 customer requests
- 159,925 payment transactions
- 1,129 fire permits issued
- 65,328 items of outgoing mail processed

Key Result Area 5.4: Financial Sustainability

Results to be achieved:

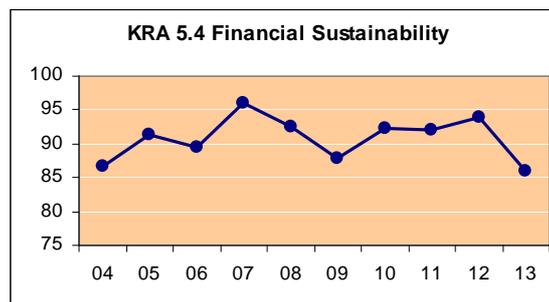
- An organisation that is financially viable with a long-term financial strategy
- An organisation that ensures service levels meet the needs of the community in a financially responsible manner
- An organisation that is able to adapt in a volatile climate

Key Actions in 2012-2013	Performance %
Review Strategic Financial Plan annually	100
Develop the annual internal audit program	100
Complete the annual internal audit program	95
Achieve an unqualified audit report	100
Undertake revenue review	100
Develop asset management framework	0

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Total depreciation/total assets
- Cash reserves
- Debt coverage
- Rates outstanding/total rates
- Working capital ratio
- Debt servicing level
- Debt as a percentage of rate revenue
- Debt as a percentage of total revenue
- Total asset movement
- Asset renewal
- Community satisfaction with current level of Council rates



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Financial Sustainability (see green box above).

What we have delivered:

- 40 tenders
- 69 new pension concession applications processed
- 27,004 rates and valuation notices issued
- 1,856 land information certificates issued

Key Result Area 5.5: Organisational Management

Results to be achieved:

- An organisation that is committed to innovative and efficient use of resources
- An organisation that balances risk and opportunity
- An organisation that is committed to continuous improvement
- An organisation that is committed to the development and wellbeing of its staff

Key Actions in 2012-2013	Performance %
Implement Integrated Marketing & Communications Strategy	0
Implement the Organisational Development Strategy 2009 to 2013*	95
Implement Knowledge Management Strategy	100
Implement Occupational Health and Safety Strategy 2009 to 2013*	0
Implement Annual Health and Wellbeing Program*	100
Implement Human Resource Management Strategy 2009 to 2013*	93
Develop Human Resource Management Strategy 2013 to 2017	95
Implement Risk Management Strategy 2009 to 2013*	100
Develop Emergency Management Strategy 2013 to 2015	100
Implement Information Services Strategy	90
Implement Project Management Framework	73

Note: * Implementation relates to the 2012-2013 year.

Strategic Outcome Measures – Are we achieving the results?

- Staff satisfaction
- Staff turnover
- Level of sick leave
- Lost time due to injury
- Value of money – performance of Council compared to rates
- % staff recommending Mildura Rural City Council
- CMP risk rating
- JLT risk ranking
- Organisational external evaluation score
- Staff satisfaction with personal and professional development
- Level of loss in litigation cases



The above graph plots the combined outcome of the strategic measures to the left. These measures are indicators that tell us whether we are achieving the results the community wants to see in regard to Organisational Management (see green box above).

What we have delivered:

- 17 corporate programs which delivered training to 412 participants
- 56% of staff completed worker health checks
- 160 staff participated in the 10,000 steps program
- 3 health and wellbeing activities for staff with 228 participants

	<ul style="list-style-type: none">• 501 processes documented into process flowcharting software
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Local Government Information

Victorian Local Government Indicators

The following table outlines Mildura Rural City Council's performance against the Victorian Local Government Indicators. All local governments within Victoria are required to assess their performance against these indicators and report the results in their annual report.

Indicator	2011-2012 Result	2012-2013 Result
Overall Performance Community Satisfaction Rating for Overall Council Performance	Indexed Mean 57	Indexed Mean 60
Lobbying on behalf of the Community Community Satisfaction Rating for Council's lobbying on behalf of the community	Indexed Mean 55	Indexed Mean 57
Community Consultation and Engagement Community Satisfaction Rating for Council's consultation and engagement	Indexed Mean 57	Indexed Mean 61
All Rates Average rates and charges per assessment	\$1,760	\$1,889
Residential Rates Average residential rates and charges per assessment	\$1,481	\$1,564
Operating Costs Average operating expenditure per assessment	\$3,223	\$3,297
Capital Expenditure Capital expenditure per assessment	\$1,059	\$1,163
Infrastructure Infrastructure renewal	103%	104%
Infrastructure Infrastructure renewal and maintenance	115%	102%
Debts Average liabilities per assessment	\$1,824	\$1,838
Operating Results Operating results per assessment	\$803	\$675

Information Available for Public Inspection

In accordance with Part 5 of the *Local Government (General) Regulations 2004*, the following information is available for public inspection on request at Council's Mildura Service Centre, 108 Madden Avenue, Mildura, during normal office hours from 8am to 5pm on weekdays.

- (a) Details of current allowances fixed for the Mayor, Lord Mayor (if any) and Councillors under section 74 or 74A of the Act;
- (b) The total annual remuneration for all senior officers in respect to the current financial year and the previous financial year, set out in a list that states –
 - i) ranges of remuneration of senior officers, where the difference between the lower amount and the higher amount in each range must not exceed \$10,000; and
 - ii) the number of senior officers whose total annual remuneration falls within the ranges referred to in subparagraph (i);
- (c) Details of overseas or interstate travel (with the exception of interstate travel by land for less than 3 days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months, including the names of the Councillors or members of Council staff and the date, destination, purpose and total cost to the Council of the overseas or interstate travel, including accommodation costs;
- (d) Names of Council Officers who were required to submit a return of interest during the financial year and the dates the returns were submitted;
- (e) Names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted;
- (f) Agendas for and minutes of ordinary and special meetings held in the previous 12 months kept under section 93 of the Act except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act;
- (g) A list of all special committees established by Council and the purpose for which each committee was established;
- (h) A list of all special committees established by the Council which were abolished or ceased to function during the financial year;
 - (i) Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act;
- (j) A register of delegations kept under section 87 and 98 of the Act, including the dates on which the last reviews under sections 86(6) and 98(6) of the Act took place;
- (k) Submissions received in accordance with section 223 of the Act during the previous 12 months;
- (l) Agreements to establish regional libraries under section 196 of the Act;

- (m) Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the Council as lessor or lessee, including the name of the other party to the lease and the terms and the value of the lease;
- (n) A register of authorised officers appointed under section 224 of the Act;
- (o) A list of donations and grants made by the Council during the financial year, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant;
- (p) A list of the names of the organisations of which the Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by the Council;
- (q) A list of contracts valued at \$100,000 (or such higher amount as is fixed from time to time under section 186(1) of the Act) or more –
 - i) Which the Council entered into during the financial year without first engaging in a competitive process; and
 - ii) Which are not contracts referred to in section 186(5) or (5A) of the Act.

Best Value

In accordance with the *Local Government Act 1989*, Council applies Best Value principles to its strategic and business planning processes. This means:

- All services provided by Council must meet quality and cost standards.
- Each service provided by Council must be accessible to those members of the community for whom the service is intended.
- All services provided by a Council must be responsive to the needs of the community.
- A council must provide continuous improvement in the provision of services for its community.
- A council must develop a program of regular consultation with its community in relation to the services it provides.
- A council must report regularly to its community on its achievements in relation to the principles.

This Annual Report illustrates Council's performance against these Best Value principles and includes its strategic direction and continuous improvement activities across the year.

National Competition Policy Compliance 2012-2013

Mildura Rural City Council remains committed to the National Competition Policy and competitive neutrality principles. Accordingly, Council can confirm that in 2012-2013, it had no significant business activities, maintained appropriate complaints mechanisms and was fully compliant with all National Competition Policy requirements.

Carers Recognition Act 2012 Compliance

Council has taken all practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012*. Council has promoted the principles of the Act to people in care relationships who receive Council services, to people in care relationships and to the wider community by:

- distributing printed material through relevant council services
- displaying posters at council community venues
- providing information to organisations represented in council/community networks.

Council has taken all practicable measures to ensure staff, Council agents and volunteers working for Council are informed about the principles and obligations of the Act by including information on the care relationship in:

- Council induction and training programs for staff working in Home and Community Care and disability services
- Council induction and training programs for staff working in front-line positions with the general community
- induction and training programs for volunteers working directly with the community.

Council has taken all practicable measures to review and modify policies, procedures and supports to include recognition of the carer relationship and has provided the additional activities and resources outlined below to recognise the care relationship.

Early Years:

- By working within the National Quality Framework for education and care to ensure that Council is meeting service obligations in regards to Family Day Care and Long Day Care

Aged and Disability Services:

- Ongoing awareness sessions with staff at team meetings
- *Carers Recognition Act* is being added as a reference in the review of appropriate policies to ensure compliance
- Carers Recognition Act information added to the Aged and Disability Service's Home and Community Care Client Manual
- Information pertaining to the *Carers Recognition Act* is being featured in the Aged Care Planning and Advisory Network Community Newsletter (Young at Heart)
- Carers Recognition Act is imbedded in assessment practices.

Service Centres

Mildura

Madden Avenue Service Centre

108 Madden Avenue, Mildura

Ph: (03) 5018 8100

Fax: (03) 5021 1899

Email: mrcc@mildura.vic.gov.au

Deakin Avenue Service Centre

76 Deakin Avenue, Mildura

Ph: (03) 5018 8100

Fax: (03) 5021 1899

Email: mrcc@mildura.vic.gov.au

Ouyen

Ouyen Service Centre

79 Oke Street, Ouyen

Ph: (03) 5091 3600 (for Ouyen callers)

Fax: (03) 5018 8600 (for all other callers)

Fax: (03) 5092 1017

Email: mrcc@mildura.vic.gov.au

By Post

Chief Executive Officer

PO Box 105

Mildura, Victoria, 3502

Email

mrcc@mildura.vic.gov.au

Website

www.mildura.vic.gov.au

Standard Statements, Consolidated Financial Report and Performance Statement



**Mildura Rural City Council
Financial Report
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MILDURA RURAL CITY COUNCIL
STANDARD INCOME STATEMENT
For the Year Ending June 2013

	Budget 2012/2013	Actual 2012/2013	Variances		
	\$'000	\$'000	\$'000	%	Ref
Revenue from operating activities					
Rates and charges	52,212	52,708	496	1	
Fees, fines and user charges	5,452	5,691	239	4	
Contributions	428	498	70	16	1
Grants - operating (recurrent)	12,376	19,153	6,777	55	2
Grants - operating (non-recurrent)	340	4,938	4,598	1,352	3
Reimbursements and subsidies	4,178	4,792	614	15	4
Revenue from non operating activities					
Interest	1,750	1,332	(418)	(24)	5
Other income	3,008	2,887	(121)	(4)	
Total income	79,744	91,999	12,255		
Expenses from operating activities					
Auditors remuneration	180	220	40	22	
Employee benefits	38,294	37,580	(714)	(2)	
Contractors and materials	26,140	33,196	7,056	27	6
Bad and doubtful debts	-	160	160	100	7
Depreciation and amortisation	15,915	15,608	(307)	(2)	
Finance costs	1,371	1,440	69	5	
Office expenses	2,913	2,789	(124)	(4)	
Other expenses	1,086	963	(123)	(11)	8
Total Expenses	85,899	91,956	6,057		
Surplus / (deficit) from operations	(6,155)	43	6,198		
Capital funding					
Grants - capital (recurrent)	1,975	1,975	-	-	
Grants - capital (non-recurrent)	17,095	10,436	(6,659)	(39)	9
Net gain on disposal of property, infrastructure, plant and equipment	420	(1,793)	(2,213)	(527)	10
Contributed infrastructure	-	7,545	7,545	100	11
Developer contributions	300	215	(85)	(28)	12
Other contributions	-	345	345	100	13
Recognition of assets	-	60	60	100	14
Surplus / (deficit) for the year	13,635	18,826	5,191		

This financial report should be read in conjunction with the accompanying notes.

MILDURA RURAL CITY COUNCIL
STANDARD INCOME STATEMENT
VARIANCE EXPLANATION REPORT
For the Year Ending June 2013

Ref.	Item	Explanation
1	Contributions	Variance due to receipt of an unbudgeted deceased estate bequest left to the Mildura Library for the purchase of books.
2	Grants - operating (recurrent)	Variance due predominantly to the advanced receipt of 50% of Victorian Grants Commission funding for 2013/14.
3	Grants - operating (non-recurrent)	Variance due to the receipt of unbudgeted grant funding on behalf of the Mildura Airport Pty Ltd for the redevelopment of the Mildura Airport Terminal building. (See also Note 6)
4	Reimbursements and subsidies	Variance due to receipt of a number of unbudgeted reimbursements including subsidiary payroll tax and the reimbursement of drainage expenditure incurred on behalf of The Mildura Cemetery Trust.
5	Interest	Variance due to the lower than budgeted interest rates and reduced cash levels which resulted from payment of Defined Benefits Super Call.
6	Contractors and materials	Variance due to the on payment of grant funding received on behalf of the Mildura Airport Pty Ltd for the redevelopment of the Mildura Airport Terminal.
7	Bad and doubtful debts	A provision for receivables deemed doubtful has been recognised due to adverse economic conditions and financial hardship.
8	Other expenses	Variance is primarily due to Councils efforts in reducing external printing and photocopying costs.
9	Grants - capital (non-recurrent)	Variance due to the postponement of a funding agreement for the Mildura riverfront development project.
10	Net gain on disposal of property, infrastructure, plant and equipment	Variance due to the disposal of a large amount of building and infrastructure assets as a result of the progress of several large scale major capital works projects.
11	Contributed infrastructure	Variance due to unbudgeted contributed infrastructure assets from developer subdivisions. Council does not attempt to budget for this item due to its volatile nature.

MILDURA RURAL CITY COUNCIL
 STANDARD INCOME STATEMENT
 VARIANCE EXPLANATION REPORT
 For the Year Ending June 2013

<u>Ref.</u>	<u>Item</u>	<u>Explanation</u>
12	Developer contributions	Variance due to unpredictable nature of receipts of this type.
13	Other contributions	Variance due to unbudgeted receipts of contributions from community groups towards capital projects.
14	Recognition of assets	Variance due to recognition of assets previously not brought to account. Council does not attempt to budget for items of this nature.

MILDURA RURAL CITY COUNCIL
STANDARD BALANCE SHEET
As at 30 June 2013

	Budget	Actual	Variances		
	2012/2013	2012/2013	\$'000	%	Ref
	\$'000	\$'000	\$'000	%	Ref
Current assets					
Cash and cash equivalents	4,361	11,967	7,606	174	1
Trade and other receivables	6,053	5,561	(492)	(8)	
Financial assets	8,000	15,540	7,540	94	2
Other assets	1,439	1,059	(380)	(26)	3
Total current assets	19,853	34,127	14,274		
Non-current assets					
Trade and other receivables	2,500	2,500	-	-	
Property, infrastructure, plant and equipment	526,759	601,468	74,709	14	4
Intangible assets	2,496	3,239	743	30	5
Other financial assets	2,790	1,391	(1,399)	(50)	6
Investment in subsidiary	23,110	28,671	5,561	24	7
Total non-current assets	557,655	637,269	79,614		
Total assets	577,508	671,396	93,888		
Current liabilities					
Trade and other payables	6,378	8,954	2,576	40	8
Interest bearing loans and borrowings	1,351	1,969	618	46	9
Provisions	7,683	8,781	1,098	14	10
Total current liabilities	15,412	19,704	4,292		
Non-current liabilities					
Interest bearing loans and borrowings	21,670	21,164	(506)	(2)	
Provisions	3,795	6,403	2,608	69	10
Total non-current liabilities	25,465	27,567	2,102		
Total liabilities	40,877	47,271	6,394		
Net assets	536,631	624,125	87,494		
Equity					
Reserves	284,797	357,212	72,415	25	11
Accumulated Surplus	251,834	266,913	15,079	6	
Total equity	536,631	624,125	87,494		

This financial report should be read in conjunction with the accompanying notes.

MILDURA RURAL CITY COUNCIL
STANDARD BALANCE SHEET
VARIANCES EXPLANATION REPORT
As at 30 June 2013

Ref	Item	Explanation
1	Cash and cash equivalents	Variance due predominantly to the advanced receipt of 50% of Victorian Grants Commission funding for 2013/14 and cash assets values being difficult to predict.
2	Financial assets	Increase in term deposits due to the advanced receipt of 50% of Victorian Grants Commission funding for 2013/14.
3	Other assets	Variance due to reduction in stock on hand and prepayments at end of year
4	Property, infrastructure, plant and equipment	Variance predominantly due to the accounting recognition and revaluation of Council's extensive drainage asset network. By recognising these assets it has increased property plant and equipment.
5	Intangible assets	Variance due to budgeted decrease in the valuation of Council's water rights as a result of a downward movement in market prices.
6	Other financial assets	Reduction in non-current financial assets due to movement between current and non-current assets.
7	Investment in subsidiary	Variance due to increased grant income received by subsidiary and increased fees and charges income.
8	Trade and other payables	Variance due to significant accounts being processed in last few days of June and early July that were unpaid as at 30 June.
9	Interest bearing loans and borrowings	Variance due to additional borrowings taken out to help fund the Vision Super Defined Benefits Call.
10	Provisions	Variance due to changes in long service leave legislation and an increase in the Mildura Landfill provision.
11	Reserves	Reserve movements are difficult to predict. The current budget amounts reflects the same levels as budgeted in the previous period.

MILDURA RURAL CITY COUNCIL
STANDARD CASH FLOW STATEMENT
For the Year Ending 30 June 2013

	Budgeted	Actual	Variances		
	2012/2013 Inflows (Outflows) \$'000	2012/2013 Inflows (Outflows) \$'000	\$'000	%	Ref
Cash inflows / (outflows) from operating activities					
<i>Receipts</i>					
Rates and charges	52,030	52,346	316	1	
User fees	14,006	15,453	1,447	10	1
Grants - operating	14,305	25,916	11,611	81	2
Grants - capital	19,070	12,411	(6,659)	(35)	3
Interest	1,750	1,331	(419)	(24)	4
Other receipts	777	1,481	704	91	5
	<u>101,938</u>	<u>108,938</u>	<u>7,000</u>	<u>7</u>	
<i>Payments</i>					
Employee costs	(37,949)	(44,837)	(6,888)	18	6
Materials and services	(40,638)	(41,075)	(437)	1	
	<u>(78,587)</u>	<u>(85,912)</u>	<u>(7,325)</u>	<u>9</u>	
Net cash provided by operating activities	23,351	23,026	(325)	(1)	
Cash inflows / (outflows) from investing activities					
Proceeds from sale of property, infrastructure, plant and equipment	1,080	872	(208)	(19)	7
Payments for property, infrastructure, plant and equipment	(45,538)	(32,425)	13,113	(29)	8
Proceeds from Financial Assets	16,869	11,241	(5,628)	(33)	9
Net cash used in investing activities	(27,589)	(20,312)	7,277	100	
Cash inflows / (outflows) from financing activities					
Finance Costs	(1,371)	(1,440)	(69)	5	
Proceeds from borrowings	5,000	5,000	-	-	
Loan borrowing repayments	(1,351)	(1,483)	(132)	10	10
Movement in Trust Funds	-	45	45	100	
Net cash used in / (provided by) financing activities	2,278	2,122	(156)	(7)	
Net increase / (decrease) in cash held for year	(1,960)	4,836	6,796	(347)	
Cash at beginning of financial year	6,321	7,131	810	13	
Cash at end of financial year	4,361	11,967	7,606	174	

This financial report should be read in conjunction with the accompanying notes.

MILDURA RURAL CITY COUNCIL
STANDARD CASH FLOW STATEMENT
VARIANCE EXPLANATION REPORT
For the Year Ending 30 June 2013

Ref	Item	Explanation
1	User fees	Variance due to higher than budgeted receipt of income for VicRoads work and reimbursement of drainage expenditure incurred on behalf of The Mildura Cemetery Trust.
2	Grants - operating	Variance due predominantly to the advanced receipt of 50% of Victorian Grants Commission funding for 2013/14.
3	Grants - capital	Variance due to the postponement of a funding agreement for the Mildura riverfront development project.
4	Interest	Variance due to the lower than budgeted interest rates and reduced cash levels which resulted from payment of Defined Benefits Super Call.
5	Other receipts	Variance as receipts of this nature are difficult to predict.
6	Employee costs	Variance due to the payment for the unbudgeted Defined Benefits Super Call.
7	Proceeds from sale of property, infrastructure, plant and equipment	Variance due to the difficulty in predicting future plant sales.
8	Payments for property, infrastructure, plant and equipment	Variance due to the delay in starting major projects such as the Mildura Riverfront Redevelopment.
9	Proceeds from Financial Assets	Variance due to the advanced receipt of 50% of Victorian Grants Commission funding for 2013/14.
10	Loan borrowing repayments	Variance due to additional borrowings taken out to help fund the Vision Super Defined Benefits Call.

MILDURA RURAL CITY COUNCIL
STANDARD STATEMENT OF CAPITAL WORKS
For the Year Ending June 2013

Capital Works Area	Budget	Actuals	Variances		
	2012/2013	2012/2013	\$'000	%	Ref
Roads	14,604	14,421	(183)	(1)	
Drainage	7,211	4,499	(2,712)	(38)	1
Parks and Recreational Facilities	2,383	2,299	(84)	(4)	
Airport Development Works	525	-	(525)	(100)	2
Other Outdoor Infrastructure	26	23	(3)	(12)	
Community Facilities	1,827	1,039	(788)	(43)	3
Plant and Office Equipment	3,398	3,505	107	3	
Other Programs	365	336	(29)	(8)	
Waste Management	720	192	(528)	(73)	4
Non-drainage DCP projects	731	-	(731)	(100)	5
Major Projects	12,693	5,886	(6,807)	(54)	6
Sustainable initiatives	805	147	(658)	(82)	7
Asset Assessment	250	-	(250)	(100)	8
Intangible Assets	-	78	78	100	9
Total Capital Works	45,538	32,425	(13,113)		

Represented by:

Capital Renewal	21,631	19,386	(2,245)	(10)	10
Capital Upgrade	7,439	3,931	(3,508)	(47)	11
Capital Expansion	16,468	9,030	(7,438)	(45)	12
Intangible Assets	-	78	78	100	13
Total Capital Works	45,538	32,425	(13,113)		

The movement between the previous year and the current year in property, infrastructure, plant and equipment as shown in the Statement of Financial Position links to the net of the following items.

Total capital works	45,538	32,347	(13,191)	(29)	14
Total capital works - Intangible	-	28	28	100	
Contributed infrastructure	-	7,545	7,545	100	15
Asset recognition	-	60	60	100	16
Asset revaluation increments (decrements)	2,500	20,132	17,632	100	17
Depreciation and amortisation	(15,915)	(15,490)	425	(3)	
Gross W.D.V. of assets sold	(660)	(2,665)	(2,005)	304	18
Transfer from provision	-	208	208	100	19
Net movement in property, plant and equipment, infrastructure	31,463	42,165	10,702		

This financial report should be read in conjunction with the accompanying notes.

MILDURA RURAL CITY COUNCIL
 STANDARD STATEMENT OF CAPITAL WORKS
 VARIANCE EXPLANATION REPORT
 For the Year Ending June 2013

Ref	Item	Explanation
1	Drainage	Variance due to delays in purchase of land acquisitions and projects budgeted over two years starting later than originally forecast.
2	Airport Development Works	This amount represents Councils contribution to Mildura Airport development works which is reflected in the consolidated financial position.
3	Community Facilities	Variance resulted from delay's in upgrading two pre-schools which have been carried forward and will be completed by December 2013.
4	Waste Management	Variance due to projects budgeted over two years starting late in the financial year.
5	Non-drainage DCP projects	Non drainage DCP projects were put on hold whilst a thorough review is being undertaken of developer contributions across Council.
6	Major Projects	Variance due to the anticipated completion of major infrastructure projects over several financial years.
7	Sustainable initiatives	Variance due to delay in receipt of grant funding causing projects to be carried forward.
8	Asset Assessment	Variance due to the funds being reallocated to a higher priority safety project.
9	Intangible Assets	Variance due to intangibles assets being originally budgeted against plant and office equipment.
10	Capital Renewal	Variance due to delay in receipt of grant funding causing projects to be carried forward.
11	Capital Upgrade	Favourable variance due to the unanticipated upgrade component of major flood rehabilitation on infrastructure.
12	Capital Expansion	Unfavourable variance due to the anticipated completion of major infrastructure projects over several financial years.
13	Intangible Assets	See comment 9.
14	Total capital works	Variance as a result of budgeting for large scale major projects in 2012/13 where anticipated completion will be over several financial years.

MILDURA RURAL CITY COUNCIL
 STANDARD STATEMENT OF CAPITAL WORKS
 VARIANCE EXPLANATION REPORT
 For the Year Ending June 2013

Ref	Item	Explanation
15	Contributed infrastructure	Variance due to unbudgeted contributed infrastructure assets from developer subdivisions. Council does not attempt to budget for this item due to its volatile nature.
16	Asset recognition	Variance due to recognition of assets previously not brought to account. Council does not attempt to budget for items of this nature.
17	Asset revaluation increments (decrements)	As nature of this item is difficult to predict, it is not included as part of the budget process.
18	Gross W.D.V. of assets sold	This item is linked to the 2012/13 works program in that the works are to replace, upgrade and expand existing buildings and the community infrastructure assets which require writing off of the book value of the existing asset.
19	Transfer from provision	This is an unbudgeted item and relates to a revaluation of the Mildura landfill rehabilitation provision.

**MILDURA RURAL CITY COUNCIL
STANDARD STATEMENTS
For the Year Ending June 2013**

INTRODUCTION

Note 1 Basis of preparation

The preceding four Standard Statements and explanatory notes for the Annual Report (the Comparison Report) form a special purpose financial report prepared specifically to meet the requirements of the Local Government Act 1989 relating to Standard Statements.

The Standard Statements in this Comparison Report each provide information in relation to an aspect of Council's financial management. They should be read in conjunction with one another to obtain an overall understanding of Council's financial position and management.

The Standard Income Statement, Standard Balance Sheet, Standard Cash Flow Statement, and Standard Statement of Capital Works are consistent with the Budget and are prepared on bases consistent with the Financial Statements.

This report is a summary of the information found in the Budget and the Financial Report and as such cannot be expected to provide as full an understanding of financial performance as the complete reports from which it is derived. The Budget and Financial Report, together with their detailed notes, should be examined for further detailed information.

Where material variances have occurred between the budget adopted by Council at the commencement of the year, and the actual results for the year, Variance Exception Reports are included. A variance is considered material where it is 10% or greater.

GLOSSARY

The following information is included to provide the reader with information about each of the standard statements presented in this report:

Standard Income Statement

The Standard Income Statement for the Annual Report shows what has happened or is expected to happen during a year in terms of revenue, expenses, and other adjustments from all activities during a financial year.

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

The Standard Income Statement for there Annual Report also shows the movement in equity, so that a separate Statement of Changes in Equity is not necessary.

**MILDURA RURAL CITY COUNCIL
STANDARD STATEMENTS
For the Year Ending June 2013**

Standard Balance Sheet

The Standard Balance Sheet shows a snapshot of all the assets and liabilities as at the end of the year. It shows the total of what is owned (assets) less what is owed (liabilities). The bottom line of this statement is net assets, which is the net worth of Council. The Standard Balance Sheet must be presented in the same format as that which was presented in Council's budget.

The change in net assets between two year's Standard Balance Sheet shows how the financial position has changed over the period which is described in more detail in the Standard Income Statement.

The assets and liabilities are separated into current and non-current. Current means those assets or liabilities which fall due in the next twelve months.

Standard Cash Flow Statement

A Standard Cash Flow Statement shows what has happened or what is expected to happen during a financial year in terms of cash inflows and outflows from all activities. It explains what cash movements have resulted in the difference in the cash balance at the beginning and the end of the year.

The net cash flows from operating activities, shows how much cash remains or is expected to remain after paying for providing services to the community which may be invested in things such as capital works. The Standard Cashflow Statement must be presented in the same format as that which was presented in Council's budget.

Cash in this statement refers to bank deposits and other forms of highly liquid investments that can readily be converted to cash, such as cash invested with funds managers, net of bank overdrafts.

Cash arises from, and is used in, three main activities:

Cash Flow from Operating Activities

Receipts:

All cash received from ratepayers, government and others who owed or provided money to Council as part of its normal operations.

Payments:

All cash paid by Council to staff, creditors, other persons as part of its normal operations.

Cash Flows from Investing Activities

Cash flows from investing activities are those activities which relate to acquisition and disposal of non-current assets, including property, plant and equipment and other productive assets, and investments not falling within the definition of cash.

Cash Flows from Financing Activities

Cash flows from financing activities are those activities which relate to changing the size and composition of the financial structure of the entity, including equity, and borrowings not falling within the definition of cash.

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

The information in a Standard Cash Flow Statement assists in the assessment of the ability to generate cash flows and meet financial commitments as they fall due, including the servicing of borrowings, fund changes in the scope or nature of activities, and obtain external finance.

MILDURA RURAL CITY COUNCIL
STANDARD STATEMENTS
For the Year Ending June 2013

Standard Statement of Capital Works

The Standard Statement of Capital Works sets out all capital expenditure that has been spent or is expected to be spent in relation to non-current assets during a financial year.

It also shows whether this expenditure is renewing, expanding or upgrading existing assets or creating new assets. This is important because each of these categories has a different impact on Council's future costs as detailed below:

Capital Renewal

Capital renewal expenditure is expenditure on an existing asset, which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components of the asset being renewed.

As Capital renewal expenditure reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time.

Capital Expansion

Capital expansion expenditure extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users.

It is discretionary expenditure which increases future operating and maintenance costs, because it increases Council's asset base, but may be associated with additional revenue from the new user group.

Capital Upgrade

Capital upgrade expenditure enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally.

Capital upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in Council's asset base.

New Capital Expenditure

New capital expenditure does not have any element of expansion or upgrade of existing assets. New capital expenditure may or may not result in additional revenue for Council and will result in an additional burden for future operation, maintenance and capital renewal.

Certification of the Standard Statements

In my opinion the accompanying standard statements have been prepared on accounting bases consistent with the financial statements and in accordance with the *Local Government Act 1989*, the *Local Government (Finance and Reporting) Regulations 2004*.



David Folvig
Principal Accounting Officer

Date : 26 September 2013
Mildura

In our opinion the accompanying standard statements have been prepared on accounting bases consistent with the financial statements and in accordance with the *Local Government Act 1989*, the *Local Government (Finance and Reporting) Regulations 2004*.

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

We have been authorised by the Council on 26 September 2013 to certify the standard statements in their final form.

Cr Glenn Milne
Councillor



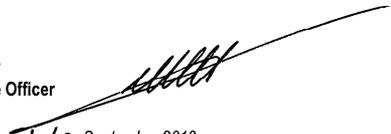
Date : 26 September 2013
Mildura

Cr Allison Cupper
Councillor



Date : 26 September 2013
Mildura

Mark Henderson
Chief Executive Officer



Date : 26/9/13 September 2013
Mildura

**Comprehensive Income Statement
For the Year Ended 30 June 2013**

	Note	Consolidated		Council	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Income					
Rates and charges	2	52,619	48,648	52,708	48,734
Statutory fees and fines	3	1,829	1,355	1,877	1,400
User fees	4	10,541	10,605	6,328	7,375
Contributions - cash	6	1,058	1,130	1,058	1,130
Contributions - non-monetary assets	6	7,545	4,920	7,545	4,920
Grants - recurrent	5	21,128	24,672	21,128	24,672
Grants - non-recurrent	5	15,374	7,963	15,374	7,788
Reimbursements	7	4,519	4,273	4,792	4,273
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	8	(1,793)	(252)	(1,793)	(252)
Other income	9.1	1,752	2,067	1,705	2,194
Asset recognition	9.2	60	9,725	60	9,725
Total income		114,632	115,106	110,782	111,959
Expenses					
Employee costs	10	(38,629)	(44,930)	(37,580)	(44,031)
Materials and services	11	(32,904)	(30,114)	(35,985)	(29,022)
Bad and doubtful debts	12	(160)	(131)	(160)	(131)
Depreciation and amortisation	13	(16,249)	(14,929)	(15,608)	(14,323)
Finance costs	14	(1,455)	(990)	(1,440)	(970)
Other expenses	15	(1,277)	(1,250)	(1,183)	(1,155)
Impairment of non financial asset		(1)	(6)	-	-
Total expenses		(90,675)	(92,350)	(91,956)	(89,632)
Surplus/(deficit)		23,957	22,756	18,826	22,327
Other comprehensive income					
Net financial asset revaluation increment/(decrement)	26	-	-	5,131	430
Net asset revaluation increment/(decrement)	26	20,055	53,871	20,055	53,871
Total comprehensive result		44,012	76,627	44,012	76,628

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

Balance Sheet
As at 30 June 2013

	Note	Consolidated		Council	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Assets					
Current assets					
Cash and cash equivalents	16	13,099	8,164	11,967	7,131
Trade and other receivables	17	6,293	6,301	5,561	5,930
Inventories	18	752	803	752	803
Other assets	19(a)	315	90	307	85
Financial assets	19(b)	15,540	23,167	15,540	23,167
Total current assets		35,999	38,525	34,127	37,116
Non-current assets					
Trade and other receivables	17	-	-	2,500	2,500
Financial assets	19(b)	1,391	5,006	30,062	28,545
Property, infrastructure, plant and equipment	20	631,823	584,441	601,468	559,303
Intangible assets	21	3,266	3,411	3,239	3,384
Total non-current assets		636,480	592,858	637,269	593,732
Total assets		672,479	631,383	671,396	630,848
Liabilities					
Current liabilities					
Trade and other payables	22	7,985	7,371	7,160	7,137
Trust funds and deposits	23	1,794	1,749	1,794	1,749
Provisions	24	8,867	16,448	8,781	16,376
Interest-bearing loans and borrowings	25	2,063	1,736	1,969	1,646
Total current liabilities		20,709	27,304	19,704	26,908
Non-current liabilities					
Provisions	24	6,436	5,857	6,403	5,857
Interest-bearing loans and borrowings	25	21,210	18,110	21,164	17,970
Total non-current liabilities		27,646	23,967	27,567	23,827
Total liabilities		48,355	51,271	47,271	50,735
Net Assets		624,124	580,112	624,125	580,113
Equity					
Accumulated surplus		278,173	248,658	266,913	242,529
Reserves	26	345,951	331,454	357,212	337,584
Total Equity		624,124	580,112	624,125	580,113

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

Statement of Changes in Equity
For the Year Ended 30 June 2013

Consolidated	Total	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2013				
Balance at beginning of the financial year	580,112	248,658	314,686	16,768
Comprehensive result	44,012	23,957	20,055	-
Transfers to other reserves	-	21,200	-	(21,200)
Transfers from other reserves	-	(15,642)	-	15,642
Balance at end of the financial year	624,124	278,173	334,741	11,210
	Total	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves
	2012	2012	2012	2012
	\$'000	\$'000	\$'000	\$'000
2012				
Balance at beginning of the financial year	503,485	228,238	260,815	14,432
Comprehensive result	76,627	22,756	53,871	-
Transfers to other reserves	-	12,359	-	(12,359)
Transfers from other reserves	-	(14,695)	-	14,695
Balance at end of the financial year	580,112	248,658	314,686	16,768

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

Statement of Changes in Equity
For the Year Ended 30 June 2013

Council	Total 2013 \$'000	Accumulated Surplus 2013 \$'000	Asset Revaluation Reserve 2013 \$'000	Other Reserves 2013 \$'000
2013				
Balance at beginning of the financial year	580,113	242,529	320,816	16,768
Comprehensive result	44,012	18,826	25,186	-
Transfers to other reserves	-	21,200	-	(21,200)
Transfers from other reserves	-	(15,642)	-	15,642
Balance at end of the financial year	624,125	266,913	346,002	11,210

Council	Total 2012 \$'000	Accumulated Surplus 2012 \$'000	Asset Revaluation Reserve 2012 \$'000	Other Reserves 2012 \$'000
2012				
Balance at beginning of the financial year	503,485	222,538	266,515	14,432
Comprehensive result	76,628	22,327	54,301	-
Transfers to other reserves	-	12,359	-	(12,359)
Transfers from other reserves	-	(14,695)	-	14,695
Balance at end of the financial year	580,113	242,529	320,816	16,768

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

Statement of Cash Flows
For the Year Ended 30 June 2013

	Note	Consolidated		Council	
		2013 Inflows/ (Outflows) \$'000	2012 Inflows/ (Outflows) \$'000	2013 Inflows/ (Outflows) \$'000	2012 Inflows/ (Outflows) \$'000
Cash flows from operating activities					
Rates and charges		52,346	49,334	52,346	49,334
Statutory fees and fines		1,877	1,355	1,877	1,400
User fees (inclusive of GST)		10,613	8,492	6,328	5,049
Contributions (inclusive of GST)		1,058	1,130	1,058	1,130
Grants - operating (inclusive of GST)		25,916	28,660	25,916	28,467
Grants - capital (inclusive of GST)		12,411	5,616	12,411	5,616
(inclusive of GST)		2,951	6,833	2,951	6,938
Interest		1,366	1,610	1,331	1,745
Net GST refund/payment		4,728	3,794	4,720	3,675
Materials and consumables (Inclusive of GST)		(13,930)	(17,550)	(16,662)	(16,908)
Employees costs		(45,835)	(36,094)	(44,837)	(35,211)
Utilities		(3,782)	(3,138)	(3,782)	(2,985)
External contracts		(16,829)	(11,465)	(16,829)	(10,883)
Other payments		(3,802)	(3,407)	(3,802)	(3,288)
Net cash provided by/(used in) operating activities	27	29,088	35,170	23,026	34,079
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	20, 21	(38,283)	(30,089)	(32,425)	(29,515)
Proceeds from sale of property, infrastructure, plant and equipment		872	779	872	779
Proceeds from financial assets		11,241	-	11,241	-
Payments for other financial assets		-	(8,112)	-	(8,112)
Trust funds and deposits		45	908	45	908
Net cash provided by/(used in) investing activities		(26,125)	(36,514)	(20,267)	(35,940)
Cash flows from financing activities					
Finance costs		(1,455)	(990)	(1,440)	(970)
Proceeds from borrowings		5,000	5,600	5,000	5,600
Repayment of borrowings		(1,573)	(1,259)	(1,483)	(1,270)
Net cash provided by/(used in) financing activities		1,972	3,351	2,077	3,360
Net increase/(decrease) in cash and cash equivalents		4,935	2,007	4,836	1,499
Cash and cash equivalents at the beginning of the financial year		8,164	6,157	7,131	5,632
Cash and cash equivalents at the end of the financial year	16	13,099	8,164	11,967	7,131

The above cash flow statement should be read with the accompanying notes.

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Introduction

- (a) The Mildura Rural City 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 108 - 116 Madden Avenue, Mildura.
- (b) The purpose of the Council is to:
- provide for the peace, order and good government of its municipal district;
 - to promote the social, economic and environmental viability and sustainability of the municipal
 - to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
 - to improve the overall quality of life of people in the local community;
 - to promote appropriate business and employment opportunities;
 - to ensure that services and facilities provided by the Council are accessible and equitable;
 - to ensure the equitable imposition of rates and charges; and
 - to ensure transparency and accountability in Council decision making.

Council uses the following service providers:

External Auditor - Auditor-General of Victoria

Internal Auditor - Deloitte Touche Tohmatsu

Solicitors - Martin Irwin Richards of Mildura, Maddocks of Melbourne, Harwood Andrews Lawyers of Melbourne, Meerkin and Apel Lawyers of Melbourne, FOI Solutions Lawyers of Melbourne, Macpherson and Kelly Lawyers of Melbourne and Russell Kennedy of Melbourne

Bankers - Commonwealth Bank of Australia Ltd

Council maintains the following website:

www.mildura.vic.gov.au

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 1 Significant accounting policies

This financial report is a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the Local Government (Finance and Reporting) Regulations 2004.

(a) Basis of accounting

This financial report has been prepared under the historical cost convention, except where specifically stated in note 1(h) and 1(r).

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.

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management, have been included in this financial report. All transactions between these entities and the Council have been eliminated in full.

The consolidated results in the financial report include all funds through which the Mildura Rural City Council controls resources to carry on its functions. In the process of reporting on the Mildura Rural City Council as a consolidated unit, all intra and inter entity balances and transactions have been eliminated.

Prior to 1 July 2008 the operations of Mildura airport were carried out by Mildura Rural City Council and the financial results of those operations were included as part of the financial report of Council. On 1 July 2008 the operations of Mildura Airport along with the associated assets and liabilities were transferred to a newly incorporated body – Mildura Airport Pty Ltd – which is a wholly owned subsidiary of Council. The assets and liabilities of Mildura Airport Pty Ltd and the results of its operations for the year then ended have been included in the consolidated financial report.

(b) Change in accounting policies

There has been no change in accounting policy during the financial year.

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 1 Significant accounting policies (cont.)

(c) Revenue recognition

Rates, grants and contributions

Rates, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for doubtful debts on rates has not been established as unpaid rates represents a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Income is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in note 5. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date.

User fees and fines

User 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.

A provision for doubtful debts is recognised when collection in full is no longer probable.

Sale of property, plant and equipment, infrastructure

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

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 1 Significant accounting policies (cont.)

(c) Revenue recognition (cont.)

Rental

Rents are recognised as revenue when the payment is due or the payment is received, whichever first occurs. Rental payments received in advance are recognised as a prepayment until they are due.

Interest

Interest is recognised as it is earned.

Dividends

Dividend revenue is recognised when the Council's right to receive payment is established.

(d) Trade and other receivables and inventories

Trade receivables

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

Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value.

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 1 Significant accounting policies (cont.)

(e) Depreciation and amortisation of property, plant and equipment, infrastructure, intangibles

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.

Artworks are not depreciated.

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

Major depreciation periods used are listed below and are consistent with the prior year unless

	2012/2013
<i>Property</i>	
Buildings	
buildings	60 years
<i>Plant and Equipment</i>	
Plant	
heavy equipment	
graders	10 years
loaders	7 years
mowers	5 years
rollers	12 years
sweepers	7 years
tractors	5 years
trucks	6 years
vehicles, light plant and equipment	
light plant and equipment	4 years
motor vehicle - commercial	4 years
motor vehicle - passenger	3 years
leased plant and equipment	8 years
furniture and fittings	
computers and telecommunications	4 years
fixtures, fittings and furniture	10 years
library books	7 years
<i>Infrastructure</i>	
Roads	
footpaths and cycleways	10 - 50 years

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 1 Significant accounting policies (cont.)

(e) Depreciation and amortisation of property, plant and equipment, infrastructure, intangibles (cont.)

road kerb and channel	50 years
road pavements	20 - 50 years
road seals	5 - 50 years
Drainage	50 - 150 years
Outdoor infrastructure	
carparks	50 years
drainage basins	80 years
irrigation	20 years
playgrounds	10 years
sporting and recreational facilities	20 years
Airport runways	50 years
Landfill	30 years
Intangible assets	
software	3 - 15 years

(f) Repairs and maintenance

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

(g) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on borrowings and finance lease charges.

(h) Recognition and measurement of assets

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 amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

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.

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 1 Significant accounting policies (cont.)

(h) Recognition and measurement of assets (cont.)

The following classes of assets have been recognised in note 20. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	Threshold Limit \$'000
Property	
Land	
land	5
land under roads	All
Buildings	
buildings	10
Plant and Equipment	
plant and equipment	5
plant and equipment - leased	5
furniture and fittings	5
furniture and fittings - leased	5
artworks	0.5
library books	In aggregate
Infrastructure	
Roads	
footpaths and cycleways	10
road kerb and channel	10
road pavements	10
road seals	10
Drainage	10
Landfill	10
Airport runway	10
Outdoor infrastructure	10
Intangible assets	
software	1

Notes to the Financial Report For the Year Ended 30 June 2013

Note 1 Significant accounting policies (cont.)

(h) Recognition and measurement of assets (cont.)

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment (furniture and fitting, library books, capital works in progress and landfill) are measured at their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. 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.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 5 years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation surplus 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 surplus 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.

Land under roads

Land under roads acquired after 30 June 2008 are brought to account using current market values. Council does not recognise land under roads that it controlled prior to that period in the financial report.

(i) Cash and cash equivalents

For the purposes of the cash flow statement, 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.

(j) Financial assets

Financial assets are valued at fair value, being market value, at balance date. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

(j) Investments

Investments, other than investments in associates, are measured at cost. The carrying value of Council's investment in the Mildura Airport Pty Ltd was initially measured at cost, and adjusted each balance date thereafter for changes in the Council's share (100%) of the net assets of the company. Gains or losses arising are recognised directly in equity through the Financial Assets Revaluation Reserve (note 26 (c)).

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 1 Significant accounting policies (cont.)

(k) Tender deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited (refer to note 23).

(l) Employee costs

Wages and salaries

Liabilities for wages and salaries and rostered days off are recognised and measured as the amount unpaid at balance date and include appropriate oncosts such as workers compensation and payroll costs.

Annual leave

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date.

Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled.

Annual leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Long service leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service.

Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled.

Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Classification of employee costs

An employee benefit liability is classified as a current liability if the Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This would include all annual leave and unconditional long service leave entitlements.

Notes to the Financial Report For the Year Ended 30 June 2013

Note 1 Significant accounting policies (cont.)

Superannuation

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees. In addition Council may, periodically be required to contribute to the defined benefit schemes for current and former employees. Details of these arrangements are recorded in note 31.

Redundancy

Liabilities for redundancy benefits are recognised when a detailed plan for the terminations has been developed and a valid expectation has been raised with those employees affected that the terminations will be carried out.

(m) Leases

Finance leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are amortised on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Leased assets are currently being amortised over a 1 to 5 year period.

Operating leases

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

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 1 to 5 year period.

(n) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle, or if the Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(o) Agreements equally proportionately unperformed

The Council does not recognise assets and liabilities arising from agreements that are equally proportionately unperformed in the balance sheet. Such agreements are recognised on an 'as incurred' basis.

(p) Web site costs

Costs in relation to websites are charged as an expense in the period in which they are incurred.

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 1 Significant accounting policies (cont.)

(q) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(r) Impairment of assets

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

(s) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statements may not equate due to rounding.

(t) Contingent assets, contingent liabilities and commitments

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

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value by way of a note and are presented inclusive of the GST payable.

**Notes to the Financial Report
For the Year Ended 30 June 2013**

(u) Pending Accounting Standards

The following Australian Accounting Standards have been issued or amended and maybe applicable to the Council but are not yet effective.

They have not been adopted in preparation of the financial statements at reporting date.

<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on Local Government financial statements</i>
AASB 9 Financial Instruments	<p>AASB 9 standard is one of a series of amendments that are expected to eventually completely replace AASB 139. During 2010-11, the standard will be expanded to include new rules on measurement of financial liabilities and hedge accounting. Currently the existing provisions of AASB 139 will continue to apply in these areas. AASB 9 simplifies the classifications of financial assets into those to be carried at amortised cost and those to be carried at fair value – the 'available for sale' and 'held-to-maturity' categories no longer exists. AASB 9 also simplifies requirements for embedded derivatives and removes the tainting rules associated with held-to-maturity assets. The new categories of financial assets are:</p> <ul style="list-style-type: none"> • Amortised cost – those assets with 'basic' loan features. • Fair value through other comprehensive income - this treatment is optional for equity instruments not held for trading (this choice is made at initial recognition and is irrevocable). • Fair Value through profit and Loss - everything that does not fall into the above two categories. <p>The following changes also apply:</p> <ul style="list-style-type: none"> • Investments in unquoted equity instruments must be measured at fair value. However, cost may be the appropriate measure of fair value where there is insufficient more recent information available to determine a fair value. • There is no longer any requirement to consider whether 'significant or prolonged' decline in the value of financial assets has occurred. The only impairment testing will be on those assets held at amortised cost, and all impairments will be eligible for reversal. 	<p>Periods beginning on or after 1 January 2015</p> <p>The standard was amended in 2012 to delay the effective date by two years (previously 1 January 2013).</p>	<p>The impact is not likely to be extensive in the local government sector. Although it will vary considerably between entities. While the rules are less complex than those of AASB 139, the option to show equity instruments at cost has been largely removed, which is likely to lead to greater volatility within the income statement. However it may also lead to an improved financial position for some entities. This will also create a requirement to measure some instruments annually that has not previously existed.</p>

**Notes to the Financial Report
For the Year Ended 30 June 2013**

(u) Pending Accounting Standards (cont.)

<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on Local Government financial statements</i>
AASB 9 Financial Instruments	<ul style="list-style-type: none"> Similarly, all movements in the fair value of a financial asset now go to the income statement, or, for equity instruments not held for trading, other comprehensive income. There is no longer any requirement to book decrements through the income statement, and increments through equity. 		
AASB 10 Consolidated Financial Statements	<p>The standard introduces a single model of control, which is used to determine whether an investee must be consolidated.</p> <p>The existence of control is determined based on:</p> <ul style="list-style-type: none"> Power to direct the activities of an investee (irrespective of whether such power is exercised). Exposure, or rights, to variable returns from its involvement with the investee. The ability to use its power over the investee to affect the amount of the investor's returns. 	Periods beginning on or after 1 January 2013	The definition of 'control' is based on various factors, and is wider than just those entities in which an investee holds greater than 50% of the voting rights. While the effects of this standard are not expected to be significant in the local government sector, there may be some increase in the number of entities required to be consolidated as subsidiaries.
AASB 12 Disclosure of Involvement with Other Entities	<p>AASB 12 requires the disclosure of information to enable users to evaluate:</p> <ul style="list-style-type: none"> The nature of, and risks associated with, its interests in other entities The effect of those interests on its financial position, performance and cash flows. 	Periods beginning on or after 1 January 2013	The disclosures required will be both qualitative and quantitative. In particular, management should document and be able to justify its key judgments concerning control and significant influence.

Notes to the Financial Report
For the Year Ended 30 June 2013

(u) Pending Accounting Standards (cont.)

<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on Local Government financial statements</i>
AASB 12 Disclosure of Involvement with Other Entities	<p>AASB 12 requires the disclosure of information to enable users to evaluate:</p> <ul style="list-style-type: none"> • The nature of, and risks associated with, its interests in other entities • The effect of those interests on its financial position, performance and cash flows. <p>AASB 12 applies to all entities that have subsidiaries, joint arrangements, associates, or unconsolidated structured entities, and requires disclosures grouped into four categories:</p> <ul style="list-style-type: none"> • Significant judgments and assumptions, including how control, joint control, or significant influence has been determined. • Interests in subsidiaries, including details of the composition of the group, the interests held by any non-controlling interest, any changes in control, and the nature of any associated risks. • Interests in joint arrangements and associates, including their nature and extent, the effects on the group, and any associated risks. • Interests in unconsolidated structured entities, including their nature and extent, any changes during the year, and the associated risks. 		In the local government context this is likely to require increased disclosures around the operations of Library Corporations as well as other activities that Council have an interest in.
AASB 13 Fair Value Measurement	<p>AASB 13 replaces the existing IFRS guidance on fair value measurement and disclosure. It applies whenever another standard permits or requires the use of fair value measurements. It sets out a fair value hierarchy for such measurements:</p> <ul style="list-style-type: none"> • Level 1 – quoted prices in active markets for identical assets and liabilities, which can be accessed at the measurement date. • Level 2 – inputs other than quoted market prices included within Level 1, which are observable for the asset or liability, either directly or indirectly. • Level 3 – unobservable inputs for the asset or liability. There are also extensive disclosure requirements relating to each of the three levels within the hierarchy. 	Periods beginning on or after 1 January 2013	The standard determines 'how to' rather than 'when' in respect of fair value measurements, and summarises the existing IFRS guidance in one place. This standards may assist those councils that have equity investments that are no longer able to be held at cost.

**Notes to the Financial Report
For the Year Ended 30 June 2013**

(u) Pending Accounting Standards (cont.)

<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on Local Government financial statements</i>
AASB 127 Separate Financial Statements	AASB 127 has been amended to ensure consistency with the new requirements of AASB 10 Consolidated Financial Statements (see above). It now deals only with the preparation of separate company financial statements.	Periods beginning on or after 1 January 2013	Where separate financial statements are prepared, investments in subsidiaries, associates, and joint ventures must be accounted for either at cost, or in accordance with AASB 9 Financial Instruments. These changes are not expected to impact significantly on Councils.

Notes to the Financial Report
For the Year Ended 30 June 2013

Consolidated		Council	
2013	2012	2013	2012
\$'000	\$'000	\$'000	\$'000

Note 2 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 2012/2013 was \$6,428 million (2011/2012 \$6,231 million). The 2012/2013 rate in the dollar was \$0.00624 (2011/2012 \$0.00599).

General rates	40,826	37,526	40,915	37,612
Cultural/Recreational Land	17	12	17	12
City Heart charge	513	477	513	477
Drainage maintenance and Infrastructure	3,177	2,937	3,177	2,937
Economic and Tourism Development charge	1,336	1,216	1,336	1,216
Garbage charges	6,750	6,480	6,750	6,480
Total rates and charges	52,619	48,648	52,708	48,734

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2012, and the valuation will be first applied in the rating year commencing 1 July 2012.

The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2010, and the valuation first applied to the rating period commencing 1 July 2010.

Note 3 Statutory fees and fines

Statutory fees and fines	1,829	1,355	1,877	1,400
Total statutory fees and fines	1,829	1,355	1,877	1,400

Note 4 User fees

Rent/lease fees	714	691	458	461
User charges	6,625	5,949	2,668	2,949
Contract works	2,514	3,601	2,514	3,601
Entrance charges	542	188	542	188
Commission/Agency fees	146	176	146	176
Total user fees	10,541	10,605	6,328	7,375

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 5 Grants				
Grants were received in respect of the following :				
<i>Recurrent</i>				
Financial Management	11,957	15,093	11,957	15,093
Roads Construction and Maintenance	1,975	2,285	1,975	2,285
Community Care Services	4,020	3,974	4,020	3,974
Community Futures	536	334	536	334
Community GM	1,128	674	1,128	674
Development Services	91	87	91	87
Engineering Services	158	148	158	148
Leisure and Cultural Services	1,263	2,077	1,263	2,077
Total recurrent	21,128	24,672	21,128	24,672
<i>Non-recurrent</i>				
Building and Environmental Services	74	37	74	37
Community Care Services	628	18	628	18
Community Futures	780	813	780	813
Community GM	1,000	-	1,000	-
Corporate Administration	147	46	147	46
Corporate GM	738	3,316	738	3,316
Economic Development	4,200	175	4,200	-
Development GM	1,240	-	1,240	-
Engineering Services	6,054	243	6,054	243
Leisure and Cultural Services	269	2,815	269	2,815
Other	244	500	244	500
Total non-recurrent	15,374	7,963	15,374	7,788

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 5 Grants (Cont.)				
Conditions on grants				
Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:				
Building and Environmental Services	749	-	749	-
Community Care Services	612	899	612	899
Community Futures	937	808	937	808
Community GM	274	240	274	240
Corporate Administration	20	-	20	-
Corporate GM	-	5,843	-	5,843
Development GM	1,240	-	1,240	-
Development Services	-	5	-	5
Economic Development	239	-	239	-
Leisure and Cultural Services	786	2,381	786	2,381
Roads Construction and Maintenance	1,355	45	1,355	45
Total	6,212	10,221	6,212	10,221
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:				
Building and Environmental	-	631	-	631
Community Care Services	899	526	899	526
Community Futures	808	36	808	36
Community GM	-	-	240	-
Corporate GM	5,843	2,995	5,843	2,995
Development Services	5	20	5	20
Leisure and Cultural Services	2,381	541	2,381	541
Roads Construction and Maintenance	45	-	45	-
Total	9,981	4,749	10,221	4,749
Net increase/(decrease) in restricted assets resulting from grant revenues for the year:				
	(3,769)	5,472	(4,009)	5,472

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 6 Contributions				
(a) Cash				
Community Services	288	323	288	323
Developer Contributions	215	613	215	613
Other	555	194	555	194
Total	1,058	1,130	1,058	1,130
(b) Non-monetary assets				
Gifted assets	7,545	4,920	7,545	4,920
Total	7,545	4,920	7,545	4,920
Total contributions	8,603	6,050	8,603	6,050
Note 7 Reimbursements				
Community Services	1,335	1,738	1,608	1,738
Roads/Transport	130	145	130	145
Finance and Administration	834	594	834	594
Waste management	149	133	149	133
Other	2,071	1,663	2,071	1,663
Total reimbursements	4,519	4,273	4,792	4,273
Note 8 Net gain/(loss) on disposal of property, infrastructure, plant and equipment				
Proceeds of sale	872	779	872	779
Written down value of assets disposed	(2,665)	(1,031)	(2,665)	(1,031)
Total	(1,793)	(252)	(1,793)	(252)

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 9.1 Other income				
Interest	889	1,104	854	1,240
Interest on rates	478	505	478	505
Sales	312	265	312	265
Other	73	193	61	184
Total other income	1,752	2,067	1,705	2,194
Note 9.2 Asset recognition				
During the year Council undertook an extensive survey of its roads and outdoor infrastructure networks. In doing so, it identified assets which had not previously been recorded in its assets registers.				
Asset Recognition	60	9,725	60	9,725
	<u>60</u>	<u>9,725</u>	<u>60</u>	<u>9,725</u>
Note 10 Employee costs				
Wages and salaries	35,629	34,883	34,646	34,052
Payroll Tax	131	-	131	-
Superannuation - additional contribution (Note 31)	-	7,269	-	7,269
Superannuation	2,869	2,778	2,803	2,710
Total employee costs	38,629	44,930	37,580	44,031
During the prior period (2012) Council was required to make an additional contribution to Vision Super to meet our obligations to members of the defined benefit plan.				
Note 11 Materials and services				
Plant operating costs (maintenance)	2,287	2,375	2,029	2,124
Materials and supplies	3,445	4,356	3,391	4,314
Grants, contributions and donations	3,363	2,835	3,363	2,835
Utilities	3,977	3,138	3,782	2,985
Contractor and consultancy payments	13,163	11,465	16,829	10,883
Office expenses	2,848	2,638	2,789	2,593
Other	3,821	3,307	3,802	3,288
Total materials and services	32,904	30,114	35,985	29,022
Note 12 Bad and doubtful debts				
Other debtors	48	2	48	2
Infringements	112	129	112	129
Total bad and doubtful debts	160	131	160	131

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 13 Depreciation and amortisation				
<i>Buildings</i>				
Buildings	3,249	2,289	3,179	2,224
<i>Plant and Equipment</i>				
Plant and equipment	2,080	2,270	1,947	2,166
Plant and equipment (leased)	34	66	34	66
Furniture and fittings	218	269	218	269
Furniture and fittings (leased)	19	30	19	30
Library books	167	175	167	175
<i>Infrastructure</i>				
Roads	7,034	6,762	7,034	6,762
Drainage	847	710	847	710
Outdoor infrastructure	2,066	1,800	1,953	1,689
Landfill	92	92	92	92
Airport runways	325	326	-	-
Total	16,131	14,789	15,490	14,183
<i>Intangible assets</i>				
Software	118	140	118	140
Total	118	140	118	140
Total depreciation and amortisation	16,249	14,929	15,608	14,323
Note 14 Finance costs				
Interest - Borrowings	1,449	972	1,434	952
Interest - Finance leases	6	18	6	18
Total finance costs	1,455	990	1,440	970
Note 15 Other expenses				
Auditors' remuneration (Note 36)	232	232	220	219
Councillors' allowances	321	254	321	254
Directors' Fees	82	82	-	-
Refunds	42	49	42	49
Rentals - Operating leases	129	152	129	152
Other	471	481	471	481
Total other expenses	1,277	1,250	1,183	1,155

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 16 Cash and cash equivalents				
Cash on hand	40	20	10	10
Cash at bank	13,059	8,144	11,957	7,121
Total cash and cash equivalents	13,099	8,164	11,967	7,131
Users of the financial report should refer to note 30 for details of restrictions on cash assets and note 32 for details of existing Council commitments				
Note 17 Trade and other receivables				
<i>Current</i>				
Rates debtors	3,333	2,971	3,333	2,971
Infringement debtors	926	741	926	741
Provision for doubtful debts - Infringements	(694)	(585)	(694)	(585)
Other debtors	1,716	2,123	984	1,747
Provision for doubtful debts - other debtors	(47)	(26)	(47)	(21)
Accrued income	213	318	213	318
GST Receivable	846	759	846	759
Total	6,293	6,301	5,561	5,930
<i>Non-current</i>				
Loan to Mildura Airport Pty Ltd	-	-	2,500	2,500
Total	-	-	2,500	2,500
Total trade and other receivables	6,293	6,301	8,061	8,430
Note 18 Inventories				
Inventories held for distribution	752	803	752	803
Total inventories	752	803	752	803

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 19 Other assets				
(a) Prepayments				
<i>Current</i>				
Prepayments	315	90	307	85
Total prepayments	315	90	307	85
(b) Financial Assets				
<i>Current</i>				
Term Deposits	15,040	20,623	15,040	20,623
Floating notes	500	-	500	-
Dollar Bonds	-	2,544	-	2,544
Total	15,540	23,167	15,540	23,167
<i>Non-current</i>				
Interest in Mildura Airport Pty Ltd	-	-	28,671	23,539
Dollar bonds	-	3,227	-	3,227
Floating notes	1,391	1,779	1,391	1,779
Total	1,391	5,006	30,062	28,545
Total Financial Assets	16,931	28,173	45,602	51,712
All financial assets are presented in Australian dollars.				
Users of the financial report should refer to note 30 for details of restrictions on cash assets and note 32 for details of existing Council commitments				
Total other assets				
Current	15,855	23,257	15,847	23,252
Non-current	1,391	5,006	30,062	28,545
Total other assets	17,246	28,263	45,909	51,797

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Note 20 Property, infrastructure, plant and equipment				
<i>Summary</i>				
at fair value	1,047	2,717	1,047	2,717
at cost	130,875	122,863	98,032	95,878
less: accumulated depreciation	(27,835)	(26,192)	(25,347)	(24,345)
Total	104,087	99,388	73,732	74,250
leased	1,526	1,526	1,526	1,526
less: accumulated depreciation	(1,391)	(1,338)	(1,391)	(1,338)
Total	135	188	135	188
at valuation 30/06/04	13,610	13,610	13,610	13,610
less: accumulated depreciation	(10,665)	(10,401)	(10,665)	(10,401)
at valuation 30/06/09	-	188,089	-	188,089
less: accumulated depreciation	-	(77,154)	-	(77,154)
at valuation 30/06/11	27,379	27,379	27,379	27,379
less: accumulated depreciation	-	-	-	-
at valuation 30/06/12	-	573,657	-	573,657
less: accumulated depreciation	-	(230,315)	-	(230,315)
at valuation 31/12/12	229,717	-	229,717	-
less: accumulated depreciation	(92,244)	-	(92,244)	-
at valuation 30/06/13	575,520	-	575,520	-
less: accumulated depreciation	(215,716)	-	(215,716)	-
Total	527,601	484,865	527,601	484,865
Total property, infrastructure, plant and equipment	631,823	584,441	601,468	559,303

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 20 Property, infrastructure, plant and equipment (cont.)	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Property				
Land				
freehold				
land - at fair value	-	1,286	-	1,286
land - at valuation 31/12/12 (iv)	42,290	-	42,290	-
land - at valuation 30/06/09 (vii)	-	41,956	-	41,956
	42,290	43,242	42,290	43,242
other controlled				
land - at valuation 31/12/12 (iv)	5,907	-	5,907	-
land - at valuation 30/06/09 (vii)	-	627	-	627
	5,907	627	5,907	627
Total land	48,197	43,869	48,197	43,869
Land under roads				
land under roads - at fair value	1,047	1,431	1,047	1,431
land - at valuation 31/12/12 (vii)	3,623	-	3,623	-
land - at valuation 30/06/09 (iii)	-	1,151	-	1,151
	4,670	2,582	4,670	2,582
Buildings				
freehold				
buildings - at cost	15,293	12,038	11,099	7,844
less: accumulated depreciation	(1,672)	(1,862)	(1,376)	(1,636)
	13,621	10,176	9,723	6,208
buildings - at valuation 31/12/12 (iv)	123,961	-	123,961	-
buildings - at valuation 30/06/09 (iii)	-	104,492	-	104,492
less: accumulated depreciation	(59,541)	(52,506)	(59,541)	(52,506)
	64,420	51,986	64,420	51,986
	78,041	62,162	74,143	58,194
other controlled				
buildings - at cost	44	1,403	44	1,403
less: accumulated depreciation	(13)	(293)	(13)	(293)
	31	1,110	31	1,110
buildings - at valuation 31/12/12 (iv)	53,936	-	53,936	-
buildings - at valuation 30/06/09 (iii)	-	39,863	-	39,863
less: accumulated depreciation	(32,703)	(24,648)	(32,703)	(24,648)
	21,233	15,215	21,233	15,215
	21,264	16,325	21,264	16,325
Total buildings	99,305	78,487	95,407	74,519
Total property	152,172	124,938	148,274	120,970

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
Note 20 Property, infrastructure, plant and equipment (cont.)	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<i>Plant and equipment</i>				
Plant and equipment				
plant and equipment - at cost	26,397	25,806	24,897	24,395
less: accumulated depreciation	(12,685)	(12,801)	(12,290)	(12,539)
	13,712	13,005	12,607	11,856
plant and equipment - leased	286	286	286	286
less: accumulated depreciation	(173)	(139)	(173)	(139)
	113	147	113	147
Total plant and equipment	13,825	13,152	12,720	12,003
Furniture and fittings				
furniture and fittings - at cost	3,261	3,025	3,261	3,025
less: accumulated depreciation	(2,609)	(2,392)	(2,609)	(2,392)
	652	633	652	633
furniture and fittings - leased	1,240	1,240	1,240	1,240
less: accumulated depreciation	(1,218)	(1,199)	(1,218)	(1,199)
	22	41	22	41
Total furniture and fittings	674	674	674	674
Artworks				
artworks - cost	95	59	95	59
artworks - at valuation 30/06/11 (ii)	27,379	27,379	27,379	27,379
Total artwork	27,474	27,438	27,474	27,438
Library books				
bookstock - at cost	2,886	2,620	2,886	2,620
less: accumulated depreciation	(1,799)	(1,632)	(1,799)	(1,632)
Total library books	1,087	988	1,087	988
Total plant and equipment	43,060	42,252	41,955	41,103

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Note 20 Property, infrastructure, plant and equipment (cont.)				
<i>Infrastructure</i>				
Roads sealed				
formation				
roads - at valuation 30/06/13 (vi)	33,960	-	33,960	-
roads - at valuation 30/06/12(v)	-	32,377	-	32,377
	33,960	32,377	33,960	32,377
pavement				
roads - at valuation 30/06/13 (vi)	100,454	-	100,454	-
roads - at valuation 30/06/12(v)	-	94,736	-	94,736
less: accumulated depreciation	(64,021)	(60,816)	(64,021)	(60,816)
	36,433	33,920	36,433	33,920
surface				
roads - at valuation 30/06/13 (vi)	56,038	-	56,038	-
roads - at valuation 30/06/12(v)	-	53,932	-	53,932
less: accumulated depreciation	(32,478)	(35,596)	(32,478)	(35,596)
	23,560	18,336	23,560	18,336
Total roads sealed	93,953	84,633	93,953	84,633
roads - unsealed				
formation				
roads - at valuation 30/06/13 (vi)	117,688	-	117,688	-
roads - at valuation 30/06/12(v)	-	115,520	-	115,520
	117,688	115,520	117,688	115,520
pavement				
roads - at valuation 30/06/13 (vi)	66,412	-	66,412	-
roads - at valuation 30/06/12(v)	-	63,323	-	63,323
less: accumulated depreciation	(39,126)	(38,142)	(39,126)	(38,142)
	27,286	25,181	27,286	25,181
Total roads - unsealed	144,974	140,701	144,974	140,701
kerb and channel				
at valuation 30/06/13 (vi)	53,522	-	53,522	-
at valuation 30/06/12(v)	-	52,239	-	52,239
less: accumulated depreciation	(31,409)	(30,980)	(31,409)	(30,980)
Total kerb and channel	22,113	21,259	22,113	21,259

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
Note 20 Property, infrastructure, plant and equipment (cont.)	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
footpaths and cycleways				
footpath - at valuation 30/06/13 (vi)	37,412	-	37,412	-
footpath - at valuation 30/06/12(v)	-	52,435	-	52,435
less: accumulated depreciation	(22,507)	(38,646)	(22,507)	(38,646)
Total footpaths and cycleways	14,905	13,789	14,905	13,789
Total roads, kerb and channel and footpaths	275,945	260,382	275,945	260,382
Other Infrastructure				
Drainage				
drainage - at valuation 30/06/13 (vi)	110,034	-	110,034	-
drainage - at valuation 30/06/12 (v)	-	109,095	-	109,095
less: accumulated depreciation	(26,175)	(26,135)	(26,175)	(26,135)
Total drainage	83,859	82,960	83,859	82,960
Landfill				
landfill - at cost	4,599	2,304	4,599	2,304
transfer from provision	208	2,296	208	2,296
less: accumulated depreciation	(1,119)	(1,028)	(1,119)	(1,028)
Total landfill	3,688	3,572	3,688	3,572
Airport runway				
airport runway - at cost	17,786	17,786	-	-
less: accumulated depreciation	(1,390)	(1,065)	-	-
Total airport runway	16,396	16,721	-	-

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
Note 20 Property, infrastructure, plant and equipment (cont.)	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<i>Infrastructure (cont.)</i>				
Outdoor infrastructure				
outdoor infrastructure - at cost	34,274	28,620	31,199	25,660
less: accumulated depreciation	(6,548)	(5,119)	(6,141)	(4,825)
	27,726	23,501	25,058	20,835
outdoor infrastructure - at valuation 30/06/04 (i)	13,610	13,610	13,610	13,610
less: accumulated depreciation	(10,665)	(10,401)	(10,665)	(10,401)
	2,945	3,209	2,945	3,209
Total outdoor infrastructure	30,671	26,710	28,003	24,044
Total infrastructure	410,559	390,345	391,495	370,958
<i>Capital works in progress - roads/outdoor infrastructure/furniture and fittings/airport runways</i>				
Works in progress				
land	74	74	74	74
buildings	6,423	5,859	213	5,223
plant and equipment	36	(17)	36	(17)
furniture and fittings	725	694	725	694
roads	5,032	7,198	5,032	7,200
drainage	7,397	4,458	7,397	4,458
outdoor infrastructure	6,308	8,640	6,230	8,640
landfill	9	-	9	-
intangible assets - software	28	-	28	-
Total capital works in progress	26,032	26,906	19,744	26,272
Total property, infrastructure, plant and equipment	631,823	584,441	601,468	559,303

**Notes to the Financial Report
For the Year Ended 30 June 2012**

Note 20 Property, infrastructure, plant and equipment (cont.)

(i) Valuation of these assets were completed by Mr Wayne Eddy BEng, (Council Officer), (as at 30 June 2004). Council's policy is that such infrastructure, whether acquired or constructed, are initially brought to account at cost and are periodically revalued to fair value. The basis of valuation is the estimated cost of construction or acquisition of replacement assets, less an allowance for accumulated depreciation, as at the date of valuation.

(ii) Artworks were valued at market valuation (as at 31 December 2010) by Mr Paul McIntyre, Approved Valuer for the Australian Government's Cultural Gifts Program.

(iii) Valuation of these assets were completed by Mr Stephen Lush AAPI, Certified Practising Valuer, recognised valuer, (Council Officer), (as at 30 June 2009), using current market values.

(iv) Valuation of land (excluding land under roads) and buildings were undertaken by Mr Con Demis AAPI, Certified Practising Valuer, recognised valuer, (Council Officer), (as at 31 December 2012), using current market values. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions.

(v) Valuation of these assets were completed by Mrs Kylie Sergi, B. Apps Sci (CS), (Council Officer), (as at 30 June 2012). Council's policy is that such infrastructure, whether acquired or constructed, are initially brought to account at cost and are periodically revalued to fair value. The basis of valuation is the estimated cost of construction or acquisition of replacement assets, less an allowance for accumulated depreciation, as at the date of valuation.

(vi) Valuation of these assets were completed by Mrs Kylie Sergi, B. Apps Sci (CS), (Council Officer), (as at 30 June 2013). Council's policy is that such infrastructure, whether acquired or constructed, are initially brought to account at cost and are periodically revalued to fair value. The basis of valuation is the estimated cost of construction or acquisition of replacement assets, less an allowance for accumulated depreciation, as at the date of valuation.

(vii) Land under roads is valued at deemed cost/fair value. Deemed cost/fair value is based on Council valuations at 31 December 2012 for land under roads in existence at that date and at the date acquired for subsequent acquisitions using site values adjusted for engloba (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services.

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 20 Property, infrastructure, plant and equipment (cont.)

Consolidated

	Balance at beginning of financial year	Acquisition of assets	Recognition of assets	Contributions by developers (Note 6)	Revaluation increments/ decrements) (Note 26)	Depreciation/ amortisation expense (Note 13)	Disposals	Transfer between class	Transfers from Provisions	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2013										
<i>Property</i>										
land - freehold	43,242	-	-	-	(952)	-	-	-	-	42,290
land - other controlled	627	-	-	-	5,280	-	-	-	-	5,907
land under roads	2,582	-	-	1,047	1,041	-	-	-	-	4,670
Total land	46,451	-	-	1,047	5,369	-	-	-	-	52,967
buildings - on freehold land	62,162	3,902	-	-	8,032	(2,546)	(705)	7,196	-	78,041
buildings - on other controlled land	16,325	45	-	-	5,727	(703)	(130)	-	-	21,264
leasehold improvements	-	-	-	-	-	-	-	-	-	-
heritage buildings	-	-	-	-	-	-	-	-	-	-
Total buildings	78,487	3,947	-	-	13,759	(3,249)	(835)	7,196	-	99,305
Total Property	124,938	3,947	-	1,047	19,128	(3,249)	(835)	7,196	-	152,172
<i>Plant and equipment</i>										
plant and equipment	13,005	3,333	-	-	-	(2,080)	(553)	7	-	13,712
plant and equipment (leased)	147	-	-	-	-	(34)	-	-	-	113
furniture and fittings	633	237	-	-	-	(218)	-	-	-	652
furniture and fittings (leased)	41	-	-	-	-	(19)	-	-	-	22
artwork	27,438	36	-	-	-	-	-	-	-	27,474
library books	988	266	-	-	-	(167)	-	-	-	1,087
software	-	-	-	-	-	-	-	-	-	-
Total plant and equipment	42,252	3,872	-	-	-	(2,518)	(553)	7	-	43,060
<i>Infrastructure</i>										
roads - sealed										
formation	32,377	183	-	183	1,217	-	-	-	-	33,960
pavement	33,920	2,621	-	700	(2,063)	(1,633)	(286)	3,174	-	36,433
seal	18,336	4,164	-	1,121	1,827	(1,855)	(425)	392	-	23,560
roads - unsealed										
formation	115,520	-	-	-	2,168	-	-	-	-	117,688
pavement	25,181	1,946	-	-	92	(2,078)	(212)	2,357	-	27,286
other infrastructure assets										
kerb and channel	21,259	105	-	1,073	361	(855)	(1)	171	-	22,113
footpaths and cycleways	13,789	906	-	958	(583)	(613)	(66)	514	-	14,905
drainage	82,960	434	-	2,463	(2,015)	(847)	(11)	875	-	83,859
landfill	3,572	-	-	-	-	(92)	-	-	208	3,688
airport runway	16,721	-	-	-	-	(325)	-	-	-	16,396
outdoor infrastructure	26,710	1,334	-	-	-	(2,066)	(276)	4,969	-	30,671
Total infrastructure	390,345	11,693	-	6,498	1,004	(10,364)	(1,277)	12,452	208	410,559
<i>Works in progress</i>										
land	74	-	-	-	-	-	-	-	-	74
buildings	5,857	7,874	-	-	-	-	-	(7,308)	-	6,423
plant and equipment	(17)	60	-	-	-	-	-	(7)	-	36
furniture and fittings	694	31	-	-	-	-	-	-	-	725
roads	7,200	4,389	51	-	-	-	-	(6,608)	-	5,032
drainage	4,458	3,814	-	-	-	-	-	(875)	-	7,397
outdoor infrastructure	8,640	2,516	9	-	-	-	-	(4,857)	-	6,308
landfill	-	9	-	-	-	-	-	-	-	9
intangible assets - software	-	28	-	-	-	-	-	-	-	28
Total works in progress	26,906	18,721	60	-	-	-	-	(19,655)	-	26,032
Total property, plant and equipment, infrastructure	584,441	38,233	60	7,545	20,132	(16,131)	(2,665)	-	208	631,823

(a) Impairment losses

Impairment losses are recognised in the income statement under other expenses.
Reversals of impairment losses are recognised in the income statement
under other revenue.

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 20 Property, infrastructure, plant and equipment (cont.)

Council

2013	Balance at beginning of financial year	Acquisition of assets	Recognition of assets	Contributions by developers (Note 6)	Revaluation increments/ (decrements) (Note 26)	Depreciation/ amortisation expense (Note 13)	Disposals	Transfer between class	Transfers from Provisions	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property										
land - freehold	43,242	-	-	-	(952)	-	-	-	-	42,290
land - other controlled	627	-	-	-	5,280	-	-	-	-	5,907
land under roads	2,582	-	-	1,047	1,041	-	-	-	-	4,670
Total land	46,451	-	-	1,047	5,369	-	-	-	-	52,867
buildings - on freehold land	58,194	3,902	-	-	8,032	(2,476)	(705)	7,196	-	74,143
buildings - on other controlled land	16,325	45	-	-	5,727	(703)	(130)	-	-	21,264
leasehold improvements	-	-	-	-	-	-	-	-	-	-
heritage buildings	-	-	-	-	-	-	-	-	-	-
Total buildings	74,519	3,947	-	-	13,759	(3,179)	(835)	7,196	-	95,407
Total property	120,970	3,947	-	1,047	19,128	(3,179)	(835)	7,196	-	148,274
Plant and equipment										
plant and equipment	11,856	3,244	-	-	-	(1,947)	(553)	7	-	12,607
plant and equipment (leased)	147	-	-	-	-	(34)	-	-	-	113
furniture and fittings	633	237	-	-	-	(218)	-	-	-	652
furniture and fittings (leased)	41	-	-	-	-	(19)	-	-	-	22
artwork	27,438	36	-	-	-	-	-	-	-	27,474
library books	988	266	-	-	-	(167)	-	-	-	1,087
software	-	-	-	-	-	-	-	-	-	-
Total plant and equipment	41,103	3,783	-	-	-	(2,385)	(553)	7	-	41,955
Infrastructure										
roads - sealed										
formation	32,377	183	-	183	1,217	-	-	-	-	33,960
pavement	33,920	2,621	-	700	(2,063)	(1,633)	(286)	3,174	-	36,433
seal	18,336	4,164	-	1,121	1,827	(1,855)	(425)	392	-	23,560
roads - unsealed										
formation	115,520	-	-	-	2,168	-	-	-	-	117,688
pavement	25,181	1,946	-	-	92	(2,078)	(212)	2,357	-	27,286
other infrastructure assets										
kerb and channel	21,259	105	-	1,073	361	(855)	(1)	171	-	22,113
footpaths and cycleways	13,789	906	-	958	(583)	(613)	(66)	514	-	14,905
drainage	82,960	434	-	2,463	(2,015)	(847)	(11)	875	-	83,859
landfill	3,572	-	-	-	-	(92)	-	-	208	3,688
airport runway	-	-	-	-	-	-	-	-	-	-
outdoor infrastructure	24,044	1,331	-	-	-	(1,953)	(276)	4,857	-	28,003
Total infrastructure	370,958	11,690	-	6,498	1,004	(9,926)	(1,277)	12,340	208	391,495
Works in progress										
land	74	-	-	-	-	-	-	-	-	74
buildings	5,223	2,186	-	-	-	-	-	(7,196)	-	213
plant and equipment	(17)	60	-	-	-	-	-	(7)	-	36
furniture and fittings	694	31	-	-	-	-	-	-	-	725
roads	7,200	4,389	51	-	-	-	-	(6,608)	-	5,032
drainage	4,458	3,814	-	-	-	-	-	(875)	-	7,397
outdoor infrastructure	8,640	2,438	9	-	-	-	-	(4,857)	-	6,230
landfill	-	9	-	-	-	-	-	-	-	9
intangible assets - software	-	28	-	-	-	-	-	-	-	28
Total works in progress	26,272	12,955	60	-	-	-	-	(19,543)	-	19,744
Total property, plant and equipment, infrastructure	559,303	32,375	60	7,545	20,132	(15,490)	(2,665)	-	208	601,468

(a) Impairment losses

Impairment losses are recognised in the income statement under other expenses.

Reversals of impairment losses are recognised in the income statement

under other revenue.

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 20 Property, infrastructure, plant and equipment (cont.)

Consolidated

	Balance at beginning of financial year	Acquisition of assets	Recognition of assets	Contributions by developers (Note 6)	Revaluation increments/ (decrements) (Note 26)	Depreciation/ amortisation expense (Note 13)	Disposals	Transfer between class	Transfers from provisions	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2012										
Property										
land - freehold	42,482	685	-	75	-	-	-	-	-	43,242
land - other controlled	627	-	-	-	-	-	-	-	-	627
land under roads	1,531	-	-	1,051	-	-	-	-	-	2,582
Total land	44,640	685	-	1,126	-	-	-	-	-	46,451
buildings - on freehold land	60,792	1,415	-	-	-	(1,729)	-	1,684	-	62,162
buildings - on other controlled land	16,526	278	-	-	-	(561)	-	82	-	16,325
leasehold improvements	-	-	-	-	-	-	-	-	-	-
heritage buildings	-	-	-	-	-	-	-	-	-	-
Total buildings	77,318	1,693	-	-	-	(2,290)	-	1,766	-	78,487
Total property	121,958	2,378	-	1,126	-	(2,290)	-	1,766	-	124,938
Plant and equipment										
plant and equipment	12,251	3,019	-	-	-	(2,270)	(277)	282	-	13,005
plant and equipment (leased)	363	-	-	-	-	(66)	(150)	-	-	147
furniture and fittings	897	5	-	-	-	(269)	-	-	-	633
furniture and fittings (leased)	71	-	-	-	-	(30)	-	-	-	41
artwork	27,429	9	-	-	-	-	-	-	-	27,438
library books	946	217	-	-	-	(175)	-	-	-	988
software	-	-	-	-	-	-	-	-	-	-
Total plant and equipment	41,957	3,250	-	-	-	(2,810)	(427)	282	-	42,252
Infrastructure										
roads - sealed										
formation	31,338	-	-	135	904	-	-	-	-	32,377
pavement	25,223	1,239	-	511	8,301	(1,622)	(31)	299	-	33,920
seal	15,737	1,980	-	834	1,476	(1,831)	(410)	550	-	18,336
roads - unsealed										
formation	112,279	-	-	-	3,241	-	-	-	-	115,520
pavement	24,712	1,213	-	-	1,041	(2,048)	(30)	293	-	25,181
other infrastructure assets										
kerb and channel	20,675	235	-	800	425	(847)	(122)	93	-	21,259
footpaths and cycleways	9,202	207	1,146	700	2,926	(414)	-	22	-	13,789
drainage	43,495	341	8,579	804	35,815	(710)	(11)	(5,353)	-	82,960
landfill	1,368	-	-	-	-	(92)	-	-	2,296	3,572
airport runway	17,046	-	-	-	-	(325)	-	-	-	16,721
outdoor infrastructure	20,413	1,749	-	10	-	(1,800)	-	6,338	-	26,710
Total infrastructure	321,488	6,964	9,725	3,794	54,129	(9,689)	(604)	2,242	2,296	390,345
Works in progress										
land	-	74	-	-	-	-	-	-	-	74
buildings	2,335	5,292	-	-	-	-	-	(1,770)	-	5,857
plant and equipment	211	54	-	-	-	-	-	(282)	-	(17)
furniture and fittings	694	-	-	-	-	-	-	-	-	694
roads	2,933	5,523	-	-	-	-	-	(1,256)	-	7,200
drainage	977	3,589	-	-	-	-	-	(108)	-	4,458
outdoor infrastructure	6,610	2,904	-	-	-	-	-	(874)	-	8,640
landfill	-	-	-	-	-	-	-	-	-	-
intangible assets - software	-	-	-	-	-	-	-	-	-	-
Total works in progress	13,760	17,436	-	-	-	-	-	(4,290)	-	26,906
Total property, plant and equipment, infrastructure	499,163	30,028	9,725	4,920	54,129	(14,789)	(1,031)	-	2,296	584,441

(a) Impairment losses

Impairment losses are recognised in the income statement under other expenses.

Reversals of impairment losses are recognised in the income statement under other revenue.

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 20 Property, infrastructure, plant and equipment (cont.)

Council

	Balance at beginning of financial year	Acquisition of assets	Recognition of assets	Contributions by developers (Note 6)	Revaluation increments/ (decrements) (Note 26)	Depreciation/ amortisation expense (Note 13)	Disposals	Transfer between class	Transfers from Provisions	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2012										
Property										
land - freehold	42,482	685	-	75	-	-	-	-	-	43,242
land - other controlled	627	-	-	-	-	-	-	-	-	627
land under roads	1,531	-	-	1,051	-	-	-	-	-	2,582
Total land	44,640	685	-	1,126	-	-	-	-	-	46,451
buildings - on freehold land	56,758	1,415	-	-	-	(1,663)	-	1,684	-	58,194
buildings - on other controlled land	16,526	278	-	-	-	(561)	-	82	-	16,325
leasehold improvements	-	-	-	-	-	-	-	-	-	-
heritage buildings	-	-	-	-	-	-	-	-	-	-
Total buildings	73,284	1,693	-	-	-	(2,224)	-	1,766	-	74,519
Total property	117,924	2,378	-	1,126	-	(2,224)	-	1,766	-	120,970
Plant and equipment										
plant and equipment	11,212	2,805	-	-	-	(2,166)	(277)	282	-	11,856
plant and equipment (leased)	363	-	-	-	-	(66)	(150)	-	-	147
furniture and fittings	897	5	-	-	-	(269)	-	-	-	633
furniture and fittings (leased)	71	-	-	-	-	(30)	-	-	-	41
artwork	27,429	9	-	-	-	-	-	-	-	27,438
library books	946	217	-	-	-	(175)	-	-	-	988
software	-	-	-	-	-	-	-	-	-	-
Total plant and equipment	40,918	3,036	-	-	-	(2,706)	(427)	282	-	41,103
Infrastructure										
roads - sealed										
formation	31,338	-	-	135	904	-	-	-	-	32,377
pavement	25,223	1,239	-	511	8,301	(1,622)	(31)	299	-	33,920
seal	15,737	1,980	-	834	1,476	(1,831)	(410)	550	-	18,336
roads - unsealed										
formation	112,279	-	-	-	3,241	-	-	-	-	115,520
pavement	24,712	1,213	-	-	1,041	(2,048)	(30)	293	-	25,181
other infrastructure assets										
kerb and channel	20,675	235	-	800	425	(847)	(122)	93	-	21,259
footpaths and cycleways	9,202	207	1,146	700	2,926	(414)	-	22	-	13,789
drainage	43,495	341	8,579	804	35,815	(710)	(11)	(5,353)	-	82,960
landfill	1,368	-	-	-	-	(92)	-	-	2,296	3,572
airport runway	-	-	-	-	-	-	-	-	-	-
outdoor infrastructure	17,656	1,732	-	10	-	(1,689)	-	6,335	-	24,044
Total infrastructure	301,685	6,947	9,725	3,794	54,129	(9,253)	(604)	2,239	2,296	370,958
Works in progress										
land	-	74	-	-	-	-	-	-	-	74
buildings	2,040	4,950	-	-	-	-	-	(1,767)	-	5,223
plant and equipment	211	54	-	-	-	-	-	(282)	-	(17)
furniture and fittings	694	-	-	-	-	-	-	-	-	694
roads	2,933	5,523	-	-	-	-	-	(1,256)	-	7,200
drainage	977	3,589	-	-	-	-	-	(108)	-	4,458
outdoor infrastructure	6,610	2,904	-	-	-	-	-	(874)	-	8,640
intangible assets - software	-	-	-	-	-	-	-	-	-	-
Total works in progress	13,465	17,094	-	-	-	-	-	(4,287)	-	26,272
Total property, plant and equipment, infrastructure	473,992	29,455	9,725	4,920	54,129	(14,183)	(1,031)	-	2,296	559,303

(a) Impairment losses

Impairment losses are recognised in the income statement under other expenses.

Reversals of impairment losses are recognised in the income statement under other revenue.

**Notes to the Financial Report
For the Year Ended 30 June 2013**

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 21 Intangible assets				
Software	1,078	1,147	1,078	1,147
Water Rights - at valuation 30/06/12 (i)	-	2,264	-	2,237
Water Rights - at valuation 30/06/13 (ii)	2,188	-	2,161	-
Total intangible assets	3,266	3,411	3,239	3,384

(i) Valuation of these assets were completed by Mr Con Demis AAPI, Certified Practising Valuer, recognised valuer, (Council Officer), (as at 30 June 2012), using current market values.

(ii) Valuation of these assets were completed by Mr Con Demis AAPI, Certified Practising Valuer, recognised valuer, (Council Officer), (as at 30 June 2013), using current market values.

Gross carrying amount

Balance at 1 July 2011	-	3,829	-	3,796
Additions	-	60	-	60
Other	-	(264)	-	(258)
Balance at 1 July 2012	3,625	3,625	3,598	3,598
Additions	50	-	50	-
Revaluation increment/(decrement)	(77)	-	(77)	-
Balance at 30 June 2013	3,598	3,625	3,571	3,598

Accumulated amortisation and impairment

Balance at 1 July 2011	-	73	-	73
Amortisation expense	-	141	-	141
Balance at 1 July 2012	214	214	214	214
Amortisation expense	118	-	118	-
Balance at 30 June 2013	332	214	332	214

Net book value at 30 June	3,266	3,411	3,239	3,384
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Note 22 Trade and other payables

Trade payables	6,532	6,127	5,719	5,910
Accrued expenses	1,453	1,244	1,441	1,227
Total trade and other payables	7,985	7,371	7,160	7,137

**Notes to the Financial Report
For the Year Ended 30 June 2013**

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 23 Trust funds and deposits				
Refundable contract deposits	224	105	224	105
Refundable civic facilities deposits	3	3	3	3
Retention amounts	1,132	984	1,132	984
Other refundable deposits	435	657	435	657
Total trust funds and deposits	1,794	1,749	1,794	1,749

Nature and purpose of trusts and deposits

Name of trust or deposit

Security Deposits	Deposits levied against private contractors where damage could occur to a Council owned asset.
Facility Hire Bonds	Bonds collected from persons for a booking for the use of a facility which is owned by Council.
Footpath Retention	Retentions collected from private contractors where damage may occur to a Council owned footpath.
Other Retention Funds	Retentions collected and held from private contractors who are involved in contracted works or services for the Council. These retentions are held until the works and services are completed satisfactorily.
Planning Bonds	Bonds collected from developers for statement of compliance but works are incomplete. Refunded when all works are completed.
Trust Funds	Funds held in trust for private drainage works.
Purchase Recoups	Monies collected on behalf of other entities for payment of accounts received by Council.
Building Permit Levies	Levies collected on behalf of the Building Commission.
EPA Levy	Levies collected on behalf of the Environment Protection Authority.
Roden White Kilburn Trust	Monies trusted to Rio Vista to enable live performances to take place in the Rio Vista building.
Art Purchase Fund	Monies donated to the Mildura Arts Centre for the purchase of art works.
Rio Vista Restoration Fund	Heritage funding received for restoration projects to the Rio Vista building.
MVIC Trust	Commission retained by Mildura Visitor Information Centre for accommodation bookings are made.

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 24 Provisions

Consolidated

	Annual leave	Long service leave	Other entitlements	Redundancy	Workcover	Superannuation	Landfill rehabilitation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2013								
Balance at beginning of the financial year	3,618	5,480	606	151	103	7,269	5,078	22,305
Additional provisions	3,135	825	1,266	-	-	-	208	5,434
Amounts used	(3,061)	(584)	(1,268)	(151)	(103)	(7,269)	-	(12,436)
Balance at the end of the financial year	3,692	5,721	604	-	-	-	5,286	15,303
2012								
Balance at beginning of the financial year	3,245	4,650	506	-	-	-	2,798	11,199
Additional provisions	2,879	1,309	1,018	151	103	7,269	2,296	15,025
Amounts used	(2,506)	(479)	(918)	-	-	-	(16)	(3,919)
Balance at the end of the financial year	3,618	5,480	606	151	103	7,269	5,078	22,305

Council

	Annual leave	Long service leave	Other entitlements	Redundancy	Workcover	Superannuation	Landfill rehabilitation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2013								
Balance at beginning of the financial year	3,546	5,480	606	151	103	7,269	5,078	22,233
Additional provisions	3,121	792	1,266	-	-	-	208	5,387
Amounts used	(3,061)	(584)	(1,268)	(151)	(103)	(7,269)	-	(12,436)
Balance at the end of the financial year	3,606	5,688	604	-	-	-	5,286	15,184
2012								
Balance at beginning of the financial year	3,179	4,650	506	-	-	-	2,798	11,133
Additional provisions	2,873	1,309	1,018	151	103	7,269	2,296	15,019
Amounts used	(2,506)	(479)	(918)	-	-	-	(16)	(3,919)
Balance at the end of the financial year	3,546	5,480	606	151	103	7,269	5,078	22,233

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 24 Provisions (cont.)

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
(a) Employee provisions				
Current (i)				
Annual leave	3,692	3,618	3,606	3,546
Long service leave	4,571	4,701	4,571	4,701
Redundancy	-	151	-	151
Superannuation	-	7,269	-	7,269
Workcover	-	103	-	103
Other	604	606	604	606
Total	8,867	16,448	8,781	16,376
Non-current (ii)				
Long service leave	1,150	779	1,117	779
Total	1,150	779	1,117	779
Aggregate carrying amount of employee provisions:				
Current	8,867	16,448	8,781	16,376
Non-current	1,150	779	1,117	779
Total	10,017	17,227	9,898	17,155
The following assumptions were adopted in measuring the present value of employee benefits:				
Weighted average increase in employee costs	4.50%	4.31%	4.50%	4.31%
Weighted average discount rates	3.79%	3.06%	3.79%	3.06%
Weighted average settlement period	12	12	12	12
(i) Current				
All annual leave and the long service leave entitlements representing 7 or more years of continuous service				
- Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value	4,514	11,965	4,508	11,893
- Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value	4,353	4,483	4,273	4,483
	8,867	16,448	8,781	16,376
(ii) Non-current				
Long service leave representing less than 7 years of continuous service measured at present value	1,150	779	1,117	779
	1,150	779	1,117	779
Total employee provisions	10,017	17,227	9,898	17,155
(b) Landfill restoration				
Under the Environmental Protection Act Council is obligated to restore the Mildura Landfill site to a particular standard. Current projections indicate that the Mildura Landfill site will cease operation in 2054 and restoration work is expected to commence shortly thereafter. The forecast life of the Mildura Landfill site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.				
Non-current				
Landfill restoration	5,286	5,078	5,286	5,078
Total landfill restoration	5,286	5,078	5,286	5,078
Total provisions				
Current	8,867	16,448	8,781	16,376
Non-current	6,436	5,857	6,403	5,857
Total provisions	15,303	22,305	15,184	22,233

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 25 Interest-bearing loans and borrowings				
<i>Current</i>				
Borrowings - secured	1,957	1,568	1,957	1,568
	<u>1,957</u>	<u>1,568</u>	<u>1,957</u>	<u>1,568</u>
<i>Non-current</i>				
Borrowings - secured	21,118	17,912	21,118	17,912
	<u>21,118</u>	<u>17,912</u>	<u>21,118</u>	<u>17,912</u>
Total interest-bearing loans and borrowings	23,075	19,480	23,075	19,480
The maturity profile for Council's borrowings is:				
Loans - Security				
Not later than one year	1,957	1,568	1,957	1,568
Later than one year and not later than five years	7,127	5,956	7,127	5,956
Later than five years	13,991	11,956	13,991	11,956
Total	23,075	19,480	23,075	19,480
<i>Finance leases</i>				
Council had the following obligations under finance leases for the lease of equipment (the sum of which is recognised as a liability after deduction of future lease finance charges included in the obligation):				
Not later than one year	111	174	17	84
Later than one year and not later than five years	98	209	52	69
Later than five years	-	-	-	-
Minimum lease payments	209	383	69	153
Less: Future finance charges	11	17	11	17
Total	198	366	58	136
<i>Current</i>				
Leases	106	168	12	78
	<u>106</u>	<u>168</u>	<u>12</u>	<u>78</u>
<i>Non-current</i>				
Leases	92	198	46	58
	<u>92</u>	<u>198</u>	<u>46</u>	<u>58</u>
Total finance leases	198	366	58	136
Aggregate carrying amount of interest-bearing loans and borrowings:				
Current	2,063	1,736	1,969	1,646
Non-current	21,210	18,110	21,164	17,970
Total interest-bearing loans and borrowings	23,273	19,846	23,133	19,616

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 26 Reserves

Consolidated

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
(a) Asset revaluation reserve	\$'000	\$'000	\$'000	\$'000
2013				
Property				
Land	13,330	4,328	-	17,658
Land under roads	-	1,041	-	1,041
Buildings	45,072	13,759	-	58,831
	58,402	19,128	-	77,530
Plant and Equipment				
Artwork	14,567	-	-	14,567
	14,567	-	-	14,567
Infrastructure				
Roads	190,934	3,019	-	193,953
Drains	38,845	-	(2,015)	36,830
Outdoor infrastructure	2,072	-	-	2,072
Airport runway	9,594	-	-	9,594
	241,445	3,019	(2,015)	242,449
Water rights				
Water rights	272	-	(77)	195
	272	-	(77)	195
Total asset revaluation reserve	314,686	22,147	(2,092)	334,741
2012				
Property				
Land	13,330	-	-	13,330
Buildings	45,072	-	-	45,072
	58,402	-	-	58,402
Plant and equipment				
Artwork	14,567	-	-	14,567
	14,567	-	-	14,567
Infrastructure				
Roads	172,620	18,314	-	190,934
Drains	3,030	35,815	-	38,845
Outdoor infrastructure	2,072	-	-	2,072
Airport runway	9,594	-	-	9,594
	187,316	54,129	-	241,445

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 26 Reserves (cont.)

Water rights

Water rights	530	-	(258)	272
	<u>530</u>	<u>-</u>	<u>(258)</u>	<u>272</u>

Total asset revaluation reserve	<u>260,815</u>	<u>54,129</u>	<u>(258)</u>	<u>314,686</u>
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Consolidated

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
(b) Other reserves	\$'000	\$'000	\$'000	\$'000

2013

Non discretionary reserves

Apex Park reserve	404	81	-	485
Car parking	32	1	-	33
Drainage	391	4	-	395
Resort/Recreation/Open Space	102	1	-	103
Naturestrips and trees	16	2	-	18
Developer Contribution reserve	792	225	(252)	765
Total	<u>1,737</u>	<u>314</u>	<u>(252)</u>	<u>1,799</u>

Discretionary reserves

Asset renewal reserve	406	5	-	411
Drainage maintenance and infrastructure	5,897	3,184	(9,081)	-
Plant replacement reserve	539	3,586	(4,125)	-
Landfill redevelopment	6,357	7,702	(6,978)	7,081
Street light poles	10	-	-	10
Artwork acquisition reserve	66	1	(11)	56
Primary Care Partnership reserve	199	505	(519)	185
Landfill rehabilitation reserve	807	178	(6)	979
Small Towns Development reserve	733	6	(228)	511
DGR Donations Reserve - MAC Theatre	17	62	-	79
Library Book Bequest reserve	-	99	-	99
Total	<u>15,031</u>	<u>15,328</u>	<u>(20,948)</u>	<u>9,411</u>

Total other reserves	<u>16,768</u>	<u>15,642</u>	<u>(21,200)</u>	<u>11,210</u>
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Notes to the Financial Report
For the Year Ended 30 June 2013

Note 26 Reserves (cont.)

Consolidated

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
(b) Other reserves (cont.)	\$'000	\$'000	\$'000	\$'000
2012				
<i>Non discretionary reserves</i>				
Apex Park reserve	449	89	(134)	404
Car parking	31	1	-	32
Drainage	501	15	(125)	391
Resort/Recreation/Open Space	97	5	-	102
Naturestrips and trees	19	7	(10)	16
Developer Contribution reserve	545	644	(397)	792
Total	1,642	761	(666)	1,737
<i>Discretionary reserves</i>				
Asset renewal reserve	391	15	-	406
Drainage maintenance and infrastructure	4,239	3,156	(1,498)	5,897
Plant replacement reserve	496	2,736	(2,693)	539
Tip redevelopment	5,826	7,418	(6,887)	6,357
Street light poles	7	3	-	10
Artwork acquisition reserve	43	32	(9)	66
Primary Care Partnership reserve	290	333	(424)	199
Landfill rehabilitation reserve	734	196	(123)	807
Small Towns Development reserve	741	28	(36)	733
Risk management	23	-	(23)	-
DGR Donations Reserve - MAC Theatre	-	17	-	17
Total	12,790	13,934	(11,693)	15,031
Total other reserves	14,432	14,695	(12,359)	16,768

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 26 Reserves (cont.)

Council

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
(a) Asset revaluation reserve	\$'000	\$'000	\$'000	\$'000
2013				
Property				
Land	13,330	4,328	-	17,658
Land under roads	-	1,041	-	1,041
Buildings	44,935	13,759	-	58,694
	<u>58,265</u>	<u>19,128</u>	<u>-</u>	<u>77,393</u>
Plant and equipment				
Artwork	14,567	-	-	14,567
	<u>14,567</u>	<u>-</u>	<u>-</u>	<u>14,567</u>
Infrastructure				
Roads	190,934	3,019	-	193,953
Drains	38,845	-	(2,015)	36,830
Outdoor infrastructure	2,072	-	-	2,072
Airport runway	9,594	-	-	9,594
	<u>241,445</u>	<u>3,019</u>	<u>(2,015)</u>	<u>242,449</u>
Water rights				
Water rights	272	-	(77)	195
	<u>272</u>	<u>-</u>	<u>(77)</u>	<u>195</u>
Total asset revaluation reserve	<u>314,549</u>	<u>22,147</u>	<u>(2,092)</u>	<u>334,604</u>
2012				
Property				
Land	13,330	-	-	13,330
Buildings	44,935	-	-	44,935
	<u>58,265</u>	<u>-</u>	<u>-</u>	<u>58,265</u>
Plant and equipment				
Artwork	14,567	-	-	14,567
	<u>14,567</u>	<u>-</u>	<u>-</u>	<u>14,567</u>
Infrastructure				
Roads	172,620	18,314	-	190,934
Drains	3,030	35,815	-	38,845
Outdoor infrastructure	2,072	-	-	2,072
Airport runway	9,594	-	-	9,594
	<u>187,316</u>	<u>54,129</u>	<u>-</u>	<u>241,445</u>

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 26 Reserves (cont.)

Water rights				
Water rights	530	-	(258)	272
	<u>530</u>	<u>-</u>	<u>(258)</u>	<u>272</u>
Total asset revaluation reserve	<u>260,678</u>	<u>54,129</u>	<u>(258)</u>	<u>314,549</u>

Council	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
(b) Other reserves	\$'000	\$'000	\$'000	\$'000
2013				
<i>Non discretionary reserves</i>				
Apex Park reserve	404	81	-	485
Car parking	32	1	-	33
Drainage	391	4	-	395
Resort/Recreation/Open Space	102	1	-	103
Naturestrips and trees	16	2	-	18
Developer Contribution reserve	792	225	(252)	765
Total	<u>1,737</u>	<u>314</u>	<u>(252)</u>	<u>1,799</u>
<i>Discretionary reserves</i>				
Plant replacement reserve	539	3,586	(4,125)	-
Landfill redevelopment	6,357	7,702	(6,978)	7,081
Street light poles	10	-	-	10
Asset renewal reserve	406	5	-	411
Drainage maintenance and infrastructure	5,897	3,184	(9,081)	-
Landfill rehabilitation reserve	807	178	(6)	979
DGR Donations Reserve - MAC Theatre	17	62	-	79
Artwork acquisition reserve	66	1	(11)	56
Primary Care Partnership reserve	199	505	(519)	185
Small Towns Development reserve	733	6	(228)	511
Library Book Bequest reserve	-	99	-	99
Total	<u>15,031</u>	<u>15,328</u>	<u>(20,948)</u>	<u>9,411</u>
Total other reserves	<u>16,768</u>	<u>15,642</u>	<u>(21,200)</u>	<u>11,210</u>

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 26 Reserves (cont.)

Council	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
(b) Other reserves (cont.)	\$'000	\$'000	\$'000	\$'000
2012				
<i>Non discretionary reserves</i>				
Apex Park reserve	449	89	(134)	404
Car parking	31	1	-	32
Drainage	501	15	(125)	391
Resort/Recreation/Open Space	97	5	-	102
Naturestrips and trees	19	7	(10)	16
Developer Contribution reserve	545	644	(397)	792
Total	1,642	761	(666)	1,737
<i>Discretionary reserves</i>				
Asset renewal reserve	391	15	-	406
Drainage maintenance and infrastructure	4,239	3,156	(1,498)	5,897
Plant replacement reserve	496	2,736	(2,693)	539
Landfill redevelopment	5,826	7,418	(6,887)	6,357
Street light pole	7	3	-	10
Artwork acquisition reserve	43	32	(9)	66
Primary Care Partnership reserve	290	333	(424)	199
Landfill rehabilitation reserve	734	196	(123)	807
Small Towns Development reserve	741	28	(36)	733
Risk management	23	-	(23)	-
Resort and recreation reserve	-	17	-	17
Total	12,790	13,934	(11,693)	15,031
Total other reserves	14,432	14,695	(12,359)	16,768

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 26 Reserves (cont.)

Name of Reserve	Nature and Purpose
<i>Non discretionary reserves</i>	
Apex Park reserve	Set up under a Committee of Management agreement with N.R.E., where surplus funds are to be set aside for improvements to the park lands.
Car parking reserve	Statutory contributions under development plans to be used for the advancement of car parking facilities within the municipality.
Drainage reserve	Developer contributions and E.P.A. grant, to be used for drainage studies.
Resort/Recreation/Open Space reserve	Statutory developer contributions to be used for parks development.
Nature Strips and trees reserve	Statutory developer contributions to be spent on street beautification.
Developer Contribution reserve	Statutory developer contributions to be used for infrastructure asset categories which do not have a dedicated reserve above.
<i>Discretionary reserves</i>	
Asset renewal reserve	Established in order to take advantage of any possible matching funding, by way of government grants, for renewal of Council assets.
Drainage maintenance and infrastructure reserve	Set up to establish funds for major capital works and maintenance to drainage works in the Mildura Rural City Council area.
Plant replacement reserve	Surplus on plant operations, to be used for new and replacement plant.
Landfill redevelopment reserve	Surplus on waste management operations, to be used for landfill reinstatement and purchase of new landfill sites.
Street light pole reserve	Developer contributions for replacement of specialised street lighting poles in various subdivisions.
Artwork acquisition reserve	A reserve created to account for any annual unspent capital works expenditure allocation towards the restoration and expansion of Council's permanent artwork collection.
Landfill rehabilitation reserve	A reserve created to provide for future landfill rehabilitation expenditure.
Primary Care Partnership reserve	A reserve created to account for the unspent portion of Primary Care Partnership grant funding received.
Small Town Redevelopment reserve	A reserve for funds set aside for long term strategies for the small towns within the municipality.
DGR Donations Reserve - MAC Theatre	Reserve to hold deductible gifts for the Mildura Arts Centre theatre and is a requirement of being registered as a deductible gift recipient by the Australian Taxation Office.
Library book bequest reserve	Established to hold Library Book Bequest from deceased estate.

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 26 Reserves (cont.)

Council

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
(c) Financial assets revaluation	\$'000	\$'000	\$'000	\$'000
2013				
Interest in Mildura Airport Pty Ltd	6,267	5,131	-	11,398
	<u>6,267</u>	<u>5,131</u>	<u>-</u>	<u>11,398</u>
Total financial assets revaluation	<u>6,267</u>	<u>5,131</u>	<u>-</u>	<u>11,398</u>
2012				
Interest in Mildura Airport Pty Ltd	5,837	430	-	6,267
	<u>5,837</u>	<u>430</u>	<u>-</u>	<u>6,267</u>
Total financial assets revaluation	<u>5,837</u>	<u>430</u>	<u>-</u>	<u>6,267</u>

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 27 Reconciliation of cash flows from operating activities to surplus/(deficit)				
Surplus/(deficit) for the year	23,957	22,756	18,826	22,327
Depreciation/amortisation	16,249	14,929	15,608	14,323
(Profit)/loss on disposal of property, plant and equipment, infrastructure	1,793	252	1,793	252
Net Gain/(Loss) on recognition of non current assets	(60)	(9,725)	(60)	(9,725)
Contributions - Non-monetary assets	(7,545)	(4,920)	(7,545)	(4,920)
Interest expense	1,455	990	1,440	970
Impairment of non financial assets	1	6	-	-
<i>Change in assets and liabilities:</i>				
(Increase)/decrease in trade and other receivables	8	(42)	369	(61)
(Increase)/decrease in financial assets	(225)	447	(222)	451
Increase/(decrease) in trade and other payables	614	1,610	23	1,601
(Increase)/decrease in inventories	51	57	51	57
Increase/(decrease) in provisions	(7,210)	8,810	(7,257)	8,804
Net cash provided by/(used in) operating activities	29,088	35,170	23,026	34,079
Note 28 Reconciliation of cash and cash equivalents				
Cash and cash equivalents (see note 16)	13,099	8,164	11,967	7,131
Total reconciliation of cash and cash equivalents	13,099	8,164	11,967	7,131

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 29 Financing arrangements				
Bank overdraft	-	-	-	-
Unused facilities	-	-	-	-
Note 30 Restricted assets				
(a) Statutory				
Non discretionary reserve funds (note 26)	1,799	1,737	1,799	1,737
Total	1,799	1,737	1,799	1,737
(b) Non-statutory				
Discretionary reserve funds (note 26)	9,411	15,031	9,411	15,031
Trust funds (note 23)	1,794	1,749	1,794	1,749
Unexpended grants (note 5)	6,212	10,221	6,212	10,221
Unexpended capital works (note 32)	4,398	14,440	4,398	14,440
Total	21,815	41,441	21,815	41,441
Total restricted assets	23,614	43,178	23,614	43,178

Council has cash and cash equivalents (note 16) and other assets (note 19) that are subject to restrictions. As at the reporting date, Council had legislative restrictions in relation to reserve funds (Recreational Lands Reserves).

Notes to the Financial Report For the Year Ended 30 June 2013

Note 31 Superannuation

Post-employment Benefit

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. The defined benefit section provides lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from Council and the Council's legal or constructive obligation is limited to these contributions.

Obligations for contributions to the Fund are recognised as an expense in Comprehensive Income Statement when they are due.

Accumulation

The Fund's accumulation category, 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 2013, this was 9% required under Superannuation Guarantee legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Effective from 1 July 2013, the Superannuation Guarantee contribution rate will increase to 9.25%, and will progressively increase to 12% by 2019.

Defined Benefit Plan

The Fund's Defined Benefit category is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated to each employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under Paragraph 32(b) of AASB 119, Council does not use defined benefit accounting for these defined benefit obligations.

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 31 December 2011, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. This rate is currently 9.25% of members' salaries (9.25% in 2011/12).

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 (the funded resignation or retirement benefit is calculated as the VBI multiplied by the benefit).

Council is also required to make additional contributions to cover the contribution tax payable on the contributions referred to above.

Employees are also required to make member contributions to the Fund. As such, assets accumulate in the Fund to meet member benefits, as defined in the Trust Deed, as they accrue.

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 31 Superannuation (cont.)

Council made contributions to the following funds:	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Defined benefits fund				
Employer contributions to Local Authorities Superannuation Fund (Vision Super) 9.25%	483	501	483	501
Total	483	501	483	501
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	-	7,269	-	7,269
Total	-	7,269	-	7,269
Accumulation funds (Vision Super)				
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,819	1,725	1,752	1,657
Total	1,819	1,725	1,752	1,657
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	8	8	-	-
Total	8	8	-	-
Accumulation funds (Other Funds)				
Employer contributions to Other Superannuation Funds.	638	552	638	552
Total	638	552	638	552

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 32 Commitments

The Council has entered into the following commitments

Consolidated

	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
2013					
<i>Operating</i>					
Swimming pool management	783	802	205	-	1,790
Telecommunications	780	734	757	-	2,271
Waste management	2,112	311	234	-	2,657
Cleaning services	182	49	50	-	281
Security services	506	518	576	-	1,600
Project design	429	403	-	-	832
Other	1,881	943	940	-	3,764
Total	6,673	3,760	2,762	-	13,195
<i>Capital</i>					
Building construction	505	-	-	-	505
Design and project management	905	-	-	-	905
Office equipment	23	-	-	-	23
Recreation	174	-	-	-	174
Roadworks	1,232	-	-	-	1,232
Drainage	971	-	-	-	971
Plant and equipment	449	-	-	-	449
Waste management	139	-	-	-	139
Total	4,398	-	-	-	4,398

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 32 Commitments (cont.)

Consolidated

	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
2012					
<i>Operating</i>					
Swimming pool management	684	692	700	-	2,076
Telecommunications	780	780	1,491	-	3,051
Waste management	1,914	1,937	1,960	-	5,811
Cleaning services	823	711	720	-	2,254
Security services	306	310	314	-	930
Project design	1,121	1,121	1,121	-	3,363
Other	2,052	2,075	2,100	-	6,227
Total	7,680	7,626	8,406	-	23,712
<i>Capital</i>					
Building construction	4,749	-	-	-	4,749
Design and project management	49	-	-	-	49
Office equipment	157	-	-	-	157
Recreation	1,039	-	-	-	1,039
Roadworks	4,955	-	-	-	4,955
Drainage	2,419	-	-	-	2,419
Plant and equipment	1,070	-	-	-	1,070
Waste management	2	-	-	-	2
Total	14,440	-	-	-	14,440

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 32 Commitments (cont.)

The Council has entered into the following commitments

Council

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2013	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Operating</i>					
Swimming pool management	783	802	205	-	1,790
Telecommunications	780	734	757	-	2,271
Waste management	2,112	311	234	-	2,657
Cleaning services	62	49	50	-	161
Security services	506	518	576	-	1,600
Project design	429	403	-	-	832
Other	1,881	943	940	-	3,764
Total	6,553	3,760	2,762	-	13,075
<i>Capital</i>					
Building construction	505	-	-	-	505
Design and project management	905	-	-	-	905
Office equipment	23	-	-	-	23
Recreation	174	-	-	-	174
Roadworks	1,232	-	-	-	1,232
Drainage	971	-	-	-	971
Plant and equipment	449	-	-	-	449
Waste management	139	-	-	-	139
Total	4,398	-	-	-	4,398

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 32 Commitments (cont.)

Council

	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
2012					
<i>Operating</i>					
Swimming pool management	684	692	700	-	2,076
Telecommunications	780	780	1,491	-	3,051
Waste management	1,914	1,937	1,960	-	5,811
Cleaning services	703	711	720	-	2,134
Security services	306	310	314	-	930
Project design	1,121	1,121	1,121	-	3,363
Other	2,052	2,075	2,100	-	6,227
Total	7,560	7,626	8,406	-	23,592
<i>Capital</i>					
Building construction	4,749	-	-	-	4,749
Design and project management	49	-	-	-	49
Office equipment	157	-	-	-	157
Recreation	1,039	-	-	-	1,039
Roadworks	4,955	-	-	-	4,955
Drainage	2,419	-	-	-	2,419
Plant and equipment	1,070	-	-	-	1,070
Waste management	2	-	-	-	2
Total	14,440	-	-	-	14,440

Notes to the Financial Report
For the Year Ended 30 June 2013

Consolidated		Council	
2013	2012	2013	2012
\$'000	\$'000	\$'000	\$'000

Note 33 Operating leases

(a) Operating lease commitments

At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):

	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Not later than one year	40	148	-	-
Later than one year and not later than five years	-	26	-	-
Later than five years	-	-	-	-
	<u>40</u>	<u>174</u>	<u>-</u>	<u>-</u>

(b) Operating lease receivables

The Council has entered into commercial property leases on its property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

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

	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Not later than one year	423	494	187	301
Later than one year and not later than five years	1,156	1,049	469	369
Later than five years	1,220	1,074	810	613
	<u>2,799</u>	<u>2,617</u>	<u>1,466</u>	<u>1,283</u>

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 34 Contingent liabilities and contingent assets

Contingent liabilities

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the increase in volatility in financial markets the likelihood of making such contributions in future periods has increased. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

Mildura Rural City Council, as the principal member of the Mildura Regional Waste Management Group, is potentially liable under section 50F of the Environmental Protection Act 1970, for costs associated with any projects undertaken by the group, capital reserve funds or loan repayments which are not met by funds from other sources (including government subsidies, private sponsorship and group income). At reporting date, no potential for liability was evident.

Mildura Rural City Council currently operates two active unlicensed rural landfill sites. Although there is no current obligation for Council to provide financial assurance for future rehabilitation costs a potential liability may arise due to changes in EPA conditional requirements.

Guarantees for loans to other entities

Guarantees by Council to financial institutions over loans taken out by sporting clubs and community organisations within the municipality and performance guarantees for construction contracts amounting to \$332,568 (2012: \$292,174)

Contingent assets

Developer contributions projected to be received in respect to residential subdivisions currently under development.

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 35 Financial instruments

(a) Accounting Policy, terms and conditions

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
Financial Assets			
Cash and cash equivalents	16	Cash on hand and at bank and money market call account are valued at face value. Interest is recognised as it accrues.	Funds held as cash or in bank account in funds balances, available at call. Funds returned fixed interest rate of between 3.25% (4.43% in 2011/2012), and 6.00% (6.14% in 2011/2012) net of fees.
Financial Assets	19	Investments, bills, bonds and notes are valued at market value. Investments are held to maximise interest returns of surplus cash. Interest revenues are recognised as they accrue. Managed funds are measured at market value.	
Trade and other receivables			
Other debtors	17	Receivables are carried at amortised cost using the effective interest method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured and arrears do not attract any interest. Credit terms are based on 30 days.
Financial Liabilities			
Trade and other payables	22	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 14 days of invoice receipt.
Interest-bearing loans and borrowings	25	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables. Finance leases are accounted for at their principal amount with the lease payments discounted to present value using the interest rates implicit in the leases.	Borrowings are secured by way of mortgages over the general rates of the Council. The weighted average interest rate on borrowings is 6.22% (5.54% in 2011/2012). As at balance date, the Council had finance leases with an average lease term of 5 years. The weighted average rate implicit in the lease is 6.05% (6.74% in 2011/2012).

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 35 Financial instruments (cont.)

(b) Interest Rate Risk

The Council's exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Consolidated	Fixed interest maturing in:					Total \$'000
	Floating interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	
2013						
<i>Financial assets</i>						
Cash and cash equivalents	13,059	-	-	-	40	13,099
Other financial assets	-	15,540	1,391	-	-	16,931
Trade and other receivables	-	-	-	-	2,114	2,114
Total financial assets	13,059	15,540	1,391	-	2,154	32,144
Weighted average interest rate	2.19%	5.28%	4.84%	0.00%		
<i>Financial liabilities</i>						
Trade and other payables	-	-	-	-	7,985	7,985
Trust funds and deposits	-	-	-	-	1,794	1,794
Interest-bearing loans and borrowings	-	2,063	7,219	13,991	-	23,273
Total financial liabilities	-	2,063	7,219	13,991	9,779	33,052
Weighted average interest rate		5.56%	5.56%	5.56%		
Net financial assets/(liabilities)	13,059	13,477	(5,828)	(13,991)	(7,625)	(908)
	Fixed interest maturing in:					
	Floating Interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	Total \$'000
2012						
<i>Financial assets</i>						
Cash and cash equivalents	8,144	-	-	-	20	8,164
Other financial assets	-	23,167	3,979	1,027	-	28,173
Trade and other receivables	-	-	-	-	3,330	3,330
Total financial assets	8,144	23,167	3,979	1,027	3,350	39,667
Weighted average interest rate	3.67%	5.04%	5.82%	5.84%		
<i>Financial liabilities</i>						
Trade and other payables	-	-	-	-	7,371	7,371
Trust funds and deposits	-	-	-	-	1,749	1,749
Interest-bearing loans and borrowings	-	1,736	6,154	11,956	-	19,846
Total financial liabilities	-	1,736	6,154	11,956	9,120	28,966
Weighted average interest rate		5.56%	5.56%	5.56%		
Net financial assets/(liabilities)	8,144	21,431	(2,175)	(10,929)	(5,770)	10,701

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 35 Financial instruments (cont.)

(b) Interest Rate Risk (cont.)

Council	Fixed interest maturing in:					Total
	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	
2013	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Cash and cash equivalents	11,957	-	-	-	10	11,967
Other financial assets	-	15,540	1,391	-	-	16,931
Trade and other receivables	-	-	-	2,500	1,382	3,882
Total financial assets	11,957	15,540	1,391	2,500	1,392	32,780
Weighted average interest rate	2.19%	5.28%	4.84%	0.00%		
Financial liabilities						
Trade and other payables	-	-	-	-	7,108	7,108
Trust funds and deposits	-	-	-	-	1,794	1,794
Interest-bearing loans and borrowings	-	1,969	7,173	13,991	-	23,133
Total financial liabilities	-	1,969	7,173	13,991	8,902	32,035
Weighted average interest rate		6.22%	6.22%	6.22%		
Net financial assets/(liabilities)	11,957	13,571	(5,782)	(11,491)	(7,510)	745
2012						
Financial assets						
Cash and cash equivalents	7,121	-	-	-	10	7,131
Other financial assets	-	23,167	3,979	1,027	-	28,173
Trade and other receivables	-	-	-	2,500	2,959	5,459
Total financial assets	7,121	23,167	3,979	3,527	2,969	40,763
Weighted average interest rate	3.67%	5.04%	5.82%	5.84%		
Financial liabilities						
Trade and other payables	-	-	-	-	7,082	7,082
Trust funds and deposits	-	-	-	-	1,749	1,749
Interest-bearing loans and borrowings	-	1,646	6,014	11,956	-	19,616
Total financial liabilities	-	1,646	6,014	11,956	8,831	28,447
Weighted average interest rate		5.56%	5.56%	5.56%		
Net financial assets/(liabilities)	7,121	21,521	(2,035)	(8,429)	(5,862)	12,316

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 35 Financial Instruments (cont.)

(c) Net Fair Values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, for the consolidated entity at balance date are as follows:

Consolidated	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial Instruments				
<i>Financial assets</i>				
Cash and cash equivalents	13,099	8,164	13,099	8,164
Other financial assets	16,931	28,173	16,931	28,173
Trade and other receivables	2,114	3,330	2,114	3,330
Total financial assets	32,144	39,667	32,144	39,667
<i>Financial liabilities</i>				
Trade and other payables	7,985	7,371	7,985	7,371
Trust funds and deposits	1,794	1,749	1,794	1,749
Interest-bearing loans and borrowings	23,273	19,846	23,273	19,846
Total financial liabilities	33,052	28,966	33,052	28,966
Council	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial Instruments				
<i>Financial assets</i>				
Cash and cash equivalents	11,967	7,131	11,967	7,131
Other financial assets	16,931	26,173	16,931	26,173
Trade and other receivables	3,882	5,459	3,882	5,459
Total financial assets	32,780	38,763	32,780	38,763
<i>Financial liabilities</i>				
Trade and other payables	7,108	7,082	7,108	7,082
Trust funds and deposits	1,794	1,749	1,794	1,749
Interest-bearing loans and borrowings	23,133	19,616	23,133	19,616
Total financial liabilities	32,035	28,447	32,035	28,447

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 35 Financial Instruments (cont.)

(d) Credit Risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Balance Sheet.

(e) Risks and mitigation

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

Market risk

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

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. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Our loan borrowings are sourced from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Planning and Community Development each year.

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989. We manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment, and
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 35 Financial Instruments (cont.)

(e) Risks and mitigation (cont.)

Credit risk

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

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is the Victorian Government. Apart from the Victorian Government we do not have any significant credit risk exposure to a single customer or groups of customers. Ongoing credit evaluation is performed on the financial condition of our customers and, where appropriate, an allowance for doubtful debts is raised.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 34.

Movement in Provisions for Doubtful Debts	2013	2012
	\$'000	\$'000
Balance at the beginning of the year	21	92
New Provisions recognised during the year	46	21
Amounts already provided for and written off as uncollectible	(23)	(73)
Amounts provided for but recovered during the year	2	(19)
Balance at end of year	<u>46</u>	<u>21</u>

Ageing of Trade and Other Receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's Trade and Other Receivables was:

	2013	2012
	\$'000	\$'000
Current (not yet due)	918	1,634
Past due by up to 30 days	40	58
Past due between 31 and 180 days	167	150
Past due between 181 and 365 days	88	61
Past due by more than 1 year	697	585
Total Trade and Other Receivables	<u>1,910</u>	<u>2,488</u>

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 35 Financial Instruments (cont.)

(e) Risks and mitigation (cont.)

Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover a financial asset at all.

To help reduce these risks we:

- 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 Councils exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The table below lists the contractual maturities for Financial Liabilities.

These amounts represent undiscounted gross payments including both principal and interest amounts.

Consolidated

2013	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	7,985	-	-	-	-	7,985	7,985
Interest-bearing loans and borrowings	1,748	1,748	3,051	7,649	24,379	38,435	23,273
Trust funds and deposits	1,794	-	-	-	-	1,794	1,794
Total financial liabilities	11,527	1,748	3,051	7,649	24,379	48,214	33,052

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 35 Financial Instruments (cont.)

(e) Risks and mitigation (cont.)

Consolidated

2012	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	7,371	-	-	-	-	7,371	7,371
Interest-bearing loans and borrowings	1,473	1,407	2,574	6,940	22,048	34,442	19,846
Trust funds and deposits	1,749	-	-	-	-	1,749	1,749
Total financial liabilities	10,593	1,407	2,574	6,940	22,048	43,562	28,966

Council

2013	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	7,108	-	-	-	-	7,108	7,178
Interest-bearing loans and borrowings	1,703	1,703	3,001	7,649	24,379	38,435	23,133
Trust funds and deposits	1,794	-	-	-	-	1,794	1,794
Total financial liabilities	10,605	1,703	3,001	7,649	24,379	47,337	32,105

Council

2012	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	7,082	-	-	-	-	7,082	7,082
Interest-bearing loans and	1,473	1,407	2,574	6,940	22,048	34,442	19,616
Trust funds and deposits	1,749	-	-	-	-	1,749	1,749
Total financial liabilities	10,304	1,407	2,574	6,940	22,048	43,273	28,447

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 35 Financial Instruments (cont.)

(f) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from Reserve Bank of Australia):

- A parallel shift of -2% and +1% in market interest rates (AUD) from year-end rates of 4.4%.

The table below discloses the impact on net operating result and equity for each category of financial instruments held by the Council at year-end, if the above movements were to occur.

Consolidated

		Interest rate risk			
		-2		+1	
		-200 basis points		+100 basis points	
	Carrying Amount	Profit	Equity	Profit	Equity
2013	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	13,099	(262)	(262)	131	131
Financial assets	16,931	(339)	(339)	169	169
Trade and other receivables	2,114	-	-	-	-
Financial liabilities:					
Interest-bearing loans and borrowings	23,273	-	-	-	-

Council

		Interest rate risk			
		-2		+1	
		-100 basis points		+200 basis points	
	Carrying Amount	Profit	Equity	Profit	Equity
2013	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	11,967	(239)	(239)	120	120
Financial assets	16,931	(339)	(339)	169	169
Trade and other receivables	3,882	-	-	-	-
Financial liabilities:					
Interest-bearing loans and borrowings	23,133	-	-	-	-

(g) Fair Value Hierarchy

All financial assets carried at fair value are measured at quoted prices in active markets for identical assets and liabilities.

Notes to the Financial Report
For the Year Ended 30 June 2013

	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 36 Auditors' remuneration				
Audit fee to conduct external audit - Victorian Auditor-General	68	64	56	54
Internal audit fees - BDO Aust Ltd and Deloitte Touche Tohmatsu	148	150	148	150
Fees for other services provided by internal auditor	16	18	16	15
Total Auditors' remuneration	232	232	220	219

Note 37 Events occurring after balance date

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

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 38 Related party transactions

(i) Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

Councillors	Glenn Milne (Mayor)	1/07/2012 to 30/06/2013
	John Arnold (Mayor)	1/07/2012 to 30/06/2013
	Judi Harris	1/07/2012 to 30/06/2013
	Fiona Hilton-Wood	1/07/2012 to 31/10/2012
	Max Thorburn	1/07/2012 to 30/06/2013
	Nick Cavallo	1/07/2012 to 31/10/2012
	Sue Nichols	1/07/2012 to 31/10/2012
	Mark Eckel	1/07/2012 to 30/06/2013
	Sharyon Peart	1/07/2012 to 30/06/2013
	Ali Cupper	1/11/2012 to 30/06/2013
	Greg Brown	1/11/2012 to 30/06/2013
	Jill Joslyn	1/11/2012 to 30/06/2013
Chief Executive Officer	Mark Henderson	1/07/2012 to 30/06/2013

(ii) Remuneration of Responsible Persons

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

	2013	2012
	No.	No.
\$2000 - \$ 9,999	3	-
\$10,000 - \$19,999	3	8
\$20,000 - \$29,999	4	-
\$40,000 - \$49,999	1	-
\$50,000 - \$59,999	1	-
\$60,000 - \$69,999	-	1
\$280,000 - \$289,999	-	1
\$290,000 - \$299,999	1	-
	<u>13</u>	<u>10</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	589	504

(iii) Retirement Benefits of Responsible Persons

No retirement benefits have been made by the Council to a Responsible Person. (2011/12, Nil).

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 38 Related party transactions (cont.)

(iv) Loans to Responsible Persons

No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2011/12, Nil).

(v) Other Transactions to Responsible Persons

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year (2011/12, Nil).

(vi) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council who has management responsibilities and reports directly to the Chief Executive or whose total annual remuneration exceeds \$130,000.

The number of Senior Officers other than the Responsible Persons, are shown below in their relevant income bands:

	2013	2012
	No.	No.
Income Range:		
\$127,000 - \$129,999	-	3
\$130,000 - \$139,999	9	8
\$140,000 - \$149,999	2	-
\$170,000 - \$179,999	-	1
\$190,000 - \$199,999	2	2
\$200,000 - \$209,999	1	-
	<u>14</u>	<u>14</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to	2,112	2,021

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 39 Income, expenses and assets by function/activities

Council	Development		Community		Corporate		Executive		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
INCOME										
Grants	328	310	7,548	7,142	28,626	25,008	-	-	36,502	32,460
Other	13,436	12,061	6,767	6,135	54,076	61,302	1	1	74,280	79,499
TOTAL	13,764	12,371	14,315	13,277	82,702	86,310	1	1	110,782	111,959
EXPENSES										
	(31,611)	(30,232)	(26,850)	(24,745)	(32,309)	(33,376)	(1,186)	(1,279)	(91,956)	(89,632)
SURPLUS (DEFICIT) FOR THE YEAR	(17,847)	(17,861)	(12,535)	(11,468)	50,393	52,934	(1,185)	(1,278)	18,826	22,327
ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*	552,298	514,302	48,313	44,409	70,818	72,137	-	-	671,429	630,848

*Assets have been attributed to functions/activities based on the control and/or custodianship of specific assets.

Development

The Development Division of Council is responsible for enhancing and developing Council's physical environment.

The Division includes the following branches :

Engineering Services Development Services
Building and Environmental Services Project Management

Community

The Community Division of Council promotes and enhances community wellbeing through funding programs, advocacy, service provision, and community partnerships.

The Division includes the following branches :

Community Care Services Community Futures
Leisure and Cultural Services

Corporate

The Corporate Division of Council is responsible for providing a range of strategic and operational services to business units and to the Council as a whole.

The Division includes the following branches :

Organisational Development Financial Services
Information Systems Corporate Administration

Executive

The Executive Services Division of Council is responsible for the offices of the CEO, Mayor and Councillor's.

The Division includes the following branches :

Council Administration
Government

Notes to the Financial Report
For the Year Ended 30 June 2013

Note 40 Financial ratios (Performance indicators)

	2013	2013	2012	2012	2011	2011
	\$'000	(%)	\$'000	(%)	\$'000	(%)

(a) Debt servicing ratio (to identify the capacity of Council to service its outstanding debt)

<u>Debt servicing costs</u>	1,440	=	1.30%	970	=	0.87%	1,046	=	1.17%
Total revenue	110,782			111,959			89,142		

Debt servicing costs refer to the payment of interest on loan borrowings, finance lease, and bank overdraft.

The ratio expresses the amount of interest paid as a percentage of Council's total revenue.

(b) Debt commitment ratio (to identify Council's debt redemption strategy)

<u>Debt servicing and redemption costs</u>	2,923	=	5.55%	2,240	=	4.60%	2,475	=	5.47%
Rate revenue	52,708			48,734			45,258		

The strategy involves the payment of loan principal and interest, finance lease principal and interest.

The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

(c) Revenue ratio (to identify Council's dependence on non-rate income)

<u>Rate revenue</u>	52,708	=	47.58%	48,734	=	43.53%	45,258	=	50.77%
Total revenue	110,782			111,959			89,142		

The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of Council.

(d) Debt exposure ratio (to identify Council's exposure to debt)

<u>Total indebtedness</u>	47,271	=	21.73%	50,735	=	23.83%	32,797	=	22.24%
Total realisable assets	217,515			212,937			147,463		

For the purposes of the calculation of financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use.

Any liability represented by a restricted asset (note 30) is excluded from total indebtedness.

The following assets are excluded from total assets when calculating Council's realisable assets:

Land and buildings on Crown land; restricted assets; heritage assets; total infrastructure assets; and Council's investment in Mildura Airport Pty Ltd.

This ratio enables assessment of Council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of Council.

Total liabilities are compared to total realisable assets which are all Council assets not subject to any restriction and are able to be realised. The ratio expresses the percentage of total liabilities for each dollar of realisable assets.

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 40 Financial ratios (Performance indicators) (cont.)

	2013	2013	2012	2012	2011	2011
	\$'000	(%)	\$'000	(%)	\$'000	(%)

(e) Working capital ratio (to assess Council's ability to meet current commitments)

<u>Current assets</u>	34,127		37,116		26,898	
Current liabilities	19,704	= 173.20%	26,908	= 137.94%	15,301	= 175.79%

The ratio expresses the level of current assets the Council has available to meet its current liabilities.

(f) Adjusted working capital ratio (to assess Council's ability to meet current commitments)

<u>Current assets</u>	34,127		37,116		26,898	
Current liabilities	15,431	= 221.16%	22,425	= 165.51%	11,534	= 233.21%

The ratio expresses the level of current assets the Council has available to meet its current liabilities.

Current liabilities have been reduced to reflect the long service leave that is shown as a current liability because Council does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date, but is not likely to fall due within 12 months after the end of the period.

Notes to the Financial Report
For the Year Ended 30 June 2013

Note	Consolidated		Council	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Note 41 Capital expenditure				
Capital expenditure areas				
Roads	14,421	10,511	14,421	10,511
Drainage	4,499	4,758	4,499	4,758
Parks, open space and streetscapes	2,299	1,443	2,299	1,443
Airport development works	-	-	-	-
Other outdoor infrastructure	27	40	23	24
Community facilities	6,804	2,213	1,039	1,871
Plant and office equipment	3,594	2,959	3,505	2,745
Other programs	336	269	336	269
Waste management	192	153	192	153
Non-Drainage DCP	-	130	-	130
Major Projects	5,886	7,440	5,886	7,440
Sustainable initiatives	147	111	147	111
Total capital works	38,205	30,027	32,347	29,455
Intangible Asset (Software)	78	60	78	60
Total	78	60	78	60
Total capital works	38,283	30,087	32,425	29,515
Represented by:				
Renewal of infrastructure	(a) 19,386	14,546	19,386	14,546
Upgrade of infrastructure	(b) 9,789	7,515	3,931	6,943
Expansion of infrastructure	(c) 9,030	7,966	9,030	7,966
Intangible Asset (Software)	78	60	78	60
Total capital works	38,283	30,087	32,425	29,515

Property, plant and equipment, infrastructure movement

The movement between the previous year and the current year in property, plant and equipment, infrastructure as shown in the Balance Sheet links to the net of the following items:

	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Transfer to WIP	28	-	28	-
Capital works (intangible)	21 50	60	50	60
Total Capital works (intangible)	78	60	78	60
Amortisation	13 118	140	118	140
	196	200	196	200

**Notes to the Financial Report
For the Year Ended 30 June 2013**

Note 41 Capital expenditure (cont.)

		2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000
Capital works		38,205	30,027	32,347	29,455
Capital works - Intangible		28	-	28	-
Total capital works		38,233	30,027	32,375	29,455
Contributions - non-monetary assets	6	7,545	4,920	7,545	4,920
Asset revaluation movement	26	20,132	54,129	20,132	54,129
Depreciation/amortisation	13	(16,131)	(14,789)	(15,490)	(14,183)
Recognition of assets	20	60	9,725	60	9,725
Written down value of assets sold	20	(2,665)	(1,031)	(2,665)	(1,031)
Transfers from provisions	20	208	2,296	208	2,296
Transfers to intangible assets	21	-	-	-	-
Net movement in property, plant and equipment, infrastructure	20	47,382	85,277	42,165	85,311

(a) Renewal

Expenditure on an existing asset which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time.

(b) Upgrade

Expenditure which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the Council's asset base.

(c) Expansion

Expenditure which extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users. It is discretionary expenditure which increases future operating and maintenance costs, because it increases Council's asset base, but may be associated with additional revenue from the new user group.

Certification of the Financial Report

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Finance and Reporting) Regulations 2004*, Australian Accounting Standards and other mandatory professional reporting requirements.



David Folvig
Principal Accounting Officer

Date : 26 September 2013
Mildura

In our opinion the accompanying financial statements present fairly the consolidated financial transactions of Mildura Rural City Council for the year ended 30 June 2013 and the consolidated financial position of the Council as at that date.

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

We have been authorised by the Council on 26 September 2013 to certify the financial statements in their final form.

Cr Glenn Milne
Councillor



Date : 26 September 2013
Mildura

Cr Allison Cupper
Councillor



Date : 26 September 2013
Mildura

Mark Henderson
Chief
Executive
Officer



Date : 26 September 2013
Mildura

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Mildura Rural City Council

The Standard Statements and Consolidated Financial Report

The accompanying standard statements for the year ended 30 June 2013 of the Mildura Rural City Council which comprises standard income statement, standard balance sheet, standard cash flow statement, standard statement of capital works, the related notes and the certification of the standard statements have been audited.

The accompanying financial report for the year ended 30 June 2013 of the Council which comprises comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

The Councillors' Responsibility for the Standard Statements and Consolidated Financial Report

The Councillors of the Mildura Rural City Council are responsible for the preparation and the fair presentation of:

- the standard statements in accordance with the basis of preparation as described in Note 1 to the statements and the requirements of the *Local Government Act 1989*
- the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the standard statements and consolidated financial report that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the standard statements and consolidated financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the standard statements and consolidated financial report are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standard statements and consolidated financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the standard statements and consolidated financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the standard statements and consolidated financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Councillors, as well as evaluating the overall presentation of the standard statements and consolidated financial report.

Auditing in the Public Interest

Independent Auditor's Report (continued)

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

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion:

- (a) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in Note 1 to the statements and the requirements of the *Local Government Act 1989*
- (b) the financial report presents fairly, in all material respects, the financial position of the Mildura Rural City Council as at 30 June 2013 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

Basis of Accounting for Standard Statements

Without modifying my opinion, I draw attention to Note 1 to the standard statements, which describes the basis of accounting. The standard statements are prepared to meet the requirements of the *Local Government Act 1989*. As a result, the standard statements may not be suitable for another purpose.

Matters Relating to the Electronic Publication of the Audited Standard Statements and Consolidated Financial Report

This auditor's report relates to the standard statements and consolidated financial report of the Mildura Rural City Council for the year ended 30 June 2013 included both in the Mildura Rural City Council's annual report and on the website. The Councillors of the Mildura Rural City Council are responsible for the integrity of the Mildura Rural City Council's website. I have not been engaged to report on the integrity of the Mildura Rural City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the standard statements and consolidated financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited standard statements and consolidated financial report to confirm the information contained in the website version of the standard statements and consolidated financial report.

MELBOURNE
27 September 2013


John Doyle
Auditor-General

Mildura Rural City Council Performance Statement for the Year Ended 30th June 2013

Notes to the Performance Statement for the year ended 30th June 2013

Council must prepare a Performance Statement as soon as is reasonably practicable after the end of each financial year. Under Section 132 paragraph 2(a) and 2(b), the Performance Statement must include the "Key Strategic Activities and performance targets and measures specified in the budget under section 127 for that financial year" and "the actual results achieved for that financial year having regard to those performance targets and measures".

This report provides the actual results achieved for 2012-2013 financial year compared with the performance targets and measures. Where Council has failed to (substantially) achieve the performance targets in relation to any Key Strategic Activity a comment is provided as to why the Activity was not achieved.

Key Strategic Activities

For the year ended 30th June 2013

Key Strategic Activity	Performance Measure	Performance Target	Met/Not Met	Progress/Status Comments
Liveable Community				
Community Safety KSA – Develop Domestic Animal Management Plan 2012-2016	Time – Plan developed and approved by Council	31st December 2012	Not Met	Draft strategy developed. To be adopted by Council in 2013-2014.
Community Services <i>Action - Implement the Healthy Ageing Strategy</i> KSA - Benchmark against other Council's to develop Care Coordination tools	Time - Tools developed Quantity - Number of Council's benchmarked	31st October 2012	Met Met	Tool development finalised October 2012. Target exceeded. Eleven Councils benchmarked including Bendigo, Buloke, Central Goldfields, Darebin, Frankston, Gannawarra, Loddon, Macedon Ranges, Mt Alexander and Swan Hill.

Management of the Environment				
Planning & Standards <i>Action - Implement program of strategic land use projects</i> KSA - Develop a Housing and Settlement strategy	Time - Strategy developed	30th June 2013	Not Met	Strategy development has commenced and will be finalised in 2013-2014.
Environmental Services KSA - Implement Municipal Waste Management Plan	Quality - Community Satisfaction with Waste Management	CSI Score of ≥ 70	Not Met	CSI score for Waste Management was 68 in 2012-2013.
Growth of the Economy				
Tourism and Events KSA - Develop Visitor Information Strategy	Time - Strategy developed and adopted by Council	31st March 2013	Not Met	Strategy development commenced. Strategic planning proposal approved by CMT in October 2012. Surveys and engagement workshops undertaken in April / May 2013. Strategy to be finalised and approved in 2013-2014.
Active Community				
Arts & Cultural Heritage KSA - Complete the Redevelopment of the Mildura Arts Centre Theatre	Time - Redevelopment completed	31st December 2012	Met	Project completed, official opening held 15 December 2012.
	Cost - On budget	\$8.7M	Not met	Final expenditure as per Capital Works Budget \$9,112,365.29
	Quality - Community Satisfaction with Arts & Cultural Facilities (Auspoll)	CSI score of ≥ 68	Met	CSI Score for Arts and Cultural Facilities in 2012-2013 was 76.

Arts & Cultural Heritage KSA - Redevelop the Merbein Library Facilities	Time - Redevelopment completed	31st May 2013	Met	Project completed. Official opening held 22nd March 2013.
	Cost - On budget	\$3,503,500	Met	Final expenditure as per Capital Works Budget \$2,032,571.58
	Quality - Maintain a Very High level of Community Satisfaction with Libraries (Auspoll)	CSI score of ≥ 75	Met	CSI score for Libraries in 2012-2013 was 83.
Recreation & Sport KSA – Build the Red Cliffs Skate Park	Time - Skate Park completed	30th September 2012	Met	The Red Cliffs Skate Park was officially opened 25th August 2012.
	Cost - on budget	\$260,000	Met	Final expenditure as per Capital Works Budget \$228,591.39
Management of Resources				
Communication & Consultation KSA - Develop the 2013 - 2017 Council Plan in consultation with the community	Time - Council Plan adopted	30th June 2013	Met	Council Plan 2013-2017 adopted by Council 27th June 2013.
	Organisational Management KSA - Develop Human Resource Management Strategy 2013-2017	Time - Strategy Approved by CMT	30th June 2013	Not Met

Organisational Management KSA - Develop Emergency Management Strategy 2013-2015	Time - Strategy Approved by CMT	31st December 2012	Met	Municipal Emergency Management Strategy 2012-2017 approved by CMT 11th December 2012.
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Certification of the Performance Statement

In our opinion the accompanying performance statements of the Mildura Rural City Council in respect of 2012-2013 financial year is presented fairly in accordance with the *Local Government Act 1988*.

This statement outlines the performance targets and measures set out in relation to the achievement of the Key Strategic Activities in respect of that year described in the Council's 2012-2013 Annual Budget and described the extent to which activities have been met in that year having regards to those targets and measure.

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



David Fohlg
Principal Accounting Officer

Date : 26 September 2013
Mildura

We have been authorised by the Council on 26 September 2013 to certify the performance statement in their final form on behalf of the Council.

Cr Glenn Milne
Councillor



Date : 26 September 2013
Mildura

Cr Allison Cupper
Councillor



Date : 26 September 2013
Mildura

Mark Henderson
Chief Executive Officer



Date : 26/9/13 September 2013
Mildura



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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Mildura Rural City Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2013 of the Mildura Rural City Council which comprises the statement, the related notes and the certification of the performance statements have been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Mildura Rural City Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the performance statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the performance statement.

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

Auditing in the Public Interest

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the performance statement of the Mildura Rural City Council in respect of the 30 June 2013 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Mildura Rural City Council for the year ended 30 June 2013 included both in the Mildura Rural City Council's annual report and on the website. The Councillors of the Mildura Rural City Council are responsible for the integrity of the Mildura Rural City Council's website. I have not been engaged to report on the integrity of the Mildura Rural City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
27 September 2013


John Doyle
Auditor-General