

Annual Report

2013-2014



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 50,979. 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 211,000 passenger movements each year to Melbourne, Sydney and Adelaide.

Length of Mildura Rural City Council roads

Sealed – 1,020km

Unsealed – 4,122km

Total – 5,142km

Number of rated properties

27,980 properties (Capital Improved Value of \$6,706,042,350)

Average value of a residential property across Mildura Rural City Council

\$202,400

Total value of Mildura Rural City Council infrastructure

Net assets (property and infrastructure) of more than \$561 million dollars.

Message from the Mayor and Acting Chief Executive Officer

We are pleased to present Mildura Rural City Council's annual report for the financial year 2013-2014, which provides a comprehensive overview of the organisation's activities and financial performance during this period.

2013-2014 marked the second year of the current Council's term and saw us moving forward to implement actions identified within our four-year Council Plan.

Significant achievements during the past twelve months include the commencement of works as part of the Mildura Riverfront Precinct Redevelopment Project. This \$18.3 million redevelopment is something our community and past councils have been working towards and looking forward to for many years.

Council has also completed significant strategic planning to support the long term growth of our regional city. In particular, completion of the Mildura South Development Plan paves the way for future development and growth in the Mildura South area. We have also worked with Mildura Airport to develop a business plan for the upgrade of the main runway at Mildura Airport and secured funding for construction of a recreational lake at Ouyen.

Another major milestone in the 2013-2014 financial year saw Council adopt a new rating strategy. The Rating Strategy sets out some significant changes including the introduction of a Differential Rate for farming land and a Municipal Charge.

March 2014 saw the departure of our Chief Executive Officer Mark Henderson, who had been with Mildura Rural City Council since October 2009. We thank Mark for his contributions to the organisation and our community.

At the close of the 2013-2014 financial year, Mildura Rural City Council is situated in a strong financial position, having continued its policy to deliver budget surpluses while maintaining community facility and service levels. This is a result of long-term financial and strategic planning and a well-managed and delivered budget.

Council commenced a comprehensive sustainability review in the 2013-2014 financial year. This process involves thorough examination of all Council operations to identify areas where cost-savings and/or service efficiency improvements can be made. While we continue to progress through this review incrementally, we are pleased to report that opportunities for savings and efficiencies have already been identified and implemented.

The excellent results Council achieved in 2013-2014 are the culmination of the hard work and dedication of all Council staff who continue to strive to make ours the most liveable, people-friendly community Australia.

CR GLENN MILNE
MAYOR

GARRY HEALY
ACTING CHIEF EXECUTIVE OFFICER

Our Purpose

Through our nine councillors and staff of around 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 and priorities determined by the community through the Council Plan 2013-2017; a four-year strategic plan that sets out the relationship between Council's vision, the four strategic outcomes of Council's functions and specific key result areas.

Our Vision

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

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

1. Community

We will create a safe and supportive place to live, where diversity and lifestyle opportunities are encouraged; and participating in arts, culture, sport and recreation enhances wellbeing.

2. Environment

We will initiate, develop and manage healthy, sustainable natural and built environments.

3. Economy

We will create growth and prosperity.

4. Council

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

Our Principles

Council operates according to a set of nine Business Excellence principles:

1. Leadership

By providing clear direction through strategies and plans, Council will achieve agreed outcomes for our community.

2. Customers

Council is here to provide services to the whole community and therefore our community should have a say in what we do and how we do it.

3. Systems Thinking

Council recognises that achieving excellent outcomes for our community is done through all parts of the organisation working together effectively and with other levels of government and the wider community.

4. People

By involving and developing people, Council enhances commitment, performance and working relationships to improve organisational outcomes.

5. Continuous Improvement

To remain relevant and capable of producing excellent results, our organisation needs to continually learn and adapt.

6. Information and Knowledge

Council will make the best quality decisions when effort is spent to collect and present all objective relevant data and information.

7. Variation

By addressing the underlying factors that cause our processes to deliver inconsistent or unpredictable outcomes (variation), Council's customers will receive the highest standard of service.

8. Corporate and Social Responsibility

Council will manage its operations to comply with law and ethical standards, and to produce an overall positive impact on our community.

9. Sustainable Results

To deliver sustainable results, Council must have a culture that promotes accountability through all levels of the organisation.

Our 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.

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 fourth 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 member of the Australian Institute of Company Directors and a life member of the Mallee Accommodation and Support Program. He also serves on the Board of Sunraysia Residential Services and the Mildura Chaplaincy Committee. Cr Milne holds the Governance Portfolio.



Cr Alison Cupper

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, she is keen to help shape our community's future. Cr Cupper is a lawyer, social worker and lecturer in social work and social policy. 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 – Deputy Mayor

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 57 years. He has also managed his own small business for 50 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 with 1611AM Old Gold and Oz Country Music Radio (streaming), Cr Eckel is a keen sportsman, and looks after the Recreation and Sport Portfolio.



Cr Judi Harris

Term: 2008–2012, 2012-2016

Cr Judi Harris works to ensure the community gets the best value for its rates money. This requires efficient delivery of services and getting the priorities right with new projects. Good teamwork on Council is necessary to achieve these goals. Cr Harris has lived in three areas of the state's north-west for more than 50 years but believes her experiences living overseas have given her added insights into building stronger communities. She 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 Focused 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 and Employment Network. Testament to her energy, commitment and drive, she is also a small business owner and has two sons who are studying at university. 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.

Our Organisation

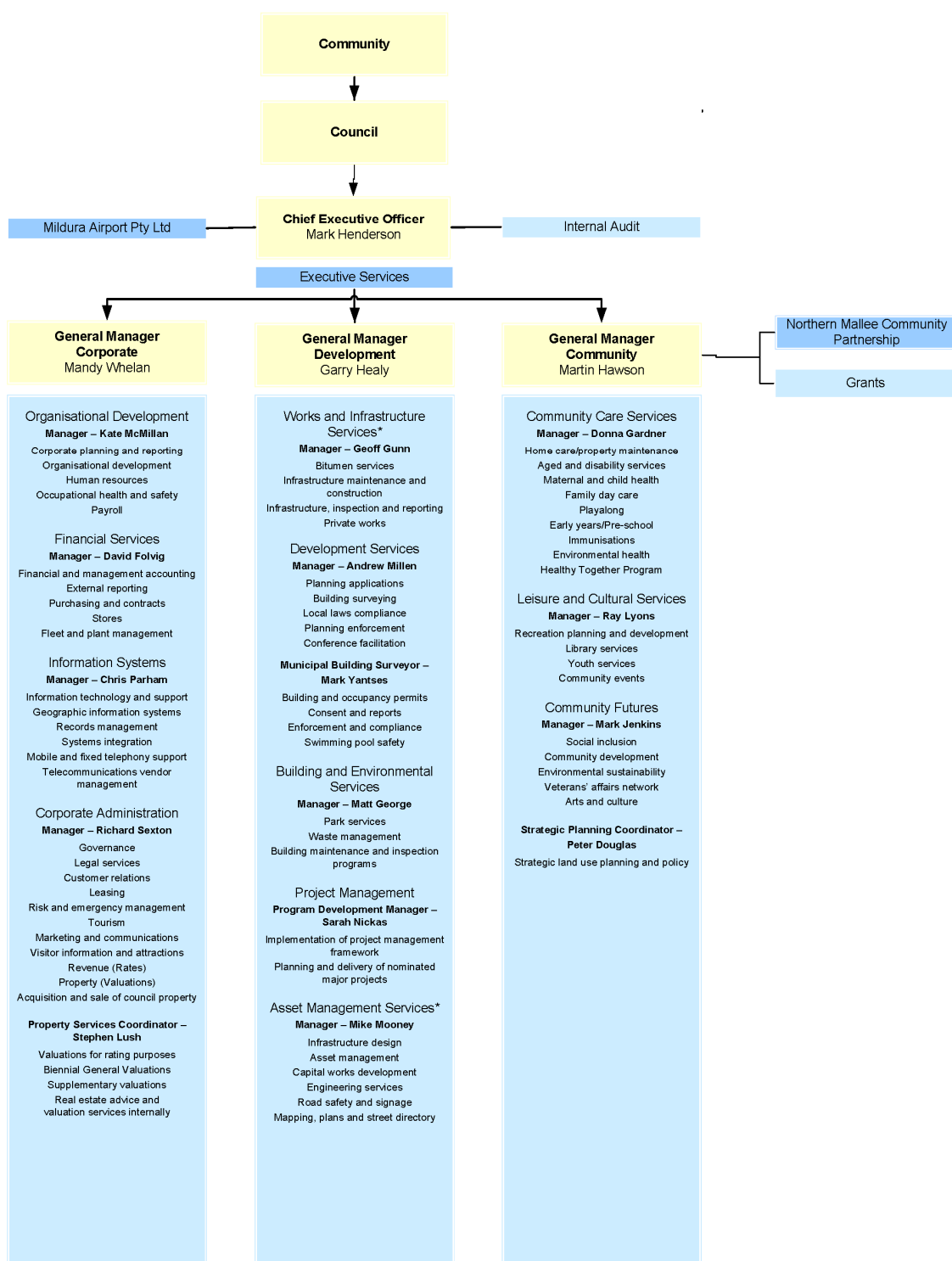
Mildura's councillors are elected as representatives of all residents and ratepayers within the municipality to provide a link between the community and Council. Collectively, they are responsible for a range of functions, duties and powers including setting the strategic direction for the municipality, 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 12-14.**

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



Note:

* Engineering Services Branch was restructured in October 2013 to form two new branches:

- Works and Infrastructure Services
- Asset Management Services.

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 served as Mildura Rural City Council's Chief Executive Officer from October 2009 to March 2014.

Mark's extensive experience in local government includes being a Council Chief Executive Officer in Victoria, New South Wales and Queensland. He is currently Chief Executive Officer of Moira Shire Council. Mark 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 was 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 ten 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

Following Mark Henderson's departure, Mandy served as Acting Chief Executive Officer from 31 March 2014 to 27 April 2014.

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
- Chair of the Northern Mallee Community Partnership.

Following Mark Henderson's departure, Martin served as Acting Chief Executive Officer from 28 April 2014 until the end of June 2014.

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 35 years experience in local government in the development, planning, engineering and regulatory areas of Council operations.

Responsibilities:

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

At the time of preparing the Annual Report 2013-2014, Garry was relieving in the role of Chief Executive Officer.

Our People

Staff Profile

Department	Permanent full time equivalent employees		Permanent part time employees		Casual	
	Male	Female	Male	Female	Male	Female
Executive Services						
Management	1					
Administration, clerical and officers		2				
Corporate Department						
Management	3	2				
Administration, clerical and officers	9	36.02	0.63	4.72		0.04
Engineering/Planning/Building Professionals	1					
Labourers/Maintenance	5					
Tradesperson	6					
Accounting	3	3.63		1.43		
Information Technology	9			0.63		
Other	0.01					
Community Department						
Management	3					
Administration, clerical and officers	5	24.03		6.43		
Engineering/Planning/Building Professionals	2	2				
Labourers/maintenance	1			0.08		
Community Services	2	6.04		2.73		0.04
Child care services/maternal/youth	1	14		8.09	0.02	0.28
Community Care	5	8.01	0.51	55.38		1.22
Health Services	2	2		1.36		0.02
Library	2	17.02		3.98		
Tourism and Arts	3	7		3.33	0.04	0.14
Environmental Services		2.02				
Development Department						
Management	3					
Administration, clerical and officers	19.01	16	0.63	4.43		0.02
Engineering/Planning/Building Professionals	15.02	5.01	0.63			

<i>Department</i>	<i>Permanent full time equivalent employees</i>		<i>Permanent part time employees</i>		<i>Casual</i>	
	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>
Development Department						
Labourers/maintenance	70	1	0.26	1.27	0.02	0.04
Tradesperson	5					
Community Services		1	0.16	0.16		0.04
Community Care	1					
Tourism and Arts	1	2		3.19		0.04
Environmental Services	45	4	0.67	1.26		
Other			0.77	3.31	0.04	0.31
Total	222.04	154.78	4.26	101.78	0.12	2.19

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 2013-2014 included:

- the continuation of two-hour equal opportunity training sessions 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

- Conducting Family Violence Training for all Equal Opportunity Contact Officers and Joint Consultative Committee members.

The following actions have been planned for the 2014-2015 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
- development of a Family Violence Policy and supporting information.

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 and Safety
- Equal Opportunity Awareness
- Business Excellence Awareness
- Customer Service Awareness
- Privacy Awareness
- Fraud Awareness.

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

- Records Management
- Disability Awareness
- Straightbuy
- Authority
- General Procurement
- Procurement Evaluation

- Recruitment and Selection.

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:

- Emerging Leaders Program
- Mastering Management Program
- Ignite Program.

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

- 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
- Cultural Awareness
- Performance Management
- Six Thinking Hats
- Survey Development.

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

- First Aid
- Traffic Controller, Roadworks Signing and Safety
- Emergency Warden training
- Fire Extinguisher training
- Dealing with Difficult People, Behaviours and Situations
- Health and Safety Representative Course
- 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.

Study Support

Through our study support program in 2013-2014, 53 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:

- Development of the Rating Strategy 2014 to 2019
- 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 \$23M plus Capital Works Program including extensions to Mildura South, Mildura West and Pasadena Kindergartens, construction of a roundabout at Madden Avenue and Eighth Street and Riverfront Stage 1 toilets and landscaping
- Continued roll out of the Riverfront Redevelopment Project
- Continued roll out of the organisational Sustainability (Service) Review

Highlights and achievements over the past twelve months

➤ Mildura Rural City Council

July 2013

- Healthy Together Victoria launches the 'Start with' and 'Go One Better' campaigns in Mildura to encourage residents to beat the winter blues and to enjoy healthier food options.
- Local NAIDOC celebrations include an inaugural "*Welcome Baby to Country*" ceremony at the Mildura Arts Centre on Thursday 11 July, which recognises traditional owners by traditionally 'welcoming' to the country and the community all new Koorie babies.
- Council contributes \$20,000 to Loddon Mallee Region Country Fire Authority to enable the Authority to purchase the old Meringur Primary School, which will provide a focal point for the community and be a place where members of the local fire brigade can gather.

- Council unveils concept designs for the \$18.3 million riverfront redevelopment, which include priorities such as a new pedestrian promenade that will connect the riverfront with Mildura's CBD, redevelopment of the Mildura Rowing Club to include a new building to provide both rowing and recreational uses as well as riverfront dining opportunities and redevelopment of the Ornamental Lakes into a safe water play area.
- Robert Alfred Henry, who died in January 2012, bequeaths Council's Library service with his vast collection of books, along with over \$99,000 to be spent on new books into the future.
- Council residents are congratulated for their efforts under the new TechCollect recycling program, which has already seen almost more than the total number of technology-based items recycled last year recycled since the program started on 1 July 2013.
- Residents are encouraged to come along to one of the three tree planting sites nominated for beautification and get involved as Council hosts National Tree Day events on 27 and 28 July 2013.
- Council adopts the recommended directions of the *Draft Mildura Housing and Settlement Strategy Background Report April 2013* allowing preparation of the *Mildura Housing and Settlement Strategy* to proceed.
- Council adopts the Aboriginal and Torres Strait Islander Recognition Policy, which provides a framework for ensuring respect and recognition of the Aboriginal and Torres Strait Islander communities within the Mildura municipality.
- In response to the replacement of the previous *Whistleblowers Protection Act 2001* with the *Protected Disclosure Act 2012*, Council adopts a new Protected Disclosure Policy.
- Council adopts a proposal to name the new community and library facility in Merbein, the Merbein Community Hub.
- Council resolves to support the Mildura Riverfront Redevelopment Long-term Vision and proposed Stage 1 extent of works, formally noting that the public display of the plans commenced on 16 July 2013.

August 2012

- The evolution of scientific art is revealed in Museum Victoria's travelling exhibition of working drawings, photographs, digital media and rare books, which opened at Mildura Arts Centre on 1 August 2013.
- In an effort to make services more accessible to the community, Council launches its 2013 *Survival Guide for Young People and their Parents*, which provides handy information on the services available locally for young people and their families.
- As part of the \$18.3 million Mildura Riverfront Redevelopment Project, Council seeks expressions of interest for a private sector partner to help establish and operate a restaurant or cafe within the city's riverfront precinct.
- Council's Mildura library branch installs a new self-checkout system, which provides library patrons with the option of checking out and renewing their own materials.
- Healthy Together Mildura, along with Mildura Rural City Council and the Mallee Sports Assembly's Healthy Sporting Environments Program, offer incentives and call for expressions of interest for participation in a program to help local sporting

clubs and leisure centres make some changes to their canteens to encourage healthy habits in the community.

- Council announces the Commercial Recycling Rewards Program winners, with Sunraysia Institute of TAFE taking and Lower Murray Water taking out the honours.
- As part of the Australian Taxation Office's (ATO) Tax Help program, community volunteers work out of Council's Deakin Avenue Service Centre up until 31 October, providing a free community service to assist people who earned \$50,000 or less in the last financial year to complete their income tax returns.
- Updated versions of the Information Privacy, Release of Confidential Information, Gifts, Council Representation on Advisory Committees and External Organisations, and Street Numbering policies are adopted by Council.
- Memorandums of understanding between Mildura Rural City Council and funded external entities the Mildura City Heart Incorporated, Mildura Tourism Incorporated and Mildura Tourism, updated to reflect Council's efforts to achieve key objectives within the Council Plan, are adopted by Council.

September 2013

- Council expresses disappointment but remains optimistic about the future of the rowing club redevelopment after an advertisement fails to attract any formal expressions of interest from the potential private sector partners to invest in the proposed new two storey rowing club building overlooking the Murray River.
- The Mildura Arts Centre seeks local performers aged 15 to 18 to join the youth chorus of the classic tale of *The Magic Pudding*, which the Victorian Opera gears up to bring to the Mildura Arts Centre in October 2013.
- Council completes the finishing touches on the new Mallee Highway railway crossing, a \$125,000 capital works project providing the Ouyen community with safe and easy walking access to both sides of town.
- Healthy Together Mildura kick starts the Breakfast Partnership's fundraising drive with a \$5,000 donation to support the eight participating schools to provide up to 500 breakfasts per week for disadvantaged students throughout the Mildura region.
- Kay Sylvester is awarded the Mildura Arts and Culture Board's 2013 Elliott Award in recognition of her contribution to the arts, which has seen her work as a visual artist, teacher, long-term voluntary member of the Friends of Mildura Arts Centre, and champion for the arts in the local community.
- Council adopts the Loddon Mallee North Regional Growth Plan, which details a regional approach to land use planning across the five municipalities of Buloke, Campaspe, Gannawarra, Mildura and Swan Hill over the next 30 years.
- As part of the National Anti-Racism strategy, Council resolves to sign a three-year Supporter Agreement with the Australian Human Rights Commission's 'Racism – It Stops With Me' campaign.
- Council adopts the Mildura Municipal Public Health and Wellbeing Plan 2013-2017, which sets the broad mission, goals and priorities to protect and promote public health and well-being in the Mildura municipality.
- Council resolves to establish a Mildura Arts and Culture Advisory Board to consult, advise and promote the sustained growth of the Mildura Arts Centre, and Arts and Cultural Services, in support and on behalf of Mildura Rural City Council.

- Council adopts a new Geographic Naming Council Policy and an updated version of the Procurement of Goods, Services and Works Policy.

October 2013

- Award-winning local artist, Kristian Häggblom, hosts a Public Programs talk at the Mildura Arts Centre on contemporary approaches to investigative photography with reference to the Eighth *Centre for Contemporary Photography Documentary Photography Award* exhibition currently on show.
- Council and the Sunraysia Sustainability Network partner up with ecoMaster, a climate-change solutions specialist, and seek expressions of interest for up to 90 households to participate in the Sunraysia Energy Savers Program, which aims to reduce the annual consumption of electricity and gas by up to one third and household greenhouse gas emissions by up to 25 per cent.
- Council calls for public comment on the final report on the Mildura Passenger Train Feasibility Study, which outlines nine options for improving public transport connections between north west Victoria and the state capital including the return of the passenger train running between Melbourne and Mildura.
- Council receives the thumbs up from the Victorian Auditor-General's Office (VAGO) with the latest VAGO financial sustainability audit results showing Council finances in a strong position.
- The draft Mildura Housing and Settlement Strategy, which explores the housing supply and demand situation, identifies factors affecting sustainable development of housing and makes recommendations regarding growth and development over the next 30 years, is released for public exhibition.
- As state government funding is received for the Three Colours Soccer Club, the Red Cliffs Junior Football Netball Club and the Murrayville Netball Club, Council announces that it will provide additional funding support to the tune of \$107,900 for these local sporting projects.
- Council adopts the Visitor Information Strategy 2013-2016.
- Council endorses updated deeds of delegation pursuant to Section 86 of the *Local Government Act* with the Kow Plains Homestead Committee, Murrayville Swimming Pool Committee, Underbool Swimming Pool Committee and the Colignan Recreation Reserve Committee (including swimming pool).
- Council ratifies director re-appointments for the Mildura Airport Pty Ltd and resolves to request Mildura Airport Pty Ltd to amend its constitution so that future Director appointments will be five years in duration and timed on a rotational basis.

November 2013

- Minister for Health, the Honourable David Davis MP, launches the new Northern Mallee Community Partnership (NMCP) in Mildura, which brings together 48 different community groups in the Mildura local government area to work towards achieving the goals set out in the Community Health and Wellbeing Plan 2013-2017, also launched by Minister Davis.
- As part of the \$18.3 million Mildura Riverfront Redevelopment Project, landscaping contractors clear vegetation from a site at the top entrance to the Nowingi Place off Seventh Street to make way for about 4,000 new plants, which will create an exciting new entrance and a formal key riverfront access point.

- Council invites key stakeholders to share their views at a workshop on a number of topics related to the review of the Mildura Planning Scheme, which will look at land use and the future direction for development in light recent planning reforms.
- Council calls for applications for its 2014 Youth Ambassador program, which gives young people in years 7 to 10 keen to empower other local young people and represent their interests at a community level the chance to explore and develop their leadership skills in a fun, challenging environment.
- Council invites young people aged between 15 and 25 years who are keen to help organise music gigs, BMX and skate competitions, hip hop showcases and other events for local young people to enjoy to apply for membership of the Mildura FReeZA committee.
- Council hosts a public workshop to allow interested community members to provide input to the Mildura South Mildura South Recreation Assessment plans, which aim to define the infrastructure, housing and recreation needs at Mildura South in the coming years.
- Council adopts a Community Engagement Policy, which aims to promote a collaborative approach to community engagement.
- Council provides in principle support to Harness Racing Victoria's revised plan to upgrade the harness track at Mildura Recreation Reserve.
- Council approves grant applications totalling \$74,234 for funding through the Recreation Grants Program 2013-2014; \$188,500 for funding through the Events and Festivals Grants Program 2014-2015, \$6,561 for funding through the Environmental Project Grants Program 2013-2014 and \$101,882 for funding through the Community Project Grant Program 2013-2014.
- Council receives and endorses the *Mildura South Recreation Assessment November 2013*, commissioned to confirm the best location of identified recreation land for the Mildura South Community.
- Council adopts an updated version of the Section 86 Committee Policy.

December 2013

- Installation of the CCTV cameras in the Red Cliffs CBD is completed, with Council confirming the cameras have entered the testing and commissioning period.
- Council lodges a planning permit application for use and development of an outdoor recreation facility and water park on the Ornamental Lake site at Hugh King Drive as part of the multimillion dollar redevelopment of the city's riverfront.
- Council leads the way when it comes to being a more tolerant and accepting community by committing to the Australian Human Rights Commission's *Racism. It Stops With Me* supporter agreement.
- Council adopts the *Mildura Housing and Settlement Strategy December 2013*, along with the Response to Submissions report, and resolves to prepare an amendment to implement the recommendations of the strategy.
- Council adopts an updated version of the Grants Policy.

January 2014

- With funding provided under the Federal Government's Black Spot scheme, Council commences construction of roundabouts at the intersection of Madden Avenue and Eighth Streets, and also Benetook Avenue and Sixteenth Streets.
- Member for Mildura Peter Crisp and Mildura Mayor Glenn Milne formally get works underway with the turning of the first sod as local contractors Country Project Management start construction of a new amenities building and associated works at Nowingi Place, which will form part of the \$18.3 million project to redevelop Mildura's riverfront precinct.
- Mildura Arts Centre hosts the first in a series of free twilight summer events offering live entertainment, music and art.
- Council resolves to submit for approval to the Minister for Planning Amendment C81, subject to the modifications recommended in the Independent Panel Reports being made.
- Council adopts a revised Conflict of Interest Policy and Delegations Policy.
- Council resolves to provide a one-off special payment of \$15,000 to local welfare organisation Zoe Support Australia, which helps young pregnant and parenting mothers stay engaged in education.

February 2014

- Council announces plans to adopt the Infrastructure Design Manual as the future standard for housing development in our region.
- Mildura's award winning Education Centre at the Mildura Eco Village, which employs state-of-the-art solar air-heating and a dual layer in-ground cooling system, opens its doors to the public as part of the 2014 Sustainable Living Festival.
- Council enters into contracts to purchase approximately eight hectares of land adjoining the Old Aerodrome Oval complex in an effort to help alleviate space pressure on the complex.
- Council adopts a revised Investment Policy.
- Council commits funds of up to \$65,000 from the 2014-2015 Capital Works Program to support the extension of the Kathleen Kelly Kindergarten.

March 2014

- Twelve local kindergartens get set to make improvements to equipment and facilities this year thanks to funding from Mildura Rural City Council's annual Kindergarten Operational Assistance Scheme.
- Ouyen landfill site operator, Chris O'Connor-Byrne, takes out a national award through the drumMUSTER recycling program for his work inspecting drums at the site for local farmers.
- Council officially appoints its new Arts and Culture Development Manager, Antonette Zema, who has been acting in the position since July last year.
- Council welcomes news of the Triple J One Night Stand, a drug and alcohol-free concert backed by the ABC which is expected to draw a crowd of up to 20,000 people to Nowingi Place on Mildura's riverfront on Saturday 17 May 2014.

- In honour of Cultural Diversity Week and Harmony Day, Mildura's multicultural community is celebrated with a special night of music, dancing and family entertainment as part of the Mildura Arts Centre's Twilight event on Friday 21 March 2014.
- The community is encouraged to participate and share their views on Council services, facilities and the organisation's overall performance as Council's annual Community Satisfaction Survey opens online on 17 March 2014.
- Council holds a Disability Information Session and conducts an online survey to obtain community input into priorities for the 2014-2018 Community Access and Inclusion Plan, which will guide the way Council services are able to be accessed for the next four years.
- The Mildura region's mild weather and relaxed lifestyle takes centre stage when popular television program Coxy's Big Break airs a special episode on regional Victoria on Channel 7 on 23 March 2014 in the lead up to April's Regional Victoria Living Expo in Melbourne.
- Mallee Catchment Management Authority and Sunraysia Community Health lead the state by being two of the first businesses to reach the initial milestone of the Healthy Together Achievement Program for workplaces, which is an initiative of the Healthy Together Mildura Program run by Mildura Rural City Council and Sunraysia Community Health.
- In a bid to reduce its impact on the environment, Mildura Rural City Council supports Earth Hour on 29 March 2014 turning off non-essential lights for one hour at three of its top energy-consuming buildings – the Alfred Deakin Centre, Deakin Avenue Service Centre and Madden Avenue Service Centre.
- Council's Chief Executive Officer, Mark Henderson, announces his resignation on 28 March 2014 to return to his home in the Victorian High Country and be closer to family and farming interests.
- Council adopts updated versions of the Mildura Arts Centre Arts Collection and Loans Policy, and Media Relations Policy.

April 2014

- Local youth, who do their bit to support the many events, programs and people in the Mildura region, are officially recognised at the 2014 Mildura Rural City Council Youth Awards Gala Dinner on 5 April 2014.
- Visitors and businesses in the Mildura CBD have their security upgraded with the installation of improved CCTV cameras, which provide higher resolution pictures making the identification of offenders easier.
- Council announces its intention to install ten new public place recycling bins along the Mallee Track following the award of a grant under Sustainability Victoria's Public Place Recycling Grants Program.
- Council adopts the Infrastructure Design Policy, which aims to standardise Council requirements for the design and development of municipal infrastructure.
- Council's adopts amended versions of the Street Trader Policy, and Raffles, Door Knocks and Community Events Signboard Policy.

May 2014

- Construction of the second Black Spot funded roundabout in the Mildura region gets underway on Monday 5 May at the intersection of Benetook Avenue and Sixteenth Streets.
- Council formally adopts its Rating Strategy 2014-2019, which sets out how Council will raise revenue from rateable properties within the Mildura Rural City Council area over the next five years.
- Around 15,000 people descend upon Mildura's riverfront performance venue as the Triple J One Night Stand - a free, all-ages concert – rolls into town.
- Parents and carers of children are invited to share the joy of reading aloud to their children as Council's Library Services hosts five public sessions in May as part of the annual National Simultaneous Storytime event, which aims to encourage more Australian children to read and enjoy books.
- Council adopts its proposed budget for the 2014-2015 financial year and invites public submissions on the proposals contained within it by 16 June 2014.
- Council adopts the Library Service Strategic Plan 2013–2018, which provides a framework for the provision of library services in the Mildura municipality over the next five years.
- Council approves grant applications for funding totalling \$72,962.13 through the Recreation Grants Program 2013-14 (February round); \$9,955.30 through the Arts Development Grant Program; \$13,319 through the Environmental Project Grants Program 2013-2014 (February round); \$84,954 through the Events and Festivals Grants Program 2014-2015 (February); \$10,311.26 through the Rural Access Grant Program 2013–2014 (February) and \$9,589.80 through Council's Commercial Waste Management Program 2014.
- In accordance with the requirements of the *Local Government Act 1989*, Council adopts the revised *Council Plan 2013 to 2017 (2014-2015 Update)* and resolves to notify the Minister for Local Government of the adjustments and publish the update on the Council website.
- Council approves the Local Government Funding Vehicle as a new source of funding for future borrowing requirements and resolves to participate in the first Local Government Funding Vehicle bond issuance in July 2014 for an amount of \$2,000,000.
- Council endorses annual business plans for Mildura Development Corporation and Mildura Tourism Incorporated, which set out the activities proposed to achieve the objectives of each entity's strategic plan for the 2014-2015 financial year, the resources proposed to be applied to those activities and the proposed budget.
- Council endorses the Mildura Airport Pty Ltd Annual Business Plan for 2014-2015, which includes a budget for 2014-2015 and a further four financial years, objectives and actions for 2014-2015, projected passenger numbers for 2014-2015, along with a description of how the implementation of the current approved Master Plan is progressing.
- Council adopts a Response to Submissions table May 2014 and resolves to consider finalisation of the draft Mildura South Development Plan subject to re-exhibition for comment of a modified plan identifying the location of the proposed activity centre on the western corner of Sixteenth Street and Walnut Avenue, and consideration of any further submissions received.

June 2014

- Mildura Arts Centre hosts internationally renowned film director Bruce Beresford and his talented photographic director daughter Cordelia Beresford on Tuesday 3 June at a unique 'In Conversation' event in which Bruce and Cordelia share their stories and insights on a variety of topics from directing to photography and art.
- As the first local early child care service to reach the initial recognition point in the statewide Healthy Together Achievement Program, Council's Family Day Care team is recognised for their commitment to promoting child and family health.
- Local residents aged from 16 to 25 years of age are invited to apply for membership of the new Youth Liaison Committee, which will work with Council staff to develop a Youth Charter and a Good Practices Guide for Councillors and Council staff to use when engaging with our youth.
- Another great milestone in the evolution of the Mildura Eco Village is celebrated with the launch of the village's Solar Distillation Demonstration site, which showcases the next step in potential designs for renewable energy in our region.
- The results of a Community Satisfaction Survey, completed by 406 residents, are released and show community members being most satisfied with Council's library services, immunisation programs, garbage collection and recycling services, and the general courtesy of Council staff.
- Council approves Harness Racing Victoria's revised plan to upgrade the harness track at Mildura Recreation Reserve on the condition that identified drainage implications be addressed to the satisfaction of and at no cost to Council when works occur.
- Council adopts the Planning Scheme Review report, which provides an overall review of the Mildura Planning Scheme and presents updates and changes recommended to the Planning Scheme to ensure it is in line with state and local requirements, and approves its submission to the Minister for Planning.
- The Strategic Resource Plan 2014-2015 to 2017-2018, which provides details of the financial and non-financial resources applied to achieve Council's strategic objectives as outlined in the Council Plan, is adopted by Council.
- The Annual Budget 2014-2015, which includes a four and a half per cent rate increase, is adopted by Council.
- Council adopts the Intellectual Property Policy and the City Recognition Policy, which include minor revisions.
- Council adopts the new Crime Prevention through Environmental Design Policy, developed to ensure that design principles and guidelines for safety and crime prevention are applied to new development, redevelopment, maintenance and management of public spaces and facilities within the municipality.
- Council adopts a new Domestic Animal Management Plan, developed in accordance with the requirements of Section 68A of the *Domestic Animals Act 1994*.

Other entities funded by Mildura Rural City Council

➤ Mildura Airport Pty Ltd

Terminal Redevelopment Project

The primary focus of the 2013-2014 year was initially the final delivery and project closure of the Airport Terminal redevelopment.

The immediate period post-construction was focused on administrative process, closure of active files for the development, defect identification and rectification along with comprehensive review of operating systems manuals and processes for the new facility. That focus was initially very intense and continued on a diminishing scale to be completed within the reporting period.

Car parking was expanded in the short-term zone to accommodate the demand that came with additional airline services and increasing passenger numbers.

With the increase in services, increasing passenger numbers and larger aircraft being utilised or planned by some carriers, the investigative and planning phase of a project to plan and design a major bituminous overlay and extension of runway 09-27 was initiated. That project continued and activity intensified for the balance of the reporting period.

Passenger Numbers

During the reporting period, passenger numbers through the terminal continued to grow with the annual total reaching just over 211,000 as at June 2014.

Passenger Screening

Passenger screening legislation and regulations changed in the reporting period, primarily as a result of initiative and pressure applied by Mildura Airport Pty Ltd's (MAPL) management. Those changes allowed MAPL to absorb the passenger screening activities directly back "in house" by removing the requirement to use

licensed security guards at the screening point.

The economies achieved were passed back to the airlines affected, as required by the screening legislation, and further improved the already excellent relationship that exists with the airlines.

Office Bearers' Positions

Office bearer's positions remained unchanged in the reporting period.

Regulatory Audits

Mildura Airport remains safe, secure and compliant with the two main regulatory bodies: the Civil Aviation Safety Authority (CASA) and the Office of Transport Security (OTS). Both of these organisations conducted their regulatory audits during the year.

Other

Expansion of the CCTV network continued following the terminal works with new cameras installed to infill various black spots identified.

Software and system improvements continued.

Further consolidation of the IT network continued during the period with further improvements to the central server/communications room pulling together the previously fragmented system.

A new and upgraded Flight Information Display System (FIDS) was installed with the terminal redevelopment replacing the then existing outdated system. During the reporting period, that system was integrated with the Airport Web Site to allow public access to real time flight information.

Work continued on expanding the airport's Water Harvesting Program to 'drought proof' the airport for the future. New reticulation hardware was installed and the ageing infrastructure used for irrigation was rendered redundant.

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

The fragmented irrigation distribution 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, tracking on a quarterly basis multiple indicators of the region's tourism performance. For the year ended March 2014, the Mildura region attracted 451,000 overnight domestic visitors – an increase of 12 per cent in comparison with the previous year. Around 16,000 international overnight visitors travelled to Mildura, maintaining visitor levels for the year. Domestic overnight visitors spent \$245 million in the region – up by some \$20 million for the year - resulting in an average of around \$170 per night. Figures for the year ended June 2014 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 to October 2013 and March to June 2014. 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. Television programs, as well as publications that produced strong motivational content on the Mildura region throughout the year, included *Huey's Kitchen*, *Postcards*, the *Today* program, WIN Victorian regional weather and New Zealand's *Dishing up Australia*. Print media included The Age's Traveller and Life & Style sections, the *Australian Financial Review*, *Spirit of Australia*, *Gourmet Traveller* and *Destinations for the Discerning Traveller*.

Locally, in May, Mildura Tourism assisted Mildura Council with tourism and promotional aspects of Triple J's successful 'One Night Stand' concert which attracted around 10,000 visitors. Specific research undertaken by Mildura Tourism revealed that this event brought economic benefits worth \$1.4 million to Mildura. Timing of the festival coincided with the week traditionally set aside for Mildura Tourism's annual Be a Tourist in Your Own Town campaign, which targets the important Visiting Friends and Relatives market. This year Mildura Tourism

encouraged local residents to 'Show off their Mildura' to the thousands of visitors who stayed with locals during the event.

Mildura's new 2014 *Official Visitor Guide* was produced and released in November 2013 prior to the important Christmas holidays and early-year 2014 Easter and school holiday period. This 96-page flagship tourism information booklet was significantly refreshed to best reflect the region's diverse tourism products.

Working with around 30 local tourism operators, Mildura Tourism commenced the process of developing a range of new and appealing all inclusive price-point packages aimed at growing new markets and demographics for Mildura. While extensive foundation work for this project was completed during the financial year reporting period, the packages will be first introduced to consumers in spring 2014.

Digital Excellence

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

Community Engagement

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. Mildura Tourism was also a partner in Council's on-going participation in the Regional Living Expo aimed at attracting more residents to the region.

In November 2013, Mildura Tourism's Be a Tourist in Your Own Town campaign won a Merit Award in the Innovative Product, Community Services, category of the Mildura Innovation Awards conducted by the Mildura Development Corporation.

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 November 2013, a new Mildura Tourism Board was formed. The new Board brought a stronger and broader-based tourism industry and commercial business approach to the organisation, particularly in respect to dealing with the mutually-agreed challenges set out in a new, renegotiated three-year memorandum of understanding signed off by Council and Mildura Tourism in September 2013.

Mildura Tourism conducted a comprehensive Expectations and Satisfaction survey of its business members. That survey revealed a 74 per cent level of satisfaction averaged across four key measures.

➤ **Mildura Development Corporation**

Vision: Our Region. Our Prosperity

The 2013-14 financial year brought significant changes for Mildura Development Corporation (MDC), with a change in base funding and membership structure under a new Memorandum of Understanding (MoU) with Mildura Rural City Council (MRCC), as well as a change of CEO in November 2013.

At the same time, 2013-14 was an eventful year in which the Board renewed MDC's strategic focus under a new 2013-16 Strategic Plan and Business Plan, and where MDC made great strides in achieving a number of outcomes under its four goals:

1. Facilitate regional innovation and business development
2. Attract and facilitate diverse investment opportunities
3. Advocate for economic infrastructure projects
4. Strong relationships with stakeholders and the community.

This report provides an overview of some of the achievements of MDC over the last financial year within its strategic framework.

Goal 1: Facilitate regional innovation and business development

Regional Branding: MDC established and trademarked the 'Crafted by Mildura' brand and logo, set up Crafted by Mildura Pty Ltd to manage the brand, and worked with Mildura Wines to establish a shareholder agreement, user agreements and a Crafted by Mildura Handbook governing use of the brand, with a planned launch in late-2014.

Food, Wine and Beverage Manufacturing Strategy: MDC launched the Food, Wine and Beverage Manufacturing Strategy in December 2013 and worked with stakeholders to progress a dedicated food testing facility for the Mildura region, as well as other goals under the Strategy.

Training and Networking Events: MDC hosted 22 business workshops, seminars and networking events, including:

- over 14 business workshops subsidised by a Small Business Victoria grant, on topics such as 'Winning Government Business' and 'Getting the Right Staff', including events for both the 2013 and 2014 Small Business Festival Victoria with Northern Mallee Leaders, a Leadership Week Luncheon with guest speaker Natasha Duckett from crowdfunding organisation, Pozible
- in conjunction with Empty Space Project Inc, a pop-up social media workshop in the MARS space in Langtree Mall with Tim Gentle from Design Experts
- with the Financial Planning Association of Australia and Mildura Deakin Rotary, a networking breakfast with James White on 'Australia Thinking about the Future'
- with Mallee Family Care, an event at La Trobe University with the head of Good Super, Aron D'Souza
- facilitating a local VECCI Export workshop called 'Understanding Export Documentation and Logistics'
- facilitating and promoting several events run by other local organisations.

Innovation Awards: MDC successfully created, organised and ran the inaugural Powercor/WIN Network Innovation Awards in November 2013, to celebrate, promote and reward innovation in the Mildura region by showcasing local innovators and innovations. The Innovation Awards will be held on a biennial basis, with the next Awards to be held in November 2015.

Mildura Wines: MDC continued to act as Secretariat for Mildura Wines, facilitating regional branding, the 2014 update to the Mildura Wines map and the promotion of Mildura region wines to domestic and overseas investors.

Community Profile: Expanding on MDC's online Economic Profile, MDC released a new online Community Profile in June 2014, which provides an online resource for businesses, schools and households on the latest Mildura-Wentworth statistical data, including population, migration, housing, etc: communityprofile.com.au/Mildura.

Grape Industry Analysis: Funded by a Regional Growth Fund grant, MDC is undertaking, through SunRISE Mapping and Research, an analysis of the grape industry in Sunraysia by variety to be released September 2014, which will inform future investment and redevelopment in Sunraysia's dried, table and wine grape industries.

VECCI: MDC was appointed as the Mildura region's observer to the Executive Council of the Victorian Employers' Chamber of Commerce and Industry (VECCI) and as a member of VECCI's Small Business Taskforce, enabling input from a Mildura region perspective on development, business and small business issues.

Industry, Community and Commodity Groups: Information on MDC activities was provided to a range of industry and community groups, including rotary clubs, real estate and professional industry bodies, and continued to work closely with all locally based commodity groups to further opportunities for business growth and output.

Tradestart: MDC acted as a linkage point for local businesses interested in export and the Tradestart Adviser based in Bendigo.

Weekly email update: MDC continued to provide over 1,200 local recipients with weekly information about a vast range of training and professional development forums, business events, and grants.

Submission to the Agricultural Competitiveness White Paper: MDC made a submission to the Australian Government's Agricultural Competitiveness White Paper, focusing on the issues relating to agricultural competitiveness in the Mildura region.

Empty Space Project Incorporated (ESPI): MDC partnered with ESPI to provide complementary business workshops to ESPI participants, to help promote local entrepreneurship and the leasing of empty spaces (shops) in the Mildura region.

Conferences: MDC representatives attended a number of state and national conferences and summits to further learnings and opportunities for innovation and business development in the Mildura region.

School for Social Entrepreneurs: MDC worked with Mallee Family Care to secure local partners for, and funding of, a School for Social Entrepreneurs program to be held in Mildura in February 2015.

Economic modelling: MDC undertook economic modelling for individual businesses to facilitate regional innovation and business development.

Goal 2: Attract and facilitate diverse investment opportunities

Broadcast Mildura: MDC displayed, used and provided to investors five film-clips promoting the region, produced in 2013 and available via YouTube, the MDC website and MRCC's website, being: Overview of Mildura Region; Investment; Produce; Education; Tourism and Lifestyle (available in Chinese, Japanese and Indonesian).

Murray Now/Austrade publication and delegation: MDC organised an advertisement of the Mildura region for the 2014-15 Murray Now Regional Profile publication, after taking a Murray Now and Austrade delegation on site visits to a number of local industries: murraynow.com.au.

Factsheets: MDC updated and promoted the use of individual fact sheets for the Mildura-Wentworth region, including fact sheets on produce, solar, etc.

Invest Mildura brochure: MDC worked, and is continuing to work, with MRCC to produce an 'Invest Mildura' brochure utilising information from MDC's individual factsheets.

Stefano's Festa Della Repubblica dinner: MDC organised and funded a 10-person table at Stefano's Festa Della Repubblica at Eureka@89 at the Eureka Tower in Melbourne, inviting key guests including Merbein's own celebrity, Tania Zaetta, and organised hampers of local produce and information for 120 prominent guests at the event to promote the Mildura region.

Regional Living Expo: MDC representatives attended the Regional Living Expo in Melbourne to promote the Mildura region to investors and potential residents, along with MRCC and Mildura Tourism.

Mildura Open Day: MDC assisted MRCC and Mildura Tourism with a regional living/investment Open Day in Mildura to follow up those from the Regional Living Expo interested in living and investing in the Mildura-Wentworth region.

Individual investor assistance: MDC provided information and assistance to investors and potential investors.

Approach to capital providers: Engagement with capital providers (such as banks, superannuation funds, and private equity funds) to promote investment in the Mildura region was undertaken by MDC, including:

- Approach to Superannuation fund, Good Super: Facilitated an event with Mallee Family Care with the head of Good Super, Aron D'Souza, and subsequently provided an invitation to Mr D'Souza to attend the Eureka@89 dinner promoting the Mildura region, as well as information to promote investment in the Mildura region.

Renewable energy investor assistance: Assistance was provided to a number of renewable energy investors with economic modelling, site and land visits, mapping, MRCC meetings, etc., and several enquiries were fielded in regard to renewable developments from national and international companies. Investors assisted included:

- *Solar Systems:* Continued provision of information, support and economic modelling to Solar Systems for their 1.5MW power station demonstration facility at Carwarp (officially launched in July 2013) and their next stages of development.
- *Balfour Beatty:* Assistance was provided to Balfour Beatty with their application to obtain a \$3 million grant from the Australian Government's Regional Growth Fund, which helped to secure an approximate \$174 million investment in a local biomass plant to generate energy from regional waste product.
- *BELECTRIC:* German company BELECTRIC finalised a 3.4MW PV solar power station in Thurla in April 2014, after MDC's introduction of the company to the Mildura region and assistance with site visits, economic modelling, etc.
- *Australian Tartaric Acid:* MDC assisted Australian Tartaric Acid with economic modelling and obtaining a grant for their 8MW biomass boiler launched in June 2014.

Mildura Eco Village – Solar distillation demonstration facility: MDC supported a grant to establish a solar distillation demonstration facility at the Mildura Eco Village, as well as the launch of the facility.

Agricultural/horticultural investor assistance: MDC assisted a number of interested investors, including a large Pakistani delegation of over 30 individuals, looking at investment in agricultural/horticultural pursuits, irrigation and water management with site and land visits, mapping, MRCC meetings etc. MDC also continued to field several enquiries in regard to agricultural/horticultural developments from national and international companies.

Foreign Investment in Agriculture/Horticulture: Assistance was provided by MDC to a number of foreign investors looking at agricultural/horticultural investment as follows:

- *Australia China Trade & Investment:* Organised and funded with MRCC an advertisement of MDC and the Mildura region (in English and Chinese) in the yearly Australia China Trade and Investment publication, as well as on their online Business Directory, to promote Chinese investment in the Mildura region: www.australiachinatradeinvestment.com.au
- *2014 Jiangsu, China-Victoria sister-state Festival:* Represented and promoted the Mildura region to delegates from Jiangsu province in China as part of the 2014 Jiangsu-Victoria sister-state Festival, celebrating 35 years of partnership.
- *Significant Investment Managers event:* Director Michael O'Callaghan and MRCC representatives promoted Mildura region in Melbourne and Geelong to significant investment managers whose role is to attract business and investor migrants to Victoria (with key markets including China, Japan and South Korea).
- *Korean Trade-Investment Promotion Agency (KOTRA):* Met with the Director-General of KOTRA in Sydney (South Korea's equivalent to Austrade) to promote the Mildura region as an investment destination and to discuss potential opportunities for collaboration.
- *Asia-Pacific Law Forum and Dinner:* Participated in the Asia-Pacific Law Forum and Dinner, attended primarily by investors and lawyers from China, to promote Chinese investment in the Mildura region.
- *Australia China Business Council (ACBC):* Maintained membership of the ACBC and attended relevant events to build relationships with Chinese investors and contacts.

- Sister-cities: Engaged with Mildura region sister-city representatives and local committees to promote mutual trade and investment.
- Foreign investor assistance: Assisted individual foreign investors, investment delegations and investment facilitators from Australia's three largest trading partners, and from other trading partners, including:
 - Hong Kong/Chinese investment in citrus/table grapes: Organised site visits to industries across the Mildura region, as well as targeted meetings with MRCC, Citrus Australia and others, to assist Hong Kong-Chinese/Australian-Chinese investors looking into investment in citrus and table grapes. Following the visit, formal interest in investment was put forward, with MDC working to help facilitate this investment.
 - Xi'an investment: Met with an Australian-Chinese investment facilitator based in Melbourne, originally from Xi'an in China, regarding investments in Australia from Xi'an-based investors.

Goal 3: Advocate for economic infrastructure projects

National Broadband Network (NBN): MDC advocated for a priority rollout of the NBN in the Mildura region by:

- continuing to support, meet with, and act as Secretariat for the NBN4Mildura-Wentworth Committee, following its establishment by MDC
- drafting a new Business Case for the NBN following the election of the new government in September 2013
- meeting, along with the Chair of NBN4Mildura-Wentworth and a MRCC representative, with the office of the Minister for Communications, the Honourable Malcolm Turnbull MP, to present the new Business Case and to advocate for a rollout of the NBN
- providing the Business Case to local parliamentarians and community leaders, with a request to support the drive by MDC and NBN4Mildura-Wentworth for a rollout of the NBN as soon as possible
- writing to the Minister of Communications to request that Mildura region be considered as a pilot region for NBN Co's new multi-technology mix
- developing a NBN competition for local primary and secondary schools to both promote understanding of, and the rollout of, the NBN
- continuing to utilise the NBN4Mildura-Wentworth Digital Community Strategy
- attending an industry conference related to the NBN and Smart Communities in Melbourne.

Rail investment: MDC promoted rail investment priorities including the upgrade and standardisation of the Mildura line, the transcontinental link between Mildura and Broken Hill, and the return of passenger rail services by:

- spearheading the idea to Mildura Rural City Council (MRCC) and the Member for Mildura that the five Mayors along the Mildura line meet with the Minister for Transport, the Honourable Terry Mulder MP, to promote the wider cause of rail investment. A meeting was subsequently then organised through the work of Member for Mildura, MRCC and MDC
- drafting a Briefing Paper on the benefits of rail investment for the attendees at the Ministerial meeting and the Minister

- meeting with Department of Transport heads in Melbourne and on their visits to Mildura to push rail investment
- continuing to push for a commitment to the transcontinental rail link, which was original put forward as a concept by MDC's predecessor, the Sunraysia Mallee Economic Development Board (SMEDB), and advanced through a \$200,000 SMEDB pre-feasibility study
- promoting and providing advocacy for rail investment through media channels
- meeting with parliamentarians, community leaders, local advocates and other contacts to push forward rail investment, to benefit both freight and passenger services
- participating in meetings of the Central Murray Regional Transport Forum (made up of seven LGAs), who are putting forward a submission on the best route for standardisation under GHD's scoping study, pushing for an additional standard gauge link to Murrayville, and holding a meeting with the Labor Opposition to ensure a matching funding commitment
- liaising and meeting with the Victorian Department of Transport (DOT), GHD, Northwest Rail Alliance, Wakefield Transport and other groups in regard to progressing the upgrade and standardisation of the rail line from Mildura to Geelong, the transcontinental link and the return of passenger rail.

This advocacy work resulted in a Victorian Government announcement of approximately \$41 million towards the upgrade of both the Hopetoun-Murtoa and Mildura-Maryborough rail lines, up to \$220 million towards the standardisation of the rail line between Mildura and Geelong (with four options for standardisation currently being considered), and the release of a Victorian Government-commissioned GHD scoping study including a recommendation to build the transcontinental link by the mid-2020s.

Education: MDC promoted investment in education infrastructure, courses and places, by:

- commencing the development of a strategy to enhance investment in education infrastructure, courses and places in the Mildura region
- commencing liaison with local education providers, parliamentarians and community leaders
- advocating through media channels investment in education in the Mildura region
- working closely with education providers to encourage curriculum development that will enhance established and emerging local industry sectors
- undertaking courses and training through MDC.

Health and Aged Care: Promoted investment in health and aged care infrastructure, courses and places, by commencing:

- the development of a strategy to enhance investment in health and aged care infrastructure, including specialist services, in the Mildura region
- liaison with local health providers, parliamentarians and community leaders
- the process of holding individual and group meetings with health and aged care providers.

Irrigation – Sunraysia Modernisation Project: MDC undertook and finalised a comprehensive business case for the Sunraysia Modernisation Project, resulting in an announcement of \$103 million in funding from the Australian Government, as well as \$17 million from Lower Murray Water, in December 2013, to bring ageing irrigation infrastructure in line with contemporary irrigation standards.

Ouyen Lake: As part of the Advancing Country Towns committee, MDC promoted government investment in the Ouyen Lake and supported the work local advocates, the result being an announcement of \$500,000 towards the project from the Regional Growth Fund.

Motorsports facility: MDC assisted MRCC as and where necessary on their advocacy for a motorsports facility. The result was an announcement of \$100,000 towards establishing a full business case for development of the facility.

Goal 4: Strong relationships with stakeholders and the community

Northern Mallee Leaders Program: MDC participated as a member of the Advisory Committee of the Northern Mallee Leaders Program and provided \$5,000 per annum financial support from MDC towards the program.

Education Awards: MDC provided funding for:

- VCE Awards to students excelling in business studies, including for schools in Ouyen and Murrayville
- VET in Schools Awards to encourage training and education in schools
- La Trobe University Awards related to business and economic development.

Stakeholder engagement: MDC representatives met and liaised regularly with stakeholders including parliamentarians, community leaders, local industry heads, numerous local business owners, Regional Development Victoria, Powercor, and others.

Local industry, business and community groups support and consultation: MDC continued to provide the Weekly Email Update to over 1,200 recipients, held a number of focus groups with businesses, undertook individual consultation meetings with businesses, sent out an 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.

MRCC Indigenous Employment Program: MDC participated in the committee overseeing this program being coordinated by MRCC to develop Indigenous employment opportunities.

Advancing Country Towns: MDC participated in the committee assisting in development of economic and social projects for towns along the Mallee track.

MRCC: MDC developed and worked on a number of projects with MRCC, signed a new MoU with MRCC in August 2013, developed a monthly Board report against MoU targets, undertook reporting requirements under the MRCC-MDC MoU (including the presentation of a Business Plan), held regular informal and formal meetings with a number of councillors and MRCC staff members, participated in reviews, attended MRCC Forums, and provided general updates as requested.

Central Murray Regional Transport Forum: MDC attended workshops investigating and planning for future transport requirements of north-west Victoria, including roads, rail and bridges.

Wentworth Council: MDC liaised with Council staff on a number of projects including advocacy for the NBN.

Powercor: MDC worked closely with representatives from Powercor on potential renewable energy developments and other innovative concepts.

VECCI – Executive Council: MDC represented Mildura region at VECCI Executive Council level, providing information on projects and business developments within the Mildura region, as well as by participating on VECCI's Small Business Taskforce.

Austrade: MDC maintained links with Austrade across a number of key export markets for the Mildura region, including direct liaison with our region's Tradestart Advisor.

AusIndustry: MDC 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): MDC worked very closely with RDV on a range of funding opportunities to assist local and new business development.

Department of Business and Innovation (DBI): MDC 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: MDC continued to work in partnership with Mildura Tourism to promote the region and to work on areas for collaboration.

Mildura Airport: MDC continued to support Mildura Airport in relation to new funding opportunities.

NBN Co: MDC engaged with NBN Co on a number of occasions regarding the rollout of the NBN in the Mildura region.

Sunraysia Modernisation Project liaison: In developing and finalising the business case, MDC 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.

Northern Mallee Local Learning and Employment Network (NMLLEN) Careers Network dinner: MDC supported the NMLLEN Careers Network dinner.

Sunraysia Development Industry Group (SDIG): MDC sat as an observer on the SDIG, involving many Mildura region real estate agents and developments, and provided opinion in relation to a number of development issues.

Mildura Wines: MDC acted as Secretariat to Mildura Wines, participated in and contributed to regular meetings, and undertook associated work on 'Crafted by Mildura' and the Mildura Wines map.

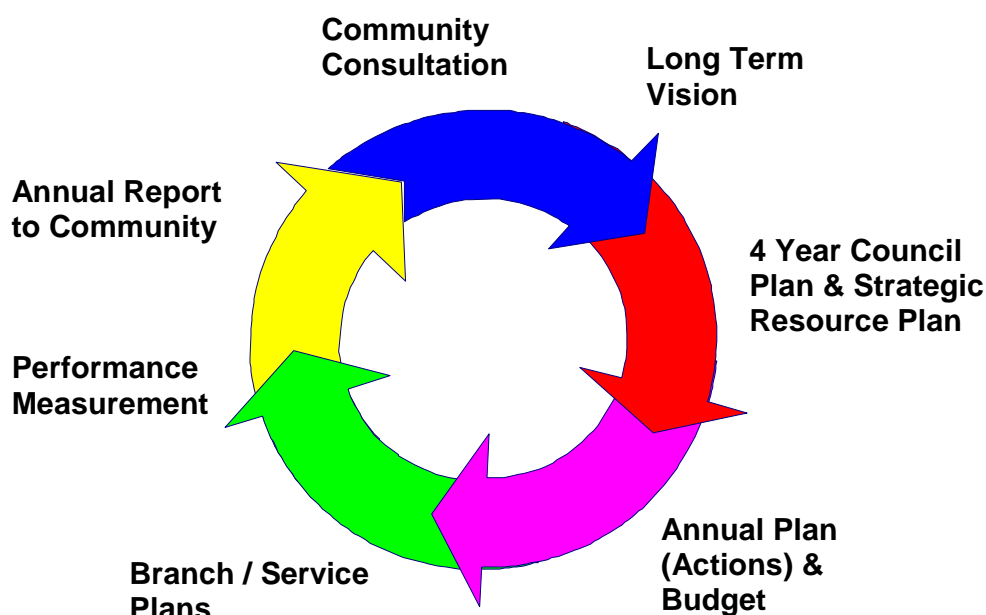
Innovation Awards: MDC held inaugural innovation awards, which not only awarded local innovation but also enabled connections to be made between various business, industry and community groups across the Mildura region.

Conferences/Talks: MDC attended a number of relevant conferences and talks to build learnings and connections from an economic development perspective to assist the Mildura region, including for example a talk by the new CEO of Telstra, David Thodey.

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.



Important points to note regarding community satisfaction measures:

- Due to changes to Council's Community Satisfaction Survey (questions and methodology), Community Satisfaction Survey results are calculated and reported differently.
- Community Satisfaction results are now reported as a *Percentage favourable* score; that is the percentage of respondents who rated the performance of the survey item as either a six or seven on a seven-point scale.
- Changes to the way Community Satisfaction scores are calculated and reported also mean it is not possible to compare this year's result to previous years
- * Denotes **Annual Local Government Community Satisfaction Survey** results. These results are an Indexed Mean score out of 100.



Strategic Objective 1: Community

We will create a safe and supportive place to live, where diversity and lifestyle opportunities are encouraged; and participating in arts, culture, sport and recreation enhances wellbeing.

What we have delivered

- 25 school crossings supervised by 40 school crossing supervisors
- Collected 917 dogs and 675 cats
- Provided support to 191 initiatives in 10 Community Plans
- Reviewed Underbool, Walpeup and Merbein Community Plans
- Conducted 1,142 food and health compliance inspections
- Responded to 277 health related customer requests
- Issued 1,020 temporary food acceptances
- 2,163 Home and Community Care clients received services including:
 - 39,831 hours of home care
 - 10,516 hours of personal care
 - 5,496 hours of respite
 - 5,428 hours of property maintenance
 - 10,066 hours of planned activity group
- 914 participants at 24 activities as part of the annual Seniors' Festival
- 12 maternal and child health centres have supported:
 - 748 births
 - 7,808 face-to-face and 602 telephone consultations
 - 14,238 immunisations
- 23,485 library members
- 269,856 library visits
- 334,361 library loans
- 40,756 library enquiries
- 29,155 library internet sessions
- 21,175 library wi fi sessions
- 87 library holiday sessions with 1,074 attendees
- 415 story time sessions, including Baby Bounce and Toddler Time with 5,651 attendees

- Funded 36 sport grants totalling \$147,000
- Administered 262 casual sports facility hire bookings and 108 service agreements with recurrent bookings
- Assisted or supported 351 through the Youth Connections program
- 1,178 youth aged 12-25 participated in Engage! program activities including; Youth Ambassadors, National Youth Week, Youth Volunteering, accredited and non-accredited training, School Holiday program activities and Youth Outreach

Key Result Area 1.1 Community Safety

Goals:

- People feel safe
- People are safe
- A community well prepared for emergencies

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Review Road Safety Strategic Plan 2010 to 2017	90
Implement Road Safety Strategic Plan 2014 to 2022	100
Implement Domestic Animal Management Plan 2013 to 2017	100
Implement Public Asset Inspection Program	100
Implement Municipal Emergency Management Plan	100
Review Municipal Emergency Management Plan	100
Implement and monitor Municipal Fire Management Plan 2012 to 2015	100

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community perception of personal safety	46%	50%
Childhood accidents	155	100
Crimes against persons	1.8%	1.4%
Crimes against property	6.2%	6.0%
Road trauma	0.3%	0.2%
Reported public safety incidents	111	100
Number of animal attacks	50	45
Community satisfaction with emergency management	20%	24%

Key Result Area 1.2 Community Development

Goals:

- Facilities, services and activities are accessible to everyone
- Everyone feels part of the community and can participate in community life
- Everyone has opportunities to help shape their community
- Everyone has access to education opportunities

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Review Community Access and Inclusion Plan 2009 to 2013	92
Implement Community Access and Inclusion Plan 2014 to 2018	82
Implement Cultural Diversity and Inclusion Strategy 2012 to 2017	94
Develop Indigenous Action Plan	25
Implement actions associated with community plans	89
Implement a program of reviewing community plans	56
Facilitate the Community Engagement Framework	100
Implement Unlocking Sunraysia's Potential Blueprint	92

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with support to people with a disability	20%	25%
Community satisfaction with equitable access to facilities, services and activities	30%	32%
Feeling part of the community	NA	NA
Social support	NA	NA
Volunteering	NA	NA
Community satisfaction with opportunities for people to be involved in shaping their own community	32%	35%
Education participation rates	66.2%	79.5%
Year 12 or equivalent completion rates	15.3%	18.4%

Key Result Area 1.3 Community Health and Wellbeing

Goal:

- High levels of community health and wellbeing

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Develop Municipal Public Health and Wellbeing Plan 2013 to 2017	100
Implement Municipal Public Health and Wellbeing Plan 2013 to 2017	75

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Self-reported health	50.4%	55%
Subjective wellbeing	78.5%	80.0%
Life expectancy - Males	77.5	80
Life Expectancy - Females	82.8	85
Adequate physical exercise	60.1%	65%
Fruit consumption	42.3%	50%
Vegetable consumption	7.4%	10%
Obesity	24.1%	20.0%
Smoking status	18.2%	15.0%
Risky alcohol consumption	15.4%	10.0%
Psychological distress	12.5%	10.0%
Prevalence of type 2 diabetes	4.9%	3.0%
Birth weight	6.5%	6.0%
Communicable diseases	245	100
Family violence	1990.4	1000

Key Result Area 1.4 Community Services

Goal:

- Young children have opportunities for the best start in life
- Youth are supported to reach their full potential
- Older people and people with a disability have access to quality services

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Review Early Years Plan 2010 to 2013	50
Implement Youth Agenda 2009 to 2012	95
Review Youth Agenda 2009 to 2012	20
Implement Healthy Ageing Strategy 2010 to 2014	75

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Birth weight	6.5%	6.0%
Maternal and child health visits	92%	100%
Australian Early Development Index	51.5	60
Kindergarten participation rates	80.6%	90%
Youth engagement	8.8%	7%
Incomplete education	25.4%	10.2%
Community satisfaction with services to youth	8%	10%
Community satisfaction with home care services	27%	35%
Community satisfaction with support to people with a disability	20%	25%

Key Result Area 1.5 Arts and Cultural Heritage

Goal:

- Everyone has access to a diverse range of arts and cultural experiences and opportunities
- A community that values and embraces its history and diverse cultural heritage
- The significance of our region's Indigenous culture is recognised through arts and cultural experiences
- Everyone has access to a diverse range of quality library materials, services and programs

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Develop Arts, Cultural and Heritage Strategy 2014 to 2018	25
Review Library Service Strategy 2009 to 2013	100
Implement Library Service Strategy 2013 to 2018	98

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with support to arts/cultural groups	18%	21%
Art gallery visits	22,790	24,000
Theatre attendance	38,536	40,000
Theatre occupancy	55.8%	75%
Community satisfaction with arts and cultural facilities	30%	33%
Community satisfaction with arts and cultural programs	24%	26%
Community satisfaction with accessibility to arts and cultural programs	20%	25%
Community satisfaction with recognition of local history and cultural heritage	24%	26%
Community satisfaction with recognition of Indigenous culture in arts and cultural experiences	27%	30%
Community satisfaction with libraries	53%	55%
Library usage	17%	19%

Key Result Area 1.6 Recreation and Sport

Goals:

- High participation rates in sport and recreation activities
- Everyone has access to a diverse range of quality sporting and recreation facilities, programs and opportunities

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Implement Tracks and Trails Strategy 2012 to 2022	100
Implement Recreation Strategy 2008 to 2018	25
Implement Indoor Sports Stadium Strategy	100
Implement Mildura Motor Sporting Reserves Master Plan 2009 to 2020	32
Implement Township Recreation Reserve Master Plans 2009 to 2019	32
Implement Aquatic Facilities Redevelopment Strategy 2013 to 2018	100
Review Public Open Space Strategy 2004 to 2010	10
Implement Public Open Space Strategy 2013 to 2016	100
Implement Master Plan for Mildura South Sporting Precinct	100

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Level of participation in sport and recreation activities	72%	75%
Community satisfaction with sporting services	23%	30%
Community satisfaction with recreation facilities	25%	30%
Community satisfaction with Council support to clubs	22%	25%



Strategic Objective 2: Environment

We will initiate, develop and manage healthy, sustainable natural and built environments.

What we have delivered

- Completed \$23.9M of Capital Works including the following major projects:
 - Extensions to Mildura South, Mildura West and Pasadena Kindergartens
 - Construction of a roundabout at Madden Avenue and Eighth Street
 - Riverfront Stage 1 toilets and landscaping
 - Restoration of the road network
- Determined 588 planning permit applications
- Issued 1,031 building permits totalling \$143.9M
- 42.6km sealed road resurfacing and resealing works
- 3,286km of unsealed roads maintained
- 39.1km of unsealed gravel re-sheeting works
- 5.8km sealed roads reconstructed
- 6.2km road shoulder widening and sealing on rural roads
- 990km local sealed roads maintained
- 192km of Vic Roads arterial sealed roads maintained
- 1,909m of concrete footpath works completed
- 49 new disabled concrete pram crossings
- 388.5km of footpaths and shared paths maintained
- 75km of rural tree pruning/ trimming
- 24,184 waste bins collected each week
- 24,184 recycling bins collected each fortnight
- 46 neighbourhood parks maintained
- 25 community parks maintained
- 16 sports reserves maintained
- 74 drainage basins maintained
- 6 wetlands maintained
- 21 kinders and health centres maintained
- 79 sporting pavilions / clubrooms maintained

- 125 toilet facilities maintained
- 18 pools maintained
- 54 playgrounds maintained
- 165 playing surfaces maintained (e.g. cricket, bowling, croquet, football, hockey, soccer, tennis)

Key Result Area 2.1 Environmental Sustainability

Goals:

- A healthy and sustainable environment
- Conserve natural resources
- Pest plants and pest animals are managed effectively
- A community that is educated and aware of environmental issues

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Implement Environmental Sustainability Strategy 2010 to 2015	79
Implement Stormwater Management Plan 2009 to 2014	69
Develop Stormwater Management Plan 2014 to 2018	75
Implement Vegetation Strategy 2010 to 2014	84
Implement Roadside Management Plan 2010 to 2014	69
Implement Energy Management Plan 2012 to 2017	79
Develop Pest Plants and Pest Animals Management Plan 2013 to 2017	80
Implement Pest Plants and Pest Animals Management Plan 2013 to 2017	0
Implement Murray Riverfront Reserves Management Plan 2011 to 2015	88

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Vegetation cover	NA	NA
Community satisfaction with protection of natural bushland	16%	20%
Community satisfaction with management of wetlands	15%	17%
Stormwater quality	NA	NA
Greenhouse emissions (MRCC)	NA	NA
Energy use (MRCC)	5518mwh	5512mwh
Energy usage (community)	472,871mwh	472,900mwh
Water usage (MRCC)	1,643mgl	1,537.5mgl
Recycled water usage	171mgl	200mgl
Total community water usage	11,848mgl	11,730mgl

Key Result Area 2.1 Environmental Sustainability

Strategic Indicators cont/d

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Alternative energy generation (community)	7,916kw	8,000kw
Alternative energy generation (MRCC)	179kw	200kw
Pest plants and pest animal numbers	NA	NA
Community involvement in environmental education programs	1,962	3,000

Key Result Area 2.2 Waste

Goals:

- Effective and sustainable waste management services
- Minimise waste and litter

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Implement Municipal Waste Management Plan 2009 to 2014	74
Review Municipal Waste Management Plan 2009 to 2014	60
Develop a long-term strategy for the management of waste	50
Develop Litter Strategy 2013 to 2015	90
Implement Litter Strategy 2013 to 2015	75

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with waste management	33	36
Community satisfaction with garbage collection	48	53
Community satisfaction with recycling	47	52
Community satisfaction with tips/public transfer stations	37	41
Total waste generation	33,440	32,000
Quantity of kerbside recycling	11,673	11,000
Community satisfaction with litter control	18	22
Waste deposited to landfill	22,520	21,000
Waste diverted from landfill	12,583	14,000
Organic waste deposited to landfill	NA	NA
Organic waste diverted from landfill	NA	NA

Key Result Area 2.3 Parks

Goals:

- Clean, attractive and sustainable parks, gardens, streetscapes, reserves and wetlands

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Implement Urban Tree Strategy 2010 to 2015	67
Implement Sustainable Urban Landscape Strategy 2010 to 2015	88

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with appearance of parks, gardens and public places	29%	32%
Community satisfaction with beautification of streetscapes	17%	20%
Community satisfaction with tree planting	17%	20%
Community satisfaction with tree maintenance	17%	20%
Community satisfaction with the appearance of wetlands	16%	20%
Community satisfaction with public open space (including parks, playgrounds and reserves)	31%	35%

Key Result Area 2.4 Infrastructure, Assets and Facilities

Goals:

- Well maintained road networks
- Well maintained footpaths
- Effective and well maintained drainage system
- Well planned and maintained buildings and facilities

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Develop Asset Management Framework	90
Implement Asset Management Framework	50
Implement Road Management Plan	100
Implement Sunraysia Drainage Strategy	75
Complete Annual Capital Works Program	69
Implement Deakin Avenue Master Plan	0

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with local roads	8%	12%
Community satisfaction with footpaths	12%	16%
Community satisfaction with drainage	10%	15%
Community satisfaction with maintenance of public buildings and facilities	14%	20%

Key Result Area 2.5 Strategic Land Use

Goals:

- A well-developed long-term land use vision
- Mildura's riverfront is connected and integrated with the city
- Safe, sustainable and healthy urban environments
- Well protected and enhanced local character and heritage assets

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Implement Mildura South Strategic Framework Plan	75
Develop a program of strategic land use projects	100
Implement program of strategic land use projects	69
Develop and implement policies that promote proactive response to emerging issues in relation to sustainable land use and development	100
Undertake a review of the Mildura Planning Scheme	100
Implement recommendations of the Mildura Heritage Study	80
Implement Mildura CBD Plan	50
Implement Cullulleraine Structure Plan	50
Implement Ouyen Structure Plan	31
Implement Irymple Structure Plan	64
Implement 15 th Street and Deakin Avenue Structure Plan	49
Implement Mildura Retail Strategy	100
Develop Strategic Framework Plan – Cowra North of 11 th Street	0
Develop Deakin Avenue Urban Design Guidelines	0
Undertake Industrial Review Program	0
Develop Mildura Housing and Settlement Strategy	100
Implement the Mildura Riverfront Precinct Redevelopment Project (Stage 1)	50

Key Result Area 2.5 Strategic Land Use cont/d

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with land use planning	6%	10%
Percentage of strategic land use projects completed	69%	100%
Community satisfaction with the riverfront development and accessibility	9%	13%
Community satisfaction with urban environments that are safe, sustainable and healthy	23%	25%
Community satisfaction with protection of local character	11%	15%

Key Result Area 2.6 Transport

Goals:

- Road, rail and air transport services and infrastructure that meet community needs
- A municipality well serviced by public transport

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Support the application to Infrastructure Australia for inter-continental rail link feasibility study	100
Advocate for the standardisation of the Mildura rail line	100
Participate in the Calder Highway Improvement Committee advocacy for Calder Highway improvements	100
Support Vic Roads application to federal government for upgrade funding for heavy vehicle bypass	25

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with rail services and infrastructure	3%	5%
Community satisfaction with road transport services and infrastructure	12%	16%
Community satisfaction with air transport services and infrastructure	34%	37%
Community satisfaction with public transport	15%	18%



Strategic Objective 3: Economy

We will create growth and prosperity.

What we have delivered

- Assistance provided to 26 conferences and business events including:
 - Australian Van Nationals
 - HD/HR Holden Nationals
 - Australian Quaternary Association International Conference
 - Campervan Motorhome Club of Australia
- Provided funding for 33 events and festival grants totalling \$140,350

Key Result Area 3.1 Economic Development

Goals:

- A vibrant, diverse and progressive economy
- Investment attraction and job creation
- Connectivity in the global marketplace
- Accessible information, internet and telecommunication services

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Implement Mildura Development Corporation Strategic Plan 2012 to 2015	100
Implement Digital Community Strategy	100
Implement Mildura City Heart Strategic Plan 2012 to 2015	100

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with encouragement and growth of business/industry	11%	15%
Building activity	143M	155M
Jobs created	149	180
Investment achievements for region	50.9M	55M
Export data by industry	NA	NA
Telecommunications uptake	NA	NA

Key Result Area 3.2 Tourism and Events

Goals:

- Quality tourism services, experiences and events that attract visitors
- Quality events and festivals

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Develop Mildura Tourism Strategic Plan 2014 to 2016	80
Develop Visitor Information Strategy 2013 to 2016	100
Implement Visitor Information Strategy 2013 to 2016	100
Develop Events Strategic Plan 2014 to 2019	90

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Yield of tourism	245M	250M
Industry satisfaction with services provided by Mildura Tourism	74%	78%
Community satisfaction with tourism services	27%	30%
Customer satisfaction with visitor services	NA	NA
Industry satisfaction with visitor services	36.84%	38%
Community satisfaction with festivals and major events	27%	30%
Community satisfaction with small community events	23%	30%



Strategic Objective 4: Council

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

What we have delivered

- Actioned 8 Freedom of Information requests
- Conducted 6 citizenship ceremonies with 117 new citizens
- 191 reports were considered by Council
- Released 230 media releases
- Dealt with 38,596 items of correspondence
- Answered 336,303 customer calls
- Received 19,702 customer requests
- Processed 1,056 new pet registrations and 8,082 pet registration renewals
- Processed 169,382 payment transactions
- Issued 1,521 fire permits
- Processed 72,309 items of outgoing mail
- Conducted 46 tenders
- Processed 161 new pension concession applications
- Issued 27,318 rates and valuation notices
- Issued 2,126 land information certificates
- Continued to offer a range of health and wellbeing initiatives to staff including:
 - 10,000 steps program (130 participants)
 - Skin checks (200 participants)
 - Quit smoking support with two participants successfully quitting
 - Pilates
 - Fruit boxes distributed to 11 work locations twice per month
 - Conduct of a psychologically healthy workplace survey

Key Result Area 4.1 Leadership and Representation

Goals:

- Deliver results in line with community expectations
- Proactively respond to the interests of our community
- Elected members engage effectively with the community

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Implement Council Plan 2013 to 2017	81
Develop Advocacy Plan	100
Implement Advocacy Plan	100

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with overall performance of Council	55*	59*
Community perception of Mildura Rural City as a place to live	57%	61%
Percentage of Council Plan implemented	81%	90%
Community satisfaction with advocacy	54*	57*
Community satisfaction with the performance of the elected Council	7%	12%

Key Result Area 4.2 Communication and Engagement

Goals:

- Communicate effectively with the community
- Engage effectively with the community
- Responsive to community input and feedback

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Implement Integrated Marketing and Communications Plan 2013 to 2017	86
Develop Community Engagement Strategy 2014 to 2018	90

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with Council newsletters and publications	20%	24%
Community satisfaction with Council's website	18%	22%
Community satisfaction with information Council provides about its services	20%	24%
Community satisfaction with overall communication from Council	14%	18%
Community satisfaction with Council's engagement in decision-making	8%	10%
Community satisfaction with community consultation and engagement	57*	61*
Community satisfaction with Council's responsiveness to community input and feedback	11%	15%

Key Result Area 4.3 Customer Service

Goals:

- Be accessible to all
- Provide a high standard of customer service

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Implement Customer Service Strategy 2012 to 2015	65

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Community satisfaction with accessibility to whole of Council	17%	21%
Community satisfaction with responsiveness to complaints	18%	22%
Community satisfaction with responsiveness to requests	17%	21%
Community satisfaction with general courtesy of Council staff	45%	49%
Council satisfaction with general effectiveness of Council staff	29%	33%
Community satisfaction with customer contact	72*	75*

Key Result Area 4.4 Financial Sustainability

Goals:

- Financial sustainability
- Meet the community's needs in a financially responsible manner

<i>Annual Plan action</i>	<i>Percentage of 2013-14 target met</i>
Review 10-year Strategic Financial Plan	100
Undertake an organisational sustainability review	79
Implement Revenue Review recommendations	100
Implement Procurement Excellence Strategy	81

Strategic Indicators

<i>Measure</i>	<i>2013-2014 Result</i>	<i>2017 Target</i>
Underlying operating result	-5%	0.73%
Asset renewal gap	1.15	1.25
Level of self-financing	22%	37.39%
Level of debt	35%	29.9%
Community satisfaction with value for money	13%	16%

Key Result Area 4.5 Organisational Management

Goals:

- A high performing organisation
- Effectively manage risk
- Council is a great place to work

Annual Plan action	Percentage of 2013-14 target met
Implement Organisational Development Strategy 2013 to 2017	100
Implement Information Systems Strategy 2013 to 2015	44
Implement Risk Management Strategy 2013 to 2017	97
Complete the annual internal audit program	100
Implement Business Continuity and Disaster Recovery Strategy	58
Implement Occupational Health and Safety Strategy 2013 to 2017	61
Implement Human Resources Strategy 2013 to 2017	77
Develop Health and Wellbeing Strategy 2014 to 2017	100
Implement Health and Wellbeing Strategy 2014 to 2017	100

Strategic Indicators

Measure	2013-2014 Result	2017 Target
Community satisfaction with overall performance of Council	55*	59*
Organisational score against the Australian Business Excellence Framework	591	651
Liability Mutual Insurance Scheme score	NA	NA
JLT risk ranking	NA	NA
Overall staff satisfaction	5.17	5.50
Percentage of staff who are likely to recommend Mildura Rural City Council as an employer	64%	68%

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.

<i>Indicator</i>	<i>2012-2013 Result</i>	<i>2013-2014 Result</i>
Overall Performance Community Satisfaction Rating for Overall Council Performance	Indexed Mean 60	Indexed Mean 55
Lobbying on behalf of the Community Community Satisfaction Rating for Council's lobbying on behalf of the community	Indexed Mean 57	Indexed Mean 54
Community Consultation and Engagement Community Satisfaction Rating for Council's consultation and engagement	Indexed Mean 61	Indexed Mean 57
All Rates Average rates and charges per assessment	\$1,889	\$2,004
Residential Rates Average residential rates and charges per assessment	\$1,564	\$1,573
Operating Costs Average operating expenditure per assessment	\$3,297	\$3,188
Capital Expenditure Capital expenditure per assessment	\$1,163	\$818
Infrastructure Infrastructure renewal	104%	115%
Infrastructure Infrastructure renewal and maintenance	117%	166%
Debts Average liabilities per assessment	\$1,838	\$1,755
Operating Results Operating results per assessment	\$675	\$77

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 8.00am to 5.00pm 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 2013-2014

Mildura Rural City Council remains committed to the National Competition Policy and competitive neutrality principles. Accordingly, Council can confirm that in 2013-2014, 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

Website: www.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

Website: www.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

Website: www.mildura.vic.gov.au

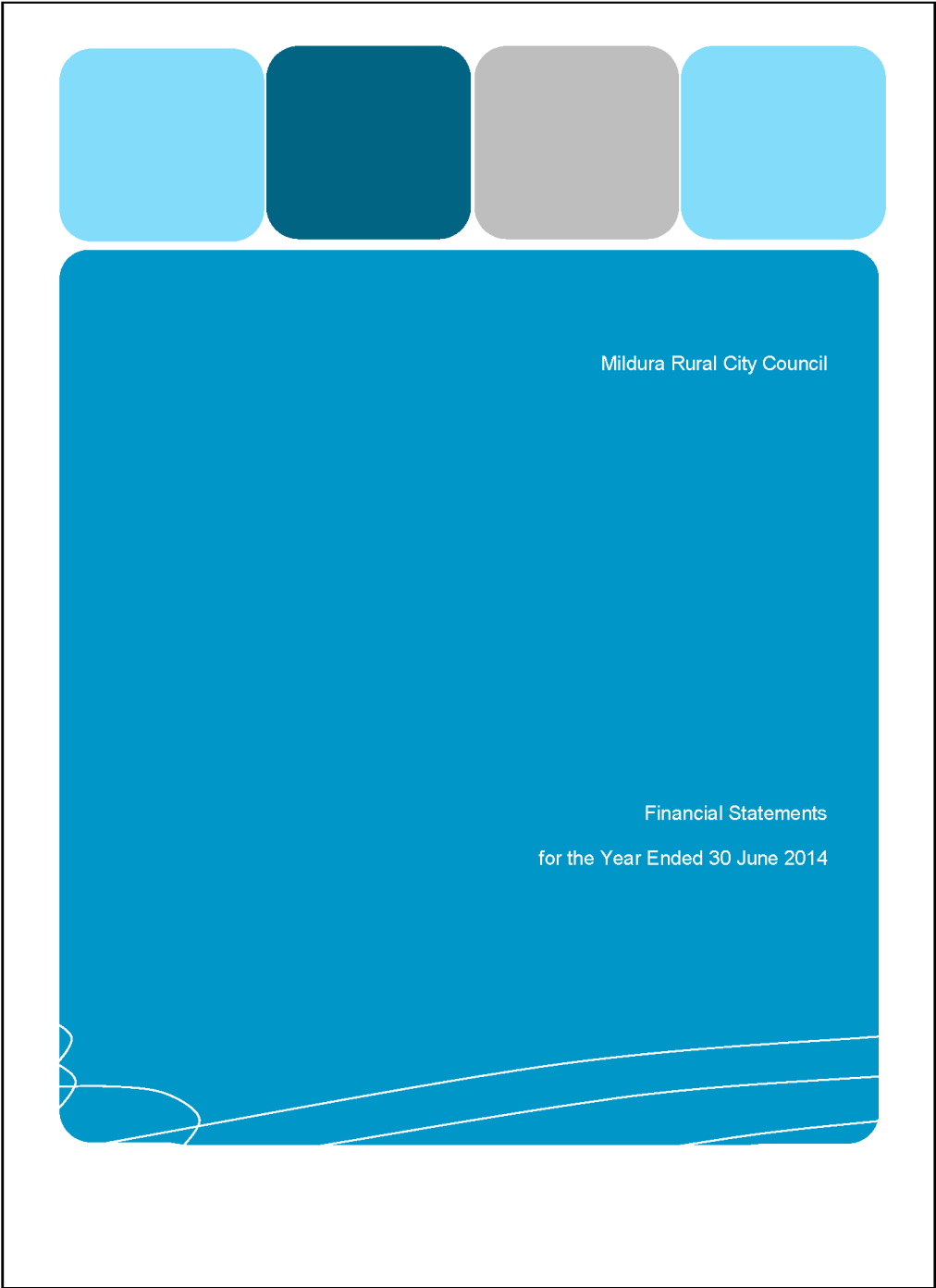
By Post

Chief Executive Officer

PO Box 105

Mildura, Victoria, 3502

Financial Report for Year ended 30 June 2014



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**Comprehensive Income Statement
For the Year Ended 30 June 2014**

		Consolidated		Council	
	Note	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Income					
Rates and charges	2	55,974	52,619	56,078	52,708
Statutory fees and fines	3	1,596	1,829	1,656	1,877
User fees	4	9,545	10,541	5,140	6,328
Grants - Operating (recurrent)	5	13,002	19,262	13,002	19,262
Grants - Operating (non-recurrent)	5	1,718	5,090	1,718	5,090
Grants - Capital (recurrent)	5	1,770	1,866	1,770	1,866
Grants - Capital (non-recurrent)	5	8,912	10,284	8,912	10,284
Contributions - cash	6	827	1,058	827	1,058
Contributions - non-monetary assets	6	175	7,545	175	7,545
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	7	(2,787)	(1,793)	(2,765)	(1,793)
Other income	8	4,828	6,271	4,969	6,497
Asset recognition	9	-	60	-	60
Total income		95,560	114,632	91,482	110,782
Expenses					
Employee costs	10	(40,991)	(38,629)	(39,928)	(37,580)
Materials and services	11	(30,622)	(32,904)	(30,152)	(35,985)
Bad and doubtful debts	12	(213)	(160)	(209)	(160)
Depreciation and amortisation	13	(17,057)	(16,249)	(16,237)	(15,608)
Borrowing costs	14	(1,445)	(1,455)	(1,435)	(1,440)
Other expenses	15	(1,479)	(1,277)	(1,355)	(1,183)
Impairment of non financial asset		(485)	(1)	-	-
Total expenses		(92,292)	(90,675)	(89,316)	(91,956)
Surplus/(deficit)		3,268	23,957	2,166	18,826
Other comprehensive income					
Items that will not be reclassified to surplus or deficit					
Net financial asset revaluation increment/(decrement)	26	-	-	1,102	5,131
Net asset revaluation increment/(decrement)	26	5,901	20,055	5,901	20,055
Total comprehensive result		9,169	44,012	9,169	44,012

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

Balance Sheet
As at 30 June 2014

		Consolidated		Council	
Note		2014	2013	2014	2013
		\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	16	21,712	24,124	19,373	22,992
Trade and other receivables	17	12,103	6,293	11,862	5,561
Inventories	18	716	752	716	752
Other assets	19(a)	274	315	265	307
Financial assets	19(b)	1,018	4,515	1,018	4,515
Total current assets		35,823	35,999	33,234	34,127
Non-current assets					
Trade and other receivables	17	-	-	2,314	2,500
Financial assets	19(b)	1,460	1,391	31,233	30,062
Property, infrastructure, plant and equipment	20	642,296	631,823	612,420	601,468
Intangible assets	21	3,364	3,266	3,335	3,239
Total non-current assets		647,120	636,480	649,302	637,269
Total assets		682,943	672,479	682,536	671,396
Liabilities					
Current liabilities					
Trade and other payables	22	7,876	7,985	7,715	7,160
Trust funds and deposits	23	1,019	1,794	1,019	1,794
Provisions	24	9,917	8,867	9,831	8,781
Interest-bearing loans and borrowings	25	2,772	2,063	2,707	1,969
Total current liabilities		21,584	20,709	21,272	19,704
Non-current liabilities					
Provisions	24	8,566	6,436	8,513	6,403
Interest-bearing loans and borrowings	25	19,500	21,210	19,457	21,164
Total non-current liabilities		28,066	27,646	27,970	27,567
Total liabilities		49,650	48,355	49,242	47,271
Net Assets		633,293	624,124	633,294	624,125
Equity					
Accumulated surplus		280,552	278,173	268,182	266,913
Reserves	26	352,741	345,951	365,112	357,212
Total Equity		633,293	624,124	633,294	624,125

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

Statement of Changes in Equity For the Year Ended 30 June 2014

Consolidated

	Total 2014 \$'000	Accumulated Surplus 2014 \$'000	Revaluation Reserve 2014 \$'000	Other Reserves 2014 \$'000
2014				
Balance at beginning of the financial year	624,124	278,173	334,741	11,210
Comprehensive result	9,169	3,268	5,901	-
Transfers to other reserves	-	7,504	-	(7,504)
Transfers from other reserves	-	(8,393)	-	8,393
Balance at end of the financial year	633,293	280,552	340,642	12,099

	Total 2013 \$'000	Accumulated Surplus 2013 \$'000	Revaluation Reserve 2013 \$'000	Other Reserves 2013 \$'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

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 2014

Council

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	2014	2014	2014	2014
	\$'000	\$'000	\$'000	\$'000
2014				
Balance at beginning of the financial year	624,125	266,913	346,002	11,210
Comprehensive result	9,169	2,166	7,003	-
Transfers to other reserves	-	7,504	-	(7,504)
Transfers from other reserves	-	(8,401)	-	8,401
Balance at end of the financial year	633,294	268,182	353,005	12,107

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	2013	2013	2013	2013
	\$'000	\$'000	\$'000	\$'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

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

Statement of Cash Flows
For the Year Ended 30 June 2014

		Consolidated		Council	
		2014	2013	2014	2013
		Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
	Note	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Rates and charges		55,900	52,346	55,900	52,346
Statutory fees and fines		1,656	1,877	1,656	1,877
User fees		10,620	10,613	5,441	6,328
Contributions		868	1,058	868	1,058
Grants - operating		15,456	25,916	15,456	25,916
Grants - capital		4,978	12,411	4,978	12,411
Other receipts		3,954	2,951	4,127	2,951
Interest		1,022	1,366	973	1,331
Net GST refund (payment)		3,031	4,728	3,054	4,720
Materials and consumables		(28,561)	(13,930)	(26,692)	(16,662)
Employees costs		(39,949)	(45,835)	(38,882)	(44,837)
Utilities		(3,902)	(3,782)	(3,902)	(3,782)
External contracts		(3,490)	(16,829)	(3,490)	(16,829)
Other payments		(1,564)	(3,802)	(1,564)	(3,802)
Net cash provided by/(used in) operating activities	27	20,019	29,088	17,923	23,026
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	20, 21	(23,764)	(38,283)	(22,896)	(32,425)
Proceeds from sale of property, infrastructure, plant and equipment		1,056	872	1,036	872
Proceeds from financial assets		3,497	12,666	3,497	12,666
Trust funds and deposits		(775)	45	(775)	45
Net cash provided by (used in) investing activities		(19,986)	(24,700)	(19,138)	(18,842)
Cash flows from financing activities					
Finance costs		(1,445)	(1,455)	(1,435)	(1,440)
Proceeds from borrowings		1,000	5,000	1,000	5,000
Repayment of borrowings		(2,000)	(1,573)	(1,969)	(1,483)
Net cash provided by (used in) financing activities		(2,445)	1,972	(2,404)	2,077
Net increase/(decrease) in cash and cash equivalents		(2,412)	6,360	(3,619)	6,261
Cash and cash equivalents at the beginning of the financial year		24,124	17,764	22,992	16,731
Cash and cash equivalents at the end of the financial year	16	21,712	24,124	19,373	22,992
Financing arrangements	29				
Restrictions on cash assets	30				

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

**Notes to the Financial Report
For the Year Ended 30 June 2014**

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 district;
 - 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 - BDO Australia

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 2014

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 notes 1(h), 1(j), 1(s) and 1(u).

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

AASB 13 Fair Value Measurement

Council has applied AASB 13 for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements. The fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items for which other A-IFRS require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of AASB 2 Share-based Payment, leasing transactions that are within the scope of AASB 17 Leases, and measurements that have some similarities to fair value but not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements.

**Notes to the Financial Report
For the Year Ended 30 June 2014**

Note 1 Significant accounting policies (cont.)

(b) Change in accounting policies (cont.)

AASB 13 Fair Value Measurement

AASB 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, Council has not made any new disclosures required by AASB 13 for the 2013 comparative period (please see note 20 disclosures).

Other than the additional disclosures, the application of AASB 13 has not had any material impact on the amounts recognised in the financial statements.

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

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

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

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

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

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

AASB 119 Employee benefits

In the current year, Council has applied AASB 119 Employee Benefits (as revised in 2011) and the related consequential amendments for the first time. AASB 119 changes the definition of short-term employee benefits. These were previously benefits that were due to be settled within twelve months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously classified by Council as short-term benefits no longer meet this definition and are now classified as long-term benefits. This has resulted in a change of measurement for that portion of annual leave provision from an undiscounted to discounted basis.

This change in classification has not materially altered Council's measurement of the annual leave provision.

**Notes to the Financial Report
For the Year Ended 30 June 2014**

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.

**Notes to the Financial Report
For the Year Ended 30 June 2014**

Note 1 Significant accounting policies (cont.)

(c) Revenue recognition (cont)

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.

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 2014

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 otherwise stated:

	2013/2014
<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 2014

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
Off Street Carparks	50 years
Drainage Basins	80 years
Open Space - Active Recreation	
outdoor furniture	10-25 years
playground equipment	10 years
sporting surfaces	20 years
Open Space - Passive Recreation	
access paths	50 years
outdoor furniture	10-25 years
parks and reserves	15 years
playground equipment	10 years
Waste Management	10-20 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.

Notes to the Financial Report For the Year Ended 30 June 2014

Note 1 Significant accounting policies (cont.)

(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.

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
Off Street Carparks	10
Drainage Basins	10

Notes to the Financial Report For the Year Ended 30 June 2014

Note 1 Significant accounting policies (cont.)

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

Open Space - Active Recreation	10
Open Space - Passive Recreation	10
Waste Management	10
Intangible assets	
Software	1

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.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 20 Property Plant and Equipment.

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.

(k) 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 2014**

Note 1 Significant accounting policies (cont.)

(l) 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).

(m) Employee costs

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

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

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

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability - unconditional LSL representing 7 years is disclosed as a current liability even when the council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

- present value - component that is not expected to be settled within 12 months.
- nominal value - component that is expected to be settled within 12 months.

Classification of employee costs

Non-current liability - conditional LSL representing less than 7 years is disclosed as a non - current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value. Gain or loss following revaluation of the present value of non-current LSL liability due to changes in bond interest rates is recognised as an other economic flow.

(iii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The council recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

**Notes to the Financial Report
For the Year Ended 30 June 2014**

Note 1 Significant accounting policies (cont.)

(m) Employee costs (cont.)

(iv) Employee benefits on-costs

Employee benefits on-costs (payroll tax, workers compensation, superannuation, annual leave and long service leave accrued while on LSL taken in service) are recognised separately from provision for employee benefits.

(v) Superannuation

The amount charged to the Comprehensive Operating Statement in respect of superannuation represents contributions made or due by Council to the relevant superannuation plans in respect to the services of Council's staff (both past and present). Superannuation contributions are made to the plans based on the relevant rules of each plan and any relevant compulsory superannuation requirements that Council is required to comply with.

(n) 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 depreciated 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.

(o) 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 twelve 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.

(p) 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.

(q) 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 2014**

Note 1 Significant accounting policies (cont.)

(r) 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.

(s) 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.

(t) 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.

(u) Contingent assets and 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 note and presented inclusive of the GST payable.

Notes to the Financial Report For the Year Ended 30 June 2014

(v) 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>Pronouncement</i>	<i>Summary</i>	<i>Application Date</i>	<i>Impact on Council</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.</p> <p>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. 	1-Jul-15	<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 2014

(v) Pending Accounting Standards (cont.)

<i>Pronouncement</i>	<i>Summary</i>	<i>Application Date</i>	<i>Impact on Council</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>This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities.</p> <p>The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.</p> <p>This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities.</p> <p>The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.</p>	1-Jul-14	The AASB have finalised deliberations on ED 238 and any modifications made to AASB 10 for not-for-profit entities, Council will need to re-assess the nature of its relationships with other entities, including those that are currently not consolidated.

Notes to the Financial Report
For the Year Ended 30 June 2014

(v) Pending Accounting Standards (cont.)

<i>Pronouncement</i>	<i>Summary</i>	<i>Application Date</i>	<i>Impact on Council</i>
AASB 12 Disclosure of Involvement with Other Entities	This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 Separate Financial Statements and AASB 131 Interests in Joint Ventures. The exposure draft ED 238 proposes to add some implementation guidance to AASB 12, explaining and illustrating the definition of a 'structured entity' from a not-for-profit perspective.	1-Jul-14	Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from AASB 10, AASB 11 and AASB 128 Investments in Associates and Joint Ventures.
AASB 127 Separate Financial Statements	This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	1-Jul-14	The impact of this standard will need to be assessed in line with the final deliberations by the AASB on the application of this standard to not for profit entities.
AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounts Standard arising from Reduced Disclosure Requirements	These standards set out the tiers of financial reporting and the reduced disclosure framework.	1-Jul-14	Council has yet to determine the impact of this standard

**Notes to the Financial Report
For the Year Ended 30 June 2014**

Consolidated		Council	
2014	2013	2014	2013
\$'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 2013/2014 was \$6,592 million (2012/2013 \$6,428 million). The 2013/2014 rate in the dollar was \$0.00704 (2012/2013 \$0.00624).

General rates	37,569	33,177	37,673	33,266
Cultural/recreational land	17	17	17	17
Mildura City Heart differential rate	2,182	2,245	2,182	2,245
Drainage maintenance and Infrastructure	-	3,177	-	3,177
Business differential rate	9,112	7,253	9,112	7,253
Garbage charges	7,094	6,750	7,094	6,750
Total rates and charges	55,974	52,619	56,078	52,708

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014, and the valuation will be first applied in the rating year commencing 1 July 2014.

The date of the previous 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.

Note 3 Statutory fees and fines

Licences and permits	467	390	467	438
Statutory planning fees	326	232	326	232
Infringements and costs	753	750	753	750
Land information certificates	46	37	46	37
Other statutory fees and fines	4	420	64	420
Total statutory fees and fines	1,596	1,829	1,656	1,877

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 4 User fees				
Rent/lease fees	728	714	456	458
User charges	6,924	6,625	2,791	2,668
Contract works	1,080	2,514	1,080	2,514
Entrance charges	679	542	679	542
Commission/agency fees	134	146	134	146
Total user fees	9,545	10,541	5,140	6,328
Note 5 Grants				
Grants were received in respect of the following :				
Summary of grants				
Federally funded grants	3,420	7,099	3,420	7,099
State funded grants	21,982	29,403	21,982	29,403
Total summary of grants	25,402	36,502	25,402	36,502
Recurrent				
Capital				
Commonwealth Government - Roads to recovery	1,770	1,866	1,770	1,866
Total recurrent capital grants	1,770	1,866	1,770	1,866

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 5 Grants (cont)				
Operating				
Victoria Grants Commission - general purpose	4,592	8,730	4,592	8,730
Victoria Grants Commission - local roads	1,832	3,285	1,832	3,285
Family services	526	605	526	605
Youth services	604	736	604	736
Primary care partnership	342	426	342	426
Other	9	-	9	-
Community development	-	16	-	16
Maternal and child health	562	621	562	621
Social development and projects	221	510	221	510
Environment	65	-	65	-
Environmental health	62	14	62	14
Local laws	97	92	97	92
Planning and development	-	45	-	45
Healthy together	701	701	701	701
Emergency management	29	28	29	28
Arts and culture	175	169	175	169
Aged and disability services	2,664	2,780	2,664	2,780
Libraries	362	359	362	359
Recreation and sport	-	4	-	4
Road construction and maintenance	159	141	159	141
Total recurrent operating grants	13,002	19,262	13,002	19,262
Total recurrent grants	14,772	21,128	14,772	21,128

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Note 5 Grants (cont)				
Non-recurrent				
Capital				
Drainage construction and maintenance	-	540	-	540
Road construction and maintenance	5,233	5,610	5,233	5,610
Family services	255	600	255	600
Other	242	-	242	-
Social development and projects	20	-	20	-
Environment	123	257	123	257
Planning and development	-	15	-	15
Emergency management	-	823	-	823
Arts and culture	-	1,000	-	1,000
Libraries	11	47	11	47
Recreation and sport	3,028	1,392	3,028	1,392
Total non-recurrent capital grants	8,912	10,284	8,912	10,284
Operating				
Airport operations	1,000	4,439	1,000	4,439
Youth services	29	-	29	-
Community development	-	30	-	30
Healthy together	10	-	10	-
Aged and disability services	3	3	3	3
Family Services	11	25	11	25
Other	10	-	10	-
Social development and projects	165	254	165	254
Environment	99	185	99	185
Planning and development	15	-	15	-
Emergency management	141	86	141	86
Arts and culture	235	51	235	51
Libraries	-	12	-	12
Recreation and sport	-	5	-	5
Total non-recurrent operating grants	1,718	5,090	1,718	5,090
Total non-recurrent grants	10,630	15,374	10,630	15,374

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'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:				
Airport operations	-	239	-	239
Family services	358	708	358	708
Youth services	273	252	273	252
Other	9	23	9	23
Community development	20	18	20	18
Maternal and child health	110	51	110	51
Environmental health	42	30	42	30
Social development and projects	154	689	154	689
Environment	133	184	133	184
Planning and development	2	4	2	4
Healthy together	239	274	239	274
Emergency management	16	145	16	145
Arts and culture	222	146	222	146
Aged and disability services	175	380	175	380
Libraries	21	48	21	48
Roads construction and maintenance	0	1,360	-	1,360
Recreation and sport	816	1,661	816	1,661
Total	2,590	6,212	2,590	6,212

Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:

Airport operations	239	-	239	-
Family services	708	239	708	239
Youth services	300	103	300	103
Community development	153	18	153	18
Maternal and child health	51	110	51	110
Environmental health	30	-	30	-
Social development and projects	198	412	198	652
Environment	182	5	182	5

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 5 Grants (cont)				
Planning and development	4	-	4	-
Healthy together	274	240	274	240
Emergency management	145	138	145	138
Arts and culture	146	138	146	138
Aged and disability services	190	447	190	447
Libraries	4	30	4	30
Recreation and sport	764	2,213	764	2,213
Road construction and maintenance	1,341	5,888	1,341	5,888
Total	4,729	9,981	4,729	10,221
Net increase/(decrease) in restricted assets resulting from grant revenues for the year:	(2,139)	(3,769)	(2,139)	(4,009)
Note 6 Contributions				
(a) Cash				
Community services	241	288	241	288
Developer contributions	291	215	291	215
Capital contributions	249	307	249	307
Other	46	248	46	248
Total	827	1,058	827	1,058
(b) Non-monetary assets				
Gifted assets	175	7,545	175	7,545
Total	175	7,545	175	7,545
Total contributions	1,002	8,603	1,002	8,603

**Notes to the Financial Report
For the Year Ended 30 June 2014**

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 7 Net gain/(loss) on disposal of property, infrastructure, plant and equipment				
Proceeds of sale	1,056	872	1,036	872
Written down value of assets disposed	(3,843)	(2,665)	(3,801)	(2,665)
Total	(2,787)	(1,793)	(2,765)	(1,793)

Note 8 Other income

Interest	692	889	643	854
Interest on rates	330	478	330	478
Sales	359	312	359	312
Other	118	73	117	61
Child care reimbursement	1,058	1,034	1,058	1,034
Fuel tax rebate	163	206	163	206
Workcover costs reimbursements	168	265	168	265
Legal costs recouped	167	279	167	279
Wages reimbursement	196	532	196	532
Airport reimbursement	-	-	194	273
Aged care package reimbursement	387	356	387	356
Cemetery reimbursement	238	190	238	190
Utilities reimbursement	333	322	333	322
Other costs reimbursed	619	1,335	616	1,335
Total other income	4,828	6,271	4,969	6,497

Note 9 Asset recognition

During the previous 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	-	60
	-	60	-	60

**Notes to the Financial Report
For the Year Ended 30 June 2014**

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 10 Employee costs				
Wages and salaries	37,590	35,430	36,592	34,447
Payroll tax	8	131	27	131
Superannuation	3,187	2,869	3,103	2,803
Fringe benefits tax	206	199	206	199
Total employee costs	40,991	38,629	39,928	37,580
Note 11 Materials and services				
Plant operating costs (maintenance)	2,311	2,287	2,057	2,029
Materials and supplies	2,806	3,445	2,748	3,391
Grants, contributions and donations	3,227	3,363	3,227	3,363
Utilities	4,120	3,977	3,902	3,782
Contractor and consultancy payments	11,744	13,163	11,770	16,829
Office expenses	3,192	2,848	3,121	2,789
Other	3,222	3,821	3,327	3,802
Total materials and services	30,622	32,904	30,152	35,985
Note 12 Bad and doubtful debts				
Other debtors	57	48	53	48
Infringements	156	112	156	112
Total bad and doubtful debts	213	160	209	160

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Note 13 Depreciation and amortisation				
<i>Buildings</i>				
Buildings	3,412	3,249	3,252	3,179
<i>Plant and equipment</i>				
Plant and equipment	2,252	2,080	2,021	1,947
Plant and equipment (leased)	24	34	24	34
Furniture and fittings	130	218	130	218
Furniture and fittings (leased)	18	19	18	19
Library books	162	167	162	167
<i>Infrastructure</i>				
Roads	7,730	7,034	7,730	7,034
Drainage	891	847	891	847
Landfill	97	92	97	92
Drainage basin	123	105	119	100
Open space - active recreation	1,018	1,024	1,007	1,013
Open space - passive recreation	477	640	452	619
Off street car parks	136	138	72	62
Waste management	142	159	142	159
Airport runways	325	325	-	-
Total	16,937	16,131	16,117	15,490
Intangible assets				
Software	120	118	120	118
Total	120	118	120	118
Total depreciation and amortisation	17,057	16,249	16,237	15,608
Note 14 Borrowing costs				
Interest - borrowings	1,440	1,449	1,430	1,434
Interest - finance leases	5	6	5	6
Total borrowing costs	1,445	1,455	1,435	1,440

**Notes to the Financial Report
For the Year Ended 30 June 2014**

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 15 Other expenses				
Auditors' remuneration (note 36)	235	232	222	220
Councillors' allowances	297	321	297	321
Directors' Fees	82	82	-	-
Refunds	41	42	41	42
Rentals - Operating leases	124	129	124	129
Other	700	471	671	471
Total other expenses	1,479	1,277	1,355	1,183

Note 16 Cash and cash equivalents

Cash on hand	34	40	11	10
Cash at bank	7,868	13,059	7,346	11,957
Short term deposits	13,810	11,025	12,016	11,025
Total cash and cash equivalents	21,712	24,124	19,373	22,992

Councils cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

Reserve funds allocated for specific future purposes (note 30)	2,261	1,878	2,261	1,878
Trust funds and deposits (note 23)	1,019	1,794	1,019	1,794
Unexpended grants (note 5)	4,073	6,212	4,073	6,212
Unexpended capital works (note 32)	3,719	4,398	3,719	4,398
Restricted funds	11,072	14,282	11,072	14,282
Total unrestricted cash and cash equivalents	10,640	9,842	8,301	8,710

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 17 Trade and other receivables				
<i>Current</i>				
Rates debtors	3,511	3,333	3,511	3,333
Infringement debtors	1,095	926	1,095	926
Provision for doubtful debts - infringements	(850)	(694)	(850)	(694)
General debtors ⁽¹⁾	7,321	1,716	6,890	984
Provision for doubtful debts - other debtors	(92)	(47)	(88)	(47)
Accrued income	624	213	624	213
GST receivable	494	846	494	846
Loan to Mildura Airport Pty Ltd	-	-	186	-
Total	12,103	6,293	11,862	5,561
<i>Non-current</i>				
Loan to Mildura Airport Pty Ltd	-	-	2,314	2,500
Total	-	-	2,314	2,500
Total trade and other receivables	12,103	6,293	14,176	8,061
Note 18 Inventories				
Inventories held for distribution	716	752	716	752
Total inventories	716	752	716	752
Note 19 Other assets				
(a) Prepayments				
<i>Current</i>				
Prepayments	274	315	265	307
Total prepayments	274	315	265	307
<i>(b) Financial assets</i>				
<i>Current</i>				
Term deposits	1,018	4,015	1,018	4,015
Floating notes	-	500	-	500
Total	1,018	4,515	1,018	4,515

(1) 2014 general debtors includes Natural Disaster Relief Recovery funding of \$4,197,684 and Mildura Riverfront Project funding \$2,244,000

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 19 Other assets (cont)				
<i>Non-current</i>				
Interest in Mildura Airport Pty Ltd	-	-	29,773	28,671
Floating notes	1,460	1,391	1,460	1,391
Total	1,460	1,391	31,233	30,062
Total financial assets	2,478	5,906	32,251	34,577
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	1,292	4,830	1,283	4,822
Non-current	1,460	1,391	31,233	30,062
Total other assets	2,752	6,221	32,516	34,884

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Note 20 Property, infrastructure, plant and equipment				
<i>Summary</i>				
at fair value	1,047	1,047	1,047	1,047
at cost	122,829	130,875	89,645	98,032
less: accumulated depreciation	(29,207)	(27,835)	(25,931)	(25,347)
Total	94,669	104,087	64,761	73,732
leased	1,240	1,526	1,240	1,526
less: accumulated depreciation	(1,236)	(1,391)	(1,236)	(1,391)
Total	4	135	4	135
at valuation 30/06/04	10,989	13,610	10,989	13,610
less: accumulated depreciation	(8,531)	(10,665)	(8,499)	(10,665)
at valuation 31/12/10	27,379	27,379	27,379	27,379
less: accumulated depreciation	-	-	-	-
at valuation 31/12/12	229,022	229,717	229,022	229,717
less: accumulated depreciation	(94,738)	(92,244)	(94,738)	(92,244)
at valuation 30/06/13	-	575,520	-	575,520
less: accumulated depreciation	-	(215,716)	-	(215,716)
at valuation 30/06/14	610,843	-	610,843	-
less: accumulated depreciation	(227,341)	-	(227,341)	-
Total	547,623	527,601	547,655	527,601
Total property, infrastructure, plant and equipment	642,296	631,823	612,420	601,468

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
Note 20 Property, infrastructure, plant and equipment (cont.)	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Property				
Land				
freehold				
land - at cost	1,029	-	1,029	-
land - at valuation 31/12/12	42,287	42,290	42,287	42,290
	43,316	42,290	43,316	42,290
other controlled				
land - at valuation 31/12/12	5,887	5,907	5,887	5,907
	5,887	5,907	5,887	5,907
Total land	49,203	48,197	49,203	48,197
Land under roads				
land under roads - at fair value	1,047	1,047	1,047	1,047
land - at valuation 31/12/12	3,623	3,623	3,623	3,623
	4,670	4,670	4,670	4,670
Buildings				
freehold				
buildings - at cost	27,152	15,293	17,690	11,099
less: accumulated depreciation	(1,942)	(1,672)	(1,486)	(1,376)
	25,210	13,621	16,204	9,723
buildings - at valuation 31/12/12	123,961	123,961	123,961	123,961
less: accumulated depreciation	(61,793)	(59,541)	(61,793)	(59,541)
	62,168	64,420	62,168	64,420
	87,378	78,041	78,372	74,143
other controlled				
buildings - at cost	150	44	150	44
less: accumulated depreciation	(15)	(13)	(15)	(13)
	135	31	135	31
buildings - at valuation 31/12/12	53,264	53,936	53,264	53,936
less: accumulated depreciation	(32,945)	(32,703)	(32,945)	(32,703)
	20,319	21,233	20,319	21,233
	20,454	21,264	20,454	21,264
Total buildings	107,832	99,305	98,826	95,407
Total property	161,705	152,172	152,699	148,274

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
Note 20 Property, infrastructure, plant and equipment (cont.)				
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Artworks				
artworks - cost	117	95	117	95
artworks - at valuation 31/12/10	27,379	27,379	27,379	27,379
Total artwork	27,496	27,474	27,496	27,474
Library books				
bookstock - at cost	3,138	2,886	3,138	2,886
less: accumulated depreciation	(1,961)	(1,799)	(1,961)	(1,799)
Total library books	1,177	1,087	1,177	1,087
Total plant and equipment	45,547	43,060	43,567	41,955

Details of the Mildura Rural City Council's plant and equipment; and information about the fair value hierarchy as at 30 June 2014 are as follows:

	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000
Artworks	-	-	27,379
Total	-	-	27,379

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
Infrastructure				
Note 20 Property, infrastructure, plant and equipment (cont.)				
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Roads sealed				
formation				
roads sealed formation - at valuation 30/06/13	-	33,960	-	33,960
roads sealed formation - at valuation 30/06/14	34,266	-	34,266	-
	34,266	33,960	34,266	33,960
pavement				
roads sealed pavement - at valuation 30/06/13	-	100,454	-	100,454
roads sealed pavement - at valuation 30/06/14	103,255	-	103,255	-
less: accumulated depreciation	(66,364)	(64,021)	(66,364)	(64,021)
	36,891	36,433	36,891	36,433
surface				
roads sealed surface - at valuation 30/06/13	-	56,038	-	56,038
roads sealed surface - at valuation 30/06/14	59,581	-	59,581	-
less: accumulated depreciation	(33,118)	(32,478)	(33,118)	(32,478)
	26,463	23,560	26,463	23,560
Total roads sealed	97,620	93,953	97,620	93,953
Roads - unsealed				
formation				
roads unsealed formation - at valuation 30/06/13	-	117,688	-	117,688
roads unsealed formation - at valuation 30/06/14	117,980	-	117,980	-
	117,980	117,688	117,980	117,688
pavement				
roads unsealed pavement - at valuation 30/06/13	-	66,412	-	66,412
roads unsealed pavement - at valuation 30/06/14	67,549	-	67,549	-
less: accumulated depreciation	(40,848)	(39,126)	(40,848)	(39,126)
	26,701	27,286	26,701	27,286
Total roads - unsealed	144,681	144,974	144,681	144,974
Kerb and channel				
kerb and channel - at valuation 30/06/13	-	53,522	-	53,522
kerb and channel - at valuation 30/06/14	54,478	-	54,478	-
less: accumulated depreciation	(32,377)	(31,409)	(32,377)	(31,409)
Total kerb and channel	22,101	22,113	22,101	22,113

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 20 Property, infrastructure, plant and equipment (cont.)				
Footpaths and cycleways				
footpath and cycleways - at valuation 30/06/13	-	37,412	-	37,412
footpath and cycleways - at valuation 30/06/14	42,141	-	42,141	-
less: accumulated depreciation	(25,471)	(22,507)	(25,471)	(22,507)
Total footpaths and cycleways	16,670	14,905	16,670	14,905
Total roads, kerb and channel and footpaths	281,072	275,945	281,072	275,945

Details of the Mildura Rural City Council's infrastructure and information about the fair value hierarchy as at 30 June 2014 are as follows:

	Level 1	Level 2	Level 3	
	\$'000	\$'000	\$'000	
Roads sealed	-	-	97,620	
Roads - unsealed	-	-	144,681	
Kerb and channel	-	-	22,101	
Footpaths and cycleways	-	-	16,670	
Total	-	-	281,072	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Other Infrastructure				
Drainage				
drainage - at valuation 30/06/13	-	110,034	-	110,034
drainage - at valuation 30/06/14	119,503	-	119,503	-
less: accumulated depreciation	(26,898)	(26,175)	(26,898)	(26,175)
	92,605	83,859	92,605	83,859
Total drainage	92,605	83,859	92,605	83,859
Landfill				
landfill - at cost	4,807	4,599	4,807	4,599
transfer from provision	2,114	208	2,114	208
less: accumulated depreciation	(1,216)	(1,119)	(1,216)	(1,119)
Total landfill	5,705	3,688	5,705	3,688

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
Note 20 Property, infrastructure, plant and equipment (cont.)	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Airport runway				
airport runway - at cost	17,786	17,786	-	-
less: accumulated depreciation	(1,715)	(1,390)	-	-
Total airport runway	16,071	16,396	-	-
Open space - active recreation				
open space - active recreation - at cost	12,288	10,699	12,020	10,427
less: accumulated depreciation	(3,752)	(3,044)	(3,721)	(3,021)
	8,536	7,655	8,299	7,406
open space - active recreation - at valuation 30/06/04	7,667	7,667	7,667	7,667
less: accumulated depreciation	(6,939)	(6,632)	(6,939)	(6,632)
	728	1,035	728	1,035
Total open space - active recreation	9,264	8,690	9,027	8,441
Open space - passive recreation				
open space - passive recreation - at cost	333	10,949	-	10,630
less: accumulated depreciation	(141)	(1,387)	-	(1,299)
	192	9,562	-	9,331
open space - passive recreation - at valuation 30/06/04	-	2,621	-	2,621
open space - passive recreation - at valuation 30/06/14	12,090	-	12,090	-
less: accumulated depreciation	(2,265)	(2,529)	(2,265)	(2,529)
	9,825	92	9,825	92
Total open space - passive recreation	10,017	9,654	9,825	9,423
Waste Management				
waste management - at cost	2,015	1,872	2,015	1,872
less: accumulated depreciation	(1,064)	(926)	(1,064)	(926)
	951	946	951	946
waste management - at valuation 30/06/04	507	507	507	507
less: accumulated depreciation	(448)	(444)	(448)	(444)
	59	63	59	63
Total waste management	1,010	1,009	1,010	1,009

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Note 20 Property, infrastructure, plant and equipment (cont.)				
Drainage Basins				
drainage basins - at cost	7,801	7,801	7,377	7,377
less: accumulated depreciation	(896)	(784)	(876)	(764)
	6,905	7,017	6,501	6,613
drainage basins - at valuation 30/06/04	676	676	676	676
less: accumulated depreciation	(151)	(112)	(119)	(112)
	525	564	557	564
Total drainage basins	7,430	7,581	7,058	7,177
Offstreet car parks				
offstreet car parks - at cost	3,551	2,953	1,310	893
less: accumulated depreciation	(445)	(407)	(158)	(131)
	3,106	2,546	1,152	762
offstreet car parks - at valuation 30/06/04	2,139	2,139	2,139	2,139
less: accumulated depreciation	(993)	(948)	(993)	(948)
	1,146	1,191	1,146	1,191
Total offstreet car parks	4,252	3,737	2,298	1,953
Total outdoor infrastructure	31,973	30,671	29,218	28,003
Total infrastructure	427,426	410,559	408,600	391,495

Notes to the Financial Report
For the Year Ended 30 June 2014

Consolidated

Council

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

Details of the Mildura Rural City Council's infrastructure and information about the fair value hierarchy as at 30 June 2014 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Drainage	-	-	92,605
Open space - active recreation	-	-	728
Open space - passive recreation	-	-	9,825
Waste Management	-	-	59
Drainage Basins	-	-	557
Offstreet car parks	-	-	1,146
Total	-	-	104,920

	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<i>Works in progress</i>				
land	98	84	98	84
buildings	526	10,492	462	4,204
plant and equipment	17	94	17	94
furniture and fittings	482	314	482	314
roads	1,054	4,964	1,054	4,964
books	11	-	11	-
drainage	1,371	7,465	1,371	7,465
open space active recreation	627	507	627	507
open space passive recreation	3,193	1,679	3,193	1,679
waste management	59	155	59	155
drainage basins	11	11	11	11
offstreet care pads	94	183	94	183
landfill	-	9	-	9
intangible assets - software	75	75	75	75
Total capital works in progress	7,618	26,032	7,554	19,744
Total property, infrastructure, plant and equipment	642,296	631,823	612,420	601,468

Notes to the Financial Report
For the Year Ended 30 June 2014

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

Land and Buildings

The market based direct comparison method is used for land although is adjusted to reflect the specialised nature of the assets being valued. For Council buildings, the depreciated replacement cost method is used, adjusting for the associated depreciations. Assets contain significant, unobservable adjustments, therefore these assets are classified as Level 3 fair value measurements.

An adjustment is made to reflect a restriction on the sale or use of an asset by Council. The adjustment is an allowance made to reflect the difference in value between unrestricted assets and those held by the Council which are impacted by external restraints on their use.

An independent valuation of Council's specialised land and specialised buildings was performed by Mr Con Demis AAPI, Certified Practising Valuer. The valuation was performed using either the market based direct comparison method or depreciated replacement cost, adjusted for restrictions in use. The effective date of the valuation is 31 December 2012.

Land Under Roads

Land under roads is valued at fair value using englobo land (undeveloped and/or unserviced) characteristics. The effective date of the valuation is 31 December 2012.

Artworks

An independent valuation of artworks was conducted by (as at 31 December 2010) Mr Paul McIntyre, Approved Valuer for the Australian Government's Cultural Gifts Program. Artworks is valued at market value which accounts for shifts in condition, artistic style and the artist. This adjustment is an unobservable input in valuation. The adjustment has no impact on the comprehensive income statement.

Notes to the Financial Report
For the Year Ended 30 June 2014

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

Infrastructure

Infrastructure is valued using the depreciated replacement cost method. This cost represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. Replacement costs relate to costs to replace the property to an "as new" standard. Economic obsolescence has also been factored into the depreciated replacement cost calculation.

Where it has not been possible to examine hidden works such as structural frames and floors, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the structure. The estimated cost of reconstruction including structure services and finishes, also factors in any heritage classifications as applicable.

Infrastructure assets contain significant unobservable adjustments, therefore these assets are classified as Level 3.

A valuation of Council's roads (with the exception of footpaths), drainage and open space passive recreation infrastructure assets was performed by Ms Apama Ashwin, M. Eng., (Council Officer). The valuation was performed based on the depreciated reproduction cost of the assets. The effective date of the valuation is 30 June 2014.

A valuation of Council's footpaths infrastructure assets was performed by Ms Apama Ashwin, M. Eng., (Council Officer). The valuation was based on a condition based assessment of the assets. The effective date of the valuation is 30 June 2014.

A valuation of Council's roads, kerb and channel, footpaths and cycleways, and drainage infrastructure assets was performed by Mrs Kylie Sergi, B. Apps Sci (CS), (Council Officer). The valuation was performed based on the depreciated reproduction cost of the assets. The effective date of the valuation is 30 June 2013.

A valuation of Council's outdoor infrastructure assets was performed by Mr Wayne Eddy BEng, (Council Officer). The valuation was performed based on the depreciated reproduction cost of the assets. The effective date of the valuation is 30 June 2004.

There were no changes in valuation techniques throughout the period to 30 June 2014.

For all assets measured at fair value, the current use is considered the highest and best use.

Reconciliation of Level 3 fair value

	Land \$'000	Land Under Roads \$'000	Buildings \$'000	Artworks \$'000	Infrastructure \$'000
Opening balance	48,197	4,670	85,653	27,379	362,749
Depreciation	-	-	(3,141)	-	(9,436)
Impairment loss	-	-	-	-	-
Revaluation	-	-	-	-	5,741
Acquisitions (Disposals)	(23)	-	(25)	-	5,792
Assets transferred at cost	-	-	-	-	9,331
Transfers	-	-	-	-	11,815
Closing Balance	48,174	4,670	82,487	27,379	385,992

**Notes to the Financial Report
For the Year Ended 30 June 2014**

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

Description of significant unobservable inputs to Level 3 variations:

	Valuation Technique	Significant unobservable inputs	Range (average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Land	Market based direct comparison approach (refer above)	Extent and impact of restriction of use	30% discount of market value applied	Increase or decrease in the extent of restriction would result in a significantly lower or higher fair value
Land Under Roads	Market based direct comparison approach (refer above)	Extent and impact of restriction of use	Englobo Characteristics	Increase or decrease in the extent of restriction would result in a significantly lower or higher fair value
Buildings	Depreciated Replacement Cost	Direct cost per square metre	\$1,213	Increase or decrease in the direct cost per square metre adjustment would result in a significantly lower or higher fair value
		Useful life of buildings	60 years	Increase or decrease in the estimated useful life of the asset would result in a significantly lower or higher fair value.
Artworks	Market based approach (refer above)	Market demand	The diversity of the assets in this class make it difficult to provide meaningful information in a summarised format. (i)	Increase or decrease in market demand would result in a significantly lower or higher fair value

**Notes to the Financial Report
For the Year Ended 30 June 2014**

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

Description of significant unobservable inputs to Level 3 variations (cont.):

	Valuation Technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Infrastructure				
Roads sealed				
Formation	Depreciated Replacement Cost	Cost per m ²	\$2.20	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value
Pavement	Depreciated Replacement Cost	Cost per m ³	\$57.84	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value
		Useful life of infrastructure	50 years	Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value
Surface	Depreciated Replacement Cost	Cost per m ²	\$8.48	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value
		Useful life of infrastructure	14 years	Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value
Roads unsealed				
Formation	Depreciated Replacement Cost	Cost per m ²	\$2.20	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value
Pavement	Depreciated Replacement Cost	Cost per m ³	\$30.38	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value
		Useful life of infrastructure	20 years	Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value

**Notes to the Financial Report
For the Year Ended 30 June 2014**

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

Description of significant unobservable inputs to Level 3 variations (cont.):

	Valuation Technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Kerb and channel	Depreciated Replacement Cost	Cost per lineal meter Useful life of infrastructure	\$10.62 50 years	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value
Footpaths and cycleways	Depreciated Replacement Cost by condition based assessment	Cost per m ² Useful life of infrastructure	\$38.33 60 years	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value
Drainage	Depreciated Replacement Cost	Drainage PipesCost per metre Cost per Pits Useful life of infrastructure Drainage Pipes Drainage Pits	\$277 \$9271 140 years 100 years	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value
Open space active recreation	Depreciated Replacement Cost	Cost per unit Useful life of infrastructure	The diversity of the assets in this class make it difficult to provide meaningful information in a summarised format. (i)	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value
Open space passive recreation	Depreciated Replacement Cost	Cost per unit Useful life of infrastructure	The diversity of the assets in this class make it difficult to provide meaningful information in a summarised format. (i)	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value

**Notes to the Financial Report
For the Year Ended 30 June 2014**

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

Description of significant unobservable inputs to Level 3 variations (cont.):

	Valuation Technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Waste management	Depreciated Replacement Cost	Cost per unit Useful life of infrastructure	The diversity of the assets in this class make it difficult to provide meaningful information in a summarised format. (i)	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value
Drainage basins	Depreciated Replacement Cost	Cost per m ³ Useful life of infrastructure	\$10.83 80 years	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value
Offstreet car parks	Depreciated Replacement Cost	Cost per m ² Useful life of infrastructure	\$52.5 50 years	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value Increase or decrease in the estimated useful life would result in a significantly lower or higher fair value

(i) The diversity of the assets in this class make it difficult to provide meaningful information in a summarised format.

Artworks

Artworks comprises of varying pieces of artwork which all have had individual attributed valuations. An average if applied could be misleading if a single unit rate were to be applied.

Waste Management:

Waste management comprises of landfill infrastructure, fencing, waste oil collection facilities, loading ramps and boom gates, these all have had individual attributed valuations. These assets have multiple components which comprise of different unit rates and useful lives as such an average could be misleading.

Open space active recreation

Open space active recreation comprises of sporting surfaces, outdoor furniture, fencing, irrigated areas, lighting, landscaping and playgrounds these all have had individual attributed valuations. These assets have multiple components which comprise of different unit rates and useful lives as such an average could be misleading.

**Notes to the Financial Report
For the Year Ended 30 June 2014**

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

Description of significant unobservable inputs to Level 3 variations (cont.):

(i) The diversity of the assets in this class make it difficult to provide meaningful information in a summarised format cont.

Open space passive recreation

Open space passive recreation includes fencing, playgrounds, parks reserves, outdoor furniture, access paths and concrete paths these all have had individual attributed valuations. These assets have multiple components which comprise of different unit rates and useful lives as such an average could be misleading.

Notes to the Financial Report
For the Year Ended 30 June 2014

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

<i>Consolidated</i>	Balance at beginning of financial year	Acquisition of assets	Recognition of assets	Contributions by developers (Note 6)	Revaluation increments/ (decrements) (Note 26)	Impairment Losses	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	\$'000
2014											
<i>Property</i>											
land - freehold	42,290	1,029	-	-	-	-	-	(3)	-	-	43,316
land - other controlled	5,907	-	-	-	-	-	-	(20)	-	-	5,887
land under roads	4,670	-	-	-	-	-	-	-	-	-	4,670
Total land	52,867	1,029	-	-	-	-	-	(23)	-	-	53,873
buildings - on freehold land	78,041	2,472	-	-	-	(441)	(2,522)	-	9,828	-	87,378
buildings - on other controlled land	21,264	105	-	-	-	-	(890)	(25)	-	-	20,454
leasehold improvements	-	-	-	-	-	-	-	-	-	-	-
heritage buildings	-	-	-	-	-	-	-	-	-	-	-
Total buildings	99,305	2,577	-	-	-	(441)	(3,412)	(25)	9,828	-	107,832
Total Property	152,172	3,606	-	-	-	(441)	(3,412)	(48)	9,828	-	161,705
<i>Plant and equipment</i>											
plant and equipment	13,712	4,292	-	-	-	(7)	(2,252)	(1,008)	1,233	-	15,970
plant and equipment (leased)	113	-	-	-	-	-	(24)	(89)	-	-	-
furniture and fittings	652	198	-	-	-	-	(130)	-	180	-	900
furniture and fittings (leased)	22	-	-	-	-	-	(18)	-	-	-	4
artwork	27,474	22	-	-	-	-	-	-	-	-	27,496
library books	1,087	252	-	-	-	-	(162)	-	-	-	1,177
software	-	-	-	-	-	-	-	-	-	-	-
Total plant and equipment	43,060	4,764	-	-	-	(7)	(2,586)	(1,097)	1,413	-	45,547
<i>Infrastructure</i>											
roads - sealed											
formation	33,960	-	-	-	306	-	-	-	-	-	34,266
pavement	36,433	2,095	-	-	(2,087)	-	(1,711)	(176)	2,337	-	36,891
seal	23,560	3,027	-	-	1,732	-	(2,107)	(347)	598	-	26,463
roads - unsealed											
formation	117,688	-	-	8	284	-	-	-	-	-	117,980
pavement	27,286	1,570	-	30	(1,270)	-	(2,193)	(472)	1,750	-	26,701
other infrastructure assets											
kerb and channel	22,113	246	-	28	546	-	(871)	(28)	67	-	22,101
footpaths and cycleways	14,905	473	-	43	(1,898)	-	(848)	(147)	4,142	-	16,670
drainage	83,859	401	-	66	2,766	-	(891)	-	6,404	-	92,605
landfill	3,688	-	-	-	-	-	(97)	-	-	2,114	5,705
airport runway	16,396	-	-	-	-	-	(325)	-	-	-	16,071
open space active recreation	8,690	1,486	-	-	-	(4)	(1,015)	-	107	-	9,264
open space passive recreation	9,654	545	-	-	5,362	(28)	(505)	(1,528)	(3,483)	-	10,017
waste management	1,009	47	-	-	-	-	(142)	-	96	-	1,010
drainage basins	7,581	-	-	-	-	-	(151)	-	-	-	7,430
off street carparks	3,737	479	-	-	-	(5)	(83)	-	124	-	4,252
Total infrastructure	410,559	10,369	-	175	5,741	(37)	(10,939)	(2,698)	12,142	2,114	427,426

Notes to the Financial Report
For the Year Ended 30 June 2014

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

<i>Consolidated</i>	Balance at beginning of financial year	Acquisition of assets	Recognition of assets	Contributions by developers (Note 6)	Revaluation increments/ (decrements) (Note 26)	Impairment Losses	Depreciation/ amortisation expense (Note 13)	Disposals	Transfer between class	Transfers from Provisions	Balance at end of financial year
2014	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Works in progress</i>											
land	84	14	-	-	-	-	-	-	-	-	98
buildings	10,492	632	-	-	-	-	-	-	(10,598)	-	526
plant and equipment	94	13	-	-	-	-	-	-	(90)	-	17
furniture and fittings	314	348	-	-	-	-	-	-	(180)	-	482
roads	4,964	1,004	-	-	-	-	-	-	(4,914)	-	1,054
books	-	11	-	-	-	-	-	-	-	-	11
drainage	7,465	310	-	-	-	-	-	-	(6,404)	-	1,371
open space active recreation	507	227	-	-	-	-	-	-	(107)	-	627
open space passive recreation	1,679	2,325	-	-	-	-	-	-	(811)	-	3,193
waste management	155	-	-	-	-	-	-	-	(96)	-	59
drainage basins	11	-	-	-	-	-	-	-	-	-	11
off street carparks	183	94	-	-	-	-	-	-	(183)	-	94
landfill	9	(9)	-	-	-	-	-	-	-	-	-
intangible assets - software	75	-	-	-	-	-	-	-	-	-	75
<i>Total works in progress</i>	26,032	4,969	-	-	-	-	-	-	(23,383)	-	7,618
 <i>Total property, plant and equipment, infrastructure</i>	 631,823	 23,708	 -	 175	 5,741	 (485)	 (16,937)	 (3,843)	 -	 2,114	 642,296

(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 2014

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
2014										
Property										
land - freehold	42,290	1,029	-	-	-	-	(3)	-	-	43,316
land - other controlled	5,907	-	-	-	-	-	(20)	-	-	5,887
land under roads	4,670	-	-	-	-	-	-	-	-	4,670
Total land	52,867	1,029	-	-	-	-	(23)	-	-	53,873
buildings - on freehold land	74,143	2,472	-	-	-	(2,362)	-	4,119	-	78,372
buildings - on other controlled land	21,264	105	-	-	-	(890)	(25)	-	-	20,454
leasehold improvements	-	-	-	-	-	-	-	-	-	-
heritage buildings	-	-	-	-	-	-	-	-	-	-
Total buildings	95,407	2,577	-	-	-	(3,252)	(25)	4,119	-	98,826
Total property	148,274	3,606	-	-	-	(3,252)	(48)	4,119	-	152,699
Plant and equipment										
plant and equipment	12,607	3,966	-	-	-	(2,021)	(966)	404	-	13,990
plant and equipment (leased)	113	-	-	-	-	(24)	(89)	-	-	-
furniture and fittings	652	198	-	-	-	(130)	-	180	-	900
furniture and fittings (leased)	22	-	-	-	-	(18)	-	-	-	4
artwork	27,474	22	-	-	-	-	-	-	-	27,496
library books	1,087	252	-	-	-	(162)	-	-	-	1,177
software	-	-	-	-	-	-	-	-	-	-
Total plant and equipment	41,955	4,438	-	-	-	(2,355)	(1,055)	584	-	43,567
Infrastructure										
roads - sealed										
formation	33,960	-	-	-	306	-	-	-	-	34,266
pavement	36,433	2,095	-	-	(2,087)	(1,711)	(176)	2,337	-	36,891
seal	23,560	3,027	-	-	1,732	(2,107)	(347)	598	-	26,463
roads - unsealed										
formation	117,688	-	-	8	284	-	-	-	-	117,980
pavement	27,286	1,570	-	30	(1,270)	(2,193)	(472)	1,750	-	26,701
other infrastructure assets										
kerb and channel	22,113	246	-	28	546	(871)	(28)	67	-	22,101
footpaths and cycleways	14,905	473	-	43	(1,898)	(848)	(147)	4,142	-	16,670
drainage	83,859	401	-	66	2,766	(891)	-	6,404	-	92,605
landfill	3,688	-	-	-	-	(97)	-	-	2,114	5,705
airport runway	-	-	-	-	-	-	-	-	-	-
open space active recreation	8,441	1,486	-	-	-	(1,007)	-	107	-	9,027
open space passive recreation	9,423	503	-	-	5,362	(452)	(1,528)	(3,483)	-	9,825
waste management	1,009	47	-	-	-	(142)	-	96	-	1,010
drainage basins	7,177	-	-	-	-	(119)	-	-	-	7,058
off street carparks	1,953	234	-	-	-	(72)	-	183	-	2,298
Total infrastructure	391,495	10,082	-	175	5,741	(10,510)	(2,698)	12,201	2,114	408,600

Notes to the Financial Report
For the Year Ended 30 June 2014

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
2014										
<i>Works in progress</i>										
land	84	14	-	-	-	-	-	-	-	98
buildings	4,204	377	-	-	-	-	-	(4,119)	-	462
plant and equipment	94	13	-	-	-	-	-	(90)	-	17
furniture and fittings	314	348	-	-	-	-	-	(180)	-	482
roads	4,964	1,004	-	-	-	-	-	(4,914)	-	1,054
books	-	11	-	-	-	-	-	-	-	11
drainage	7,465	310	-	-	-	-	-	(6,404)	-	1,371
open space active recreation	507	227	-	-	-	-	-	(107)	-	627
open space passive recreation	1,679	2,325	-	-	-	-	-	(811)	-	3,193
waste management	155	-	-	-	-	-	-	(96)	-	59
drainage basins	11	-	-	-	-	-	-	-	-	11
off street carpark	183	94	-	-	-	-	-	(183)	-	94
landfill	9	(9)	-	-	-	-	-	-	-	-
intangible assets - software	75	-	-	-	-	-	-	-	-	75
Total works in progress	19,744	4,714	-	-	-	-	-	(16,904)	-	7,554
Total property, plant and equipment, infrastructure	601,468	22,840	-	175	5,741	(16,117)	(3,801)	-	2,114	612,420

(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 2014

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	-	-	-	-	52,867
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
open space active recreation	8,856	542	-	-	-	(1,024)	(238)	554	-	8,690
open space passive recreation	5,434	536	-	-	-	(640)	(20)	4,344	-	9,654
waste management	1,045	123	-	-	-	(159)	-	-	-	1,009
drainage basins	7,615	-	-	-	-	(105)	-	71	-	7,581
off street carparks	3,760	133	-	-	-	(138)	(18)	-	-	3,737
Total infrastructure	390,345	11,693	-	6,498	1,004	(10,364)	(1,277)	12,452	208	410,559

Notes to the Financial Report
For the Year Ended 30 June 2014

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>Works in progress</i>										
land	84	-	-	-	-	-	-	-	-	84
buildings	8,396	9,404	-	-	-	-	-	(7,308)	-	10,492
plant and equipment	41	60	-	-	-	-	-	(7)	-	94
furniture and fittings	283	31	-	-	-	-	-	-	-	314
roads	7,108	4,413	51	-	-	-	-	(6,608)	-	4,964
drainage	4,520	3,820	-	-	-	-	-	(875)	-	7,465
open space active recreation	897	155	9	-	-	-	-	(554)	-	507
open space passive recreation	5,282	700	-	-	-	-	-	(4,303)	-	1,679
waste management	155	-	-	-	-	-	-	-	-	155
drainage basins	11	-	-	-	-	-	-	-	-	11
off street carparks	82	101	-	-	-	-	-	-	-	183
landfill	-	9	-	-	-	-	-	-	-	9
intangible assets - software	47	28	-	-	-	-	-	-	-	75
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 2014

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

<i>Council</i>	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	-	-	-	-	52,867
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
<i>Plant and equipment</i>										
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
<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	-	-	-	-	-	-	-	-	-	-
open space active recreation	8,599	539	-	-	-	(1,013)	(238)	554	-	8,441
open space passive recreation	5,223	536	-	-	-	(619)	(20)	4,303	-	9,423
waste management	1,045	123	-	-	-	(159)	-	-	-	1,009
drainage basins	7,277	-	-	-	-	(100)	-	-	-	7,177
off street car parks	1,900	133	-	-	-	(62)	(18)	-	-	1,953
Total infrastructure	370,958	11,690	-	6,498	1,004	(9,926)	(1,277)	12,340	208	391,495

Notes to the Financial Report
For the Year Ended 30 June 2014

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

<i>Council</i>	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>Works in progress</i>										
land	84	-	-	-	-	-	-	-	-	84
buildings	7,762	3,638	-	-	-	-	-	(7,196)	-	4,204
plant and equipment	41	60	-	-	-	-	-	(7)	-	94
furniture and fittings	283	31	-	-	-	-	-	-	-	314
roads	7,108	4,413	51	-	-	-	-	(6,608)	-	4,964
drainage	4,520	3,820	-	-	-	-	-	(875)	-	7,465
open space active recreation	897	155	9	-	-	-	-	(554)	-	507
open space passive recreation	5,282	700	-	-	-	-	-	(4,303)	-	1,679
waste management	155	-	-	-	-	-	-	-	-	155
drainage basins	11	-	-	-	-	-	-	-	-	11
off street carparks	82	101	-	-	-	-	-	-	-	183
landfill	-	9	-	-	-	-	-	-	-	9
intangible assets - software	47	28	-	-	-	-	-	-	-	75
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 2014**

	Consolidated		Council	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Note 21 Intangible assets				
Software at cost	1,014	1,078	1,014	1,078
Water Rights - at valuation 30/06/13	-	2,188	-	2,161
Water Rights - at valuation 30/06/14	2,350	-	2,321	-
Total intangible assets	3,364	3,266	3,335	3,239
Gross carrying amount				
Balance at 1 July 2012	-	3,625	-	3,598
Additions	-	50	-	50
Other	-	(77)	-	(77)
Balance at 1 July 2013	3,598	3,598	3,571	3,571
Additions	56	-	56	-
Revaluation increment/(decrement)	162	-	160	-
Balance at 30 June 2014	3,816	3,598	3,787	3,571
Accumulated amortisation and impairment				
Balance at 1 July 2012	-	214	-	214
Amortisation expense	-	118	-	118
Balance at 1 July 2013	332	332	332	332
Amortisation expense	120	-	120	-
Balance at 30 June 2014	452	332	452	332
Net book value at 30 June	3,364	3,266	3,335	3,239

Details of the Mildura Rural City Council's Water Rights; and information about the fair value hierarchy as at 30 June 2014 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Water Rights	-	2,321	-
Total	-	2,321	-

Water rights are valued at current market values. The valuation is based on market transactions being the trading of water shares. The valuations were completed by Mr Con Demis AAPI, Certified Practising Valuer, recognised valuer, (Council Officer), as at 30 June 2013 and as at 30 June 2014

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 22 Trade and other payables				
Trade payables	5,879	6,532	5,730	5,719
Accrued expenses	1,997	1,453	1,985	1,441
Total trade and other payables	7,876	7,985	7,715	7,160
Note 23 Trust funds and deposits				
Refundable contract deposits	279	224	279	224
Refundable civic facilities deposits	3	3	3	3
Retention amounts	324	1,132	324	1,132
Other refundable deposits	413	435	413	435
Total trust funds and deposits	1,019	1,794	1,019	1,794

Nature and purpose of trusts and deposits

Name of trust or deposit

Refundable contract deposits

Footpath retention

Retentions collected from private contractors where damage may occur to a

Refundable civic facilities deposits

Facility hire bonds

Bonds collected from persons for a booking for the use of a facility which is

Retention amounts

Other retention funds

Retentions collected and held from private contractors who are involved in

Other Refundable deposits

Security deposits

Deposits levied against private contractors where damage could occur to a Council owned asset.

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.

Mildura Visitor Information Centre Trust

Commission retained by Mildura Visitor Information Centre for accommodation bookings are made.

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 24 Provisions

Consolidated

	Annual leave	Long service leave	Rostered day off and time off in lieu	Redundancy	Workcover	Superannuation	Landfill rehabilitation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2014								
Balance at beginning of the financial year	3,692	5,721	604	-	-	-	5,286	15,303
Additional provisions	3,243	1,319	1,556	46	-	-	2,114	8,278
Amounts used	(2,935)	(655)	(1,509)	-	-	-	-	(5,099)
Balance at the end of the financial year	4,000	6,385	651	46	-	-	7,400	18,482
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

Council

	Annual leave	Long service leave	Rostered day off and time off in lieu	Redundancy	Workcover	Superannuation	Landfill rehabilitation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2014								
Balance at beginning of the financial year	3,606	5,688	604	-	-	-	5,286	15,184
Additional provisions	3,243	1,300	1,556	46	-	-	2,114	8,259
Amounts used	(2,935)	(655)	(1,509)	-	-	-	-	(5,099)
Balance at the end of the financial year	3,914	6,333	651	46	-	-	7,400	18,344
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

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 24 Provisions (cont.)

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
(a) Employee provisions				
Current provisions expected to be settled within 12 months				
Annual leave	2,706	2,321	2,620	2,235
Long service leave	695	298	695	298
Redundancy	46	-	46	-
Rostered day off and time off in lieu	651	604	651	604
Total	4,098	3,223	4,012	3,137
Current provisions expected to be settled after 12 months				
Annual leave	1,294	1,371	1,294	1,371
Long service leave	4,525	4,273	4,525	4,273
Total	5,819	5,644	5,819	5,644
Total Current provisions	9,917	8,867	9,831	8,781
Non-current				
Long service leave	1,166	1,150	1,113	1,117
Total	1,166	1,150	1,113	1,117
Aggregate carrying amount of employee provisions:				
Current	9,917	8,867	9,831	8,781
Non-current	1,166	1,150	1,113	1,117
Total	11,083	10,017	10,944	9,898
The following assumptions were adopted in measuring the present value of employee benefits:				
Weighted average increase in employee costs	4.44%	4.50%	4.44%	4.50%
Weighted average discount rates	3.57%	3.79%	3.57%	3.79%
Weighted average settlement period	12	12	12	12
(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 2048 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	7,400	5,286	7,400	5,286
Total landfill restoration	7,400	5,286	7,400	5,286
Total provisions				
Current	9,917	8,867	9,831	8,781
Non-current	8,566	6,436	8,513	6,403
Total provisions	18,483	15,303	18,344	15,184

Notes to the Financial Report
For the Year Ended 30 June 2014

	Consolidated		Council	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Note 25 Interest bearing loans and borrowings				
<i>Current</i>				
Borrowings - secured	2,758	1,957	2,693	1,957
	<u>2,758</u>	<u>1,957</u>	<u>2,693</u>	<u>1,957</u>
<i>Non-current</i>				
Borrowings - secured	19,468	21,118	19,425	21,118
	<u>19,468</u>	<u>21,118</u>	<u>19,425</u>	<u>21,118</u>
Total	22,226	23,075	22,118	23,075
The maturity profile for Council's borrowings is:				
Loans - security				
Not later than one year	2,758	1,957	2,693	1,957
Later than one year and not later than five years	6,506	7,127	6,463	7,127
Later than five years	12,962	13,991	12,962	13,991
Total	22,226	23,075	22,118	23,075
<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	17	111	17	17
Later than one year and not later than five years	35	98	35	52
Later than five years	-	-	-	-
Minimum lease payments	52	209	52	69
Less: Future finance charges	6	11	6	11
Total	46	198	46	58
<i>Current</i>				
Leases	14	106	14	12
	<u>14</u>	<u>106</u>	<u>14</u>	<u>12</u>
<i>Non-current</i>				
Leases	32	92	32	46
	<u>32</u>	<u>92</u>	<u>32</u>	<u>46</u>
Total finance leases	46	198	46	58
Aggregate carrying amount of interest-bearing loans and borrowings:				
Current	2,772	2,063	2,707	1,969
Non-current	19,500	21,210	19,457	21,164
Total interest-bearing loans and borrowings	22,272	23,273	22,164	23,133

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 26 Reserves

Consolidated

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(a) Asset revaluation reserve				
2014				
Property				
Land	17,658	-	-	17,658
Land under roads	1,041	-	-	1,041
Buildings	58,831	-	-	58,831
	77,530	-	-	77,530
Plant and Equipment				
Artwork	14,567	-	-	14,567
	14,567	-	-	14,567
Infrastructure				
Roads	193,953	-	(2,387)	191,566
Drains	36,830	2,766	-	39,596
Open space active recreation	1,180	-	-	1,180
Open space passive recreation	405	5,362	-	5,767
Waste management	80	-	-	80
Drainage basins	39	-	-	39
Off street carparks	368	-	-	368
Airport runway	9,594	-	-	9,594
	242,449	8,128	(2,387)	248,190
Water rights				
Water rights	195	160	-	355
	195	160	-	355
Total asset revaluation reserve	334,741	8,288	(2,387)	340,642

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 26 Reserves (cont)

Consolidated

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(a) Asset revaluation reserve 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
Open space active recreation	1,180	-	-	1,180
Open space passive recreation	405	-	-	405
Waste management	80	-	-	80
Drainage basins	39	-	-	39
Off street carparks	368	-	-	368
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

Notes to the Financial Report
For the Year Ended 30 June 2014

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
	\$'000	\$'000	\$'000	\$'000
(b) Other reserves				
2014				
<i>Non discretionary reserves</i>				
Apex Park reserve	485	90	(18)	557
Car parking	33	1	-	34
Drainage	395	6	-	401
Resort/Recreation/Open Space	103	-	-	103
Naturestrips and trees	18	-	-	18
Developer Contribution reserve	765	304	(28)	1,041
DGR donations reserve - MAC Theatre	79	28	-	107
Total	1,878	429	(46)	2,261
<i>Discretionary reserves</i>				
Asset renewal reserve	411	5	(2)	414
Landfill redevelopment	7,081	7,186	(6,936)	7,331
Street light poles	10	-	-	10
Artwork acquisition reserve	56	31	(6)	81
Primary Care Partnership reserve	185	411	(386)	210
Landfill rehabilitation reserve	979	178	(84)	1,073
Small towns development reserve	511	153	(44)	620
Library book bequest reserve	99	-	-	99
Total	9,332	7,964	(7,458)	9,838
Total other reserves	11,210	8,393	(7,504)	12,099

Notes to the Financial Report
For the Year Ended 30 June 2014

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
	\$'000	\$'000	\$'000	\$'000
(b) Other reserves (cont.)				
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
Naturesrips and trees	16	2	-	18
Developer Contribution reserve	792	225	(252)	765
DGR Donations Reserve - MAC Theatre	17	62	-	79
Total	1,754	376	(252)	1,878
<i>Discretionary reserves</i>				
Asset renewal reserve	406	5	-	411
Drainage maintenance and infrastructure	5,897	3,184	(9,081)	-
Plant replacement reserve	539	3,586	(4,125)	-
Tip 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
Library Book Bequest Reserve	-	99	-	99
Small towns redevelopment reserve	733	6	(228)	511
Total	15,014	15,266	(20,948)	9,332
Total other reserves	16,768	15,642	(21,200)	11,210

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 26 Reserves (cont)

Council

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(a) Asset revaluation reserve				
2014				
Property				
Land	17,658	-	-	17,658
Land under roads	1,041	-	-	1,041
Buildings	58,694	-	-	58,694
	<u>77,393</u>	<u>-</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	193,953	-	(2,387)	191,566
Drains	36,830	2,766	-	39,596
Open space active recreation	1,180	-	-	1,180
Open space passive recreation	405	5,362	-	5,767
Waste management	80	-	-	80
Drainage basins	39	-	-	39
Off street car parks	368	-	-	368
Airport runway	9,594	-	-	9,594
	<u>242,449</u>	<u>8,128</u>	<u>(2,387)</u>	<u>248,190</u>
Water rights				
Water rights	195	160	-	355
	<u>195</u>	<u>160</u>	<u>-</u>	<u>355</u>
Total asset revaluation reserve	<u>334,604</u>	<u>8,288</u>	<u>(2,387)</u>	<u>340,505</u>

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 26 Reserves (cont)

Council	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(a) Asset revaluation reserve 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
Open space active recreation	1,228	-	-	1,228
Open space passive recreation	420	-	-	420
Waste management	81	-	-	81
Drainage basins	-	-	-	-
Off street carparks	343	-	-	343
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>

Notes to the Financial Report
For the Year Ended 30 June 2014

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	\$'000	\$'000	\$'000	\$'000
2014				
<i>Non discretionary reserves</i>				
Apex Park reserve	485	90	(18)	557
Car parking	33	1	-	34
Drainage	395	6	-	401
Resort/Recreation/Open Space	103	-	-	103
Naturestrips and trees	18	-	-	18
Developer Contribution reserve	765	304	(28)	1,041
DGR donations reserve - MAC Theatre	79	28	-	107
Total	1,878	429	(46)	2,261
<i>Discretionary reserves</i>				
Landfill redevelopment	7,081	7,186	(6,936)	7,331
Street light poles	10	-	-	10
Asset renewal reserve	411	5	(2)	414
Landfill rehabilitation reserve	979	178	(84)	1,073
Artwork acquisition reserve	56	31	(6)	81
Primary Care Partnership reserve	185	411	(386)	210
Library book bequest reserve	99	8	-	107
Small towns development reserve	511	153	(44)	620
Total	9,332	7,972	(7,458)	9,846
Total other reserves	11,210	8,401	(7,504)	12,107

Notes to the Financial Report
For the Year Ended 30 June 2014

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
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
DGR donations reserve - MAC Theatre	17	62	-	79
Total	1,754	376	(252)	1,878
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 pole	10	-	-	10
Artwork acquisition reserve	66	1	(11)	56
Primary Care Partnership reserve	199	505	(519)	185
Landfill rehabilitation reserve	807	178	(6)	979
Library book bequest reserve	-	99	-	99
Small towns redevelopment reserve	733	6	(228)	511
Total	15,014	15,266	(20,948)	9,332
Total other reserves	16,768	15,642	(21,200)	11,210

Notes to the Financial Report For the Year Ended 30 June 2014

Note 26 Reserves (cont)

Name of Reserve	Nature and Purpose
Non discretionary reserves	
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.
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.
Developer Contribution reserve	Statutory developer contributions to be used for infrastructure asset categories which do not have a dedicated reserve above.
Discretionary reserves	
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.
Library book bequest reserve	Established to hold Library Book Bequest from deceased estate.

Notes to the Financial Report
For the Year Ended 30 June 2014

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
2014				
Interest in Mildura Airport Pty Ltd	11,398	1,102	-	12,500
	11,398	1,102	-	12,500
Total financial assets revaluation	11,398	1,102	-	12,500
2013				
Interest in Mildura Airport Pty Ltd	6,267	5,131	-	11,398
	6,267	5,131	-	11,398
Total financial assets revaluation	6,267	5,131	-	11,398

**Notes to the Financial Report
For the Year Ended 30 June 2014**

	Consolidated		Council	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Note 27 Reconciliation of cash flows from operating activities to surplus (deficit)				
Surplus (deficit) for the year	3,268	23,957	2,166	18,826
Depreciation/amortisation	17,057	16,249	16,237	15,608
(Profit) loss on disposal of property, plant and equipment, infrastructure	2,787	1,793	2,765	1,793
Impairment losses	485	1	-	-
Gain/(loss) on recognition of non current assets	(3)	(60)	-	(60)
Contributions - non-monetary assets	(175)	(7,545)	(175)	(7,545)
Interest expense	1,445	1,455	1,435	1,440
Revaluation of financial asset	(69)	-	(69)	-
Change in assets and liabilities:				
(Increase)/decrease in trade and other receivables	(5,810)	8	(6,115)	369
(Increase)/decrease in financial assets	41	(225)	42	(222)
Increase/(decrease) in trade and other payables	(109)	614	555	23
(Increase)/decrease in inventories	36	51	36	51
Increase/(decrease) in provisions	1,065	(7,210)	1,046	(7,257)
Net cash provided by/(used in) operating activities	20,018	29,088	17,923	23,026
Note 28 Reconciliation of cash and cash equivalents				
Cash and cash equivalents (see note 16)	21,712	24,124	19,373	22,992
Total reconciliation of cash and cash equivalents	21,712	24,124	19,373	22,992

**Notes to the Financial Report
For the Year Ended 30 June 2014**

Consolidated		Council	
2014	2013	2014	2013
\$'000	\$'000	\$'000	\$'000

Note 29 Financing arrangements

The Council does not have an overdraft facility

Note 30 Restricted assets

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

(a) Statutory

Non discretionary reserve funds (note 26)	2,261	1,878	2,261	1,878
Total	2,261	1,878	2,261	1,878

(b) Non-statutory

Discretionary reserve funds (note 26)	9,838	9,332	9,846	9,332
Trust funds (note 23)	1,019	1,794	1,019	1,794
Unexpended grants (note 5)	2,590	6,212	4,073	6,212
Unexpended capital works (note 32)	3,719	4,398	3,719	4,398
Total	17,166	21,736	18,657	21,736
Total restricted assets	19,427	23,614	20,918	23,614

Notes to the Financial Report For the Year Ended 30 June 2014

Note 31 Superannuation

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

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2014, this was 9.25% required under Superannuation Guarantee legislation).

Our commitment to defined contribution plans is limited to making contributions in accordance with our minimum statutory requirements. 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 2014, the Superannuation Guarantee contribution rate is legislated to increase to 9.5%, and will progressively increase to 12% by 2019. Based on announcements included in the May 2014 Federal Budget, this progressive increase to 12% will be delayed until 2022.

Defined Benefit Plan

As provided under Paragraph 34 of AASB 119, Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a multi-employer sponsored plan.

As a multi-employer sponsored plan, the Fund was established as a mutual scheme to allow for the mobility of the workforce between the participating employers without attaching a specific liability to particular employees and their current employer. Therefore, there is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Mildura Rural City Council in the Fund cannot be measured as a percentage compared with other participating employer. While there is an agreed methodology to allocate any shortfalls identified by the Fund Actuary for funding purposes, there is no agreed methodology to allocate benefit liabilities, assets and costs between the participating employers for accounting purposes. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

Mildura Rural City 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. The Fund's employer funding arrangements comprise of three components (which are detailed below) are:

1. Regular contributions - which are ongoing contributions needed to fund the balance of benefits for current members and pensioners;
 2. Funding calls – which are contributions in respect of each participating employer's share of any funding shortfalls that arise; and
 3. Retrenchment increments – which are additional contributions to cover the increase in liability arising from retrenchments.
- Mildura Rural City 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 2014**

Note 31 Superannuation (cont)

**Employer contributions
Regular contributions**

On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 31 December 2011, Mildura Rural City Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2014, this rate was 9.25% of members' salaries. This rate increased to 9.5% on 1 July 2014 and is expected to increase in line with the required Superannuation Guarantee contribution rate.

In addition, Mildura Rural City 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).

Funding calls

The Fund is required to comply with the superannuation prudential standards. Under the superannuation prudential standard SPS 160, the Fund is required to target full funding of its vested benefits. There may be circumstances where:

- a fund is in an unsatisfactory financial position at an actuarial investigation (i.e. its vested benefit index (VBI) is less than 100% at the date of the actuarial investigation); or
- a fund's VBI is below its shortfall limit at any time other than at the date of the actuarial investigations.

If either of the above occur, the fund has a shortfall for the purposes of SPS 160 and the fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. There may be circumstances where the Australian Prudential Regulation Authority (APRA) may approve a period longer than three years.

The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Mildura Rural City Council) are required to make an employer contribution to cover the shortfall. The methodology used to allocate the shortfall was agreed in 1997 to fairly and reasonably apportion the shortfall between the participating employers.

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

The pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund are based on:

- The service periods of all active members split between the active members pre-1 July 1993 and post-30 June 1993 service period;
- The service periods of all deferred members split between the deferred members pre-1 July 1993 and post-30 June 1993 service period; and
- The pensioner (including fixed term pension) liabilities which are allocated to the pre-1993 period.

The pre-1 July 1993 component of the shortfall is apportioned between the participating employers based on the employer's share of the total participating employer payroll at 30 June 1993.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. In the unlikely event that the Fund is wound up and there is a surplus in the Fund, the surplus cannot be applied for the benefit of the defined benefit employers where there are on-going defined benefit obligations. The surplus would be transferred to the fund accepting those defined benefit obligations (including the lifetime pension obligations) of the Fund.

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

Notes to the Financial Report For the Year Ended 30 June 2014

Note 31 Superannuation (cont)

Differences between calculations

The Fund surplus or deficit (i.e. the difference between fund assets and liabilities) is calculated differently for funding purposes (i.e. calculating required contributions), for the calculation of accrued benefits as required in AAS 25 and for the values needed for the AASB 119 disclosure in the Mildura Rural City Council's financial statements. AAS 25 requires that the present value of the defined benefit liability be calculated based on benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue.

Shortfall amounts

The Local Authorities Superannuation Fund's latest actuarial investigation as at 31 December 2011 identified an unfunded liability of \$406 million (excluding contributions tax) in the defined benefit category of which Mildura Rural City Council is a contributing employer.

Mildura Rural City Council was made aware of the expected shortfall during the 2011/12 year and was informed of its share of the shortfall on 2 August 2012. Mildura Rural City Council has not been advised of any further adjustments.

Accrued benefits

The Fund's liability for accrued benefits was determined in the 31 December 2011 actuarial investigation pursuant to the requirements of Australian Accounting Standard Board AAS25 follows:

	31-Dec-11
Net Market Value of Assets	\$ 4,315,324
Accrued Benefits (per accounting standards)	\$ 4,642,133
Difference between Assets and Accrued Benefits	\$ (326,809)
Vested Benefits (Minimum sum which must be paid to members when they leave the fund)	\$ 4,838,503

The financial assumptions used to calculate the Accrued Benefits for the defined benefit category of the Fund were:

Net Investment Return	7.50% p.a.
Salary Inflation	4.25% p.a.
Price Inflation	2.75% p.a.

The next full actuarial investigation of the Fund's liability for accrued benefits will be based on the Fund's position as at 30 June 2014. The anticipated completion date of this actuarial investigation is 19 December 2014.

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 31 Superannuation (cont.)

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Council made contributions to the following funds:				
Defined benefits fund				
Employer contributions to Local Authorities Superannuation Fund (Vision Super) 9.25%	480	483	480	483
Total	480	483	480	483
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	29	-	29	-
Total	29	-	29	-

80 Council staff are members of Visions Super, a multi employer defined benefit fund. Funding of the fund is primarily through employer contributions (9.25%) and returns on investment, however Council may be required to provide additional funds should they be required. Any additional funds provided are contributed in proportion to membership of the total fund.

The complexity and timing of actuarial calculations required to allocate assets and liabilities to individual Council's results in it being impractical to determine the necessary information to account for the fund as a defined benefit fund within the financial statements, as such Council accounts for the fund as a contribution plan. Council expects to make the following contributions in 2014-15: \$502,000

Accumulation funds (Vision Super)

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,870	1,819	1,778	1,752
Total	1,870	1,819	1,778	1,752
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	119	8	106	-
Total	119	8	106	-

Accumulation funds (Other Funds)

Employer contributions to Other Superannuation Funds.	710	638	710	638
Total	710	638	710	638

Notes to the Financial Report
For the Year Ended 30 June 2014

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
2014					
<i>Operating</i>					
Swimming pool management	783	137	-	-	920
Telecommunications	779	802	1,152	-	2,733
Waste management	2,412	490	-	-	2,902
Cleaning services	368	379	-	-	747
Security services	506	521	-	-	1,027
Project design	1,195	-	-	-	1,195
Other	2,259	1,077	134	-	3,470
Total	8,302	3,406	1,286	-	12,994
<i>Capital</i>					
Building construction	97	-	-	-	97
Design and project management	54	-	-	-	54
Office equipment	90	-	-	-	90
Other	7	-	-	-	7
Recreation	1,527	-	-	-	1,527
Roadworks	500	-	-	-	500
Drainage	293	-	-	-	293
Plant and equipment	1,025	-	-	-	1,025
Waste management	126	-	-	-	126
Total	3,719	-	-	-	3,719

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 32 Commitments (cont.)

Consolidated

	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
	\$'000	\$'000	\$'000	\$'000	\$'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 2014

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
	\$'000	\$'000	\$'000	\$'000	\$'000
2014					
<i>Operating</i>					
Swimming pool management	783	137	-	-	920
Telecommunications	779	802	1,152	-	2,733
Waste management	2,412	490	-	-	2,902
Cleaning services	368	379	-	-	747
Security services	506	521	-	-	1,027
Project design	1,195	-	-	-	1,195
Other	2,259	1,077	134	-	3,470
Total	8,302	3,406	1,286	-	12,994
<i>Capital</i>					
Building construction	97	-	-	-	97
Design and project management	54	-	-	-	54
Office equipment	90	-	-	-	90
Other	7	-	-	-	7
Recreation	1,527	-	-	-	1,527
Roadworks	500	-	-	-	500
Drainage	293	-	-	-	293
Plant and equipment	1,025	-	-	-	1,025
Waste management	126	-	-	-	126
Total	3,719	-	-	-	3,719

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 32 Commitments (cont.)

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
	\$'000	\$'000	\$'000	\$'000	\$'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	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 2014**

Consolidated		Council	
2014	2013	2014	2013
\$'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):

Not later than one year	-	40	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	40	-	-

(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:

Not later than one year	436	423	216	187
Later than one year and not later than five years	1,398	1,156	805	469
Later than five years	1,130	1,220	758	810
	2,964	2,799	1,779	1,466

**Notes to the Financial Report
For the Year Ended 30 June 2014**

Note 34 Contingent liabilities and contingent assets

Contingent liabilities

Mildura Rural City Council currently does not have any known contingent liabilities as at 30th June 2014.

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 \$251,836 (2013: \$332,568)

Contingent assets

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

Over payment of payroll tax to be refunded back after successful objection to the payroll tax assessment.

Notes to the Financial Report
For the Year Ended 30 June 2014

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 3.15% (3.25% in 2012/2013), and 4.25% (6.00% in 2012/2013) 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 5.64% (6.22% in 2012/2013). 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 5.80% (6.05% in 2013/2014).

Notes to the Financial Report
For the Year Ended 30 June 2014

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:					
	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2014						
<i>Financial assets</i>						
Cash and cash equivalents	9,662	12,016	-	-	34	21,712
Other financial assets	-	1,018	1,460	-	-	2,478
Trade and other receivables	-	-	-	-	8,098	8,098
Total financial assets	9,662	13,034	1,460	-	8,132	32,288
Weighted average interest rate	2.19%	3.70%	3.74%	0.00%		
<i>Financial liabilities</i>						
Trade and other payables	-	-	-	-	7,876	7,876
Trust funds and deposits	-	-	-	-	1,019	1,019
Interest-bearing loans and borrowings	-	2,772	6,538	12,962	-	22,272
Total financial liabilities	-	2,772	6,538	12,962	8,895	31,167
Weighted average interest rate		5.65%	5.65%	5.65%		
Net financial assets/(liabilities)	9,662	10,262	(5,078)	(12,962)	(763)	1,121
	Fixed interest maturing in:					
	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2013						
<i>Financial assets</i>						
Cash and cash equivalents	13,059	11,025	-	-	40	24,124
Other financial assets	-	4,515	1,391	-	-	5,906
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		6.22%	6.22%	6.22%		
Net financial assets/(liabilities)	13,059	13,477	(5,828)	(13,991)	(7,625)	(908)

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 35 Financial instruments (cont.)

(b) Interest Rate Risk (cont.)

Council	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
2014						
<i>Financial assets</i>						
Cash and cash equivalents	7,346	12,016	-	-	11	19,373
Other financial assets	-	1,018	1,460	-	-	2,478
Trade and other receivables	-	186	1,125	1,189	7,671	10,171
Total financial assets	7,346	13,220	2,585	1,189	7,682	32,022
Weighted average interest rate	2.02%	3.70%	3.74%	0.00%		
<i>Financial liabilities</i>						
Trade and other payables	-	-	-	-	7,715	7,715
Trust funds and deposits	-	-	-	-	1,019	1,019
Interest-bearing loans and borrowings	-	2,707	6,495	12,962	-	22,164
Total financial liabilities	-	2,707	6,495	12,962	8,734	30,898
Weighted average interest rate		5.64%	5.64%	5.64%		
Net financial assets/(liabilities)	7,346	10,513	(3,910)	(11,773)	(1,052)	1,124
Council	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
2013						
<i>Financial assets</i>						
Cash and cash equivalents	11,957	11,025	-	-	10	22,992
Other financial assets	-	4,515	1,391	-	-	5,906
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%		
<i>Financial liabilities</i>						
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

**Notes to the Financial Report
For the Year Ended 30 June 2014**

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	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Financial Instruments				
<i>Financial assets</i>				
Cash and cash equivalents	21,712	24,124	21,712	24,124
Other financial assets	2,478	5,906	2,478	5,906
Trade and other receivables	8,098	2,114	8,098	2,114
Total financial assets	32,288	32,144	32,288	32,144
<i>Financial liabilities</i>				
Trade and other payables	7,876	7,985	7,876	7,985
Trust funds and deposits	1,019	1,794	1,019	1,794
Interest-bearing loans and borrowings	22,272	23,273	22,272	23,273
Total financial liabilities	31,167	33,052	31,167	33,052
Council				
Financial Instruments				
<i>Financial assets</i>				
Cash and cash equivalents	19,373	22,992	19,373	22,992
Other financial assets	2,478	5,906	2,478	5,906
Trade and other receivables	10,171	3,882	10,171	3,882
Total financial assets	32,022	32,780	32,022	32,780
<i>Financial liabilities</i>				
Trade and other payables	7,715	7,108	7,715	7,108
Trust funds and deposits	1,019	1,794	1,019	1,794
Interest-bearing loans and borrowings	22,164	23,133	22,164	23,133
Total financial liabilities	30,898	32,035	30,898	32,035

**Notes to the Financial Report
For the Year Ended 30 June 2014**

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 2014

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	2014 \$'000	2013 \$'000
Balance at the beginning of the year	741	602
New Provisions recognised during the year	209	160
Amounts already provided for and written off as uncollectible	(29)	(23)
Amounts provided for but recovered during the year	17	2
Balance at end of year	<u>938</u>	<u>741</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:

	2014 \$'000	2013 \$'000
Current (not yet due)	2,591	918
Past due by up to 30 days	77	40
Past due between 31 and 180 days	4,359	167
Past due between 181 and 365 days	89	88
Past due by more than 1 year	869	697
Total Trade and Other Receivables	<u>7,985</u>	<u>1,910</u>

Notes to the Financial Report For the Year Ended 30 June 2014

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

2014	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	7,876	-	-	-	-	7,876	7,876
Interest-bearing loans and borrowings	1,501	1,566	3,156	6,520	22,450	35,085	22,272
Trust funds and deposits	1,019	-	-	-	-	1,019	1,019
Total financial liabilities	10,396	1,566	3,156	6,520	22,450	43,980	31,167

**Notes to the Financial Report
For the Year Ended 30 June 2014**

Note 35 Financial Instruments (cont.)

(e) Risks and mitigation (cont.)

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

Council

2014	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	7,715	-	-	-	-	7,715	7,715
Interest-bearing loans and borrowings	1,501	1,501	3,113	6,520	22,450	35,085	22,164
Trust funds and deposits	1,019	-	-	-	-	1,019	1,019
Total financial liabilities	10,235	1,501	3,113	6,520	22,450	43,819	30,898

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	7,108
Interest-bearing loans and	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	32,035

**Notes to the Financial Report
For the Year Ended 30 June 2014**

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	
2014	Carrying Amount \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	21,712	(434)	(434)	217	217
Financial assets	2,478	(50)	(50)	25	25
Trade and other receivables	8,098	-	-	-	-
Financial liabilities:					
Interest-bearing loans and borrowings	22,272	-	-	-	-

Council

		Interest rate risk			
		-2		+1	
		-100 basis points		+200 basis points	
2014	Carrying Amount \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	19,373	(387)	(387)	194	194
Financial assets	2,478	(50)	(50)	25	25
Trade and other receivables	10,171	-	-	-	-
Financial liabilities:					
Interest-bearing loans and borrowings	22,164	-	-	-	-

(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 2014**

	Consolidated		Council	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Note 36 Auditors' remuneration				
Audit fee to conduct external audit - Victorian Auditor-General	71	68	58	56
Internal audit fees - BDO Aust Ltd	148	148	148	148
Fees for other services provided by internal auditor	16	16	16	16
Total Auditors' remuneration	235	232	222	220

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 2014

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)	1/07/2013 to 30/06/2014
	John Arnold	1/07/2013 to 30/06/2014
	Judi Harris	1/07/2013 to 30/06/2014
	Max Thorburn	1/07/2013 to 30/06/2014
	Mark Eckel	1/07/2013 to 30/06/2014
	Sharyon Peart	1/07/2013 to 30/06/2014
	Ali Cupper	1/07/2013 to 30/06/2014
	Greg Brown	1/07/2013 to 30/06/2014
	Jill Joslyn	1/07/2013 to 30/06/2014
Chief Executive Officer	Mark Henderson	1/07/2013 to 28/03/2014
Acting Chief Executive	Mandy Whelan	31/03/2014 to 27/04/2014
Officer	Martin Hawson	28/04/2014 to 29/06/2014

(ii) Remuneration of Responsible Persons

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

	2014	2013
	No.	No.
\$2000 - \$ 9,999	-	3
\$10,000 - \$19,999	-	3
\$20,000 - \$29,999	8	4
\$40,000 - \$49,999	-	1
\$50,000 - \$59,999	-	1
\$70,000 - \$67,999	1	-
\$290,000 - \$299,999	-	1
\$420,000 - \$429,999	1	-
	<u>10</u>	<u>13</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	702	589

(iii) Retirement Benefits of Responsible Persons

Retirement benefits have been made by Council to a Responsible Person. Total \$100,000. (2012/13, Nil).

Notes to the Financial Report For the Year Ended 30 June 2014

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 (2012/13, 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 (2012/13, 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 \$133,000.

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

	2014	2013
Income Range:	No.	No.
\$133,000 - \$139,999	4	9
\$140,000 - \$149,999	5	2
\$150,000 - \$159,999	2	-
\$160,000 - \$169,999	1	-
\$190,000 - \$199,999	1	2
\$200,000 - \$209,999	-	1
\$220,000 - \$229,999	2	-
\$230,000 - \$239,999	1	-
	<u>16</u>	<u>14</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to	2,614	2,112

Notes to the Financial Report
For the Year Ended 30 June 2014

Note 39 Income, expenses and assets by function/activities

Council	Development		Community		Corporate		Executive		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME										
Grants	292	328	8,934	7,548	16,176	28,626	-	-	25,402	36,502
Other	4,861	13,436	6,375	6,767	54,843	54,076	1	1	66,080	74,280
TOTAL	5,153	13,764	15,309	14,315	71,019	82,702	1	1	91,482	110,782
EXPENSES										
	(33,286)	(31,611)	(28,206)	(26,850)	(26,422)	(32,309)	(1,402)	(1,186)	(89,316)	(91,956)
SURPLUS (DEFICIT) FOR THE YEAR	(28,133)	(17,847)	(12,897)	(12,535)	44,597	50,393	(1,401)	(1,185)	2,166	18,826
ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*	555,339	552,298	48,545	48,313	78,652	70,818	-	-	682,536	671,429

*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 :

Works and Infrastructure Development Services
Building and Environmental Services Asset Services

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 2014

Note 40 Financial ratios (Performance indicators)

	2014 \$'000	2014 (%)	2013 \$'000	2013 (%)	2012 \$'000	2012 (%)
(a) Debt servicing ratio (to identify the capacity of Council to service its outstanding debt)						
<u>Debt servicing costs</u>	1,435		1,440		970	
Total revenue	91,482	= 1.57%	110,782	= 1.30%	111,959	= 0.87%

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>	3,404		2,923		2,240	
Rate revenue	56,078	= 6.07%	52,708	= 5.55%	48,734	= 4.60%

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>	56,078		52,708		48,734	
Total revenue	91,482	= 61.30%	110,782	= 47.58%	111,959	= 43.53%

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>	49,242		47,271		50,735	
Total realisable assets	234,357	= 21.01%	217,515	= 21.73%	212,937	= 23.83%

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 2014**

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

	2014	2014	2013	2013	2012	2012
	\$'000	(%)	\$'000	(%)	\$'000	(%)

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

<u>Current assets</u>	33,234		34,127		37,116	
Current liabilities	21,272	= 156.23%	19,704	= 173.20%	26,908	= 137.94%

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>	33,234		34,127		37,116	
Current liabilities	15,453	= 215.07%	15,431	= 221.16%	22,425	= 165.51%

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 2014

Note	Consolidated		Council	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Note 41 Capital expenditure				
Capital expenditure areas				
Roads	9,656	14,421	9,656	14,421
Drainage	651	4,499	651	4,499
Parks, open space and streetscapes	1,771	2,299	1,771	2,299
Airport development works	-	-	-	-
Other outdoor infrastructure	590	27	303	23
Community facilities	2,641	6,804	2,386	1,039
Plant and office equipment	4,453	3,594	4,127	3,505
Other programs	297	336	297	336
Waste management	267	192	267	192
Non-Drainage DCP	-	-	-	-
Major Projects	2,845	5,886	2,845	5,886
Sustainable initiatives	537	147	537	147
Total capital works	23,708	38,205	22,840	32,347
Intangible Asset (Software)	56	78	56	78
Total	56	78	56	78
Total capital works	23,764	38,283	22,896	32,425
Represented by:				
Renewal of infrastructure	(a) 14,750	19,386	14,750	19,386
Upgrade of infrastructure	(b) 4,862	9,789	3,994	3,931
Expansion of infrastructure	(c) 4,096	9,030	4,096	9,030
Intangible Asset (Software)	56	78	56	78
Total capital works	23,764	38,283	22,896	32,425

**Notes to the Financial Report
For the Year Ended 30 June 2014**

Note 41 Capital expenditure (cont)

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:

		Consolidated		Council	
		2014	2013	2014	2013
		\$'000	\$'000	\$'000	\$'000
Transfer to WIP		-	28	-	28
Capital works (intangible)	21	56	50	56	50
Total Capital works (intangible)		56	78	56	78
Amortisation	13	120	118	120	118
		176	196	176	196
		2014	2013	2014	2013
		\$'000	\$'000	\$'000	\$'000
Capital works		23,708	38,205	22,840	32,347
Capital works - Intangible		-	28	-	28
Total capital works		23,708	38,233	22,840	32,375
Contributions - non-monetary assets	6	175	7,545	175	7,545
Asset revaluation movement	26	5,741	20,132	5,741	20,132
Depreciation/amortisation	13	(16,937)	(16,131)	(16,117)	(15,490)
Impairment	20	(485)	-	-	-
Recognition of assets	20	-	60	-	60
Written down value of assets sold	20	(3,843)	(2,665)	(3,801)	(2,665)
Transfers from provisions	20	2,114	208	2,114	208
Transfers to intangible assets	21	-	-	-	-
Net movement in property, plant and equipment, infrastructure	20	10,473	47,382	10,952	42,165

(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 : 25 September 2014
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 2014 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 25 September 2014 to certify the financial statements in their final form.

Cr Glenn Milne
Councillor



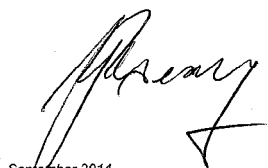
Date : 25 September 2014
Mildura

Cr John Arnold
Councillor



Date : 25 September 2014
Mildura

Garry Healy
Acting
Chief
Executive
Officer



Date : 25 September 2014
Mildura

MILDURA RURAL CITY COUNCIL
STANDARD INCOME STATEMENT
For the Year Ending June 2014

	Budget	Actual	Variances		
	2013/2014	2013/2014			
	\$'000	\$'000	\$'000	%	Ref
Revenue from operating activities					
Rates and charges	55,877	56,078	201	0	
Fees, fines and user charges	6,834	6,796	(38)	(1)	
Contributions	304	287	(17)	(6)	
Grants - operating (recurrent)	13,260	14,720	1,460	11	1
Revenue from non operating activities					
Interest	1,078	973	(105)	(10)	
Other income	3,795	3,996	201	5	
Total income	81,148	82,850	1,702		
Expenses from operating activities					
Auditors remuneration	183	222	39	21	
Employee benefits	39,319	39,928	609	2	
Contractors and materials	26,619	27,031	412	2	
Bad and doubtful debts	-	209	209	100	
Depreciation and amortisation	15,050	16,237	1,187	8	
Finance costs	1,564	1,435	(129)	(8)	
Office expenses	3,105	3,121	16	1	
Other expenses	1,030	1,133	103	10	
Total Expenses	86,870	89,316	2,446		
Surplus / (deficit) from operations	(5,722)	(6,466)	(744)		
Capital funding					
Grants - capital (recurrent)	15,266	10,682	(4,584)	(30)	2
Net gain on disposal of property, infrastructure, plant and equipment	238	(2,765)	(3,003)	(1,262)	3
Contributed infrastructure	-	175	175	100	
Developer contributions	250	291	41	16	
Other contributions	623	249	(374)	(60)	4
Surplus / (deficit) for the year	10,655	2,166	(8,489)		

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 2014

<u>Ref.</u>	<u>Item</u>	<u>Explanation</u>
1	Grants - operating (recurrent)	Victorian Grants Commission payment received was higher than budgeted. Also unbudgeted grant funding received for youth programs such as School Focused
2	Grants - capital (recurrent)	Capital grants are below budget due to not all of the Mildura Riverfront Precinct Redevelopment grant funding being received in this financial year.
3	Net gain on disposal of property, infrastructure, plant and equipment	This includes the accounting disposal of infrastructure assets written down value at time of reconstruction. For budgetary purposes the budget is set only for the actual disposals of plant and equipment.
4	Other contributions	Variance due to the difficulty in predicting amount and timing of Contributions from community groups towards capital projects.

MILDURA RURAL CITY COUNCIL
STANDARD BALANCE SHEET
As at 30 June 2014

	Budget 2013/2014 \$'000	Actual 2013/2014 \$'000	Variances		
			\$'000	%	Ref
Current assets					
Cash and cash equivalents	2,114	19,373	17,259	816	1
Trade and other receivables	6,167	11,862	5,695	92	2
Financial assets	12,400	1,018	(11,382)	(92)	3
Other assets	923	981	58	6	
Total current assets	21,604	33,234	11,630		
Non-current assets					
Trade and other receivables	2,500	2,314	(186)	(7)	
Property, infrastructure, plant and equipment	614,945	612,420	(2,525)	(0)	
Intangible assets	3,384	3,335	(49)	(1)	
Other financial assets	1,922	1,460	(462)	(24)	4
Investment in subsidiary	23,539	29,773	6,234	26	5
Total non-current assets	646,290	649,302	3,012		
Total assets	667,894	682,536	14,642		
Current liabilities					
Trade and other payables	8,886	8,734	(152)	(2)	
Interest bearing loans and borrowings	1,648	2,707	1,059	64	6
Provisions	9,751	9,831	80	1	
Total current liabilities	20,285	21,272	987		
Non-current liabilities					
Interest bearing loans and borrowings	21,685	19,457	(2,228)	(10)	7
Provisions	6,091	8,513	2,422	40	8
Total non-current liabilities	27,776	27,970	194		
Total liabilities	48,061	49,242	1,181		
Net assets	619,833	633,294	13,461		
Equity					
Reserves	342,848	365,112	22,264	6	
Accumulated Surplus	276,985	268,182	(8,803)	(3)	
Total equity	619,833	633,294	13,461		

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 2014

<u>Ref</u>	<u>Item</u>	<u>Explanation</u>
1	Cash and cash equivalents	Change in treatment of cash and cash equivalents has meant term deposits treated as financial assets are now being classified as cash and cash equivalents.
2	Trade and other receivables	Debtors is abnormally high predominantly due to Natural Disaster Relief and Recovery funding invoiced before June and received in late July 2014.
3	Financial assets	Change in treatment of cash and cash equivalents has meant term deposits treated as financial assets are now being classified as cash and cash equivalents.
4	Other financial assets	Due to interest rates Council hasn't reinvested fixed interest investments that have matured.
5	Investment in subsidiary	Value of investment in Mildura Airport Pty Ltd increased due to the terminal redevelopment.
6	Interest bearing loans and borrowings	Current loans are higher than budgeted due to taking a short term \$1 million loan which is to be rolled into the Local Government Funding Vehicle in September 2014. - see note 7 below.
7	Interest bearing loans and borrowings	Non current loans are below budget due to a delay in property acquisition and also the short term loan taken out which is being shown in current liabilities. - see note 6 above.
8	Provisions	Provision for landfills has increased due to recognition of rural landfills in the provision.

MILDURA RURAL CITY COUNCIL
STANDARD CASH FLOW STATEMENT
For the Year Ending 30 June 2014

	Budgeted 2013/2014 Inflows (Outflows) \$'000	Actual 2013/2014 Inflows (Outflows) \$'000	Variances		Ref
			\$'000	%	
Cash inflows / (outflows) from operating activities					
<i>Receipts</i>					
Rates from ratepayers	55,640	55,900	260	0	
User charges and reimbursements	12,332	11,019	(1,313)	(11)	1
Grants for operations	29,952	20,434	(9,518)	(32)	2
Interest	1,078	973	(105)	(10)	
Other income	1,110	4,127	3,017	272	3
	<u>100,112</u>	<u>92,453</u>	<u>(7,659)</u>	<u>(8)</u>	
<i>Payments</i>					
Payments to employees	(38,710)	(38,882)	(172)	0	
Payment to suppliers	(34,035)	(35,648)	(1,613)	5	
	<u>(72,745)</u>	<u>(74,530)</u>	<u>(1,785)</u>	<u>2</u>	
Net cash provided by operating activities	27,367	17,923	(9,444)	(35)	
Cash inflows / (outflows) from investing activities					
Proceeds from sale of property, infrastructure, plant and equipment	680	1,036	356	52	4
Payments for property, infrastructure, plant and equipment	(38,556)	(22,896)	15,660	(41)	5
Proceeds from Financial Assets	-	3,497	3,497	100	6
Movement in Trust Funds	-	(775)	(775)	100	7
Net cash used in investing activities	(37,876)	(19,138)	18,738	100	
Cash inflows / (outflows) from financing activities					
Finance Costs	(1,564)	(1,435)	129	(8)	
Proceeds from borrowings	2,000	1,000	(1,000)	(50)	8
Loan borrowing repayments	(1,648)	(1,969)	(321)	19	9
Net cash used in / (provided by) financing activities	(1,212)	(2,404)	(1,192)	98	
Net increase / (decrease) in cash held for year	(11,721)	(3,619)	8,102	(69)	
Cash at beginning of financial year	13,835	22,992	9,157	66	
Cash at end of financial year	2,114	19,373	17,259	816	

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 2014

Ref	Item	Explanation
1	User charges and reimbursements	Predominantly due to a private works contracts being down on budget estimates.
2	Grants for operations	Capital grants are below budget due to the Disaster Relief and the Mildura Riverfront Precinct Redevelopment funding not being received in this financial year.
3	Other income	Includes items such as GST receipts which are difficult to predict.
4	Proceeds from sale of property, infrastructure, plant and equipment	Council takes a conservative approach to budgeting for sale of asset as this figure tends to fluctuate from year to year.
5	Payments for property, infrastructure, plant and equipment	Plant and equipment expenditure is below budget due to works on the Mildura Riverfront Precinct Redevelopment now due in the 2014/15 financial year.
6	Proceeds from Financial Assets	Movement in financial assets is due to the change in cash deposit held for greater than 90 days to shorter term deposits of less than 90 days.
7	Movement in Trust Funds	Variance due to council not budgeting for this item due to its unpredictability.
8	Proceeds from borrowings	Proposed land acquisition yet to be finalised so borrowings will be used in the 2014/15 financial year.
9	Loan borrowing repayments	Below budget due to borrowings not going ahead due to delay in acquisition of land.

MILDURA RURAL CITY COUNCIL
STANDARD STATEMENT OF CAPITAL WORKS
For the Year Ending June 2014

Capital Works Area	Budget 2013/2014	Actuals 2013/2014	Variances		Ref
	\$'000	\$'000	\$'000	%	
Roads	8,328	9,554	1,226	15	1
Drainage	2,886	651	(2,235)	(77)	2
Parks and Recreational Facilities	4,458	1,771	(2,687)	(60)	3
Airport Development Works	-	-	-	-	
Other Outdoor Infrastructure	383	303	(80)	(21)	
Community Facilities	3,090	2,386	(704)	(23)	4
Plant and Office Equipment	3,904	4,127	223	6	
Other Programs	364	297	(67)	(18)	
Waste Management	947	267	(680)	(72)	5
Non-drainage DCP projects	-	-	-	-	
Major Projects	12,688	2,845	(9,843)	(78)	6
Sustainable initiatives	1,308	537	(771)	(59)	7
Asset Assessment	200	102	(98)	(49)	
Intangible Assets	-	56	56	100	
Total Capital Works	38,556	22,896	(15,660)		

Represented by:

Capital Renewal	14,948	14,750	(198)	(1)	
Capital Upgrade	9,268	3,994	(5,274)	(57)	8
Capital Expansion	14,340	4,096	(10,244)	(71)	9
Intangible Assets	-	56	56	100	
Total Capital Works	38,556	22,896	(15,660)		

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	38,556	22,840	(15,716)	(41)	10
Contributed infrastructure	-	175	175	100	
Asset revaluation increments (decrements)	5,000	5,741	741	15	11
Depreciation and amortisation	(15,050)	(16,117)	(1,067)	7	
Gross W.D.V. of assets sold	(442)	(3,801)	(3,359)	760	12
Transfer from provision	-	2,114	2,114	100	13
Net movement in property, plant and equipment, infrastructure	28,064	10,952	(17,112)		

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 2014

Ref	Item	Explanation
1	Roads	Variance resulted from additional road rehabilitation works due to natural disaster road recovery.
2	Drainage	Variance due to projects budgeted over two years starting late in the financial year and the delay in land acquisition.
3	Parks and Recreational Facilities	Due to the non purchase of land acquisition and unsuccessful grant funding.
4	Community Facilities	Variance due to investigation and design's of projects for completion in new financial year.
5	Waste Management	Delayed investigation and design of two projects to be completed in new financial year.
6	Major Projects	Anticipated completion of Mildura Riverfront Precinct Redevelopment now to be completed over several financial years.
7	Sustainable initiatives	Variance due to a project plan delayed by funding approval and 3 projects to be completed in the new financial year.
8	Capital Upgrade	Predominantly due to the delay in works on the Mildura Riverfront Precinct Redevelopment now due to be completed in the 2014/15 financial year.
9	Capital Expansion	Predominantly due to the delay in works on the Mildura Riverfront Precinct Redevelopment now due to be completed in the 2014/15 financial year.
10	Total capital works	Plant and equipment expenditure is below budget due to works on the Mildura Riverfront Precinct Redevelopment now due to be completed in the 2014/15 financial year.
11	Asset revaluation increments (decrements)	Council takes a conservative approach to budgeting for revaluation increments as this fluctuates from year to year.
12	Gross W.D.V. of assets sold	This includes the accounting disposal of infrastructure assets. For budgetary purposes the budget is set only for the actual sales of plant and equipment.
13	Transfer from provision	Due to the recognition of rural landfill rehabilitation works.

**MILDURA RURAL CITY COUNCIL
STANDARD STATEMENTS
For the Year Ending June 2014**

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 or a dollar variance of \$250,000.

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 the 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 2014**

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 2014**

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 : 25 September 2014
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.

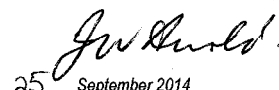
We have been authorised by the Council on 25 September 2014 to certify the standard statements in their final form.

Cr Glenn Milne
Councillor



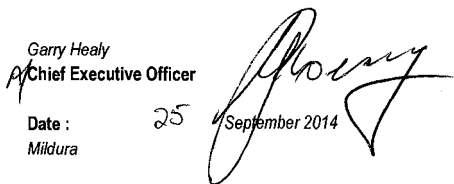
Date : 25 September 2014
Mildura

Cr John Arnold
Councillor



Date : 25 September 2014
Mildura

Garry Healy
Chief Executive Officer



Date : 25 September 2014
Mildura

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Mildura Rural City Council

The Financial Report and Standard Statements

The accompanying financial report for the year ended 30 June 2014 of the Mildura Rural City Council which comprises consolidated and Council 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 accompanying standard statements for the year ended 30 June 2014 of 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 Councillors' Responsibility for the Financial Report and Standard Statements

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

- the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*
- 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 Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report and standard statements 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 financial report and standard statements 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 financial report and standard statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report and standard statements. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report and standard statements, 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 financial report and standard statements 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 financial report and standard statements.

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 financial report presents fairly, in all material respects, the financial position of the Mildura Rural City Council as at 30 June 2014 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*
- (b) 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*.

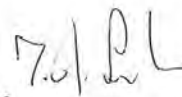
Basis of Accounting for Standard Statements

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 Financial Report and Standard Statements

This auditor's report relates to the financial report and standard statements of the Mildura Rural City Council for the year ended 30 June 2014 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 financial report and standard statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and standard statements to confirm the information contained in the website version of the financial report and standard statements.

MELBOURNE
26 September 2014


Dr Peter Frost
Acting Auditor-General

Performance Statement for Year ended 30 June 2014

Mildura Rural City Council Performance Statement for the Year Ended 30th June 2014

Notes to the Performance Statement for the year ended 30th June 2014

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 2013-2014 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 2014

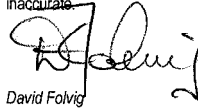
Key Strategic Activity	Performance Measure	Performance Target	Met/Not Met	Progress/Status Comments
Community				
Review Road Safety Strategic Plan	Strategy adopted by Council	30-Jun-14	Not Met	Review to be finalised in 2014/15.
Develop Municipal Public Health and Well-being Plan	Strategy adopted by Council	30-Sep-13	Met	Municipal Public Health and Wellbeing Plan 2013-2017 adopted by Council 26 September 2013.
Implementation of Healthy Together Mildura initiative	Percentage of medium to large workplaces registered with Victorian Prevention and Health Promotion Achievement Program (VPHAP)	50%	Not Met	As at 26 June 2014, 9 large and 17 medium businesses have registered to the Achievement Program.
	Percentage of schools and early childhood settings registered with Victorian Prevention and Health Promotion Achievement Program (VPHAP)	100%	Not Met	As at 26 June 2014, 28 (85%) schools and 22 (96%) Early Childhood settings have registered to the Achievement Program.
Review Early Years Plan	Strategy adopted by Council	30-Jun-14	Not Met	Review commenced. To be completed in 2014/15.
Review Library Service Strategic Plan	Strategy adopted by Council	31-Dec-13	Not Met	Library Service Strategic Plan 2013-2018 was adopted by Council 22 May 2014.
Develop Business Case for Indoor Sports Stadium	Business Case presented to Council	31-Dec-13	Not Met	Business Case presented to Council Forum April 2014.
Review Public Open Space Strategy	Strategy adopted by Council	31-Mar-14	Not Met	Not yet commenced. Review to be completed in 2014/15.
Complete technical review of aquatic facilities	Technical assessment presented to Council	30-Sep-13	Not Met	Technical assessment presented to Council forum April 2014.
Environment				
Develop Litter Strategy	Strategy adopted by Council	30-Sep-13	Not Met	Draft Litter Strategy developed. To be adopted by Council in 2014/15.
Develop Mildura Housing and Settlement Strategy	Strategy adopted by Council	30-Jun-14	Met	Mildura Housing and Settlement Strategy adopted by Council 13 December 2013.
Economy				
Develop Events Strategic Plan	Strategy adopted by Council	31-Mar-14	Not Met	Draft strategy developed. To be adopted by Council in 2014/15.
Develop Visitor Information Strategy	Strategy adopted by Council	30-Sep-13	Not Met	Visitor Information Strategy adopted by Council 24 October 2013.
Council				
Develop Advocacy Plan	Advocacy Plan developed	31-Dec-13	Met	Advocacy Plan 2013/16 developed.
	Community Satisfaction with Advocacy	≥ 55	Not Met	Community Satisfaction score for Advocacy in 2014 was 54.
Develop Community Engagement Strategy	Strategy adopted by Council	30-Jun-14	Not Met	Draft strategy developed. To be adopted in 2014/15.
Implement the external customer satisfaction survey program	External customer survey program commenced with benchmarks set for relevant services	30-Jun-14	Not Met	Program to commence in 2014/15.
Review differential rates	Review presented to Council	30-Nov-13	Not Met	Rating strategy adopted by Council 13 May 2014.
Complete annual internal audit program	100% of audits completed and reported to the Internal Audit Committee	30-Jun-14	Not Met	100% of audits conducted. Outcomes from one audit to be reported to internal audit committee in 2014/15.

Certification of the Performance Statement

In our opinion the accompanying performance statements of the Mildura Rural City Council in respect of 2013-2014 financial year is presented fairly in accordance with the *Local Government Act 1989*.

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 2013-2014 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 Folvig
Principal Accounting Officer

Date : 25 September 2014
Mildura

We have been authorised by the Council on 25 September 2014 to certify the performance statement in their final form on behalf of the Council.

Cr Glenn Milne
Councillor



Date : 25 September 2014
Mildura

Cr John Arnold
Councillor



Date : 25 September 2014
Mildura

Garry Healy
Chief Executive Officer



Date : 25 September 2014
Mildura

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Mildura Rural City Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2014 of the Mildura Rural City Council which comprises the statement, the related notes and the certification of performance statement has 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.

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.

Independent Auditor's Report (continued)

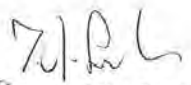
Auditor's Opinion

In my opinion, the performance statement of the Mildura Rural City Council in respect of the 30 June 2014 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 2014 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
26 September 2014


Dr Peter Frost
Acting Auditor-General